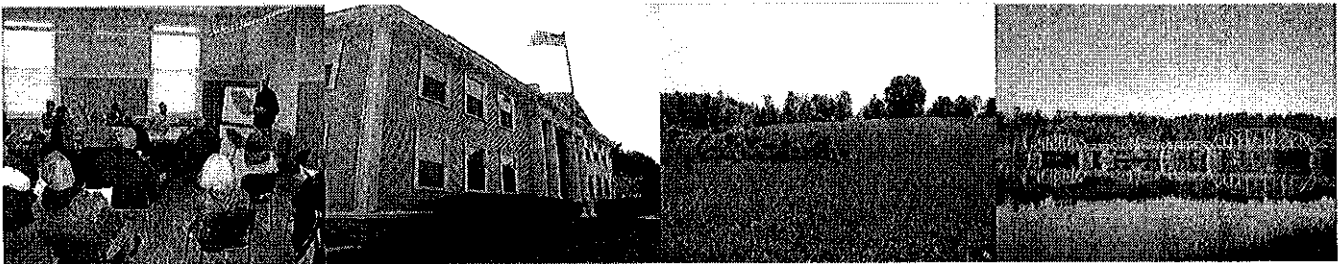


# **Housing Production Plan**

**Town of West Newbury, Massachusetts**



**Town of West Newbury  
Planning Board**

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## EXECUTIVE SUMMARY

The primary goal of this 2009 Housing Production Plan (HPP) is to expand local affordable housing programs and projects and to implement creative policies that address local housing needs and move West Newbury closer to compliance with M. G. L. Chapter 40B. Under M.G.L. 760 CMR 31.07(1)(i) communities may adopt an affordable housing plan that is based upon a comprehensive needs assessment and includes strategies for the production of low- and moderate-income housing. To be eligible for approval by the Department of Housing & Community Development (DHCD), the plan must demonstrate how the Town will achieve the housing production required by the regulation.

Once the plan is approved by DHCD, West Newbury may request future certification of compliance with the plan by submitting proof that the required number of qualifying housing units has been produced during the current calendar year. According to the current inventory of affordable housing, West Newbury must create at least 7 subsidized housing units per year until it achieves a total of 141 units, or 10% of its 2000 year-round housing stock.<sup>1</sup> Certification from DHCD would enable the Board of Appeals to deny Comprehensive Permit applications for one year from the date of request for certification if certain conditions are met. For example, if 14 units, or 1% of West Newbury's 2000 housing stock, are constructed in one year, West Newbury could receive protection from granting comprehensive permits for two years.

If a community has achieved certification within 15 days of the opening of the local hearing for the Comprehensive Permit, the Board of Appeals shall provide written notice to the Applicant, with a copy to DHCD, that it considers that a denial of the permit or the imposition of conditions or requirements would be Consistent with Local Needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation.

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

With the recent approval of the Ocean Meadow Open Space Preservation Development, there appear to be enough affordable units in the pipeline to potentially satisfy this phased-in requirement for 2010. However, West Newbury must continue to establish effective long-term policies, program and strategies in order to ensure that the Town will meet this phase-in requirement in the future, and satisfy the long term housing needs of its residents.

This HPP has been prepared in accordance with 760 CMR 31.07(1) (i) and will address the following topics:

- 1) Housing Needs Assessment
- 2) Affordable Housing Goals and Strategies
- 3) Affordable Housing Implementation

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<sup>1</sup> Note that this figure is likely to increase next year with the upcoming 2010 U.S. Census information becoming available. With nearly 1,500 households in 2008, the number of subsidized or affordable housing units will likely be closer to 150. This would have the effect of reducing the Town's level of affordable housing to just 1.6% of the year round housing stock thereby requiring the Town to create 8 units per year under the HPP.

#### 4) Use Restriction Guidelines

Beginning with a review of the findings from the West Newbury Housing Needs Assessment, the Board and its Consultant reviewed the Goals and Strategies of the 2004 Affordable Housing Plan and then updated where, when, and how additional affordable housing should be pursued in West Newbury:

- Housing Needs Assessment: The Board held a public meeting to review the Housing Assessment Section and to determine the needed number, ownership type, and size of affordable units, as well as the level of affordability needed to satisfy West Newbury's local housing needs.
- Affordable Housing Goals and Strategies: Using the 2004 Affordable Housing Plan as a baseline, the vision and goal statement was revised through a series of public meetings and approved by the Board.
- Evaluation of Potential Locations, Programs or Policies for Affordable Housing: Using the recommendations of the 2004 Community Development Plan, the Board evaluated several potential site locations for affordable housing. The Board also assessed regulatory and non-regulatory tools for addressing the affordable housing needs of the community.
- Prepare an Implementation Plan: Specific strategies were identified and prioritized to enable West Newbury to make progress towards meeting its affordable housing needs through phased and incremental implementation over the next five years.

# I. Housing Needs Assessment

## INTRODUCTION

The combination of protected open space and significant farm and forest land in West Newbury contributes to a strong sense of rural character. According to recent surveys implemented by the Town's Open Space Committee, residents strongly wish to preserve this rural character despite the Town's steady and incremental transition toward a more suburban bedroom community. As the amount of privately owned open space diminishes, there is a strong desire to shape future growth and development so that critical open space is preserved and this semi-rural visual character continues to define the community.

At the same time, there is also a desire to address the increasing cost of housing and the lack of sufficient diversity in housing pricing, size, and ownership options. Prior to the rapid increase in housing prices during the recent market cycle, West Newbury was generally perceived as an affordable place to live as housing prices were generally consistent with rural communities in the region. However, over the past ten years high housing prices have made it more difficult for people, including long-time residents and seniors who wish to downsize, younger residents and families starting out, as well as town employees who wish to reside in town, to find affordable housing options.

This section seeks to update and refine the housing needs articulated in the 2004 Affordable Housing Plan through a careful assessment of the demographics of the Town, including the ability of the Town's existing housing stock to meet the needs of its residents.

## A. COMMUNITY DEMOGRAPHICS

### Location

West Newbury is located approximately 35 miles north of Boston in the Merrimack Valley region. Encompassing an area of roughly 14 square miles, it is bordered on the north and northwest by the Merrimack River, on the east by Newburyport, on the southeast by Newbury, and on the southwest by Groveland (see Figure 1). The Town is just inland of the coastal zone, and is characterized by a rolling landscape of hills, open fields, and woods interlaced by freshwater wetlands.

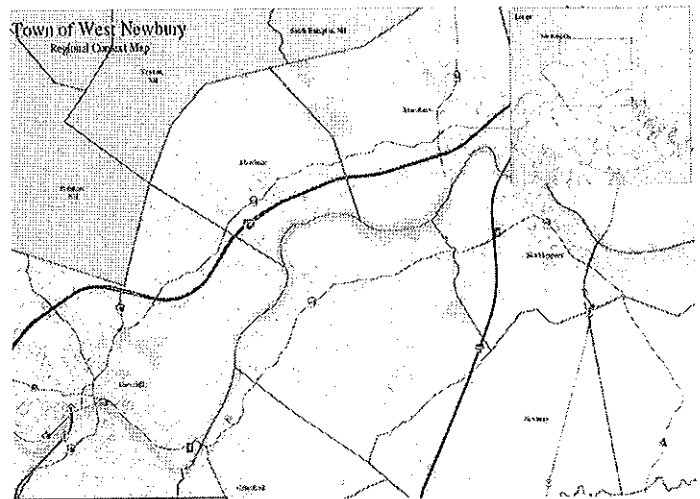


Figure 1 – Regional Context Map

### Regional Growth Rate

Once a small, independent farming town, West Newbury has experienced strong growth since the 1950s. Between 1960 and 2000, West Newbury's population has increased between 20 and 27% per decade for a total of 125% or 2,305 persons.



**Table 1 - Regional Population Growth (1960-2000)**

Area	Population					Change 1990-2000	
	1960	1970	1980	1990	2000	#	%
West Newbury	1,844	2,254	2,861	3,421	4,149	728	21.3%
Amesbury	10,787	11,388	13,971	14,997	16,450	1,453	9.7%
Merrimac	3,261	4,245	4,451	5,166	6,138	972	18.8%
Newbury	2,519	3,804	4,529	5,623	6,717	1,094	19.5%
Newburyport	14,004	15,807	15,900	16,317	17,189	872	5.3%
Georgetown	3,755	5,290	5,687	6,384	7,377	993	15.6%
Groveland	3,297	5,400	5,040	5,214	6,038	824	15.8%
Haverhill	46,346	46,120	46,865	51,418	58,969	7,551	14.7%
Rowley	2,783	3,040	3,867	4,452	5,500	1,048	23.5%
Essex County	568,831	637,887	633,688	670,080	723,419	53,339	8.0%
Massachusetts	5,148,578	5,689,377	5,737,037	6,016,425	6,349,097	332,672	5.5%

Source: 2000 U.S. Census STF 1

Table 1 shows that in the past decade the surrounding communities within the region have also experienced rapid residential growth. West Newbury's population growth rate over the last decade was higher than all other surrounding municipalities with the exception of the Town of Rowley. When compared to Essex County and the State, which experienced an 8.0% and 5.5% growth respectively, West Newbury is growing at a much faster rate.

### Population Projections

The Metropolitan Area Planning Council (MAPC) predicts that West Newbury's population will grow at approximately 5% per decade and be 4,816 by the year 2030, representing an increase of 667 persons (16%) over the 2000 Census estimate (Table 2). The Town Census already counts a 2008 population of 4,508, a rate of approximately 11% per decade.

**Table 2 -West Newbury Population Forecast (2000-2030)**

Area	Population				Change 2000-2030	
	2000	2010	2020	2030	#	%
West Newbury	4,149	4,421	4,640	4,816	667	16.1%

Source: MAPC

The Merrimack Valley Planning Commission projections prepared for the 2009 Open Space and Recreation Plan estimate that the Town will continue to grow at a rate of about 20% per decade. Thus, using the range of 5% to 20% growth per decade and the 2008 Town Census population of 4,528 as a baseline would suggest that by 2020, the Town should expect to have between 4,800 and 5,600 residents.

### Age

A key component of population growth and of its impact on a community is the age distribution of the population and the change in proportion of age groups. Such information can suggest whether more space in schools and teachers are required, or more meals-on-wheels and emergency vehicles to serve the frequent demands of an aging population.

The U.S. Census data confirms the dynamics described in the West Newbury Comprehensive Plan – that there has been significant recent growth in the 0-19 and 35-64 year age groups and the least growth in the groups of age 65 and older.

**Table 3 - West Newbury Age Profile (1990-2030)**

Ages	1990	%	2000	%	2010	%	2020	%	2030	%
0 - 19	1,068	31.2%	1,314	31.7%	1,236	28.0%	1,221	26.3%	1,295	26.9%
20 - 34	557	16.3%	408	9.8%	357	8.1%	398	8.6%	386	8.0%
35 - 44	791	23.1%	822	19.8%	532	12.0%	432	9.3%	501	10.4%
45 - 54	460	13.4%	845	20.4%	1,215	27.5%	1,119	24.1%	1,030	21.4%
55 - 64	274	8.0%	395	9.5%	653	14.8%	844	18.2%	770	16.0%
65 - 74	172	5.0%	213	5.1%	272	6.1%	439	9.5%	561	11.6%
Over 75	99	2.9%	152	3.7%	157	3.5%	186	4.0%	273	5.7%
<b>Total</b>	<b>3,421</b>		<b>4,149</b>		<b>4,421</b>		<b>4,640</b>		<b>4,816</b>	

Source: 2000 U.S. Census/ MAPC

The median age in West Newbury increased from 36.5 in 1990 to 39.6 in 2000, more than that of Essex County as a whole (37.5) and higher than the statewide median (36.5).

According to the U.S. Census the young adult population (20 to 34 years) decreased between 1990 and 2000. By 2030, this population is expected to have decreased by an additional 5.4%.

Those aged between 35 and 54 years account for nearly 57% of the population growth. This population is predicted to decline gradually over the next two decades and it will also decline as a proportion of the total population as it transitions into older ages.

The senior population (55 to 74 years old) will represent the greatest increase. By 2030, seniors are projected to account for 33.3% of West Newbury's population. This represents a growth of 844 people from the year 2000. Within this group, the number of older seniors (age 65 to 74) is projected to more than double from the year 2000 population, and the population of the oldest group is expected to increase by nearly 80%.

**Table 4 - Change in Population by Age**

Ages	Change 1990-2000		Change 2000-2030	
	#	%	#	%
0 - 19	246	23.0%	-19	-1.5%
20 - 34	-149	-26.8%	-22	-5.4%
35 - 44	31	3.9%	-321	-39.0%
45 - 54	385	83.7%	185	21.9%
55 - 64	121	44.2%	375	95.0%
65 - 74	41	23.8%	348	163.4%
Over 75	53	53.5%	121	79.3%
<b>Total</b>	<b>728</b>		<b>667</b>	

Source: U.S. Census, MAPC

### Disabled Individuals

According to the 2000 U.S. Census there are 746 non-institutionalized individuals aged five and over. This represents about 19% of total population over age five compared to the statewide figure of 17% of people over the age of five who reported a disability. The U.S. Census also reports that

331 (90%) of residents over the age of age 65 report to have a disability. Of the reported disabilities, 12% are sensory in nature, 24.7% are physical, 14.8% are mental, 9.2% require assistance for self-care, 14.3% are unable to go outside of the home, and 24.7% impede employment.

### Households

According to the 2000 U.S. Census, the number of households in West Newbury increased by 23.6% between 1990 and 2000, rising from 1,126 to 1,392. Household growth matched population growth with an average household size staying at approximately 3.0 in 1990 and 2000. However, household size is expected to gradually decline to 2.7 persons per household by 2030.

### Homeownership

According to the U.S. Census, the predominant category of homeowners in West Newbury is the 35-64 age group, which own nearly 80% (or 1,027) of the 1,295 owner-occupied housing units (STF 1– H.17).

### Renter Households

The age of renters has also gone up since 1990, with the predominant category of renters between 35 and 64 years occupying nearly 60% of all rental units in the year 2000. For both renters and owners, there are slightly fewer households of senior residents (65 and over). (STF 1– H.17) Household growth is expected to continue to outpace population growth between 2000 and 2030 as average household size slowly decreases.

### Household and Family Income

According to the U.S. Census, West Newbury's median household income by age ranks well ahead of all other communities and is similar only to Newbury. Younger (under 25 years) and older (over 75 years) householders have significantly less annual income (Table 5). West Newbury's median household income is nearly 50% higher than the state median and Essex County (See Table 6).

