

Town of Hanson Housing Production Plan

March 2019

Prepared for:
Town of Hanson
Hanson Housing Authority

By:



Approved May 21, 2019
Hanson Board of Selectmen
Hanson Planning Board

Hanson Housing Production Plan

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BACKGROUND

The purposes of this Affordable Housing Plan are to increase Hanson's inventory of low- and moderate-income housing, address local and regional housing needs, and reduce barriers to housing production. Toward these ends, the plan is intended to help Hanson create more affordable housing on a gradual but steady basis, consistent with the state's housing plan regulations at 760 CMR 56.03(4).

Hanson has created some low- and moderate-income housing over time, but its location and housing market have not attracted much comprehensive permit activity.

Hanson's location near some of the South Shore's most rapidly growing towns could make it attractive to developers of market-rate and mixed-income housing. Hanson also has land and redevelopment opportunities, so it is poised to grow. Over time, Hanson has adopted very few of the regulatory tools that Massachusetts communities rely upon to promote housing diversity and affordability, yet in most cases, the affordable housing created in Hanson has relied upon Chapter 40B comprehensive permits - and they, in turn, have relied upon the strength of the regional housing market. However, the most pressing housing needs in Hanson and the surrounding towns will continue to defy market-based solutions. These needs include:

- Deeply subsidized rental units for low-income families: units rarely built under any form of regulatory relief except by public agencies and private non-profit housing development organizations.
- Subsidized and modestly priced studio apartments and single-room occupancy units for one-person households with low or moderate incomes.
- Deeply subsidized rental units for senior citizens in order to relieve some of the pressure on the Hanson Housing Authority's waiting list.
- Homeownership units for people in a somewhat lower income range than Chapter 40B or inclusionary zoning developments typically serve.

Fortunately, Hanson has adopted the Community Preservation Act (CPA), so it has access to a housing subsidy source that many Massachusetts cities and towns have not yet embraced. To invest its CPA funds wisely and leverage other funding sources, Hanson needs development capacity. The

existing capacity gap should be addressed by establishing a municipal housing trust and strong working partnerships with Housing Solutions for Southeastern Massachusetts (formerly South Shore Housing Development Corporation) and other non-profit housing development organizations in the Greater Boston area.

PLAN APPROVAL V. CERTIFICATION OF COMPLIANCE

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

DHCD approval is the first step in the process of "activating" a Housing Production Plan.

When DHCD receives this plan, it has 30 days to conduct a completeness review and notify the Town if the plan has any deficiencies. Once DHCD determines that the plan (as submitted or revised) meets the regulatory requirements for a Housing Production Plan (760 CMR 56.03(4)), it has 90 days to issue an approval letter.

Certification is the second step in the process of "activating" a Housing Production Plan. It means the Town has met the goals of this plan.

To qualify for the flexibility that a DHCD-approved Housing Production Plan offers, Hanson will need to create (through the issuance of permits and approvals) at least 18 new low- or moderate-income housing units (or an amount equal to or greater than the 0.50 percent production goal) in a given calendar year and obtain certification from DHCD that the Housing Production Plan standard had been met. The units may be entirely within one development or in separate developments, and while all must be approved in the same calendar year, they do not have to be approved on the same date. As soon as the minimum target is reached, the Board of Selectmen should provide DHCD with supporting evidence and request certification.

Requests for certification may be submitted at any time. DHCD will determine whether Hanson complies within 30 days of receipt of the Town's request. If DHCD finds that Hanson complies with the Housing Production Plan, the certification will be deemed effective on the date upon which Hanson created at least 18 new units on the SHI under 760 CMR 56.03(2). The certification will remain in effect for one year from its effective date. If DHCD finds that Hanson has increased its number of SHI

Eligible Housing units in a calendar year by at least 1 percent of its total housing units (36 units), the certification will remain in effect for two years from its effective date.

■ Certification really matters!

Certification allows the Zoning Board of Appeals to deny a comprehensive permit for 12 months (or 24 months, as applicable), or continue to approve projects based on merit. However, if the Board decides to deny a comprehensive permit or impose conditions during the Housing Plan certification period, it must do so according to the following procedures. 760 CMR 56.05(3) and 56.03(8):

- Within 15 days of opening the public hearing on a comprehensive permit application, the Board has to provide written notice to the applicant, with a copy to DHCD, that denying the permit or imposing conditions or requirements would be consistent with local needs, the grounds that it believes has been met (e.g., a Housing Plan certification is in effect), and the factual basis for that position, including supportive documentation.
- If the Applicant wishes to challenge the Board's assertion, it must do so by providing written notice to DHCD, with a copy to the Board, within 15 days of receiving the Board's notice, and include supportive documentation.
- DHCD will review the materials provided by the Board and the applicant and issue a decision within 30 days. The Board has the burden of proving that a denial or approval with conditions would be consistent with local needs, but any failure of DHCD to issue a timely decision constitutes a determination in favor of the Town.
- While this process is underway, it tolls the requirement to complete the public hearing and final action within 180 days.¹

Assuming DHCD agrees with the Board, a comprehensive permit approved with conditions or denied by the Board of Appeals would not be subject to reversal by the Housing Appeals Committee. Instead, the Board's decision would be deemed consistent with local needs under 760 CMR 56.03(1)(b).

¹ DHCD regulations cap the duration of a comprehensive permit hearing at 180 days unless the applicant agrees, in writing, to an extension.

■ When do affordable units “count”?

Units eligible for the Subsidized Housing Inventory (SHI) will be counted for the purpose of certification in accordance with 760 CMR 56.03(2), as follows:

(2) Subsidized Housing Inventory.

(a) The Department shall maintain the SHI to measure a municipality's stock of SHI Eligible Housing. The SHI is not limited to housing units developed through issuance of a Comprehensive Permit; it may also include SHI Eligible Housing units developed under G.L. Chapters 40A, 40R, and other statutes, regulations, and programs, so long as such units are subject to a Use Restriction and an Affirmative Fair Marketing Plan, and they satisfy the requirements of guidelines issued by the Department.

(b) Units shall be eligible to be counted on the SHI at the earliest of the following:

1. For units that require a Comprehensive Permit under M.G.L. c. 40B, § 20 through 23, or a zoning approval under M.G.L. c. 40A or completion of plan review under M.G.L. c. 40R, the date when:
 - a. the permit or approval is filed with the municipal clerk, notwithstanding any appeal by a party other than the Board, but subject to the time limit for counting such units set forth at 760 CMR 56.03(2)(c); or
 - b. on the date when the last appeal by the Board is fully resolved;
2. When the building permit for the unit is issued;
3. When the occupancy permit for the unit is issued; or
4. When the unit is occupied by an Income Eligible Household and all the conditions of 760 CMR 56.03(2)(b) have been met (if no Comprehensive Permit, zoning approval, building permit, or occupancy permit is required.)

COMPARISON GEOGRAPHY

The tables and charts in this plan present data for Hanson and one of more reference geographies. In most cases, the tables relate Hanson to the "South Subregion," i.e., a geography tailored to the plan's specific purposes. Where appropriate, larger areas within Massachusetts have

been included as well, notably the federally defined areas that constitute economic statistical regions and the boundaries of the region used to set household income limits for subsidized housing. Each region is defined below.

- **South Subregion.** The subregion consists of fourteen South Shore and Southeastern Massachusetts towns with overlapping commuting patterns, i.e., communities that house many people who commute to jobs in Hanson or where Hanson residents commute to work. These communities include, in addition to Hanson itself, the towns of East Bridgewater, Hanover, Pembroke, Rockland, and Whitman.
- **Boston-Cambridge-Newton MA-NH Metro Area (MA Only).** A subset of a larger metro area that spans two New England states, the Boston-Cambridge-Newton Metro Area-MA – simply called the Boston Metro Area in this plan – includes approximately 4.3 million people and 1.6 million households in an area generally bounded by I-495. It encompasses the labor market for the region’s major employers in Boston/Cambridge, Route 128, and Route 495. Since the federal government recently redefined the nation’s economic regions, the Boston Metro Area has been omitted from tables with historic population and demographic data.
- **Brockton MA HUD Metro Fair Market Rent Area (HMFA).** This federally defined area includes Brockton and 14 surrounding towns. The HMFA is used to establish the maximum allowable rents under the HUD Section 8 Existing Housing Program and the income limits for most housing assistance programs, including low- or moderate-income units in the Chapter 40B Subsidized Housing Inventory.

HOUSING NEEDS ASSESSMENT

KEY FINDINGS



Hanson is a relatively affordable town – relative to most of the South Shore, but its 10-year rate of growth in single-family sale prices is higher than that of all the surrounding towns.



Hanson seems to attract young families, which is good for community development and the vibrancy of a small town, yet Hanson has fewer families with school-age children than other South Subregion communities.



Hanson offers direct access to commuter rail service, enabling residents to reach large regional employment centers in Boston and Cambridge. Still, relatively few people in Hanson’s labor force travel to work by public transportation. Residents say they appreciate what they consider reasonable commutes to jobs in the immediate region. The trade-off for convenient subregional commuting is that overall, jobs in the Brockton labor market area tend to pay lower wages than similar jobs in Boston. There is a significant difference between the wages earned by Hanson residents who commute by public transportation and those who commute by car.



Hanson’s housing is overwhelmingly comprised of detached single-family homes, and this has had a noticeable impact on the make-up of Hanson households. The prevalence of single-family homes makes sense because Hanson is a small town with limited municipal infrastructure, and it seems that most people appreciate Hanson’s quiet suburban ambience. The down side is that Hanson’s lack of housing diversity means the Town has very few options for seniors, young people, and virtually anyone looking for small units or some type of managed housing.



Hanson has a very small inventory of affordable housing – defined here as housing eligible for listing in the Chapter 40B Subsidized Housing Inventory (SHI). Today, the town has only 157 SHI-eligible units, many of which are owned by the Hanson Housing Authority. Moreover, 31 of the existing SHI units are subject to “expiring use restrictions,” which means they can eventually become market-rate units.

People leave to downsize or “move up” to more valuable housing in communities like Hanover. The irony of housing in Hanson is that on one hand, the town has very few affordable units and on the other

hand, it is not a high-end community. Overall, Hanson’s housing supply is generally good quality and moderately priced, and this has some advantages and disadvantages for the Town. One reason Hanson has not attracted more interest from Chapter 40B developers is that its market-rate housing is not pricy enough to offset the loss of income to developers from the sale or rent of affordable units.

POPULATION CHARACTERISTICS

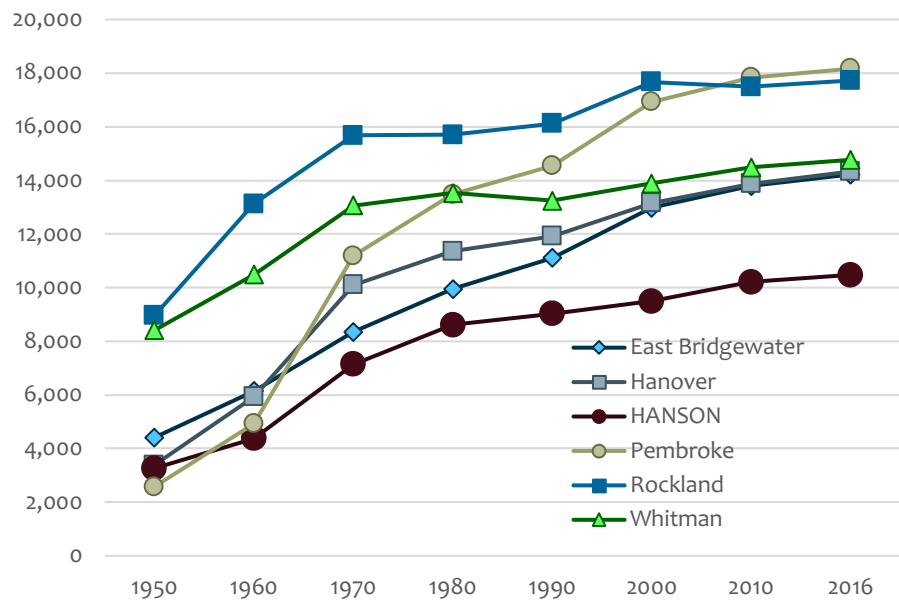
Hanson is a residential suburb eighteen miles south of Boston, bounded by the towns of Rockland, Hanover, Pembroke, Halifax, East Bridgewater, and Whitman. Incorporated in 1820 from land once associated with Pembroke, Hanson has a land use pattern composed of old and newer forms: a linear settlement along Route 27 in South Hanson, still-undeveloped tracts of agricultural and forested land, recent subdivisions, and some multifamily dwellings as well. As Hanson evolved during the twentieth century, the remnants of its rural-industrial origins gradually gave way to suburban residential development. Approximately 54 percent of the land in Hanson is currently developed, primarily for single-family homes.

Hanson has grown at an inconsistent pace, with intermittent spurts since World War II. Its peak growth era, 1960-1970, came later in the postwar cycle of high household formation rates and birth rates, but a similar trend occurred in many South Shore communities following completion of Route 24 in the 1950s and Route 3 in the early 1960s. A slowdown in housing demand triggered by the end of the Baby Boom brought some relief to most communities during the 1970s, yet while Hanson’s growth rate also dropped, the town gained households and population at an above-average rate for the state as a whole – as did some towns to the south, such as Kingston and Carver. When housing demand accelerated again in response to the Echo Boom, many towns on the lower South Shore and Cape Cod, and along I-495 absorbed most of the state’s new growth. Hanson is not a “high growth” community today, but it has land and other assets that make it an attractive town for housing development.

Since 2000, housing development has peaked and plummeted throughout the state. After a period of robust growth, the market softened as mortgage foreclosures increased nationwide. In the ensuing cycle of economic recession and unemployment, housing demand declined precipitously. These conditions, coupled with trends toward smaller households and fewer children per family, have contributed to lower-than-expected population growth in Hanson and other towns nearby. The Census Bureau reports that Hanson’s population increased 7.5 percent from 2000 to 2010.

Fig. 1. South Subregion Population Trends

(Source: ACS 2012-2016)



Hanson's current population density, 716 people per square mile (sq. mi.), falls well below the state average (869/sq. mi.) and that of Plymouth County (777/sq. mi.). Fig. 1 and Table 2.1 report population data for Hanson and its neighbors. To underscore the impact of highway access and infrastructure on growth and investment in communities, in 1950 Hanson and Hanover had very similar population counts and Pembroke was smaller than both; today, Hanover is larger than Hanson and Pembroke is significantly larger.

Table 2.1. South Subregion Population Trends, Postwar - Present

Community	Actual Decennial Census Counts							Est.
	1950	1960	1970	1980	1990	2000	2010	2016
Brockton	62,860	72,813	89,040	95,172	92,788	94,304	93,810	95,630
East Bridgewater	4,412	6,139	8,347	9,945	11,104	12,974	13,794	14,452
Hanover	3,389	5,923	10,107	11,358	11,912	13,164	13,879	14,485
HANSON	3,264	4,370	7,148	8,617	9,028	9,495	10,209	10,758
Pembroke	2,579	4,919	11,193	13,487	14,544	16,927	17,837	18,358
Rockland	8,960	13,119	15,674	15,695	16,123	17,670	17,489	17,861
Whitman	8,413	10,485	13,059	13,534	13,240	13,882	14,489	14,919

Source: University of Massachusetts Donohue Institute, Massachusetts State Data Center.

Population age

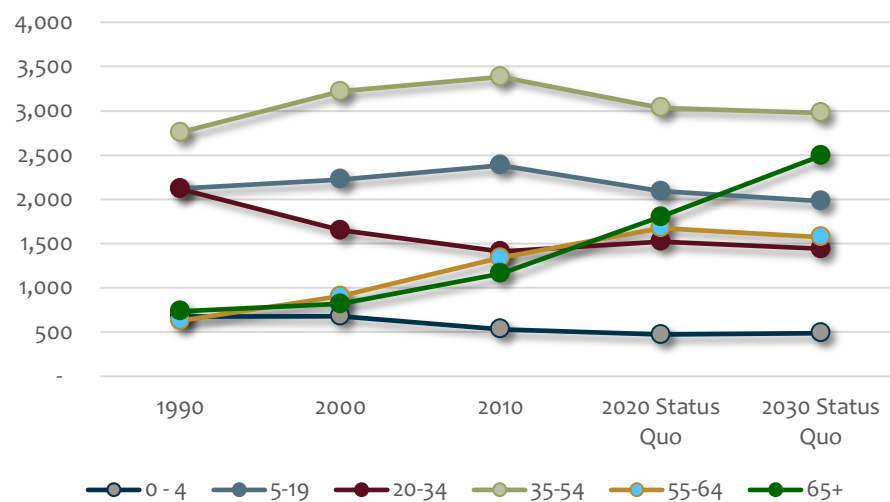
MAPC's projections may indicate needs for more senior housing, yet in Hanson, the needs seem to have more to do with options than affordability per se.

Compared to surrounding towns and the state, Hanson has a somewhat larger population of residents in the 35-54 and 55-64 age cohorts. The Metropolitan Area Planning Council (MAPC) has developed population projections for all of Eastern Massachusetts. MAPC's predicts that the latter cohort will continue to grow significantly through 2030, as will the 65+ population for Hanson (Fig. 2) and all the surrounding towns.

