

# **BOXFORD HOUSING PARTNERSHIP COMMITTEE**

## **TOWN OF BOXFORD COMMUNITY HOUSING PLAN**

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# TOWN OF BOXFORD COMMUNITY HOUSING PLAN

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# TOWN OF BOXFORD COMMUNITY HOUSING PLAN

## I. EXECUTIVE SUMMARY

### A. Introduction

Boxford is a small town in the north-central area of Essex County about 30 miles north of Boston. The town was incorporated in 1685 and was a farming community until the post World War II construction of Route 95 made the commute into Boston relatively easy, turning the town over the next several decades into an upper income suburb. Boxford comprises about twenty-four square miles and is bounded by the towns of North Andover, Middleton, Topsfield, Ipswich, Rowley, Georgetown, Groveland, and Haverhill. Based on 2000 census data, Boxford has almost 8,000 residents who are among the most affluent in the region. Boxford is a community that hopes to hold on to its working farms and rural character and prides itself in its top-notch schools. The community has maintained a strong tradition of citizen involvement in all of the town's activities, but certainly with respect to community development issues.

Boxford is feeling growing pains like many of its neighbors, trying to absorb the overheated demand for housing that has resulted from the recently strong economic climate, low interest rates, continued interest from professionals to raise their families where there are strong schools, and an insufficient supply of existing housing in this context of increasing demand throughout the region. Since the post-war era and the availability of Interstate 95, Boxford's population has increased from 921 persons to almost 8,000. This population growth has put enormous pressures on the housing market. Fewer new units are being built to accommodate new residents, and in tandem with local regulations that restrict new development, the cost of existing and any new housing has skyrocketed. Even those with incomes at the median income level of \$113,212 are unlikely to find a house they can afford in today's market. Boxford now has approximately 2,600 housing units – almost all owner-occupied, single-family houses on a minimum of two-acre lots – with an average price tag of approximately \$600,000. This situation is causing Town leaders and residents to recognize that different strategies are needed to better plan for housing development and insure that it is more directed to serving local needs and objectives.

Undertaking a more proactive housing agenda to promote affordable housing will be a significant challenge in Boxford. First, the town has no existing water and sewer services in place, making denser development more costly and difficult. Second, local zoning is a significant barrier to affordable housing development, and current regulations would have to be reformed and in many cases overridden through "friendly" comprehensive permits. Third, the town needs to build its capacity to create new units by aggressively reaching out for the necessary technical and financial resources as well as political support to get the job done.

During the late winter of 2003, the Board of Selectmen appointed a number of new members to the Boxford Housing Partnership Committee in an effort to recharge the committee and bolster efforts to make tangible progress on the issue of affordable housing. Given spiraling housing prices and increased interest from developers in producing housing in Boxford through the Chapter 40B comprehensive permit process, Town leaders recognized the importance of becoming more proactive on the issue – to learn more about existing housing needs and to find strategies to meet these needs that would create new affordable housing opportunities more in line with community priorities.

In general, the purpose of this affordable housing planning process is to conduct research and outreach to better understand the challenges and opportunities for developing affordable housing in Boxford and to

prepare production goals and detailed action plans on how the Town can promote the development and preservation of affordable housing throughout the community to meet local needs.

This Plan is also being developed in a politically volatile context related to recent housing development proposals that have emerged through the Chapter 40B comprehensive permit process. If a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, according to Chapter 40B regulations, it is not meeting the regional and local need for affordable housing. Not meeting this affordability standard makes the town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.<sup>1</sup> Based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B subsidized housing inventory, Boxford has 2,602 year-round housing units, of which 15 can be counted in the Subsidized Housing Inventory, representing 0.58% of the year-round housing stock. To meet the 10% standard, at least 260 of the existing units would have to be "affordable" based on the state's definition requiring at least another 245 more housing units to be converted to affordable units in Boxford to meet just the 10% standard. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase over time.

## **B. Housing Goals**

The following goals represent the building blocks on which the Two-Year and Five-Year Action Plans will be developed:

- *To meet local housing needs along the full range of incomes, promoting social and economic diversity and the stability of individuals and families living in Boxford.* The preservation and production of affordable housing is a proven method for promoting social and economic diversity, allowing those individuals and families with more limited means to afford to live in town, particularly when the housing market is becoming increasingly oriented to the affluent. Solutions need to be found to enable children who grew up in town to return to raise their own families here, to offer town employees the opportunity to live in the community in which they work, to provide housing alternatives to elderly residents who have spent much of their lives in town but now require alternatives to their large single-family homes, and to offer families the flexibility of moving to larger homes as their families grow.
- *To leverage other public and private resources to the greatest extent possible.* Because Boxford is a small town that does not receive federal funding for affordable housing on an entitlement basis<sup>2</sup> and because it does not have large pockets of poverty that make it a target for state funding, the town needs to be creative in how it can leverage both public and private resources to make affordable housing development possible. State agencies recognize the importance of suburban localities doing their fair share in housing lower income households and want to be supportive of affordable housing initiatives. Nevertheless, the town needs to be strategic in how it invests its

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<sup>1</sup> Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

<sup>2</sup> Cities with populations of more than 50,000 receive federal funds, such as the Community Development Block Grant and HOME Program funding, directly from the federal government on a formula basis and are referred to as entitlement communities.

limited resources, including its Community Preservation Funds, towards the production of new housing opportunities.

- *To insure that new housing creation is harmonious with the existing community.* New affordable housing development should be an amenity that blends well within the architectural context of Boxford. Therefore, developments to the greatest extent possible should incorporate a number of characteristics – mixed-income, covering a wide range of income needs; low to medium density, eliminating huge impacts in any one part of the community; and should be well designed to make maximum use of any natural attributes of development sites and to comply with the architectural character of the community.
- *To surpass the 10% state standard for affordable housing.* There is currently a 245-unit gap between the state’s affordable housing standard (10% of the year-round housing stock that has been subsidized by the federal or state government to benefit those earning up to 80% of median income) and the affordable stock currently in place in Boxford. Based on state projections of build-out, developed in 2001 by the Executive Office of Environmental Affairs in relation to current zoning patterns, a projected 185 units of new affordable housing will be required to meet the state’s threshold at build-out resulting in a total 430 additional units of affordable housing required in Boxford – a daunting challenge.

### **C. Summary of Housing Needs Assessment**

This Housing Needs Assessment presents an overview of the current housing situation in the town of Boxford, providing the context within which a responsive set of strategies can be developed to address housing needs and meet production goals. Key findings in regard to household characteristics, housing characteristics, and housing affordability in Boxford are summarized in the following:

#### *Household Characteristics*

- The median household income in 1999 was \$113,212, up 44% from the 1989 median income of \$78,562 and well above the median income for Essex County of \$51,576.
- In 2000 the census counted 1.6%, or 42 households, with incomes below \$10,000, while another 98 or 3.8% had incomes between \$10,000 and \$24,999 representing extremely low-income levels at or below 30% of area median income.
- Approximately 250 households, or almost 10% of all households, had incomes within what public agencies would define as very low-income levels at or below 50% of area median income.
- Almost 19% of Boxford households or 475 households would likely qualify for housing assistance as incomes are at or below 80% of area median income defined by HUD.
- In contrast 35.1% or 899 households had incomes of more than \$150,000.
- While the numbers of those earning under \$74,999 decreased somewhat between 1990 and 2000, those earning more than \$75,000 increased by two-thirds over the decade, well more than what would be expected under inflation.
- The absolute numbers of those in poverty increased somewhat from 1989 to 1999, and there still remains a population within the town of Boxford of more than 100 individuals and approximately 20 families who have with substantial income limitations who require public assistance to meet their housing needs.
- The population has remained predominantly White with minority representation at 2.6%.
- Those 65 years or older comprised 9.3% of residents in 2000, lower than the 13.8% for Essex County as a whole.
- Those 19 years and younger represented almost one-third of all residents, somewhat higher than the county level of 27.5%.

- There are a number of residents who are disabled, including 58 or 4.0% of the school-age population, 330 or 7.5% of those 21 to 64 (about 100 of whom could not be employed), and 178 or 24.1% of those 65 years or older.
- More than one-third of the total population five years of age or older, moved to a different house during the last five years. It is important to note that housing turnover drives up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time.

#### *Housing Characteristics*

- The 2000 census counted 2,610 total housing units, up 25.1% from 2,087 units in 1990.
- Total growth in the housing stock from 1990 to 2000 was 523 units. However, there was a loss of 21 rental units, most likely because the single-family homes that had been rented were sold.
- The 2000 census counted 1.6% of the housing stock or 42 units as vacant, of which 8 involved seasonal, recreational or occasional use.
- The town has 2,568 occupied units, of which 2,497, or 97.2%, were owner-occupied with the remaining 71, or 2.8%, as rentals, representing a considerably higher level of owner-occupancy than that for Essex County of 63.5%.
- Almost all of the housing units are in single-family detached structures, 93.6%, higher than the 52.1% level for the county.
- A little more than one-third of the housing stock, 36.3%, was built prior to 1970. These figures demonstrate a significantly newer housing stock than that for the county as a whole with 70.4% of the units built before 1970.

#### *Housing Affordability*

- At least 17% of Boxford residents are currently living in housing that is by common definition beyond their means and unaffordable.
- Over the past five years there have been no homes available in the affordable range, priced at \$200,000 or less and affordable to those earning at or below 80% of area median income.
- In 2003, there were only six homes that sold for less than \$400,000.
- The census indicates that the 2000 median house value was \$398,100, up 24.1% from the median of \$320,700 in 1990.
- Data from the January 27, 2004 Multiple Listing Service (MLS) suggests an average single-family sales price of \$595,000.
- To afford the median sales price of \$595,000, a household would have to earn approximately \$175,000, significantly more than the 2000 median income of \$113,212.
- The borrowing power of the average household, based on the town's median income of \$113,212, is about \$396,500, and houses at this price level are now virtually nonexistent in the town of Boxford.
- The affordability gap is about \$200,000 - the difference between the price of the median priced home and what a median income household can afford. The affordability gap is \$430,000 if the analysis focuses on those low- and moderate-income households earning at or below 80% of area median income.
- The 2000 census indicated that the median gross rental was \$1,256, almost double the 1990 median rent of \$696.
- The gross median rent of \$1,256 requires an income of \$50,240, not affordable to approximately 14.2% of Boxford residents or 365 households.



#### **D. Summary of Planned Production Goals**

The Massachusetts Department of Housing & Community Development (DHCD) is administering the Planned Production Program in accordance with regulations that enables cities and towns to prepare an affordable housing plan that demonstrates production of an increase in low and moderate income housing units. If communities can demonstrate that within one calendar year at least  $\frac{3}{4}$  of one percent (.75%) of total year round housing units (based on the 2000 Census) pursuant to the plan has been produced, a decisions by the Zoning Board of Appeals (ZBA) to deny or approve with conditions comprehensive permit applications will be deemed "consistent with local needs" under MGL Chapter 40B for a one year period following certification. In addition, a two year period will be enacted if it has produced 1.5% of total housing units pursuant to the approved plan. "Consistent with local needs" means that the decision will be upheld by the Housing Appeals Committee (HAC).

Using the strategies summarized under the Housing Action Plan described in Section VI.A through D., the Town of Boxford has developed a Planned Production Program to chart affordable housing production activity over the next decade. The projected goals are best guesses at this time and there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- For the first development on Town-owned property, at least fifty percent (50%) of the units that are developed on Town-owned parcels should be affordable to households earning at or below 80% of area median income and at least another 10% affordable to those earning up to 150% of area median income, depending on project feasibility. The rental projects, which are projected for Year 5 and beyond, will also target some households earning at or below 60% of area median income. However, for the first project the Town wants to do more. Current plans are for the project to focus on ownership where almost  $\frac{2}{3}$  of the units are set-aside as affordable with the remaining units affordable to those earning between 80% and 150% of area median income targeted to the greatest extent possible to Town employees.
- Unit projections are responsive to environmentally sensitive areas that due to Title V requirements related to nitrogen sensitivity restrict density to no more than four (4) units per acre unless water treatment facilities are built on site, an expensive proposition that restricts feasibility of smaller sites.<sup>3</sup> On larger sites where water and sewer treatment facilities are more feasible, the projected number of units is based on eight (8) units per acre, however densities may be higher or lower depending on specific site conditions and the surrounding area.
- Because housing strategies include some development on privately owned parcels, production will involve projects sponsored by private developers through the standard regulatory process or "friendly" comprehensive permit process. The Town will continue to work with these private developers to fine-tune proposals to maximize their responsiveness to community interests and compliance with Housing Guidelines.
- The projections involve a mix of rental and ownership opportunities, targeting rental or mixed rental and ownership closer to nonresidential uses, more remote areas and larger parcels and homeownership towards the smaller sites in residential areas. *The Town will work with private developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents.*

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<sup>3</sup> All developments within the Water Resource Protection District must comply with the standards of that bylaw, including a maximum of five parts per million nitrogen loading standard.

## **E. Summary of Housing Action Plan**

The strategies outlined below are based on previous planning studies, the context established by the Housing Needs Assessment, and the experience of other comparable localities on the North Shore and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Planning and Regulatory Reform, Building Local Capacity, Housing Production, and Housing Preservation – and categorized by Two-Year and Five-Year Action Plans. Two-Year actions are those that will begin within the next two years, most of which will involve some immediate actions. Those actions included in the Five-Year Action Plan are longer-term strategies that will entail some focused attention after the next couple of years.

### **1. Planning and Regulatory Reform**

Housing production is contingent not only on actual development projects but on the planning and regulatory tools that enable localities to make well informed decisions to strategically invest limited public and private resources on housing creation. To most effectively and efficiently execute the strategies included in this Plan and meet production goals, greater flexibility will be needed in the Town's Zoning Bylaw and new tools will be required to capture more affordable units and expeditiously move development forward to completion.

- **Adopt Inclusionary Zoning**

#### **Two-Year Action Plan**

Inclusionary zoning is not currently included in Boxford's Zoning Bylaw. This mechanism has been adopted by many communities to insure that any new development project over a certain size would include a set-aside in numbers of affordable units or funding to support the creation of affordable housing. This applies to development that meets local zoning requirements, but many communities incorporate some density bonuses in their inclusionary bylaws. And most municipalities that have inclusionary zoning in place, one-third of the municipalities in the Commonwealth, are reaping the rewards of these actions through the creation of actual affordable units or cash contributions to the locality for investment in affordable housing production.

There are a number of bylaws that have been adopted in localities throughout the state that vary considerably based on requirements. The Boxford Housing Partnership Committee and Planning Board should explore these models and prepare a zoning amendment that is best suited to Boxford. This amendment should be brought to the Planning Board for vote, and if approved, presented to Town Meeting for adoption.

- **Adopt Housing Guidelines for Privately Sponsored Affordable Housing Development**

#### **Two-Year Action Plan**

"Housing Guidelines" should be adopted as a means to promote greater cooperation with private for profit and non-profit developers on producing affordable housing in Boxford. This Community Housing Plan incorporates Planned Production goals that identify development opportunities leading to the production of at least .75% of the year-round housing stock per year of about 20 units. Legislation has been proposed

to reduce this threshold to .5% or approximately 13 units, representing a more manageable target. However, given past production of only 15 total units, both goals are ambitious and will require the Town to work more effectively with developers to boost the level of affordable housing production. To this end the Boxford Housing Partnership Committee plans to be able to affect the types of housing proposals submitted through the creation of reasonable Housing Guidelines that provide guidance on the types of projects that will be acceptable to the community and therefore will more likely avoid prolonged and often litigious battles.

Housing Guidelines provide an aid to both non-profit and for profit housing developers to help them plan for residential development that will be in line with what the community seeks in affordable housing relating to scale, siting, density, levels of affordability, location and design, making “win/win” outcomes more likely. Through such Guidelines the developer “wins” because there is greater predictability in what the Town is willing to approve, and the Town “wins” because it gets new affordable units that meet locally established development criteria that help it meet local needs and production goals.

Boxford’s Zoning Bylaw and land use regulations currently provide little guidance on what the Town seeks in affordable housing. These Guidelines will contribute to a more open environment where developers who meet these development criteria can approach the Town with the expectation that they will likely be able to pursue their project through a “friendly” Chapter 40B process, working with instead of against the Town on housing creation strategies.

The Boxford Housing Partnership Committee should revise the draft Housing Guidelines as needed and share them with the Board of Selectmen, the Planning Board, Conservation Commission, Zoning Board of Appeals and other interested boards and committees for their review and comment. The Guidelines can then be finalized and brought before the Planning Board and Zoning Board of Appeals for approval.

- **Amend Accessory Apartment Bylaw**

- **Two-Year Action Plan**

- The current Zoning Bylaw allows accessory apartments, however restricts them to single-family residences through a special permit within Residence-Agricultural Districts “for the purpose of meeting the special housing needs of grandparents, parents, brothers and sisters, children and their respective spouses of owner-occupants of properties in the Town of Boxford”. There are currently about 100 accessory apartments in Boxford.

- Accessory units are helpful in meeting a number of public policy objectives. First, they enable homeowners to capture additional income, which is particularly important for elderly homeowners or single parents where such income may be critical to remaining in their homes. Also, without the flow of income from an accessory apartment, some young families or moderate-income households might not be able to afford homeownership. Second they provide appropriately sized units for growing numbers of smaller households. Third, accessory units are inexpensive ways of increasing the rental housing stock at lower cost than new construction and without significant impact on the surrounding neighborhood. And the creation of accessory units does not require additional Town services such as streets or utilities or involve the loss of open space. Fourth, tenants in accessory apartments can also

provide companionship, security and services for the homeowner, from shoveling the sidewalk for an elderly owner to babysitting for a single parent. Fifth, often referred to as “in-law” apartments, they have offered good opportunities for keeping extended families in closer contact as recognized by the current bylaw. Sixth, new accessory units typically generate tax revenue in a locality because accessory units add value to existing homes. Seventh, recently the Massachusetts House of Representatives allowed several new types of housing units to count toward a community’s 10% goal including accessory apartments constructed on or after July 1, 2002, pursuant to a local ordinance or bylaw, and “that is affordable to the occupant”. For an accessory apartment to “count” in the community’s Affordable Housing Inventory, the Town will have to annually certify the affordability of each accessory unit to DHCD.

In order to promote new accessory units the Town should amend its Zoning Bylaw to extend permitted occupancy of the accessory units to those beyond family members and to allow the development of separate additions or buildings on single lots. There are many variations of accessory apartment bylaws that have been adopted in other communities. The Boxford Housing Partnership Committee can explore other bylaws and work with the Planning Board on an amendment that will best meet the needs of Boxford.

- **Allow Affordable Development on Nonconforming Lots**  
**Five-Year Action Plan**

There are parcels of land that at this time cannot be developed because they do not meet the dimensional requirements of the Zoning Bylaw such as minimum lot size as well as front, rear and side yard requirements. It is likely that 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 empty nesters interested in reducing their living space and home maintenance.

The Boxford Housing Partnership Committee might explore what other communities are doing with respect to these undersized lots and work with the Planning Board to prepare a zoning amendment to enable these lots to be developed based on specific criteria. One potential model is to allow such lots to be developed by Special Permit or through the state’s Local Initiative Program<sup>4</sup>, restricting the development to affordable units that qualify for inclusion in the Town’s 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.

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<sup>4</sup> The Local Initiatives Program (LIP) is a state program under which communities may use local resources and DHCD technical assistance to develop affordable housing that is eligible for inclusion on the state-defined Affordable Housing Inventory. LIP is not a financing program, but the DHCD technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. At least 25% of the units must be set-aside as affordable to households earning at or below 80% of area median income.

- **Waive Application Fees for Town-Supported Projects**

- Two-Year Action Plan**

- Many communities are waiving application fees for certain affordable housing developments, either for certain types of projects or on a case-by-case basis. Waivers are becoming more important to gaining funding from potentially supportive funding agencies. All regulatory fees become part of a development budget that affects the affordability of the housing produced. Waiver of regulatory fees is an area that the Town might have some capability to directly affect project costs and affordability.

The Town of Boxford currently waives fees for projects sponsored by Town entities, and the Town should consider going beyond this and make fee waivers an institutionalized part of the Town's housing efforts. The Boxford Housing Partnership Committee should work with the Board of Selectmen to determine what types of projects would qualify for this waiver (e.g., non-profit developers, projects that require housing subsidy funds to be feasible, projects meeting Planned Production requirements) and the projected amount of foregone revenue that would result.

- 2. **Build Local Capacity to Promote Affordable Housing**

In order to be able to carry out the strategies included in this Community Housing Plan and meet the Planned Production goals, it will be important for the town of Boxford to build its capacity to promote affordable housing activities. 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 and systems that will support new housing production.

- **Conduct an Educational Campaign for Affordable Housing**

- Two-Year Action Plan**

- Affordable housing has become a more visible issue in Boxford, largely as a result of the wave of comprehensive permit projects that have ignited local opposition. While many residents are aware of escalating housing prices and some are encountering significant difficulties affording housing in Boxford, it is likely that most residents hold onto negative stereotypes of what affordable housing is and what it will do to their community.

On February 26, 2004, the Boxford Housing Partnership Committee sponsored a forum for local leaders and the public to hear the results of a Housing Needs Assessment that is a substantial component of this Community Housing Plan, in fact the context within which the Housing Action Plan and Planned Production goals have evolved. During this meeting, updated information on the erosion of affordable housing units in Boxford was presented highlighting the current gaps between the supply of housing and local needs.

Another public forum was held on April 1, 2004, to provide information on the draft Community Housing Plan to not only get feedback on the Plan's strategies and goals, but also to offer another opportunity to showcase the issue of affordable housing in a light that demonstrates how the town can be proactive on the issue to better serve the wide range of local needs and control new development. 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 on local concerns and suggestions.

Outreach can initially be directed to local officials and committees and then followed by more formal public efforts directed to the entire community through the local press, media and events. Additional community outreach to various local groups (e.g., churches, PTA's, women's clubs, fraternal organizations, realtors, hospitality organizations, Council on Aging, etc.) can occur through speakers or information meetings, and a newsletter or some progress report can be prepared for general distribution.

These and other public education opportunities could be coordinated by the Boxford Housing Partnership Committee including having representatives from other towns speak in public forums on innovative affordable housing strategies, bringing representatives from Citizens Housing and Planning Association (CHAPA) to a community meeting to provide a power point 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. It may also be feasible to have local banks support such an effort with financial and/or technical assistance.

- **Secure and Maintain Executive Order 418 Housing Certification Two-Year Action Plan**

In 2001 Executive Order 418 was approved by the state to help communities plan for new affordable housing opportunities for individuals and families while balancing activities related to economic development, transportation, infrastructure improvements and open space preservation. In addition to providing communities with technical assistance grants to support the costs of preparing Community Development Plans, the Order prescribed a Housing Certification process, that initially suggested a range of housing-related activities towards which communities must demonstrate significant progress to obtain priority when applying for various state discretionary programs administered by the Executive Office of Transportation and Construction, Executive Office of Environmental Affairs, Department of Housing and Community Development, and the Department of Economic Development. Those communities that secure Housing Certification will receive a 10% scoring bonus when applying for these grant programs. Additionally, communities that have not attained Housing Certification are not eligible to receive some discretionary grant funds administered by the four agencies that are non-competitive, not scored, and/or are accepted on a rolling basis. Bottom-line is that communities that do not have Housing Certification will be significantly disadvantaged when applying for state funding making it more difficult to implement affordable housing plans.

In FY 2004 and beyond, Housing Certification is achieved if a community has an acceptable housing strategy based on specific EO 418 housing certification requirements and can demonstrate that new units have been created for households and individuals with low, moderate, and middle incomes. Low-income households are defined as those earning at or below 50% of area median income (\$37,750 for a family of four), moderate-income as those earning more than 50% but no more than 80% of area median income (\$57,500 for a family of four) and middle-income as

those earning more than 80% and up to 150% of area median income (\$101,100). Plans must fulfill a number of requirements including quantifiable objectives for producing units by housing type for each of these income groups.

Boxford has not sought nor received Housing Certification in the past, however almost 150 towns and cities, currently have such certification in place including most of Boxford's neighbors.