**Table 5 - Median Household Income by Age**

West Newbury	Median Household Income
Total	\$92,828
Householder under 25 years	\$41,250
Householder 25 to 34 years	\$119,931
Householder 35 to 44 years	\$90,171
Householder 45 to 54 years	\$108,229
Householder 55 to 64 years	\$90,278
Householder 65 to 74 years	\$66,094
Householder 75 years and over	\$36,000

Source: 2000 U.S. Census STF 3

**Table 6 - Median Household, Family and Non-Family Income**

Area	Median Household Income	Median Family Income	Median Non-Family Income
West Newbury	\$92,828	\$99,050	\$35,323
Amesbury	\$51,906	\$62,875	\$24,103
Merrimac	\$58,692	\$69,118	\$24,869
Newbury	\$74,836	\$83,428	\$34,640
Newburyport	\$58,557	\$73,306	\$34,187
Haverhill	\$49,833	\$59,772	\$23,280
Georgetown	\$76,260	\$79,649	\$28,846
Groveland	\$69,167	\$73,996	\$25,430
Rowley	\$62,130	\$75,527	\$27,413
Essex County	\$51,576	\$63,746	\$27,953
Massachusetts	\$50,502	\$61,664	\$29,774

Source: 2000 U.S. Census STF 3

### School Enrollment

Table 7 shows a 4.5% decline over the past five years in the number of children from within the Pentucket School District aged 0-19. The table below shows enrollment at the Page School, which is West Newbury's elementary school and regional figures for the Middle and High Schools.

**Table 7 - School Enrollment by Level**

School Year	Page*	Middle	High	Total
2005	534	540	940	2014
2006	518	538	875	1931
2007	543	528	873	1944
2008	528	531	858	1917
2009	518	543	863	1924
% Change 05-09	-3.0%	0.6%	-8.2%	-4.5%

\*West Newbury students only

Source: Pentucket Regional School District Business Office

### Employment and Labor Force

According to the Massachusetts Executive Office of Labor and Workforce Development (2008), West Newbury's labor force consisted of 2,236 people in September, 2009. 146 (or 6.5%) residents in the labor force were unemployed. Except for the current recession, over the past several years West Newbury's unemployment rate has been steadily falling since hitting a ten-year high of 4.6% in 2003. West Newbury's unemployment rate is consistently lower than both Essex County and the State.

Many West Newbury residents work in the greater Boston area while others commute to Newburyport, Haverhill, Lawrence and Lowell. The largest employers within the community

are the Pentucket Regional School System, the Town of West Newbury, and the Children's Castle (a day-care facility). There are no manufacturers in the Town, but there are a variety of small service-oriented businesses, some home-based businesses and an assortment of agriculturally based businesses. Under current zoning regulations, it is unlikely that West Newbury will support a major manufacturing or commercial employer in the foreseeable future.

In 2009, there were approximately 92 establishments in the community employing 778 workers in a variety of industries and jobs. West Newbury "exports" most of its labor to other communities. More than 70% of West Newbury's labor force is employed in professional or managerial occupations such as architecture, finance, information technology, engineering, healthcare, and business.

## B. HOUSING STOCK

West Newbury's housing stock consists predominantly of single family housing units (93%). After detached single family units, the next most common housing types are attached single family structures (3%) and two-family units at 2% of the total housing stock.

According to the 2000 U.S. Census, there were 1,423 housing units in West Newbury, an increase of 290 units since 1990. Between 1990 and 2000, the biggest changes in the housing stock occurred in single-family detached houses, which increased by 236. Other changes include the increase in the number of attached single family homes from 8 in 1990 to 43 in 2000. Two-family homes increased from 9 in 1990 to 28 units in 2000.

Among neighboring communities, West Newbury most closely resembles Newbury, Georgetown and Groveland in terms of the narrow variety of housing stock. West Newbury has the highest proportion of single family homes, and the highest proportion of owner-occupied housing units.

**Table 8 - Regional Housing Characteristics**

	Housing Units	Single Family	% Single Family	Attached Single Family	Two Family	3-4 Units	5 or more Units	Mobile Homes
West Newbury	1,423	1,323	93%	43	28	13	10	6
Amesbury	6,607	3,276	50%	481	807	664	1,359	20
Merrimac	2,295	1,485	65%	129	276	50	154	200
Newbury	2,794	2,444	87%	46	111	107	85	0
Newburyport	7,913	4,099	52%	771	718	842	1,472	10
Haverhill	23,737	10,107	43%	2,352	3,668	2,726	4,849	35
Georgetown	2,616	2,309	88%	35	106	107	58	0
Groveland	2,096	1,813	86%	22	149	71	40	0
Rowley	2,004	1,530	76%	36	63	57	309	8

Source: 2000 U.S. Census STF 3

While West Newbury lacks many housing options beyond the single family housing unit, the surrounding region offers a wide variety of housing types, particularly in the larger communities of Amesbury, Newburyport, and Haverhill.

According to data compiled by the U.S. Census Bureau Residential Construction Branch, between 2000 and 2008, 118 building permits for dwelling units were issued in West Newbury.

By far, the majority of building permits in West Newbury have been issued for single family homes. Table 9 shows that of the 65 units built over the past five years (2004-2008), 97% were single family construction. From 2004-2008, an average of 13 new housing units per year were built.

**Table 9 - Regional Housing Growth (2004-2008)**

Municipality	Total Units	Single Family Units	Two-Family Units	Multifamily Units	% Single Family
West Newbury	65	63	2	0	96.9%
Amesbury	139	139	0	0	100.0%
Georgetown	220	220	0	0	100.0%
Groveland	426	163	0	263	38.3%
Haverhill	620	406	163	51	65.5%
Merrimac	165	49	6	110	29.7%
Newbury	151	131	2	18	86.8%
Newburyport	136	106	6	24	77.9%
Rowley	132	127	5	0	96.2%

Source: SOCDS Database, HUD, based on U.S. Census Building Permits

### Condition and Age of Housing Stock

West Newbury is an historic town with many older buildings. According to the 2004 Community Development Plan, there are currently no developed areas where there is consistent flooding, high water table, or ledge. The overall housing stock is in good condition and well-maintained.

### Housing Ownership Households

93% of the housing units in West Newbury are owner-occupied (Table 10). This percentage is expected to remain relatively stable.

### Renter-Occupied Households

According to the 2000 Census, 97 (7%) of West Newbury's 1,392 occupied housing units were renter-occupied. This was a decrease of 5 units from 1990, when 102 units were renter-occupied (8% of the total). The recent adoption of two-family uses "as-of-right" may increase the amount of rental housing over time as more housing units convert to intergenerational family housing or add an accessory apartment as rental income.

Of the 97 rental units, 46% (44) were occupied by families (two or more related people). Of the family households, 67% are married couples. West Newbury's percentage of renter-occupied units led by a single female is lower than the surrounding communities but comparable to the state and county percentages (Table 11).

**Table 10 - Regional Housing Occupancy**

Municipality	% Owner Occupied
West Newbury	93%
Amesbury	66%
Merrimac	83%
Newbury	81%
Newburyport	66%
Haverhill	60%
Georgetown	86%
Groveland	86%
Rowley	77%

Source: 2000 U.S. Census STF 1

**Table 11 - Regional Comparison of Renter Family Households**

Area	Total Rental Units	Total Family Households	Total Married Family Households	% Married Couple Families	Single Parents (Female)	% Single Parents (Female)
West Newbury	97	44	30	67%	11	8%
Amesbury	2,182	1,044	547	52%	359	24%
Merrimac	383	194	107	55%	64	35%
Newbury	489	199	141	71%	47	26%
Newburyport	2,509	836	540	65%	240	12%
Haverhill	9,153	4,524	2,254	50%	1,779	12%
Georgetown	351	124	89	72%	29	12%
Groveland	283	139	85	61%	42	12%
Rowley	451	218	149	68%	51	12%

Source: 2000 Census STF 1

According to the 2000 U.S. Census, the size of rental units is considerably smaller than that of owner-occupied households as the median number of bedrooms was 2.2 for rental compared to 3.3 for owner-occupied units. Other than public housing, most rental units are in single- or two-family homes.

Of the 53 non-family renter households, over 80% were people living alone, nearly evenly divided between males and females (Table 12). 28% were elderly (over 75 years old) living alone. Within Essex County, West Newbury is below average with respect to the types of non-family households.

**Table 12 - Regional Comparison of Renter Non-Family Households**

Area	Total	Total Non-Family Households	Living Alone	% Living Alone	Under 34 Years	% Under 34 Years	Elderly Living Alone	% Elderly Living Alone
West Newbury	97	53	45	83%	6	11%	15	28%
Amesbury	2,182	1,147	937	82%	190	17%	282	25%
Merrimac	383	189	175	93%	34	18%	73	39%
Newbury	489	290	244	84%	33	11%	101	35%
Newburyport	2,509	1,675	1,328	79%	309	18%	382	23%
Haverhill	9,153	4,629	3,769	81%	786	17%	1,653	36%
Georgetown	351	227	205	90%	24	11%	107	47%
Groveland	263	144	127	88%	16	11%	62	43%
Rowley	451	233	195	84%	25	11%	83	36%

Source: 2000 U.S. Census STF 1

A high proportion of renters in West Newbury live in single family homes compared with the surrounding communities, the state or county (Table 13).

**Table 13 - Renter Households by Housing Type**

Area	% Renters by Housing Type			
	Single Family	2-4 Units	5+ Units	Other
West Newbury	69%	20%	10%	0%
Amesbury	13%	40%	46%	0%
Merrimac	17%	11%	33%	5%
Newbury	43%	20%	17%	0%
Newburyport	12%	26%	42%	0%
Haverhill	10%	46%	44%	0%
Georgetown	33%	51%	17%	0%
Groveland	28%	58%	14%	0%
Rowley	31%	13%	53%	2%
Essex County	9%	26%	41%	0%
Massachusetts	10%	24%	44%	0%

Source: 2000 Census STF 3

**Homeowner Households**

Less than 7% of homeowners in West Newbury are elderly (75 years or older); the lowest in the region (Table 14). The proportion of young homeowners, 7%, is also well below average for the county and the state.

**Table 14 - Age of Homeowners**

Area	Total	Elderly (>75 years)		Young Adults <35 Years	
West Newbury	1,392	7%		7%	
Amesbury	4,171	8%		17%	
Merrimac	1,850	17%		12%	
Newbury	2,025	7%		35%	
Newburyport	5,026	8%		10%	
Haverhill	22,999	11%		24%	
Georgetown	2,572	8%		11%	
Groveland	2,076	7%		15%	
Rowley	1,960	7%		15%	
Essex County	175,022	11%		10%	
Massachusetts	1,508,248	12%		11%	

Source: 2000 U.S. Census STF 1



The majority of West Newbury's homeowner families are married couples (Table 15).

**Table 15 - Homeowner Families by Household Type**

Area	Total Family Households	% Married Couple Family	% Single Parents (with children under 18)
West Newbury	1,183	90%	5%
Amesbury	3,174	87%	7%
Merrimac	1,507	87%	5%
Newbury	1,630	84%	6%
Newburyport	3,593	83%	8%
Haverhill	10,428	84%	7%
Georgetown	1,882	92%	4%
Groveland	1,596	89%	6%
Rowley	1,168	93%	2%
Essex County	136,045	85%	6%
Massachusetts	1,152,695	85%	6%

Source: 2000 U.S. Census STF 1

Largely based on the availability of municipal utilities such as water and wastewater treatment systems other, more urban, communities surrounding West Newbury have a higher proportion of households that occupy other types of housing units than single family detached structures, reflecting the Town's lack of housing diversity. Table 16 shows that only 7% of all housing units are non-single family detached housing units and only 1.6% of these are multi-family units.

**Table 16 - Homeowner Households by Housing Type**

Area	% Homeowners by Housing Type					
	Single Family	Townhouse	Two Family	3-4 Units	5+ Units	Other
West Newbury	93%	3.0%	2.0%	0.9%	0.7%	0.4%
Amesbury	50%	7.3%	12.2%	10.0%	20.6%	0.3%
Merrimac	65%	5.6%	12.0%	2.2%	6.7%	8.7%
Newbury	87%	1.6%	4.0%	3.8%	3.0%	0.0%
Newburyport	52%	9.7%	9.1%	10.6%	18.6%	0.1%
Haverhill	43%	9.9%	15.5%	11.5%	20.4%	0.1%
Georgetown	88%	1.3%	4.1%	4.1%	2.2%	0.0%
Groveland	86%	1.0%	7.1%	3.4%	1.9%	0.0%
Rowley	76%	1.8%	3.1%	2.8%	15.4%	0.4%
Essex County	78%	5%	8%	4%	4%	1%
Massachusetts	78%	4%	8%	4%	5%	1%

Source: 2000 U.S. Census STF 3

### Housing Costs

Between 1990 and 2000 the average selling price of a single family home in West Newbury increased by 54.5%. From 2000 to 2009, selling prices increased by 55.3%.

**Table 17 - Regional Housing Market (1990-2009)**

Community	Median Sale Price			% Change	
	1990	2000	2009	1990-2000	2000-2009
West Newbury	\$200,000	\$309,000	\$480,000	54.5%	55.3%
Amesbury	\$137,500	\$215,000	\$294,900	56.4%	37.2%
Merrimac	\$121,450	\$242,000	\$271,500	99.3%	12.2%
Newbury	\$166,000	\$329,900	\$353,000	98.7%	7.0%
Newburyport	\$162,750	\$300,000	\$420,000	84.3%	40.0%
Haverhill	\$131,500	\$200,000	\$245,000	52.1%	22.5%
Georgetown	\$165,000	\$285,000	\$351,000	72.7%	23.2%
Groveland	\$163,500	\$230,000	\$270,000	40.7%	17.4%
Rowley	\$184,000	\$340,000	\$433,750	84.8%	27.6%

Source: The Warren Group

According to the Warren Group, from 1990 to 2000, sales of single family homes have remained fairly steady at 45-50 units per year, with a peak in 1998 of 73 units being sold and a recent decline as the market remains in a recession.

### Housing Tenure

Real estate brokers explain that much of the demand for housing in West Newbury is coming from people from communities within the greater North Shore area who are seeking a less urban environment that is still well-located relative to transportation and amenities. It was reported that many potential buyers look at similar rural communities in the greater Newburyport area and choose West Newbury due to the strong rural character, the charm of the community, and the good reputation of the Pentucket Regional School District.

Many of West Newbury's homeowners are relative "newcomers," with a large percentage (45%) having moved into their current residence since 1990 (Table 18). Fewer than 15% of West Newbury's homeowners have lived in their home for more than 30 years.

**Table 18 - Percentage of Householders by Year Moved Into Home**

Year Moved In	West Newbury	Massachusetts	Essex County
1969 or earlier	14.61%	13.40%	13.80%
1970 to 1979	10.82%	10.50%	9.90%
1980 to 1989	29.75%	16.10%	15.90%
1990 to 1994	18.62%	15.60%	15.60%
1995 to 1998	9.40%	21.50%	14.60%
1999 to March 2000	6.80%	16.40%	15.50%

Source: 2000 Census STF 3

Those that moved in were more likely to have moved locally from other communities within Essex County (Table 19).

**Table 19 – Percent of Residents in 2000 by Place Lived in 1995**

Year Moved In	West Newbury	Essex County
Same House in 1995	71.2%	58.7%
Different House in Essex County	16.8%	25.4%
Different House outside Essex County	5.8%	6.9%
Elsewhere in U.S.	5.2%	6.0%
Foreign Country	3.0%	2.4%

Source: 2000 Census STF 3

### Vacancy Rate

The 2000 U.S. Census reported the total vacancy rate to be 2% or 31 units of the 1,423 housing units available. The homeowner vacancy rate is 0.1% and the rental vacancy rate is 6%. The vacancy rate remained nearly constant at approximately 2% in 1980 and 1990.