MAPC's projections may indicate needs for more senior housing in the future, yet in Hanson, the needs seem to have more to do with options than affordability per se. Results from an October 2018 online housing needs survey show that Hanson has a significant number of long-term residents, with 48 percent of respondents indicating that they have lived in town either 20 or more years, or they have lived in Hanson their whole lives. Considering that 84 percent of respondents are over age 40, the survey suggests a clear indication that long-term residents expect to stay in town. Additionally, 65 percent of respondents said it is moderately, very, or extremely important to them to be able to stay in Hanson as they age. The overwhelming majority are satisfied with their homes, with 94 percent indicating that they consider their current home adequate for their household's needs.

**Fig. 2. Hanson Population by Age Cohort
Historic, Current, and Projected**

(Source: Metropolitan Area Planning Council
"Status Quo" assumes continuation of existing trends)



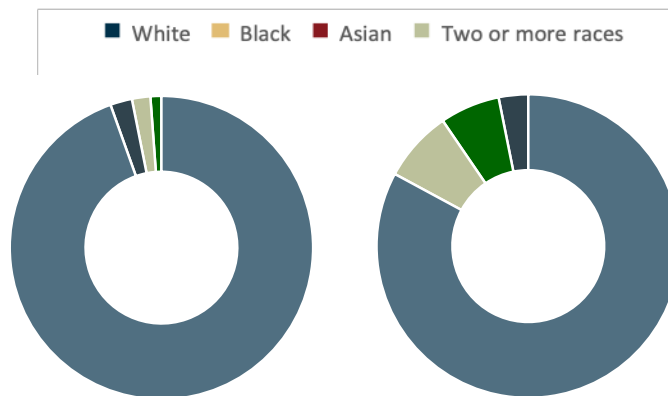
Hanson and neighboring towns all have a notably small population in the 20-34 age range, a cohort generally associated with household formation. MAPC's reported figures and future projections indicate that this age group has decreased overall since 1990 and will likely continue to do so

through 2030 in Hanson and the South Subregion as a whole. Fewer young families may be choosing or able to move into the area. The decrease is disproportionate to the anticipated total population growth, as is the relative stability of the school-age population.

■ Race and ethnicity

The racial demographics of Hanson and South Subregion towns are similar, but the area is far less diverse than Massachusetts as a whole. In Hanson, 94 percent of all residents are white, compared with 79 percent of Massachusetts residents. Additionally, Hanson's Latino population (2 percent) is similar to that of area towns but notably less than that of Massachusetts (11 percent). The lack of racial, ethnic, and cultural diversity in Hanson and so many suburbs on the South Shore is inextricably linked to the region's lack of housing diversity.

Figure 3. Population and Race: Hanson and Massachusetts



■ Employment

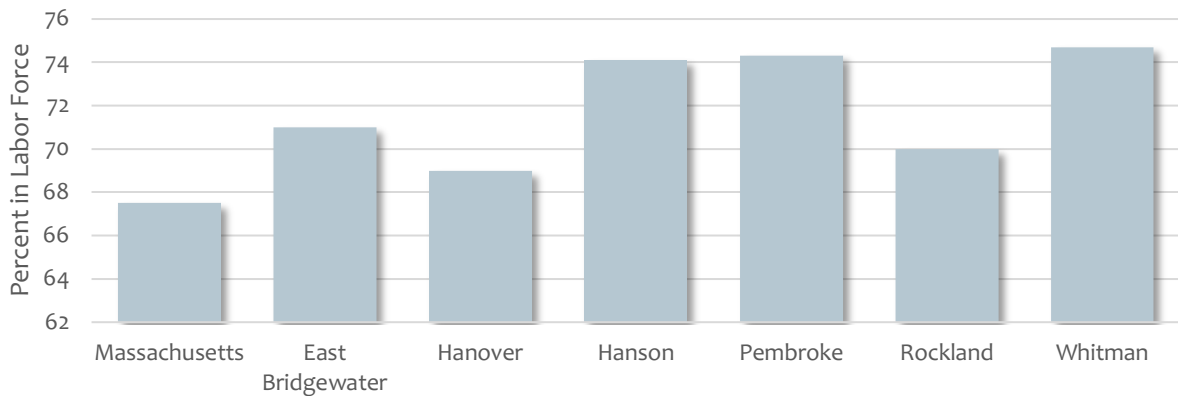
For any given city or town, the **unemployment rate** measures the number of residents in the labor force without a job and looking for work. For the past five years (2013-2017), Hanson's annual unemployment rate has been at or below the statewide rate. Within those five years, though, Hanson occasionally had a somewhat higher unemployment rate than the state, especially in the colder months.

Hanson's **labor force participation rate** (74 percent) is strong compared to Massachusetts (68 percent) and is just above the median rate for surrounding towns (73 percent). The labor force participation rate includes a community's employed residents and those without a job but actively looking for work. High labor force participation rates typically coincide

with towns with high homeownership rates, so Hanson's experience is not surprising.

**Fig. 4. 2016 Labor Force Participation Rate
Population 16 Years and Over**

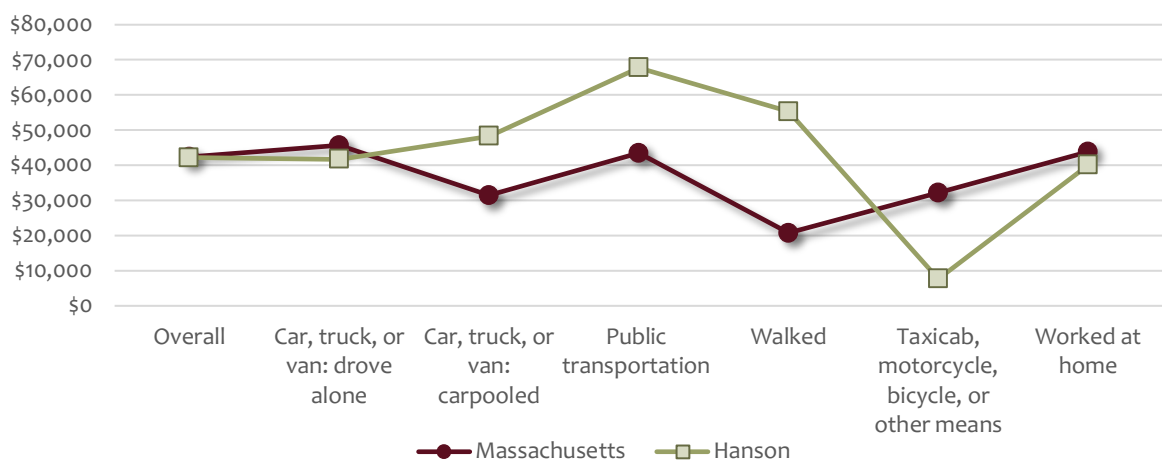
(Source: ACS)



The median earnings for employed residents of Hanson and the surrounding towns is more dramatically linked to means of transportation to work than it is for Massachusetts. For example, the use of public transportation in Hanson is associated with a 60 percent increase in median earnings versus a 3 percent increase statewide.

Fig. 5. Median Earnings in the Past 12 Months by Transportation to Work

(Source: ACS)



Education

According to the 2016 ACS, the number of residents earning a bachelor's degree (22.6 percent) is comparable to the subregion and to the state. However, the number of residents earning a master's degree (8 percent)

is lower than the Massachusetts rate of 12.7 percent, as is the number of residents earning a doctoral degree (Less than 1 percent versus the Massachusetts' rate of 2.6 percent).

In addition, the number of Hanson children grades K-12 attending a private school (5 percent) is lower than the subregional average (9 percent) as well as the Massachusetts rate (10.2 percent). Overall, the educational statistics for Hanson reinforce that the town is a community of modest, middle-income households.

HOUSEHOLD CHARACTERISTICS

Today, approximately 3,596 households live in Hanson. A **household** can be a single person living alone, a married couple, a family headed by a single parent, or unrelated people living together as a single housekeeping unit. By contrast, a **family** is a household of two or more people – usually but not always related. Given that Hanson is small and so much of its housing is comprised of detached single-family homes, it is no surprise to find that the vast majority of its households are families. In fact, Hanson has the largest percentage of family households – 80.2 percent – of all communities in the South Subregion.

Most families in Hanson consist of married couples, and most married couples do not have children under 18. This makes sense considering that older age cohorts are increasing while ages typically applicable to young families are decreasing in relation to general population growth.

Table 2.1. Families by Type and Presence of Dependent Children

	Married Couple	Unmarried Male Householder	Unmarried Female Householder
Total Families	2,293	164	422
% with children under 18	40%	26%	41%
% without children under 18	60%	74%	59%
Source: ACS 2012-2016.			

Hanson has very few unmarried partner households (4 percent), but the same can be said for most of the South Subregion towns except Rockland. An unmarried partner household is simply a family of unmarried people living together, whether of the opposite or same sex.

Sixteen percent of online survey respondents reported that they have other relatives such as grandparents, brother/sister, in-laws, and so forth living with them. According to the Census Bureau's American Community

Survey (ACS), the number of households with grandparents living with grandchildren is significantly lower than that (4.1 percent). This figure is still higher than the state's 3.2 percent rate of grandparents living with grandchildren. The survey responses coupled with ACS data indicate that there may be a need to loosen some of Hanson's strict regulations governing the creation of accessory apartments. For example, Hanson requires termination of an in-law apartment upon sale of the dwelling, and this may discourage families from investing in the creation of such a unit.²

The Governor's "Act to Promote Housing Choices" would make it easier for communities to modernize and simplify the procedures for accessory apartments.

Single people living alone is a household category with housing needs that can be difficult to measure. This is because people living alone by choice may have the means to afford the housing they occupy, but many single people live alone by chance, not choice, and affordability can be a much greater challenge for them. This group can include adults with disabilities, elderly men and women whose spouse has died, non-custodial parents of dependent children, people transitioning to independent living from homelessness, and others. They tend to be woefully underrepresented in community housing surveys and public forums for housing plans, so most of what can be said about their needs must come inferentially from government statistics.

■ Household income

Hanson's median household income (\$93,517) is 8 percent higher than the subregional average median income (\$86,950) and 32 percent higher than the median household income for the state (\$70,954). The federal Census Bureau uses the GINI index to illustrate the distribution of wealth in cities and towns and larger geographies as well. In the South Subregion, Hanson has the lowest GINI coefficient (.3407), which indicates that the income distribution of Hanson residents is closer to equal than in comparable communities, and it is significantly closer to equal than Massachusetts (.4826). This, again, reinforces that Hanson is a remarkably homogeneous community.

² Hanson Building Department. (2007). "What you need to know about: In-Law Additions." https://www.hanson-ma.gov/sites/hansonma/files/pages/in-law_brochure.pdf

HOUSING CHARACTERISTICS & TRENDS

Hanson has approximately 3,620 housing units today and a significantly higher homeownership rate than other South Subregion towns and the state (Fig. 7). It also has a higher percentage of detached single-family homes (85 percent) compared to the subregion (75 percent), and significantly more than the state (52 percent), as shown in Fig. 8. In turn, Hanson has very little large-scale multifamily housing and as a result, an extremely limited supply of rental units.

Fig. 7. Tenure

(Source: ACS)

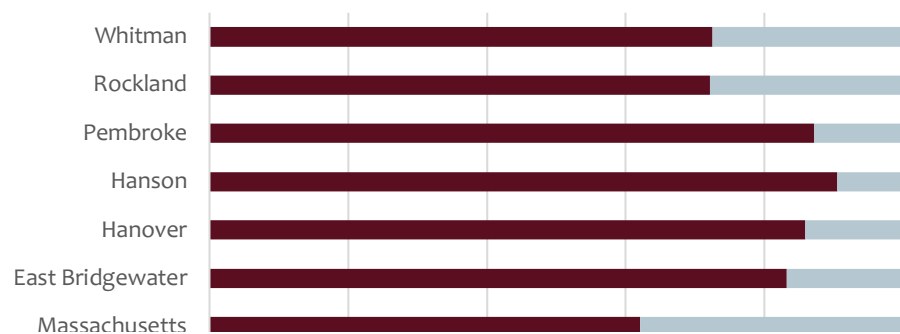
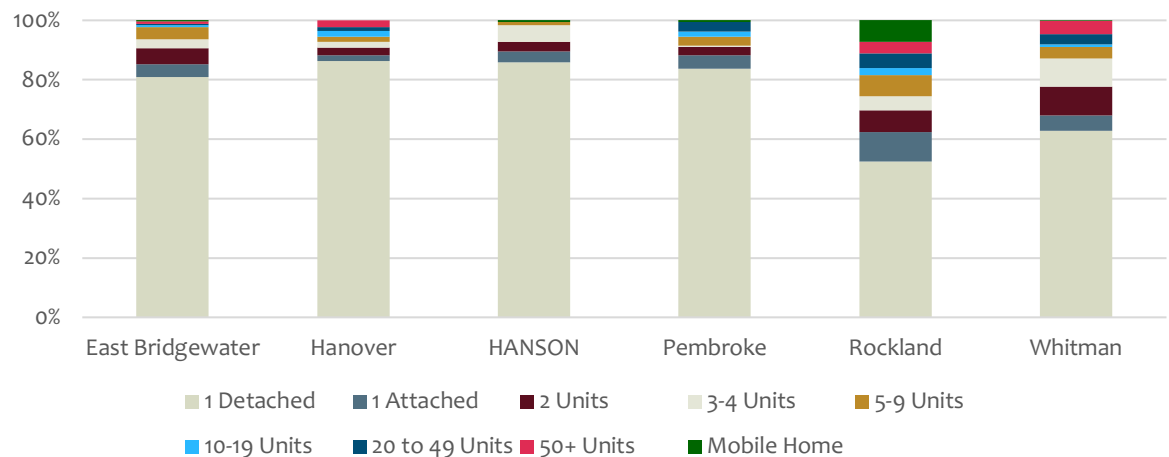


Fig. 8. Subregion Housing Inventory by Number of Units in Structures

(Source: ACS)



Age of housing

Hanson mirrors both the subregion and Massachusetts with regard to age of housing, for over half the existing inventory was built prior to 1960. The pace of new housing construction in Hanson is similar to the region as well, as shown in Table 2.2.

Table 2.2. Housing Age in Hanson and South Subregion

Geography	Total Units	Year Built						
		2010-16	2000-09	1990-99	1980-89	1970-79	1960-69	Pre-1960
Massachusetts	2,836,658	1.4%	7.4%	-7.5%	10.8%	11.7%	10.2%	66.0%
East Bridgewater	5,113	2.0%	12.1%	-8.3%	13.1%	15.8%	12.6%	52.8%
Hanover	5,061	2.1%	9.7%	-10.4%	12.9%	15.6%	21.4%	48.7%
HANSON	3,620	2.0%	8.3%	-11.2%	11.9%	15.5%	15.5%	58.0%
Pembroke	6,630	0.8%	12.7%	-10.6%	16.3%	14.0%	15.8%	51.1%
Rockland	7,263	0.4%	6.8%	-14.7%	10.4%	9.7%	12.3%	75.1%
Whitman	5,524	2.0%	7.4%	-6.2%	3.5%	11.1%	13.5%	68.7%

Source: ACS 2012-2016.

■ Housing values and sale prices

Housing in Hanson is generally of good quality, yet modest relative to the housing inventory of the South Shore and in some cases relative to its immediate neighbors. Hanson has not “McMansionized”, at least not yet, and while some residential demolitions likely occur here, Hanson does not have the kind of high-pressure market that triggers many teardown/rebuild projects. The owner-occupied housing values reported in Table 2.3 show that in general, homes in Hanson fall in the middle of the subregion.

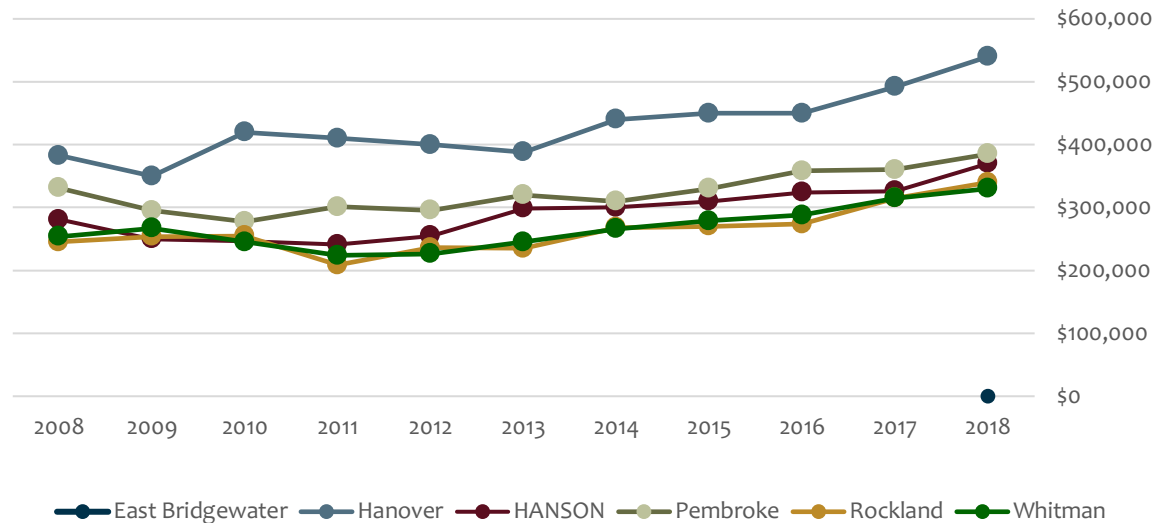
Table 2.3. Owner-Occupied Housing Values, Hanson and Subregion

Geography	Lower Quartile	Median	Upper Quartile
Massachusetts	\$232,200	\$341,000	\$489,600
East Bridgewater	\$241,900	\$305,500	\$375,300
Hanover	\$344,300	\$444,500	\$616,800
HANSON	\$263,600	\$335,300	\$393,400
Pembroke	\$278,600	\$358,100	\$456,800
Rockland	\$201,000	\$271,700	\$348,500
Whitman	\$236,600	\$282,900	\$354,800

Source: ACS 2012-2016.