The Town is not currently in a position to apply for Executive Order 418 Housing Certification. While Boxford has prepared this Community Housing Plan that will meet all of the requirements for Housing Certification, it has yet to produce newly created housing units for households and individuals with low, moderate and middle incomes. While it is possible for communities that have an acceptable housing plan in place but are unable to demonstrate the creation of housing units to apply for a waiver, Boxford cannot justify the waiver based on the criteria included in the housing certification instructions.

- **Support the Creation of a Local Non-profit Organization  
Two-Year Action Plan**

It is unnecessary, and would in fact be extremely inefficient, for every suburban community to create an organization to undertake the actual development of affordable housing. Housing development, as well as housing management, are highly specialized activities requiring the oversight of skilled professionals who have experience in moving projects through the various stages of development – planning, feasibility analysis, creating the deal and securing financing, construction, and sale or management. There are a number of larger communities that do have existing non-profit development organizations, but most of these organizations also recognize that the pipeline of possible projects in their own communities is relatively limited over time, and they will have to look beyond their geographic boundaries if they hope to survive. The minimum a non-profit development organization needs to operate is now about \$100,000, requiring a critical mass of resources not readily available in every locality.

Nevertheless, in order to insure that new affordable housing is sensitive to local needs and gains the necessary political support, each community should consider having its own functioning non-profit entity with tax-exempt status to serve the community in a number of important capacities. First, such organizations can become effective brokers for housing resources, including donated land and money, to be dedicated to affordable housing initiatives and managed by the organization through an affordable housing support fund. Second, in addition to the local housing partnership committee, they can serve as articulate advocates for affordable housing in the community, sponsoring events and special forums to bring attention to the issue and promote local support. This local outreach helps dispel negative stereotypes about affordable housing and establishes a more productive dialogue within the community. Third, the organizations can possibly joint venture with developers, for profit and non-profit, on actual development projects, to insure better compatibility with local concerns, needs and priorities. Fourth, at some time in the future a local non-profit could seek funding to manage special programs (e.g., employer-assisted housing, committed loan pools with area banks, outreach to seniors regarding reverse equity mortgages, research projects, regional partnership efforts). Fifth, these entities can be a vehicle for the community to expedite new production efforts such as acquiring property through the housing support fund, being the pass-through entity to which Town-owned properties are conveyed or leased, and working closely with the Housing Partnership Committee on the implementation of local

housing strategies. Sixth, a local non-profit can serve as the marketing agent for new housing units and monitoring agent to insure long-term affordability.

It is important for the Town to be clear about respective roles and responsibilities of the Housing Partnership Committee and any new non-profit housing organization. The Housing Partnership Committee, as the municipally appointed entity for overseeing housing matters, should be the policy and planning body that defines policy issues that are in the public interest and establishes guidelines for housing efforts. The non-profit can serve as the implementing agent that works with the Housing Partnership Committee to execute various parts of the Community Housing Plan. To effectively and efficiently carry out these responsibilities the Housing Partnership Committee and non-profit organization need to work closely and should meet at regular intervals to formally share information on ongoing work and discuss new initiatives.

The Housing Partnership Committee should look at how other comparable communities have established non-profit housing organizations and adapt an approach to Boxford. For example, the Town of Bedford's Housing Partnership established such an organization with the same members belonging to both Board of Directors. The town of Belmont appointed new members to its non-profit housing organization making sure that there was some overlap in membership between the Trust and Housing Committee.

A new non-profit organization has recently been established in Boxford, the Boxford Housing Trust, and it is currently seeking its tax-exempt status from the IRS. While there have been several early discussions between the Boxford Housing Partnership Committee and Boxford Housing Trust about how they might work cooperatively to produce affordable housing, it is too early to predict the extent to which the new Housing Trust will be involved in supporting the activities included in this Community Housing Plan.

- **Create an Affordable Housing Support Fund**

- **Two-Year Action Plan**

Discussions with other communities regarding the success of their affordable housing initiatives indicate that it is often critical to have accessible funds available to respond immediately and effectively to housing opportunities as they arise. Also, many of the state subsidy sources require local matches of funds either through local funds, waivers of fees, donation of Town-owned property, or private donations. In order to receive donations and avoid paying taxes, it is useful for each locality to either have a dedicated housing fund that is managed by an entity that has received 501(c)(3) tax exemption, such as a non-profit housing organization, or the Town can establish a special gift account for housing.

The Town of Boxford has already made impressive headway in securing new resources to support affordable housing production through passage of the Community Preservation Act that will enable the town to receive state matching funds on a property tax surcharge for the preservation of open space, historic preservation and affordable housing development.

The Boxford Housing Partnership Committee should explore a wide range of possible fundraising options. In addition to the resources mentioned above, the



Partnership Committee should also consider private sector donations. This process of securing private support not only provides financial benefits to support local housing efforts, but it is also a vehicle for raising awareness of the affordable housing issue and generating interest and political support for affordable housing initiatives.

- **Hire a Housing Coordinator**

If the Town of Boxford wants to assume a more proactive role in promoting affordable housing and effectively implement the range of actions included in this Community Housing Plan, it will have to augment its capacity to coordinate these activities. While most of the strategies that are included in this Plan do not by themselves involve substantial amounts of staff time from Town officials, when considered altogether they require a significant time commitment and involve some specialized expertise in housing programs, policy and development.

The Boxford Housing Partnership Committee has already had initial discussions concerning the creation of a part-time position to coordinate efforts included in the Community Housing Plan to be filled by a consultant or more permanent staff person. The Boxford Housing Partnership Committee should prepare a scope of services for the Housing Coordinator position and work with the Community Preservation Committee to insure that funds to cover the new position are included in the Committee's proposal for approval at Town Meeting. Once funding is in place, the Housing Partnership Committee should hire and supervise a Housing Coordinator.

### **3. Housing Production**

To accomplish the actions included in this Community Housing Plan and meet production goals, it will be essential for the Town of Boxford to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources. The development strategies described below rely on joint ventures with developers – for profit and non-profit – to create affordable units. For example, competitive Requests for Proposals (RFP's) are recommended for the selection of developers of Town-owned property. For profit developers continue to express interest in developing housing in Boxford, and there are numbers of non-profit organizations that have the capacity to undertake the development of affordable housing and have successfully completed affordable housing projects throughout the Boston area.

In addition to the active participation of the development community, it will be important for Boxford to actively 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 Fund. If affordable housing was allocated one-third of the existing CPA funding, it could expect approximately \$240,000 annually including the state match. Beyond the support of the proposed Housing Coordinator, this amount is likely to support the creation of no more than a handful of affordable units per year, whereas the Planned Production goals project the production of about affordable 20 units annually. In addition to the state's Department of Housing and Community Development (DHCD), other state and quasi-public agencies that have resources to support affordable and special needs housing include MassHousing, MassDevelopment, Department of Mental Retardation, Department of Mental Health, Community Economic Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, and Massachusetts Housing Investment Corporation (MHIC). And because affordable

housing is rarely developed without private financing, project developers will need to reach out to private lenders as well.

In addition to the four housing goals that are the building blocks of this Housing Plan (see Section II.C.), development strategies are also based on important objectives that serve as guiding principles in selecting project sites, determining types of development, and identifying priorities. Whenever possible, the Town of Boxford should target development projects based on the following development objectives:

- Target development projects to Town-owned properties to take advantage of parcels that will have discounted or nominal acquisition costs to make affordable housing more financially feasible.
- Look for opportunities to obtain privately owned land or other resources for free or at below market values to promote greater financial feasibility.
- Avoid targeting development projects to areas that are ecologically sensitive and will degrade nearby conservation land, however look to opportunities to combine open space preservation and housing development through cluster development.
- Look for affordable housing opportunities that will minimize impacts on the built or natural environment such as accessory apartments or buy-down initiatives.
- Spread the impacts of new housing development geographically throughout town to avoid substantial impacts in any one neighborhood.
- Develop a number of project alternatives in recognition of a range of housing needs in town including rental and homeownership options as well as housing for seniors and families.
- Look to areas of town that could accommodate higher housing densities such as sites that are closer to nonresidential uses and more remote.
- Encourage mixed-income development to minimize stigmas associated with concentrations of low-income units.

The following strategies provide the basic components for the Town to meet its housing production goals:

- **Make Town-Owned Land Available for Affordable Housing**  
**Two-Year Action Plan**

The contribution or “bargain sale” of land owned by the Town but not essential for municipal purposes is a substantial component of Planned Production goals and will enable Boxford to proactively launch its housing efforts. The Boxford Housing Partnership Committee has identified a sampling of Town-owned parcels that might potentially be developed as affordable (see Section IV.A. of this Plan for the list of properties under preliminary consideration). Final determination of the use of these parcels for affordable housing is subject to a more thorough feasibility analysis of site conditions and Town Meeting approval.

In addition to currently owned Town parcels, the Town of Boxford may decide that it will acquire privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Community Preservation Funds would be one good source for such acquisition as the accommodation of both affordable housing and open space would serve two CPA goals.

The Boxford Housing Partnership Committee should conduct a preliminary feasibility analysis on existing Town-owned parcels, including those listed in Section IV.A., or on sites identified at a later time that might potentially include some amount of affordable housing. If this analysis indicates that housing can likely be accommodated, the Partnership Committee should request approval from the Board of Selectmen and Town Meeting to designate these identified parcels for affordable housing development.

The Town of Boxford is interested in maintaining a fee interest in these parcels and will therefore enter into long-term leases, such as 99 years, with project sponsors.

Following the necessary approvals, the proposed Housing Coordinator should work with the Housing Partnership Committee to prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town's specific project requirements and select a developer based also on identified criteria included in the RFP. It is likely that the projects will require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and the Housing Partnership Committee may be able to obtain this relief through normal channels, if community support is assured, or use the "friendly" comprehensive permit process through DHCD's Local Initiatives Program (LIP) or MassHousing's Housing Starts Program. Additionally, the Partnership Committee will need to be involved in attracting the necessary financial, technical and political support. Evidence of municipal support is often critical when seeking financial or technical assistance from state or federal agencies.

- **Support Scattered-Site Housing**

- **Five-Year Action Plan**

- Many communities are looking for opportunities to create affordable housing through efforts that will spread the impacts of new housing production throughout the community so as not to overburden any particular neighborhood. There are smaller lots, both Town-owned and privately-owned, that are geographically spread throughout Boxford that might accommodate more limited numbers of new housing units in support of Planned Production goals and local needs. In addition, the proposed strategy included under Section VI.A.4. would allow the development of one or two affordable units on small non-conforming lots, representing another opportunity to produce scattered infill housing.

The Town can work with for profit and non-profit developers as well as with abutters of vacant land to develop new infill housing on available vacant sites scattered throughout town. The Town can play a helpful role in supporting developers in applying for subsidies to insure that at least some of the units are affordable and can be included in the Town's Affordable Housing Inventory; can negotiate "friendly" Chapter 40B projects through DHCD's Local Initiatives Program, MassHousing's Housing Starts Program, or the Federal Home Loan Bank Board's New England Fund; and can encourage abutters to create affordable housing on vacant adjacent lots. Additional resources to support such development can be accessed through the state and federal governments. Habitat for Humanity has expressed great interest in developing new affordable homes in Boxford and is looking for donated public and private land on which to build. There are also excellent models of small comprehensive permit projects in other communities that incorporate several income tiers to meet the housing needs of those within a wide range of incomes.

- **Implement “Swap” Program**

- Five-Year Action Plan**

- Because of Boxford’s rural character and large lot zoning requirements, the town has a considerable number of properties that could accommodate more than the single homes that currently occupy the sites. And based on the Housing Needs Assessment, we know that there are lower income owners who are “equity rich but cash poor” who are experiencing difficulties affording their current housing expenses.

- The Boxford Housing Partnership Committee should implement a “swap” program that would encourage owners of single-family homes on parcels of six acres or more to come forward and discuss how additional housing units, including affordable units, can be built on their properties. In exchange for a minimum cash deal on the lots, the owners would be entitled to one of the new housing units. It may be helpful for the Town to offer some property tax relief as an additional incentive for owners to participate in the program. The sites could be acquired by the proposed local non-profit organization, which would then joint venture with a contractor to complete the project as “friendly” comprehensive permit project.

- Another option is for owners to engage the necessary expertise to sponsor the development themselves and apply to the Town for a comprehensive permit. An owner of a six-acre parcel has already approached the Housing Partnership Committee with preliminary plans for the site through a comprehensive permit. The owner is looking to eventually demolish her existing house and live in one of the new units. Developments should comply to the greatest extent possible with the Housing Partnership Committee’s Housing Guidelines.

- **Convert Existing Housing Units to Affordability**

- Five-Year Action Plan**

- Because Boxford has a very limited supply of affordable housing that is eligible for inclusion in the state-defined Affordable Housing Inventory, currently only 15 units, the town should explore a range of options for creating new affordable units and should not overlook the potential of working with for profit, non-profit and local residents on strategies to not only preserve the affordability of the existing housing stock but to, when possible, convert existing market units to state-defined “affordable” units. This strategy is particularly challenging in Boxford because of the very limited supply of multi-family rental properties and condominiums that are typically the most feasible targets for “buy-down” initiatives aimed at purchasing, improving, subsidizing and reselling or leasing units in accordance with Chapter 40B requirements. Most towns that are embarking on purchase-rehab programs, including communities with high market values, are focusing on multi-family properties with at least two units. Even purchasing homes at the lower end of the price range, in the low \$400K range, will require a subsidy of almost \$300,000 to improve and make the unit available to a low- or moderate-income household – too much to pay in subsidy for the production of a single unit. Additionally, because of the high total development costs, it is unlikely that the project would qualify for state subsidy programs.

In addition to incorporating accessory apartments in the housing inventory as described in strategy VI.C.5. below, the Boxford Housing Partnership Committee should conduct outreach to local residents to solicit interest in redeveloping their properties to create new affordable units that can help the Town meet its production goals. It may be that some owners are willing to donate all or part of their properties for new development by the proposed local non-profit organization or Habitat for Humanity. Others might be willing to sell their properties at some discount in exchange for federal tax advantages or property tax relief. Still other owners might have properties that can be redeveloped into at least four units such that one or two of the units could be developed as affordable as either rentals or condominiums. Another option is to try to convert existing units in the Four Mile Village into the town's Affordable Housing Inventory.

- **Incorporate Accessory Apartments in the Affordable Housing Inventory Five-Year Action Plan**

Boxford allows accessory apartments as long as the units are rented to family members and are in compliance with a number of other requirements. However, none of these accessory units can be counted in the Town's Affordable Housing Inventory at this time because they do not meet the state's Chapter 40B definition of affordable housing.

Boxford's housing stock is conducive to the development of accessory apartments because so many of the houses are large. And the Housing Needs Assessment has identified that there are low-income Boxford households who are finding it difficult to pay their housing expenses. Having more options available in the housing market, such as small rental units, will serve unmet local needs. See strategy VI.A.3. for more information on accessory apartments.

Other communities are looking for opportunities to insure that at least some portion of current accessory apartments or new accessory units created can be incorporated into the Affordable Housing Inventory. For example, the Town of Barnstable has implemented a program to enable those with illegal accessory units to come forward and receive necessary assistance to convert their units to legal use and be maintained, in the short-term at least, as affordable and eligible for inclusion in the town's Affordable Housing Inventory. This program was created in recognition of the number of illegal accessory apartments that some estimated to be approximately 100 that the Town was not able to assess at market value and might involve health and safety hazards. Barnstable has processed more than 60 units through its program.

On the other hand, the town of Marshfield decided to give owners the option of participating in an Affordable Accessory Apartment Program and, therefore is looking at incentives to encourage owners to enter into at least a short-term agreement to maintain their accessory unit as affordable, such as property tax relief. The exemption of property taxes might be especially attractive to elderly owners living on fixed incomes.

The proposed Housing Coordinator and Housing Partnership should consider adapting Barnstable's Program to Boxford, also looking at models that have been adopted in other communities.

#### **4. Housing Preservation**

Housing production is critical, but the Town also needs to be concerned that it does not lose units already counted as part of its Affordable Housing Inventory and provides resources to support the deferred home maintenance needs of seniors.

- **Monitor Affordability of Existing Affordable Housing Inventory**

##### **Two-Year Action Plan**

Based on how housing was financed, how long the affordability requirements were established, and other stipulations in affordability agreements, the affordable status of housing units may be in jeopardy in many communities in the future. Boxford's existing affordable unit inventory – the 15 units at Andrews Farm – has deed restrictions in place in perpetuity, however, the formula that was used to calculate resale prices is pushing these homes outside the range of affordability. For example, the resale restrictions included a formula that based resale prices on 55% of the market price. Given skyrocketing housing costs, units at Andrews Farm are now coming close to \$300,000 that would translate into resale prices of more than \$165,000 – coming closer to the high range of what a family earning at 80% of area median income could afford

It is important to insure that all affordable housing units that are produced remain a part of the Town's Affordable Housing Inventory, in perpetuity if possible. The Boxford Housing Partnership Committee working with the proposed Housing Coordinator should closely monitor developments with affordable units, and the Town should intervene if necessary to maintain the units as affordable through the courts or through purchase and refinancing if necessary. New affordable units that come into the Inventory should be designated as affordable for as long a period of time as possible and, in the case of homeownership, with resale restrictions indexed to changes in HUD's area median income as opposed to market value.

- **Access Housing Rehab Programs**

##### **Two-Year Action Plan**

There are state resources available that provide financial and technical support for qualifying owners of homes that need repair, upgrading and deleading. Many seniors living on fixed incomes are finding it increasingly difficult to afford the costs associated with home improvements and as a result have deferred maintenance needs. Additionally, some seniors and those with special needs require special handicapped adaptations and repairs to help them remain in their homes. Boxford residents might also benefit from technical and financial support in the case of septic failures and Title V compliance issues. The Town might want to explore options for accessing funding to support home repair needs through a regional non-profit, special funding application to DHCD, through MassHousing programs, or through a collaborative effort with nearby communities.

Through the community educational campaign recommended in Section VI.B.1., important information on housing improvement resources could be disseminated, both to real estate professionals, local organizations and community residents. The Council on Aging is also an important resource for providing seniors with information on available resources.

## II. INTRODUCTION

Boxford is a small town in the north-central area of Essex County about 30 miles north of Boston. The town was incorporated in 1685 and was a farming community until the post World War II construction of Route 95 made the commute into Boston relatively easy, turning the town over the next several decades into an upper income suburb. Boxford comprises about twenty-four square miles and is bounded by the towns of North Andover, Middleton, Topsfield, Ipswich, Rowley, Georgetown, Groveland, and Haverhill. Based on 2000 census data, Boxford has almost 8,000 residents who are among the most affluent in the region. Boxford is a community that hopes to hold on to its working farms and rural character and prides itself in its top-notch schools. The community has maintained a strong tradition of citizen involvement in all of the town's activities, but certainly with respect to community development issues.

Boxford, like the idealized small New England village, has a distinctly historic and rural character complete with the steepled church in the Town Center and the bustling village store that serves as the local gathering spot. And Boxford is perceived as two separate villages – Boxford and West Boxford – referred also as the First and Second Parish, each with its own church, village store, post office, library and historic landmarks.

Boxford is feeling growing pains like many of its neighbors, trying to absorb the overheated demand for housing that has resulted from the recently strong economic climate, low interest rates, continued interest from professionals to raise their families where there are strong schools, and an insufficient supply of existing housing in this context of increasing demand throughout the region. Since the post-war era and the availability of Interstate 95, Boxford's population has increased from 921 persons to almost 8,000 as indicated in the table below.

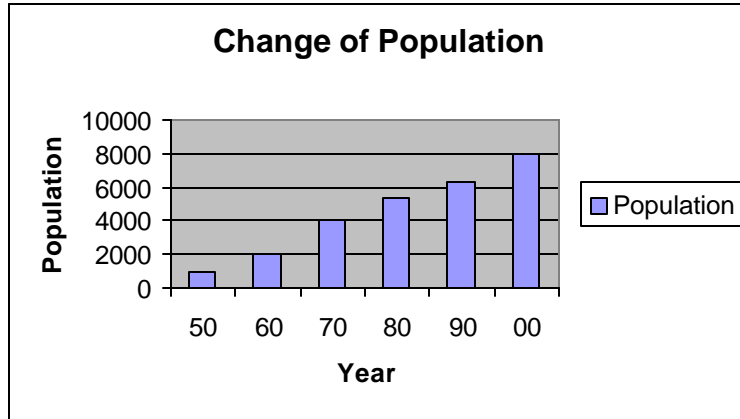
**Change of Population  
1950-2000\***  
**Increase From Previous Period**

Year	Population	Percent Change	Number	Households
1950	926	-	-	251
1955	1,177	27.1	251	369
1960	2,010	70.8	833	535
1965	3,004	49.5	994	834
1970	4,032	34.2	1,028	1,034
1975	4,565	13.2	533	1,279
1980	5,374	17.7	809	1,497
1985	5,610	4.4	236	1,748
1990	6,266	11.7	656	1,938
1995	7,200	14.9	934	2,191
2000	7,921	10.0	721	2,568

Sources: U.S. Census Bureau, Commonwealth of Massachusetts, and Town of Boxford

\* Between 1685 and 1950, Boxford's population reached a high of 1,010 persons.

This surge of population growth is graphically presented in the following chart.



This population growth has put enormous pressures on the housing market. Fewer new units are being built to accommodate new residents, and in tandem with local regulations that restrict new development, the cost of existing and any new housing has skyrocketed. Even those with incomes at the median income of \$113,212 are unlikely to find a house they can afford in today’s market. Boxford now has approximately 2,600 housing units – almost all owner-occupied, single-family houses on a minimum of two-acre lots – with an average price tag of approximately \$600,000. This situation is causing Town leaders and residents to recognize that different strategies are needed to better plan for housing development and insure that it is more directed to serving local needs and objectives.

But undertaking a more proactive housing agenda to promote affordable housing will be a significant challenge in Boxford. First, the town has no existing water and sewer services in place, making denser development more costly and difficult. Second, local zoning is a significant barrier to affordable housing development, and current regulations would have to be reformed and in many cases overridden through “friendly” comprehensive permits. Third, the town needs to build its capacity to create new units by aggressively reaching out for the necessary technical and financial resources as well as political support to get the job done.

**A. Purpose of Project**

During the late winter of 2003, the Board of Selectmen appointed a number of new members to the Boxford Housing Partnership Committee in an effort to recharge the committee and bolster efforts to make tangible progress on the issue of affordable housing. Given spiraling housing prices and increased interest from developers in producing housing in Boxford through the Chapter 40B comprehensive permit process, Town leaders recognized the importance of becoming more proactive on the issue – to learn more about existing housing needs and to find strategies to meet these needs that would create new affordable housing opportunities more in line with community priorities.

The Boxford Housing Partnership Committee selected a consultant to help them prepare a Community Housing Plan that would involve the following key requirements:

- Conduct a Housing Inventory,
- Prepare a Housing Needs Assessment including an analysis of housing market conditions,
- Review impediments to new development,
- Prepare a Planned Production Program, and
- Work with the Boxford Housing Partnership and Town Boards and Committees to develop a strategic action plan to provide affordable housing in Boxford.



In general, the purpose of this affordable housing planning process is to conduct research and outreach to better understand the challenges and opportunities for developing affordable housing in Boxford and to prepare production goals and detailed action plans on how the Town can promote the development and preservation of affordable housing throughout the community to meet local needs.

This Plan is also being developed in a politically volatile context related to recent housing development proposals that have emerged through the Chapter 40B comprehensive permit process. If a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, according to Chapter 40B regulations, it is not meeting the regional and local need for affordable housing. Not meeting this affordability standard makes the town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.<sup>5</sup>

Based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B subsidized housing inventory, Boxford has 2,602 year-round housing units, of which 15 can be counted in the Subsidized Housing Inventory, representing 0.58% of the year-round housing stock. The Chapter 40B definition of affordable housing is as follows:

**CHAPTER 40B: WHAT IS AFFORDABLE HOUSING?**

1. Must be part of a "subsidized" development built by a public agency, non-profit, or limited dividend corporation.
2. At least 25% of the units in the development must be income restricted to households with incomes at or below 80% of area median income and have rents or sales prices restricted to affordable levels. Restrictions must run at least 15 years.
3. Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
4. Project sponsors must meet affirmative marketing requirements.