### Poverty Rate

The 2000 U.S. Census reported the total household poverty rate in West Newbury at 2.8% with 156 residents or 33 households being under the poverty level. This is a 0.2% increase from the 1990 rate of 31 households under the poverty level.

### Rental Housing

Compared with ownership housing, rental costs have increased at a more moderate rate in West Newbury in recent years. According to local real estate representatives, current asking rents vary widely, depending on unit size and quality, but generally range from \$900-1000 per month for a one-bedroom unit, \$1,200 to \$1,500 for a two-bedroom unit, and \$1,500-\$2,000 per month for a three-bedroom unit and over \$2,200 per month for larger rental units, including single family home rentals.

Between 1990 and 2000, West Newbury experienced a slight loss in the number of rental units containing more than two bedrooms but an increase in one-bedroom units and studios (Table 20). The level of three-bedroom units remained fairly constant.

**Table 20 - Change in Units for Rent by Unit Size (1990-2000)**

Area	No Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
	1990	2000	1990	2000	1990	2000	1990	2000
West Newbury	0	0	35	40	23	15	44	43
Amesbury	50	60	756	795	1,009	940	516	396
Merrimac	12	8	123	111	175	187	115	77
Newbury	7	0	153	215	120	106	119	168
Newburyport	80	163	1,162	1,030	844	830	467	488
Haverhill	308	373	2311	2945	3525	3761	1953	2059
Georgetown	19	10	168	176	101	53	89	111
Groveland	8	0	78	97	114	106	45	79
Rowley	8	0	58	152	251	234	61	63
Essex County	3,132	4,615	33,375	36,021	38,365	37,247	22,730	22,514
Massachusetts	40,694	54,334	292,851	313,356	365,171	354,726	216,861	212,916

Source: 2000 U.S. Census STF 3

### Affordable/Subsidized Housing

West Newbury, like many small and relatively rural communities, has few subsidized housing units: 26 subsidized housing units, or 1.8% of its total 2000 year-round housing inventory (Table 26). To fulfill its requirements under Chapter 40B, West Newbury needs to increase its qualified affordable housing stock to 10%, or 141 units: an additional 115 units. This figure can be attained by either building an "ownership" development and/or "rental" development where at least 25% of the units are designated as affordable housing, approved under a Comprehensive Permit or other state-approved program.

**Table 21 - West Newbury -Subsidized Housing Inventory**

Name	Location	Type	Funding Agency	40B Units	Year End
Lionel Brunault Community Housing	379 Main Street	Over 62 (2 Handicapped Units)	667 Senior Housing	14	perpetuity
Hills Court	Hills Court	Family	705 Family Housing	6	perpetuity
Boynton Court	Boynton Court	Family	705 Family Housing	6	perpetuity
<b>Total</b>				<b>26</b>	

Source: Massachusetts Department of Housing and Community Development, as of 6/1/09

Note that the state only includes the affordable units on the inventory for an "ownership" project whereas all the units (both affordable and market-rate) are included on the inventory for a "rental" development. Thus, it would require at least 460 new units of "ownership" units to obtain the required 10% (115 units) of affordable housing, or 115 new units if approved as a "rental" development under an affordable housing program.

West Newbury's current subsidized housing inventory consists of a variety of unit types mostly located in single and multifamily properties geographically dispersed throughout the community. All 26 subsidized units are deeded in perpetuity. Although there are some housing units currently available on the market which may fall within affordable price guidelines for larger household sizes, they are not included in the 40B inventory because they lack deed restrictions or other accepted long-term protection mechanisms.

The West Newbury Housing Authority owns and manages affordable housing which is subsidized through a number of Massachusetts State housing programs. The inventory consists of 14 units of elderly/disabled housing. It may take five years for someone to rise to the top of the waiting list for the housing units administered by the Housing Authority. Of the twelve family housing units, 2 are 2 bedroom units and 10 are 3 bedroom units. The larger units are particularly important for housing families of 4 or more that often find rental housing units of this size hard to locate.

The Town manages a multi-unit building at 694 Main St which is currently rented to four low to moderate income households. These units may meet the program requirements for affordability under MGL 40B. Two of these units are fully accessible.

A recent private development, Ocean Meadow, is in the process of creating six new units of age-restricted (over 55) affordable housing. This parcel is one of the areas identified for development in the 2004 Community Development Plan, and has been developed as an Open Space Preservation Development (OSPD). All of these units will be owner-occupied condominiums. All will be affordable in perpetuity. Adding these units to the SHI will raise the Town's inventory to 32 units of affordable housing.

In 2009, the Town's Community Housing Committee developed conceptual plans for adding another 10 units of subsidized affordable housing within a 40 unit intergenerational housing project on the Town-owned Mullen Property. Understanding that all 20 of the proposed rental housing units would be counted on the SHI, along with five subsidized non-rental units, the Town would have added another 25 units to the SHI. Although the project was rejected at Town Meeting, it was suggested by some Town Meeting members that the project might receive a more favorable vote if it was reduced in density and only included the 20 units of senior rental housing.

Coupled with new affordable units at the Ocean Meadow project, if a scaled-down proposal for the Mullen project was approved by Town Meeting, it could double the existing SHI inventory to a total of 52 units or 3.6% of the Town's total housing stock in 2000. It would also provide the Town at least two years of protection from a 40B application under this plan.

**Table 22 - Regional Subsidized Housing Inventory**

	Total Year Round Units	Chapter 40B Units	% Total Units
West Newbury	1,414	26	1.8%
Amesbury	6,570	495	7.5%
Merrimac	2,281	146	6.4%
Newbury	2,614	94	3.6%
Newburyport	7,717	640	8.3%
Haverhill	23,675	2,086	8.8%
Georgetown	2,601	361	13.9%
Groveland	2,090	75	3.6%
Rowley	1,985	88	4.4%

Source: DHCD Subsidized Housing Inventory, as of 9/29/09

When compared to surrounding communities, West Newbury ranks last in terms of percentage of subsidized housing. Georgetown has the highest percentage and is the only community in the region greater than 10% (Table 22).

## C. LAND USE PATTERNS AND COMMUNITY CHARACTER

West Newbury has been able to remain a community with small town centers surrounded by a blend of historic and low-density residential neighborhoods and rural lands, including working farms, forestland, meadows, and freshwater wetlands.

In the face of dramatic regional change the Town continues to strive to retain the special features that make it unique. In fact, the 2009 Open Space and Recreation Plan states that maintaining this special character is at least partly the result of deliberate local policies and practices ranging from comprehensive planning to protective zoning regulations and prudent spending decisions.

### Existing Land Use

West Newbury consists of approximately 8,912 acres or 14.6 square miles of land and water.<sup>2</sup> Approximately 73% of the land area in West Newbury is usable land - land that does not include streets and highways or water (Table 23).

<sup>2</sup> Note that the total undeveloped area includes considerable land area that is currently protected from development through fee or easement ownership by the town or non-profit organization (Table 29).

Approximately 21.3% of the land area is developed for single or two-family homes on more than quarter-acre lots. The majority of the higher density residential uses in West Newbury are concentrated in established neighborhoods along Main Street (Route 113). Pockets of medium density single-family uses are located along the Merrimack River. Lower density single family uses line other roadways. West Newbury also has large tracts of agricultural or forested land, some of which may be developable in the future.

As described in Town's Open Space and Recreation Plan (2009) over two-thirds of the town is undeveloped open space, either used for agriculture, forests, or simply undeveloped backland. However, over 2,050 acres (or 34%) of this undeveloped land is permanently protected open space (Table 24). Additionally, another 1,850 acres (30%) of this land is classified under Chapters 61, 61A and 61B with temporary protection status. While much of the undeveloped land has development constraints, the Town nevertheless has tremendous potential for new growth that could change the Town's rural character.

### Change in Land Use

According to Mass GIS data used in the 2004 Community Development Plan, between 1971 and 1999, the amount of developed land in West Newbury increased by 90%. At the same time, the amount of land devoted to agricultural uses decreased by 11.2%. Natural land (including forests and wetlands) has also decreased by 48.7%.

**Table 23 - Existing Land Use (2000)**

Land Use Category	Area (Acres)	% of Town Area	% of Dev. / Dev Area
Residential	1,897.0	21.3%	90.3%
Multifamily Residential	0.0	0.0%	0.0%
Commercial	0.0	0.0%	0.0%
Industrial	4.7	0.1%	0.2%
Mining/Transportation/Utilities	121.2	1.4%	0.2%
Urban Open/Institutional/Recreation	78.3	0.9%	0.2%
<b>Total Developed Area</b>	<b>2,101.2</b>	<b>23.6%</b>	
Agriculture & Forestry	6,037.0	67.7%	88.6%
Natural Land/Undisturbed Vegetation	310.0	3.5%	4.6%
Open Undeveloped Land	198.8	0.0%	0.0%
Water	265.5	2.2%	2.9%
<b>Total Undeveloped Area</b>	<b>6,811.3</b>	<b>76.4%</b>	
<b>Total Town Area</b>	<b>8,912.5</b>	<b>100.0%</b>	

Source: Merrimac Valley Planning Commission, 2003

**Table 24 - Protected Land Area**

Type of Protection	Area (Acres)
Conservation Commission	255
Privately Held Conservation Restriction	97
Town owned, ECGA CR (Mill Pond)	200
Town owned, other	48
Lands owned for reservations (ECGA)	236
Perpetual Agricultural Protection Restriction:	515
Massachusetts Fish & Game	435
US Fish & Game	7
Newburyport Water Reservoir	200
Town Well Sites	47
Cemeteries	10
<b>Total Protected Land Area</b>	<b>2,050</b>

Source: 2009 Open Space and Recreation Plan

**Table 25 - Change in Land Use (1971-1999)**

Land Use	1971 (Acres)	1985 (Acres)	1991 (Acres)	1999 (Acres)
Single Family Residential	985.63	1,392.33	1,601.66	1,896.81
Multifamily Residential	0.00	0.00	0.00	0.00
Commercial	0.00	0.00	0.00	0.00
Industrial	0.00	0.00	4.65	4.65
Urban Open/Institutional/Recreation	78.26	90.68	97.32	86.54
Transportation/Mining	43.62	116.60	116.60	116.60
<b>Total Developed Land</b>	<b>1,107.51</b>	<b>1,599.61</b>	<b>1,820.22</b>	<b>2,104.60</b>
Agriculture	6,801.17	6,578.89	6,286.15	6,036.96
Natural Land/Undisturbed Vegetation	604.19	309.81	309.81	309.81
Open Undeveloped Land	270.68	161.86	233.98	198.79
Water	132.14	265.53	265.53	265.53
<b>Total Undeveloped Land</b>	<b>7,808.18</b>	<b>7,316.09</b>	<b>7,095.47</b>	<b>6,811.09</b>

Source: MassGIS, from Aerial photography, 1971 - 1999

## Zoning

Prior to 1954, West Newbury did not have zoning in place to regulate land use development. Zoning was adopted in 1954, and a Zoning Map creating two residential districts and a business district was approved. In 1967, the Zoning Map was amended to create three residential districts (Figure 2).

Development is distributed fairly evenly throughout West Newbury. The Town's oldest settled areas coincide with the RC district and are also the most densely settled areas in the community. While most of the other established residential development correlates with a surprisingly intact colonial road pattern, new development is occurring on hillsides and within former agricultural areas. The associated visual change is typical of land use changes from rural-agricultural to country-suburban.

The Planning Board has been active in adapting zoning bylaws to manage growth. In 2001, the Town adopted an Open Space Preservation Development (OSPD) Special Permit Bylaw that is applicable in all residential districts. The bylaw provides for a more compact developed area, and requires that at least 60% of the property must be set aside as permanently protected open space. Incentives allow for density bonuses of up to 20% for dedication of additional open space, smaller cottage-style housing units, providing accessory units, the inclusion of additional affordable housing units, and historic preservation.

In 2006, the Town adopted an Inclusionary Housing Bylaw which requires all new housing developments over three units to have at least 10% of the units designated as affordable and placed on the SHI. The Town also recently amended the Zoning Bylaw to allow two-family uses "as-of-right" in the residential districts. Finally, in 2008, the Town amended the Zoning Bylaw to allow mixed-uses within the Business District via a Special Permit in an effort to support new, upper floor, housing options in the Business District that includes the Town Center.

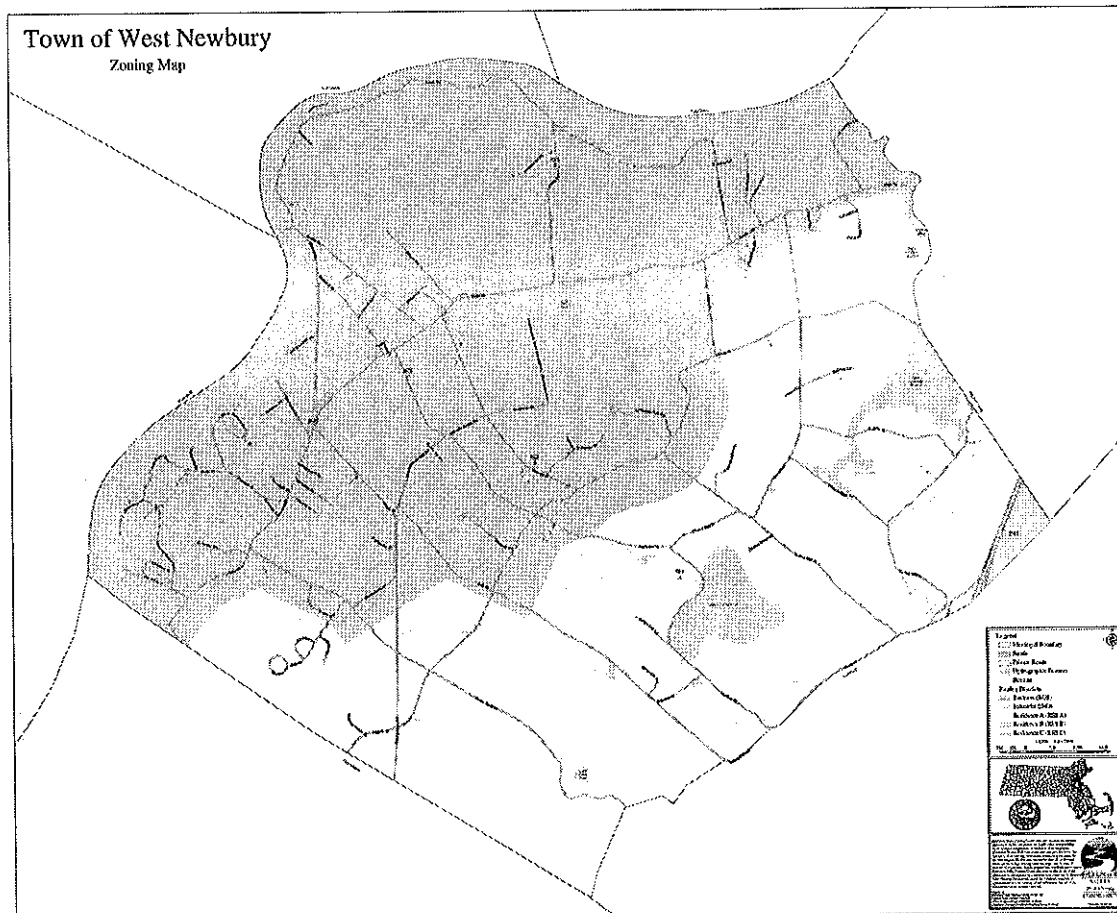


Figure 2 - Zoning Map

### Buildout Analysis

As part of the 2004 Community Development Plan, the state oversaw the preparation of a Buildout Analysis for the Town of West Newbury. This exercise provided an estimate of what might result if all of the remaining land in West Newbury were developed under existing zoning regulations. The potential for redevelopment of underutilized properties or development that does not conform to zoning is not accounted for. Although the projections likely overstate the possible buildout of the Town, the analysis estimated that a total of 2,658 new dwelling units could be created at full build-out (Table 26). Assuming that most of these units would be single family housing with an average household size of 3.1, the population could grow by an additional 8,134 residents for a total population of at least 12,283 persons.