Ten-year sale price trends paint a similar picture of Hanson as a community of modest, regionally affordable homes. It is important to note, however, that over the past decade, Hanson has experienced the highest rate of housing sale price growth.

Fig. 9. Trends in Single-Family Sale Prices
(Source: The Warren Group)



HOUSING AFFORDABILITY & HOUSING NEEDS

■ Housing cost burden

Growth in housing prices coupled with sluggish growth or an outright decline in incomes contributes to a housing affordability problem known as **housing cost burden**. The U.S. Department of Housing and Urban Development (HUD) defines housing cost burden as the condition in which low- or moderate-income households spend more than 30 percent of their gross income on housing. When low- or moderate-income households spend more than half of their monthly income on housing costs, they are said to be **severely housing cost burdened**. Housing cost burden is the key indicator of affordable housing need and one of the most important variables to account for in any plan to create decent, suitable housing for a community's population.

Table 2.4 provides federal estimates of the number and percentage of housing cost burdened households in Hanson. Overall, it indicates that the highest incidence of housing cost burden involves extremely low and low-income renters and very low-income homeowners.

Table 2.4. Estimated Number of Housing Cost Burdened Households in Hanson by Income Range

Income by Housing Problems	Housing Cost Burdened	Total in Income Group	Percent Cost Burdened	Percent Owners
Extremely Low Income	200	250	80.0%	40.0%
Very Low Income	210	230	91.3%	63.0%
Low Income	185	305	60.7%	47.5%
Total	595	785	75.8%	50.3%
Source: HUD CHAS Data.				

■ Affordability mismatch



Most towns have some modest, older single-family homes that are fairly affordable and apartments with low monthly rents. However, housing that is affordable due to its age, condition, limited amenities, or location is not necessarily occupied by low- or moderate-income people. The U.S. Department of Housing and Urban Development reports data for an affordable housing barrier known as **affordability mismatch**, or housing units that are affordable but unavailable to lower-income households because higher-income households already live in the units. Affordability mismatch measures:

- The number of housing units in a community with rents or home values affordable to people with very low incomes (at or below 30 percent AMI), low incomes (between 31 and 50 percent AMI), and moderate incomes (between 51 and 80 percent AMI);
- The number of households in each income tier;
- How many of those households live in units they can afford, and
- How many of the affordable units have a high probability of housing problems in addition to housing costs, e.g., substandard or otherwise inadequate housing.

According to a recent report from HUD:

Even with the supply of more expensive units growing, higher-income renters occupy a growing share—43 percent—of the most affordable units. Only 62 affordable units are available per 100 very low-income renters . . . only 66 affordable units exist for every 100 extremely low-income renters. The presence of higher-income renters in units that are affordable to extremely low-income renters worsens this shortage. Only 38 affordable units are available for occupancy for every 100 extremely low-income renters. A final blow is that a significant portion of the affordable and available stock is physically inadequate and may pose threats to occupants. Only one-half of affordable units, or 33 units, are both physically

adequate and available for occupancy for every 100 extremely low-income renters.³

Although Hanson does have some housing that is affordable to very-low, low-, and moderate-income households, most of the "affordable" units are lower-end market-rate units without any type of income eligibility restrictions. In fact, about half of the renter-occupied units and nearly 70 percent of the owner-occupied units that are technically "affordable" do not provide housing for low- or moderate-income people. As a result, Hanson's lower-income households have a very high incidence of housing cost burden. This is because an affordability mismatch prevents them from accessing existing units they could otherwise afford to purchase or rent.

The problem of affordability mismatch is more complicated than may be apparent in a simple comparison of affordable units with low- or moderate-income households. When a very-low-income tenant rents an apartment priced for moderate-income occupancy, the tenant will be housing cost burdened due to an affordability mismatch that occurs *within* the affordable housing inventory. This condition exists in Hanson and all of the surrounding towns.

■ Homeownership affordability

The ratio of home value to household income can be used to express a community's overall affordability, with a lower ratio indicating greater affordability. The affordability ratios for the South Subregion and Massachusetts suggest that Hanson is on par with surrounding towns and it is more affordable than Massachusetts as a whole

While Hanson's affordability is comparable to the area, many residents still struggle with housing costs. In fact, 57 percent of respondents to the October 2018 online survey reported paying more than 30 percent of their income toward housing.

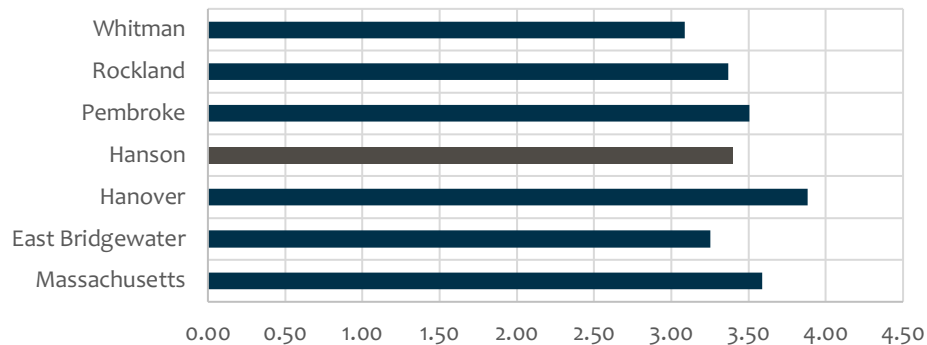
³ HUD Office of Policy Research and Development (PDR), *Worst Case Housing Needs 2017: Report to Congress*, (August 2017), 4-9.

Chapter 40B

Fifty years ago, the Massachusetts legislature enacted a law that sets a minimum goal for affordable housing in every community in the Commonwealth. The affordable housing law known as Chapter 40B is actually four sections of a larger and more comprehensive statute, the regional planning law – the same law that gave birth to the regional planning commissions in Massachusetts. By placing an affordable housing policy within the regional planning law, the legislature recognized that needs for low- and moderate-income housing cross city and town boundaries and that all communities must share in meeting those needs.

Today, every city and town in Massachusetts is supposed to have housing

Fig. 10. Affordability Ratio
Median Home Values to Median Household Income
(Owner Occupied Households)



that remains affordable to low-income households even when home values appreciate under robust market conditions. The units retain their affordability because an affordable housing deed restriction limits resale prices and rents for many years, if not in perpetuity. Another type of affordable housing - generally older, moderately priced dwellings without deed restrictions, and which lack the features and amenities of new, high-end homes - can help to meet housing needs, too, but only as long as the market will allow. Both types of affordable housing are important. The crucial difference is that the market determines the price of unrestricted affordable units while a recorded legal instrument determines the price of deed restricted units. There are other differences, too. For example, any household - regardless of income - may purchase or rent an unrestricted affordable unit, but only a low- or moderate-income household is eligible to purchase or rent a deed restricted unit.

When less than 10 percent of a town's housing consists of deed restricted affordable units, Chapter 40B authorizes the Board of Appeals to grant a **comprehensive permit** to qualified affordable housing developers. The 10

percent statutory minimum is based on the total number of year-round housing units reported in the most recent decennial census; for Hanson, this means 358 affordable units out of a total of 3,572 year-round units (Census 2010). A comprehensive permit is a unified permit, i.e., a single permit that subsumes the approvals required under zoning and other local regulations. By designating one town board to administer a streamlined permitting process, the state legislature hoped to reduce low-income and minority concentration areas in the cities and provide more housing choices in suburbs and small towns. Under Chapter 40B, the Board of Appeals may approve, conditionally approve, or deny a comprehensive permit, but in communities that do not meet the 10 percent minimum, developers may appeal to the state Housing Appeals Committee (HAC). Although comprehensive permits may still be granted after a town achieves the 10 percent minimum, the HAC no longer has authority to overturn a local board's decision.

The Massachusetts Department of Housing and Community Development (DHCD) maintains a list of the deed-restricted (Chapter 40B-eligible) affordable units in each city and town. Known as the Subsidized Housing Inventory (SHI), the list determines whether a community meets the 10 percent minimum. It also is used to track expiring use restrictions, i.e., when non-perpetual affordable housing deed restrictions will lapse. Table 2.5 lists the Chapter 40B-eligible housing units in Hanson as of the effective date of this plan. With only 157 affordable units that count under Chapter 40B, Hanson has opportunities to work toward the statutory 10 percent goal and thereby use this Housing Production Plan to get the best possible outcomes for the Town.

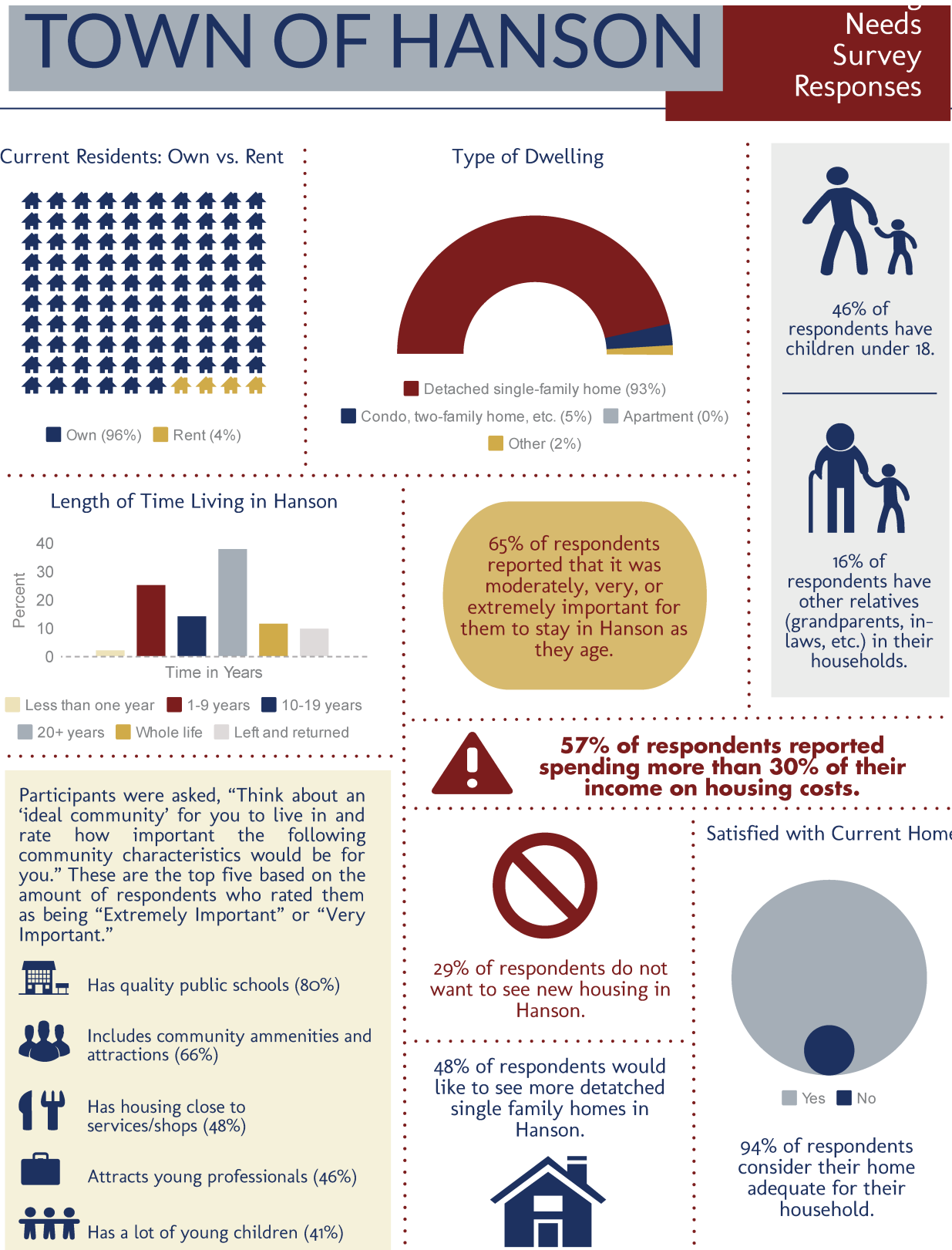
Site Name	Address	Type	SHI Units	Duration	Subsidizing Agency
L.Z. Thomas School Housing	533 Main Street	Rental	6	Perpetuity	HUD
n/a	Meetinghouse Lane	Rental	68	Perpetuity	DHCD
n/a	132 Woodbine Ave.	Rental	8	Perpetuity	DHCD
Hanson Country Manor	748 Whitman St	Rental	19	2020	MHP
Hanson Group Home	53 W. Washington St.	Rental	8	2032	HUD DHCD
Nina Drive	9 Nina Drive	Rental	4	2020	MHP EOHHS
Dunham Farms	902 Main Street	Ownership	9	Perpetuity	FHLBB
DDS Group Homes	Confidential	Rental	19	N/A	DDS
DMH Group Homes	Confidential	Rental	16	N/A	DMH
Depot Village	Phillips Street	Rental	0	Perpetuity	FHLBB

Source: DHCD. Note: The approval of Dunham Farms included 13 affordable units, but the SHI currently lists 12.

■ Survey respondents: housing needs

Many of the needs identified statistically in this plan are borne out in responses to an online community survey conducted in October 2018. Fig. 11 provides a snapshot of what Hanson residents had to say about their homes and families, and housing benefits and drawbacks in their community.

Figure 11



POTENTIAL BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT

This section describes Hanson's natural and built environment, focusing on conditions that limit housing growth in the town. The information presented here is largely based on other planning documents, including the Town's 2017 Open Space and Recreation Plan and the Hanson Master Plan of 2008, as well as the Town's Zoning Bylaws. Environmental elements that can affect housing development include land and water resources, wildlife habitat, scenic features, and contaminated sites. Local regulations also limit the amount of housing development and types of housing that can be built. In most cases, these local regulations form the basis for the waivers that comprehensive permit developers ask the Zoning Board of Appeals (ZBA) to grant in order for them to build affordable housing.

KEY FINDINGS

- Hanson has a significant amount of land area consumed by wetlands, bogs, and other areas unsuitable for development, but very important habitat for local plants and animals, and protection against flooding. **(See Map, Development Constraints)**
- Development has historically taken place and continues to take place on and around higher ridges and existing major roads.
- Hanson's biggest environmental challenge is negative impact to surface and ground water resources. Contributors to the problem include lawn fertilizer run off, cranberry/farm runoff, and failing septic system leaching fields.
- Hanson's only public utility is its water system, which largely draws from local groundwater. There is no public sewer, and very limited transportation facilities, with the major exception of the MBTA commuter rail station. The regional school district is well regarded, but has been experiencing a decline in enrollment, especially among younger children. There is certainly room to accommodate more students.
- Hanson has limited land area zoned for housing alternatives to single-family homes. However, in its largely rural and low-density suburban context, the locations of these zones are appropriate; close to transit, major roads, shops, and community services.
- Potential barriers to the construction of multi-family housing are the dimensional requirements for such development in the Residence B

zoning district. These stricter requirements are not applied to multi-family development in the Flexible Overlay.

ENVIRONMENTAL LIMITATIONS

■ Topography and Soils

Hanson's topography is relatively low and level and is part of the great glacial outwash plain of southeastern Massachusetts. Most of the Town lies below 100 feet in elevation.

Soils are an important physical characteristic to consider when determining the type and level of development a community can sustain. Soil type is a major determinant of characteristics such as drainage, degrees of flooding and frost action, susceptibility to erosion and septic suitability. Hanson includes a significant amount of Freetown, Swansea and Berryland soils, associated with swamps and freshwater wetlands. All three soils have a seasonal high water table at or near the surface for most of the year and are often ponded for long durations. Such soils run north and south from Wampatuck Pond and in and around the Burrage Pond Wildlife Management Area in the south central part of town. A relatively small part of the southwest corner of town is composed of Norwell soils, poorly drained soils on concave slopes along drainage ways and depressions.