Source: CHAPA, February 2001

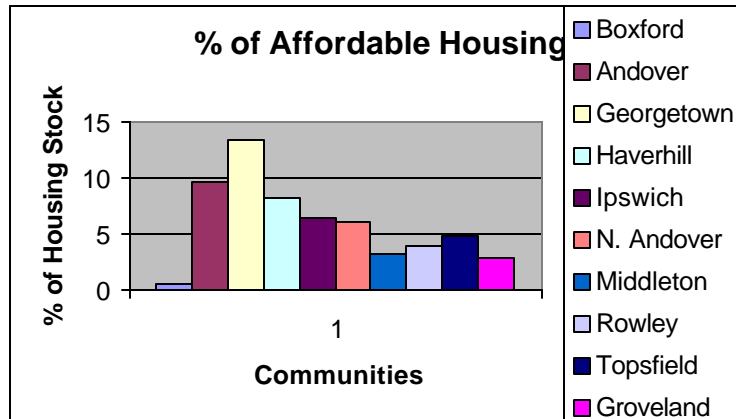
To meet the 10% standard, at least 260 of the existing units would have to be "affordable" based on the state's definition requiring at least another 245 more housing units to be converted to affordable units in

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<sup>5</sup> Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

Boxford to meet just the 10% standard. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase over time.

Most of the Boxford’s neighbors have affordable housing levels below the state target, however, most have made more progress on the issue as demonstrated in the following chart.



This chart summarizes the following information:

1. Boxford – 0.58% (15 units)
2. Andover – 9.73% (1,120 units)
3. Georgetown – 13.46% (350 units)
4. Haverhill – 8.28% (1,961 units)
5. Ipswich – 6.48% (351 units)
6. North Andover – 6.1% (604 units)
7. Middleton – 3.29% (77 units)
8. Rowley – 3.93% (78 units)
9. Topsfield – 4.75% (101 units)
10. Groveland – 2.82% (59 units)

This Community Housing Plan suggests a range of opportunities to meet pressing local housing needs and includes a proactive housing agenda of Town-sponsored initiatives. Due to the rising costs of housing, many residents are finding it increasingly difficult to afford to remain in Boxford. Children who grew up in the town are now facing the possibility that they may not be able to return to raise their own families locally. Long-term residents, especially the elderly, are finding themselves less able to maintain their homes but unable to find alternative housing that better meets their current life styles. Families are finding it more difficult to “buy up,” purchasing larger homes as their families grow. Town employees and employees of local businesses are increasingly hard pressed to find housing that is affordable in Boxford.

## **B. The Planning Process**

The development of the Community Housing Plan is divided into two major phases. The first phase focuses on the Needs Assessment – the review and assessment of documentation and research already completed as well as the collection of new information to identify local housing needs, to determine what resources are available to meet these needs and to obtain a comprehensive understanding of the remaining gaps in housing services and programs. This information was collected through the following sources:

- Housing data, studies, reports and plans;
- Relevant bylaws, permitting and regulatory procedures;
- Housing market conditions;
- Current housing programs and services;
- Inventories of Town-owned and privately owned vacant land and buildings that might be appropriate for housing development;
- Housing efforts in other communities; and
- Input from government officials, community leaders, real estate and development professionals, state and federal agency representatives, and representatives from other municipalities.

The second major phase provides specifics on how to preserve and create new affordable housing opportunities in Boxford. Guided by the context established in phase one, Two-Year and Five-Year Action Plans are presented, each including the rationale for the strategy, next steps, the timetable for implementation, the resources required, the estimated costs involved, and the projected number of affordable units produced. These strategies will provide a blueprint to enable the Town Board of Selectmen, Planning Board, Housing Partnership, and other key committees to chart a course for the future with respect to meeting the 10% state affordable housing standard, articulated production goals, and local housing needs.

A major component of the planning process included two public forums, the first to present the Housing Needs Assessment and the second to present the draft Housing Plan for community input. These public meetings are mutually beneficial in they provide useful information to community residents and important feedback to local leaders on residents' concerns and suggestions.

### **C. Housing Goals**

The following goals represent the building blocks on which the Two-Year and Five-Year Action Plans will be developed:

- *To meet local housing needs along the full range of incomes, promoting social and economic diversity and the stability of individuals and families living in Boxford.* The preservation and production of affordable housing is a proven method for promoting social and economic diversity, allowing those individuals and families with more limited means to afford to live in town, particularly when the housing market is becoming increasingly oriented to the affluent. Solutions need to be found to enable children who grew up in town to return to raise their own families here, to offer town employees the opportunity to live in the community in which they work, and to provide housing alternatives to elderly residents who have spent much of their lives in town but now require alternatives to their large single-family homes.
- *To leverage other public and private resources to the greatest extent possible.* Because Boxford is a small town that does not receive federal funding for affordable housing on an entitlement basis<sup>6</sup> and because it does not have large pockets of poverty that make it a target for state funding, the town needs to be creative in how it can leverage both public and private resources to make affordable housing development possible. State agencies recognize the importance of suburban localities doing their fair share in housing lower income households and want to be supportive of affordable housing initiatives. Nevertheless, the town needs to be strategic in how it invests its

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<sup>6</sup> Cities with populations of more than 50,000 receive federal funds, such as the Community Development Block Grant and HOME Program funding, directly from the federal government on a formula basis and are referred to as entitlement communities.

limited resources, including its Community Preservation Funds, towards the production of new housing opportunities.

- *To insure that new housing creation is harmonious with the existing community.* New affordable housing development should be an amenity that blends well within the architectural context of Boxford. Therefore, developments to the greatest extent possible should incorporate a number of characteristics – mixed-income, covering a wide range of income needs; low to medium density, eliminating huge impacts in any one part of the community; and should be well designed to make maximum use of any natural attributes of development sites and to comply with the architectural character of the community.
- *To surpass the 10% state standard for affordable housing.* There is currently a 245-unit gap between the state’s affordable housing standard (10% of the year-round housing stock that has been subsidized by the federal or state government to benefit those earning up to 80% of median income) and the affordable stock currently in place in Boxford. Based on state projections of build-out, developed in 2001 by the Executive Office of Environmental Affairs in relation to current zoning patterns, a projected 185 units of new affordable housing will be required to meet the state’s threshold at build-out resulting in a total 430 additional units of affordable housing required in Boxford – a daunting challenge.

**D. Definition of Affordable Housing**

There are a number of definitions of affordable housing as federal and state programs offer various criteria. For example, the federal government identifies units as affordable if gross rent (including costs of utilities borne by the tenant) is no more than 30% of a household’s net or adjusted income (with a small deduction per dependent, for child care, extraordinary medical expenses, etc.) or if the carrying costs of purchasing a home (mortgage, property taxes and insurance) is not more than 30% of gross income. If households are paying more than these thresholds, they are described as experiencing housing affordability problems; and if they are paying 50% or more for housing, they have severe housing affordability problems.

Affordable housing is also defined according to percentages of median income for the area, and most housing subsidy programs are targeted to particular income ranges depending upon programmatic goals. Extremely low-income housing is directed to those earning at or below 30% of area median income as defined by the U.S. Department of Housing and Urban Development (\$22,650 for a family of four in the Lawrence area) and very low-income is defined as households earning less than 50% of area median income (\$37,750 for a family of four). Sometimes 60% of area median income is used for particular low-income programs (\$45,300 for a four person household). Low-income generally refers to the range between 51% and 80% of area median income (\$57,500 for a family of four at the 80% level), and moderate-income from 81% to 100%, and sometimes 110% and 120% of median income (\$75,500, \$83,050 and \$90,600, respectively, based on a family size of four). These income levels are summarized in the table below:

**2004 TARGETED INCOME LEVELS FOR  
AFFORDABLE HOUSING IN THE LAWRENCE AREA**

<b># Persons in Household</b>	<b>30% of Median Income</b>	<b>50% of Median Income</b>	<b>60% of Median Income</b>	<b>80% of Median Income</b>
<b>1</b>	\$15,850	26,450	31,700	40,250
<b>2</b>	18,100	30,200	36,200	46,000
<b>3</b>	20,400	34,000	40,800	51,750
<b>4</b>	22,650	37,750	45,300	57,500
<b>5</b>	24,450	40,750	48,900	62,100
<b>6</b>	26,250	43,800	52,500	66,700
<b>7</b>	28,100	46,800	56,200	71,300
<b>8+</b>	29,900	49,850	59,800	75,900

**2003 Median Household Income for the Lawrence PMSA = \$75,500**

In general, programs that subsidize rental units are targeted to households earning within 60% of median income, \$45,300 for a family of four. However, first-time homebuyer programs typically apply income limits of up to 80% of area median income. The Community Preservation Act allows resources to be directed to those within a somewhat higher income threshold – 100% of area median income. It is worth noting that, according to the 2000 census, at least 475 households or 18.6% of Boxford’s total households are likely to be income-eligible for affordable housing using the 80% of area median income level, 28.8% or 738 households have incomes within the area’s median income of \$75,500 and almost half, or 46.8%, have incomes within the town’s median income of \$113,212. The state’s Executive Order 418 that promotes housing for low, moderate and middle-income households, defines middle income as those households earning up to 150% of area median income or \$101,100. Based on 2000 census data, approximately 40% of Boxford households would meet this definition of middle-income. These income thresholds are summarized in the following table.

**Number of Households by Income Category  
1999**

<b>Income Level</b>	<b># of Households</b>	<b>% of Households</b>
Within 80% of AMI \$57,500 for a family of four	475	18.6
Within 100% of AMI \$75,500 for a family of four	738	28.8
Within town’s median income \$113,212	1,202	46.8
Within state’s definition of middle income \$101,100	1,035	40.3

Source: U.S. Census Bureau

In counting a community’s progress toward the 10% threshold, the state counts a housing unit as affordable if it is subsidized by state or federal programs that support low- and moderate-income households at or below 80% of area median income under Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B). Additionally, most state-supported housing assistance programs are targeted to households earning at or below 80% of area median income, as well as some at lower income thresholds.

### III. HOUSING NEEDS ASSESSMENT

As housing values soar, it is becoming increasingly difficult for individuals and families to find affordable housing in the private market. And the private market, without subsidies or zoning relief, is neither able nor interested in producing housing that is affordable to low- and moderate-income households. As a result, it becomes necessary to increasingly rely on regulatory relief and housing subsidies in some form to preserve affordable housing and to produce enough units to meet existing affordable housing needs and demands. Escalating market prices for both the purchase and rental of housing have generated concerns that many long-term residents might be experiencing difficulties paying their taxes, maintaining their homes or affording market rentals. Children who grew up in town can no longer find suitable housing in which to raise their families. Town employees are confronted with longer commutes as the increasing affluence of the North Shore squeezes them out of the housing market.

This Housing Needs Assessment presents an overview of the current housing situation in the town of Boxford, providing the context within which a responsive set of strategies can be developed to address housing needs and meet production goals. Key findings in regard to household characteristics, housing characteristics, and housing affordability in Boxford are summarized in the following:

#### *Household Characteristics*

- The median household income in 1999 was \$113,212, up 44% from the 1989 median income of \$78,562 and well above the median income for Essex County of \$51,576.
- In 2000 the census counted 1.6%, or 42 households, with incomes below \$10,000, while another 98 or 3.8% had incomes between \$10,000 and \$24,999 representing extremely low-income levels at or below 30% of area median income.
- Approximately 250 households, or almost 10% of all households, had incomes within what public agencies would define as very low-income levels at or below 50% of area median income.
- Almost 19% of Boxford households or 475 households would likely qualify for housing assistance as incomes are at or below 80% of area median income defined by HUD.
- In contrast 35.1% or 899 households had incomes of more than \$150,000.
- While the numbers of those earning under \$74,999 decreased somewhat between 1990 and 2000, those earning more than \$75,000 increased by two-thirds over the decade, well more than what would be expected under inflation.
- The absolute numbers of those in poverty increased somewhat from 1989 to 1999, and there still remains a population within the town of Boxford of more than 100 individuals and approximately 20 families who have with substantial income limitations who require public assistance to meet their housing needs.
- The population has remained predominantly White with minority representation at 2.6%.
- Those 65 years or older comprised 9.3% of residents in 2000, lower than the 13.8% for Essex County as a whole.
- Those 19 years and younger represented almost one-third of all residents, somewhat higher than the county level of 27.5%.
- There are a number of residents who are disabled, including 58 or 4.0% of the school-age population, 330 or 7.5% of those 21 to 64 (about 100 of whom could not be employed), and 178 or 24.1% of those 65 years or older.
- More than one-third of the total population five years of age or older, moved to a different house during the last five years. It is important to note that housing turnover drives up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time.

### *Housing Characteristics*

- The 2000 census counted 2,610 total housing units, up 25.1% from 2,087 units in 1990.
- Total growth in the housing stock from 1990 to 2000 was 523 units. However, there was a loss of 21 rental units, most likely because the single-family homes that had been rented were sold.
- The 2000 census counted 1.6% of the housing stock or 42 units as vacant, of which 8 involved seasonal, recreational or occasional use.
- The town has 2,568 occupied units, of which 2,497, or 97.2%, were owner-occupied with the remaining 71, or 2.8%, as rentals, representing a considerably higher level of owner-occupancy than that for Essex County of 63.5%.
- Almost all of the housing units are in single-family detached structures, 93.6%, higher than the 52.1% level for the county.
- A little more than one-third of the housing stock, 36.3%, was built prior to 1970. These figures demonstrate a significantly newer housing stock than that for the county as a whole with 70.4% of the units built before 1970.

### *Housing Affordability*

- At least 17% of Boxford residents are currently living in housing that is by common definition beyond their means and unaffordable.
- Over the past five years there have been no homes available in the affordable range, priced at \$200,000 or less and affordable to those earning at or below 80% of area median income.
- In 2003, there were only six homes that sold for less than \$400,000.
- The census indicates that the 2000 median house value was \$398,100, up 24.1% from the median of \$320,700 in 1990.
- Data from the January 27, 2004 Multiple Listing Service (MLS) suggests an average single-family sales price of \$595,000.
- To afford the median sales price of \$595,000, a household would have to earn approximately \$175,000, significantly more than the 2000 median income of \$113,212.
- The borrowing power of the average household, based on the town's median income of \$113,212, is about \$396,500, and houses at this price level are now virtually nonexistent in the town of Boxford.
- The affordability gap is about \$200,000 - the difference between the price of the median priced home and what a median income household can afford. The affordability gap is \$430,000 if the analysis focuses on those low- and moderate-income households earning at or below 80% of area median income.
- The 2000 census indicated that the median gross rental was \$1,256, almost double the 1990 median rent of \$696.
- The gross median rent of \$1,256 requires an income of \$50,240, not affordable to approximately 14.2% of Boxford residents or 365 households.
- More than 400 owners were spending too much for housing as well as seven renters.

## **A. Housing Characteristics**

### **1. Population and Housing Data**

#### *Population, Race and Household Type*

The 2000 census data indicates that the town of Boxford had a total population of 7,921, a 26.4% increase over the 1990 population of 6,266 and a 47.4% increase since 1980 when the population was 5,374. This demonstrates substantial population growth over the past two decades.

The population has remained predominantly White. For example, in 2000 the census describes 208 persons or 2.6% of the population as minorities, up slightly from 2.0% in 1990 and 0.8% in 1980. Almost half of the 2000 minority population are Asians with another 0.3% African American.

**Demographic Characteristics 1990-2000**

	1990		2000	
	#	%	#	%
Total Population	6,266	100	7,921	100
Minority Population*	126	2.0	208	2.6
Population Age 65+	455	7.3	740	9.3
Population 19 & Under	1,959**	31.3	2,692	34.0
Total Number Households	2,016	100.0	2,568	100
Family Households	1,769	87.7	2,255	87.8
Female Heads of Households	99	4.9	88***	3.4
Non-family Households	247	12.3	313	12.2

Source: 1990 and 2000 U.S. Census Bureau

\*All non-White classifications

\*\* 1990 data for those 20 years and under.

\*\*\* Includes female heads of families with children under 18 years

In regard to those 65 years of age or older, in 2000 there were 740 seniors, 9.3 of the population, as compared to 455 or 7.3% of the total population in 1990. In contrast those 19 years or younger comprised more than one-third of the 2000 population or 2,692 persons, indicating likely growth in the number of children and adolescents, up somewhat from 31.3% or 1,959 individuals in 1990 despite the inclusion of 18 and 19 year olds in the 1990 figures. The median age was 39.4 years in 2000. Non-family households increased by 66 households but not significantly as a proportion of the population, and family households increased by 486, but once again there was no significant change in the proportion of these households between 1990 and 2000. The number of female-headed households decreased from 1990 to 2000 in absolute numbers and proportionately.

*Income Distribution*

The median household income in 1999 was \$113,212, up 44.1% from the 1989 median income of \$78,562 and an increase of 222% over the median income in 1979 of \$35,144. Of the 2,568 total households in 1999, 42 or 1.6% had incomes of less than \$10,000 and another 98 or 3.8% had incomes between \$10,000 and \$24,999, representing extremely low-income levels at or below 30% of area median income. An additional 163 households had incomes within what public agencies would define as very low-income levels or within 50% of area median income. The total number of households within these income categories is approximately 200 households or about 8% of all Boxford households, a not insignificant number given the general affluence of the community.

A comparison of 1989 and 1999 income figures is presented in the following table:



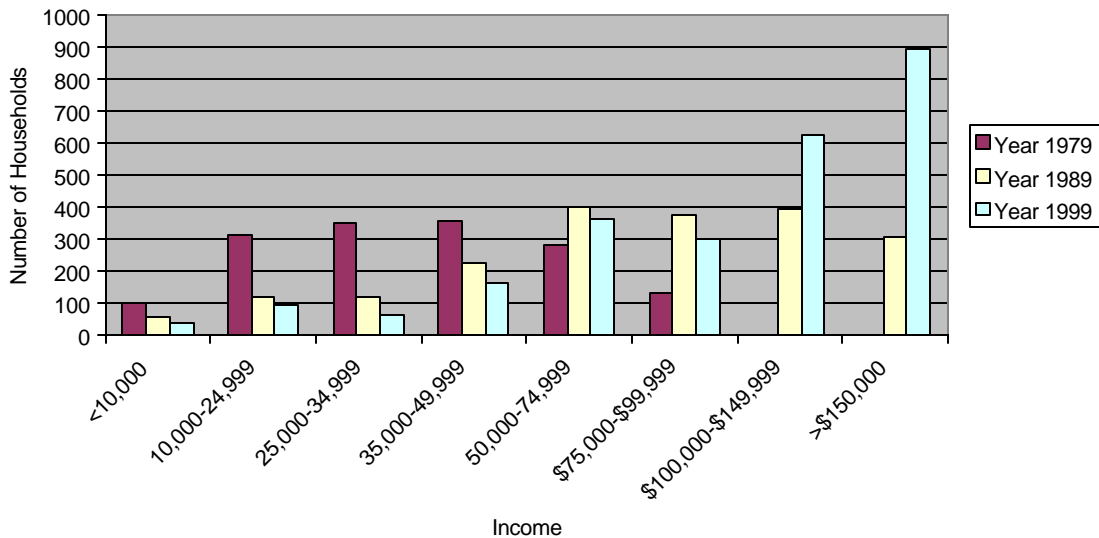
**Income Distribution by Household  
1989-1999**

	1989		1999	
	#	%	#	%
Under \$10,000	60	3.0	42	1.6
10,000-24,999	121	6.0	98	3.8
25,000-34,999	124	6.2	62	2.4
35,000-49,999	225	11.2	163	6.4
50,000-74,999	404	20.1	367	14.3
75,000-99,999	378	18.8	303	11.8
100,000-149,999	393	19.5	626	24.5
150,000 or more	308	15.3	899	35.1
Median income	\$78,562		\$113,212	

Source: 1990 and 2000 U.S. Census Bureau

*This table clearly demonstrates the increasing affluence of the community, with decreases in the numbers of households in all of the income ranges except for those earning \$100,000 or more. While the numbers of households earning under \$74,999 decreased somewhat between 1989 and 1999, those earning more than \$75,000 increased by two-thirds over the decade, certainly more than what would be expected under inflation. This is also indicated in the 44% increase in median income over the decade. The income distribution for those households that include children – families – is somewhat higher with a median family income in 1999 of \$119,491 with 1,717 families or three-quarters of all families earning more than \$75,000, including 857 or 38% earning more than \$150,000.*

Income Distribution by Census



The chart above clearly demonstrates the tremendous increase in income levels for households in Boxford over the past two decades. Despite inflation these figures are striking, as more recent data shows that

those earning above \$100,000 are now in the majority of households residing in Boxford, while 20 years ago there were few in this income category.<sup>7</sup>

These income levels are in striking contrast to those for Essex County when viewed proportionately as demonstrated in the following table:

**Income Distribution by Household: Essex County vs. Boxford  
1999**

	Essex County		Boxford	
	#	%	#	%
Under \$10,000	24,033	8.7	42	1.6
10,000-24,999	42,354	15.4	98	3.8
25,000-34,999	27,418	10.0	62	2.4
35,000-49,999	39,101	14.2	163	6.4
50,000-74,999	54,048	19.6	367	14.3
75,000-99,999	35,066	13.1	303	11.8
100,000-149,999	32,016	11.6	626	24.5
150,000 or more	20,374	7.4	899	35.1
Median income	\$51,576		\$113,212	

Source: 1990 and 2000 U.S. Census Bureau

The percentage of those earning less than \$75,000 is 67.9% for Essex County in contrast to 28.5% for the town of Boxford, whereas those earning above the \$75,000 threshold included 32.1% of households in Essex County versus 71.4% of the households in Boxford. An additional indication of the relative affluence of Boxford is that the median household income is more than double that for the county.

Based on this information about 14.2% of Boxford households (or about 365 households) would likely qualify for housing assistance as their incomes are at or below 80% of area median income defined by the U.S. Department of Housing and Urban Development (HUD) or \$50,850 for a family of three. Approximately 40.3% of local households would qualify as middle-income using the state's definition as prescribed by Executive Order 418 of \$101,100. It is interesting to note that the town's median income level is higher than the state's definition for middle-income for the area.

*Poverty*

The absolute numbers of those with incomes below the poverty level (\$8,980 for an individual and \$18,400 for a family of four in 2003) increased somewhat from 1989 to 1999 with the exception of related children under the age of 18. While the absolute numbers remain relatively small, this data indicates that there still remains a population within the town of Boxford, more than 100 in 1999, with substantial income limitations who require public assistance to meet their housing needs. The following table presents this data.

<sup>7</sup> The 1979 data did not breakdown income information for those earning more than \$75,000.

**Poverty Status 1989-1999**

	1989		1999	
	#	%	#	%
Individuals Below Poverty	95	1.5*	108	1.4*
Families	9	0.5**	19	0.8**
Related Children Under 18 Years	18	1.0***	10	0.4
Individuals 65 and Over	12	2.6****	23	3.1****

Source: 1990 and 2000 U.S. Census Bureau

\*Percentage of total population

\*\*Percentage of all families

\*\*\*Percentage of all related children under 18 years

\*\*\*\*Percentage of all individuals age 65+

*Education*

In 2000, 99.2% of those 25 years and older had a high school diploma or higher, and 62.9% had a Bachelor's degree or higher, up from the 1990 figure of 54.2% with a college degree and double the 31.2% level for the county. Those enrolled in school (nursery through graduate school) totaled 2,564 or 32.4% of the population and those enrolled in nursery school through high school totaled 2,227, almost 86.9% of the school age population and 28.1% of the total population. Countywide the school age population was 26.9% of the total population, only a bit lower than the Boxford level.

*Disability Status*

Of the 2000 population age 5 to 20 years old, 88 or 4.0% had some disability, and of the population age 21 to 64, 330 or 7.5% claimed a disability, but 77.0% of this group was employed. In regard to the population 65 years of age or older, 178 or 24.1% claimed some type of disability.

*Residency in 1995*

In regard to persons who had moved to a different house during the last five years -- involving 2,561 persons or more than one-third of the total population five years of age or older -- 16.4% came from the same county, 18.0% came from a different county, 7.5% came from the same state and 10.9% came from a different state or elsewhere, representing significant mobility of the town's population. It is important to note that housing turnover is the major precipitating factor in driving up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time.

