

NEEDHAM COMMUNITY DEVELOPMENT PLAN

View of Needham Depot from Chapel St.

NEEDHAM COMMUNITY HOUSING PLAN



Needham Comprehensive Community Housing Study Committee

February 7, 2004

NEEDHAM COMMUNITY HOUSING PLAN

A component of the Housing Element of the NEEDHAM COMMUNITY DEVELOPMENT PLAN

Prepared by the
Needham Comprehensive Community Housing Study Committee

Margaret Murphy, Citizen Representative and Chair CCHSC
Bruce T. Eisenhut, Planning Board
Devra Bailin, Planning Board
Bill Tedoldi, Board of Appeals
Jerry Wasserman, Board of Selectmen
Chris Miara, Needham Housing Authority
Cynthia Howe, Needham Housing Authority
Lynda Coburn, Board of Health
Richard Weitzen, Park and Recreation
Vivian McIver, Council on Aging
Hallie Pinta, Citizen Representative
Susan Abbott, Citizen Representative
Rev. John Buehrens, First Parish Unitarian-Universalist

Technical support provided by:
Lee Newman, Planning Director and Sandrine Strasser, Assistant Planning Director.
Karen A. Sunnarborg and Philip B. Herr, Consultants

Study funding provided by the EO 418 Community Development Plan program
Directed by the Massachusetts Interagency Working Group (IAWG):

- Executive Office of Environmental Affairs
- Department of Housing and Community Development
- Department of Economic Development
- Executive Office of Transportation and Construction.

Contract administered by the Metropolitan Area Planning Commission (MAPC)

CONTENTS

Introduction	1
Background	1
Vision, Goals and Objectives	9
Strategic Plan and Approach	10
Initial Implementing Actions	10
Other Potential Implementation Actions	16
Housing Plan Action Impacts	19
Housing Suitability Map	23

NEEDHAM COMMUNITY HOUSING PLAN

INTRODUCTION

In the fall of 2002 the Needham Selectmen created the Comprehensive Community Housing Study Committee, made up of both town officials and at-large members. The Committee was asked to coordinate, research and make recommendations to the Town about ways of maintaining and increasing housing options for individuals and families with low and moderate incomes and, more particularly, to make recommendations which will have the effect of:

- increasing the amount of housing for low- and moderate-income residents to 10%, the goal set by state law;
- increasing the housing options for moderate-income residents, including those who live in or work for the Town of Needham, so that they can remain in Town; and
- building housing that remains affordable in perpetuity, as part of an overall plan for responsible land use and open space preservation, and in keeping with the character of the Town.

With assistance from Needham's Planning Department and consultants provided through the Executive Order 418 Community Development Plan program, the Committee undertook a vigorous program of studies and public workshops covering more than a year. This document outlines a strategic plan covering vision and goals and the critical early steps in achieving the objectives set in the initial charge to the Committee. *The accompanying Needham Housing Resource Report* provides both supporting data and analyses and expanded descriptions of action steps, and also outlines some of the critical planning choices to be made in the longer run.

BACKGROUND

The Context for Housing

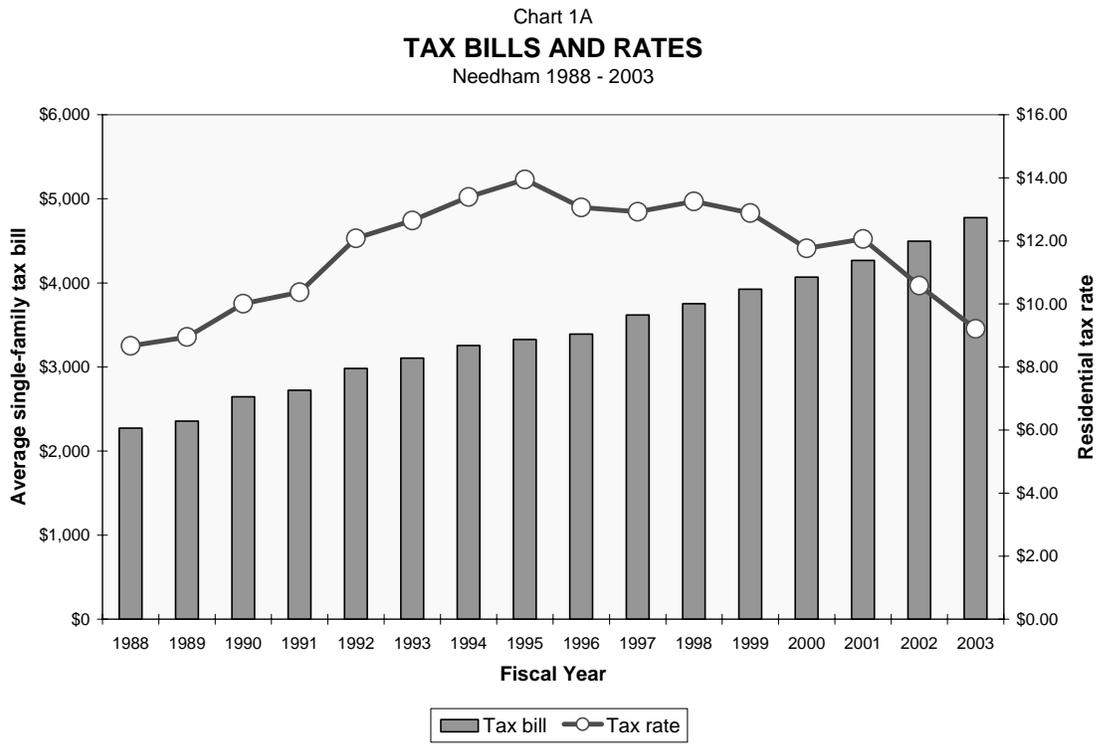
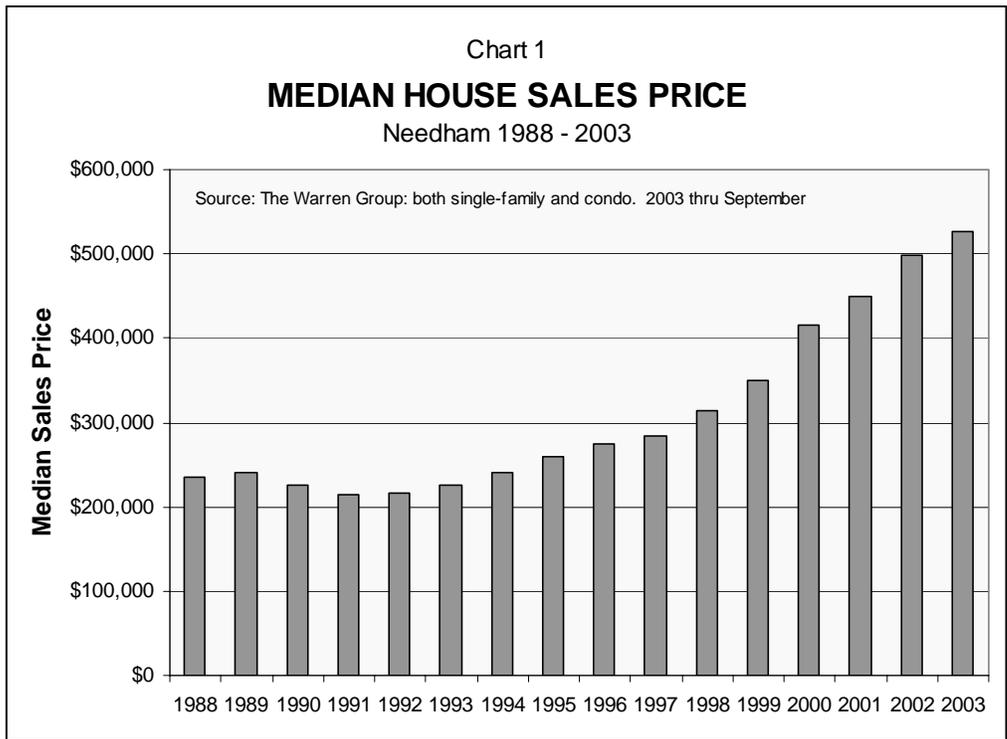
Needham residents have the good fortune to live in an enviable community made up of richly diverse environments ranging from a compact town center well served with public transportation, to outlying areas having well-assured rural character, complemented by a variety of smaller centers and residential neighborhoods. It is supported by a substantial and well-planned business base. Town government, like virtually all others in Massachusetts, is currently under severe fiscal pressure, but the level of services it strains to maintain is one that many communities would envy. Despite all that, however, the Town faces some very real problems that need to be addressed, and housing is one of them. Acting on housing is made urgent by powerful changes in both regional and local housing markets, and by the new saliency of the State's Chapter 40B regulations coupled with diminishing state and federal resources to help in addressing those market-driven needs.