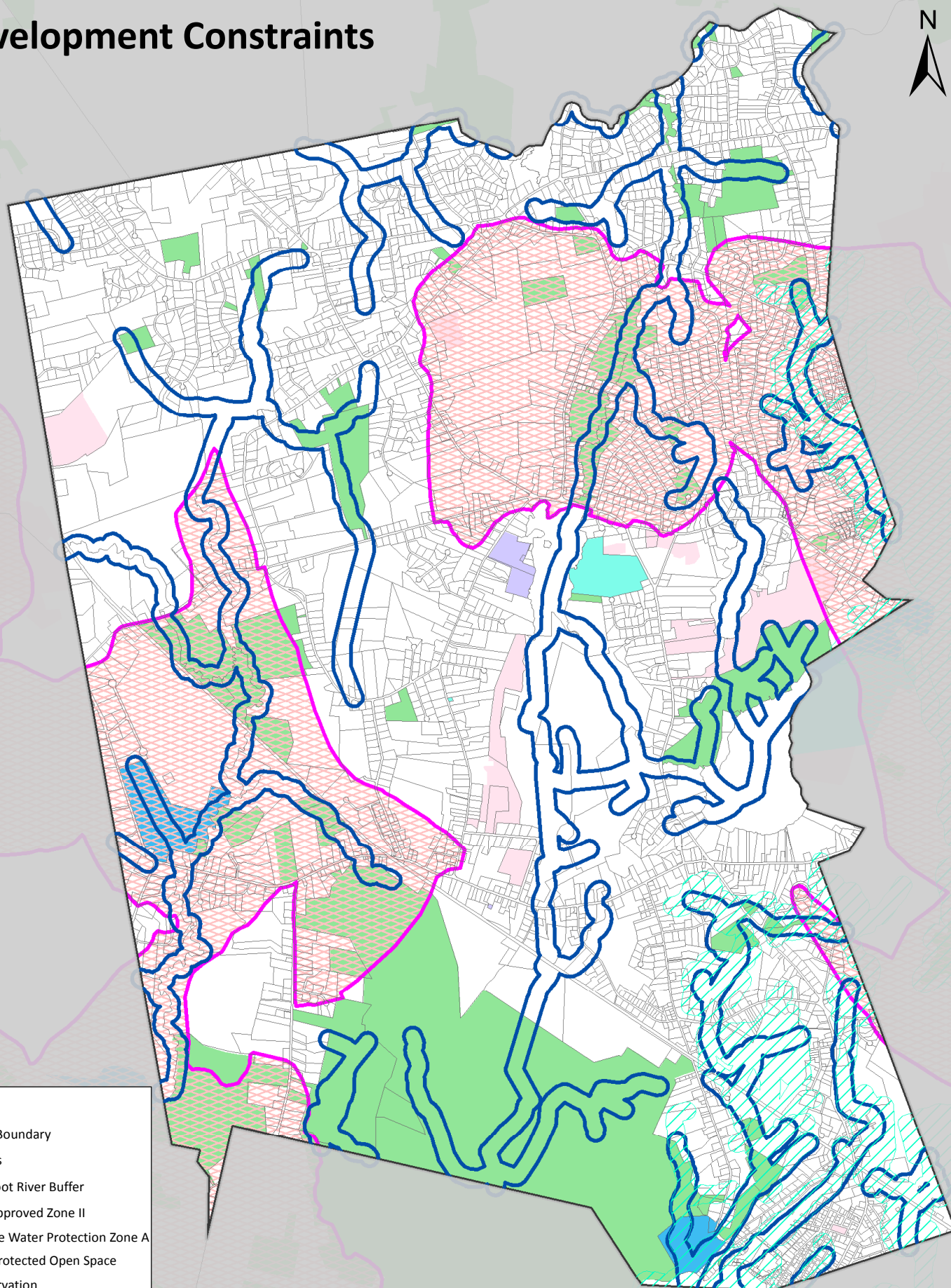
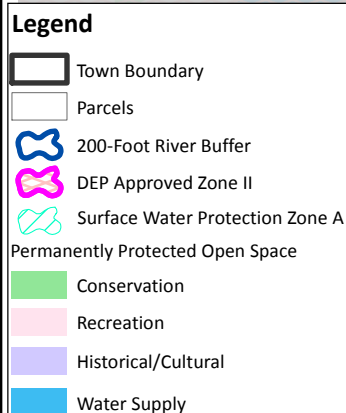
Extensive areas of glacial till are quite varied, but are often found in north-south running drumlins rising above the less buildable wetlands, and are sites of early roads and development like that along Hanson's High Street (Bonney Hill). This pattern is shown on even the earliest land use maps. Due to the large areas of wetlands and soils that drain poorly, most residential development in Hanson is taking place along existing major roads.

■ Water Resources

The Town of Hanson lies within two major surface watersheds: the North River and the Taunton River watersheds. There are approximately 4,600 acres in the northeast section of town which are contained in the North River watershed. Indian Head Brook serves as the only major surface drainage way in this area, flowing north from Indian Head Pond through Wampatuck Pond and Little Cedar Swamp into the Indian Head (or Drinkwater) River. The watershed contains many swampy areas with ridges of high ground. (**See Map, Wetlands and Floodplain**)

Hanson also contains approximately 5,700 acres of the Taunton River drainage area within its border, including the Great Cedar Swamp. The

Development Constraints

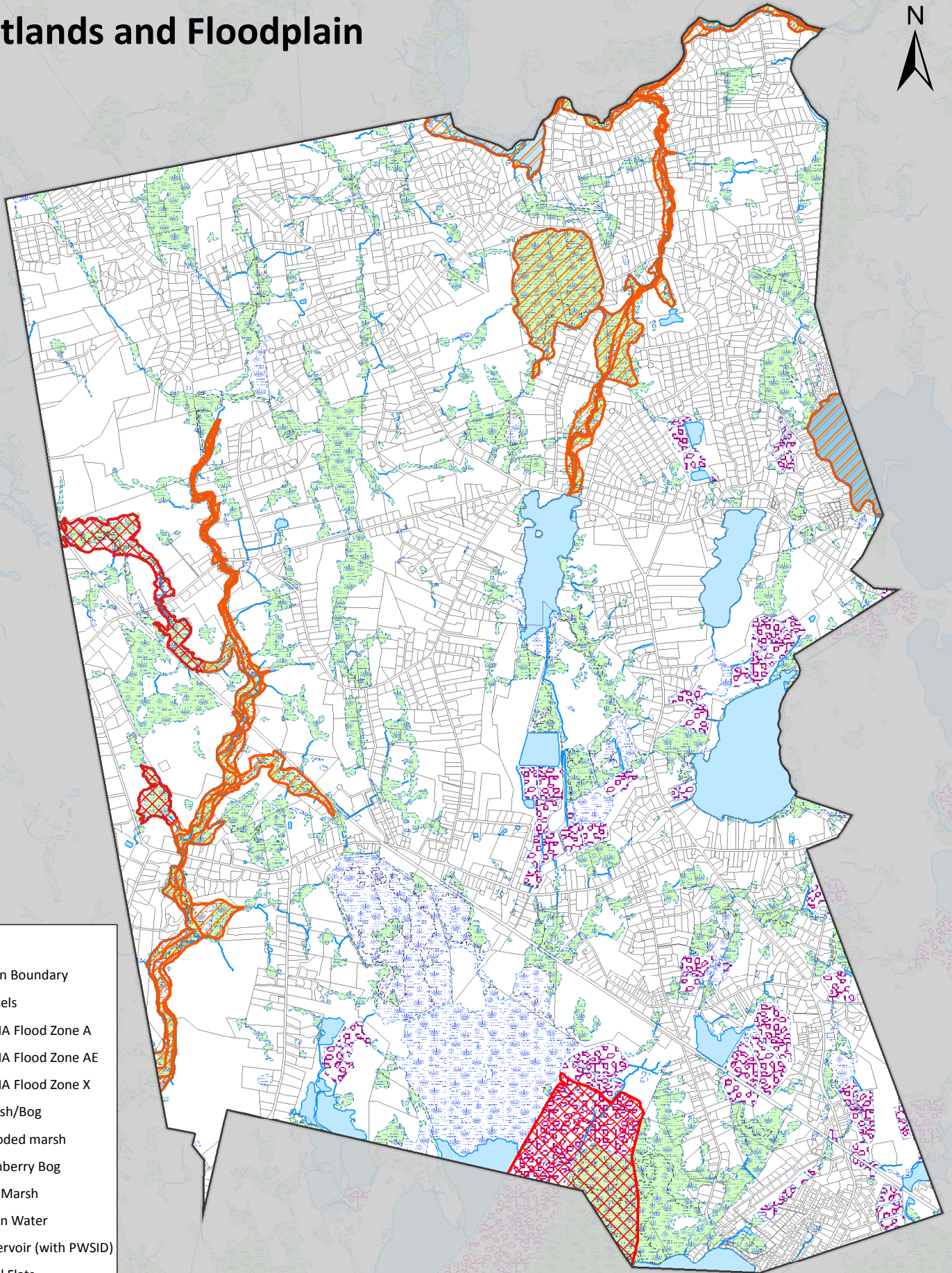


Wetlands and Floodplain



Legend

-  Town Boundary
-  Parcels
-  FEMA Flood Zone A
-  FEMA Flood Zone AE
-  FEMA Flood Zone X
-  Marsh/Bog
-  Wooded marsh
-  Cranberry Bog
-  Salt Marsh
-  Open Water
-  Reservoir (with PWSID)
-  Tidal Flats
-  Beach/Dune
-  Hydrologic Connection



major surface drainage ways in this area are the Shumatuscacant River and Poor Meadow Brook. The Shumatuscacant River flows south from Whitman into Poor Meadow Brook, which is a tributary of the Satucket River.

Hanson contains 9 ponds totaling 371 acres in surface area that provide the Town with approximately 10 miles of shoreline. The larger ponds are used for fishing, boating and other forms of recreation. None of the ponds are used exclusively for a public water supply, although since the 1960s the Monponsett Ponds (and Oldham and Furnace Ponds in Pembroke) have been seasonally diverted to Silver Lake and are major components of Brockton's water supply.

Perhaps Hanson's biggest environmental challenge is negative impact to surface and ground water resources. Many contributors to the problem are not unique to Hanson; lawn fertilizer run off, cranberry/farm runoff, and failing septic system leaching fields are a problem in many communities. Evidence of water quality degradation can be plainly seen in a massive algal bloom every summer at the Wampatuck Pond at Town Hall and problems are suspected in Maquan Pond as well. Five water bodies in Hanson are listed on the 2006 MA Department of Environmental Protection "Category 5 Waters: Waters Requiring a TMDL":

- *Factory Pond* for heavy metal contamination
- *Indian Head River* for metals, nutrients, and organic enrichment / low dissolved oxygen
- *Wampatuck Pond* for nutrients, organic enrichment / low dissolved oxygen, noxious aquatic plants, and turbidity
- *Monponsett Pond* for nutrients, noxious aquatic plants, and turbidity
- *Shumatuscacant River* for siltation, organic enrichment / low dissolved oxygen, other habitat alterations and pathogens

Flood Hazard Areas

Floodplains are land areas that are likely to flood during a storm event and are classified according to the average frequency of flooding. For example, the "100- year floodplain" is that area of land that will be flooded, on average, once in every 100 years. Floodplains are delineated by topographical, hydrological, and development characteristics of a particular area. In Hanson's case, the Federal Emergency Management Agency (FEMA) last mapped the 100-year and 500-year floodplains in 2012.

The most prominent floodplains are located along Indian Head Brook, the large wooded area behind Hanson Middle School, Indian Head River and the Drinkwater River along the border with Hanover, Poor Meadow Brook and the Shumatuscacant River systems, and the Great Cedar Swamp.

The Town's Zoning Bylaws include standards for development in the Floodplain District, designed to ensure public safety. These standards are common to all types of development, and do not impact housing alternatives more than other types of development (with the exception of mobile homes, mobile home parks, and mobile home subdivisions, which are prohibited in the Floodplain District).

■ Wetlands and Wildlife Habitat

Hanson contains many wetlands and large swampy areas which may be extensively covered by water during the winter and spring months. During periods of excessive runoff, the swampy areas play an important role in flood prevention, acting as detention basins. Most of the streams in town have shallow, flat bottoms, composed of sand, gravel, or mud. Stream bank erosion appears to be minor throughout the area.

The Great Cedar Swamp constitutes a very important resource for Hanson. Its water storage capacity acts to reduce flood potential and release runoff slowly. This area sustains a wide variety of wildlife, and groundwater along its margins has been identified as a future drinking water supply if needed and if iron and manganese removal is feasible.

Beyond wetlands, Hanson contains a rich variety of habitats such as woodlands, fields, bogs, and orchards, which collectively host a rich diversity of plant species commonly found throughout southeastern Massachusetts, including several uncommon species typically associated with Atlantic white cedar swamps.

Hanson is fortunate to have a number of medium- to large-sized blocks of quality wildlife habitat. Some are upland, but the largest areas are dominated by wetlands that are connected by natural brooks and streams. These waterways and their margins form corridors between major swamps and other natural areas that are strung like green beads all along Hanson's major streams. The overall result is a network of linked habitats that enable larger mammalian species to establish viable home territories and travel considerable distances as they feed, seek mates, or disperse to new territories.

■ Scenic Resources

Hanson is a scenic, wooded community with variable landscapes that include ponds, rocky outcrops, bogs and fields. The Town identified in its Open Space and Recreation Plan four special areas to highlight for their unique aesthetic, environmental or cultural value.

- **Bay Circuit Trail and Greenway:** The Bay Circuit Trail is a permanent recreation trail and greenway corridor that extends through 34 towns in Eastern Massachusetts and links the parks and open spaces surrounding metropolitan Boston. Hanson and Pembroke joined the system in 2006 with the addition of 15 miles of trail.
- **Plymouth County Hospital:** This 56-acre property is located in the center of Hanson and was purchased by the Town in 1999. It is the Town's hope that the site will become a vibrant center for sustainable development and passive recreation for all ages.
- **Burrage Pond Wildlife Management Area:** The Burrage Pond Wildlife Management Area is over 2,014 acres of open water, marsh, swamps, and former cranberry bogs located on the border of Hanson and Halifax. The area is managed by the state for fisheries and wildlife habitats and open space.
- **Camp Kiwanee:** One of Hanson's most treasured features is Camp Kiwanee, the town's Open Space "Crown Jewel". This 64-acre parcel boasts an historic and charming tree-lined entrance, leading to the two-story "Needles Lodge" that sits along a ridge with commanding views of Maquan Pond. In 2005, Camp Kiwanee was the first site in Hanson to be listed in the National Register of Historic Places.

■ Environmental Hazards

Hanson's transfer station on Franklin Street is sited on an old landfill that is up gradient from the town's major drinking water wellfield, but there appears to be sufficient distance and groundwater monitoring to ensure no negative environmental impact to date. There are no known hazardous waste sites, although occasional leaking underground tanks have been discovered (and dealt with appropriately). There is a privately-held 52-acre parcel on Route 27 that was the original Ocean Spray Cranberries headquarters until 1974. Unfortunately, on the developed portion of this site there are dilapidated buildings and much solid waste. Waste, debris, and trash also exist on part of the "back acreage". This property is of interest to both the town and the Commonwealth of Massachusetts due to its proximity to the MBTA Commuter Rail station and its long-shared border with the Burrage Pond Wildlife Management Area.

PRESERVATION PRIORITIES

■ Open Space

The Town's Open Space and Recreation Plan identifies existing open space as well as parcels identified for future conservation as open space. All told, the town has the right of first refusal on over 938 acres of land currently held in the State's Chapter 61 program, and has identified an additional 941 acres of unprotected private lands for future conservation. There are sixty-five parcels held either by the Hanson Conservation Commission or protected under other Conservation Restrictions totaling 781 acres. State, County, and non-profit organizations hold another 1,013 acres in conservation. If the Town is successful in continuing its conservation efforts, they could produce up to 3,673 acres of conservation land, or roughly 37% of the Town's area.

■ Historic Preservation

Hanson has a broad inventory of historic resources for such a small town, ranging from historic buildings and structures, to landscapes and objects. Over 200 properties are listed on the Massachusetts Cultural Resources Information System (MACRIS). This includes ten historic areas (including the Camp Kiwanee Historic District, Plymouth County Hospital, the Main Street Area, and the Bonney Hill Area), one historic cemetery, one object (the Camp Kiwanee KOLAH Sign), 13 structures (including four bridges and several features at Camp Kiwanee), and 188 buildings (including private homes, camp cabins, mill worker housing, industrial buildings, hospitals, schools, and churches, many of which date to the 18th century).

INFRASTRUCTURE AND PUBLIC FACILITIES

■ Infrastructure

Wastewater Capacity. There is no public sewer in any part of the town. However, in order to address pond degradation and eutrophication, it may be necessary in the future to research the construction of sewers in densely populated areas around some of the ponds.

Stormwater. Hanson's General Bylaws regulate discharges to prevent pollutants from entering the Town's municipal separate storm sewer system. The following activities are prohibited:

- Illicit Discharges
- Illicit Connections

- Obstruction of the Municipal Storm Drain System

Drinking Water. In 1983, Hanson's first water supply system was placed on line. In 1990, the MA Department of Environmental Protection promulgated revisions to its drinking water regulations. In response, the Town of Hanson has progressively moved forward to develop new wells and delineate new aquifer and well protection districts. In 2002, the Board of Water Commissioners imposed a ban on all new connections to the water system. This slowed new development until new wells could be developed. The ban was lifted in 2005.

Today, most of the town is serviced by the Crystal Springs well field which is 30 acres along Poor Meadow Brook in the southwest portion of town. The water supply and quality is generally good. However, some parts of town have been dealing with a brown discoloration in their water. While this has not proven to be harmful to public health, it is an issue the water department needs to stay on top of. Further, a small portion of the town, primarily along Main Street, continues to buy water from Brockton. The quality of this water is not as high as the Crystal Springs water and both Hanson and Brockton would like to discontinue this situation in the future.

■ Transportation facilities and services

Hanson is rather isolated from the region's major transportation network, given its proximity to greater Boston. The most significant transportation facility in town is the Hanson Station of the Massachusetts Bay Transit Authority (MBTA) commuter rail system. This service runs approximately once an hour, and arrives in Boston's South Station within 45 minutes of leaving Hanson. The Greater Attleboro Taunton Regional Transit Authority (GATRA) has a shuttle service from points in Pembroke to the Hanson MBTA station. However, there are no other stops in Hanson, and the service is really only designed to get Pembroke residents to the station in the morning, and back home in the evening. Otherwise, there is no general purpose or commuting bus service from or through Hanson.