*Housing Characteristics*

The 2000 census counted 2,610 total housing units in the town of Boxford, up 25.1% from 2,087 units in 1990 and a 62.3% increase from 1,608 units in 1980. Out of total housing units, Boxford has 2,568 occupied units, of which 2,497 or 98.4% were owner-occupied while the remaining 71 or 2.8%, were rental units. These figures represent a *considerably* higher level of owner-occupancy than that for Essex County as a whole of 63.5%. Total growth in the housing stock from 1990 to 2000 was 523 units, however, there was a loss of 21 rental units, most likely because the single-family homes that had been rented were sold. The 2000 census counted 1.6% of the housing stock, or 42 units, as vacant, of which eight units involved seasonable, recreational or occasional use. The number of units involving seasonal use has decreased somewhat since 1990 by 14 units suggesting that these units have reverted to year-round occupancy. The homeowner vacancy rate was 0.4%, down from 1.5% in 1990, while the rental

vacancy rate of 4.1% increased slightly from the 1990 rate of 2.2%. The numbers involved in these vacancy statistics are very low as to be insignificant as any level below 5% is considered to represent tight market conditions. The following table includes a summary of these housing characteristics.

**Housing Characteristics  
1990-2000**

	1990		2000	
	#	%	#	%
Total # Housing Units	2,087	100.0	2,610	100.0
Occupied Units	2,016	96.6*	2,568	98.4*
Occupied Owner Units	1,926	95.5**	2,497	97.2**
Occupied Rental Units	90	4.5**	71	2.8**
Owner Vacancy Rate	29	1.5***	10	0.4***
Rental Vacancy Rate	2	2.2***	3	4.1***
Seasonal, Recreational or Occasional Use	22	80.1***	8	0.3%***
Average House-Hold Size of Owner-Occupied Unit	3.13	-	3.11	-
Average House-Hold Size of Renter-Occupied Unit	2.62	-	2.18	-

Source: 1990 and 2000 U.S. Census Bureau

\* Percentage of total housing units

\*\* Percentage of occupied housing units

\*\*\* Percentage of vacant units totaling 49 units in 2000 and 71 in 1990.

The 2000 census indicates that almost all of the existing housing units are in single-family detached structures, 2,442 or 93.6% of the housing stock, significantly higher than the 52.1% level for the county. Another 53 units are located in single-family attached dwellings, 15 in two-unit structures (accessory apartments) and 94 in three- to nine-unit buildings (Four Mile Village). There were no mobile homes.

A little more than one-third of the housing stock, 36.3%, was built prior to 1970 with most of the housing constructed over the past several decades. These figures demonstrate a significantly newer housing stock than that for the county on a whole that had 70.4% of its housing stock in place before 1970, indicating a surge in recent housing growth.

The median number of rooms per housing unit was 8.3 indicating that the average home had at least four bedrooms, and 46% of the homes had nine rooms or more. There were no housing units that involved single rooms and only five that had two rooms. Of the 2,568 occupied housing units, 56.7% of the

occupants moved into their units since 1990 indicating significant mobility and turnover in the housing market. Almost 85% of the households had two or more vehicles.

### Building Permit Data 1985-2003

Year	# New Dwellings	#Additions	Renovation/ Repair/ Rebuild	#Demos	# Accessory Apartments
1990	17				
1991	47	62	41		
1992	64	46	68		
1993	97	54	49		
1994	74	52	61		
1995	50	52	65		
1996	85	56	71		
1997	61	43	97		
1998	50	36	49		1
1999	36	20	58	2	
2000	42	26	63	7	
2001	21	24	57		
2002	16	22	81	5	
2003	13	22	58	2	4
Total	673	515	818	14	5

Source: Boxford Building Department; Mass. Department of Environmental Affairs Buildout Analysis, 2001

The building permit data summarized above indicates that despite a spike in new home development in 1991, the production of new housing units has been more or less steadily decreasing over the past decade to less than 20 permits or new homes built over the last couple of years. It is not surprising to note that when one analyzes the costs associated with this new home development, the costs per home are up substantially from an average of \$165,476 in 1991, to \$207,869 in 1996, \$379,390 in 2001 and \$402,154 in 2003. And while the number of additions has decreased over the years, down more than half of what they were in the early 90's, activity related to renovations has remained vibrant. The data also shows an increase in demolition activity in the last several years, pointing towards some beginning signs of tear downs – replacing smaller and older homes with much larger residences. It is also interesting to see recent activity related to the creation of accessory apartments.

## 2. Housing Market Conditions

### *Ownership*

Census data also provides information on housing values for homeownership and rental. The census indicates that the 2000 median house value was \$398,100, up 24.1% from the median in 1990 of \$320,700. In 2000, only eight homes were valued at less than \$100,000 and another 12 were valued between \$100,000 and \$149,999. This small number of affordable homes is in sharp contrast to the almost 500 homes valued at more than \$500,000 and 28 homes valued at more than \$1 million. There were 48 units or 2.1% of the housing stock valued between \$100,000 and \$199,999 that includes the bulk of the more affordable housing stock.<sup>8</sup> Housing values are summarized in the following table:

<sup>8</sup> Census housing values are derived from Assessor's data.

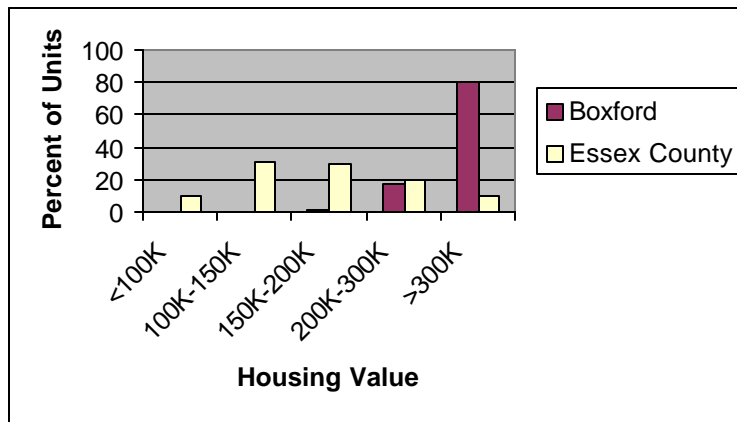
### 2000 Housing Values

Value	Number of Units	% of Units
\$50,000 to \$99,999	8	0.4
\$100,000 to \$149,999	12	0.5
\$150,000 to \$199,999	36	1.6
\$200,000 to \$299,999	387	17.3
\$300,000 to \$499,999	1,268	56.7
\$500,000 to \$999,999	499	22.3
\$1,000,000 or more	28	1.3
Median (dollars)	\$398,100	-

Source: 2000 U.S. Census Bureau

The chart below illustrates the relative high market value of housing in Boxford in comparison to Essex County as a whole. So revealing in the Boxford numbers is the scarcity of housing in the more affordable ranges in contrast to the spike of housing units valued over \$300,000, whereas the county data clearly shows the diminishing numbers of units with values of more than \$200,000.

### Comparison of Housing Value Boxford and Essex County



While census data is derived primarily from Assessors information, more updated market data is tracked by The Warren Group from Multiple Listing Service data from actual sales. This market information for the last sixteen years is summarized in the following table:

### Median Sales Prices 1988 - 2003

Year	Months	Single -family	Condo	All Sales	# Sales
2003	Jan – Nov	\$595,000	0	\$576,813	130
2002	Jan – Dec	543,000	240,000	533,000	144
2001	Jan – Dec	480,400	0	470,000	161
2000	Jan – Dec	450,000	0	421,250	212
1999	Jan – Dec	385,000	0	385,000	208
1998	Jan – Dec	339,000	0	320,000	219
1997	Jan – Dec	322,500	0	320,000	211
1996	Jan – Dec	318,424	0	266,000	220
1995	Jan – Dec	284,250	0	235,000	193
1994	Jan – Dec	278,750	107,500	180,000	285
1993	Jan – Dec	257,750	0	185,000	249

1992	Jan – Dec	252,750	0	175,500	199
1991	Jan – Dec	245,000	0	190,000	153
1990	Jan – Dec	315,000	0	280,000	109
1989	Jan – Dec	295,000	0	262,500	109
1988	Jan – Dec	308,938	0	272,000	147

Source: The Warren Group, 1/27/04

Sales ranged from a low of 109 sales in 1989 and 1990 to a high of 285 in 1994. Last year through November there were 130 total sales with an average sales price of single-family homes of \$595,000, among the highest prices in Greater Boston.

After a decline in market prices between 1990 and into the early 1990's, due largely to the economic slump, the market began to revive in the mid-90's but did not surpass the 1990 high until 1996. Since then the market has escalated precipitously, up 86.9% from \$318,424 in 1996 to \$595,000 by the near end of 2003. The data shows that condominiums represent a very small part of the existing housing market.

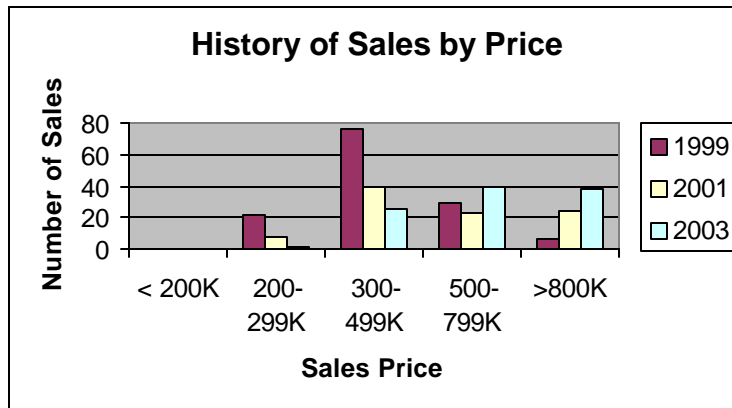
Another analysis of housing market data is presented in the following table, which demonstrates the escalation of housing market prices based on a breakdown of sales data over the past five years from the Multiple Listing Service for single-family homes:

**History of Sales by Price  
1998-9/19/03**

Sales Price	1999	2000	2001	2002	2003
<b>Under200K</b>	0	0	0	0	0
<b>200-299K</b>	21	5	7	7	1
<b>300-399K</b>	39	27	14	9	5
<b>400-499K</b>	37	31	26	29	21
<b>500-599K</b>	13	23	14	26	25
<b>600-699K</b>	16	17	9	8	14
<b>700-799K</b>	8	10	9	10	9
<b>800-899K</b>	4	3	13	6	11
<b>900-999K</b>	2	6	3	6	9
<b>Over 1,000,000</b>	0	5	8	9	9
<b>TOTAL</b>	140	127	103	110	104
<b>Median Sales Price</b>	415,000	479,900	483,000	541,000	582,200

Source: Multiple Listing Service 1/1/99 –1/22/04

For the past few years there have been no homes available in Boxford for under \$200,000 that would be affordable to low- and moderate-income households, with the exception of the cooperative units that are a part of Four Mile Village where prices range from \$78, 287 to \$141,570 depending on the size of the unit. Unit turnover in this project for those 60 years or older is about ten per year. Additionally of those units priced under \$300,000, six of the seven units sold in 2002 were in Andrews Farm, currently the only project included in the Town's Affordable Housing Inventory. And sales between the \$200,000 to \$400,000 range declined significantly between 1999 and 2003, from 60 sales to just six. On the other hand, sales in the upper ranges increased substantially from 30 sales priced above \$600,000 in 1999 to 52 in 2003. The table also presents the increase in the median sales price from \$415,000 in 1999 to \$582,200 in 2003, a 40% increase. This information is also demonstrated dramatically in the chart below.



There are less than a handful of condominiums in Boxford, which are selling from the low \$200,000 to low \$300,000 range based on size.

*Rentals*

The 2000 census indicated that there were only 71 rental units in Boxford and that the median gross rental was \$1,256, almost double the 1990 median rent of \$696 and almost triple the 1980 rental of \$478. Besides a number of accessory apartments, most of the rentals were single-family homes. Data on the costs of rental units from 1980 through 2000 is included in the following table:

**Rental Costs  
1980-2000**

Gross Rent	1980		1990		2000	
	#	%	#	%	#	%
Under \$400	11	12.8	6	8.5	0	0
400-499	25	29.1	16**	22.5	6	9.1
500-749	25	29.1	11	15.5	0	0
750-999	0	0	13	18.3	15	22.7
1,000-1,499	0	0	19	26.8	22	33.3
1,500 or more	0	0	0	0	0	0
No cash rent	25	29.1	5	7.0	23	34.8
Total*	86/95	100.0	71/90	100.0	66/71	100.0

Source: U.S. Census Bureau

\*Number of rental units with data on gross rents/total number of rental units

While rental units comprise only 2.8% of Boxford’s housing units, renter-occupied units are more than one-third, 36.5%, of the county’s housing stock, and the median rent for these units was \$655, according to the 2000 census, as opposed to \$1,256 in Boxford.

**B. Cost Analysis of Existing Market Conditions**

As housing prices escalate, the affordability gap widens, defined as the gap between the cost of housing and the proportion of income that is reasonable to pay for housing, typically defined as 30% of gross income. To afford the median sales price of \$595,000 (based on Warren Group information for single-



family home sales through November 2003), a household would have to earn approximately \$175,000, significantly more than the 2000 median income of \$113,212.

The borrowing power of the average household, based on the median household income of \$113,212, is about \$396,500, increasingly rare in the town of Boxford as noted above.<sup>9</sup> In fact, in 2003 there were only six home sales with prices of less than \$400,000. The affordability gap is then about \$200,000 - the difference between the price of the median priced home and what a median income household can afford. The affordability gap is \$430,000 if the analysis focuses on those low- and moderate-income households earning at or below 80% of area median income, or \$51,750 for a family of three (the average household size is 3.08), who are unable to afford a house costing more than \$165,500. This group is completely shutout of the private sales market, as there are no listings that even come close to being affordable at this income level.

The following table presents a range of homes that sold during 2003 from a very small farmhouse to larger more expensive homes that are priced well beyond the means of most existing year-round Boxford residents.

**Affordability of Existing Housing Prices**

<b>House Type</b>	<b>Price</b>	<b>Annual Income Required</b>
Colonial farmhouse with 6 rooms, 2 bedrooms, 1 bath and without a garage on Main Street (960 square feet)	\$350,000	\$102,000
Ranch with 5 rooms, 2 bedrooms, 1 bath, and a 2-car garage located on Chandler Road (1,250 square feet)	\$415,000	\$121,500
Colonial with 9 rooms, 4 bedrooms, 3 baths and a 2-car garage on Livermore Road (3,060 square feet)	\$530,000	\$156,000
Colonial with 12 rooms, 4 bedrooms, 4 baths and 2-car garage on Surrey Lane (3,600 square feet)	\$730,000	\$214,500
Cape with 11 rooms, 4 bedrooms, 5 baths, and 3-car garage on Bayns Hill Road (5,028 square feet)	\$988,000	\$252,000

Source: Multiple Listing Service, 1/22/04

In regard to rentals, the median gross median rent of \$1,256 requires an income of \$50,240, which is approximately HUD's current income limit for three-person households earning at 80% of area median income – the current Chapter 40B income threshold. This rent is currently not affordable to approximately 14.2% of Boxford's households or 365 households.

<sup>9</sup> Figures based on 95% financing, interest of 6.5%, 30-year term, annual property tax rate of \$12.27 per thousand, insurance costs of \$1.25 per \$1,000 of combined valuation of dwelling value (value x 0.5), personal property (\$100,000 fixed), and personal liability (\$100,000 fixed), and private mortgage insurance estimated at 0.3125 of loan amount.

While current housing market data tells us that approximately two-thirds of town residents cannot afford the median sales price of \$595,000 and only about 14% of town residents can afford the median rent of \$1,256 per month, it is also useful to identify numbers of residents who are currently living beyond their means due to their current housing costs. The 2000 census provides data on how much households spend on housing whether for ownership or rental. Such information is helpful in assessing how many households are overspending on housing or encountering housing affordability problems, defined as spending more than 30% of their income on housing. Based on 1999 data, the census indicated that 106 or 4.7% of the homeowners in Boxford are spending 30% to 34% of their income on housing with another 323 or 14.4% spending more than 35% of their income on housing expenses. In regard to renters, seven renters or 10.6% of renting households are allocating 35% or more for housing. This data suggests that 17% of Boxford households are currently living in housing that is by common definition beyond their means and unaffordable.

The census provides additional data on cost burdens looking at types of households, income level and housing expenses as a percentage of income. This data indicates that of all owners, 448 or 18% had some housing cost problems as they were spending more than 30% of their income on housing and/or lived in overcrowded conditions. As for renters, 6.2% or four renters experienced some housing problems.

### **C. Affordable Housing Inventory**

There are 15 affordable housing units in the current state-approved Affordable Housing Inventory, 0.58% of the total year-round housing stock in Boxford. The town needs to produce at least 245 more affordable units to reach the state's 10% goal based on the existing housing stock. State buildout projections estimate that Boxford can support another 1,847 units of housing based on current zoning, which would require 185 of these units be affordable to comply with the Chapter 40B goal. Therefore, approximately 430 units of affordable housing will be required until buildout is achieved, a daunting task.

The Task Force that was appointed by the Governor to review Chapter 40B issued its report last year with a number of recommendations. The State Legislature's Housing and Urban Development Committee also supported many of the proposed changes. If approved, these statutory and regulatory revisions would allow the following:

- Alter the numbers of "countable affordable units" by allowing communities to double count affordable units in a homeownership development (25 affordable units in an 100-unit development would count as 50 units in the Affordable Housing Inventory). This measure would increase the number of units in Boxford's Affordable Housing Inventory from 15 to 30 units.
- Reduce Planned Production goals from .75% to .5% to respect a municipality's ability to increase their housing stock at a manageable pace. Consequently, those municipalities with approved plans would be able to deny comprehensive permit applications if they are producing at least .5% of the year-round housing stock on an annual basis. For example, if Boxford was to approve approximately 13 units of affordable housing per year it would likely not be susceptible to Chapter 40B applications during that year. Existing Planned Production requirements set goals at .75% of the year-round housing stock, and Boxford currently has to produce about 20 affordable units per year, based on an approved housing plan, to be in a position where it would not have to process comprehensive permit applications.
- Limit the number of units reviewed at any one time such that a zoning board of appeals could deny (or condition) a comprehensive permit application if such permits are pending during the prior nine-month period that would represent affordable housing equal or greater than 2% of the total year-round housing stock. Therefore, Boxford would not be forced to review comprehensive permit applications at any time that totaled more than 52 units.

There were many other recommendations related to improving local capacity, promoting smart growth or sustainable development, encouraging some regional sharing of credit and impacts of new development, Housing Appeals Committee reforms, etc. that, if approved by the Legislature and/or DHCD, would lead to significant reforms of Chapter 40B. In addition to the Task Force recommendations, there are over 60 bills pending in the Legislature regarding Chapter 40B reform.

To be counted as affordable under Chapter 40B, housing must be dedicated to long-term occupancy of income-eligible households through resale or rental restrictions. The following table presents the income limits for the affordable units based on the 2003 HUD guidelines for the Lawrence area, that includes the town of Boxford, directed to those earning at or below 80% of area median income adjusted by family size.

**Affordable Housing Income Limits for Lawrence PMSA  
Based on 80% of Area Median Income**

Number of Persons in Household	Income Limit
1	\$40,250
2	46,000
3	51,750
4	57,500
5	62,100
6	66,700
7	71,300
8	75,900

Using these income guidelines a family of three (the average household size in Boxford is 3.08 persons) could afford to purchase a house for no more than approximately \$165,500 and rent for a maximum of about \$1,300 a month. Based on housing market information described above, such purchase prices are nonexistent in Boxford and rentals are extremely scarce. The current housing market is limited to those earning well above the median income. Home sales in 2003 included only six sales of less than \$400,000.

**1. Current Inventory**

Of the 2,602 year-round housing units, the state currently counts 15 units, or 0.58% as affordable. Boxford has three housing developments that include affordable units, one of which is counted in the Town’s state-defined Affordable Housing Inventory at this time:

- *Andrews Farm*  
Andrews Farm includes 55 small, single-family homes, 15 of which are affordable in the \$130,000 to \$140,000 price range. This was the first project in the state to be developed through the Local Initiatives Program (LIP)<sup>10</sup> insuring the affordability of at least 25% of the units, 27% in the case of Andrews Farm. The remaining 40 units, while not directed to those earning at or below 80% of area median income, are currently priced around \$300,000, and therefore available to those moderate to middle-income households who are currently priced out of Boxford’s exclusive housing market.

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<sup>10</sup> The Massachusetts Department of Housing and Community Development initiated the Local Initiatives Program (LIP) in 1990 to provide technical assistance to communities that are working with developers to produce affordable housing without state and federal subsidy programs. It was created to promote greater coordination and cooperation between developers and municipalities under the state’s Chapter 40B comprehensive permit law in communities with less than 10% of its housing stock reserved for low- and moderate-income households (incomes at or below 80% of area median income).

- *Local Group Home*  
There is a group home with four bedrooms<sup>11</sup> in Boxford that because of changes in the comprehensive permit law last year, should be eligible for inclusion in the Town's Affordable Housing Inventory. DHCD is in communication with both the state's Department of Mental Health and Department of Mental Retardation to identify where group homes are located throughout the state in an effort to make sure they are appropriately captured in the State's Affordable Housing Inventory. Therefore the unit count will increase in the near future to 19 or .07% of the town's year round housing stock.
- *Four Mile Village*  
While Four Mile Village is not technically a part of Boxford's state-defined Affordable Housing Inventory, it is a project that nevertheless provides affordable housing for area seniors. The project was privately sponsored by the Boxford Friendship Foundation on 31 acres by Four Mile Pond.

Four Mile Village was the result of a survey undertaken by the Town's two churches in 1982, which reached out to all town residents over the age of 55 to determine the level of interest in a senior residential development as well as design and size preferences. In 1984 the Town created an Elderly Housing District, which provided the necessary zoning for the new development that required higher densities of approximately four units per acre.

The development of the first 48 housing units (six buildings each with eight units) and a community building progressed in 1985 and 1986 without subsidies and the initial units were sold for between \$64,700 and \$117,000 depending on size. The buildings have two stories but each unit is on a single floor and contains a kitchen, bathroom, dining area, living room, and either one bedroom or one bedroom and a den. Phase II included three buildings totaling 24 units with a similar configuration, and Phase III involved another 24 units. Prices range as follows:

- \$78,287 for a small one-bedroom unit,
- \$99,704 for one-bedroom and a den,
- \$112,530 for a large one-bedroom and den, and
- \$141,570 for a large one-bedroom and den with two bathrooms.

Applicants must be at least 60 years of age, a Boxford resident, former Boxford resident, parent or grandparent of a resident, or the brother or sister of a resident. Those interested in applying for a unit are required to pay a \$3,000 refundable non-interest bearing deposit and provide an additional \$5,000 when assigned a unit. There are currently approximately 125 applicants on the waiting list, but a project representative stated that the numbers on the list have increased about five to ten per year. Approximately ten units turnover each year, and the time on the wait list is 2 ½ to 3 years.

## **2. Proposed Projects**

A number of developers have expressed recent interest in the possibility of developing housing through the Chapter 40B comprehensive permit process, and several have made presentations of their preliminary plans to the Boxford Housing Partnership for review and comment. The Town has received notice from MassHousing on two projects thus far that submitted a request for a determination of eligibility to move forward with a formal comprehensive permit application to the Boxford Zoning Board of Appeals.

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<sup>11</sup> For group homes the number of bedrooms is equivalent to the number of units counted in the state-defined Affordable Housing Inventory pursuant to Chapter 40B comprehensive permit law.

One of these projects involves the proposed construction of 40 units, ten to be affordable, on Highland Road. MassHousing denied eligibility to the developer to proceed to filing a comprehensive permit application for a number of compelling reasons related to the steep grades, drainage and septic problems, and other public safety issues.

Another project, Endicott Village, proposes 72 units, at least 18 of which would be affordable, in an attached townhouse design on Endicott Road approximately one mile from Route 95 near the Middleton line. The project consists of 16 buildings with 3-6 units in each building. Each unit has three bedrooms, 2 ½ baths, and a full basement with living space ranging from 1,833 to 1,980 square feet. The developer submitted its application to MassHousing for Housing Starts Project Eligibility in April 2004, and the Town is currently reviewing the preliminary plans to prepare its comments to MassHousing.