The escalation in housing prices that has recently been experienced (Chart 1) is extraordinary. The median price for houses and condos in Needham doubled in just the past eight years. That problem is not often felt by those who have lived here through the whole of that period, but it is a severe problem for any seeking to own or rent a home here for the first time, including the children of current residents. Despite Needham's residential property tax rates being substantially lower than a decade ago, even some long-term residents are being hurt by the reflection of housing market inflation in their tax bills (see Chart 1A). Since 1995 the Needham residential tax rate per \$1,000 of property has been pushed down by more than a third, essentially because of Prop 2 ½. The average single-family house tax BILL, despite that, rose by nearly 50% over that same period.

Chapter 40B, the "Comprehensive Permit" law, has taken on new saliency because of the growing frequency of its use as a result of conditions within this region. That law allows developers to ignore local regulations in developing housing so long as some part of what they develop is categorized as "affordable" and so long as less than 10% of the Town's housing is "counted" as being affordable. For developments under 40B all of the careful planning and zoning that the Town has done becomes virtually irrelevant, and final decision-making on those projects is effectively relocated from the Town to a state agency. The law and its administration fail to adequately reflect local circumstances, such as the small amount of land for development in Needham or the exceptional gap in cost per unit between market and "affordable" prices here or the ineligibility of the Town for major sources of housing aid available in larger communities. It is a "one size fits all" regulatory effort to solve a problem whose solution will require much more than regulatory efforts.

The threat of uncertainty which the Chapter 40B law raises as now constituted and administered gives urgency to addressing housing proactively rather than reactively. However, the resources with which to do so have been shrinking as both federal and state housing programs are cut back year after year. Addressing housing needs with local tax revenues is severely constrained by shrinking local aid to localities and by Proposition 2 ½, which continues to constrain growth in the tax levy to less than the annual rate of inflation.

Reforms are being actively discussed State-wide, and perhaps helpful change will occur. For example, the Massachusetts Commonwealth Housing Task Force proposes both regulatory change and increases in State aid tied to housing-supportive actions. The General Court's Joint Committee on Development and Housing proposes major reforms to Chapter 40B, many of which would serve Needham's circumstances well. However, for our current planning, 40B in its present form and secular declines in housing aid are the context within which Needham must plan, while advocating change for the better at regional and State levels.



Here, then, is the circumstance from which this Plan begins. Although the physical condition of Needham's housing is generally sound, there are many other housing needs within the Town. The young adult children of Needham families typically find it impossible to afford housing here. Many households, especially those having fixed incomes such as those in retirement, find that remaining here imposes increasingly unbearable cost burdens. Mobility within Needham is limited: "empty nesters," even those with good incomes, find more compact housing a choice that is largely unavailable at any cost. Hanging over it all is the virtual mandate from Chapter 40B and the Commonwealth stating that at least 10% of all housing should be subsidized and controlled to remain affordable, regardless of market change. Fewer than 4% of Needham's housing units meet that definition, leaving the Town with a "gap" of about 700 housing units below the State standard. Until that gap is completely closed or until sufficiently rapid progress towards closing it has been committed and is being accomplished, there remains a threat that local planning and zoning will be bypassed by disruptive development.

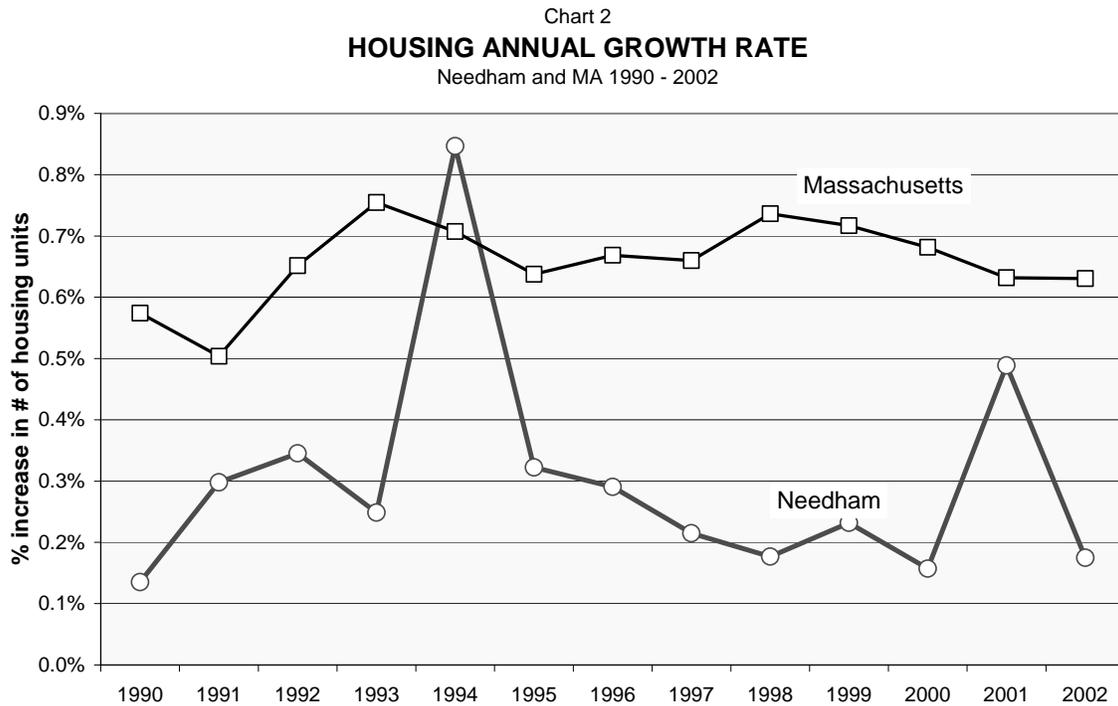
Meeting that gap is frustrated by the very qualities that make Needham such a special community. Land resources for housing development are very limited. Build-out projections indicate capacity under zoning for only about 600 housing units in addition to the 11,000 now existing. Even if every one of those potential new units were counted as "affordable" the 40B gap, which is now 700 units but growing as the total housing inventory grows, would not be fully closed. Bringing affordability to existing units is made daunting by the difference between Needham's extraordinary market values, currently over \$500,000 per unit, and the highest 40B-counted "affordable" price, set based on the regional income median, and now a little more than \$200,000, not enough to buy a lot, let alone build a house. Federal and state resources for housing production are shrinking at the same time that local discretionary spending is becoming virtually impossible. To make it worse, because of Needham's development history and current affluence, this town is not entitled to the CDBG and other governmental funds commonly available in larger or older municipalities to address housing issues and to support the technical expertise essential to making affordability happen in a difficult context.