Table 26 - Summary of Buildout Capacity

Zoning District	New Dwelling Units	New Students	New Population	New Road Miles
Residential A	725	435	2,219	16.5
Residential B	1,059	635	3,240	24.1
Residential C	874	525	2,675	14.9
Business	0	0	0	0.0
Industrial	0	0	0	0.0
<b>Total</b>	<b>2,658</b>	<b>1,595</b>	<b>8,134</b>	<b>55.5</b>

Source: 2004 Community Development Plan - MVPC



The Buildout Analysis also forecasts a potential 56 additional miles of road and water use of 610,108 gallons per day (Table 27). This analysis does not give any indication of the rate of development or the time frame for reaching full buildout.

**Table 27 - Summary of Buildout Analysis**

<b>Buildout Impact</b>	
Additional Residents	8,135
Additional Students (K-12)	1,595
Additional Residential Lots	2,658
Additional Developable Land (acres)	3,504
Additional Commercial/Industrial Buildable Floor Space (sq. ft.)	15,347
Additional Water Demand (gallons/day)	611,249
Additional Solid Waste (tons/year)	7,753
Additional Roadway (miles)	56

Source: 2004 Community Development Plan – MVPC

## **D. FACTORS THAT IMPACT OR ARE IMPACTED BY GROWTH**

### **Roads and Infrastructure**

West Newbury is located south of the crossroads of I-95 and I-495, 30 miles north of Boston, west of Newburyport, and east of Haverhill. One major state road runs through West Newbury: Route 113 (Main Street). The Transportation Element of West Newbury's Comprehensive Plan highlighted a number of recommended improvements: more parking in the Town Center, traffic flow improvements along Route 113, and a variety of traffic calming and traffic safety improvements in the Town Center.

### **Public Transportation**

Although there is no local rail-line in West Newbury, two daily MBTA rail-lines are nearby. One of the two lines passes through Haverhill connecting Portland, Maine and Boston; the other runs between Newburyport and Boston. Bus services operated by C&J Trailways and the Coach Company are available from Newburyport to several destinations in Boston, Logan Airport, Portsmouth, New Hampshire, and Durham, New Hampshire. The bus station is located at the Newburyport Park & Ride which contains about 550 parking spaces. Finally, the Merrimack Valley Regional Transit Authority offers an on-call van service called 'Ring and Ride' for riders of all ages within West Newbury and nearby towns within the Merrimack Valley.

### **Water Distribution and Supply System**

In 2008, the Town's Water Distribution Systems served 888 housing units or 60% of the Town's households. In 2003, the Town retained the services of Tata & Howard to commission a Water Distribution Study to perform a water supply and distribution system analysis. This study evaluated the Town's ability to meet the current and estimated future demands and provided a phased program of recommendation to address current deficiencies. In 2008, Tata and Howard updated the study with a Capital Plan.

The distribution system is comprised of two service areas, each of which is serviced by its own water storage tank (Figure 3). The Town has one existing supply source and is unable to meet peak demand periods. Currently, the Town addresses peak demand deficits through an informal agreement with the City of Newburyport where the Town purchases water during peak demand periods. Given Newburyport charges the Town full market rate for this supplemental water, the

study recommends the Town develop new water distribution improvements and alternative supply options in order to support expected growth and development.

Over the past two years, the Water Department has also tested several sites for use as an economical source of water using a shallow well. The Mullen, Nichols and Sullivan properties were tested and proved to be insufficient water sources. In the coming year, the Department is repairing the Brake Hill Water Tank and plans to install a new water line in 2012 to connect the tank to Hill Top Circle. Increases in population will continue to stress the existing supply and distribution system. As a result, improvement costs to the system will likely continue to be experienced by housing developers.

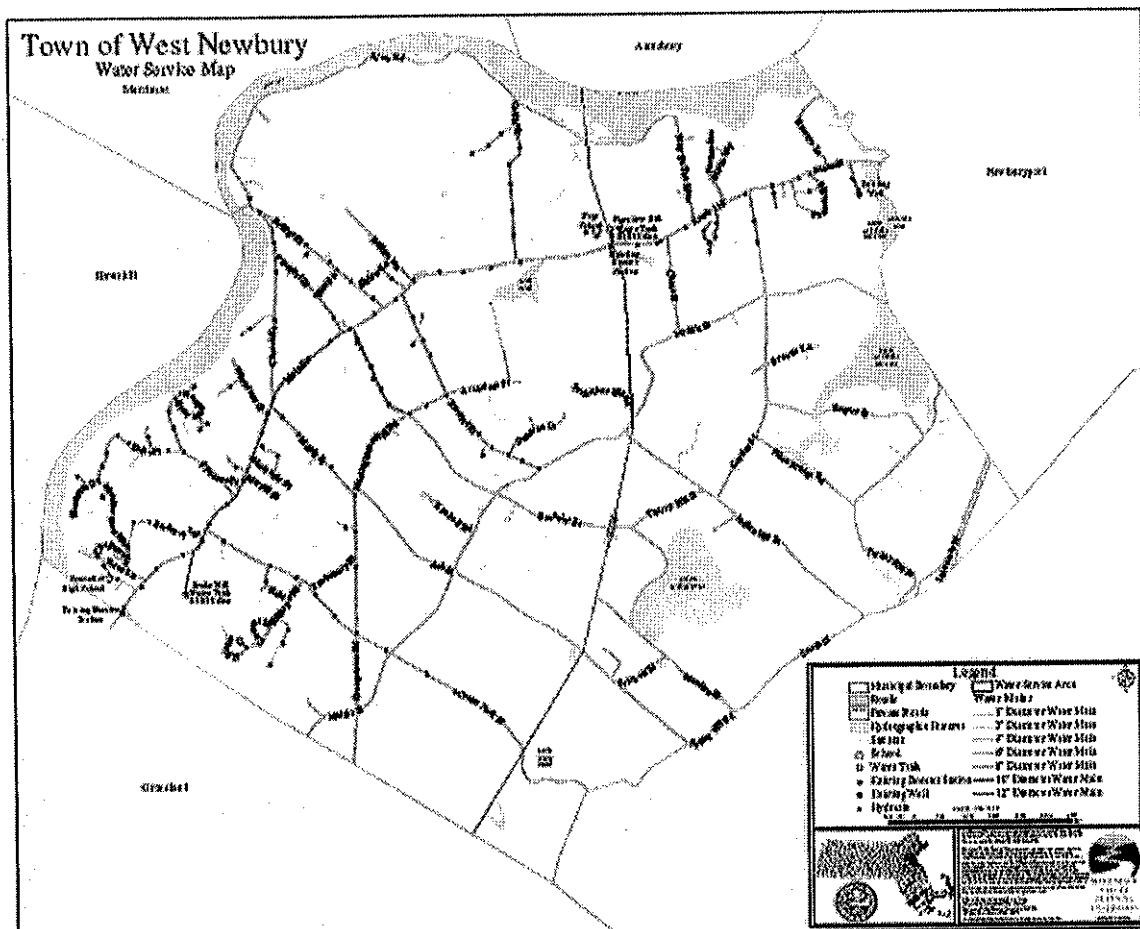


Figure 3 - Water Service Map

### Wastewater Systems

The Town has no centralized wastewater collection system and all structures have on-site private wastewater treatment systems. Under Title V, the state regulations governing private wastewater disposal, compliance is mandatory for all units sold or changed in use or density.

Two shared systems exist in West Newbury: one services the Housing Authority property behind the 1910 Building, the other services the 56 unit age-restricted condominium development at Ocean Meadow.

### Schools

In the 1950s, West Newbury joined with the nearby Towns of Groveland and Merrimac to form the Pentucket Regional Middle and High Schools. In the mid 1990's, the Towns expanded this

partnership to include the elementary school system. Today, the Pentucket Regional School System is a generally successful partnership between the three communities. According to the District, the regional school system's total student enrollment has decreased from a high of almost 3,400 in 2001 to 3,137 in 2009 and is projected to decrease by a further 15% over the next ten years.

Although the total school enrollment has dropped within the Pentucket Regional School District by nearly 5% over the past five years, capacity and future reductions are projected at all levels. Capital expenditures will be required to maintain and upgrade school facilities.

### **Zoning Regulations**

As discussed previously, the Town's Zoning Bylaw has been amended to include many provisions that support a wide range of housing types, ownership options and locations.

The Zoning Bylaw includes dimensional restrictions that may limit the feasibility of developing some smaller lots (due to frontage, shape, slopes, wetlands and the size of the buildable area of the lot).

### **Economic Development**

Outside the Town Center business district, West Newbury has very limited developable land that is zoned for commercial or industrial development. Much of the business district is currently developed with older historic buildings. The Town and State septic regulations, as well as the lack of adequate off-street parking and poor pedestrian circulation, limit the potential for growth or redevelopment within the Town Center. Addressing these needs with, for example, a shared wastewater treatment facility, safe and convenient parking facilities, and streetscape improvements, would allow a strong and healthy commercial center to thrive. Some sort of partnership between the Town, and property and business owners, may be required.

Such a district would further define appropriate sites, land use, site planning requirements and design character of the Town Center. Revisions to the Town's Site Plan Review Bylaw, currently underway by the Planning Board, will include standards that retain and enhance the character of the Town Center, as well as clarifying development and performance standards.

### **Cost for Land and Housing**

The value and price of housing in West Newbury is high, and getting higher each year as developers build larger, more expensive homes. Virtually no smaller, more affordable homes are being constructed. According to the 2000 U.S. Census, the median value of owner-occupied units in West Newbury was reported as \$301,000. Housing prices are outpacing income growth in the region presenting a continuing challenge to buyers of smaller, more affordable housing.

### **Smart Growth and Target Areas for New Development**

The 2004 Community Development Plan identified seven core target areas of Town that were suitable for various types housing development. For purposes of the analysis, the Town was divided into areas with development potential and areas with constraints to development. Areas with development limitations include natural resource areas with regulatory protection (i.e. wetlands, flood zones, Zone IIs, and potential high and medium yield aquifers). Resource areas with limited or no regulatory protection include BioMap habitat areas, priority habitats, and potential and certified vernal pools.

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## E. NEEDS ASSESSMENT

Chapter 40B defines affordable housing as housing that is affordable to households earning up to 80% of the area's median family income (AMI). Although there may be market-priced units that fall within this price range, in order to qualify for inclusion on the Subsidized Housing Inventory (SHI) homes must have a covenant or deed restriction to preserve their affordability. The 40B requirement does not reflect actual affordable housing needs in West Newbury; there are many households earning less than 80% to 100% of AMI, who cannot find housing they can afford without some form of assistance. The following gap analysis aims to identify the types of housing and levels of affordability that will meet the needs of the residents of West Newbury and the surrounding region.

**Income Standards**  
West Newbury is part of the Lawrence Primary Metropolitan Statistical Area (PMSA), for which the 2009 median family income is \$84,400 for a four person household. Various housing subsidy programs have their own requirements for affordability and income eligibility for specific housing

developments differs, but for the most part housing that meets 40B requirements serves households at or below 80% of the median family income. Thus, in 2009, a four person household earning up to \$64,000 is considered low/moderate income according to HUD (Table 28). By HUD calculations, such a household can afford a maximum monthly payment of \$1,600 for ownership or rent of up to \$1,398, or 30% of their income.<sup>4</sup>

**Table 28 - HUD Income Limits for the Lawrence PMSA (2009)**

	1 person	2 persons	3 persons	4 persons	5 persons
Extremely Low Income (30% AMI)	\$17,800	\$20,350	\$22,900	\$25,450	\$27,500
Very Low Income (50% AMI)	\$29,700	\$33,900	\$38,150	\$42,400	\$45,800
Low/Moderate Income (80% AMI)	\$44,800	\$51,200	\$57,600	\$64,000	\$69,100

Source: HUD FY 2009 Income Limits

### Housing Costs and Incomes

Housing affordability is measured by comparing monthly housing costs to the income of households. By affordable housing standards, households should spend no more than 30% of their income on housing-related expenses. In West Newbury, the median income for homeowners was reported as \$94,027 for 1999 while it was just \$48,125 for renters.

Nearly 25% (279 units) of all homeowner households in West Newbury spend over 30% of their income on housing costs (Table 29). Within this group, 42% of all elderly homeowner households exceed 30% of their income on housing costs. Just over one third of homeowner households up to age 55 are cost burdened, while a smaller proportion (18%) of senior households (age 55 to 74) spend over 30% of their income on housing. This data suggests there is a need for an increase in affordable housing units in the Town, particularly for middle-aged residents and the elderly.<sup>5</sup>

**Table 29 - Homeowner Housing Costs as Percent of Household Income by Age**

% of income spent on housing costs	15-34 years		35-54 years		55-74 years		75 years and older	
	Number of units	% of units	Number of units	% of units	Number of units	% of units	Number of units	% of units
Total Households	70		685		318		89	
Under 20%	53	76%	333	49%	194	61%	52	58%
20-24.9%	6	9%	101	15%	22	7%	0	0%
25-29.9%	6	9%	70	10%	38	12%	0	0%
30-34.9%	0	0%	75	11%	21	7%	0	0%
35% and above	5	7%	106	15%	35	11%	37	42%
Total with High Cost Burden	5	7%	181	26%	56	18%	37	42%
Not computed	0	0%	0	0%	8	3%	0	0%

Source: U.S. Census STF 3

For every age group, with the exception of 35-54 years, a higher percentage of homeowners than renters face a high cost burden. None of the five elderly (75 years or older) renters spend over 30% of their income on housing costs while 39% of renters aged 35 to 54 years spent 30%

<sup>4</sup> Note that HUD determines the affordable rental rates by creating a "window" of affordability based on rents equal to 30% to 70% of median family income. Rents must also include heat and utilities or a utility allowance.

<sup>5</sup> While a small rate of younger homeowners (aged 15-34) may have a reduced cost burden, they only represent a very small share (6%) of local homeowners. Many residents in this cohort likely move outside the Town where more affordable housing prices are available.

or more of their income on housing costs (Table 30). Compared to over 24% of all households in owner-occupied housing units that spent more than 30% of their incomes on housing, 19% of households in renter-occupied housing units spent more than 30% of their household incomes on housing.