Hanson lacks sidewalks and bicycle ways, or even shoulders, along most of its major and minor roads due to its long-term, low-density residential development.

■ Schools

Hanson is part of the Whitman-Hanson Regional School District, which includes a joint high school (located in Hanson), a middle school in each community, and three elementary schools (including Indian Head Elementary in Hanson, though Hanson students in Kindergarten through 2nd grade attend elementary schools on the Whitman side). The district also

hosts a pre-school program at the High School, summer school, driver education, and a community evening school.

The 2017-2018 school year enrollment for the entire district was 3,906 students. Thirty percent of all students are enrolled in the high school, and another 25 percent are enrolled in the two middle schools. Currently, the grade with the most students is eighth (336) and the lowest is Kindergarten (247).

Generally speaking, the district has seen a trend of decreasing enrollment for many years. Even in just the past five years, the overall student population has dropped 8.5 percent. Over that same time period, the number of students enrolled in Kindergarten has plummeted 19.3 percent. This suggests that there are fewer families with young children moving to Hanson or starting families here. This is likely to have implications on the types of housing most needed in the community in the near future.

REGULATORY FRAMEWORK

Zoning

There are seven zoning districts in town: Agriculture-Recreation, Residence A, Residence AA, Residence B, Business, Commercial-Industrial and Flexible Zone – Overlay Districts (**see Zoning Map**). Residence A covers most of the eastern half of town and Residence AA is primarily the western part of town. The Business districts are along Route 58 and 27 and the Commercial-Industrial is along the railroad and western section of town. There are four Overlay Districts: Flexible, Adult Entertainment, Medical Marijuana Distribution Area, and Aquifer Protection. There are six sub-areas to the Aquifer Protection District, designed to prohibit or otherwise regulate certain uses and activities potentially harmful to the water supply.

Housing Opportunities by Zoning District

Agriculture-Recreation District includes the watershed and wetland areas of town, and is designed to protect against flooding as well as pollution, sedimentation, and destruction of water bodies. Consequently, the only residential development allowed in this district is single-family homes on large lots associated with an agricultural use. In addition, single-family homes not associated with an agricultural use and Adult Retirement Villages are allowed with a special permit.

Residence A and Residence AA Districts are primarily intended for rural, residential, and non-commercial uses. Single-family homes on medium to large lots are the predominant housing type allowed, though owner-

occupied homes may serve as boarding houses for up to four tenants. Special permits are required for nursing and rest homes, Adult Retirement Villages, conversion of an existing single-family to a two-family home, and in-law apartments. The regulations for in-law apartments are rather strict. They must be occupied by a relative of the home owners, be attached to/a part of the primary dwelling, and be discontinued once a family member no longer lives there.

Residence B District is primarily intended for higher density (in the context of the rest of the town) residential and non-commercial uses. It covers a much smaller portion of town than the Residence A and AA districts, including an area just north of Town Hall, and an area along Main Street just east of the Hanson MBTA station. These are the areas that the Town generally sees as appropriate for higher density housing, given their proximity to transit, major driving routes, commercial uses, and Town services. These areas were also most frequently identified by residents surveyed for this plan as being appropriate for denser development.

This district has the same use allowances as Residence A, but also allows multi-family buildings of up to eight (8) dwelling units and Adult Retirement Villages. Even considering Hanson's rural character, the dimensional standards for multi-family buildings are somewhat onerous. The minimum lot size required is 60,000 square feet for the first four (4) units, plus 5,000 square feet for each additional unit. To develop a building with the maximum of eight (8) dwelling units, an 80,000 square foot (1.84 acre) lot would be needed, or 10,000 square feet per unit. Also, the minimum frontage requirement doubles from 150 feet to 300 feet for one apartment building, plus 25 feet for each additional building. Side yard setbacks increase from 20 feet to 50 feet, and rear yard setbacks increase from 40 feet to 50 feet. In exchange, the total gross lot coverage (including buildings, structures, pavement, etc.) can increase from 30% to 40%.

Business District is intended to provide consumer goods and services. Currently, residential uses of any kind are not allowed in this district, unless within the Flexible Overlay.

Commercial-Industrial District is intended to provide space for research laboratories, office buildings, and light industries. Currently, residential uses of any kind are not allowed in this district, unless within the Flexible Overlay.

Aquifer and Well Protection District is designed to protect the public health by preventing contamination of the ground and surface water resources providing public water supply. The Residence B district around Town Hall is entirely outside the Aquifer and Well Protection district, but the Residence B district along Main Street is largely within it. Most of the

restrictions within this zone relate to activities such as hazardous and solid waste storage and disposal, junk yards, auto repair, etc. In terms of impacts on housing production, the most notable is a restriction on impervious surfaces. No more than 15% of a lot may be impervious, unless an artificial recharge system is provided, in which case impervious surface may be no more than 30%. This is a reduction from the 40% that would otherwise be allowed for multi-family buildings.

Flexible Overlay District is designed to allow for a mixture of residential, agricultural, business, commercial and industrial, and mixed uses. It is located in two segments: one along Main Street, from High Street to the border with East Bridgewater and down Franklin Street; and the other along County Road from approximately Poor Meadow Brook to the border with East Bridgewater. The underlying zoning is predominantly Commercial-Industrial, but also includes Business and Residence AA. The Flexible Overlay is the only area outside of the Residence B district that allows multi-family housing. The building standards are identical to those in the Residence B district, but the dimensional standards for multi-family are no different than they are for any use in the Flexible Overlay. All uses in the Flexible Overlay have a 35,000 square foot minimum lot size, and have smaller frontage and yard setback standards and larger coverage standards than any other zoning district. Adult Retirement Villages are also allowed in this district. The Flexible Overlay is entirely within the Aquifer and Well Protection district, and subject to the stipulations noted above.

Much like the Residence B district, the Flexible Overlay is located proximate to transit, major driving routes, and commercial uses, and is therefore appropriate for denser housing development. Unlike the Residence B, the Flexible Overlay does not put stricter dimensional standards on multi-family development.

General Standards for Multi-Family Housing

- Minimum floor area of 600 square feet for each unit.
- All dwellings require two spaces per dwelling unit, whether single-family or multi-family. This could lead to some multi-family developments being over parked.
- All multi-family buildings must be connected to Town water.

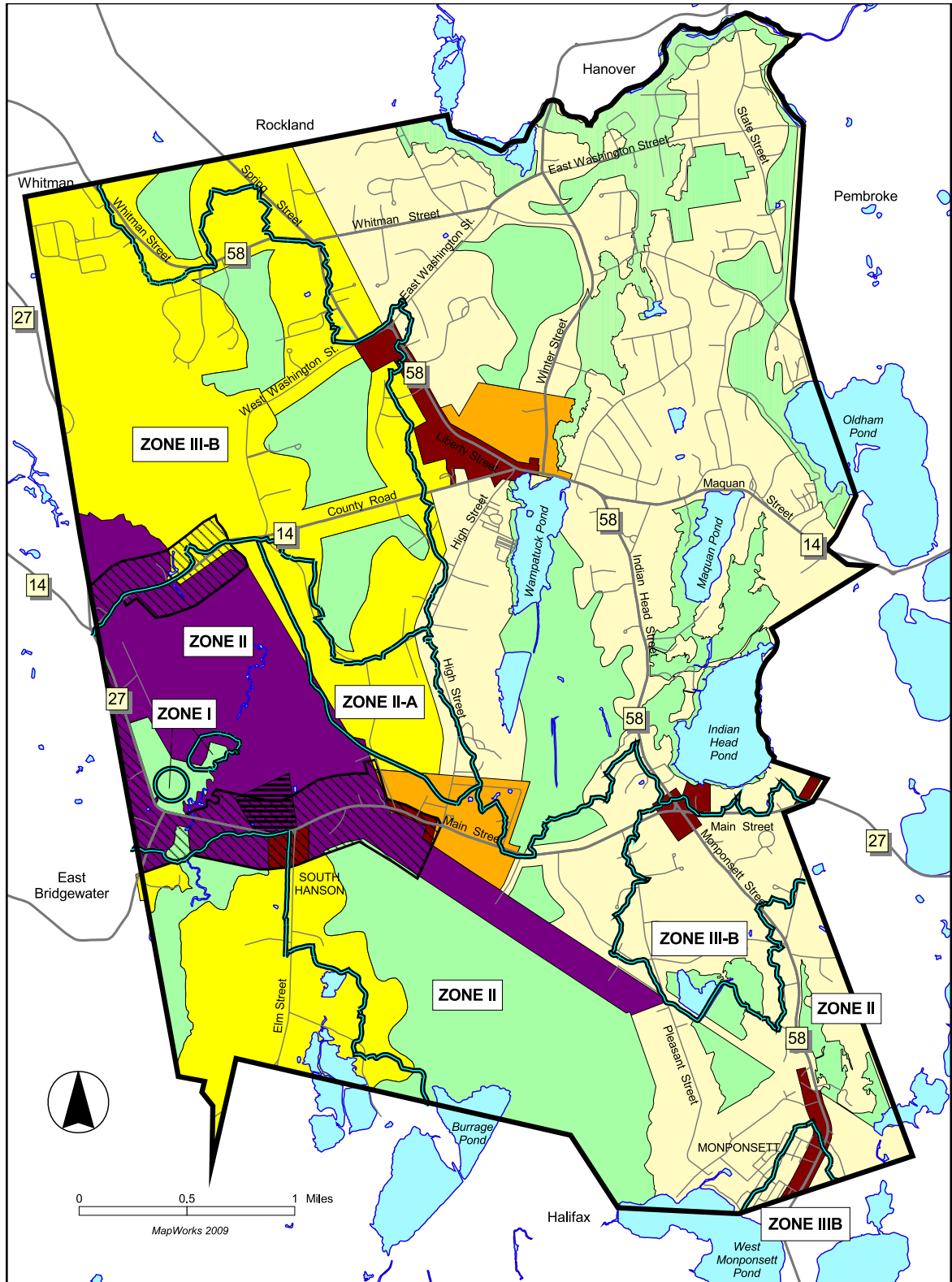
Other Items of Note Regarding the Zoning Bylaws

Town Exemption. One thing to note about the Zoning Bylaws is that the Town (including the Hanson Housing Authority) exempts itself from the bylaw's provisions (except site plan approval by the Board of Appeals, when and as authorized by a two-thirds vote of the town). This is a useful

tool for the Housing Authority, should it be in a position to expand its portfolio.

Senior Residential Communities. Adult Retirement Villages (ARV) and Assisted Living Facilities (ALF) are allowed in all residential districts as well as the Flexible Overlay. There are many additional standards for ARVs and ALFs regardless of the underlying zoning, including minimum lot size, an open space requirement, units per acre, etc.

Historic Structures. Historic structures, as designated by the Town, may not be demolished to construct a new multi-family structure.



TOWN OF HANSON ZONING MAP

- Agriculture - Recreation
- Residence A
- Residence AA
- Residence B
- Business
- Commercial - Industrial

- Flexible Overlay Zone
- Adult Entertainment Overlay District

- ZONE II** Aquifer Protection District Line

Map Design: MapWorks
MAPS@WORK@aol.com
Zoning: Land Planning, Inc. and Stone & Webster Engineering
March 2009

THE CHALLENGE

Hanson has environmental, infrastructure, market, and regulatory constraints that will continue to make it hard to create affordable housing. In many cases the environmental constraints involve barriers that Hanson cannot readily overcome, but the regulatory constraints are largely within the Town's power to change. There are also potential market opportunities that Hanson can capitalize on to create some housing diversity without fundamentally altering the character of the town.

QUALITATIVE GOALS

- Encourage development of more types of housing in Hanson, including affordable and market-rate housing options, for low- and middle-income families, seniors, and people with disabilities.
- Encourage affordable and mixed-income housing in areas that would benefit from new investment, e.g., along portions of Main Street in South Hanson or through the reuse of surplus municipal buildings.
- Work to achieve state's Chapter 40B 10 percent minimum for affordable housing by annually producing at least 18 units that count on the Subsidized Housing Inventory, especially development of rental housing units.
- Create a variety of affordable and mixed-income housing that helps to make Hanson a welcoming town for people with diverse socio-economic backgrounds and cultural traditions.
- Increase local capacity to create and preserve affordable housing by building partnerships with local, regional, and private non-profit groups.

PRODUCTION GOALS

By preparing an affordable housing plan and increasing its supply of low- or moderate-income units, Hanson may gain eligibility for a flexible approach to managing the comprehensive permit process. In order to qualify for the flexibility that a DHCD-approved Housing Production Plan offers, Hanson needs to meet an affordable housing production standard

- a minimum numerical target - and obtain certification from DHCD that standard had been met. The minimum target is 0.5 percent of the Town's year-round housing inventory as reported in the most recent decennial census, and the target has to be met within a single calendar year. If DHCD finds that Hanson has met the annual standard, the one-year certification will take effect as of the date that Hanson actually achieved the numerical target for that calendar year. If the Town's new affordable housing production is equal to or greater than the 1 percent of its year-round housing inventory, the certification will remain in effect for two years.

With these basics in mind, **the five-year production goal for Hanson ranges from a low of 90 to a high of 180 additional low- or moderate-income units above the 157 units that currently exist in town.** These low-high estimates are based on the minimum production goal of 0.5 percent per year (18 units) or 1 percent for two years (36 units) under DHCD's present guidelines. It is important to note that during the lifetime of this HPP, Census 2020 housing counts will be published and eventually Hanson's Chapter 40B denominator will be adjusted upward (the present denominator, from Census 2010, is 3,572 year-round units). This means that the 18- and 36-unit annual and two-year production targets will change as well. It makes sense for Hanson to focus on closing its existing Chapter 40B gap (201 units). Even on the low end of this plan's five-year minimum target – 90 units – Hanson's SHI would move 4.4 percent to over 7 percent. That would be a significant increase for a small town.

HOUSING DEVELOPMENT STRATEGIES AND ACTION PLAN

OVERVIEW

DHCD encourages towns to prepare, adopt, and implement a Housing Production Plan that demonstrates an annual increase in Chapter 40B units equal to or greater than 0.50 percent of the community's year-round housing units. By systematically increasing its low- and moderate-income housing inventory, Hanson will have more flexibility in the future to decide when, where, and how much affordable housing should be built and to encourage Chapter 40B comprehensive permits in the best possible locations.

As noted elsewhere in this plan, however, Hanson's housing needs go beyond Chapter 40B, and Hanson has had very little Chapter 40B activity. Removing regulatory barriers to housing production in areas that can support even modest increases in development and investing resources in public education about Hanson's varied housing needs will all be critical components of a successful, comprehensive housing strategy. Hanson's economic health and social well-being will depend on increasing supply and having enough housing for people of all ages and incomes.

Several housing production strategies would be appropriate for Hanson to address the goals of this HPP and respond to needs identified by community leaders and others. Fortunately, Hanson has many choices for working toward the 10 percent statutory minimum under Chapter 40B and for creating more types of housing regardless of whether they "count" on the SHI. The strategies fall into four broad categories:

- **Regulatory Reform:** These strategies have the potential to make a significant impact on affordable housing in Hanson. They involve tools that make permitting more efficient, allow more housing development, and allow more types of housing in Hanson.
- **Funding and Assets:** The focus of these strategies is to protect existing affordable housing and pursue specific ways both to expand local funds and use municipally owned land for affordable housing.
- **Education and Advocacy:** Hanson can combine strategies into an education platform that captures key decision makers, property

owners, neighbors, and people most at risk from the effects of limited housing choices.

- **Local Planning and Policy:** Hanson could be strategic in pursuing partnerships and creating a more welcoming environment for housing development in the community.

These categories dovetail well with DHCD's requirements for HPP strategies, as shown below. Strategies that are particularly attentive to DHCD guidelines area identified with this symbol:







760 CMR 56.03	4(d)(1)	4(d)(2)	4(d)(3)	4(d)(4)	4(d)(5)
DHCD Housing Production Plan Regulatory Requirement	The identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating SHI Eligible Housing developments to meet its housing production goal.	The identification of specific sites for which the municipality will encourage the filing of Comprehensive Permit applications.	Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality for example, infill development, cluster developments, adaptive re-use, transit-oriented housing, mixed-use development, and/or inclusionary zoning.	Identification of municipally owned parcels for which the municipality commits to issue requests for proposals (RFP) to develop SHI Eligible Housing, including information on appropriate use of the site, and a timeline for the issuance of an RFP.	Participation in regional collaborations addressing housing development.
Regulatory Reform					
Funding & Assets					
Education & Advocacy					
Local Planning & Policy					

Action Plan Map

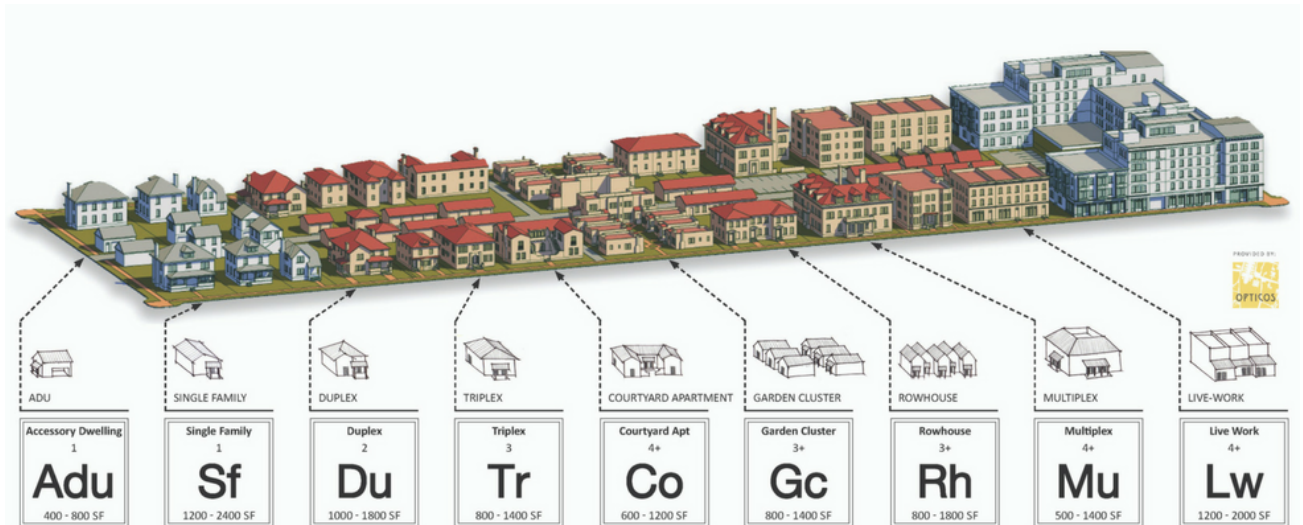


Legend

-  Town Boundary
-  Parcels
-  Zoning Districts Allowing Housing Alternatives
-  Potential Site

REQUIRED ACTION PLAN ELEMENTS

760 CMR 56.03(d)(1) Identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating SHI Eligible Housing developments to meet its housing production goal.