The Town's housing circumstance is made even more difficult as a result of location in eastern Massachusetts. Largely as a result of housing supply not keeping pace with growth in households within the region, there is a region-wide price escalation similar to if not as severe as that experienced in Needham. Demand for housing resources at anywhere near affordable costs is tremendous, so that efforts to serve local needs is inevitably colored by competition within the region for the resources with which to meet those needs, and with the reality that population mobility will inevitably mean that housing action in any one community will be serving not only local but also virtually insatiable regional demands.

Housing Inventory

The 2000 US Census counted 10,846 housing units in Needham. Three quarters of them, 8,333 units, were single-family, while 2,513 units were in two-family, multifamily, or similar structures. The Town's various master plan studies dating back to 1960 have called for a carefully-controlled amount of multi-family development to complement the basically single-

family fabric of the Town, and that is what has occurred¹. Consistent with that, owners lived in



81% of all occupied housing units in 2000.

The rate of housing production in Needham has consistently been only a small fraction of the Statewide rate (see Chart 2), which itself has been inadequate to avoid State-wide housing cost escalation. The inventory of housing in Needham was already expensive in 2000, both for rental and for owner-occupied units (see Charts 3 and 4). At that time there were essentially no owner-occupied units valued (as reported by their owners) at less than \$200,000 in Needham, although a third of the region’s owner-occupied housing was below that value. On the other hand, a third of all the rental units in the town cost more than \$1,500 per month, quadruple the regional share.

One key aspect of the Town’s inventory of housing is the share of units considered “affordable” or “subsidized” for purposes of Chapter 40B. About 3.7% of Needham’s housing is so-classified by DHCD. Three-quarters of those 414 units are under the management of the Needham Housing Authority, the rest being in five private developments. Nearly all of the units are for rental, only a handful being condos. While Needham’s share of units counted as affordable is small in relation to the State-set 10% affordability policy and regulatory target, it is substantially higher than in Wayland or Belmont, and similar to that in Wellesley, Arlington, Dedham and Natick, though much lower than in Westwood and Lexington (see charts 5 and 6).

¹ John T. Blackwell, *Needham Town Plan Study Report*, 1960; Shurcliff and Merrill, *Master Plan for the Town of Needham Massachusetts*, 1966; Philip B. Herr & Associates, *Planning Studies*, 1983.