**Table 30 - Renter Housing Costs as Percent of Household Income by Age**

% of income spent on housing costs	15-34 years		35-54 years		55-74 years		75+ years	
	Number of units	% of units	Number of units	% of units	Number of units	% of units	Number of units	% of units
Total Households	17		49		27		5	
Under 20%	6	35%	11	22%	14	52%	0	0%
20-24.9%	6	35%	0	0%	4	15%	0	0%
25-29.9%	0	0%	13	27%	5	19%	5	100%
30-34.9%	0	0%	0	0%	0	0%	0	0%
<b>35% and above</b>	0	0%	19	39%	0	0%	0	0%
<b>Total with High Cost Burden</b>	0	0%	19	39%	0	0%	0	0%
Not computed	5	29%	6	12%	4	15%	0	0%

Source: U.S. Census STF 3

Another indicator of change in housing affordability is to compare the increase in average housing costs to the increase in median family income. The Warren Group listed that between 1990 and 2000, the average price of single family homes rose by 46% (\$207,500 in 1990 to \$302,500 in 2000). Over this same period, the median family income in West Newbury increased by 64% (\$60,381 in 1990 to \$99,050 in 2000, U.S. Census). This indicates that homeowners experienced increased levels of affordability over that period. Since 2000, however, the median price of single family homes has risen to \$480,000 (2009), a 58% increase since the year 2000, while the estimated 2009 median household income increased just 18% to \$109,963 over the same time period.<sup>6</sup> Thus, since the year 2000, incomes have been steadily decreasing in relation to housing prices indicating that the level of affordability has fallen.

### Local Housing Gap

A gap between supply and demand occurs in two ways. In the first instance, people may seek housing in West Newbury and the stock is just not available. In the second instance, people who want to live in West Newbury cannot afford to do so.

### Ownership Households & Affordability

A family of four falling within the very-low income group earns up to \$42,400 annually. Table 31 shows that this family could afford to purchase a housing unit priced up to \$112,900.<sup>7</sup> In contrast, the borrowing power of the average household, based on the Warren Groups 2009 estimate of median household income (\$109,163) is approximately \$385,000. According to Trulia, a national real estate data tracking firm, at the end of September 2009, there were 59 resale and new single family homes on the market in West Newbury. The average listing price for these single family homes was \$705,216. Of these listings, only 5 properties were affordable to four member households at or below the low/moderate household income.

<sup>6</sup> The Warren Group only reports the estimated median "household" versus "family" income. Given household income includes families and non-family households the estimated median family income for 2009 is likely 5% higher than the median household income based on the 2000 U.S. Census figures.

<sup>7</sup> The maximum affordable housing prices for eligible buyers using a price calculated for a 30 year mortgage at 6% interest with a 5% down payment and \$300/ month for mortgage insurance and property taxes, such that total monthly housing costs do not exceed 30% of income.

**Table 31 – Maximum Housing Prices for Affordability**

Income by Household Size	1 person	2 person	3 person	4 Person
Extremely Low Income (30% AMI)	\$52,400	\$60,100	\$68,000	\$75,200
Very Low Income (50% AMI)	\$87,200	\$100,200	\$112,900	\$125,300
Low/Moderate Income (80% AMI)	\$132,200	\$151,200	\$172,300	\$189,900

Source: HUD's 2009 Income Limits Documentation System

According to 2000 census data, Table 32 shows that the number of homes that would be affordable to West Newbury's extremely low and very low income households (<50% median household income), were they trying to purchase homes, was only 1% of the total inventory. Table 40 shows that there are nearly 13 extremely low/ very low income homeowner households for every affordably priced housing unit in the Town. Similarly, there is a four to one ratio of very low to low/moderate households for every unit available (139 to 34).

**Table 32 - Homeowners Housing Gap**

Group Income	Households in Income Range <sup>8</sup>				Owner-Occupied Units in Affordable Price Range			
	3 Person (Owners)	2 Person (Renters)	Total	% of Households	Number of Units Valued for 3 Person Households	% of Total Units	Number of Units Valued for 4 Person Households	% of Total Units
Extremely Low to Very Low Income (<50% of median)	192	37	229	16%	15	1%	29	2%
Very Low to Low/Moderate Income (50-80% of median)	139	16	155	11%	34	3%	62	5%
Middle Income (80-100% of median)	239	14	253	18%	195	15%	280	22%
Upper Income (>100% of median)	724	31	755	54%	1,050	81%	923	71%
Totals	1,294	98	1,392	100%	1,294	100%	1,294	100%

Source: 2000 U.S. Census STF 3

In stark contrast, the number of housing units in the middle income price range appears to generally meet the demand for households in the Town and the upper income households have an excess supply of housing units to choose from. Thus, the housing gap in West Newbury primarily exists for the 231 households that had incomes less than 80% of the median family income. Although some of these households were renters, in the year 2000, there were only 49 owner-occupied housing units within an affordable price range leaving a gap of 182 housing units. Thus, the primary housing gap for homeowners is for extremely low and very low income households.

### Renter Households and Affordability

The 2000 U.S. Census listed a median gross monthly rent of \$826 which required an estimated annual income of \$35,000 for a two-person household. Note that this is considerably less than HUD's 2009 moderate income limit for a two-person household earning 80% of area median household income (\$1,171).

<sup>8</sup> The table uses household income definitions for 3 person households for homeowners and 2 person households for renters, to reflect the characteristics of most households in Town.

In the year 2000, 53 rental households (or 54% of all rental households) in West Newbury qualified under HUD's income limits for affordable housing for two-person rental households at or below 80% of area median family income (Table 33). Although there were 69 units rented in the year 2000 that were below HUD maximum affordable rental prices, there were nearly 3 extremely low income households for every qualifying unit available. Very low income households were better off with 2.4 units for every household in this income category. Moderate income households had a surplus, or 2.3 units for every household.

According to the more recent and higher 2009 HUD Income Limits, Table 31 also indicates that many middle and upper income renters in the year 2000 were paying lower rents for their apartments than they could afford.

**Table 33 – Household Income Eligibility and Rental Availability<sup>9</sup>**

2 Person/ 1 bedroom Household <sup>10</sup>	2009 HUD Income Limit	2009 HUD Rent Limits	2000 # of Eligible Rental Households	2000 # of Units Available
Extremely Low Income (<30% of median)	\$20,350	\$460	28	10
Very Low Income (30-50% of median)	\$33,900	\$766	9	22
Moderate Income (50-80% of median)	\$51,200	\$1,171	16	37
Middle Income (80-100% of median)	\$67,800	\$1,639	14	8
Upper Income (>100% of median)	>\$67,800	>\$1,639	31	6
<b>Total</b>			<b>98</b>	<b>83<sup>11</sup></b>

Source: 2000 U.S. Census STF 3

In 2009, the current market rents appear to have shown an increase over the 2000 rates reported in the U.S. Census. According to a local real estate representative, rates for units other than the Housing Authority units usually range from \$850-1000 per month for a one-bedroom unit, \$1,200 to \$1,500 for a two-bedroom unit, \$1,500-\$2,000 per month for a three-bedroom unit, and over \$2,200 per month for larger rental units. These higher figures indicate an increase in rents over the past ten years. Thus, the primary housing gap for renters is for extremely low income households.

### Findings

The Needs Assessment Gap Analysis data indicates that the Town has a shortage of affordable rental units for extremely and very low income households. It also has a shortage of owner-occupied housing that is affordable to households under 80% of median family income. The Housing Needs Assessment indicates that there is a lack of housing opportunities for young families and senior citizens who wish to remain living in Town. The rapid escalation in land and housing prices over the past ten years underscores the challenge of creating affordable housing in West Newbury.

The next section of this report seeks to update the Town's Housing Goals and Strategies in an effort to lay out an Implementation Schedule and Action Plan that will enable the Town to meet local affordable housing needs.

<sup>9</sup> Note that housing subsidy programs use their own eligibility standards

<sup>10</sup> Over 69% of renter households in West Newbury have only one or two members, thus, a lower standard (2 person household) for affordability is shown in Table 33.

<sup>11</sup> Note that the 2000 U.S. Census lists 15 rental units as "no cash rent".



## **II. Affordable Housing Vision, Goals & Strategies**

The Housing Needs Assessment concluded that high housing costs in West Newbury have made it too expensive both for young adults starting out in life and for senior citizens who are interested in downsizing. Compared both to neighboring towns and the region as a whole, West Newbury in 2000 had proportionally fewer people in the young adult age groups of 20-34 and more in the middle-aged (45-54) and senior (65+) age groups. This demographic shift toward an older population highlights the need for additional housing types other than larger, single family detached housing. The shortage of smaller homes and multi-family units limits the options for young families and seniors who want to downsize.

In terms of affordable housing, the current shortfall in housing from the 10% "target" is 115 units. This shortfall is measured against the mandated 10% goal rather than the potential need which could be greater based on the demographics of the current population. The most effective means to close this gap is through a combination of measures which proactively generate housing. Regulatory changes like zoning or septic regulations are critical, as well as non-regulatory incentives like tax rebates, or using local housing trusts or other advocacy groups to promote and direct affordable housing programs.

There is a need for new housing in West Newbury for seniors and young professionals, individuals, and families. The recent market data indicates that the open market is not creating many affordable new housing units. In addition, the demographic shift to an older population indicates that the Town should also consider ways to reduce the permitting thresholds for assisted living facilities, congregate care or housing units for disabled adults and children.

The following options for enhancing the affordable housing stock in West Newbury are in part expressed from the 1999 West Newbury Comprehensive Plan and the 2004 Affordable Housing Plan, and enhanced and updated by this analysis. Review and refinement of these recommendations was provided by the West Newbury Planning Board during several public meetings. Public presentations were held on October 21 and November 17, 2009. Attendees of these public meetings were asked to identify areas within West Newbury that may be appropriate for additional housing development as well as present ideas that would help address the Town's housing needs. Subsequent meetings were held by the Board to refine the vision and strategies for implementation.

### **A. HOUSING PRODUCTION VISION**

As part of the Housing Production Plan, a vision for the future has been created. Included in the vision are the following goals:

- The Town will continue to make efforts to expand housing choice and opportunities.
- The Town will strive to meet the Commonwealth's guidelines to provide at least ten percent of its housing stock at affordable levels.
- The Town will strive to provide a range of housing choices in a manner that is consistent with smart growth principles.
- The Town will promote housing opportunities within and adjacent to the existing Town Center and in other suitable areas where existing infrastructure and services can support the development, in order to preserve open space and natural resources as well as protect West Newbury's historic homes and rural character.

It is understood that Zoning Bylaw amendments will require a 2/3 vote at Town Meeting, and Town Meeting majority vote is required for many other actions.

## **B. HOUSING GOALS**

### **1. Increase Affordable Rental Units for Low-, Moderate- and Middle-Income Senior and Elderly Residents and Persons with Disabilities.**

More than a third of renters aged 35-54 in West Newbury pay over 30 percent of their household income on housing costs. Increasing the supply of rental units, at all price levels, will make renting more affordable. In the year 2000, 42% of all householders over 75 years old were spending over 30% of their monthly income on housing costs. The lack of rental housing options for senior residents that are seeking to downsize but remain in West Newbury needs to be addressed as this group is expected to increase in size over the next ten years.

The Housing Needs Assessment reveals that the general population trend in West Newbury is middle-aged people with smaller families are moving in and remaining in the community after their children have moved out. If this trend continues, the demand for affordable housing for seniors and the elderly will continue to increase. This will be especially true if the housing market continues to produce primarily upper-income single-family housing units. This will have the effect of making it unaffordable for many seniors to stay in their own homes as their incomes decline.

### **2. Increase Affordable Homeownership Units (e.g., "starter homes") for Low- and Moderate-Income Families and Young Adults.**

Between 1990 and 2000, West Newbury experienced a 27% decrease in the number of residents between the ages 20-24. During this time period housing costs increased by nearly 50%. The median single-family home price in 1990 was \$200,000 compared to \$309,000 in 2000. Young people generally earn less than their elders, and don't typically have any assets to leverage the purchase of a home. A balanced strategy for producing more affordable housing for young adults should include promoting single-room occupancy, or "studio" condominiums, and one-bedroom units. These types of units, as discussed above, are generally not as profitable to build as larger units of housing.

### **3. Increase Affordable Homeownership Units in a range of Residential Land Use Types and House Sizes for Moderate and Middle- Income Seniors.**

The "one size fits all" approach, which is typical in Chapter 40B developments, does not adequately address a community's comprehensive housing needs and goals. Developers must be given the incentive to provide an array of housing choices, particularly for the Town's aging population. There will be an increased demand for affordable senior housing in the near future, which should include more choices in order to meet needs that will not be served by high-end assisted living facilities. Elderly independent living condos priced on a continuum for low-, moderate- and middle-income seniors would help to address these needs. Directing these types of units towards the Town Center makes good sense since this area could support access to goods and local services for people with mobility impairments and other disabilities.

### **4. Increase Affordable Homeownership Units for Middle-Income Homebuyers with Income at or slightly above the Area Median Income.**

Chapter 40B fails to address the housing needs of that segment of the population that earns greater than 80% of the area median income, but not enough to afford a new home in today's hot real estate market. For these households, which include many single

persons, there is a need for housing that they can afford. 20% of West Newbury residents that own their own homes pay more than 30% of their income on housing costs. Thus, this housing production strategy should include housing that may not necessarily count towards the Town's Subsidized Housing Inventory, but nonetheless serves an important role in meeting local housing needs.

**5. Support "Smart Growth" locations for new Affordable Housing and address Community Concerns for Project Design, Open Space and Historic Impacts.**

As advocated in the 2004 Affordable Housing Plan, new affordable housing should be located in areas with access to existing town services, business districts and transportation access. The Town should continue to promote mixed-use zoning in the existing Town Center through careful assessment of infrastructure requirements (i.e. parking and wastewater treatment) needed to support a high-density development in the Town Center. For new development, sufficient open space should also be set aside for passive or active recreation. Such open space areas shall be preserved in perpetuity through deed restriction. Affordable units should include units with universal design to ensure accessibility. Developments should also be encouraged to meet LEED energy efficiency certification standards in order to minimize utility costs for the residents. New housing development should be in harmony with the existing community, blending in well with the historic architecture and traditional land use pattern and density. The development should be well designed to complement the historic resources of the community, preserve valuable open space, and protect environmentally sensitive resource areas.

**6. Affordability Requirements, Local Preference, and Fair-Marketing.**

In order to maintain progress in establishing new affordable housing, the Town should ensure that all new units are affordable in perpetuity. To the maximum extent feasible as permitted by DHCD, all affordable housing should have a local preference for West Newbury residents, employees of the town and regional school system. All affordable units must be marketed through a fair and equitable process in compliance with state and federal fair housing laws. The Town should explore methods to provide incentives in the form of tax relief, grants, low interest loans and/or technical assistance to property owners willing to create new affordable units within existing structures.

**7. Affordability Requirements and Mix of Housing Types.**

Based on housing needs for starter homes, senior, and elderly housing, the Town should encourage a mix of smaller single family housing units, attached condominiums, rental apartments and assisted living or congregate care. Note that a 40R Smart Growth Overlay District is preferred for all rental projects in order to streamline local permitting, leverage state incentive and bonus payments and to increase the level of affordability for the project. When redeveloping Town-owned property or working with a developer under the OSPD Bylaw, public officials should encourage the design and marketing of smaller housing units. Although not necessarily restricted as affordable housing, these smaller units could represent a lower sale price and greater degree of affordability to middle income residents that do not meet the affordable housing requirements for income or assets.