#### **D. Gaps Between Existing Housing Needs and Current Supply**

As the above affordability analysis indicates, significant gaps remain between what most current residents can afford and the housing that is available. In fact the current homeownership market is no longer accessible to those earning median income much less to low- and moderate-income households.

The Buildout analysis that was performed by the state's Executive Office of Environmental Affairs (EOEA) in 2001 projected that the town of Boxford could support at least another 1,847 housing units for a total build-out of 4,457 units, assuming current zoning. The analysis projected 5,874 additional residents including 443 additional school children. Infrastructure requirements to support these additional units include 440,521 gallons of water per day and 2,232 tons of municipal solid waste per year, 822 tons of which would be recyclable.

This analysis indicates that in order to meet the 10% state standard, the projected population growth would require an additional 185 units of affordable housing over and above the 245 units required based on the 2000 year-round housing unit count. Therefore, approximately 430 units of affordable housing will be required until buildout is obtained (once again this is based on current zoning). Based on past housing construction patterns, this goal would be remarkable and not likely achievable without a considerable investment of resources and political will, if not a continued infusion of Chapter 40B projects.

There has been some question as to whether there is sufficient need in town to justify a significant increase in the town's affordable housing inventory. Based on this Housing Needs Assessment a number of indicators suggest significant local needs including:

- In 2000 the census counted 1.6%, or 42 households, with incomes below \$10,000, while another 98 or 3.8% had incomes between \$10,000 and \$24,999 representing extremely low-income levels at or below 30% of area median income.
- Approximately 250 households had incomes within what public agencies would define as very low-income levels at or below 50% of area median income.
- Almost 19% of Boxford households or 475 households would likely qualify for housing assistance as incomes are at or below 80% of area median income defined by HUD.
- The absolute numbers of those in poverty increased somewhat from 1989 to 1999, and there still remains a population within the town of Boxford of more than 100 individuals and approximately 20 families who have substantial income limitations and require public assistance to meet their housing needs.

- There are a number of residents who are disabled, including 58 or 4.0% of the school-age population, 330 or 7.5% of those 21 to 64 (about 100 of whom could not be employed), and 178 or 24.1% of those 65 years or older.
- At least 17% or about 436 households are currently living in housing that is by common definition beyond their means and unaffordable.
- Over the past five years there have been no homes available in the affordable range, priced at \$200,000 or less and accessible to those earning at or below 80% of area median income.
- In 2003, there were only six homes that sold for less than \$400,000.
- The affordability gap is about \$200,000 - the difference between the price of the median priced home and what a median income household can afford. The affordability gap is \$433,250 if the analysis focuses on those low- and moderate-income households earning at or below 80% of area median income.
- The gross median rent of \$1,256 requires an income of \$50,240, not affordable to approximately 14.2% of Boxford residents or 365 households.
- There are approximately 125 applicants on the Four Mile Village waiting list, and this list is growing by five to ten new applicants per year.

There is therefore a sizable population of those who are seniors, have special needs and/or have very low incomes who have significantly reduced capacity to secure decent, safe and affordable housing in Boxford. A broader range of housing options is required to meet these varied needs.

#### **E. Obstacles to Development**

It will be a great challenge for the town of Boxford to create enough affordable housing units to meet the state's 10% affordable housing standard and local needs, particularly in light of current constraints to new development including the following:

- *Infrastructure*  
As mentioned earlier, a major constraint and cost factor for new development is the lack of water and sewer services throughout town. Residents must rely solely on wells and septic systems unless special treatment facilities are integrated into the new development. Community residents have also voiced concerns over the availability of roads, police and fire protection, and other Town services to accommodate new development and the implications of increased costs associated with extending these services.
- *Zoning*  
As is the case in most American communities, a zoning bylaw or ordinance is enacted to control the use of land including the patterns of housing development. Like most localities in the Commonwealth, Boxford's Zoning Bylaw embraces large-lot zoning, 2-acre minimum except in the Elderly Housing District (Four Mile Village), that maintains low housing densities and severely constrains the construction of affordable housing. Boxford has also enacted a Phased Growth Bylaw to better control growth to ensure that the Town has adequate time to expand its resources and to provide the necessary services to meet the educational, infrastructure and public safety needs of its residents. This bylaw restricts the number of new building permits per year from five to about ten, depending on the size of the subdivision, therefore serving as an additional disincentive to affordable housing development. Other provisions allow higher densities through accessory apartments or senior housing (Elderly Housing Bylaw) based on specific requirements. In Boxford, occupancy of accessory apartments is currently limited to relatives of the owners of the principal residences, reducing the potential effectiveness of this housing option. The Town is planning to explore other opportunities to promote affordable housing opportunities through zoning amendments.

- *School Enrollment*  
Given population growth, especially the increase in number of families, the Town of Boxford has been challenged by expanding school enrollments. The Town in collaboration with Topsfield and Middleton, recently completed a state-of-the-art new high school facility and is absorbing most of the costs as promised funding from the state did not materialize. Consequently, many residents voice concerns about the prospects of building more housing that will require new schools, likely leading to further increases in property taxes and concerns about where these new facilities will be located. In order to resolve this problem the Task Force that was appointed by the Governor to review Chapter 40B issued its report last year and included a recommendation to establish a new “Growth Aid” Fund to support the incremental costs of education for school-aged children in affordable housing developments. There are also other bills before the State Legislature for funds to offset local expenses related to additional school-age children as a result of affordable housing development.
- *Transportation*  
Boxford is 24 square miles with 125 miles of roads. Transportation is an obstacle to affordable housing if residents do not own cars. Van transportation is currently being considered by the Council on Aging to service the needs of area seniors.
- *Environmental Concerns*  
Most residents are aware of the town’s natural treasures and are rightly concerned about conserving the environment. The town has an active Conservation Commission and Open Space Committee to promote the preservation of open space and members worry about the impacts of any new development. Additionally, regulations to protect the environment (e.g., wetlands, aquifers, septic systems), significantly constrain new building activity by reducing the amount of buildable land and increasing the time and costs of new development.
- *Availability of Subsidy Funds*  
Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. In early 2001, Boxford approved the creation of a Community Preservation Fund with funding support from the state to support open space preservation, historic preservation and affordable housing production. These funds will make approximately \$740,000 available per year, at least 10% of which must be directed to affordable housing activities. This funding will be helpful, but additional public and private technical and financial resources will be required to meet Planned Production goals.
- *Community Perceptions*  
Affordable housing, subsidized housing, low-income housing, projects, Section 8, etc. – these terms can conjure thoughts from local residents of potential neglect that undermines property values, increased crime, and even tensions concerning class and race. If someone has not witnessed the benefits of affordable housing directly, images of the inner city may instead emerge. On the other hand, with soaring real estate prices, community perceptions are beginning to tilt towards the realization that affordable housing is needed in the community. More people are recognizing that the new kindergarten teacher, the waitress at their favorite restaurant, grown children, or the elderly neighbor may not be able to afford to live or remain in the community. It is this growing awareness, as well as impending 40B developments, which is spurring communities such as Boxford to take a more proactive stance and sponsor or support affordable housing initiatives.

## **E. Local and Regional Organizations**

The town of Boxford has several agencies and organizations available to help support the production of affordable housing or provide housing-related services including a number of regional organizations.

### **1. Boxford Housing Partnership Committee**

The Town of Boxford Board of Selectmen formed the Boxford Housing Partnership in 1986 to support local housing needs. The Committee is currently overseeing the preparation of this Community Housing Plan and is exploring the feasibility of a number of housing strategies to increase the number of units in the town's Affordable Housing Inventory.

### **2. Boxford Community Preservation Committee**

The Community Preservation Committee has been charged with the oversight of funds to be raised through Boxford's passage of the Community Preservation Act. In September of 2000 the Community Preservation Act was enacted to provide Massachusetts cities and towns with another tool to conserve open space, preserve historic properties and provide affordable housing. This enabling statute established the authority for municipalities in the Commonwealth to create a Community Preservation Fund derived from a surcharge of up to 3% of the property tax with a corresponding state match of up to 100%. Once adopted the Act requires at least 10% of the monies raised to be distributed to each of the three categories (open space, historic preservation and affordable housing), allowing flexibility in distributing the majority of the money to any of the three uses as determined by the community. The Act further requires that a Community Preservation Committee of five to nine members be established, representing various boards or committees in the community, to recommend to the legislative body, in this case Town Meeting, how to spend the Community Preservation Fund.

In May 2001, the voters of Boxford adopted the CPA, approving a 3% surcharge on most property taxes paid by town residents. Boxford chose to exempt the first \$100,000 of property value, plus certain low-income residents and seniors can apply for a full exemption from the CPA surcharge.

Boxford's Community Preservation Committee is comprised of nine members, including representatives of the Planning Board, Historic Districts Commission, Conservation Commission, Recreation Committee, Housing Partnership Committee, and four "Members at Large" appointed by the Selectmen. Through the local tax surcharge and state match, Boxford's CPA fund has grown to approximately \$1.6 million. Over \$370,000 will be collected from the Town's 3% surcharge in FY' 2004, and should be matched 100% by the state in October 2004, totaling approximately \$740,000 annually.

The Community Preservation Committee has been actively working toward the goals it set for each of the three areas of the CPA. In Open Space, the Town acquired 150 acres of pristine woodland in East Boxford, adjacent to Boxford State Forest. In Historic Preservation, the CPC has completed Phase One of a historic survey plan for the town. In addition, the CPC is currently working to protect an important historic landscape, and they anticipate recommending that funds be allocated to complete this purchase at this year's Town Meeting. The CPC will work to identify and purchase land for unrestricted use, that can be used for affordable housing.

The community housing aspect of the CPA has been the primary focus of the CPC for the past year. The CPC is working with the Boxford Housing Partnership Committee to provide funds to support some testing and feasibility analyses for the potential development of the Spofford Road site and has also worked with the Boxford Land Committee to identify other Town-owned parcels that might be good sites for affordable housing.



### **3. Boxford Housing Trust**

The Boxford Housing Trust is a new non-profit organization that will support Boxford's housing production efforts. The organization is currently applying for its tax-exempt 501(c)(3) status from the U.S. Internal Revenue Service and anticipates being able to raise funds and accept donations to support its housing initiatives during this next year.

### **4. Boxford Council on Aging**

The Boxford Council on Aging is a Town department that supports the quality of life of Boxford elders through a wide variety of services including the operation of a Senior Center that offers social programs for seniors, an information and referral service on a wide range of issues, community-based services to promote independent, and in-home support services. The Council relies heavily on local volunteers to support its services.

The Council on Aging receives many inquiries from area seniors or their grown children that are related to housing, approximately 60 this year, with most of these calls related to how they can find more affordable housing options in the community. Some elders are encountering difficulties affording to remain in their current homes and cannot locate alternative housing that is affordable, particularly if they require supportive services. Because of the extensive wait list at Four Mile Village and the fact that there are no nursing homes or assisted living options in Boxford, the Council on Aging refers most inquiries to alternatives outside of town.

The Council on Aging works with the Town on a program that abates taxes for low and moderate-income seniors in exchange for minor services to the Town, for example, volunteering at a school or library. COA is also trying to purchase a van to support the transportation needs of many area elders. Current transportation services are offered by the Northern Essex Elder Transportation Program on an appointment basis only. Transportation is becoming increasingly problematic as the town's population ages.

### **5. Community Teamwork, Inc.**

Community Teamwork, Inc. serves as the regional housing agency for northern Middlesex County and Essex County among other functions. As the regional housing agency it provides housing and community services to low and moderate-income individuals and families including rental assistance programs, elderly housing services, first-time homebuyer programs to support closing and down payment costs, housing advocacy, and support for the homeless.

### **6. North Shore HOME Consortium**

The North Shore HOME Consortium administers federal HOME Program funding to support a wide range of housing activities through competitive funding rounds. The Consortium covers 28 communities that are geographically spread throughout the North Shore and Merrimack Valley, including Boxford, with about \$2.2 million available per year. The North Shore HOME Consortium divides their annual allocation on a formula basis among the participating communities, and it also pools approximately \$700,000 annually to be available to those localities that have encumbered all of their funding or for special initiatives, such as providing housing for the disabled that is a current focus.

Most of the funding has historically been spent in the more urban areas. The Consortium convenes representatives from participating communities on a monthly basis and also holds monthly meetings of non-profit organizations that are involved in providing housing for the homeless as part of the Continuum of Care.

**7. Community Action, Inc.**

Community Action, Inc. is the area's community action agency that was established to serve a wide range of education, housing, health and service needs of low-income and disadvantaged area residents. The organization is based in Haverhill but has expanded during the past three decades to include a number of cities and towns on the North Shore including Boxford. Programs include fuel assistance, Head Start, WIC, education and training, and other services directed to area families. A dozen Boxford homeowners are currently benefiting from low cost heating oil through the organization's Fuel Assistance Program. The organization indicated that this number is higher than previous years. About half of these owners are elderly and the others are typically female heads of households.

**8. North Shore Housing Trust (NSHT)**

The North Shore Housing Trust (NSHT) is an outgrowth of the North Shore Affordable Housing Task Force that was formed by Wellspring House of Gloucester in 1998 to begin to address the issue of affordable housing on a regional basis. The Board includes ten individuals who represent many of the non-profit organizations and banks involved with affordable housing issues throughout the North Shore. Although relatively new, NSHT can already boast that over forty businesses, organizations and individuals have become dues paying charter members of the Trust.

NSHT's goals are to become a regional force that can develop affordable housing in areas of the North Shore where local affordable housing development capacity is lacking and to provide itself and other organizations with both the financial and technical resources needed to make the development of affordable housing a reality. In general, NSHT hopes to be active on a number of fronts – being involved in the development of a project (either as a stand-alone developer or in conjunction with another non-profit), providing technical assistance to non-profits having limited development capacity, educating the public about affordable housing issues, advocating with public officials about methods of increasing the supply of affordable housing on the North Shore, and finally developing a regional affordable housing fund to provide monies for affordable housing development both to NSHT and other nonprofits in the area. NSHT has commenced work on its first several projects including a 10-unit project in Ipswich involving the conversion of a building to senior housing that the Salem Harbor CDC is serving as Project Manager for the Housing Trust. They are also developing a project in Gloucester and administering lotteries for affordable homeownership projects. Additionally, NSHT is making important progress in raising the necessary funds to hire an Executive Director to provide the oversight to implement the organization's mission.

**9. Essex County Community Foundation (ECCF)**

The Essex County Community Foundation (ECCF) provides funding support to non-profit organizations serving the needs of residents in Essex County. The organization raises this funding from individuals and families who are searching for ways to donate to their communities, but until the Foundation was formed, had no means of doing so without establishing their own private foundation or moving their funds outside of the county. The Foundation works closely with donors to serve their charitable interests and manage funds that benefit specified organizations, defined purposes and provide scholarships.

ECCF supports many organizations and programs, and in relation to development has created the Environmental Stewardship Initiative and Essex County Forum, both efforts that promote more coordinated planning and balanced development. The Environmental Stewardship Initiative provides a forum for building connections among area organizations and individuals to promote long-term sustainable growth in Essex County to avert the negative impact of unplanned growth. The Essex County Forum offers educational and informational events and other outreach on smart growth issues.

**10. Greater Lawrence Habitat for Humanity**

Habitat for Humanity is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need that has grown over the past two decades into one of the largest private homebuilders in the world. The organization has almost 1,600 U.S. affiliates and over 2,000 affiliates worldwide, including one serving the Greater Lawrence area.

In Spring 2003, representatives from the Greater Lawrence Habitat for Humanity presented their program to a large group of interested Boxford residents. The presentation was met with great enthusiasm, and the Community Preservation Committee began working with Habitat’s Executive Director, Stephanie Harrington, to explore a Habitat project in Boxford. The Committee identified several possible sites and is actively exploring a parcel that has the potential to support multi-family Habitat homes. In January of 2004, Habitat’s Board of Directors voted to authorize its staff to begin working with the Boxford CPC to explore these potential projects.

**IV. PROPERTY INVENTORY**

The following information represents a work in progress that will be fine-tuned on an ongoing basis in coordination with other Town Boards and Committees. A map of the existing affordable housing stock and these potential affordable housing sites is included in Attachment 1.

**A. Publicly-owned Properties**

The Boxford Open Space and Recreation Plan Committee and Boxford Housing Partnership Committee have identified a number of properties that are owned by the Town, which may be suitable for some amount of affordable housing development. These parcels are identified as category 1, 2 or 3 depending upon level of priority consideration for affordable housing development with category 1 as highest priority in the Two-Year Action Plan, category 2 for inclusion in Five-Year Plan, and category 3 involving more questionable sites for future consideration. The Town has not completed preliminary feasibility analyses on any of these parcels, but has begun to make arrangements for conducting some tests on the category 1 parcel.

**Town-owned Properties with Potential for Affordable Housing Development**

<b>Parcels</b>	<b>Map #/ Block/Lot</b>	<b>Total Parcel Acres</b>	<b>Buildable Housing Acres</b>	<b>Projected Total # Units/ Affordable Units</b>
Parcel #1 Spofford Road	15/2/1	19.27	10	80/50

<i>Category 1 Subtotal</i>				80/50
<b>Parcels</b>	<b>Map #/ Block/Lot</b>	<b>Total Parcel Acres</b>	<b>Buildable Housing Acres</b>	<b>Projected Total # Units/ Affordable Units</b>
Parcel #2 Middleton Road (rental)	00/00/02	4	4	16/16
Parcel #3 Wash. and Willow	10/2/20	2.5	2.5 acres	10/5
Parcel #4 Killam Hill Road	20/2/9	1.1	1.1	4/2
Parcel #5 Pond Street	25/5/19A	.18	.18	1/1
Parcel #6 Round Top Road	25/2/10	4.34	4.34	16/8
<i>Category 2 Subtotal</i>				47/32
Ipswich Road	18/2/18 18/2/19 (adjacent parcels)	0.69 acres 0.21 acres	0.90 acres	4/2
Middleton at Fuller	40/4/6	1.8	1.8	8/4
Endicott Road	42/1/23	1.6	1.6	6/3
Georgetown Road	20/10/6	1.9	1.9	8/4
Main Street	17/2/13	2	2	8/4
Middleton Road	40/4/6	1.8	1.8	8/4
Pine Plain Road	11//2/22	3.8	3.8	16/8
Sunrise Road	25/3/44	.53	.53	2/1
Titus Lane	33/2/15.2	?		
Washington Street	10/1/21	1.4	1.4	6/3
<i>Category 3 Subtotal</i>				66/33
<b>Total</b>				<b>193/115</b>

\* Beyond Parcels #1 and #2 projections conservatively assume homeownership, however it is anticipated that a number of these projects will involve rentals; 100% of units in rental developments count towards the state-defined Affordable Housing Inventory.

The above projections were based on the following assumptions:

- Projections are based on approximately eight (8) units per acre on larger sites of more than 10 acres and approximately four (4) units per acre on sites smaller than this threshold. However, given specific site conditions it may be appropriate to lower or increase density.
- The Town of Boxford has determined that it wants to maximize the number of affordable units per project, and depending upon the project location, site conditions and feasibility, at least 50% of the new units will be available as affordable to the greatest extent possible. To adequately address the range of local housing needs, efforts will be taken to incorporate those with incomes of less than 60% of area median income into rental developments that are projected to be developed in Year 5 and beyond. The exception is the first proposed project on Town-owned land that the Town wants to produce a higher level of affordability – almost two-thirds – and is projecting homeownership. The remaining units will be targeted to the greatest extent possible to Town employees earning between 80% and 150% of area median income.
- Another housing goal is to provide housing for those along the full range of incomes, and approximately 10% of new homeownership units will be targeted to more moderate and middle income households that will enable the town to provide housing for those households earning above 80% of area median income and less than 150% of area median income but priced out of the current housing market. Additionally, market rate units will provide internal subsidies to help support project feasibility, which will be particularly important for sites that will incur high costs of infrastructure.
- The number of acres set-aside for housing involves a very preliminary estimate of the buildable area and in recognition of Town concerns for maintaining some amount of open space in most developments, including infrastructure requirements such as water and sewer treatment facilities, and in some cases accommodating other uses on site as well.

In addition to currently owned Town parcels, the Town of Boxford may decide that it will acquire privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Community Preservation Funds would be one good source for such acquisition as the accommodation of both affordable housing and open space would serve two CPA goals.

## **B. Private Properties**

The Boxford Housing Partnership has also identified privately owned properties that might be appropriate for incorporating some affordable housing development. There are several medium sized lots in the 10 to 20 acre range and also larger parcels of more than 20 acres that are currently being considered for acquisition by the Town in the future. The Town plans to work cooperatively with existing owners or for profit and non-profit developers and organizations to develop or redevelop these properties, incorporating affordable housing.

It is also likely that developers will continue to pursue comprehensive permit applications. In fact all 15 affordable housing units in Boxford were developed through the comprehensive permit process to override zoning requirements. It will be incumbent on the Town, primarily through the

Boxford Housing Partnership Committee and Zoning Board of Appeals, to negotiate with these developers to guide new development to more appropriately satisfy local needs and requirements, creating a higher percentage of affordable units where feasible with Town support.

## **V. AFFORDABLE HOUSING PLANNED PRODUCTION GOALS**

The Massachusetts Department of Housing and Community Development (DHCD) is administering the Planned Production Program in accordance with regulations that enable cities and towns to prepare and adopt an affordable housing plan that demonstrates production of an increase of .75% over one year or 1.5% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.<sup>12</sup> Boxford will have to produce approximately 20 affordable units annually to meet these production goals. If DHCD certifies that the locality has complied with its annual production goals, the Town may, through its Zoning Board of Appeals, deny comprehensive permit applications.

Using the strategies summarized under the Housing Action Plan described in Section VI.A through D., the Town of Boxford has developed a Planned Production Program to chart affordable housing production activity over the next decade. The projected goals are best guesses at this time and there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- For the first development on Town-owned property, at least fifty percent (50%) of the units that are developed on Town-owned parcels should be affordable to households earning at or below 80% of area median income and at least another 10% affordable to those earning up to 150% of area median income, depending on project feasibility. The rental projects, which are projected for Year 5 and beyond, will also target some households earning at or below 60% of area median income. However, for the first project the Town wants to do more. Current plans are for the project to focus on ownership where almost 2/3 of the units are set-aside as affordable with the remaining units affordable to those earning between 80% and 150% of area median income targeted to the greatest extent possible to Town employees.
- Unit projections are responsive to environmentally sensitive areas that due to Title V requirements related to nitrogen sensitivity restrict density to no more than four (4) units per acre unless water treatment facilities are built on site, an expensive proposition that restricts feasibility of smaller sites.<sup>13</sup> On larger sites where water and sewer treatment facilities are more feasible, the projected number of units is based on eight (8) units per acre, however densities may be higher or lower depending on specific site conditions and the surrounding area.
- Because housing strategies include some development on privately owned parcels, production will involve projects sponsored by private developers through the standard regulatory process or “friendly” comprehensive permit process. The Town will continue to work with these private developers to fine-tune proposals to maximize their responsiveness to community interests and compliance with Housing Guidelines. The Town plans to promote increased affordability in these projects, working with developers to incorporate at least one-third of the units as affordable.
- The projections involve a mix of rental and ownership opportunities, targeting rental or mixed rental and ownership closer to nonresidential uses, more remote areas and larger

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<sup>12</sup> Massachusetts General Law Chapter 40B, 760 CMR 31.07 (1)(i).