Chart 4
GROSS RENT COST
 Needham & Boston Region, 2000

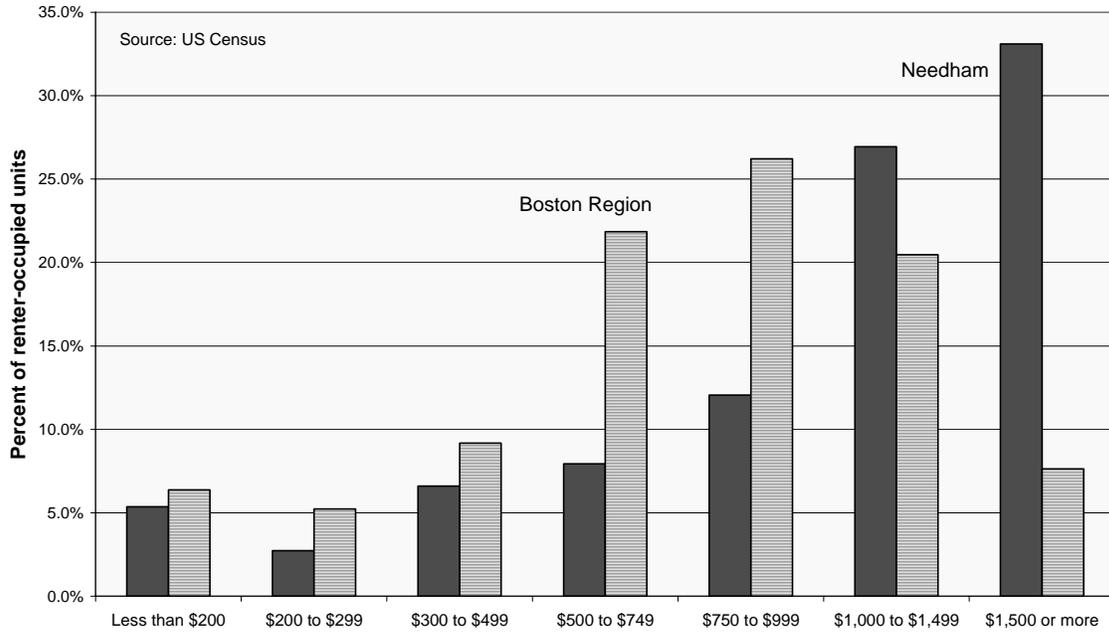


Chart 3
OWNER-OCCUPIED HOUSE VALUE
 Needham & Boston Region, 2000

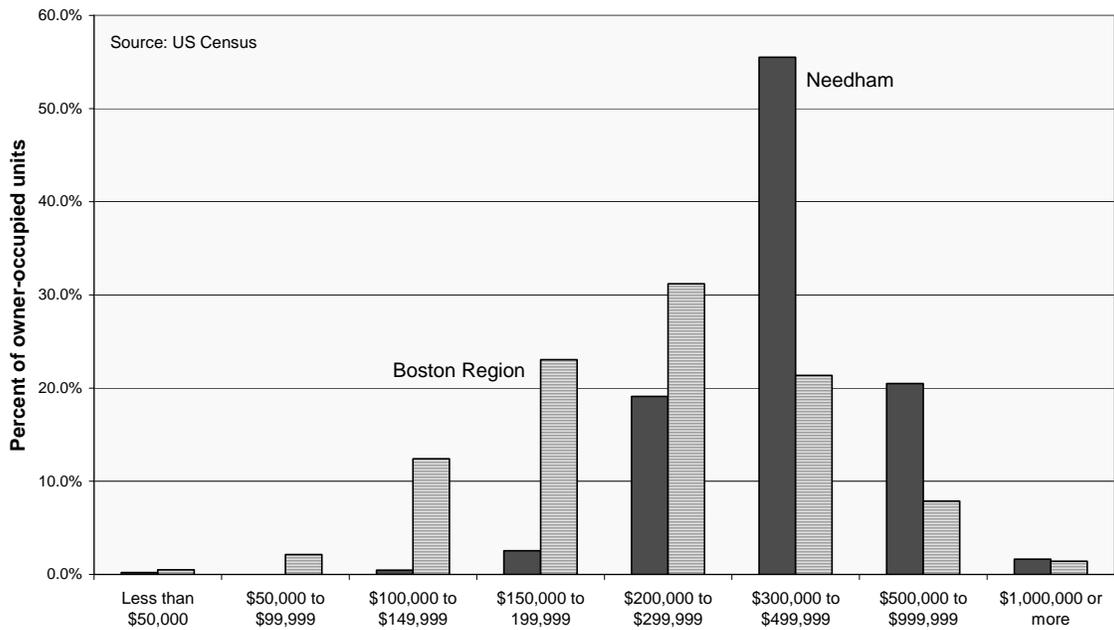


Chart 5
% 40B HOUSING
 July, 2003

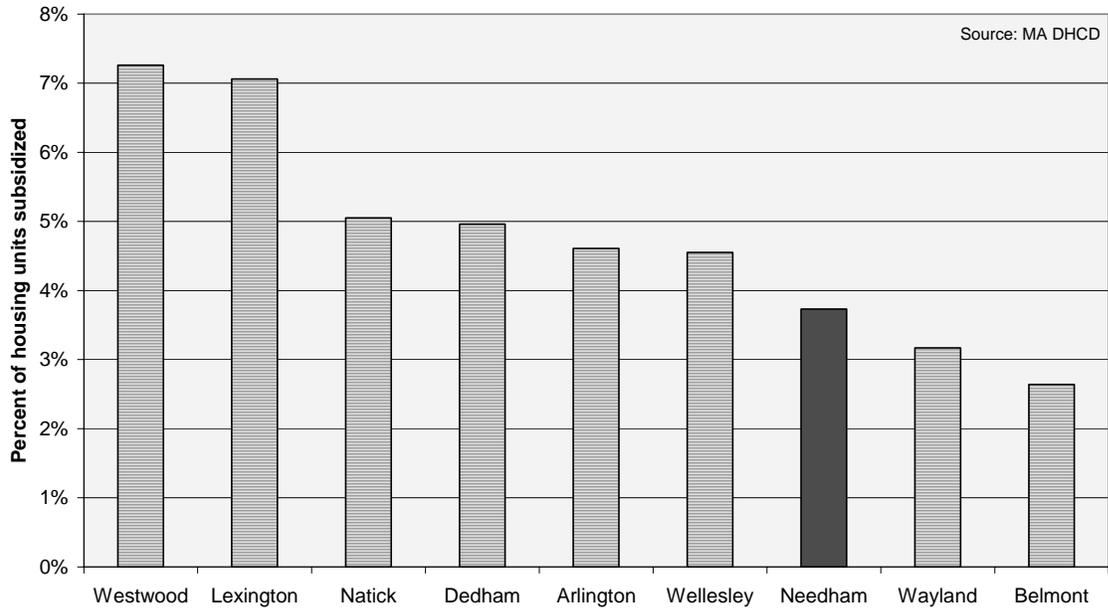
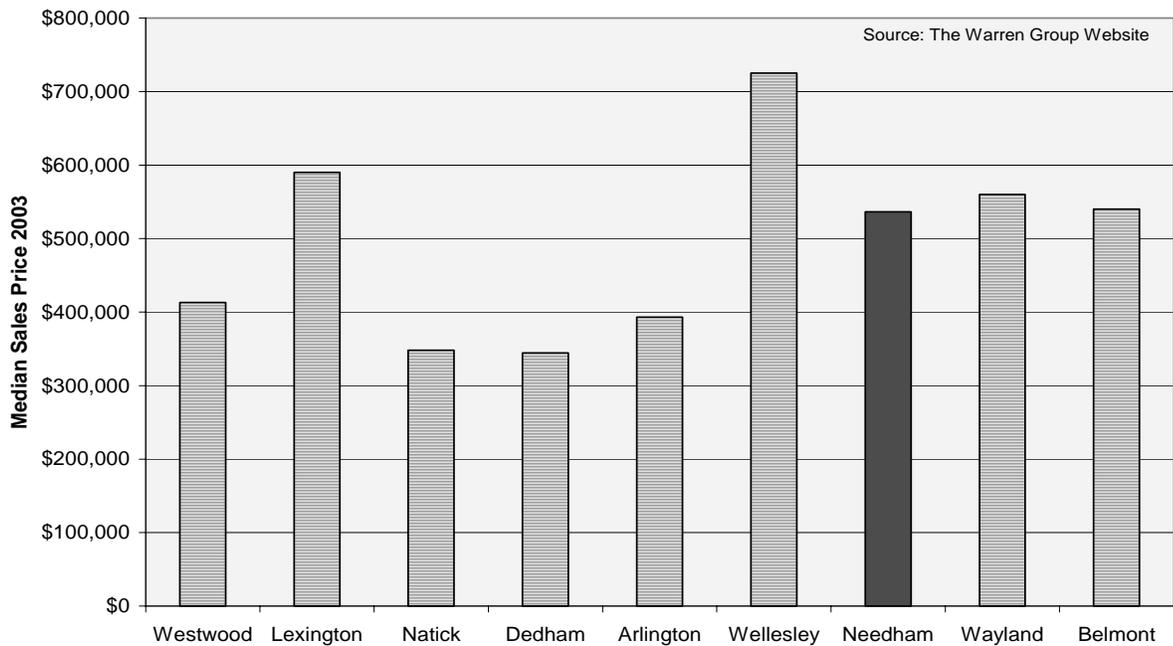


Chart 6
DWELLING MEDIAN SALES PRICE
 January - July, 2003



Housing Needs and Gaps

There are many ways of defining housing needs and the related gaps in housing supply. The differences aren't between "right" and "wrong" but simply differences of perspective.

- About 40 of the applicants on the Housing Authority's waiting list, many of them Needham residents, have requested "emergency priority" because of being homeless, about to be homeless, or living in an unsafe situation. These cases are of undeniably severe need.
- The Housing Authority waiting list persistently contains about 500 applicants waiting for the Authority's 316 units. About 10% of the applicants are Needham residents.
- 15% of Needham homeowners pay more than 35% of their income on housing costs, even though their mortgage costs commonly reflect home purchases when prices were relatively low. Reductions in State and federal aid to localities exacerbates the housing problem, adding to the housing cost burden through local tax rates that must be higher than would be necessary had the historical level of local aid been maintained.
- About 40% of all renters in Needham pay more than 35% of their income on rent. A large share of those not so heavily burdened live in Needham's subsidized housing.
- Persons with disabilities are especially hard hit, since those disabilities often are income-limiting, and somehow the disabled must also gain supportive services. The numbers are substantial: in 2000 nearly 500 Needham workers had disabilities likely to need supportive services. Another 1,400 seniors reported disabilities.
- Excessive cost burdens are most common among the elderly. Three-quarters of Needham elders having incomes below 30% of the regional median spend more than half their incomes on housing.
- Cost burdens are also differentially felt by young adults trying to buy first homes without having the benefit of capital appreciation others can bring from earlier home ownership. Needham's young adult population of about 3,500 people aged 20-34 is barely half the number there would be at the regional average share of population. A substantial share of the 3,500 young adults "expected" but not living in Needham represents a real need for housing that such people can afford and will want.
- A simple indicator of need and of a gap is the disparity between the goal of 10% of housing to be subsidized per Massachusetts 40B formula and the 3.7% that is so subsidized. Meeting that 10% rule by adding 700 subsidized units would, if carefully fitted to the Town's evolving needs, be adequate to address many of the most urgent needs cited, but would still not stretch far enough to serve many Needham households income-qualified for housing subsidies and paying an unusual share of income for housing. However, by indirect influence on the housing supply/demand relationship those 700 units would also indirectly serve the needs of the much larger numbers represented in those paying an unusual share of income on housing, and those such as

starter households who although not income qualified for subsidized housing are still unable to compete for housing in the Needham market.

VISION, GOALS AND OBJECTIVES

Strategies and actions need to be guided by a vision of what we are striving for. Our vision includes both the Town and its regional and State-wide setting, since they are fundamentally interdependent. In that vision of a perfect outcome the regional context would be highly supportive:

- Eastern Massachusetts housing production would have climbed to essentially meet growing demand, roughly doubling to match the rate of growth in demand.
- Towns, regions, and the state would be working together towards housing accomplishments through building an understanding of shared interests and community, and using assistance and incentives rather than regulations and punishments as means of guiding actions.
- Inter-municipal cooperation would have steadily grown, including cooperation in the provision of housing suited to community needs and differences.

Needham's own goals, regardless of whether that regional vision is or is not achieved, should appropriately reflect Needham's own local vision, and can't simply assume that the visionary context will in fact be realized. Accordingly, four goals for this housing plan stand out.

- An overarching goal is to build a stronger and deeper community. The ways in which housing efforts are carried out can help in achieving that, bringing the community together in addressing a widely shared concern.
- A related goal is to remain a community having a broad socio-economic diversity shaped less by economic imperatives than by individual choices about the living environment that individuals choose. Achieving that goal entails meeting housing needs across the full range of incomes, promoting the diversity and stability of individuals and families living in Needham.
- A widely expressed goal is to have this community able to shape its own housing future, doing so with sensitivity to larger-than-local considerations but without loss of the Town's ability to guide development outcomes. A key objective in seeking to assure local control is to meet the subsidized housing standard set by Chapter 40B and its related regulations, which currently calls for 10% of all housing to benefit through long-term subsidies.
- A related goal is to have assurance that new housing is appropriate to its location and context. Achieving that is made easier by achieving the above goals, but it also requires

more than that, including sensitively designed regulation and cooperative development and decision processes.