**8. Incrementally Meet the Chapter 40B Requirements**

The Town will work with local housing advocacy groups to develop and provide a variety of regulatory and non-regulatory incentives for the incremental development of affordable housing. The Town will continue to encourage and facilitate community awareness and support for affordable housing and seek increased funding for affordable housing under the

CPA. Further, the Town will continue to identify and evaluate the potential of using town-owned properties (i.e. Mullen Property) for affordable housing.

### C. PLANNED PRODUCTION TARGET AND TIMELINE

Once completed, West Newbury will submit this Plan for approval by the Department of Housing and Community Development (DHCD). The approved plan must be a "planned production" plan, with goals, a timeline and strategies to produce affordable housing units to reach 10 percent of the community's total housing units, such as the targets described in the preceding section. If a town shows that it has produced 40B eligible units in the amount of ½ of one percent of the total housing units (approximately 8 units per year for West Newbury, beginning in 2010), it can ask DHCD for certification of its plan. A certified plan permits a Town to deny a comprehensive permit, or grant one with conditions, for one year (two years if it produces 1 percent of total housing units).

The Ten Year Housing Target Table below illustrates the number of affordable units that would need to be produced each year in West Newbury, between now and 2020, in order for the Town to maintain certification under the Planned Production regulations.

**Table 34 - Housing Target Table**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Current Housing Stock</b>	1,414											
<b>10% Affordable Target</b>	141											
<b>Current Inventory 2.6%</b>	26											
<b>Shortfall/ Gap</b>	115	115	115	115	115	115	115	115	115	115	115	115
<b>Minimum Annual Requirement</b>	0.05%	8	8	8	8	8	8	8	8	8	8	8
<b>Future Total SHI Units</b>		34	42	50	58	66	74	82	90	98	106	114
<b>Shortfall (GAP)</b>	115	107	99	91	83	75	67	59	51	43	35	27
<b>Preferred Housing Types:</b>												
<b>25% Single Family Residential</b>		2	2	2	2	2	2	2	2	2	2	2
<b>25% Attached Condominiums</b>		2	2	2	2	2	2	2	2	2	2	2
<b>25% Apartments</b>		2	2	2	2	2	2	2	2	2	2	2
<b>25% Assisted Living Units</b>		2	2	2	2	2	2	2	2	2	2	2

### D. REGULATORY AND NON-REGULATORY HOUSING PRODUCTION STRATEGIES

In general, attendees at the public meetings discussed a number of specific regulatory and non-regulatory strategies that the Town could consider in achieving the goals for the Plan. These strategies represent opportunities for the development of additional housing in West Newbury. The development of projects, whether through the Comprehensive Permit Process (Chapter 40B) or through the requirements of the Inclusionary Zoning bylaw, would provide additions to the Town's stock of affordable housing over time.

## **Regulatory Strategies:**

As discussed in Section I of this report, there are basically seven types of housing development that are currently permitted under the current Zoning Bylaw. Single-, two and multi-family housing are permitted as well as congregate care, assisted living facilities, accessory apartments, upper-floor housing units. Among the strategies to implement the planned production goals set forth herein, this Plan identifies various regulatory changes to the Zoning Bylaw intended to reduce barriers to the development of higher-density development and affordable housing as well as a list of non-regulatory programs or policies the town can also consider. The following list presents an overview of the regulatory and non-regulatory amendments that will be considered by the Town:

### **1. Adopting a Town Center Overlay District**

The existing Town Center offers opportunities to expand the Town's housing options, provide for affordable housing, and create a higher population base for a walkable, livelier Town Center retail area. An Overlay District could be considered to address the following issues:

- **Upper-Floor Housing** - The Town should consider allowing as-of-right upper-story apartments above existing ground-floor retail establishments within Town Center. Currently the zoning allows such uses with a Special Permit. Permitting apartments above retail shops and businesses is an easy way to add housing alternatives and more activity to the Town Center. However, in most cases it is likely that wastewater and parking requirements would need to be met through shared resources.
- **Parking** - Allow and identify off-site parking options (leased or shared parking) in the Town Center. Many retail parcels in the Town Center have very little space for off-street parking. The parking requirements for small, upper-story apartments should be linked to the number of bedrooms and options for leased or shared parking should be explored by the town.
- **Wastewater** - Successful implementation of an Overlay District will require a detailed site assessment and feasibility study for using a shared wastewater treatment facility within the Town Center. The local Septic Regulations will likely require an amendment to allow a shared system to be located on a separate lot from the users of the system.
- **Density** - An Overlay District allows for detailed master-planning of a mixed-use site by which the developer and the Town can agree on a medium to large-scale project. The Overlay District should set the framework by including requirements for the kind and proportions of uses desired, general development standards and include a detailed set of design standards for the site and buildings. The Overlay District could take the form of a 40R Smart Growth District which allows for medium to high density multi-family housing (above the ground-floor commercial uses) with a 20% affordability requirement and as-of-right permitting.

### **2. Multi-Family Housing Requirements**

Under existing zoning, the lot size and dimensional requirements are not relaxed for multi-family housing, and multi-family housing is only permitted in the residential districts by Special Permit. Similar to two-family uses, the Town should consider allowing up to three units of housing "as-of-right" if at least one of the units is restricted to affordable housing. Relaxing density and dimensional requirements is critical to reducing land costs for housing development and for making affordable housing development economically feasible. Reducing the risk to developers by streamlining the permitting process is also essential to encouraging developers to build affordable housing in West Newbury.

In the Residential C Zoning District, the Town should consider amending the Zoning Bylaw to allow multiple principle structures on one lot by Special Permit with Site Plan Review. For two- and three-family uses the Town should apply the same lot size and other dimensional requirements as applicable to single-family structures and only permit a second principle structure on the property if one of the units is restricted as affordable housing and the second structure is sized, placed and designed appropriately for the lot and surrounding neighborhood.

**3. Lot Size, Frontage or Shape Waivers by Special Permit**

The Zoning Bylaw would be amended to authorize the Planning Board to issue a Special Permit to reduce the minimum lot size and frontage requirements for a single- or two-family house that would have at least one unit restricted for affordable housing. Properties that lack the required size or frontage but that otherwise provide necessary wastewater capacity could be made legal lots for building small-scale affordable units, or duplexes in which one unit is affordable.

**4. Assisted Living/ Senior Housing Overlay District**

In the 2004 Affordable Housing Plan, the lack of assisted living facilities, nursing homes, congregate care facilities, or age-restricted housing was identified as an issue in West Newbury. As the demographic data indicates, the need for this type of housing will continue to increase as the population ages. The Town could address that need by designating an overlay district where such a use would be allowed by Special Permit. The Town should also consider requiring that at least 20% of the units be affordable. Note that if a 40R Smart Growth Overlay District is used then all units would be included in the State's inventory of Affordable Housing (SHI) if the project is a rental development. The Town-owned Mullen Property on Main Street might be a good candidate for this type of development.

**Non-Regulatory Policies or Programs:**

**I. Community Housing Committee**

Established in 2007 to coordinate the Feasibility Study for the Mullen Project, the Community Housing Committee (CHC) is a volunteer group, appointed by Board of Selectmen. Following the lack of support for the Mullen Project at the 2009 Annual Town Meeting, the Board of Selectmen should reactivate the CHC and appoint new members with appropriate interest and expertise in affordable housing, such as public officials, business and community leaders, attorneys, realtors, clergy, interested citizens and/or local Housing Authority representatives. The activities of the CHC would likely include the following:

- Develop a policy for the conversion of tax title properties to affordable housing and identify other opportunities to buy-down existing housing units in order to secure a deed restriction;
- Increase public awareness through information forums and other public events;
- Establish criteria to evaluate affordable housing proposals;
- Identify developers with whom the Town can work constructively to produce affordable housing. The Housing Partnership seeks to encourage developers to utilize the Local Initiative Program (LIP) with or without a Comprehensive Permit in order to work with the town on meeting the Town's housing needs. Developers seeking zoning relief without a Comprehensive Permit should utilize the LIP and/or provide all necessary documentation to ensure that units be counted on the Subsidized Housing Inventory (SHI); and,

- Work closely with the Planning Board, Board of Selectmen, Conservation Commission and other local boards and committees to evaluate the feasibility of using Town-owned property for affordable housing.

## 2. Community Preservation Act

In May 2006, the Town adopted the Community Preservation Act (CPA). The CPA creates a dedicated funding source financed by tax surcharge revenues and state matching funds. The funds can be used for open space protection or recreational improvements, historic preservation, and affordable housing. Each year, the Community Preservation Committee (CPC) seeks applications for specific projects and recommends the use of these funds to Town Meeting for its approval.

The CPA surcharge is paid by all residential and commercial property owners. A 3% surcharge of the tax bill is calculated for each property based on the assessed value less the first \$100,000 of the value on residential parcels. Exemptions are provided for property owned and occupied as a domicile by any person who qualifies for low income or low or moderate income senior housing, and for residents under 60 years of age whose income is less than 80% of the Area Wide Income, and who qualify for low income housing.<sup>12</sup> A resident must apply for an exemption.

**Table 35 - CPA Funding Allocations (2007-2010)**

	2007	2008	2009	2010	Total
Open Space	\$20,900	\$43,722	\$36,508	\$45,017	\$146,147
Historic Resources	\$20,900	\$43,722	\$36,508	\$45,017	\$146,147
Community Housing	\$20,900	\$43,722	\$36,508	\$45,017	\$146,147
Administrative Expenses	\$0	\$0	\$1,602	\$18,254	\$19,856
Budgeted Reserve	\$0	\$0		\$237,300	\$237,300
Unreserved Fund Balance	\$0	\$0	\$791,401	\$0	\$791,401

Source: Finance Director, Town of West Newbury

CPA funds may be expended in a variety of ways to create affordable housing.

## 3. Local Affordable Housing Trust Fund

The Town should establish a permanent Affordable Housing Trust Fund under the provisions of M.G.L. c. 44, §55C. The Fund would be managed by a Board of Trustees, appointed by the Board of Selectmen, who would appropriate funds for the creation and preservation of affordable housing in West Newbury. Such Trusts can have the power to purchase, sell, lease, manage, and improve real property for the purpose of creating and preserving affordable housing. The Trust Fund could be funded through contributions from developers under the Inclusionary Housing Requirements Zoning Bylaw, as well as community housing funds appropriated under the Community Preservation Act and any outside grants or funding sources for housing purposes.

The Towns of Ashland, Norwell, Harvard, Lincoln, Newburyport and Georgetown have established Trusts and many have appropriated CPA funds into the Trust. These funds may be used by the Trust to purchase, sell, lease, manage and improve real property for the purpose of creating and preserving affordable housing. The Trust could buy and renovate

<sup>12</sup> According to the Assessor's records, there were 35 low income residents that qualified for the exemption in FY09.

foreclosed properties and resell them at an affordable price to those families most in need of homeownership assistance. In return, the assisted homeowners agree to pass affordability onto future homebuyers through a deed restriction, thereby preserving affordability. Accordingly to the Community Preservation Coalition, at least 11 communities have appropriated CPA funds to an affordable housing trust.

**4. District Improvement and Tax Increment Financing (DIF/TIF)**

The Town Center could be designated under the District Improvement Financing (DIF) laws to take advantage of Tax Increment Financing (TIF). DIFs allow a form of Tax Increment Financing that West Newbury could use to pay for public planning and infrastructure improvements in order to stimulate higher-value real estate investment. This tool would permit the Town to pay for making physical improvements through a bond secured by a portion of the future tax receipts from new investment in the designated area. In this way, the Town would not have to raise the residential tax rate to create plans and make improvements, such as a shared wastewater treatment system, traffic improvements, or other needed infrastructure. Further, mixed-income housing development in specifically designated commercial areas can be facilitated through a TIF program. Municipalities can grant real estate tax exemptions for up to 20 years for development or redevelopment of downtown property for housing that is at least 25% affordable to occupants at or below 80% of area median income.

**5. Tax Abatements for Affordable Housing**

The Town should consider adopting M.G.L. Chapter 58 §8C, a statute which allows a partial abatement of the amount owed on tax title properties if the parcel is used for affordable housing. Although there may not be many instances of this type in West Newbury, the current market conditions may contribute to an increase in such properties.

**6. Redeveloping Town-Owned and Tax Title Parcels**

The Town should continue to take a pro-active approach in developing criteria for identifying and selecting Town-owned and tax title parcels that may be suitable candidates for disposition and development as affordable housing.

**7. Acquisition of Property for Affordable Housing and Purchasing Affordability Restrictions on Existing Homes**

The Town should have the CHC or an Affordable Housing Trust develop a strategy for locating single family, multi-family and condominium properties for acquisition or rehabilitation in exchange for permanent affordable housing restrictions. Trust funds and CPA funds could be used to purchase affordability restrictions on existing condominium or appropriate single-family homes. The CHC would be charged with approaching property owners about the possibility of acquiring an affordability restriction or the right of first refusal to purchase their home when they decide to sell.

**8. Community Outreach for Affordable Housing**

In developing this Plan, two public forums were held to provide information on the draft Housing Production Plan to not only get feedback on the Plan's strategies and goals, but also to offer another opportunity to highlight the issue of affordable housing in a light that demonstrates how the Town can be proactive on the issue. Additional opportunities to engage the community in discussions on affordable housing and to present information on the issue are needed to dispel myths and help galvanize local support, political and financial, for new affordable housing production. These outreach efforts are mutually beneficial as



they provide useful information to community residents and important feedback to local leaders.

### **III. Affordable Housing Implementation Plan**

In order to be able to carry out the goals and strategies included in this Housing Production Plan, it will be important for the Town of West Newbury to build its capacity to promote affordable housing activities that are more focused on smaller, more dispersed affordable housing projects than in previous years. This capacity includes gaining access to greater resources – financial and technical – as well as building local political support, developing partnerships with public and private developers and lenders, and creating and augmenting local organizations, bylaws and systems that will support new housing production at the neighborhood level.

The strategies outlined below are based on the Town's previous planning efforts, the context established by the Housing Needs Assessment, and the experience of other comparable localities on the North Shore and throughout the Commonwealth. Sections A and B list the strategies which are grouped according to the type of action proposed – Regulatory and Non-Regulatory Strategies – and categorized by timeframe and resources required for implementation. The estimated number of units produced over the five year planning horizon of this plan is provided. Section C provides a summary of these Housing Actions.

It should be noted that all affordable housing created for inclusion on the Subsidized Housing Inventory must comply with the most recent Use Restrictions. See [www.mass.gov/dhcd](http://www.mass.gov/dhcd) for the most current documentation.

#### **A. REGULATORY STRATEGIES**

Housing production is contingent not only on actual development projects but on the planning and regulatory tools that enable communities to make well informed decisions to invest limited public and private resources on housing creation. To execute the strategies included in this Plan most effectively and to meet production goals, greater flexibility will be needed in the Town's Zoning and Septic Regulations. The following regulatory strategies will be considered by the Town:

##### **I. Adopt a Town Center Overlay District**

Current Status: The Housing Needs Assessment demonstrated the need for a wider range of housing options for local infill or redevelopment. Land or buildings in the Town Center offer a unique opportunity to increase local housing opportunities while supporting the expansion of local businesses.