<sup>13</sup> All developments within the Water Resource Protection District must comply with the standards of that bylaw, including a maximum of five parts per million nitrogen loading standard.

parcels and homeownership towards the smaller sites in residential areas. *The Town will work with private developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents.*

## **PRODUCTION GOALS 2004 -- 2014**

### **Year 1 – 2004**

Support private development through “friendly” 40B process = 20 units

### **Year 2 – 2005**

Promote development of Town-owned property – Phase 1 (40 units ownership) = 25 units

### **Year 3 – 2006**

Promote development of Town-owned property – Phase 2 (40 units ownership) = 25 units

### **Year 4 – 2007**

Support private development through “friendly” 40B process = 10 units

### **Year 5 – 2008**

Promote development of Town-owned property (rental) = 16 units

Accessory apartments = 2 units

Inclusionary zoning = 2 units

*Subtotal = 20 units*

### **Year 6 – 2009**

Promote conversion of existing housing stock = 5 units

Support private development through “friendly” 40B process = 10 units

Accessory apartments = 2 units

Promote scattered-site development = 5 units

*Subtotal = 22 units*

### **Year 7 – 2010**

Promote development of Town-owned property = 5 units

Support private development through “friendly” 40B process = 10 units

Promote conversion of existing housing stock = 5 units

Allow affordable development on nonconforming lots = 3 units

*Subtotal = 23 units*

### **Year 8 – 2011**

Promote development of Town-owned property = 5 units

Support private development through “friendly” 40B process = 10 units

Promote scattered-site development = 5 units

Implement “swap” program = 5 units

Accessory apartments = 2 units

*Subtotal = 27 units*

### **Year 9 – 2012**

Support private development through “friendly” 40B process = 15 units

Implement “swap” program = 5 units

Accessory apartments = 2 units

Promote conversion of existing housing stock = 5 units

*Subtotal = 27 units*

### **Year 10 – 2013**

Promote development of Town-owned property = 5 units

Support private development through “friendly” 40B process = 10 units

Promote scattered-site development = 5 units

Inclusionary zoning = 5 units

Allow affordable development on nonconforming lots = 2 units

*Subtotal = 27 units*

**Total = 226 affordable units and 58 middle -income units with a total projected number of housing units created of 476 units. A summary chart of these production goals is included as Attachment 2.**

*It is difficult to project which specific projects will involve ownership vs. rental beyond Year 5, and these projections are therefore conservative with totals assuming homeownership projects with at least 50% of the units affordable although a mix of rental and ownership is planned to meet local needs. The numbers would be higher in the case of rental projects with all units counting as part of the Affordable Housing Inventory. Additionally, these estimates do not earmark particular projects as being directed to seniors, families, individuals or special needs populations, however, this Plan projects that all of these needs will be addressed through local development efforts during the next ten years.*

## **VI. HOUSING ACTION PLAN**

The strategies outlined below are based on previous planning studies, the context established by the Housing Needs Assessment, and the experience of other comparable localities on the North Shore and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Planning and Regulatory Reform, Building Local Capacity, Housing Production, and Housing Preservation – and categorized by Two-Year and Five-Year Action Plans. Two-Year actions are those that will begin within the next two years, most of which will involve some immediate actions. Those actions included in the Five-Year Action Plan are longer-term strategies that will involve some focused attention after the next couple of years. A summary of these Housing Actions is included in Attachment 3.

### **A. Planning and Regulatory Reform**

Housing production is contingent not only on actual development projects but on the planning and regulatory tools that enable localities to make well informed decisions to strategically invest limited public and private resources on housing creation. To most effectively and efficiently execute the strategies included in this Plan and meet production goals, greater flexibility will be needed in the Town’s Zoning Bylaw and new tools will be required to capture more affordable units and expeditiously move development forward to completion.

The minimum lot requirement of at least two acres in the existing Zoning Bylaw as well as frontage and setback requirements are not conducive to affordable housing and create the need for regulatory relief on any residential development that includes affordable units.<sup>14</sup> The only

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<sup>14</sup> Zoning requirements in Residential-Agricultural Districts include minimum lot frontage requirement of 250 feet, minimum diameter area of 200 feet, and minimum depth of 50 feet for at least 200 contiguous feet. Exceptions to these requirements include lots with at least six acres; with minimum continuous street



exceptions to these requirements is the Elderly Housing District, which was created to accommodate the Four Mile Village development, or grand fathered lots that were created prior to the zoning requirement.

Another zoning requirement that impacts new affordable housing development is the phased growth bylaw. The purpose of this bylaw is “to protect and promote the public health, safety and welfare of the Town of Boxford by phasing the growth of the Town at a manageable rate to ensure that the Town has adequate time to expand its resources and to provide the necessary services to meet the education, infrastructure and public safety needs of its residents in accordance with its Master Plan”. The requirement applies to all new housing development except housing for the elderly within the Elderly Housing District. Based on a prescribed phasing schedule, building permits for each development will not be granted at an annual rate greater than the following:

**Phased Growth Schedule**

Number of New Dwellings Projected in Total Development	Maximum Number of Building Permits for New Dwellings Per Year <sup>15</sup>
1-10	5
11-20	6
21-30	7
31-40	8
41-50	9
More than 50	10 plus 5% of number over 50

Given these zoning constraints, it will be necessary to seek regulatory relief, most likely through the “friendly” comprehensive permit process, to override local zoning and make affordable housing development possible in Boxford.

**1. Adopt Inclusionary Zoning**

*Current Status:* Inclusionary zoning is not currently included in Boxford’s Zoning Bylaw. This mechanism has been adopted by many communities to insure that any new development project over a certain size would include a set-aside in numbers of affordable units or funding to support the creation of affordable housing. This applies to development that meets local zoning requirements, but many communities incorporate some density bonuses in their inclusionary bylaws. And most municipalities that have inclusionary zoning in place, one-third of the municipalities in the Commonwealth, are reaping the rewards of these actions through the creation of actual affordable units or cash contributions to the locality for investment in affordable housing production.

*Next Steps:* There are a number of bylaws that have been adopted in localities throughout the state that vary considerably based on requirements. The Boxford Housing Partnership Committee and Planning Board should explore these models and prepare a zoning amendment that is best suited to Boxford. This amendment should be brought to the Planning Board for vote, and if approved, presented to Town Meeting for adoption.

*Timeframe: Two-Year Action Plan*

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frontage of not less than 50 feet and a width of not less than 50 feet at any point between the street and the site of the dwelling; there is not more than one other such lot with frontage contiguous to it; and according to the Planning Board, it is not located as to block the possible future extension of a dead-end street.

<sup>15</sup> Beginning with the filing date with the Registry of Deeds of the definitive subdivision plan.

This process could be accomplished within the next year, ready for vote by Town Meeting in the spring of 2005.

*Resources Required:* One of the benefits of this strategy is that it requires very little local investment to implement. The monitoring of projects to insure continued affordability based on restrictions would be the responsibility of the project sponsor and coordinated by the proposed Housing Coordinator (see Section VI.B.5. for more information on the Housing Coordinator). All affordable units added through such a bylaw would need to be registered with the state to be included as part of the Town's Affordable Housing Inventory.

*Projected # Affordable Units Produced:* 7 units

## **2. Adopt Housing Guidelines for Privately Sponsored Affordable Housing Development**

*Current Status:* "Housing Guidelines" should be adopted as a means to promote greater cooperation with private for profit and non-profit developers on producing affordable housing in Boxford. This Community Housing Plan incorporates Planned Production goals that identify development opportunities leading to the production of at least .75% of the year-round housing stock per year of about 20 units. Legislation has been proposed to reduce this threshold to .5% or approximately 13 units, representing a more manageable target. However, given past production of only 15 total units, both goals are ambitious and will require the Town to work more effectively with developers to boost the level of affordable housing production. To this end the Boxford Housing Partnership Committee plans to be able to affect the types of housing proposals submitted through the creation of reasonable Housing Guidelines that provide guidance on the types of projects that will be acceptable to the community and therefore will more likely avoid prolonged and often litigious battles.

Housing Guidelines provide an aid to both non-profit and for profit housing developers to help them plan for residential development that will be in line with what the community seeks in affordable housing relating to scale, siting, density, levels of affordability, location and design, making "win/win" outcomes more likely. Through such Guidelines the developer "wins" because there is greater predictability in what the Town is willing to approve, and the Town "wins" because it gets new affordable units that meet locally established development criteria that help it meet local needs and production goals.

Boxford's Zoning Bylaw and land use regulations currently provide little guidance on what the Town seeks in affordable housing. These Guidelines will contribute to a more open environment where developers who meet these development criteria can approach the Town with the expectation that they will likely be able to pursue their project through a "friendly" Chapter 40B process, working with instead of against the Town on housing creation strategies.

The draft Housing Guidelines are included as Attachment 4.

*Next Steps:* The Boxford Housing Partnership Committee should revise the draft Housing Guidelines as needed and share them with the Board of Selectmen, the Planning Board, Conservation Commission, Zoning Board of Appeals and other interested boards and committees for their review and comment. The Guidelines can then be finalized and brought before the Planning Board and Zoning Board of Appeals for approval.

*Timeframe:* These Guidelines could be revised, circulated, finalized and approved within the next year.

*Resources Required:* Donated time of members of various Town boards and committees.

*Projected # Affordable Units Produced:* 85 units through private development, most likely the "friendly" Chapter 40B process.

### **3. Amend Accessory Apartment Bylaw**

*Current Status:* The current Zoning Bylaw allows accessory apartments, however restricts them to single-family residences through a special permit within Residence-Agricultural Districts "for the purpose of meeting the special housing needs of grandparents, parents, brothers and sisters, children and their respective spouses of owner-occupants of properties in the Town of Boxford". There are currently more than 100 accessory apartments in Boxford.

The Bylaw also states that the special permit for an accessory apartment terminates upon resale and change of occupancy by the owner and requires that the accessory units not change the single-family character of the dwelling, except for the provision of an additional access or egress. The maximum floor size for an accessory unit cannot be more than the lesser of 1,000 square feet or 25% of the habitable area (the finished living space) of the principal dwelling.

Accessory units are helpful in meeting a number of public policy objectives. First, they enable homeowners to capture additional income, which is particularly important for elderly homeowners or single parents where such income may be critical to remaining in their homes. Also, without the flow of income from an accessory apartment, some young families or moderate-income households might not be able to afford homeownership. Second they provide appropriately sized units for growing numbers of smaller households. Third, accessory units are inexpensive ways of increasing the rental housing stock at lower cost than new construction and without significant impact on the surrounding neighborhood. And the creation of accessory units does not require additional Town services such as streets or utilities or involve the loss of open space. Fourth, tenants in accessory apartments can also provide companionship, security and services for the homeowner, from shoveling the sidewalk for an elderly owner to babysitting for a single parent. Fifth, often referred to as "in-law" apartments, they have offered good opportunities for keeping extended families in closer contact as recognized by the current bylaw. Sixth, new accessory units typically generate tax revenue in a locality because accessory units add value to existing homes. Seventh, recently the Massachusetts House of Representatives allowed several new types of housing units to count toward a community's 10% goal including accessory apartments constructed on or after July 1, 2002, pursuant to a local ordinance or bylaw, and "that is affordable to the occupant". For an accessory apartment to "count" in the community's Affordable Housing Inventory, the Town will have to annually certify the affordability of each accessory unit to DHCD.

*Next Steps:* In order to promote new accessory units the Town should amend its Zoning Bylaw to extend permitted occupancy of the accessory units to those beyond family members and to allow the development of separate additions or buildings on single lots. There are many variations of accessory apartment bylaws that have been adopted in other communities. The Boxford Housing Partnership Committee can explore other bylaws

and work with the Planning Board on an amendment that will best meet the needs of Boxford.

*Timetable: Two-Year Action Plan*

*Resources Required:* Time from the Planning Board to prepare the zoning amendment and coordinate the necessary approvals. Additional time will be needed from the proposed Housing Coordinator (see Section VI.B.5. for more information on the Housing Coordinator) to prepare the necessary implementation plan to insure long-term affordability of at least some of the new accessory apartments (see strategy VI.C.4. for details).

*Projected # Affordable Units Produced:* 8 units (this unit count is also included under strategy VI.C.5. – Incorporate Accessory Apartments in the Affordable Housing Inventory).

#### **4. Allow Affordable Development on Nonconforming Lots**

*Current Status:* There are parcels of land that at this time cannot be developed because they do not meet the dimensional requirements of the Zoning Bylaw such as minimum lot size as well as front, rear and side yard requirements. It is likely that 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 empty nesters interested in reducing their living space and home maintenance.

*Next Steps:* The Boxford Housing Partnership Committee might explore what other communities are doing with respect to these undersized lots and work with the Planning Board to prepare a zoning amendment to enable these lots to be developed based on specific criteria. One potential model is to allow such lots to be developed by Special Permit or through the state's Local Initiative Program<sup>16</sup>, restricting the development to affordable units that qualify for inclusion in the Town's 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.

*Timetable: Five-Year Action Plan*

*Resources Required:* Staff time of the Housing Coordinator (see Section VI.B.5. for more information on the Housing Coordinator) to work with the Housing Partnership Committee, Planning Board, and other local officials in determining the feasibility of implementing this strategy in Boxford, drafting the zoning amendment, and coordinating the necessary approvals towards implementation.

*Projected # Affordable Units Produced:* 5 units

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<sup>16</sup> The Local Initiatives Program (LIP) is a state program under which communities may use local resources and DHCD technical assistance to develop affordable housing that is eligible for inclusion on the state-defined Affordable Housing Inventory. LIP is not a financing program, but the DHCD technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. At least 25% of the units must be set-aside as affordable to households earning at or below 80% of area median income.

**5. Waive Application Fees for Town-Supported Projects**

*Current Status:* Many communities are waiving application fees for certain affordable housing developments, either for certain types of projects or on a case-by-case basis. Waivers are becoming more important to gaining funding from potentially supportive funding agencies. All regulatory fees become part of a development budget that affects the affordability of the housing produced. Waiver of regulatory fees is an area that the Town might have some capability to directly affect project costs and affordability.

*Next Steps:* The Town of Boxford currently waives fees for projects sponsored by Town entities, and the Town should consider going beyond this and make fee waivers an institutionalized part of the Town's housing efforts. The Boxford Housing Partnership Committee should work with the Board of Selectmen to determine what types of projects would qualify for this waiver (e.g., non-profit developers, projects that require housing subsidy funds to be feasible, projects meeting Planned Production requirements) and the projected amount of foregone revenue that would result.

*Timetable:* Two-Year Action Plan and Ongoing

*Resources Required:* Amount of fees waived in support of new affordable unit development.

*Projected # Affordable Units Produced:* This action is unlikely to by itself create affordable units, however, it represents a commitment on the part of the Town to support new affordable unit production that will help leverage other public and private resources for project financing and contribute to project affordability.

**B. Build Local Capacity to Promote Affordable Housing**

In order to be able to carry out the strategies included in this Community Housing Plan and meet the Planned Production goals, it will be important for the town of Boxford to build its capacity to promote affordable housing activities. 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 and systems that will support new housing production.

**1. Conduct an Educational Campaign for Affordable Housing**

*Current Status:* Affordable housing has become a more visible issue in Boxford, largely as a result of the wave of comprehensive permit projects that have ignited local opposition. While many residents are aware of escalating housing prices and some are encountering significant difficulties affording housing in Boxford, it is likely that most residents hold onto negative stereotypes of what affordable housing is and what it will do to their community.

On February 26, 2004, the Boxford Housing Partnership Committee sponsored a forum for local leaders and the public to hear the results of a Housing Needs Assessment that is a substantial component of this Community Housing Plan. During this meeting, updated information on the erosion of affordable housing units in Boxford was presented highlighting the current gaps between the supply of housing and local needs.

Another public forum was held on April 1, 2004, to provide information on the draft Community Housing Plan to not only get feedback on the Plan's strategies and goals, but

also to offer another opportunity to showcase the issue of affordable housing in a light that demonstrates how the town can be proactive on the issue to better serve the wide range of local needs and control new development. 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 on local concerns and suggestions.

*Next Steps:* Outreach can initially be directed to local officials and committees and then followed by more formal public efforts directed to the entire community through the local press, media and events. Additional community outreach to various local groups (e.g., churches, PTA's, women's clubs, fraternal organizations, realtors, hospitality organizations, Council on Aging, etc.) can occur through speakers or information meetings, and a newsletter or some progress report can be prepared for general distribution.

As noted above, the presentation of this Community Housing Plan offers an opportunity to bring attention to the issue, offering information on housing needs and proposed strategies that can help attract community support for affordable housing initiatives. It may also be useful for the Town to sponsor several forums to present the Housing Plan, opening these up to the public to better sensitize community residents and local leaders on the issue. In addition to meetings that focus on this planning effort, other public education opportunities could be coordinated by the Boxford Housing Partnership Committee including having representatives from other towns speak in public forums on innovative affordable housing strategies, bringing representatives from Citizens Housing and Planning Association (CHAPA) to a community meeting to provide a power point 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. It may also be feasible to have local banks support such an effort with financial and/or technical assistance.

*Timetable: Two-Year Action Plan*

*Resources Required:* Staff support from the proposed Housing Coordinator (see Section VI.B.5. for more information on the Housing Coordinator) and involvement of the Boxford Housing Partnership Committee.

*Projected # Affordable Units Produced:* Unlikely to have a direct impact on actual unit production.

## **2. Secure and Maintain Executive Order 418 Housing Certification**

*Current Status:* In 2001 Executive Order 418 was approved by the state to help communities plan for new affordable housing opportunities for individuals and families while balancing activities related to economic development, transportation, infrastructure improvements and open space preservation. In addition to providing communities with technical assistance grants to support the costs of preparing Community Development Plans, the Order prescribed a Housing Certification process, that initially suggested a range of housing-related activities towards which communities must demonstrate significant progress to obtain priority when applying for various state discretionary programs administered by the Executive Office of Transportation and Construction,

Executive Office of Environmental Affairs, Department of Housing and Community Development, and the Department of Economic Development. Those communities that secure Housing Certification will receive a 10% scoring bonus when applying for these grant programs. Additionally, communities that have not attained Housing Certification are not eligible to receive some discretionary grant funds administered by the four agencies that are non-competitive, not scored, and/or are accepted on a rolling basis. Bottom-line is that communities that do not have Housing Certification will be significantly disadvantaged when applying for state funding making it more difficult to implement affordable housing plans.

In FY 2004 and beyond, Housing Certification is achieved if a community has an acceptable housing strategy based on specific EO 418 housing certification requirements and can demonstrate that new units have been created for households and individuals with low, moderate, and middle incomes. Low-income households are defined as those earning at or below 50% of area median income (\$37,750 for a family of four), moderate-income as those earning more than 50% but no more than 80% of area median income (\$57,500 for a family of four) and middle-income as those earning more than 80% and up to 150% of area median income (\$101,100). Plans must fulfill a number of requirements including quantifiable objectives for producing units by housing type for each of these income groups.

Boxford has not sought nor received Housing Certification in the past, however almost 150 towns and cities currently have such certification in place including most of Boxford's neighbors.

*Next Steps:* The Town is not currently in a position to apply for Executive Order 418 Housing Certification. While Boxford has prepared this Community Housing Plan that will meet all of the requirements for Housing Certification, it has yet to produce newly created housing units for households and individuals with low, moderate and middle incomes. While it is possible for communities that have an acceptable housing plan in place but are unable to demonstrate the creation of housing units to apply for a waiver, Boxford cannot justify the waiver based on the criteria included in the housing certification instructions. As soon as Boxford has affordable units approved for construction, it should request a waiver of newly created units, indicating substantial new construction activity in the coming year and progress to date to promote affordable development. The Housing Partnership Committee should have the Housing Coordinator (see Section VI.B.5. for more information on the Housing Coordinator) prepare the application for Housing Certification.

*Timetable: Two-Year Action Plan and Ongoing*

*Resources Required:* Will require staff time from proposed Housing Coordinator or consultant to prepare necessary application and oversee process of applying annually for Housing Certification.

*Projected # Affordable Units Produced:* This action affects all projects that will require state subsidies including most of the Housing Production strategies.

### **3. Support the Creation of a Local Non-profit Organization**

*Current Status:* It is unnecessary, and would in fact be extremely inefficient, for every suburban community to create an organization to undertake the actual development of affordable housing.

Housing development, as well as housing management, are highly specialized activities requiring the oversight of skilled professionals who have experience in moving projects through the various stages of development – planning, feasibility analysis, creating the deal and securing financing, construction, and sale or management. There are a number of larger communities that do have existing non-profit development organizations, but most of these organizations also recognize that the pipeline of possible projects in their own communities is relatively limited over time, and they will have to look beyond their geographic boundaries if they hope to survive. The minimum a non-profit development organization needs to operate is now about \$100,000, requiring a critical mass of resources not readily available in every locality.

Nevertheless, in order to insure that new affordable housing is sensitive to local needs and gains the necessary political support, each community should consider having its own functioning non-profit entity with tax-exempt status to serve the community in a number of important capacities. First, such organizations can become effective brokers for housing resources, including donated land and money, to be dedicated to affordable housing initiatives and managed by the organization through an affordable housing support fund. Second, in addition to the local housing partnership committee, they can serve as articulate advocates for affordable housing in the community, sponsoring events and special forums to bring attention to the issue and promote local support. This local outreach helps dispel negative stereotypes about affordable housing and establishes a more productive dialogue within the community. Third, the organizations can possibly joint venture with developers, for profit and non-profit, on actual development projects, to insure better compatibility with local concerns, needs and priorities. Fourth, at some time in the future a local non-profit could seek funding to manage special programs (e.g., employer-assisted housing, committed loan pools with area banks, outreach to seniors regarding reverse equity mortgages, research projects, regional partnership efforts). Fifth, these entities can be a vehicle for the community to expedite new production efforts such as acquiring property through the housing support fund, being the pass-through entity to which Town-owned properties are conveyed or leased, and working closely with the Housing Partnership Committee on the implementation of local housing strategies. Sixth, a local non-profit can serve as the marketing agent for new housing units and monitoring agent to insure long-term affordability.

It is important for the Town to be clear about respective roles and responsibilities of the Housing Partnership Committee and any new non-profit housing organization. The Housing Partnership Committee, as the municipally appointed entity for overseeing housing matters, should be the policy and planning body that defines policy issues that are in the public interest and establishes guidelines for housing efforts. The non-profit can serve as the implementing agent that works with the Housing Partnership Committee to execute various parts of the Community Housing Plan. To effectively and efficiently carry out these responsibilities the Housing Partnership Committee and non-profit organization need to work closely and should meet at regular intervals to formally share information on ongoing work and discuss new initiatives.

*Next Steps:* The Housing Partnership Committee should look at how other comparable communities have established non-profit housing organizations and adapt an approach to Boxford. For example, the Town of Bedford's Housing Partnership established such as organization with the same members belonging to both Board of Directors. The town of Belmont appointed new members to its non-profit housing organization making sure that there was some overlap in membership between the Trust and Housing Committee. A new non-profit organization has recently been established in Boxford, the Boxford Housing Trust, and it is currently seeking its tax-exempt status from the IRS. While there have been several early discussions between the Boxford Housing Partnership Committee



and Boxford Housing Trust about how they might work cooperatively to produce affordable housing, it is too early to predict the extent to which the new Housing Trust will be involved in supporting the activities included in this Community Housing Plan.

*Timetable: Two-Year Action Plan*

*Resources Required:* Donated time of members of the Housing Partnership Committee and time from the proposed Housing Coordinator (see Section VI.B.5. for more information on the Housing Coordinator) to support the organization as well as CPA, HOME and other funds to support production efforts.

*Projected # Affordable Units Produced:* This action is key to housing production efforts in that the non-profit organization will oversee progress on a number of Town-initiated projects.

#### **4. Create an Affordable Housing Support Fund**

*Current Status:* Discussions with other communities regarding the success of their affordable housing initiatives indicate that it is often critical to have accessible funds available to respond immediately and effectively to housing opportunities as they arise. Also, many of the state subsidy sources require local matches of funds either through local funds, waivers of fees, donation of Town-owned property, or private donations. In order to receive donations and avoid paying taxes, it is useful for each locality to have a dedicated housing fund that is managed by an entity that has received 501(c)(3) tax exemption or create a special municipally managed gift fund for affordable housing.

The Town of Boxford has already made impressive headway in securing new resources to support affordable housing production through passage of the Community Preservation Act that will enable the town to receive state matching funds on a property tax surcharge for the preservation of open space, historic preservation and affordable housing development.

*Next Steps:* The Boxford Housing Partnership Committee should explore a wide range of possible fundraising options. In addition to the resources mentioned above, the Partnership Committee should also consider private sector donations. This process of securing private support not only provides financial benefits to further capitalize the Affordable Housing Support Fund, but it is also a vehicle for raising awareness of the affordable housing issue and generating interest and political support for affordable housing initiatives.