STRATEGIC PLAN AND APPROACH

Given the context, needs, vision and goals as described, the shape of our strategy for addressing housing involves these elements.

- It is critical to lead with planning, and to execute that planning as a mutual education process, with those undertaking it both educating the rest of the community and the rest of the community educating those doing the planning. No subject received broader support in the workshops that led to this plan than did planning and education.
- Housing efforts should proceed under a broadly shared consensus, understanding that the consensus may well move over time, as early actions provide learning on which later ones can build. Accordingly, we should act concretely first where agreement already exists, and should allow the products of that agreement to inform the next steps: learning by doing.
- In a time of highly stressed fiscal capacity it is important to skillfully reach out beyond Town resources for the means of accomplishing housing change. That means working with private interests in shaping regulatory improvements to facilitate accomplishment of housing goals equitably but with minimal public investment, and working with them in many non-regulatory ways as partners in community development.
- Needham Center provides a great opportunity for demonstrating the potential for integrating housing in a business area and near transportation. Accomplishing that has high priority.
- We should make achievement of housing goals a part of the ongoing day-to-day operation of the town and its government, not just a one-time extraordinary effort.

INITIAL IMPLEMENTING ACTIONS

Based upon the above strategy, the actions to be taken over the next five years might be considered under four broad categories: Planning, Regulation, Development, and Ongoing Efforts. Some actions possibly fit under two or more categories, but are placed into one just for convenience. At least some effort should be initiated on each of these actions almost immediately, in some cases leading to quick achievement. Other actions by their nature can be well-begun within the next five years, but may well take longer to complete. There are still further actions whose implementation deserves consideration during this initial period, and if it later proves appropriate, might be added to this initial action plan.

It does not appear likely that this set of actions alone would raise the level of subsidized housing to the 10% goal within these five years, especially if given continuation of the 40B law without change and continuation of current economic trends. However, these early actions still might in those few years achieve addition of as many 40B-counted units as have been created in the Town in the 34 years since that law was adopted. Furthermore, moving on these initial actions may well make feasible and supportable further potential actions. A sampling of possibilities for those is described in the later section “Further Potential Housing Implementation Actions.”

Note that the order of items within each category has no significance, either with respect to judged importance or with respect to priority for action.

(1) **Organization and Planning.**

- (a) Provide for coordination of housing plan implementation.

The actions required to achieve the objectives of this housing plan require efforts across a number of organizations and calls for a diversity of skills not now found in any one place. As the Town undertakes consideration of organizational change it is critical that ongoing coordination of efforts on housing plan implementation be provided for in a way that assures continuity of coordinated efforts.

Implementing party: Board of Selectmen

- (b) Pursue housing in the Town Center.

Providing housing in and around the Town Center can add 24-hour life and vitality to that area, and is a direction enjoying wide support. The challenge is to forge a collaborative effort among property owners, business managers, housing interests, and the municipality to make such development economically feasible and to assure its compatibility with supporting infrastructure, critically including parking and streets, as well as with the character and function of the area. A current MIT student study of the area provides a welcome point of beginning for the organizing and studies that must follow.

Lead party: Planning Board.

- (c) Provide inputs to those considering the Community Preservation Act.

Approval of the Community Preservation Act in Needham would provide as much as \$3 million per year in funding outside of the usual tax levy earmarked for housing, open space and recreation, and historic preservation. Those funds would be raised through a real estate tax surcharge, matched with State funds. Communities such as Lincoln, Bedford, and Newton have used those funds as a critical part of housing strategies. The major concerns in Needham over tax overrides for other purposes result in serious debate over the appropriateness of

adoption at this time. It is important that housing and planning groups provide the Selectmen's committee now studying that question with the best possible information regarding the experience of other communities in housing-related use of those funds and regarding the specific potentials for such use in Needham.

Lead party: Needham Opportunities, Inc., or a new organization to be created.

- (d) Develop guidelines for the housing that would be a community benefit.

Clarifying in advance what qualities the Town seeks in housing developments would help reduce the conflicts over individual affordable housing development proposals. What levels of affordability are sought, and how does that vary by location or density? What are the housing targets: elderly, starter households, big families, individuals? When is rental preferred over owner-occupancy, if ever? Does it matter if project-based contributions to housing wind up being located on sites separate from the market units? Some guidance already exists, such as in Zoning Section 6.6 and in MassHousing guidelines. Those need to be brought together and expanded upon in non-regulatory guidelines to provide all those contemplating housing action with LOCAL and current guidance on what is wanted, regardless of whether the action is zoning-controlled or not.

Lead party: Planning Board.

- (e) Explore criteria for waiver of application fees for affordable housing.

Waiver of application fees has proven to be a critical help in getting affordable housing efforts under way, both in Needham, where waivers have been granted on a case-by-case basis, and in other communities, so much so that such waivers are now a key to gaining funding from potentially supportive funding agencies who, in some cases, make such waivers a pre-requisite for assistance. Many complexities need to be studied: what might be entailed in annual costs, which categories of projects and applicants should be eligible, and to what extent are such waivers affordable in the Town's present fiscal condition.

Lead party: Board of Selectmen.

(2) **Regulation.**

- (a) Develop rules for inclusion of affordable housing in new development.

"Inclusionary zoning" obliges inclusion of some share of affordable units in any development to which it applies, typically those that are over some size threshold and require a special permit. The added cost of inclusion is normally offset by allowing the development a higher density. Without such zoning provision every new "conventional" development widens the Town's 40B gap.

Lead party: Planning Board.

- (b) Explore updating and refining antiquated multi-family zoning rules.

There is essentially no vacant developable land zoned for multi-family housing. Getting acceptance of rezoning to accommodate new multi-family development would be inhibited by the poor control provided by the current multi-family provisions. The apartment districts allow such housing by right, but lack sufficiently specific rules to give assurance that following rezoning the outcomes would be compatible with their contexts. Various business districts allow multi-family on special permit, but the density, yard, and parking rules combine to make it an unattractive option, evidenced by the near-complete lack of such development since the rules were framed. These requirements, inherited from an earlier era and neither attracting developer interest nor assuring an outcome compatible with 21st Century Needham, need reconsideration, perhaps replacement.

Lead party: Planning Board.

(3) **Development (See attached “Housing Suitability Map”)**

USING PUBLIC PROPERTIES TO SERVE HOUSING NEEDS

- (a) Provide for housing development on selected parcels of town-owned land.

Contribution or “bargain sale” of land owned by the Town but not essential for municipal purposes could have catalytic effect in launching housing efforts in the public interest. The Open Space Work Group recommendations regarding such sites, while making modest provisions for housing, should be actively pursued.

Lead party: Selectmen

- (b) Seek improvements and expansion of the Linden-Chambers development.

The 152 existing Housing Authority units for the elderly and disabled at Linden Street could potentially be improved and expanded by another 30 units.

Lead party: Needham Housing Authority.

- (c) Support efforts to complete funding for High Rock Estates expansion.

The Housing Authority is planning to increase the number of units in this development of 80 single-family units through replacement of 20 such units with 40 units in 20 two-family structures. Some funding is assured, more is needed.

Lead party: Needham Housing Authority.

- (d) Restructure the Stephen Palmer building.

Through redevelopment, the Stephen Palmer building plus additions to it might provide about 60 housing units for seniors, compared with 28 today. At least many of the units would be offered at “affordable” rents, expanding housing supply at a great location and assuring better utilization of the building and the site. Doing so is highly complex, but moving forward.