"Missing Middle" Housing

MORE HOUSING CHOICES

Hanson can modify its existing zoning to provide for “missing middle” and multifamily housing by taking the following steps:

- Revisit the requirements for “structures containing more than one (1) but not more than eight (8) dwelling units” so that multifamily “garden style” or stacked units can be created in addition to townhouse-style units. By requiring each unit to have two separate entrances and two exposures, the Town effectively limits the types of multiunit buildings to townhouses or attached single-family dwellings. These types of structures work well for homeownership developments, but they are rarely an economic option for rental housing. Allowing more types of housing choices will give Hanson residents more options to move up or downsize.
- Alter the dimensional standards for multi-family development in the Residence B zoning district to align with the standards for this type of development in the Flexible Zone/Special District. Specifically, the Residence B district currently requires a minimum lot of 60,000 sq. ft. for the first four units in multiunit buildings and an additional 5,000 sq. ft. per unit for each unit over four. By contrast, the Flexible Zone requires a minimum lot of 35,000 sq. ft., with no additional amount on

a per-unit basis, and total impervious coverage is capped at 40 percent (as opposed to 75 percent in the Flexible Zone).

- Continue promoting housing alternatives to be located in the two areas zoned Residence B and in the Flexible Zone/Special District. These locations are most appropriate for a mix of unit types and density in Hanson.
- Change parking standards for multi-family dwellings so that 1-bedroom and studio units only require one parking space per unit rather than two.
- A Chapter 40R overlay district could be pursued in the vicinity of the Hanson MBTA station and on nearby disinvested sites along Main Street in South Hanson. To qualify for approval from DHCD, the Town will need to demonstrate that municipal infrastructure serving a proposed Chapter 40R district is adequate to support higher-density housing or that the required infrastructure will be provided by private development.
- Revisit the six-unit limitation on assisted living residences. It is an extremely low threshold and unrealistic for senior housing developers to meet.

INCLUSIONARY ZONING

Hanson could also look at requiring multifamily developments to include some affordable units. Though Hanson's lack of municipal infrastructure makes multifamily development somewhat difficult, it is easier for multifamily developments to meet inclusionary zoning requirements than single-family subdivisions. A standard such as a minimum of 10 percent affordable units would not be out of line, and the requirement could be increased for larger projects. If properly written and administered, inclusionary zoning can produce units eligible for the Subsidized Housing Inventory. Some communities allow developers to pay a "fee in lieu" of creating affordable units, and the revenue from developer payments is used by an Affordable Housing Trust to create locally sponsored affordable housing.

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

Through community participation and interviews with town leaders, several options were identified as potentially appropriate comprehensive permit sites. They include:

- Maquan School

- Former Ocean Spray factory site
- Former school on East Washington Street
- Larger parcels (or merging of smaller parcels) near the MBTA station

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

Hanson's housing needs should be addressed in a variety of building types, generally as follows:

- Smaller in scale, and incremental. Large-scale developments are most likely unrealistic in Hanson's market and could be overwhelming for such a small town. Subsidizing agencies need to consider Hanson's small population and rural/neighborhood development pattern when reviewing requests for Chapter 40B Project Eligibility.
- Transit-oriented housing at the MBTA station.
- Smaller one- or two-bedroom homes (whether apartments or cottages), with an emphasis on rentals. If the Town wants to pursue small rental units such as these, some form of subsidy will have to be available, such as Community Preservation Act (CPA) funds that can be used by the Housing Authority to acquire existing small homes or build new ones on public land.
- Adaptive reuse of existing civic and industrial buildings (e.g., Maquan School and the former Ocean Spray factory site).

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

The Maquan School has been identified as a potential candidate for disposition and development.

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

- Explore opportunities with neighboring towns to establish a regional housing services office, modeled after the successful one serving Sudbury and several other Route 2/Metrowest towns. Hanson has a significant need for local housing expertise, but the town is quite small and most likely does not need its own housing coordinator.

Collaborating with adjacent communities such as Whitman, Halifax, East Bridgewater, or Pembroke could benefit Hanson and its neighbors, helping all of them to increase the regional supply of affordable housing.

- Form a working relationship with Housing Solutions (formerly South Shore Housing) in order to partner with them for subsidized housing development.

SUPPORTIVE MEASURES FOR PLAN IMPLEMENTATION

■ Affordable Housing Trust Fund

A Municipal Affordable Housing Trust could play a key role in advancing the goals and strategies of this Housing Production Plan.

Hanson can maximize the effectiveness of this housing plan by establishing an **Affordable Housing Trust**. This will be a **critically important “next step”** for Hanson given its acceptance of the Community Preservation Act (CPA) ten years ago. CPA is a critical funding source for affordable housing; an affordable housing trust is the agent that should be created and empowered to invest CPA and other funds in new housing production.

In 2004, the General Court enacted G.L. c. 44, § 55C, the Municipal Affordable Housing Trust Law, in order to increase the capacity of cities and towns to create affordable housing. Although Hanson has adopted the CPA and is legally obligated to make CPA funds available for affordable housing, the Town does not have an entity to carry out housing activities. Many of the ideas promoted in this plan could be conducted with or financially assisted by an Affordable Housing Trust.

Having an Affordable Housing Trust Fund allows the Town to dedicate revenue for the purpose of creating affordable housing. A board of trustees appointed by the Board of Selectmen oversees the fund and has authority to invest monies in the trust for any of 16 purposes listed in the statute. They include:

- (1) to accept and receive real property, personal property or money, by gift, grant, contribution, devise or transfer from any person, firm, corporation or other public or private entity, including but not limited to money, grants of funds or other property tendered to the trust in connection with any ordinance or by-law or any general or special law or any other source, including money from chapter 44B [Community Preservation Act];
- (2) to purchase and retain real or personal property, including without restriction investments that yield a high rate of income or no income;

- (3) to sell, lease, exchange, transfer or convey any personal, mixed, or real property at public auction or by private contract for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertaking relative to trust property as the board deems advisable notwithstanding the length of any such lease or contract;
- (4) to execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, covenants, contracts, promissory notes, releases and other instruments sealed or unsealed, necessary, proper or incident to any transaction in which the board engages for the accomplishment of the purposes of the trust;
- (5) to employ advisors and agents, such as accountants, appraisers and lawyers as the board deems necessary;
- (6) to pay reasonable compensation and expenses to all advisors and agents and to apportion such compensation between income and principal as the board deems advisable;
- (7) to apportion receipts and charges between incomes and principal as the board deems advisable, to amortize premiums and establish sinking funds for such purpose, and to create reserves for depreciation depletion or otherwise;
- (8) to participate in any reorganization, recapitalization, merger or similar transactions; and to give proxies or powers of attorney with or without power of substitution to vote any securities or certificates of interest; and to consent to any contract, lease, mortgage, purchase or sale of property, by or between any corporation and any other corporation or person;
- (9) to deposit any security with any protective reorganization committee, and to delegate to such committee such powers and authority with relation thereto as the board may deem proper and to pay, out of trust property, such portion of expenses and compensation of such committee as the board may deem necessary and appropriate;
- (10) to carry property for accounting purposes other than acquisition date values;
- (11) to borrow money on such terms and conditions and from such sources as the board deems advisable, to mortgage and pledge trust assets as collateral;
- (12) to make distributions or divisions of principal in kind;
- (13) to comprise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the trust, including claims for taxes, and to

accept any property, either in total or partial satisfaction of any indebtedness or other obligation, and subject to the provisions of this act, to continue to hold the same for such period of time as the board may deem appropriate;

(14) to manage or improve real property; and to abandon any property which the board determined not to be worth retaining;

(15) to hold all or part of the trust property uninvested for such purposes and for such time as the board may deem appropriate; and

(16) to extend the time for payment of any obligation to the trust.

In effect, the trustees may function as a developer, investor, lender, property manager, or housing services provider. They can acquire, improve, and sell or lease real property as long as they use the trust for the purposes for which it is intended: the creation and preservation of affordable housing. An important advantage of an affordable housing trust is that the trustees can receive and expend monies without a specific authorization vote from Town Meeting, which means they will be able to act quickly as opportunities arise. The statute does not set a cap on the number of trustees, so the Town may decide how large the board should be (the law requires at least five members), the town boards and commissions that should be represented on it, and the particular skills and interests that would create a balanced board of trustees. The Board of Selectmen must have representation on the board of trustees, but other town boards are optional at the community's discretion.

Establishing an Affordable Housing Trust is fairly straightforward; activating it is more challenging. The Board of Selectmen will need to place an article on a future Town Meeting warrant to adopt G.L. c. 44, § 53C and a basic bylaw establishing the trust and the board of trustees. A simple majority vote is required. Once the board of trustees has been appointed and executes a Declaration of Trust for recording with the Registry of Deeds, it will be able to operate as a legally recognized entity. Its first steps should include the following:

- Obtain technical assistance;
- Network with active Affordable Housing Trusts elsewhere on the South Shore, such as Scituate and Hingham;
- Consult with non-profit developers located or working in Hanson's region, such as South Shore Housing Development Corporation and Neighborhood of Affordable Housing, to explore ways the trust fund can be used to support housing development for very-low and low-income people;

- Consult with competent for-profit developers whose backgrounds include working with cities and towns on local affordable housing initiatives;
- Consult with housing finance programs about possibilities for leveraging non-local dollars with CPA and other resources;
- Establish funding priorities;
- Develop a business plan for the trust fund;
- Set one-year and five-year goals and an action plan; and
- Begin with a relatively low-risk, simple project. Many housing trusts in Massachusetts are purchasing existing housing units and reselling them as deed-restricted affordable homes, which is a relatively uncomplicated venture.

The Town will need to determine how it wants to provide funding for the trust. Practices vary from town to town, but many CPA communities have decided to transfer their annual appropriations for community housing directly to the trust. This helps to ensure that housing appropriations actually produce some results. An Affordable Housing Trust may also be used to account for and report other revenues and expenditures, such as housing development grants received from state or federal sources.

■ On-site Wastewater Treatment

One of the limiting factors related to higher-density housing in Hanson is wastewater disposal. Hanson does not have a public sewer system, so developers are responsible for providing this service on-site. For a new single-family home subdivision, wastewater management is generally accomplished through individual on-site septic systems. These systems are regulated by the Board of Health, which typically relies on the standards in 310 CMR 15.00, often referred to as “Title 5.” Hanson relies heavily on the state-level regulations and has additional local requirements only for administrative issues (e.g., fees, inspection, etc.).

Among other things, Title 5 sets important design standards for on-site septic systems, including regulations for proper location and sizing. For example, Title 5 requires minimum setbacks from the property line, the residence, and any on-site drinking water well. These safety regulations, while critical to the protection of public health, result in lot sizes that are larger than what would typically be needed for more affordable housing choices. In single-family subdivisions, the cost of land associated with these lots, along with the costs for individual septic systems (and drinking water wells), gets passed on to the consumer.

If Hanson wishes to see housing that is more compact in its design, individual on-site septic systems will need to be replaced by larger individual systems that can serve multiple units. Title 5 sets standards for these larger systems as well, often referred to as “package,” “neighborhood,” or “cluster” systems, and there are no legal barriers to using them in Hanson. These systems can be designed to serve any number of homes in different configurations. For example, an individual apartment building with 30 units or a development with 10 triplex units could use a similarly designed system. The obvious benefit to this approach, from a housing choice perspective, is that smaller units with lower “per unit” land costs can lead to higher levels of affordability. Another benefit is that these cluster systems often provide higher levels of treatment, creating effluent that is much better for the environment than what is produced by individual on-site systems.

One of the important challenges to using cluster systems is that wastewater flow should be at “build out” fairly quickly in order for the system to operate properly. In other words, all of the units should be occupied as quickly as possible. This can preclude the phasing of projects that might otherwise be worked into a development pro forma, requiring more investment “up front” from the applicant. Hanson will need to be mindful of this situation should these projects get introduced, and the Town will need to be able to permit applications as efficiently as possible to reduce unnecessary financial exposure for developers.

APPENDIX A. GLOSSARY

Affordable Housing. As used in this plan, "affordable housing" is synonymous with low- or moderate-income housing under Chapter 40B, i.e., housing available to households earning no more than 80 percent of area median income at a cost that does not exceed 30 percent of their monthly gross income.

Area Median Income (AMI). The median family income, adjusted for household size, within a given metropolitan or non-metropolitan area, updated annually by HUD and used to determine eligibility for most housing assistance programs. For Hanson, the area used to compute AMI is the Brockton HUD Fair Market Rent Area (HUD FMR).

Chapter 40A. G.L. c. 40A, the state Zoning Act. The current version of the Zoning Act was adopted in 1975 (1975 Mass. Acts 808).

Chapter 40B. G.L. c. 40B, § 20-23 (1969 Mass. Acts 774), the state law administered locally by the Board of Appeals in order to create affordable housing. It provides eligible developers with a unified permitting process that subsumes all permits normally issued by multiple town boards. Chapter 40B establishes a basic presumption at least 10 percent of the housing in each city and town should be affordable to low- or moderate-income households. In communities below the 10 percent statutory minimum, affordable housing developers aggrieved by a decision of the Board of Appeals can appeal to the state Housing Appeals Committee, which in turn has authority to uphold or reverse the Board's decision.

Chapter 40R. G.L. c. 40R (2004 Mass. Acts 149, s. 92), a state law that provides for overlay districts with variable densities for residential development and multi-family housing by right (subject to site plan review). At least 20 percent of the units in a Chapter 40R district have to be affordable to low- or moderate-income people. Examples of Chapter 40R districts on the South Shore include the apartments currently under construction at Cordage Park in Plymouth, Waterford Village in Bridgewater, Queset Commons in Easton, and Sharon Commons in Sharon.

Chapter 44B. G.L. c. 44B (2000 Mass. Acts 267), the Community Preservation Act, allows communities to establish a Community Preservation Fund for open space, historic preservation, and community housing by imposing a surcharge of up to 3 percent on local property tax bills. The state provides matching funds (or a partial match) from the Community Preservation Trust Fund, generated from Registry of Deeds fees.

Community Development Block Grant (CDBG). Under the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5300 et seq.), the U.S. Department of Housing and Urban Development (HUD) makes funds available each year for cities with populations of 50,000 or more ("entitlement communities") and each of the fifty states (the Small Cities or "non-entitlement" program). CDBG can be used to support a variety of housing and

community development activities provided they meet one of three "national objectives" established by Congress. Housing activities are almost always designed to meet the national objective of providing benefits to low- or moderate-income people. Funds may be used for housing rehabilitation, redevelopment of existing properties for residential purposes (in some cases), making site improvements to publicly owned land in order to support the construction of new housing, interest rate and mortgage principal subsidies, and downpayment and closing cost assistance. As a "non-entitlement community," Hanson can access CDBG funds only by applying to DHCD. The state program is guided by a five-year Consolidated Plan and One-Year Action Plans required by HUD.

Comprehensive Permit. The unified permit authorized by Chapter 40B for affordable housing development.

Consolidated Plan. A five-year plan prepared by CDBG entitlement recipients and Participating Jurisdictions under the HOME Program. The purpose of the plan is to document and analyze housing market conditions, affordable housing needs, homelessness and disability housing needs, and non-housing community development needs in the city or state that receives federal housing and community development funds and design a strategy to address those needs using federal, state, local, and private resources. Grant recipients also have to prepare one-year action plans showing how each year's funding will be used in a manner consistent with the five-year Consolidated Plan.

Department of Housing and Community Development (DHCD). The state's lead housing agency, originally known as the Department of Community Affairs (DCA). DHCD oversees state-funded public housing and administers rental assistance programs, the state allocation of CDBG and HOME funds, various state-funded affordable housing development programs, and the Community Services Block Grant (CSBG) Program. DHCD also oversees the administration of Chapter 40B.

Extremely Low Income. See Very Low Income.

Fair Housing Act, Federal. Established under Title VII of the 1968 Civil Rights Act, the federal Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability.