Next Steps: The Town will continue to advocate for the inclusion of new housing in any redevelopment plans within the Town Center, promoting the incorporation of affordable units. It will be necessary to provide sufficient incentives to make mixed-use and most likely mixed-income development economically feasible. The Town will need to develop regulatory incentives such as increased density, shared parking or utilities, and streamlined permitting through innovative zoning bylaws such as a 40R Smart Growth District.

Timeframe: This process will take time, funding and a staff coordinator. Pending funding, it could be accomplished over the next two to three years and be ready for Town Meeting as early as 2012.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator] to coordinate with the Project Sponsor [i.e. Community Housing Committee (CHC), Affordable Housing Trust (AHT) or West Newbury Housing Authority (WNHA)] will be required to study the project area and develop a Zoning Bylaw amendment such as a 40R Smart Growth District Bylaw.

## **2. Amend the Zoning Requirements for Multi-Family Housing**

Current Status: Under existing zoning, the lot size and dimensional requirements are more stringent for multi-family housing, and multi-family housing is only permitted in the residential districts by Special Permit.

Next Steps: The Town will consider allowing up to three units of housing "as-of-right" if at least one of the units is restricted to affordable housing. In the Residential "C" Zoning District, the Town will consider amending the Zoning Bylaw to allow multiple principle structures on one lot by Special Permit with Site Plan Approval from the Planning Board. The Town will consider applying the same lot size and other dimensional requirements for three-family uses as applicable to single-family structures and only permit a second principle structure on the property if one of the units is restricted as affordable housing and the second structure is sized, placed and designed appropriately for the lot and surrounding neighborhood. The Town will consider drafting a Zoning Bylaw amendment and bring it to Town Meeting for adoption.

Timeframe: This process could be accomplished within the next year and be ready for Town Meeting as early as the spring of 2011.

Resources Required: Staff time from Town [i.e. Planning Board Administrator] and Project Sponsor [i.e. Planning Board] coordinate efforts to prepare the draft bylaw.

## **3 Lot Size, Frontage or Shape Waivers by Special Permit**

Current Status: There are parcels of land that cannot be developed because they do not meet the dimensional requirements of the Zoning Bylaw such as minimum lot sizes as well as front, rear and side yard requirements. Many of these parcels could in fact be suitably developed as housing. Smaller lots will encourage the construction of smaller homes under appropriate guidelines to provide some housing options that are not currently being created by the private market as starter housing or homes for people interested in reducing their living space and home maintenance.

Next Steps: The Town will explore what other communities are doing with respect to these undersized lots and consider drafting a Zoning Bylaw amendment to enable some of these lots to be developed. One potential model is to allow such lots to be developed by Special Permit or through the Local Initiative Program, restricting the development to affordable units that qualify for inclusion in the state-defined Affordable Housing Inventory. This approach would need to ensure that no precedent would be set that could undermine the Town's ability to enforce minimum lot size and frontage requirements elsewhere in the community. No subsidy would likely be necessary for such development as the lots in question would be unbuildable without such an exemption.

Timeframe: This process could be accomplished within the next year, ready for Town Meeting in the spring of 2011.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator] to work with the Project Sponsor [i.e. Planning Board, CHC, AHT, WNHA, and other local officials] in determining the feasibility of implementing this strategy and drafting a Zoning Bylaw amendment.

#### **4. Adoption of an Assisted Living/ Senior Housing Overlay District**

Current Status The 2004 Affordable Housing Plan identified the lack of assisted living facilities, nursing homes, congregate care facilities, and age-restricted housing in West Newbury. The current demographic data continues to indicate the need for this type of housing and the demand will continue to increase as the population ages. The Town could address that need by designating an overlay district(s) where such a use would be allowed by Special Permit or through a 40R Smart Growth Overlay District.

Next Steps: The Town should identify suitable sites for an assisted living/ senior housing overlay district. The Mullen Property will be reconsidered for assisted living or senior housing. For other sites, the Town will need to consider the feasibility of development.

Timeframe: Subject to funding, this process could be accomplished within the next two to three years and be ready for Town Meeting as early as 2012-13.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator] to work with the Project Sponsor [i.e. Planning Board, CHC, AHT, or WNHA] to coordinate studies of a target area.

### **B. Non-REGULATORY POLICIES OR PROGRAMS TO PROMOTE AFFORDABLE HOUSING**

To accomplish the goals of this Housing Production Plan, it will be essential for the Town of West Newbury to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources. Some of the non-regulatory policies or programs described below rely on joint ventures with developers – for profit and non-profit – to create new affordable units. In addition to the active participation of the development community it will be important for West Newbury to seek support from state and federal agencies.

The production of a substantial number of new affordable units will require subsidies beyond what is available through the Community Preservation Act (CPA) fund. For example, if affordable housing was allocated one-third of the existing CPA funding, it could expect approximately \$145,000 annually including the state match. This amount is likely to support the creation of no more than a few affordable units per year, whereas the Housing Production goals seek the production of at least eight affordable units annually. Thus Town will need to examine other funding options for affordable housing such as the state's Department of Housing and Community Development (DHCD) and other state and quasi-public agencies that have resources to support affordable and special needs housing including MassHousing, MassDevelopment, Department of Mental Retardation, Department of Mental Health, Community Economic Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, Massachusetts Housing Investment Corporation (MHIC), and the regional HOME Consortium.

In meeting the annual production goals, the following non-regulatory policies or programs will be reviewed by the Town:

#### **1. Reactivate and Provide an Expanded Role for the Community Housing Committee (CHC)**

Current Status: The Board of Selectmen should reactivate the CHC. Most communities have identified a local committee to coordinate the Town's affordable housing efforts. The Town needs an active CHC in place to coordinate activities and effectively communicate with other Town entities such as the Community Preservation Committee, the WNHA or newly formed Affordable Housing Trust.

Next Steps: The Board of Selectmen should reactivate and update the mission of the CHC to reflect an expanded role in the oversight of policies, plans and programs related to housing. It should also seek out active membership for this committee and appoint members on a rolling appointment schedule to maintain continuity over time.

Timeframe: This action will be implemented in 2010.

Resources Required: Extensive volunteer time by members of the CHC. Given the extensive administrative demands involved with implementation of this Plan, the Town will also consider providing funding for the CHC in the Town's annual operating budget for administrative assistance. CPA funds can be used for such a position.

## **2. Leverage Community Preservation Funding for Local Affordable Housing**

Current Status: Since adoption of the CPA in 2006, the Town has already secured \$146,147 in funding to support affordable housing efforts. Another \$237,000 is being held over in a budget reserve. Some of this reserve could also be allocated to affordable housing production.

Next Steps: In appropriating this affordable housing funding, the CPC and other local affordable housing advocacy groups will seek to maximize the production of affordable housing by leveraging these funds with other local affordable housing requirements or incentive programs through the following: subsidize bonus affordable housing units under the Open Space Preservation Development Special Permit; match in-lieu payments to the Inclusionary Housing Requirement; maintain existing affordable housing units with rehabilitation funding; redevelop tax title properties for affordable housing; provide gap financing to a developer for a friendly 40B project; purchase affordable housing restrictions on existing housing units; provide down-payment assistance, write down interest rates for first-time homebuyers; or use funds for purchase or rehabilitation of affordable housing units for sale or rent to income eligible buyers.

Timeframe: This action will be accomplished over the next five years.

Resources Required: Town staff support [i.e. Finance Director and Town Counsel] will be needed for review of the affordable housing restrictions, contract or rental agreements. Significant time of volunteers [i.e. CPC, CHC, AHT or WNHA] to coordinate annual grant applications to the CPC, development of an outreach and marketing program, and a formal mechanism for project development, review and close-out.

## **3. Establish a Local Affordable Housing Trust with Funding**

Current Status: It is often critical to have a local Affordable Housing Trust with accessible funds available to respond immediately and effectively to housing opportunities as they arise. Resources can be made available through the Community Preservation Act funds. Meeting the requirements of the Inclusionary Housing Requirement Bylaw may also require payment to the fund in some cases.

Next Steps: Establish an Affordable Housing Trust under the provision of M.G.L. Ch. 44, Section 55C. A Town Meeting vote is required to approve this provision. If adopted by the Town, the appointed Trust will need to work closely with Town Staff to explore the use of CPA funding for home ownership programs such as down-payment assistance, writing down interest rates for first-time homebuyers, and using funds for purchase or rehab of units for eligible buyers. The Trust should also explore using CPA funds for acquisition or rehab of rental properties or setting up a revolving loan funds for providing monthly rental assistance.

Timeframe: This action could be accomplished within the next year and be ready for Town Meeting in the spring of 2011.

Resources Required: Town staff support [i.e. Finance Director and Town Counsel] will be needed for drafting of the Affordable Housing Trust (see example Trust in Appendix A). If the Affordable Housing Trust is approved by Town Meeting, the Board of Selectmen will need to

appoint the members of the Trust and the Trust will need to develop a strategic work plan for implementing several strategies included in this Plan.

**4. District Improvement and Tax Increment Financing (DIF/TIF)**

Current Status: The major impediments to supporting a new Town Center development are the need for traffic improvements, shared parking facilities and a shared wastewater treatment system, as outlined in the 2004 Community Development Plan. This financing tool could permit the Town to pay for making physical improvements through a bond secured by a portion of the future tax receipts from new investment in the designated area. The Town's existing septic regulations do not permit a shared system without variances. Thus, the Town will need to work closely with the Board of Health in order to site, design and permit such a system.

Next Steps: Coordination will be needed between the Board of Health, property owners and interested developers to study the feasibility for a shared wastewater treatment system. The Town should also work with the Public Works Department to evaluate traffic improvements and parking options within the Town Center.

Timeframe: Pending private development interest or Town funding for the site assessment or design studies, this action could be accomplished within two to three years and be ready for Town Meeting as early as 2012.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator, Board of Health, Public Works Director, Finance Director, and Town Counsel] to coordinate the planning effort to undertake any site assessment studies and develop a TIF/DIF program.

**5. Tax Abatements for Affordable Housing**

Current Status: The current market conditions have increased the financial burden on many homeowners. M.G.L. Chapter 58, §8C, is a tool which could be implemented to convert properties for affordable housing use.

Next Steps: The Town will consider adopting M.G.L. Chapter 58 §8C, a statute which provides for abatement of a percentage of taxes and interest due on tax title properties if they are used for affordable housing.

Timeframe: This action could be accomplished within the next year and be ready for Town Meeting in the spring of 2011.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator, Finance Director and Town Assessor] to develop the Town Meeting warrant article; a General Bylaw with a corresponding procedure; and staff time needed to administer the program.

**6. Redeveloping Town-Owned Land and/ Tax-Title Parcels for Affordable Housing**

Current Status: The contribution or "bargain sale" of land owned by the Town remains a substantial component of Housing Production goals and could enable the Town to proactively launch its housing efforts.

Next Steps: The Town should conduct feasibility analyses on existing Town-owned parcels. If analysis indicates that housing can be accommodated, the Town should designate these identified parcels for affordable housing development. Following the necessary approvals, the Town should prepare a Request for Proposals (RFP) to solicit interest from developers based on specific project requirements. A project might require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and may be able to obtain this relief through a "friendly" Comprehensive Permit process. Subsidies from the CPA Fund are likely to be pivotal to assuring affordability of housing units. It is anticipated that the Town will acquire a number of privately owned properties over the next decade using CPA funding to accommodate affordable housing.

Timeframe: This action will be ongoing. Based on the recently completed feasibility study, the Mullen Property disposition could be accomplished within two years and be ready for Town Meeting as early as 2012.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator, Finance Director, Town Counsel] to work with the project sponsor [i.e. CHC, AHT and/or WNHA] to coordinate resources.

## **7. Acquisition of Properties for Affordable Housing and Purchasing Affordability Restrictions on Existing Homes**

Current Status: As outlined in the Needs Assessment, West Newbury has a relatively low level of rental housing, when compared to other comparable communities. Of the few two- and multi-family developments in Town, most are privately owned and managed. While acquisition prices are often high, some of these housing units might possibly be converted to mixed-income or affordable housing. Such conversion could occur through two general scenarios.

First, through discussions with existing owners, it might be possible to provide sufficient incentives to enable these owners to make the necessary improvements and convert some of the units to affordable.

Second, some existing owners may be interested in selling their property, to a non-profit or for profit developer, who could purchase and redevelop the property to incorporate affordable units either as rental apartments or condominiums. The WNHA might also be a resource for potentially managing these properties and the rental subsidies and monitoring affordability restrictions that are guaranteed through affordable rental agreements or deed riders.

Next Steps: Begin to identify possible two- or multi-family properties that might be targeted for conversion to incorporate some level of long-term affordability.

Timeframe: This action will be ongoing.

Resources Required: Staff time from the Town [i.e. Planning Board Administrator, Finance Director, Town Counsel] to work with the Project Sponsor [i.e. CHC, AHT and or WNHA] to develop projects including support for securing subsidy funds.

## **8. Conduct an Outreach Campaign for Affordable Housing**

Current Status: While many residents are aware of escalating housing prices and some are encountering significant difficulties affording housing in West Newbury, it is likely that many residents hold onto negative stereotypes of what affordable housing is and what it will do to their neighborhood or the larger community. Opportunities to engage the community and to present information on the issue are needed to dispel myths and help galvanize local support for new affordable housing production

Next Steps: The Town should sponsor several forums to present the findings of the Housing Production Plan, opening these up to the larger public to inform community residents and local leaders on the issue. Public education opportunities could be coordinated by the Town including having representatives from other communities speak in public forums on innovative affordable housing strategies, bringing representatives from Citizens Housing and Planning Association or North Shore Home Consortium to a community meeting to provide a presentation on smart growth development, and organizing panel discussions on particular housing related topics. These sessions can help build community interest, improve communication and garner support.

Timeframe: This action item is ongoing and annual workshops/fora will be held.

Resources Required: Staff support from the Town [i.e. Planning Board Administrator] with the Project Sponsor [i.e. CHC, AHT and/or WNHA].

## C. TIMEFRAME FOR IMPLEMENTATION (FIVE YEAR ACTION TABLE)

The Town operates under an Open Town Meeting form of government, so its ability to implement zoning changes is limited by the two-thirds voting requirement under M.G.L. Chapter 40A. Subject to that limitation, the Town anticipates the following schedule to implement action items identified herein.

**Table 36 – Five Year Action Table (40 New Affordable Housing Units / 8 per year)**

Action		Total New Housing Units	Market Rate Units	Affordable Units	SHI Units
Subsidized Housing Units as of June 2009		-	0	26	26
Additional Subsidized Units Needed for 10%		-	-	-	115
2010	Proposed Under Chapter 40B	0	0	0	0
	Proposed Under Local Zoning <sup>1</sup>	38	34	4	4
	Proposed Under Local Housing Program <sup>2</sup>	0	NA	4	4
Subtotal		38	34	8	8
Additional Subsidized Units Needed					107
2011	Proposed Under Chapter 40B <sup>3</sup>	20	15	5	20
	Proposed Under Local Zoning <sup>4</sup>	18	16	2	2
	Proposed Under Local Housing Program <sup>5</sup>	0	NA	1	1
Subtotal		38	31	8	23
Additional Subsidized Units Needed					84
2012	Proposed Under Chapter 40B	0	0	0	0
	Proposed Under Local Zoning <sup>6</sup>	10	9	1	1
	Proposed Under Local Housing Program <sup>5</sup>	0	NA	0	0
Subtotal		10	9	1	1
Additional Subsidized Units Needed					83
2013	Proposed Under Chapter 40B	0	0	0	0
	Proposed Under Local Zoning <sup>6</sup>	20	18	2	2
	Proposed Under Local Housing Program <sup>5</sup>	0	NA	6	6
Subtotal		30	27	8	8
Additional Subsidized Units Needed					75
2014	Proposed Under Chapter 40B	0	0	0	0
	Proposed Under Local Zoning <sup>6</sup>	30	27	3	3
	Proposed Under Local Housing Program <sup>5</sup>	0	NA	5	5
Subtotal		30	27	8	8
Additional Subsidized Units Needed					67

1 – Construction of 38 Units approved under the OSPD for Ocean Meadows.