Lead party: Board of Selectmen.

SEEKING SUPPORTIVE USE OF PRIVATE RESOURCES

- (e) Save “expiring use” units.

About 80 currently “affordable” housing units in private developments are at risk of being opened to market rates because the restrictions that assure their affordability have either expired or are soon to expire. Working through how to retain affordability serves housing concerns with no new construction or disruption, but does require public initiative.

Lead party: Selectmen.

- (f) Support scattered-site affordable single and two-family developments.

Small-scale efforts towards housing affordability can occur with minimal disruption one site at a time using single or two-family structures and creative use of funding and development resources, typically but not necessarily within zoning limitations. Doing so can be facilitated through assistance by Town agencies.

Lead party: Needham Opportunities, Inc., or a new group to be created.

- (4) **Ongoing facilitation efforts.**

REACHING OUT AND MAKING CONNECTIONS TO SERVE HOUSING

- (a) Conduct educational programs.

Housing is a highly complex subject, so it is no surprise that there is great need for education directed at those seeking but not easily able to afford housing, to those whose actions powerfully impact housing, such as many town officials and some private organizations, including banks, and to the general public, whose support for housing efforts is vital.

Lead party: Needham Opportunities, Inc.

- (b) Work with banks towards a committed loan pool.

Supportive efforts by banks can be critical to affordable housing achievement, and two notable state programs now work through them: the “Soft-Second” mortgage program helping with home purchases by income-eligible applicants, and MassHousing’s “Take the T” home mortgage program giving favorable terms to committed rail commuters. By working with the banks serving Needham those and other supportive efforts can be made available.

Lead party: Housing Authority or Needham Opportunities, Inc.

- (c) Work with employers towards employer-assisted housing.

With housing prices making recruitment of workers harder, employer-provided housing assistance is becoming more common, with structured regional efforts already under way to facilitate that and a state-wide program recently proposed by the Governor. Local initiatives can greatly expand participation.

Lead party: Needham Opportunities, Inc., with support from the Selectmen.

- (d) Encourage private donations.

Contribution or “bargain sale” of real estate in order to promote housing affordability is becoming more common, and could become a part of the Needham land ethic, but it needs to be promoted, nurtured, and facilitated, for example, by arranging for the substantial federal and state tax benefit that can accrue to the benefactors.

Lead party: Board of Selectmen.

HELPING INDIVIDUALS TO GAIN BETTER HOUSING

- (e) Assure fair housing practices.

Fair housing concerns include but go beyond addressing discrimination based on ethnicity to also address, for example, possible discrimination against renters having small children, anecdotally common because of lead paint liability concerns. The Needham Human Rights Commission needs and deserves support in pursuing fairness.

Lead party: Human Rights Commission.

- (f) Help develop an Individual Development Account Program.

This program is one in which income-eligible renters can in effect have a “matched savings” account for eventual housing purchase through arrangements structured through housing authorities or non-profits.

Lead parties: Needham Housing Authority and Needham Opportunities, Inc.

EFFORTS AT THE STATE LEVEL

- (g) Reconcile DHCD “undercounting” of 40B units.

DHCD tracks the numbers regarding the number of 40B-counted units in each municipality. There is concern that there has been undercounting in the past, and revisions to 40B currently proposed would heighten the concern over accuracy. Local input to DHCD is welcomed and essential.

Lead party: Planning Board.

- (h) Advocate Needham’s housing interests and perspective at regional and state levels.

That which can, can not, or must be done with regard to housing needs is powerfully conditioned by legislation and actions at regional and state level. Needham’s singular circumstances need to be brought to the attention of those shaping those directive measures, such as revisions to Chapter 40B, “smart growth” legislation, and zoning reform.

Lead party: Board of Selectmen.

OTHER POTENTIAL HOUSING IMPLEMENTATION ACTIONS

The following have all been considered for inclusion in the Needham Housing Plan, but for one reason or another have not been included, some since financial circumstances appear to preclude them, some requiring further study before being proposed, even in concept, some because there is not now evidence of an adequate body of support (e.g. accessory apartments), and some simply because the need for prior actions does not permit them (e.g. expanding apartment districts, which depends upon revising multi-family rules).

(1) Regulatory actions

- (a) Authorize accessory apartments.

The potential contribution of accessory apartments towards improving the fit between existing housing and meeting housing needs appears to be substantial, suggesting at some point reconsidering the Town’s past rejection of zoning intended to legalize the common practice.

Lead party: Planning Board.

- (b) Expand apartment districts.

Once given more appropriate zoning text provisions for multi-family housing, it might become appropriate to reexamine the zoning map to see if some areas might be rezoned to allow such housing.

Lead party: Planning Board.

- (c) Authorize Conservation Developments.

“Conservation developments” are a 21st century method of achieving what cluster zoning promised but seldom delivered: coupling housing development with preservation of open space and other natural resources.

Lead party: Planning Board.

- (d) Explore transit area redevelopment and adaptive reuse.

Each of Needham’s rail stations presents a potential opportunity for mutually supportive transportation and development efforts serving housing needs. All might be considered, especially in light of new public programs in support of such efforts.

Lead party: Planning Board.

- (e) Explore small lot/small home zoning.

Some communities are having success with provisions that allow relatively small lots in designated areas, coupled with restrictions that assure that the houses built on those lots are also relatively small, making it likely that although the results are unlikely to be “affordable” in DHCD’s terms, the unit will still in an unrestricted market command lower prices than other new homes, serving needs of those unable to buy into the existing market but not eligible for subsidized housing.

Lead party: Planning Board.

- (f) Allow large dwelling multi-conversion.

Where a large older home exists on a large lot, adaptation of the existing structure for multiple units might be allowed so long as the number of units created is no greater than the number possible through demolition of the house and subdivision of the land. Allowing that requires a zoning amendment.

Lead party: Planning Board.

- (g) Special zoning for other town-supported developments.

In the same spirit as the above, the Town might provide special regulatory relief for those proposing affordable units. Town including Bourne, Sandwich, Dennis and Bellingham, among others, in various ways offer higher densities for developments that include affordable units.

Lead party: Planning Board.

(2) Other actions

- (a) “Buy-down” of existing units: ECHO housing, two-family affordable units, scattered site purchase-rehab.

There is a variety of programs that provide affordability through actions regarding existing dwelling units rather than new ones. They have the potential of being helpful, though given Needham’s elevated prices it is a challenge. Examples:

- ECHO: purchase of a restriction on housing occupied by an income-eligible senior household, providing public assurance that the house when resold will remain affordable and providing the residents with cash for rehab plus an annuity.
- Two-family buy-downs: purchase of two-family structures, renting or reselling one (or possibly both) of the units subject to a deed restriction assuring permanent affordability.
- Scattered-site purchase-rehab: similar efforts, except involving substantial rehabilitation of the units.

Lead party: Needham Opportunities, Inc.