Fair Housing Law, Massachusetts. G.L. c. 151B (1946), the state Fair Housing Act prohibits housing discrimination on the basis of race, color religious creed, national origin, sex, sexual orientation, age, children, ancestry, marital status, veteran history, public assistance reciprocity, or physical or mental disability.

Fair Market Rent (FMR). A mechanism used by HUD to control costs in the Section 8 rental assistance program. HUD sets FMRs annually for metropolitan and non-metropolitan housing market areas (a total of 2,736 FMR areas nationally). The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market. (See 24 CFR 888.)

Family. A household of two or more people occupying a dwelling as a single housekeeping unit.

Gross Rent. Gross rent is the sum of the rent paid to the owner plus any utility costs incurred by the tenant. Utilities include electricity, gas, water and sewer, and trash removal services but not telephone service. If the owner pays for all utilities, then gross rent equals the rent paid to the owner.

Group Home. A type of congregate housing for people with disabilities; usually a single-family home.

Inclusionary Zoning. A zoning ordinance or bylaw that encourages or requires developers to build affordable housing in their developments or provide a comparable public benefit, such as providing affordable units in other locations ("off-site units") or paying fees in lieu of units to an affordable housing trust fund.

Infill Development. Construction on vacant lots or underutilized land in established neighborhoods and commercial centers.

HOME Investment Partnership Program (HOME). A HUD-administered formula grant program that supports the creation and preservation of housing for low- or moderate-income people. Authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended, HOME provides funding to states, larger cities, and groups of contiguous communities that form a consortium for the purpose of qualifying as a "Participating Jurisdiction," or "PJ," which is similar to a CDBG entitlement recipient. HOME funds can be used for home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers, construction or rehabilitation of housing for rent or ownership, or site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and relocation expenses. PJs may also use HOME funds for tenant-based rental assistance contracts of up to two years if doing so is consistent with their Consolidated Plan and justified under local market conditions. Up to 10 percent of the PJ's annual allocation may be used for program planning and administration.

Household. One or more people forming a single housekeeping unit and occupying the same housing unit.

Housing Appeals Committee (HAC). A five-member body that adjudicates disputes under Chapter 40B. Three members are appointed by the Director of DHCD, one of whom must be a DHCD employee. The governor appoints the other two members, one of whom must be a city councilor and the other, a selectman.

Housing Authority. Authorized under G.L. 121B, a public agency that develops and operates rental housing for very-low and low-income households.

Housing Cost, Monthly. For homeowners, monthly housing cost is the sum of principal and interest payments, property taxes, and insurance, and where applicable, homeowners association or condominium fees. For renters, monthly housing cost includes rent and basic utilities (oil/gas, electricity).

HUD. See U.S. Department of Housing and Urban Development.

Jobs-to-Housing Ratio. An indicator of the adequacy of employment and housing in a given community or area.

Local Initiative Program (LIP). A program administered by DHCD that encourages communities to create Chapter 40B-eligible housing without a comprehensive permit, e.g., through inclusionary zoning, purchase price buydowns, a Chapter 40R overlay district, and so forth. LIP grew out of recommendations from the Special Commission Relative to the Implementation of Low or Moderate Income Housing Provisions in 1989. The Commission prepared a comprehensive assessment of Chapter 40B and recommended new, more flexible ways to create affordable housing without dependence on financial subsidies.

Low Income. As used in this plan, low income means a household income at or below 50 percent of AMI. It includes the household income subset known as *very low income*.

MassHousing. The quasi-public state agency that provides financing for affordable housing.

Mixed-Income Development. A residential development that includes market-rate and affordable housing.

Mixed-Use Development. A development with more than one use on a single lot. The uses may be contained within a single building ("vertical mixed use") or divided among two or more buildings ("horizontal mixed use").

Moderate Income. As used in this plan, moderate income means a household income between 51 and 80 percent of AMI.

Open Space-Residential Development. An approach to residential development that seeks to preserve as much land as possible for open space and resource protection by allowing housing to be concentrated on less sensitive areas of a site.

Overlay District. A zoning district that covers all or portions of basic use districts and imposes additional (more restrictive) requirements or offers additional (less restrictive) opportunities for the use of land. In Hanson, districts such as the Flexible Zone and Floodplain District are examples of overlay districts.

Regulatory Agreement. An affordable housing restriction, recorded with the Registry of Deeds or the Land Court, outlining the responsibilities of developers, subsidizing agencies, and monitoring agents, and establishing standards such as profit limitations, rent limits, and so forth.

Section 8. A HUD-administered rental assistance program that subsidizes "mobile" certificates and vouchers to help very-low and low-income households pay for private housing. Tenants pay 30 percent (sometimes as high as 40 percent) of their income for rent and basic utilities, and the Section 8 subsidy pays the balance of the rent. Holders of Section 8 certificates have to choose rental units with a monthly gross rent that does not exceed the Fair Market Rent (FMR), and the subsidy they receive makes up the difference between 30 percent of their monthly gross income and the actual gross rent for the unit. By contrast,

the subsidy for a Section 8 voucher holder is the difference between the FMR and 30 percent of their monthly gross income. Thus, while Section 8 voucher holders may choose units with gross rents that exceed the FMR, they have to make up the difference between the FMR and the monthly gross rent. Section 8 also can be used as a subsidy for eligible rental developments, known as Section 8 Project-Based Vouchers (PBV), which are not "mobile" because they are attached to specific units.

Shared Equity Homeownership. Owner-occupied affordable housing units that remain affordable over time due to a deed restriction that controls resale prices, thereby retaining the benefits of the initial subsidy for future moderate-income homebuyers.

Single Room Occupancy (SRO). A building that includes single rooms for occupancy by individuals and usually includes common cooking and bathroom facilities shared by the occupants.

Subsidized Housing Inventory (SHI). A list of housing units that "count" toward a community's 10 percent statutory minimum under Chapter 40B.

Subsidy. Financial or other assistance to make housing affordable to low- or moderate-income people.

Transit-Adjacent Development (TAD). Development that is in close proximity to transit, but with a design that has not been significantly influenced by it. It is distinguished from TOD, where transit is the central design feature.

Transit-Oriented Development (TOD). Residential and commercial developments designed to maximize access by transit and non-motorized transportation. A TOD typically has a rail or bus station at its center, surrounded by relatively high-density development, with progressively lower-density within one-quarter to one-half mile of the center.

Typical, Non-substandard Rental Units. A term that defines the types of rental units that HUD includes and excludes in establishing the FMR for each housing market area. The term excludes: public housing units, rental units built in the last two years, rental units with housing quality problems, seasonal rentals, and rental units on ten or more acres.

U.S. Department of Housing and Urban Development (HUD). The lead federal agency for financing affordable housing development and administering the Fair Housing Act.

Very Low Income. As used in this plan, very low income is a household income at or below 30 percent of AMI. *In some housing programs, a household with income at or below 30 percent of AMI is called extremely low income.*

Workforce. People who work or who are available for work, either in a defined geographic area or a specific industry.

Workforce Housing. There is no single industry standard that defines "workforce housing." HUD defines it as housing affordable to households earning between 80 and 120 percent of AMI. The Urban Land Institute has traditionally used the term "workforce housing" to describe units affordable to households with incomes between 60 and 100 percent AMI. By contrast, MassHousing defines "workforce housing" as housing affordable to individuals

and families with incomes of 61% to 120% of AMI. In general, workforce housing is housing for people who work in a community and the pricing methodology should account for wages paid by local employers.

APPENDIX B. DHCD AFFIRMATIVE MARKETING PLAN REQUIREMENTS

The Commonwealth of Massachusetts has a compelling interest in creating fair and open access to affordable housing and promoting compliance with state and federal civil rights obligations. Therefore, all housing with state subsidy or housing for inclusion on the Subsidized Housing Inventory (SHI) shall have an Affirmative Fair Housing Marketing Plan (AFHMP). *The affordable Use Restriction documents of said housing must require that the AFHMP, subject to the approval of the subsidizing or funding agency, shall be implemented for the term of the Use Restriction.* Affirmative Fair Housing requirements apply to the full spectrum of activities that culminate with occupancy, including but not limited to means and methods of outreach and marketing through to the qualification and selection of residents. All AFHMP plans must, at a minimum, meet the standards set forth by the Department of Housing and Community Development (DHCD). In the case of M.G.L. c.40B projects, the AFHMP must be approved by the Subsidizing Agency.

The developer (Developer) is responsible for resident selection, including but not limited to drafting the resident selection plan, marketing, administering the initial lottery process, and determining the qualification of potential buyers and/or tenants. The Developer is responsible for paying for all of the costs of affirmative fair marketing and administering the lottery and may use in-house staff, provided that such staff meets the qualifications described below. The Developer may contract for such services provided that any such contractor must be experienced and qualified under the following standards.

Note: As used in these AFHMP Guidelines, “Developer” refers to the Project Developer and/or the entity with which the Developer has contracted to carry out any or all of the tasks associated with an AFHMP.

■ Developer Staff and Contractor Qualifications

The entity as well as the individual with primary responsibility for resident selection, whether in-house staff or a third-party contractor, must have substantial, successful prior experience in each component of the AFHMP for which the party will be responsible, e.g. drafting the plan, marketing and outreach activities, administering the lottery process and/or determining eligibility under applicable subsidy programs and/or qualifying buyers with mortgage lenders.

- Subsidizing Agencies reserve the right to reject the qualifications of any Developer or contractor. However, generally, Developers or contractors that meet the following criteria *for each component*, as applicable, will be considered to be qualified to carry out the component(s) for which they are responsible:
- The entity has successfully carried out similar AFHMP responsibilities for a minimum of three (3) projects in Massachusetts or the individual with primary responsibility for the resident selection process has successfully carried out similar AFHMP responsibilities for a minimum of five (5) projects in Massachusetts.
- The entity has the capacity to address matters relating to English language proficiency.

“Successfully” for the purposes of these Guidelines means that, with respect to both the entity and the relevant staff, (a) the prior experience has not required intervention by a Subsidizing Agency to address fair housing complaints or concerns; and (b) that within the past five (5) years, there has not been a finding or final determination against the entity or staff for violation of any state or federal fair housing law.

■ Affirmative Fair Housing Marketing Plan

The Developer shall prepare the following materials which shall comprise an AFHMP:

- Informational materials for applicants including a general description of the overall project that provides key information such as the number of market/affordable units, amenities, number of parking/garage spaces per unit, distribution of bedrooms by market and affordable units, accessibility, etc.
- A description of the eligibility requirements.
- Lottery and resident selection procedures.
- A clear description of the preference system being used (if applicable).
- A description of the measures that will be used to ensure affirmative fair marketing will be achieved including a description of the affirmative fair marketing and outreach methods that will be used, sample advertisements to be used, and a list of publications where ads will be placed.
- Application materials including:

- The application form.
- A statement regarding the housing provider's obligation not to discriminate in the selection of applicants, and such a statement must also be included in the application materials.
- Information indicating that disabled persons are entitled to request a reasonable accommodation of rules, policies, practices, or services, or to request a reasonable modification of the housing, when such accommodations or modifications are necessary to afford the disabled person equal opportunity to use and enjoy the housing.⁴
- An authorization for consent to release information.
- For homeownership transactions, a description of the use restriction and/or deed rider.

The Subsidizing Agency must approve the AFHMP before the marketing process commences. In the case of a Local Action Unit (LAU), DHCD and the municipality must approve the AFHMP.

The AFHMP shall be applied to affordable units⁵ upon availability for the term of affordability and must consist of actions that provide information, maximum opportunity, and otherwise attract eligible persons protected under state and federal civil rights laws that are *less likely to apply*.

Outreach and Marketing


Marketing should attract residents outside the community by extending to the regional statistical area as well as the state.

- Advertisements should be placed in local and regional newspapers, and newspapers that serve minority groups and other groups protected under fair housing laws. Notices should also be sent to local fair housing commissions, area churches, local and regional housing agencies, local housing authorities, civic groups, lending institutions, social service agencies, and other non-profit organizations.

⁴ It is important to remember that legal obligations with respect to accessibility and modifications in housing extend beyond the Massachusetts Architectural Access Board requirements, including federal requirements imposed by the Fair Housing Act, the Americans with Disabilities Act, and the Rehabilitation Act. Under state law, in the case of publicly assisted housing, multiple dwelling housing consisting of ten or more units, or contiguously located housing consisting of ten or more units (see M.G.L. c. 151B, § 1 for definitions), reasonable modification of existing premises shall be at the expense of the owner or other person having the right of ownership if necessary for the disabled person to fully enjoy the premises. M.G.L. c. 151B, § 4(7A). See also 24 C.F.R. part 8 for Rehabilitation Act requirements of housing providers that receive federal financial assistance.

⁵ The advertising component of the AFHMP applies to all units.

- Affordable and/or accessible⁶ rental units must be listed with the Massachusetts Accessible Housing Registry whenever they become available (including upon turnover). See <http://www.chapa.org>.
- Available affordable ownership units must also be listed with CHAPA's lottery website (see <http://www.chapa.org>) and with the Massachusetts Affordable Housing Alliance (MAHA) website (see <http://www.mahahome.org>).
- Marketing should also be included in non-English publications based on the prevalence of particular language groups in the regional area. To determine the prevalence of a particular language by geographical area, see for example: http://www.doleta.gov/reports/CensusData/LWIA_by_State.cfm?state=MA.
- All marketing should be comparable in terms of the description of the opportunity available, regardless of the marketing type (e.g., local newspaper vs. minority newspaper). The size of the advertisements, including the content of the advertisement, should be comparable across regional, local, and minority newspapers.
- Advertisements should run a minimum of two times over a sixty day period and be designed to attract attention. Marketing of ownership units should begin approximately six months before the expected date of project occupancy.
- Pursuant to fair housing laws,⁷ advertising must not indicate any preference or limitation, or otherwise discriminate based on race, color, disability, religion, sex, familial status, sexual orientation, national origin, genetic information, ancestry, children, marital status, or public assistance reciprocity. Exceptions may apply if the preference or limitation is pursuant to a lawful eligibility requirement. All advertising depicting persons should depict members of classes of persons protected under fair housing laws, including majority and minority groups.

The Fair Housing logo () and slogan ("Equal Housing Opportunity") should be included in all marketing materials.

⁶ Note: The owner or other person having the right of ownership shall, in accordance with M.G.L. c. 151B, §4(7A), give at least fifteen days notice of the vacancy of a wheelchair accessible unit to the Massachusetts Rehabilitation Commission. Said statute also requires the owner or other person having the right of ownership to give timely notice that a wheelchair accessible unit is vacant or will become vacant to a person who has, within the past 12 months, notified the owner or person or person having the right of ownership that such person is in need of a wheelchair accessible unit.

⁷ 42 U.S.C. § 3604(c); M.G.L. c. 151B, § 4(7B).

Availability of Applications

Advertising and outreach efforts shall identify locations where the application can be obtained. Applications shall be available at public locations including one that has some night hours; usually, a public library will meet this need. The advertisement shall include a telephone number an applicant can call to request an application via mail.

Informational Meeting

In addition, the lottery administrator must offer one or more informational meetings for potential applicants to educate them about the lottery process and the housing development. These meetings may include local officials, developers, and local bankers. The date, time, and location of these meetings shall be published in ads and flyers that publicize the availability of lottery applications. The workshops shall be held in a municipal building, school, library, public meeting room or other accessible space. Meetings shall be held in the evening or on weekend days in order to reach as many potential applicants as possible. However, attendance at a meeting shall not be mandatory for participation in a lottery.

The purpose of the meeting is to answer questions that are commonly asked by lottery applicants. Usually a municipal official will welcome the participants and describe the municipality's role in the affordable housing development. The lottery administrator will then explain the information requested on the application and answer questions about the lottery drawing process. The Developer should be present to describe the development and to answer specific questions about the affordable units. It is helpful to have representatives of local banks present to answer questions about qualifications for the financing of affordable units. At the meeting, the lottery administrator should provide complete application materials to potential applicants.

Homeownership – Establishing Sales Prices

Sale prices shall be established at the time of the initial marketing of the affordable units. Thereafter, the prices of homes cannot be increased for lottery winners, even if interest rates and HUD income guidelines change.

For large, phased developments maximum sale prices of units sold in subsequent phases will be calculated prior to the start of marketing for each phase, or approximately 6 months prior to expected occupancy of the units. In such cases, each phase will require its own affirmative fair marketing efforts and lottery.

Local Preference

If a community wishes to implement a local selection preference, it must:

- Demonstrate in the AFHMP the need for the local preference (e.g., the community may have a disproportionately low rental or ownership affordable housing stock relative to need in comparison to the regional area); and
- Demonstrate that the proposed local preference will not have a disparate impact on protected classes.

In no event may a local preference exceed more than 70 percent of the (affordable) units in a Project.

The Subsidizing Agency, and in the case of LAUs, DHCD as well as the municipality, must approve a local preference scheme as part of the AFHMP. Therefore, the nature and extent of local preferences should be approved by the Subsidizing Agency (or DHCD in the case of LAUs) prior to including such language in the comprehensive permit or other zoning mechanism.

Allowable Preference Categories

- *Current residents:* A household in which one or more members is living in the city or town at the time of application. Documentation of residency should be provided, such as rent receipts, utility bills, street listing or voter registration listing.
- *Municipal Employees:* Employees of the municipality, such as teachers, janitors, firefighters, police officers, librarians, or town hall employees.
- *Employees of Local Businesses:* Employees of businesses located in the municipality.
- *Households with children attending the locality's schools,* such as METCO students.

When determining the preference categories, the geographic boundaries of the local resident preference area should not be smaller than municipal boundaries.