2 – Conversion of 4 existing town-owned affordable housing units at 694 Main Street.

3 – Construction of 20 units of assisted living/ senior housing at the Mullen Property.

4 – Remaining 18 units constructed at Ocean Meadows.

5 – Estimated new or existing units converted to affordable housing units by Affordable Housing Trust or other non-regulatory action.

6 – Estimated new units constructed by private developers under the Inclusionary Housing Bylaw, Open Space Preservation Developments or other Special Permits.

## **Appendix A –**

### **Model Declaration of Trust / Affordable Housing Trust**

This Declaration of Trust is hereby made as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by the Town of \_\_\_\_\_ acting by and through its Board of Selectmen, as approved by vote of the Town Meeting of \_\_\_\_\_, 20\_\_\_\_, pursuant to the provisions of M.G.L. Chapter 44, §55C.

#### **ARTICLE I: NAME OF THE TRUST**

The trust shall be called the "Town of \_\_\_\_\_ Affordable Housing Trust Fund."

#### **ARTICLE II: PURPOSE OF TRUST**

The purpose of the Trust shall be to provide for the preservation and creation of affordable housing in the Town of \_\_\_\_\_ for the benefit of low and moderate income households.

#### **ARTICLE III: APPOINTMENT AND TENURE OF TRUSTEES**

There shall be a Board of Trustees of the \_\_\_\_\_ Affordable Housing Trust which shall consist of five (5) trustees appointed by the Board of Selectmen, at least one of which shall be a member of the Board of Selectmen, for terms of two years to expire on June 30, except that initially terms shall be selected by the Selectmen, so that two trustees so appointed shall have initial terms not to exceed one year and three trustees so appointed shall have terms not to exceed two years. Vacancies shall be filled by the Board of Selectmen for the remainder of the unexpired term. All Trustees must be residents of the Town of \_\_\_\_\_ to be eligible for appointment. Any Trustee who ceases to be a resident of the Town of \_\_\_\_\_ shall promptly provide a written notification of the change in residence to the Trust and to the Town Clerk. The Trustee shall promptly cease to be a member of the Trust and action shall be taken immediately to begin replacement proceedings. Any member of the Board of Trustees may be removed from the Board, after the opportunity for a hearing. The Town Administrator shall not be eligible for appointment as a Trustee. The Chair of the Board of Trustees shall be elected annually by the Board of Trustees. In the event of a vacancy in the position of Trustee, the appointment shall be made in the same manner as the original appointment.

#### **ARTICLE IV: POWERS OF TRUSTEES**

The Trustees shall have the following powers which shall be carried out in accordance with and in furtherance of the provisions of M.G.L. Chapter 44, §55C (Municipal Affordable Housing Trust Fund) as outlined below except that it shall have no ability to borrow money, or mortgage or pledge Trust assets, purchase, sell, lease, exchange, transfer or convey any interest in real property without prior approval of the \_\_\_\_\_ Board of Selectmen:

- 1) with Board of Selectmen approval upon recommendation of the Trustees, 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 Trustees deem advisable notwithstanding the length of any such lease or contract;

2) with Board of Selectmen approval upon recommendation of the Trustees, to borrow money up to the extent of the Trust's assets on such terms and conditions and from such sources as the Trustees deem advisable, to mortgage and pledge Trust assets as collateral; and subject to 2/3 vote at any Annual or Special Town Meeting for greater than the extent of the Trust's assets.

3) with Board of Selectmen approval upon recommendation of the Trustees, to purchase and retain real or personal property, including without restriction investments which follow M.G.L. Chapter 44 §55B. The law states, monies shall be invested in such a manner to require the payment of interest on the money at the highest possible rate reasonably available, taking account of safety, liquidity and yield;

4) with Board of Selectmen approval upon recommendation of the Trustees, to participate or join or form a partnership, corporation or any other legally organized entity to accomplish the purposes of this Trust and 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, person or entity;

5) with Board of Selectmen approval upon recommendation of the Trustees, to deposit any security with any protective reorganization committee, and to delegate to such committee such powers and authority with relation thereto as the Trustees may deem proper and to pay, out of Trust property, such portion of expenses and compensation of such committee as the Trustees may deem necessary and appropriate;

6) with Board of Selectmen approval upon recommendation of the Trustees, to accept and receive real property, personal property or money, by gift, grant, contributions, devise, or transfer from any person, firm, corporation or other public entity or organization or tendered to the Trust in connection with provisions of any ordinance or by-law or any General Law or Special Act of the Commonwealth or any other source including money from M.G.L. Chapter 44B (Community Preservation);

7) with Board of Selectmen approval upon recommendation of the Trustees, 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 Trustees engage for the accomplishment of the purposes of the Trust;

8) with Board of Selectmen approval upon recommendation of the Trustees, to construct, manage or improve real property; and to abandon any property which the Trustees determine not to be worth retaining;

9) to become the lottery and monitoring agent for affordable housing and accept compensation for those services into the Fund,

10) to monitor the expiring use of any affordable housing in \_\_\_\_\_;

11) to compensate Town employees for services provided as authorized by the Board of Selectmen, including but not limited to dedicated staff to Trustees, engineering support for project specific activities, and other Town services, as requested by the Trustees to the Town Administrator;

12) with Board of Selectmen approval upon recommendation of the Trustees, to contract for advisors and agents, including but not limited to accountants, appraisers and lawyers as the Trustees deem necessary;

13) with Board of Selectmen approval upon recommendation of the Trustees to pay reasonable compensation and expenses to all advisors and agents and to apportion such compensation between income and principal as the Trustees deem advisable;

14) to apportion receipts and charges between incomes and principal as the Trustees deem advisable, to amortize premiums and establish sinking funds for such purpose, and to create reserves for depreciation depletion or otherwise;

15) to carry property for accounting purposes other than acquisition date values;

16) with Board of Selectmen approval upon recommendation of the Trustees, to make distributions or divisions of principal in kind;

17) with Board of Selectmen approval upon recommendation of the Trustees, to extend the time for payment of any obligation to the Trust;

18) with Board of Selectmen approval upon recommendation of the Trustees, to establish a plan, guidelines, criteria and/or qualifications for recipients and expenditures in accordance with Trust's stated purposes;

19) with Board of Selectmen approval upon recommendation of the Trustees, to compromise, 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 Trustees may deem appropriate;

20) with Board of Selectmen approval upon recommendation of the Trustees, the Trustees shall have full power and authority, at any time and from time to time and without the necessity of applying to any court for leave to do so, to expend the 100% of the Trust funds, both principal and interest, to the extent that all funds hereunder may be expended if the Trustees deem such expenditure appropriate. All expenditures shall be made in conformance with the terms of this Trust and M.G.L. Chapter 44, s 55C.

#### ARTICLE V: MEETINGS OF THE TRUSTEES

The Trust shall meet at least quarterly at such time and such place as the Trustees shall determine. Special meetings may be called by the Chairperson or by any two (2) Trustees. Notice of any meeting of the Trust shall be filed with the Town Clerk and posted in accordance with the Open Meeting Law, M.G.L. Chapter 39, §23A, 23B and 23C.

A quorum of the Board of Trustees shall be the majority of the number of authorized Trustees.

The Trustees shall annually elect one (1) Trustee to serve as Chairperson. The Chairperson may establish sub-committees and/or ad hoc task related

committees to carry out the purposes of the Trust. Chairpersons of the sub-committees may be selected by the members of the sub-committees.

If any Trustee is absent from five (5) consecutive regularly scheduled meetings of the Trust, except in the case of illness, his position shall be deemed vacant and shall be filled with a new appointment as set forth above.

#### ARTICLE VI: ACTS OF TRUSTEES

A majority of Trustees may exercise any or all of the powers of the Trustees hereunder and may execute on behalf of the Trustees any and all instruments with the same effect as though executed by all the Trustees. No Trustee shall be required to give bond. No license of court shall be required to confirm the validity of any transaction entered into by the Trustees with respect to the Trust Estate.

#### ARTICLE VII: LIABILITY

Neither the Trustees nor any agent or officer of the Trust shall have the authority to bind the Town, except in the manner specifically authorized herein. The Trust is a public employer and the Trustees are public employees for the purposes of M.G.L. Chapter 268A. The Trust shall be deemed a municipal agency and the Trustees special municipal employees for the purposes of M.G.L. Chapter 268A.

#### ARTICLE VIII: TREASURER AS CUSTODIAN

The Town of \_\_\_\_\_ Treasurer shall be the custodian of the Trust's funds and shall maintain separate accounts and records for said funds.

He or she shall invest the funds in the manner authorized by M.G.L. Chapter 44, §55 (Public Funds on Deposit; Limitations; Investments), §55A, (Liability of Depositor for Losses Due to Bankruptcy), §55B (Investment of Public Funds).

Any income or proceeds received from the investment of funds shall be credited to and become part of the Trust.

Expenditures by the Trust shall be processed through the warrant but shall be controlled by the provisions of M.G.L. Chapter 44, §55C. The yearly approved budget, and any approved budget revisions will be recorded by the Town Treasurer/Collector.

As custodian, the Treasurer shall issue checks as directed by the Trustees.

The Board of Trustees shall provide for an annual audit of the books and records of the Trust. Such audit shall be performed by an independent auditor in accordance with accepted accounting practices. Upon receipt of the audit by the Board of Trustees, a copy shall be provided forthwith to the Board of Selectmen.

#### ARTICLE IX: DURATION OF THE TRUST

This Trust shall continue so long as authorized under the Laws of the Commonwealth of Massachusetts. Notwithstanding the foregoing, The trust may be terminated by a majority vote of the Town Meeting in accordance with M.G.L. Chapter 4, §4B, provided that an instrument of termination together

with a certified copy of the Town Meeting vote are duly recorded with the Southern Essex District Registry of Deeds and the Land Court. Upon termination of the Trust, subject to the payment of or making provisions for the payment of all obligations and liabilities of the Trust and the Trustees, the net assets of the Trust shall be transferred to the Town and held by the Board of Selectmen for affordable housing purposes. In making any such distribution, the Trustees may, subject to the approval of the Board of Selectmen, sell all or any portion of the Trust property and distribute the net proceeds thereof or they may distribute any of the assets in kind. The powers of the Trustees shall continue until the affairs of the Trust are concluded.

#### ARTICLE X: CONSTRUCTION OF TERMS

In the construction hereof, whether or not so expressed, words used in the singular or in the plural respectively include both the plural and singular, words denoting males include females and words denoting persons include individuals, firms, associations, companies, trusts and corporations unless a contrary intention is to be inferred from or required by the subject matter or context. All the powers and provisions of the Trust herein contained shall take effect and be construed according to the laws of the Commonwealth of Massachusetts.

Reference to the Trustee shall mean the Trustee or Trustees for the time being hereunder.

#### ARTICLE XI: RECORDING

This Declaration of Trust shall be recorded with the Southern Essex District Registry of Deeds and the Land Court.

#### ARTICLE XII: AMENDMENTS

The Declaration of Trust may be amended from time to time except as to those provisions specifically required under M.G.L. Chapter 44, §5C, by an instrument in writing signed by all of the Trustees and approved at a meeting called for that purpose, and approved by the Board of Selectmen provided that in each case, a certificate of amendment has been recorded with the Southern Essex District Registry of Deeds and the Land Court.

#### ARTICLE XIII: RECORD TO BE CONCLUSIVE, CERTIFICATE AS TO FACTS

Every contract, deed, mortgage, lease and other instrument executed by a majority of the Trustees as appears from instruments or certificates recorded with the Registry of Deeds and Land Registration Office to be Trustees hereunder shall be conclusive evidence in favor of any person relying thereon or claiming there under, that at the time of the delivery thereof this Trust was in full force and effect and that the execution and delivery of such instrument was duly authorized by the Trustees except that instruments of amendment pursuant to Article XII and an instrument of termination pursuant to Article IX hereof shall be conclusive only if it appears that the delegations, amendments or termination have been executed by all of the Trustees. Any person dealing with the Trust property or the Trustees may always rely on a certificate signed by any person appearing from instruments or certificates so recorded to be Trustee hereunder as to the identity of the then current Trustees or as to the existence or non-existence of any fact or facts which constitute conditions

## **Sources**

### **Data Sets:**

- Town of West Newbury Assessor's Records – Chapter 61 Program & Tax Exempt Properties (2009).
- Town of West Newbury Finance Department Analysis of CPA Funds - (FY2010).
- Massachusetts Department of Revenue – Schedule A Report (2008).
- Massachusetts Department of Employment and Training – Employment Data (2009).
- Massachusetts Department of Housing and Community Development – Chapter 40B Subsidized Housing Inventory (SHI) Data (2009).
- Massachusetts Department of Housing and Urban Development - FY2009 Income Limits Documentation System (FY2009).
- Massachusetts Executive Office of Labor and Workforce Development - Employment Data (Sept. 2009).
- Massachusetts Department of Revenue - Tax Classification, Revenues and Levy Capacity (FY2009).
- Pentucket Regional School Department –Enrollment and Five Year Capital Project Projections (2009).
- Metropolitan Area Planning Commission - Population Projections (2009).
- U.S. Census Data – STF 1&3 (1990, 2000).
- U.S. Census Bureau Residential Construction Branch - Building Permit Data (2004-2008).
- Warren Group – Median Sales Price, Demographics and Foreclosures (Nov. 2009).
- Trulia Real Estate Search - West Newbury Market Trends (Nov. 2009).

### **Plans:**

- Town of West Newbury - Comprehensive Plan (September 1999).
- Town of West Newbury - Community Development Plan (June 2004).
- Town of West Newbury - Affordable Housing Plan, Chapter 40B Compliance Plan (August 2004).
- Town of West Newbury - Open Space and Recreation Plan (August 2009).

### **Regulations:**

- Massachusetts Department of Housing and Community Development - Housing Production Plan Guidelines (2008).
- Town of West Newbury Board of Health - Septic Regulations
- Town of West Newbury - Zoning Bylaw (May 6, 2009).
- Massachusetts Department of Housing and Community Development LIP Initiative Program (Feb. 22, 2008)

### **Reports:**

- Town of West Newbury Water Distribution System Study – Tata and Howard, Inc. (2003, updated 2008).
- Town of West Newbury, MA - Annual Town Report (July 1, 2007 - June 30, 2008).
- Town of West Newbury Community Housing Committee - Mullen Project Feasibility Study (April, 2009).