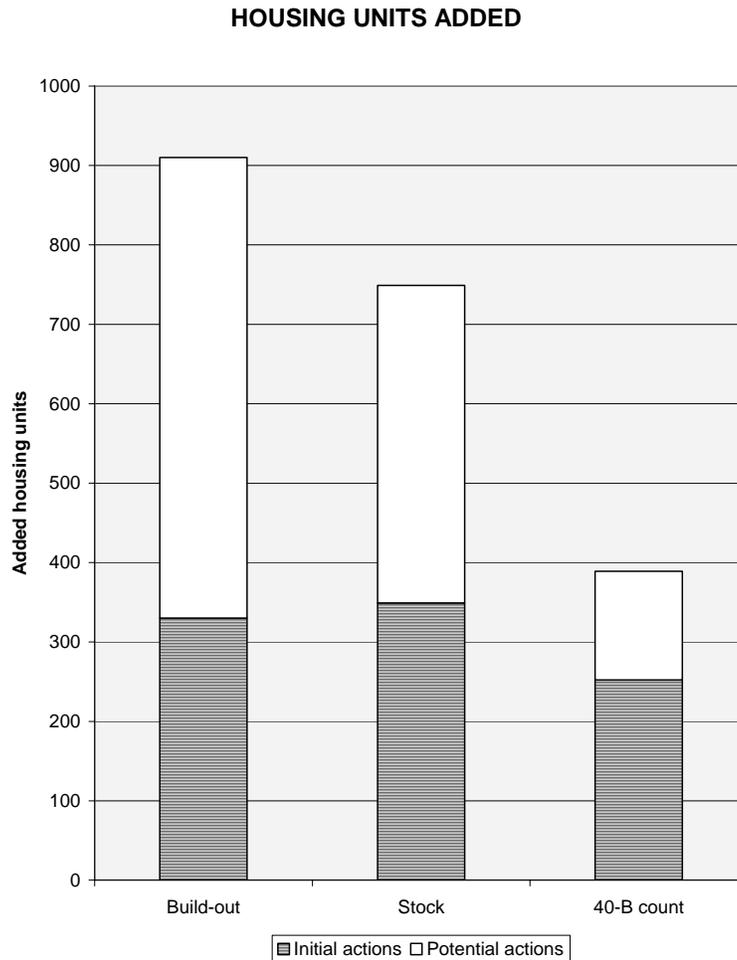
- (b) Rehab program for homeowners.

Even though housing conditions in Needham are seldom less than very good, some households do need housing rehab or adaptations for the handicapped but lack the resources. There are State programs to assist in such cases. A concerted effort should be made to make those programs easily accessible in Needham.

Lead party: Needham Opportunities, Inc.

HOUSING PLAN ACTION IMPACTS

The following chart and table summarize how these initial and potential actions might impact Needham’s build-out ceiling, the amount of housing in the Town after ten years, the Chapter 40B count, and what the costs might be for getting these efforts into place.



The first bar (and column a in the following table) indicates the “build-out” impact. The town is estimated to have land area and zoning that would allow 11,600 housing units to exist in Needham: the 11,000 units that currently exist plus about 600 additional units. However, changing zoning in the Town Center might make another 200 units possible, and another 50 could possibly result from the sale of Town-owned land, and another 50 from additional units within existing housing authority holdings. In all, more than 300 additional units might be made possible by the initial actions begin called for in the *Plan*, bringing the build-out total to about 12,000 units, only slightly more than the 11,600 total currently feasible under existing zoning.

The second bar (and column b) indicates the impact of the actions on the amount of housing actually existing in town after ten years. Over the next decade, not all of the

housing potential that might be created in the Town Center would be likely to be built out: perhaps 60 of the 200 potential units would actually be developed over that period. On the other hand, some actions, such as supporting scattered site infill, would be accommodated within the current build-out. Summing over the wide variety of actions to be taken, the increase in housing stock in the next decade attributable to the initial actions would be just about equal to the increase in the Town's build-out capacity, about 350 housing units, or 35 units per year in addition to those otherwise anticipated, a substantial impact in a Town where total new building per year seldom exceeds 30 housing units.

The third bar (and column c) demonstrates how the actions are estimated to impact the Town's Affordable Housing Inventory. Not all of the units resulting from the initial housing efforts will "count" under Chapter 40B, even under the revised counting rules that have been proposed at the State level. For example, we show only 10% of the new "downtown" units being counted as affordable, the rest being market-rate. On the other hand, inclusionary zoning provisions would result in making affordable some of the units that were going to be built anyhow, adding to the "affordable" count without adding to the increase in housing stock. Our best estimate is that about 250 housing units would be designated as "affordable" as a result of the initial housing actions proposed, which is a large increase above the 400+ such units that Town now has, but far short of the more than 700 additional housing units needed to be affordable to achieve 10% affordability at build-out. If the additional potential actions discussed but not at this time an official part of the *Housing Plan* are finally implemented, another 140 affordable units might be added, increasing the total number of additional affordable units to almost 400. This amount would still fall short of the 10% 40B housing goal by about 300 units unless significant reforms are passed at the state level to reduce the requirements under comprehensive permit regulations. To fill this gap, the Town would have to consider several more aggressive options such as:

- *Increasing the proportion of affordable units beyond the thresholds included in the Housing Plan under each action.* For example, the *Plan* currently estimates that 10% of the new units created in the Town Center are likely to be financed as affordable as well as 40% of the units created on Town-owned land.
- *Increasing the density of housing to accommodate greater numbers of units, including affordable units, on the same amount of land.* Revision of multi-family zoning rules and expansion of apartment districts are examples.
- *Entering into more positive negotiations with developers with intentions of incorporating affordable housing in their developments through the comprehensive permit process.* In doing so the Town could work towards guiding the new development to better serve the interests of the community and to incorporate greater numbers of affordable units, with likely Town support for seeking sources of subsidies to help finance an increased level of affordability.

Should it wish to consider more aggressive approaches to producing affordable housing, the Town should be aware of two state certifications that would enable the community to

ultimately assert greater local control over housing production and secure state subsidies for both affordable housing and other municipal purposes. First, the 2001 Executive Order 418 provides for, among other things, *Housing Certification* for communities that (1) have created an acceptable housing strategy quantifying housing objectives for low, moderate, and middle-income groups and (2) have made adequate progress towards those objectives with units actually produced at each of those income levels, which range up to more than \$100,000. Certification would give the Town a critical advantage in ‘Points’ for competing for discretionary funding, important not only for housing but for other purposes, such as open space, as well.

Second, the Town might seek certification for having met the requirements for *Planned Production*. In addition to requiring planning, this certification currently requires actually producing affordable housing at a rate of 3/4ths of a percent of the town’s total housing stock per year, which means more than 80 units per year in Needham. Amendments have been proposed to reduce that percentage to 1/2 percent per year, still double the number of units built per year in Needham at all price levels. Compliance with the *Planned Production* rules would allow the Town to deny 40B developments without developers being able to appeal for an override by the State. The two certifications are related. Gaining *Housing Certification* would facilitate meeting *Planned Production* standards by giving the Town an edge in seeking grant funding that is vital to producing affordable housing.

NEEDHAM HOUSING PLAN ACTION IMPACTS

9-Jan-04

- (a) Units added to build-out potential.
- (b) Added housing stock - dwelling units constructed minus units demolished.
- (c) Needham 40B units gained (relative to "no action") per 1/04 Chapter 40B rules.
- (d) Costs exclusive of development-based grants and loans.

Actions	Housing units added			(d) Process Costs
	(a) Build-out	(b) Stock	(c) 40B	

INITIAL ACTIONS

1	Organization and Planning				
	(a) Coordination of housing plan implementation	0	0	0	\$40,000 **
	(b) Pursue housing in Town Center	200	60	6	\$50,000 **
	(c) Provide input to those considering CPA	0	60	30	\$0
	(d) Develop Housing Guidelines	0	0	20	\$5,000 **
	(e) Explore waiver of application fees	0	0	0	\$2,000
2	Regulation				
	(a) Inclusionary zoning	0	0	15	\$5,000 **
	(b) Update and refine multi-family zoning rules	0	0	0	\$10,000 **
3	Development				
	Public properties to serve housing needs				
	(a) Provide development on Town-owned land	50	50	20	\$5,000 **
	(b) Expand Linden-Chambers	30	30	30	\$2,000 **
	(c) Expand High Rock Estates	20	20	20	\$2,000 **
	(d) Restructure Stephen Palmer Building*	30	30	30	\$10,000 **
	Supportive use of private resources				
	(e) Save "expiring use" units	0	0	10	\$10,000
	(f) Support scattered site development	0	60	30	\$5,000
4	Ongoing Facilitation Efforts				
	Reach out and make connections				
	(a) Conduct educational programs	0	0	0	\$5,000 **
	(b) Works with banks on a committed loan pool	0	15	15	\$5,000
	(c) Work towards employer-assisted housing	0	15	15	\$5,000
	(d) Encourage private donations	0	5	5	\$5,000
	Helping individuals gain better housing				
	(e) Assure Fair Housing practices	0	0	0	\$5,000
	(f) Help develop Individual Development Accts.	0	4	4	\$2,000
	Efforts at the state level				
	(g) Reconcile DHCD "undercounting" of 40B units	0	0	2	\$2,000
	(h) Advocate for Needham's housing interests	0	0	0	\$0
TOTAL INITIAL ACTION IMPACTS		330	349	252	\$175,000

* Units projections range from 15 to 60; 30 is an average target assuming 50% affordability.