Many communities are reaching out to residents for private donations of land or funds to promote housing affordability. Such contributions and the “bargain sale” of real estate could become a part of the Boxford land ethic, but donations need to be promoted, nurtured, and facilitated. For example, a resident of Winchester purchased a house that the local non-profit rehabilitated, subsidized and sold to a first-time homebuyer. The resident received reimbursement upon resale. This non-profit also coordinates an annual fund raising effort to solicit contributions to subsidize its purchase/rehab efforts from area residents. A Weston family donated a portion of their property for an affordable housing development, residents in other communities are donating land to Habitat for Humanity, and other communities are arranging for substantial federal and state tax benefits for benefactors. Bedford received an individual’s donation of two prints that were sold at auction, with the proceeds made available to support affordable housing initiatives in

town. Additionally, inclusionary zoning, if passed, may also provide cash resources for a wider range of possible developments that can help capitalize the Housing Trust if the developer decides to pay cash in lieu of constructing actual affordable units. There are a number of communities – such as Lexington and Westwood – that have accumulated considerable cash resources through this strategy. Other towns, including Mansfield and Bedford for example, are receiving funds from developers through negotiations on comprehensive permit projects, or other local developments, that will capitalize housing support funds. Additionally, some of these developers have agreed to further contribute to these funds if the purchase prices for the market units are higher than the projected prices.

Faith-based affordable housing initiatives are widely viewed as effective, as reported by the organization World Vision.<sup>17</sup> The Boxford Housing Partnership Committee can work with the local churches on some additional activities that focus on affordable housing. For example, churches could be requested to contact the Housing Partnership Committee when considering the sale of any church-owned property prior to putting it on the market. Additional properties might be identified for Habitat for Humanity and special plate offerings might be considered for donation to the Housing Fund, perhaps during Fair Housing month.

*Timetable: Two-Year Action Plan*

*Resources Required:* Significant time of volunteers to coordinate fundraising activities with staff support from proposed Housing Coordinator ((see Section VI.B.5. for more information on the Housing Coordinator).

*Projected # Affordable Units Produced:* This action leads to the production of units indirectly as it attracts new resources to support housing creation activities.

## **5. Hire a Housing Coordinator**

*Current Status:* If the Town of Boxford wants to assume a more proactive role in promoting affordable housing and effectively implement the range of actions included in this Community Housing Plan, it will have to augment its capacity to coordinate these activities. While most of the strategies that are included in this Plan do not by themselves involve substantial amounts of staff time from Town officials, when considered altogether they require a significant time commitment and involve some specialized expertise in housing programs, policy and development.

The Boxford Housing Partnership Committee has already had initial discussions concerning the creation of a part-time position to coordinate efforts included in the Community Housing Plan to be filled by a consultant or more permanent staff person.

*Next Steps:* The Boxford Housing Partnership Committee should prepare a scope of services for the Housing Coordinator position and work with the Community Preservation Committee to insure that funds to cover the new position are included in the Committee's proposal for approval at Town Meeting. Once funding is in place, the Housing Partnership Committee should hire and supervise a Housing Coordinator.

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<sup>17</sup> Shabecoff, Alice. Rebuilding Our Communities: How Churches Can Provide, Support, and Finance Quality Housing for Low-Income Families, World Vision: Monrovia, California.

*Timeframe: Two-Year Action Plan.*

*Resources Required: Approximately \$25,000 annually.*

*Projected # Affordable Units Produced: Unlikely to have a direct impact on actual unit production but essential for coordinating the implementation of the Plan.*

### **C. Housing Production**

To accomplish the actions included in this Community Housing Plan and meet production goals, it will be essential for the Town of Boxford to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources. The development strategies described below rely on joint ventures with developers – for profit and non-profit – to create affordable units. For example, competitive Requests for Proposals (RFP's) are recommended for the selection of developers of Town-owned property. For profit developers continue to express interest in developing housing in Boxford, and there are numbers of non-profit organizations that have the capacity to undertake the development of affordable housing and have successfully completed affordable housing projects throughout the Boston area.

In addition to the active participation of the development community, it will be important for Boxford to actively 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 Fund. If affordable housing was allocated one-third of the existing CPA funding, it could expect approximately \$240,000 annually including the state match. Beyond the support of the proposed Housing Coordinator, this amount is likely to support the creation of no more than a handful of affordable units per year, whereas the Planned Production goals project the production of about affordable 20 units annually. In addition to the state's Department of Housing and Community Development (DHCD), other state and quasi-public agencies that have resources to support affordable and special needs housing include MassHousing, MassDevelopment, Department of Mental Retardation, Department of Mental Health, Community Economic Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, and Massachusetts Housing Investment Corporation (MHIC). And because affordable housing is rarely developed without private financing, project developers will need to reach out to private lenders as well.

In addition to the four housing goals that are the building blocks of this Housing Plan (see Section II.C.), development strategies are also based on important objectives that serve as guiding principles in selecting project sites, determining types of development, and identifying priorities. Whenever possible, the Town of Boxford should target development projects based on the following development objectives:

- Target development projects to Town-owned properties to take advantage of parcels that will have discounted or nominal acquisition costs to make affordable housing more financially feasible.
- Look for opportunities to obtain privately owned land or other resources for free or at below market values to promote greater financial feasibility.
- Avoid targeting development projects to areas that are ecologically sensitive and will degrade nearby conservation land, however look to opportunities to combine open space preservation and housing development through cluster development.
- Look for affordable housing opportunities that will minimize impacts on the built or natural environment such as accessory apartments or buy-down initiatives.

- Spread the impacts of new housing development geographically throughout town to avoid substantial impacts in any one neighborhood.
- Develop a number of project alternatives in recognition of a range of housing needs in town including rental and homeownership options as well as housing for seniors, families and those with special needs.
- Look to areas of town that could accommodate higher housing densities such as sites that are closer to nonresidential uses and more remote.
- Encourage mixed-income development to minimize stigmas associated with concentrations of low-income units.

The affordable housing production strategies can be divided into four general categories of development:

1. *Development of Public Property*

The development of Town-owned property is planned to launch Town-initiated production efforts with the first project projected to cover the second and third years of Boxford's Planned Production Program. Specifically the Spoffard Road site, the approximately 20-acre parcel behind the Spoffard School towards the Georgetown line (not the landfill site), is being investigated to determine feasibility as the first Town-sponsored project. There are also smaller Town-owned parcels that either on their own or as a package of parcels can be developed over the next decade to create new affordable housing including both ownership and rentals.

2. *Scattered-site Private Development*

This Plan also incorporates smaller-scale infill development that will have relatively fewer impacts on any single neighborhood as affordable housing creation will be spread geographically throughout town. Additionally, the promotion of affordable accessory apartments will also be scattered throughout Boxford without significant changes to the built or natural environment.

3. *Larger-scale Private Development*

In order to meet Planned Production goals, it will be necessary for Boxford to find ways to work cooperatively with private developers, for profit and non-profit, in the creation of affordable housing. As indicated in strategy VI.A.2. above, Town officials should consider the promulgation of Housing Guidelines to provide guidance on what type of housing proposals will be acceptable to the Town and to negotiate with developers to insuring that new development will satisfy local needs and priorities.

4. *Conversion of the Existing Housing Stock to Affordability*

The purchase of existing housing for conversion to some level of affordability should be explored.

The following strategies provide the basic components for the Town to meet its housing production goals:

1. **Make Town-Owned Land Available for Affordable Housing**

*Current Status:* The contribution or "bargain sale" of land owned by the Town but not essential for municipal purposes is a substantial component of Planned Production goals and will enable Boxford to proactively launch its housing efforts. The Boxford Housing Partnership Committee has identified a sampling of Town-owned parcels that might

potentially be developed as affordable (see Section IV.A. of this Plan for the list of properties under preliminary consideration). Final determination of the use of these parcels for affordable housing is subject to a more thorough feasibility analysis of site conditions and Town Meeting approval.

In addition to currently owned Town parcels, the Town of Boxford may decide that it will acquire privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Community Preservation Funds would be one good source for such acquisition as the accommodation of both affordable housing and open space would serve two CPA goals.

*Next Steps:* The Boxford Housing Partnership Committee should conduct a preliminary feasibility analysis on existing Town-owned parcels, including those listed in Section IV.A., or on sites identified at a later time that might potentially include some amount of affordable housing. If this analysis indicates that housing can likely be accommodated, the Partnership Committee should request approval from the Board of Selectmen and Town Meeting to designate these identified parcels for affordable housing development. The Town of Boxford is interested in maintaining a fee interest in these parcels and will therefore enter into long-term leases, such as 99 years, with project sponsors.

Following the necessary approvals, the proposed Housing Coordinator should work with the Housing Partnership Committee to prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town's specific project requirements and select a developer based also on identified criteria included in the RFP. It is likely that the projects will require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and the Housing Partnership Committee may be able to obtain this relief through normal channels, if community support is assured, or use the "friendly" comprehensive permit process through DHCD's Local Initiatives Program (LIP) or MassHousing's Housing Starts Program. Additionally, the Partnership Committee will need to be involved in attracting the necessary financial, technical and political support. Evidence of municipal support is often critical when seeking financial or technical assistance from state or federal agencies.

The Housing Partnership Committee should consider the following process when planning for the development of Town-owned land:

- *Conduct preliminary feasibility analysis on potential development sites.*  
The first responsibility for this action, besides the Housing Partnership Committee, will be Town staff or representatives from other Boards and Committees who are capable of providing technical input as to whether a particular site is feasible for housing development and what constraints must be considered in preparing development plans. Additionally, the Town might explore technical assistance funding from Massachusetts Housing Partnership or other entity to hire a consultant to conduct preliminary feasibility analysis.
- *Secure approval from Town Meeting to lease parcel for development to incorporate affordable housing,*  
The Boxford Housing Partnership Committee should make this request and provide supportive documentation regarding the proposed project.

- *Prepare and issue a Request for Proposals (RFP) for developers that includes project guidelines (e.g., approximate size, density, ownership vs. rental, target market/income mix, level of affordability, design issues, community preference criteria, siting, financing available, ownership and management, other stipulations) and selection criteria.*

The Housing Partnership Committee should work with Boxford's Chief Procurement Officer on this important task.

- *Select developer.*

Once again the Housing Partnership Committee should work with the Town's Chief Procurement Officer on this. It will be important for the Town to conduct a fair and rigorous selection process for reviewing proposals to insure that it designates the most capable developer to sponsor the project. The Town might consider a selection process with two phases. First, all applicants must meet specific threshold requirements for their proposals to be considered competitive. These threshold criteria might include:

- Successful construction experience as a contractor of residential property of at least a certain specified number of units, based on size of the project in question, during the past five years.
- Demonstrated knowledge and capacity to meet the requirements of the state's Building Code.
- Taking into account current workload, demonstrated borrowing capacity to carry private construction loans of a specified threshold based on the size of the particular project.
- Taking into account current workload, ability to begin construction within a specified period following designation.

All respondents to the RFP who pass the threshold requirements would then be evaluated, scored and ranked according to competitive selection criteria such as:

- Level of construction experience and capacity.
- Level of financial ability and capacity.
- Cost and price projections (applicants are scored according to how the proposal strikes a balance between project quality and cost).
- Quality of the proposed design and product.
- Cost control ability and current capacity.
- Experience working with government-assistance programs.

Each of the above categories might also be given specific points (for example, construction capacity might be given 30 total points as opposed to experience working with government at 5 points) and based on the proposals and references, the proposals are scored and ranked, and the respondent with the most points earning designation. All of this information should be formally documented.

- *Prepare and finalize plans and budget,*

The designated developer is responsible for this task with guidance from the Housing Partnership Committee.

- *Secure regulatory approvals.*  
The designated developer is responsible for obtaining regulatory approvals with guidance from the Housing Partnership Committee. As the designated Town Committee responsible for housing, the Housing Partnership Committee can also be helpful in intervening, as appropriate, to expedite approvals and lend local support.
- *Secure financing.*  
The designated developer will ultimately be responsible for obtaining project financing, including both public and private sources. Support from the Housing Partnership Committee will be helpful, and letters of support from the Town, including the Board of Selectmen, will be critical in applying for many types of subsidies. Also, Town Meeting approval will be required for CPA funding.
- *Conduct closing including lease of property to the developer.*  
The Housing Partnership Committee should have some input into the terms and conditions of the lease arrangement.
- *Secure building permits.*  
The designated developer will take the lead.
- *Start construction.*  
The designated developer will be responsible.
- *Market and select tenants/owners for affordable units.*  
The Housing Partnership Committee can assume these roles and might consider delegating some of these responsibilities to the proposed non-profit organization at some time in the future or a housing authority in a nearby community for rental projects. Local realtors could be involved in marketing the market rate units.

It is important to recognize that Boxford can designate up to 70% of the available units in both rentals and ownership projects for those who meet community preference criteria as established by the Town. For example, the criteria used in Four Mile Village include Boxford residents, former residents, parents or grandparents of residents, or brothers or sisters of residents. Other communities have included children of residents, former graduates of the school system, municipal employees or any Town employees in their definition for receiving priority consideration for new available units under community preference criteria. The Boxford Housing Partnership Committee should establish local policy on the definition of community preference. Nevertheless, all developments must be affirmatively marketed throughout the region to meet requirements under Chapter 40B and subsidy programs.

- *Complete construction.*  
The developer will be responsible.
- *Occupy property*

The designated developer will be ultimately responsible with support from the Housing Partnership Committee.

- *Manage property.*  
The professional management of new rental housing is critical to the future viability of the development, and the management entity must have a proven track record and be approved by the Boxford Housing Partnership Committee. If the proposed project sponsor does not have the expertise to undertake project management functions, it should work with the Boxford Housing Partnership Committee to identify a private company, capable non-profit organization, or even a housing authority from a nearby community to assume these important management functions.
- *Monitoring of affordability including annual income recertification of tenants in affordable units in the case of rentals and resales in affordable homeownership projects.*  
The Housing Partnership Committee could assume these responsibilities.

An example of a 6-acre Town-owned site to be developed through Town sponsorship as a rental project might be configured as follows:

- *Project Configuration:* Rental project at 4 units per acre with 50% of the units affordable to those households earning at or below 60% of area median income. Total of 24 two-bedroom units, at least 12 affordable units.
- *Total Development Costs:* Assume rough total development costs per unit of \$170,000 and no acquisition costs; project would involve a total budget of approximately \$4,080,000.
- *Total Operating Expenses:* Assume total operating expenses of \$400/unit or \$115,200 annually.
- *Total Operating Income:* Assuming Section 8 rental subsidies for 12 affordable units of \$923 per unit (existing HUD Fair Market Rent for two-bedroom units) and market rate rentals of \$1,800, total project income would equal about \$392,000 annually. This amount could support debt of approximately \$3.65 million after operating expenses.
- *Financing Gap:* Gap of \$430,000 or almost \$18,000 per unit, however rental subsidies are a critical component and gap would be considerably more without project-based rental vouchers.

All 24 units could be counted as part of the Town's Affordable Housing Inventory because this is a rental development. Because Executive Order 418 Housing Certification requires communities to produce housing along a full range of incomes, including middle-income housing for those earning up to 150% of area median income (\$101,100) with rents of up to \$1,685, it would be helpful to have at least 10% or two to three of the above units priced in the \$1,500 to \$1,600 range to reach these households who are priced out of the existing housing market. This would not increase the financing gap substantially.

An example of the same project with 100% of the units made affordable is as follows:



- *Project Configuration:* Rental project at 4 units per acre with 100% of the units affordable to those households earning at or below 60% of area median income. Total of 24 two-bedroom units.
- *Total Development Costs:* Assume rough total development costs per unit of \$170,000 and no acquisition costs; project would involve a total budget of approximately \$4,080,000.
- *Total Operating Expenses:* Assume total operating expenses of \$400/unit or \$115,200 annually.
- *Total Operating Income:* Assuming Section 8 rental subsidies for 24 affordable units of \$923 per unit (existing HUD Fair Market Rent for two-bedroom units), total project income would equal about \$265,800 annually. This amount could support debt of approximately \$2.0 million after operating expenses.
- *Financing Gap:* Gap of more than \$2 million or almost \$83,333 per unit with rent subsidies and about \$87,000 per unit without. If rent subsidies were not available and rent was \$1,100, gap would be \$60,000 per unit targeting units to those households earning at or below 80% of area median income as opposed to 60% the income threshold required by most subsidy sources for rental projects.

If the same site was to be developed for ownership, the following scenario is offered:

- *Project Configuration:* Homeownership project on a 6-acre site at 4 units per acre with 50% of the units affordable to those households earning at or below 80% of area median income. Total of 24 three-bedroom townhouses.
- *Total Development Costs:* Assuming rough total development costs per unit of \$200,000 and no acquisition costs; project would involve a total budget of approximately \$4.8 million.
- *Projected Purchase Prices:* \$110,000 per affordable condominium townhouse (assumes condo fee of \$350 per month) and \$350,000 per market rate townhouse totaling \$5.52 million.
- *Financing Gap:* There is no financing gap in this scenario and project could support four additional affordable units or acquisition costs of \$720,000 without subsidies.

Under this scenario, only the affordable homes, or 12 units, could be counted as part of the Town's Affordable Housing Inventory unless proposed legislation is approved that would allow homeownership units to be double-counted.

Because Executive Order 418 Housing Certification requires communities to produce housing along a full range of incomes, including middle-income housing for those earning up to 150% of area median income (\$101,100) with purchase prices of up to \$336,591, it would be helpful to have at least 10% or two to three of the above units priced at approximately \$300,000 to reach these households who are priced out of the existing housing market. This would be financially feasible in the above scenario.

If the project was to insure affordability of all of the 24 units, cost estimates are as follows:

- *Project Configuration:* Homeownership project on a 6-acre site at 4 units per acre with 100% of the units affordable to those households earning at or below 80% of area median income. Total of 24 three-bedroom townhouses.

- *Total Development Costs:* Assuming rough total development costs per unit of \$200,000 and no acquisition costs; project would involve a total budget of approximately \$4.8 million.
- *Projected Purchase Prices:* \$160,000 per affordable home totaling \$3.84 million
- *Financing Gap:* There is a financing gap of \$960,000, or \$40,000 per unit. CPA funding might cover at least some of the projected gap.

Once again, because Executive Order 418 Housing Certification requires communities to produce housing along a full range of incomes, including middle-income housing for those earning up to 150% of area median income (\$101,100) with purchase prices of up to \$336,591, it would be helpful to have at least 10% or two to three of the above units priced at approximately \$300,000 to reach these households who are priced out of the existing housing market.

As indicated above, in addition to existing Town-owned parcels, the Town anticipates that it will acquire a number of privately owned properties over the next decade using CPA funding and other resources to preserve open space and accommodate some amount of housing, including affordable housing. As sites are identified, the Boxford Housing Partnership Committee should work cooperatively with the Conservation Commission, Community Preservation Committee and other entities to commit the needed resources to make the projects feasible. *If any of the preliminarily identified existing Town-owned properties are finally determined infeasible or do not obtain approval from Town Meeting, it is anticipated that the projected numbers of affordable units would be met through this acquisition process.*

*Timetable: Two-Year Action Plan and ongoing*

*Resources Required:* Staff time of the proposed Housing Coordinator to work with the Housing Partnership Committee and Town's Chief Procurement Officer to prepare a Request for Proposals, coordinate the developer selection process and oversee development and construction, marketing and tenant/owner selection and occupancy. In addition to costs of coordinating development, resources will be required to help subsidize the development. Comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones. Many communities have used the "friendly" comprehensive permit process to take advantage of these internal subsidies, to create the necessary densities to make development feasible, and to make it easier to navigate the existing regulatory system. Other communities are finding that they require public subsidies to cover the costs of affordable or mixed-income residential development and need to access a range of programs through the state and federal government and other financial institutions to accomplish these objectives. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income tenants can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

It is likely that a number of financial and technical resources will be required to produce affordable units in Boxford. Boxford is fortunate to have Community Preservation Act funding available to support affordable housing but will also need to explore the

following resources to make affordable housing development feasible in addition to the Town-owned property conveyed or leased at a nominal price:

- Predevelopment funding from the Massachusetts Housing Partnership Fund, CEDAC, MHIC, Life Initiative, etc.
- HOME funding from the North Shore HOME Consortium. There are 30 communities participating in this Consortium, including Boxford. Boxford receives an allocation of \$8,235 annually based on a formula related to the number of low- and moderate-income households in the community. Towns have been able to bank these allocations for a period of a couple of years, however, based on funding demands they are unlikely to be able to do so in the future. Boxford has not yet accessed these funds and should do so in the near future to support preliminary feasibility testing for the Spofford Road site. There are also competitive rounds of funding once a year when communities are able to apply for higher amounts of HOME funds to support particular projects. RFP's are typically issued in the fall and awards are announced the first of the year. Applicants must have at least preliminary plans and costs in place to apply, and funding has been based on what the project needs, ranging considerably from \$30,000 to as high as \$300,000 per project.
- Federal HOME Program financing of up to \$65,000 per unit administered through DHCD for a range of housing activities. These are competitive funding sources, and DHCD typically accepts proposals through two funding rounds per year.
- Possible federal financing through Low Income Housing Tax Credits to developers of affordable housing that provide significant equity into a development. The allocating agency is DHCD and there are typically two funding rounds per year. These funds are directed to rental properties solely and are extremely competitive.
- Section 202 federal financing to nonprofit organizations for the development of rental housing targeted to very low-income seniors or those with disabilities.
- Affordable Housing Program grant funding from the Federal Home Loan Bank Board, applied through participating banks.
- Rental subsidies through the Project Based Section 8 Program or individual Section 8 vouchers (this program is administered through the state, Housing Authorities and regional non-profit organizations, but the state issued too many Section 8 vouchers last year and there has been a moratorium on new vouchers. This is anticipated to be a temporary situation, however, HUD keeps cutting back on the funding for this important program.
- Section 8 to Homeownership Program, enabling Section 8 subsidy recipients to access homeownership – this program is beginning to be implemented in the state.
- Additional resources that are directed solely to first-time homebuyer projects to make homeownership more affordable including the Soft Second Loan Program, Purchaser-Based HOME Program and MassHousing First-Time Homebuyer financing.
- Financing from CEDAC to support innovative forms of affordable housing including SRO's, transitional housing, limited equity cooperatives, etc. and to preserve existing affordable housing developments.

- OneSource Loan Program is a streamlined financing program offered jointly by MHIC and Massachusetts Housing Partnership Fund offering construction and permanent financing in a single package.
- LISC, a national intermediary organization, is beginning to entertain financing proposals from organizations operating in the suburban ring of Boston to support new housing development.
- Other state funding programs.

*Projected # Affordable Units Produced:* 81 units as well as 35 middle-income units

## 2. **Support Scattered-Site Housing**

*Current Status:* Many communities are looking for opportunities to create affordable housing through efforts that will spread the impacts of new housing production throughout the community so as not to overburden any particular neighborhood. There are smaller lots, both Town-owned and privately-owned, that are geographically spread throughout Boxford that might accommodate more limited numbers of new housing units in support of Planned Production goals and local needs. In addition, the proposed strategy included under Section VI.A.4. would allow the development of one or two affordable units on small non-conforming lots, representing another opportunity to produce scattered infill housing.

*Next Steps:* The Town can work with for profit and non-profit developers as well as with abutters of vacant land to develop new infill housing on available vacant sites scattered throughout town. The Town can play a helpful role in supporting developers in applying for subsidies to insure that at least some of the units are affordable and can be included in the Town's Affordable Housing Inventory; can negotiate "friendly" Chapter 40B projects through DHCD's Local Initiatives Program, MassHousing's Housing Starts Program, or the Federal Home Loan Bank Board's New England Fund; and can encourage abutters to create affordable housing on vacant adjacent lots. Additional resources to support such development can be accessed through the state and federal governments (Examples are listed in the above strategy).

Habitat for Humanity has expressed great interest in developing new affordable homes in Boxford and is looking for donated public and private land on which to build. Several organizations that support special needs housing have also contacted the Housing Partnership Committee concerning their interest in developing group homes in Boxford. There are also excellent models of small comprehensive permit projects in other communities that incorporate several income tiers to meet the housing needs of those within a wide range of incomes. For example, Junction Place is a recently built condominium project in Needham comprised of five attached townhouse units. The project was developed on a site with less than 12,000 square feet by a private developer through the New England Fund Program of the Federal Home Loan Bank of Boston. All five of the townhouses were sold at below market prices to eligible families through a lottery system. Two of the homes were sold for \$165,000 to families earning up to 80% of the area median income with the remaining three sold for \$310,000 to families earning up to 150% of the area median income. Each of the units contains approximately 1,512 square feet including 3 bedrooms, 2 ½ bathrooms, a laundry room with a washer and dryer, a one-car garage and an outside parking space. All of the units were conveyed subject to a deed rider, containing restrictions that require affordability for a period of 99 years. A second phase is being developed that will include some market priced units to offset the higher price of land.