Durational requirements related to local preferences, that is, how long an applicant has lived in or worked in the residency preference area, are not permitted in any case.

Preferences extended to local residents should also be made available not only to applicants who work in the preference area, but also to applicants who have been hired to work in the preference area, applicants who demonstrate that they expect to live in the preference area because of a bona fide offer of employment, and applicant households with children attending the locality's schools, such as METCO students.

A preference for households that work in the community must not discriminate (including have a disproportionate effect of exclusion) against disabled and elderly households in violation of fair housing laws.

Advertising should not have a discouraging effect on eligible applicants. As such, local residency preferences must not be advertised as they may discourage non-local potential applicants.

Avoiding Potential Discriminatory Effects

The local selection preferences must not disproportionately delay or otherwise deny admission of non-local residents that are protected under state and federal civil rights laws. The AFHMP should demonstrate what efforts will be taken to prevent a disparate impact or discriminatory effect. For example, the community may move minority applicants into the local selection pool to ensure it reflects the racial/ethnic balance of the HUD defined Metropolitan Statistical Area as described below. However, such a protective measure may not be sufficient as it is race/ethnicity specific; the AFHMP must address other classes of persons protected under fair housing laws who may be negatively affected by the local preference.

To avoid discriminatory effects in violation of applicable fair housing laws, the following procedure should be followed unless an alternative method for avoiding disparate impact (such as lowering the original percentage for local preference as needed to reflect demographic statistics of the MSA) is approved by the Subsidizing Agency. If the project receives HUD financing, HUD standards must be followed.

A lottery for projects including a local preference should have two applicant pools: a local preference pool and an open pool. After the application deadline has passed, the Developer should determine the number of local resident minority households there are in the municipality and the percentage of minorities in the local preference pool. If the percentage of minority local resident households in the local preference pool is less than the percentage of minorities in the surrounding HUD-defined area, the Developer should make the following adjustments to the local preference pool:

- The Developer should hold a preliminary lottery comprised of all minority applicants who did not qualify for the local preference pool, and rank the applicants in order of drawing.
- Minority applicants should then be added to the local preference pool in order of their rankings until the percentage of minority applicants in the local preference pool is equal to the percentage of minorities in the surrounding HUD-defined area.
- Applicants should be entered into all pools for which they qualify. For example, a local resident should be included in both pools.
- Minorities should be identified in accordance with the classifications established by HUD and the U.S. Census Bureau, which are the racial classifications: Black or African American; Asian; Native American or Alaska Native; Native Hawaiian or Pacific Islander; or other (not White); and the ethnic classification Hispanic or Latino.

Household Size/Larger Households Preference

Household size should be appropriate for the number of bedrooms in the home. It is appropriate to set a minimum. A maximum household size for the units may be established provided that:

- Maximum allowable household size may not be more restrictive than the State Sanitary Code or applicable local bylaws, and may not violate state and federal civil rights laws.
- Maximum allowable household size may not be more restrictive than the Large Household Preference established below.

Larger Household Preference

Within an applicant pool, first preference shall be given to households requiring the total number of bedrooms in the unit based on the following criteria:

- There is at least one occupant per bedroom.⁸
- A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.

⁸ Disabled households must not be excluded from a preference for a larger unit based on household size if such larger unit is needed as a reasonable accommodation.

- A person described in the first sentence of (b) shall not be required to share a bedroom if a consequence of sharing would be a severe adverse impact on his or her mental or physical health and the lottery agent receives reliable medical documentation as to such impact of sharing.

Within an applicant pool second preference shall be given to households requiring the number of bedrooms in the unit minus one, based on the above criteria. Third preference shall be given to households requiring the number of bedrooms in the unit minus two, based on the above criteria.

A “household” shall mean two or more persons who will live regularly in the unit as their principal residence and who are related by blood, marriage, law or who have otherwise evidenced a stable inter-dependent relationship, or an individual.

Lottery drawings shall result in each applicant being given a ranking among other applicants with households receiving preference for units based on the above criteria. Household size shall not exceed State Sanitary Code requirements for occupancy of a unit (See 105 CMR 400).⁹

■ Lotteries

The Lottery Application

Resident selection must generally be based on a lottery, although in some cases it may be based on another fair and equitable procedure approved by the Subsidizing Agency.¹⁰ A lottery procedure is preferred over a “first-come, first-serve procedure,” as the latter procedure may disadvantage non-local applicants.

The application period should be at least 60 days. To ensure the fairness of the application process, applicants should not be required to deliver application materials and instead should be permitted to mail them.

The lottery application must address a household’s:

- income
- assets
- size and composition

⁹ Note, however, that fair housing exceptions may apply: see HUD Fair Housing Enforcement—Occupancy Standard; Notice of Statement of Policy, Docket No. FR-4405-01 (1998).

¹⁰ In the case of project based Section 8 properties where resident selection is to be performed by the housing authority pursuant to a Section 8 waiting list, a lottery procedure is not required.

- minority status (optional disclosure by the household)
- eligibility as a first-time buyer (for ownership units)
- eligibility for local preference

The lottery administrator shall request verification (e.g., three prior year tax returns with the W2 form; 5 most recent pay stubs for all members of the household who are working, three most recent bank statements and other materials necessary to verify income or assets).

Applicants cannot be required to use a specific lender for their pre-approval letter or their mortgage.

Only applicants who meet qualification requirements should be included in the lottery.

Lottery Procedure

Once all required information has been received, qualified applicants should be assigned a registration number. Only applicants who meet the eligibility requirements shall be entered into a lottery. The lottery shall be conducted after any appeals related to the project have been completed and all permits or approvals related to the project have received final action.

Ballots with the registration number for applicant households are placed in all lottery pools for which they qualify. The ballots are randomly drawn and listed in the order drawn, by pool. If a project has units with different numbers of bedrooms, units are then awarded (largest units first) by proceeding down the list to the first household on the list that is of appropriate size for the largest unit available according to the appropriate-unit-size criteria established for the lottery. Once all larger units have been assigned to appropriately sized households in this manner, the lottery administrator returns to the top of the list and selects appropriately sized households for smaller units. This process continues until all available units have been assigned to appropriately sized applicant households.

If the project includes units accessible or adaptable for occupancy by disabled persons, first preference (regardless of applicant pool) for those units shall be given to such disabled persons, including single person households, in conformity with state and federal civil rights laws.

The lottery administrator should retain a list of households who are not awarded a unit, in the order that they were drawn. If any of the initial renters/buyers do not rent/purchase a unit, the unit shall be offered to the

highest ranked household on that retained list. This list may generally be retained and used to fill units for up to one year. However, other factors such as the number of households remaining on the list, the likelihood of the continuing eligibility of such households, and the demographic diversity of such households may inform the retention time of the list, subject to the approval of the Subsidizing Agency.

After the initial lottery, waiting lists should be analyzed, maintained, and updated (through additional marketing) so that they remain consistent with the objectives of the housing program and are adequately representative of the racial, ethnic, and other characteristics of potential applicants in the housing market region.

■ Homeownership

1. Household Eligibility

A Subsidizing Agency housing program may establish eligibility requirements for homebuyers. In the absence of such provisions, the following requirements shall apply.

In addition to meeting the requirements for qualifying a Project or dwelling unit for the SHI, the household shall not have owned a home within three years preceding the application, with the exception of:

- displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;
- single parents, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has 1 or more children of whom the individual has custody or joint custody, or is pregnant);
- households where at least one household member is 55 or over;
- households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
- households that owned a property that was not in compliance with State, local or model building codes and that cannot be brought into

compliance for less than the cost of constructing a permanent structure.

Individuals who have a financial interest in the development and their families shall not be eligible.

2. Final Qualification and Closing

Once the lottery has been completed, applicants selected to purchase units must be given a reasonable pre-specified time period in which they must secure financing. The Developer should invite the lottery winners to a loan application workshop. The Developer should make prior arrangements with local financial institutions with respect to financing qualified purchasers. Often such institutions will give preliminary approvals of loans, which make the remainder of the process more efficient for all parties.

Before a Purchase and Sale Agreement is signed, the lottery agent should submit income and asset documentation of the applicant to the Subsidizing Agency (to DHCD and the municipality in the case of a LAU). Income verification should include tax returns and W-2s from the past three years, five most recent pay stubs, three months recent bank statements and 401 K reports, reliable documentation as to other sources of income and assets. The Subsidizing Agency (to DHCD and the municipality in the case of a LAU) will then verify that the household's annual income does not exceed 80% of the area median income, or such lower income limit as may have been established for the particular project. The Subsidizing Agency (to DHCD and the municipality in the case of a LAU) also will verify that household assets do not exceed the maximum allowed. Closing of the sale will also be contingent on the Subsidizing Agency's (to DHCD and the municipality in the case of a LAU) approval of the buyer's financing.

Non-household members should not be permitted as co-signers of the mortgage.

3. Resales

AFHMP requirements apply to the housing for its duration. The AFHMP must include a plan, satisfactory to the Subsidizing Agency (to DHCD and the municipality in the case of a LAU), to address AFHMP requirements upon resale. The proposal must, at a minimum, require that units for resale to eligible purchasers be listed with CHAPA and MAHA's homeownership lottery sites as described above and establish minimum public advertising requirements. The proposal cannot impose the AFHMP requirements upon a homeowner other than requiring compliance with

requirements of a Use Restriction, reasonable public advertising, and listing with CHAPA and MAHA.

A “ready-buyer” list of eligible buyers maintained by the municipality or other local entity is encouraged. This list may be created through local, regional, and statewide lists and resources. As stated above, the list should continually be analyzed, maintained, and updated (through additional marketing) so that it remains consistent with the objectives of the housing program and is adequately representative of the racial, ethnic, and other characteristics of potential applicants in the housing market region.

APPENDIX C. AFHMP REVIEW CHECKLIST

City/Town: _____	Reviewer: _____
Project Name: _____	Date of Review: _____
Address: _____	
RENTAL <input type="checkbox"/>	OWNERSHIP <input type="checkbox"/> BOTH <input type="checkbox"/>

Note: The checklist below is intended to assist with AFHMP review but does not replace the requirements of the DHCD AFHMP guidelines, available at <http://www.mass.gov/hed/docs/dhcd/hd/fair/afhmp.pdf> (see also section III of the DHCD Comprehensive Permit Guidelines at <http://www.mass.gov/hed/docs/dhcd/legal/comprehensivepermitguidelines.pdf>). The AFHMP guidelines must be consulted in their entirety.

DEVELOPER/CONTRACTOR INFORMATION:

Are the developer staff and contractor qualifications consistent with the Guidelines? YES ☐ NO ☐
Did developer/contractor representative(s) certify that the AFHMP is consistent with the Guidelines? YES ☐ NO ☐

MARKETING:

Will the application period run for at least 60 days? YES ☐ NO ☐

Will advertisements be placed in local and regional newspapers? YES ☐ NO ☐
If YES, which newspapers: _____

Will advertisements be placed in newspapers that serve minority groups and other protected classes? YES ☐ NO ☐
If YES, which newspapers: _____

Will advertisements run at least two times over a 60-day period? YES ☐ NO ☐

Are sample ads included? YES ☐ NO ☐

Is marketing comparable in local, regional and minority newspapers? YES ☐ NO ☐
If NO, explain: _____

Are outreach notices to be sent to local fair housing commissions? YES ☐ NO ☐
To other local/regional religious institutions, housing authorities, social service agencies, nonprofits, etc? YES ☐ NO ☐
If YES, where: _____

Is the outreach appropriate to the type of housing proposed (e.g., marketing to senior centers for elderly housing)?
YES ☐ NO ☐ Explain: _____

Are applications made available at public, wheelchair accessible locations including one that has some night hours?

YES ☐ NO ☐

Does the advertisement and other marketing include a telephone number, including a TTY/TTD phone number, to call to request an application via mail? YES ☐ NO ☐

Does the advertisement and other marketing indicate that applications may be submitted by mail, fax or e-mail?

YES ☐ NO ☐

Does marketing include non-English publications? YES ☐ NO ☐

If YES, which languages: _____

What is the basis for determining the languages? Explain: _____ Will available Metro Boston Area affordable units be reported to MetroList? YES ☐ NO ☐

Will available affordable and available accessible units be listed with MassAccess (CHAPA's Housing Registry)?

YES ☐ NO ☐

Will available affordable ownership units be listed with MassAccess? YES ☐ NO ☐

Will available affordable ownership units be listed with MAHA's lottery website? YES ☐ NO ☐

Are Fair Housing logo and slogan included in all marketing materials? YES ☐ NO ☐

Do applicant materials include a statement of the housing provider's obligation to not discriminate in the selection of applicants? YES ☐ NO ☐

Do applicant materials state that persons with disabilities may request reasonable accommodations in rules, policies, practices or services or reasonable modifications in the housing? YES ☐ NO ☐

Do informational materials provide notice of free language assistance to applicants, translated or to be translated into the languages of LEP populations anticipated to apply? YES ☐ NO ☐

Does marketing refrain from describing characteristics of desirable applicants/residents (e.g., "for four persons only", "active lifestyle community," "empty nesters")? YES ☐ NO ☐

If NO, explain: _____

Does marketing convey unlawful preferences or limitations (e.g., only white models)? YES ☐ NO ☐

If YES, explain: _____

Does marketing include reference to local residency preferences? YES ☐ NO ☐ [NOTE: not permitted]

Does marketing indicate resident selection by lottery or other random selection procedure? YES ☐ NO ☐

RESIDENT SELECTION:

Are copies of a sample application and information packets for potential applicants included and acceptable?

YES ☐ NO ☐

Are info sessions scheduled to allow for maximum opportunity to attend (i.e., evenings, weekends, accessible location)? YES ☐ NO ☐

Are the eligibility criteria consistent with the Guidelines? YES ☐ NO ☐

Is resident selection based on a lottery? YES ☐ NO ☐

If NO, is it based on a fair and equitable procedure (i.e., not “first come, first served”) approved by the subsidizing agency? YES ☐ NO ☐ Explain: _____

If a lottery to be utilized, will the lottery be held at a public, wheelchair accessible location? YES ☐ NO ☐

Are the lottery procedures consistent with the Guidelines? YES ☐ NO ☐

Is the community choosing to implement a local selection preference? YES ☐ NO ☐

If YES, is the need for the local preference demonstrated consistent with the Guidelines? YES ☐ NO ☐ Explain: _____

[NOTE: 70% local preference is maximum permitted but percentage must be justified based on documented local need]

Does the demonstrated need correspond to the housing type and eligibility criteria of the project? (e.g., wait list at another rental development used to demonstrate need is for apartments to be rented at similar rents and for residents at similar income levels) YES ☐ NO ☐ Explain: _____

Are all the proposed preference types consistent with the Guidelines? YES ☐ NO ☐

Are the geographic boundaries of the local preference area smaller than the municipal boundaries? YES ☐ NO ☐

[NOTE: not permitted]

Does the AFHMP include efforts to address potential discriminatory effects of a local selection preference (e.g., will minority applicants be moved into the local selection pool to ensure it reflects the racial/ethnic balance of the region and/or other efforts consistent with the Guidelines)? YES ☐ NO ☐ Explain: _____

Is the working preference the only local preference? YES ☐ NO ☐

If YES, are persons with disabilities and/or 62 years of age or older that live in the community given the benefit of the preference? YES ☐ NO ☐

Are there durational requirements for living or working in the community? YES ☐ NO ☐ [NOTE: Not permitted]

Are local preference units subject to different or more beneficial terms (e.g., reduced prices) than other affordable units? YES ☐ NO ☐

If YES, explain: _____

Are household size restrictions and preferences consistent with the Guidelines? YES ☐ NO ☐

Does the AFHMP provide persons with disabilities in need of accessible units first preference for such units?

YES ☐ NO ☐

Does the AFHMP address adaptable units consistent with the Guidelines? YES ☐ NO ☐

Does the AFHMP provide for criminal background checks consistent with the Guidelines (e.g., not imposed prior to the lottery and consistent with DHCD model CORI policy)? YES ☐ NO ☐

Does the AFHMP require any deposits or fees to be paid? YES ☐ NO ☐

If YES, are they consistent with the Guidelines? YES ☐ NO ☐

WAIT LISTS

After the lottery, are households that are not awarded a unit placed on a wait list in the order that they were drawn from the *general* pool? YES ☐ NO ☐

For rental projects, is the procedure for ordering new applicants upon re-opening of the wait list based upon a random selection procedure after a minimum application period of no less than 10 business days?

YES ☐ NO ☐

If NO, explain: _____

Is there a procedure for wait lists that do not close, and does it address persons with disabilities consistent with the Guidelines? YES ☐ NO ☐ Explain: _____

Does the ongoing affirmative and general marketing/outreach materials provide explicit notice of the availability of reasonable accommodations in the application process and a corresponding telephone number? YES ☐ NO ☐

For ownership projects, does the AFHMP include a method for ensuring continued compliance w/ the Guidelines upon resale? YES ☐ NO ☐

APPENDIX D. RESOURCES FOR AFFORDABLE HOUSING EDUCATION AND COMMUNITY ENGAGEMENT

Housing Toolbox for Massachusetts Communities
www.housingtoolbox.org/

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

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

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

National Low-Income Housing Coalition
nlihc.org/

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

National Fair Housing Alliance
nationalfairhousing.org/

Housing Rights Center
www.hrc-la.org/

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

Massachusetts Affordable Housing Alliance
mahahome.org/

National Community Land Trust Network
cltnetwork.org/

National Housing Trust
www.nationalhousingtrust.org/