** Plausible candidate for grant support.

Prod 2 PH

NEEDHAM HOUSING PLAN ACTION IMPACTS

9-Jan-04

- (a) Units added to build-out potential.
- (b) Added housing stock - dwelling units constructed minus units demolished.
- (c) Needham 40B units gained (relative to "no action") per 1/04 Chapter 40B rules.
- (d) Costs exclusive of development-based grants and loans.

Actions	Housing units added			(d) Process Costs
	(a) Build-out	(b) Stock	(c) 40B	

OTHER POTENTIAL ACTIONS

1	Regulatory Actions				
	(a) Authorize accessory apartments	200	100	20	\$5,000
	(b) Expand Apartment Districts	50	50	10	\$10,000
	(c) Authorize Conservation Developments	0	20	10	\$5,000
	(d) Explore transit area redevelopment	200	100	25	\$25,000
	(e) Explore small lot/small home zoning	80	40	5	\$5,000
	(f) Allow large dwelling multi-conversion	20	10	2	\$5,000
	(g) Special zoning for Town-supported dev.	30	20	5	\$5,000
2	Other Actions				
	(a) "Buy-down" of existing units				
	* ECHO housing	0	10	10	\$5,000
	* Two-family affordable units	0	10	10	\$5,000
	* Scattered-site purchase/rehab	0	30	30	\$5,000
	(b) Rehab program for income-eligible owners	0	10	10	\$5,000
	OTHER POTENTIAL ACTIONS IMPACTS	580	400	137	\$80,000
	GRAND TOTAL INITIAL + OTHER POTENTIAL	910	749	389	\$255,000

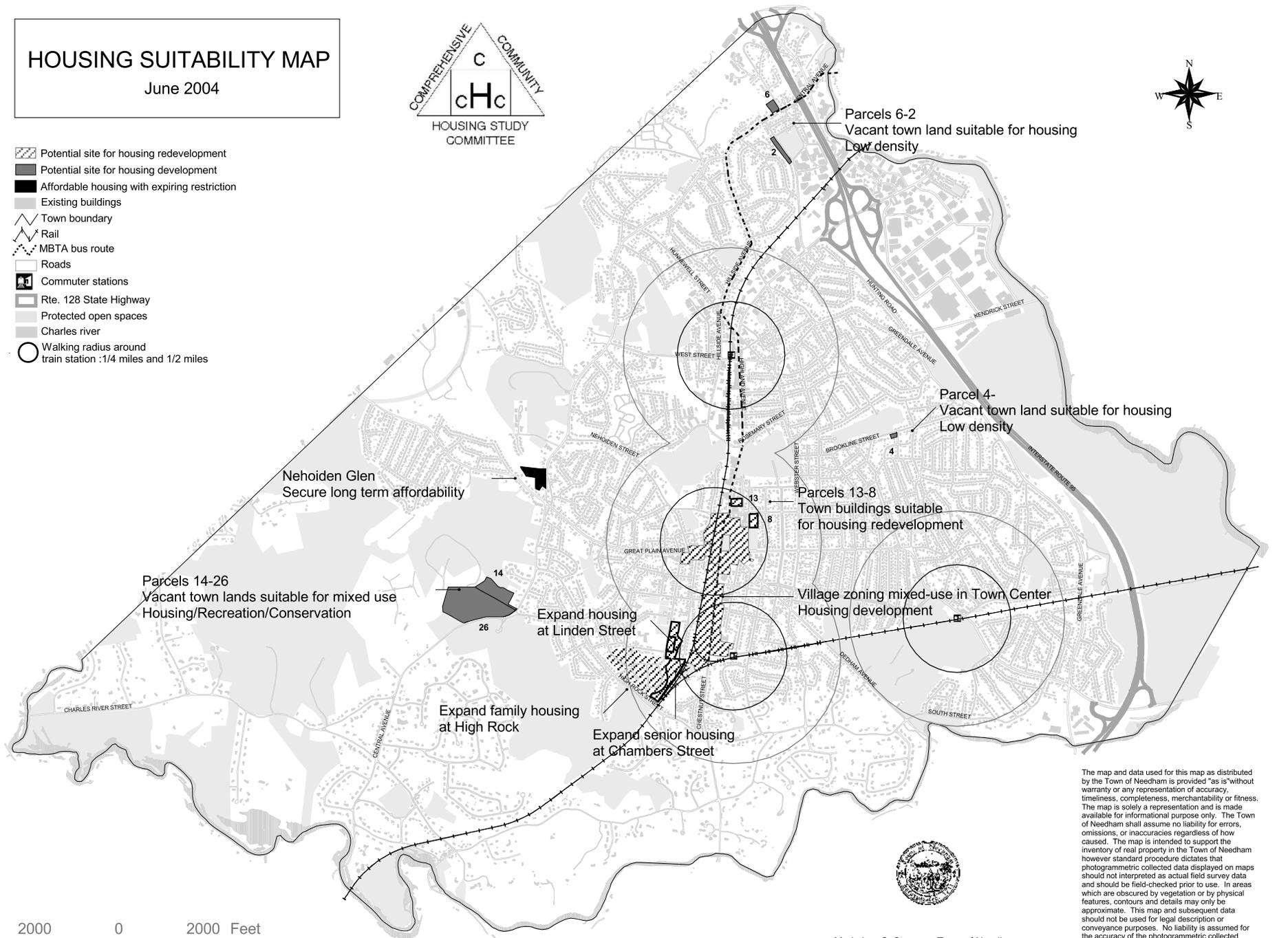
Prod 2 PH

HOUSING SUITABILITY MAP

June 2004



- Potential site for housing redevelopment
- Potential site for housing development
- Affordable housing with expiring restriction
- Existing buildings
- Town boundary
- Rail
- MBTA bus route
- Roads
- Commuter stations
- Rte. 128 State Highway
- Protected open spaces
- Charles river
- Walking radius around train station : 1/4 miles and 1/2 miles



The map and data used for this map as distributed by the Town of Needham is provided "as is" without warranty or any representation of accuracy, timeliness, completeness, merchantability or fitness. The map is solely a representation and is made available for informational purpose only. The Town of Needham shall assume no liability for errors, omissions, or inaccuracies regardless of how caused. The map is intended to support the inventory of real property in the Town of Needham however standard procedure dictates that photogrammetric collected data displayed on maps should not be interpreted as actual field survey data and should be field-checked prior to use. In areas which are obscured by vegetation or by physical features, contours and details may only be approximate. This map and subsequent data should not be used for legal description or conveyance purposes. No liability is assumed for the accuracy of the photogrammetric collected data displayed on this map, either expressed or implied. This map meets National Map Accuracy Standards for 1":40' maps with 2' contours.

Made by : S. Strasser, Town of Needham
Source : MASSGIS, Town of Needham