*Timeframe: Five-Year Action Plan*

*Resources Required:* It will be helpful for the Housing Partnership Committee to support such efforts and, when possible, make scattered Town-owned parcels available for affordable housing development through Requests for Proposals.

*Projected # Affordable Units Produced:* 15 units

### **3. Implement “Swap” Program**

*Current Status:* Because of Boxford’s rural character and large lot zoning requirements, the town has a considerable number of properties that could accommodate more than the single homes that currently occupy the sites. And based on the Housing Needs Assessment, we know that there are lower income owners who are “equity rich but cash poor” and are experiencing difficulties affording their current housing expenses.

*Next Steps:* The Boxford Housing Partnership Committee should implement a “swap” program that would encourage owners of single-family homes on parcels of six acres or more to come forward and discuss how additional housing units, including affordable units, can be built on their properties. In exchange for a minimum cash deal on the lots, the owners would be entitled to one of the new housing units. It may be helpful for the Town to offer some property tax relief as an additional incentive for owners to participate in the program. The sites could be acquired by the proposed non-profit organization, which would then joint venture with a contractor to complete the project as “friendly” comprehensive permit project.

Another option is for owners to engage the necessary expertise to sponsor the development themselves and apply to the Town for a comprehensive permit. An owner of a six-acre parcel has already approached the Housing Partnership Committee with preliminary plans for developing the site through a comprehensive permit. The owner is looking to eventually demolish her existing house and live in one of the new units. Developments should comply to the greatest extent possible with the Housing Partnership Committee’s Housing Guidelines.

*Timeframe: Five-Year Action Plan*

*Resources Required:* Whenever feasible, more than the required minimum 25% of the units should be made available as affordable, with Housing Guidelines specifying a goal of 50% affordability. This may necessitate subsidies, either Community Preservation funding, HOME Program funds, or other state and federal subsidies. Support for these developments is also likely to require the time of the Housing Coordinator and donated time of the Boxford Housing Partnership Committee.

*Projected # Affordable Units Produced:* 10 units

### **4. Convert Existing Housing Units to Affordability**

*Current Status:* Because Boxford has a very limited supply of affordable housing that is eligible for inclusion in the state-defined Affordable Housing Inventory, currently only 15 units, the town should explore a range of options for creating new affordable units and should not overlook the potential of working with for profit, non-profit and local residents on strategies to not only preserve the affordability of the existing housing stock

but to, when possible, convert existing market units to state-defined “affordable” units. This strategy is particularly challenging in Boxford because of the very limited supply of multi-family rental properties and condominiums that are typically the most feasible targets for “buy-down” initiatives aimed at purchasing, improving, subsidizing and reselling or leasing units in accordance with Chapter 40B requirements. Most towns that are embarking on purchase-rehab programs, including communities with high market values, are focusing on multi-family properties with at least two units. Even purchasing homes at the lower end of the price range, in the low \$400K range, will require a subsidy of almost \$300,000 to improve and make the unit available to a low- or moderate-income household – too much to pay in subsidy for the production of a single unit. Additionally, because of the high total development costs, it is unlikely that the project would qualify for state subsidy programs.

*Next Steps:* In addition to incorporating accessory apartments in the housing inventory as described in strategy VI.C.5. below, the Boxford Housing Partnership Committee should conduct outreach to local residents to solicit interest in redeveloping their properties to create new affordable units that can help the Town meet its production goals. It may be that some owners are willing to donate all or part of their properties for new development by Habitat for Humanity or potentially the proposed non-profit organization. Others might be willing to sell their properties at some discount in exchange for federal tax advantages or property tax relief. Still other owners might have properties that can be redeveloped into at least four units such that one or two of the units could be developed as affordable as either rentals or condominiums. Another option is to try to convert existing units in the Four Mile Village into the town’s Affordable Housing Inventory.

- *Purchase-Rehab or New Development of Existing Properties*

The Housing Partnership Committee should look for opportunities to acquire property and sponsor new affordable housing. If possible, it is useful to acquire several properties at a time to package into one project and thus create more than one affordable unit. Also, property with a single house in Boxford is likely to be large enough to accommodate additional development on site through the comprehensive permit process, and therefore the economics of the project improve greatly. Rental properties could be managed by a local or regional property manager with a good track record or perhaps a Housing Authority operating in a nearby community. Under the ownership model, homes would be sold by the project sponsor to income-eligible, first-time homebuyers with the necessary resale restrictions (to the greatest extent possible with restrictions in perpetuity and resales indexed to HUD area median income). A lottery would be required for the sale of the affordable units with those with connections to Boxford receiving priority consideration for up to 70% of the new affordable units. Funding to subsidize the development could come from a variety of sources such as the HOME Program, Section 8 program (for rental projects) and other state resources including the Local Initiative Program (LIP).

- *Elderly Occupied Units*

Another possible option is for the Town to work with elderly homeowners who are living on very limited incomes to enable them to live in their homes for as long as they would like by offering sufficient financial incentives in exchange for a long-term affordability restriction (to the greatest extent possible with restrictions in perpetuity and resales indexed to HUD area median income). This restriction has the effect of ensuring that when the house is sold it will be

affordable and sold to a buyer who has an income at or below 80% of area median income and includes the appropriate income and resale conditions to “count” as part of a community’s state-defined Affordable Housing Inventory under Chapter 40B. The financial incentives include funds for both building improvements, which would insure the physical viability of the property over time, plus an annuity, which would provide the owner with a steady long-term income stream. This annuity might come from CPA funds. Another option is to offer the incentive of an exemption from property taxes. Seniors may also be attracted to above strategy VI.C.3 - the “swap” program – that would enable the owner to sell their property for a nominal amount in exchange for a new unit to be created along with others on site.

- *Conversion of Existing Units to Affordability*  
The Housing Partnership Committee should explore how some of the units at Four Mile Village could be converted to affordability without significantly compromising the Boxford Friendship Foundation’s control over the project. At this time, all of the project’s 98 units are sold at prices ranging from \$78,287 to \$141,570 that would be affordable to households earning within 80% of area median income. While these units are all in fact affordable, none currently qualify for inclusion in the Town’s state-defined Affordable Housing Inventory. If at least 25% of these units would be marketed and sold with long-term deed restrictions to those earning at or below 80% of area median income, then Boxford could add all of the 98 units at Four Mile Village to its Affordable Housing Inventory.

*Timeframe: Five-Year Action Plan*

*Resources Required:* Staff time from the proposed Housing Coordinator to work with the Boxford Housing Partnership Committee to coordinate projects including support for securing subsidy funds. See strategy VI.C.1. above for list of possible funding sources.

*Projected # Affordable Units Produced:* 15 affordable units

## **5. Incorporate Accessory Apartments in the Affordable Housing Inventory**

*Current Status:* Boxford allows accessory apartments as long as the units are rented to family members and are in compliance with a number of other requirements. However, none of these accessory units can be counted in the Town’s Affordable Housing Inventory at this time because they do not meet the state’s Chapter 40B definition of affordable housing.

Boxford’s housing stock is conducive to the development of accessory apartments because so many of the houses are large. And the Housing Needs Assessment has identified that there are low-income Boxford households who are finding it difficult to pay their housing expenses. Having more options available in the housing market, such as small rental units, will serve unmet local needs. See strategy VI.A.3. for more information on accessory apartments.

Other communities are looking for opportunities to insure that at least some portion of current accessory apartments or new accessory units created can be incorporated into the Affordable Housing Inventory. For example, the Town of Barnstable has implemented a program to enable those with illegal accessory units to come forward and receive

necessary assistance to convert their units to legal use and be maintained, in the short-term at least, as affordable and eligible for inclusion in the town's Affordable Housing Inventory. This program was created in recognition of the number of illegal accessory apartments that some estimated to be approximately 100 that the Town was not able to assess at market value and might involve health and safety hazards. Barnstable has processed more than 60 units through its program. Key features of Barnstable's Program include:

- a. The property is brought up to health and safety standards with subsidies available to assist owners with these improvements. An inspector is assigned to the program by the Town.
- b. Applicants may select their own tenant provided tenants meet program requirements (within 80% of area median income). The monitoring agent regarding eligibility is the Housing Authority. When a unit becomes available, it must be listed with the Housing Authority and regional non-profit housing organization.
- c. Leases have a minimum term of one year.
- d. Each year the applicant files an affidavit with the Housing Authority listing the rent charged and the income level of the occupants to verify compliance with program requirements.
- e. The comprehensive permit is not transferable without prior approval of the Hearing Officer or Zoning Board of Appeals.
- f. Barnstable now allows applicants to use a detached structure or build a new addition to their property for the purpose of creating an accessory unit.
- g. The average processing time of an application has been two and a half months.

In the case of Boxford, the Housing Partnership Committee could assume the roles that are allocated to the Housing Authority in Barnstable.

On the other hand, the town of Marshfield decided to give owners the option of participating in an Affordable Accessory Apartment Program and, therefore is looking at incentives to encourage owners to enter into at least a short-term agreement to maintain their accessory unit as affordable, such as property tax relief. The exemption of property taxes might be especially attractive to elderly owners living on fixed incomes.

The proposed Housing Coordinator and Housing Partnership Committee should consider adapting Barnstable's Program to Boxford, also looking at models that have been adopted in other communities.

*Timeframe: Five-Year Action Plan*

The implementation plan could be developed within the next several years to be considered by Town Meeting sometime within the next five years.

*Resources Required:* Staff time from the proposed Housing Coordinator to work with the Housing Partnership Committee to adapt Barnstable's Program to Boxford. Inspections and other costs related to Program administration could be covered by modest processing fees. Barnstable charges applicants \$160.00 to pay for the administrative costs and \$25.00 for each home inspection. The costs of-monitoring the Program could be supported by fees derived from participating homeowners, perhaps \$25.00 annually. Additionally, if the Town were to offer tax relief to participating owners, it would forego



a certain amount of tax revenue annually (projected number of eight units times average tax bill of \$7,000 equals \$56,000 annually).

*Projected # Affordable Units Produced:* 8 units (this unit count is also included under strategy VI.A.3.)

**D. Housing Preservation**

Housing production is critical, but the Town also needs to be concerned that it does not lose units already counted as part of its Affordable Housing Inventory and provides resources to support the deferred home maintenance needs of seniors.

**1. Monitor Affordability of Existing Affordable Housing Inventory**

*Current Status:* Based on how housing was financed, how long the affordability requirements were established, and other stipulations in affordability agreements, the affordable status of housing units may be in jeopardy in many communities in the future. Boxford's existing affordable unit inventory – the 15 units at Andrews Farm – has deed restrictions in place in perpetuity, however, the formula that was used to calculate resale prices is pushing these homes outside the range of affordability. For example, the resale restrictions included a formula that based resale prices on 55% of the market price. Given skyrocketing housing costs, units at Andrews Farm are now coming close to \$300,000 that would translate into resale prices of more than \$165,000 – coming closer to the high range of what a family earning at 80% of area median income could afford

*Next Steps:* It is important to insure that all affordable housing units that are produced remain a part of the Town's Affordable Housing Inventory, in perpetuity if possible. The Boxford Housing Partnership Committee working with the Housing Coordinator should closely monitor developments with affordable units, and the Town should intervene if necessary to maintain the units as affordable through the courts or through purchase and refinancing if necessary. New affordable units that come into the Inventory should be designated as affordable for as long a period of time as possible and, in the case of homeownership, with resale restrictions indexed to changes in HUD's area median income as opposed to market value.

*Timeframe:* Two-Year Action Plan and Ongoing

*Resources Required:* Staff time from the proposed Housing Coordinator.

*Projected # Affordable Units Produced:* While this strategy is unlikely to create new affordable units, it is essential for maintaining existing affordable units.

**2. Access Housing Rehab Programs**

*Current Status:* There are state resources available that provide financial and technical support for qualifying owners of homes that need repair, upgrading and deading. Many seniors living on fixed incomes are finding it increasingly difficult to afford the costs associated with home improvements and as a result have deferred maintenance needs. Additionally, some seniors and those with special needs require special handicapped adaptations and repairs to help them remain in their homes. Boxford residents might also benefit from technical and financial support in the case of septic failures and Title V compliance issues. The Town might want to explore options for accessing funding to support home repair needs through a regional non-profit, special funding application to

DHCD, through MassHousing programs, or through a collaborative effort with nearby communities.

*Next Steps:* Through the community educational campaign recommended in Section VI.B.1., important information on housing improvement resources could be disseminated, both to real estate professionals, local organizations and community residents. The Council on Aging is also an important resource for providing seniors with information on available resources.

*Timeframe: Two-Year Action Plan and Ongoing*

*Resources Required:* The Town, through its Council on Aging and potentially the proposed non-profit organization, should provide the necessary education and referrals to programs sponsored by Community Teamwork, Inc. and MassHousing for example, which provide low-cost financing for repair needs including deleading, septic systems and other home improvements. The proposed Housing Coordinator would be also available to answer inquiries, make appropriate referrals and provide community outreach on available resources.

*Projected # Affordable Units Produced:* Unlikely to produce new affordable units but instrumental in helping seniors and others with special needs remain independent in their homes.

## **VII. DESCRIPTION OF USE RESTRICTIONS**

As has been indicated in various sections of this Housing Plan, the town of Boxford is committed to maintaining its Affordable Housing Inventory for as long a period as possible. Deed riders or affordable rental restrictions should assure continued affordability in perpetuity to the greatest extent possible. The resale prices included in homeownership projects should be indexed to HUD's area median income as opposed to market value to better assure this affordability over the long-term. The annual recertification in the case of rental agreements should be the responsibility of the project sponsor who must report annually to the Boxford Housing Partnership Committee or other housing organization approved by the Town. The responsibility for monitoring resales of affordable homeownership units could either be assumed by the Boxford Housing Partnership Committee or Citizens Housing and Planning Association (CHAPA).

**ATTACHMENT 1**

**Map of Existing and Potential Affordable Housing Sites  
PDF attached**

**(Note: Insert map here)**

**ATTACHMENT 2**  
**Boxford Planned Production Program**

Strategies by Year	Units < 80% AMI	Units 80% - 150% AMI	Total
<b>Year 1 – 2004</b>			
Private development	20	0	72
<i>Subtotal</i>	<i>20</i>	<i>0</i>	<i>72</i>
<b>Year 2 – 2005</b>			
Phase I development of Town-owned property	25 (ownership)	15	40
<i>Subtotal</i>	<i>25</i>	<i>15</i>	<i>40</i>
<b>Year 3 – 2006</b>			
Phase 2 development of Town-owned property	25 (ownership)	15	40
<i>Subtotal</i>	<i>25</i>	<i>15</i>	<i>40</i>
<b>Year 4 – 2007</b>			
Private development	10	3	30
<i>Subtotal</i>	<i>10</i>	<i>3</i>	<i>30</i>
<b>Year 5 – 2008</b>			
Develop Town-owned property (rental)	16	2	16
Accessory apartments	2	0	2
Inclusionary zoning	2	0	20
<i>Subtotal</i>	<i>20</i>	<i>2</i>	<i>38</i>
<b>Year 6 – 2009</b>			
Conversion of existing housing	5	0	5
Private development	10	3	30
Accessory apartments	2	0	2
Scattered-site development	5	0	10
<i>Subtotal</i>	<i>22</i>	<i>3</i>	<i>47</i>
<b>Year 7 -- 2010</b>			
Develop Town-owned property	5	1	10
Private development	10	3	30
Conversion of existing housing	5	0	5
Development on non-conforming lots	3	0	3
<i>Subtotal</i>	<i>23</i>	<i>4</i>	<i>48</i>

<b>Strategies by Year</b>	<b>Units &lt; 80% AMI</b>	<b>Units 80% - 150% AMI</b>	<b>Total</b>
<b>Year 8 – 2011</b>			
Develop Town-owned property	5	1	10
Private development	10	3	30
Scattered-site development	5	1	10
“Swap” program	5	1	10
Accessory apartments	2	0	2
<i>Subtotal</i>	<i>27</i>	<i>6</i>	<i>62</i>
<b>Year 9– 2012</b>			
Private development	15	4	45
“Swap” program	5	1	10
Accessory apartments	2	0	2
Conversion of existing housing	5	0	5
<i>Subtotal</i>	<i>27</i>	<i>5</i>	<i>62</i>
<b>Year 10 – 2013</b>			
Develop Town-owned property	5	1	10
Private development	10	3	30
Scattered-site development	5	1	10
Development on non-conforming lots	2	0	2
Inclusionary zoning	5	0	50
<i>Subtotal</i>	<i>27</i>	<i>5</i>	<i>102</i>
<b>TOTAL</b>	<b>226</b>	<b>58</b>	<b>476</b>

Totals conservatively assume homeownership with at least 50% of the units affordable for projects on Town-owned parcels beyond Year 5. The numbers would be higher in the case of rental projects with all units counting.

Private development assumes that at least one-third of the units would be created as affordable and for smaller developments, including the scattered-site and “swap” strategies, the projections assume 50% affordability.

**ATTACHMENT 3**

**Summary of Housing Actions**

**Lead Parties**

- S Board of Selectmen**
- HPC Boxford Housing Partnership Committee**
- PB Planning Board**
- ZBA Zoning Board of Appeals**

Actions	Timeframe for Commencing Implementation		Lead Parties
	Two-Year	Five-Year	
<b>A. Planning and Regulatory Reform</b>			
1. Adopt inclusionary zoning	X		HPC/PB
2. Adopt Housing Guidelines	X		HPC/PB/ZBA
3. Amend accessory apartment bylaw	X		HPC/PB
4. Allow development on nonconforming lots		X	HPC/PB
5. Waive application fees	X		HPC/S
<b>B. Build Local Capacity</b>			
1. Conduct educational campaign	X		HPC
2. Secure and maintain EO 418 Certification	X		HPC
3. Support creation of non-profit	X		HPC
4. Create affordable housing fund	X		HPC
5. Hire Housing Coordinator	X		HPC
<b>C. Housing Production</b>			
1. Make Town-owned land available	X		HPC
2. Support scattered-site housing		X	HPC
3. Implement "swap" program		X	HPC
4. Convert existing property to affordability		X	HPC
5. Incorporate accessory apartments in Affordable Housing Inventory		X	HPC
<b>D. Housing Preservation</b>			
1. Monitor expiring-use properties	X		HPC
2. Access housing rehab programs	X		HPC

## **ATTACHMENT 4 BOXFORD HOUSING PARTNERSHIP COMMITTEE**

### **DRAFT HOUSING DEVELOPMENT GUIDELINES**

The following Housing Guidelines have been developed by the Boxford Housing Partnership Committee for inclusion in its Community Housing Plan. These Guidelines reflect project characteristics that are likely to be welcomed by the Housing Partnership Committee for further discussion and negotiation in regard to developments that incorporate affordable residential units. The Guidelines will require additional review and input from the Planning Board and Zoning Board of Appeals.

- **Affordability**  
The Housing Needs Assessment that is part of the Boxford Community Housing Plan indicates housing needs across the full range of incomes including families, seniors and others with special needs. Even households earning at the median income level are finding it difficult to afford housing in Boxford. While the actions in the Housing Plan focus housing production on those households with incomes at or below 80% of area median income, the Plan takes into consideration mixed-income developments for a number of reasons. First they minimize the stigma that can be identified with a housing development that is exclusively limited to low- and moderate-income units. Second, they allow for the creation of internal subsidies that cover at least some of the costs associated with producing the affordable units such that the market units cross subsidize the affordable ones. Consequently, Housing Guidelines promote different income tiers to better serve the diverse needs of the community.

At least one-third of the units (50% for developments on Town-owned property and for smaller projects involving scattered-site development and “swap” strategy as described in the Housing Action Plan) should be affordable to those earning at or below 80% of area median income with sales prices below maximums to offer a sufficient “marketing window” for first-time homebuyers. At least 10% of the units should be directed towards households earning between 80% and 150% of median income (up to \$300,000) to cover the needs of moderate - and middle -income households who are priced out of the current housing market.

- **Unit Mix**  
Based on a distribution of needs by seniors, starter households, families, and special needs populations, developments shall strive for an overall equal distribution of one, two and three bedroom units with the inclusion of some four-bedroom units in family developments. Boxford needs a wider range of affordable housing opportunities including both new affordable homeownership and rental opportunities for its seniors and families.



*Elderly Housing:*

Mix of one and two-bedroom units, of which 10% shall be barrier free and accessible for the wheelchair bound.

*Family Housing:*

Mix of two and three-bedroom units with at least 5% of units including 4-bedroom apartments.

*Special Needs Housing:*

Mix of efficiencies and one-bedroom units with allowance of shared living facilities such as congregate units and group homes.

- **Design Criteria**

Development projects should be designed to be harmonious in appearance, construction, and quality of materials with the other units in the development and with the historic and rural character of the town of Boxford. Affordable units should be integrated and dispersed throughout the development and subsidized and market rate units should not be distinguishable from the exterior. Appropriate recreational facilities should be provided, pedestrian access and bike path required, and vegetation buffers required for projects of more than 30 units. Additionally, structures may be built up to three stories in all zoning districts. These Guidelines encourage the use of triplexes and quadplexes and discourage structures with more than eight units per building. The use of wood shingles or clapboard is encouraged.

- **Location**

The Community Housing Plan emphasizes the distribution of affordable housing throughout the town of Boxford in an attempt to avoid unnecessarily high impacts from new development in any one neighborhood. Another objective is to look for affordable housing opportunities that will minimize impacts on the built or natural environment such as the conversion of existing housing to affordability, the creation of accessory apartments, scattered-site development through Habitat for Humanity or a “swap” program, or the development on nonconforming lots.

- **Size and Density**

The density of a particular development should relate to its location in the community whether it is in a residential zoning district, in an area that is relatively separate from the surrounding neighborhood, or in proximity to other uses. The size and density of a project should also be responsive to nitrogen sensitive areas that restrict density to no more than four (4) units per acre unless water treatment facilities are built on site. On larger sites where water and sewer treatment facilities are more feasible, the projected number of units is based on up to eight (8) units per acre, however densities may be higher or lower depending on specific site conditions and the surrounding area.

- **Open Space and Landscaping**

The project should incorporate open space of at least 15% of the parcel, and to the greatest extent possible based on the size of the parcel, this open space should be set-aside as common land and maintained by a homeowners association or the owner of the property. All projects must also include proper landscaping such as grass, trees and shrubs, insuring the same number and quality of items for all units in the development, including the affordable units. Cluster development is encouraged for larger projects of more than 20 units.

- **Parking**  
Each dwelling unit in a development targeted to seniors must include one parking space and in developments targeted to families, two parking spaces must be provided.
- **Environmental Concerns**  
Avoid targeting development projects to areas that are ecologically sensitive and will degrade nearby conservation land. Also, developers should be prepared to address the impact of the traffic created by the development.
- **Marketing**  
The Boxford Housing Partnership Committee will assume the role of marketing agent for the affordable units unless it designates another organization (s) to fill this role. Boxford can designate up to 70% of the available units in both rentals and ownership projects for those who meet community preference criteria as established by the Town, which includes Boxford residents, former residents, parents or grandparents of residents, or brothers or sisters of residents, children of residents, former graduates of the school system, municipal employees or any Town employees. All developments must still be affirmatively marketed throughout the region to meet requirements under Chapter 40B and subsidy programs.
- **Affordability Restrictions**  
Deed riders or affordable rental restrictions should assure continued affordability in perpetuity to the greatest extent possible. The resale prices included in homeownership projects should be indexed to HUD's area median income as opposed to market value to better assure this affordability over the long-term. The annual recertification in the case of rental agreements should be the responsibility of the project sponsor who must report annually to the Town's Housing Partnership Committee or other housing organization approved by the Town. The responsibility for monitoring resales of affordable homeownership units could either be assumed by the Boxford Housing Partnership Committee, other delegated entity approved by the Town, or Citizens Housing and Planning Association (CHAPA).
- **Management**  
The professional management of new rental housing is critical to the future viability of the development, and the management entity must have a proven track record and be approved by the Boxford Housing Partnership Committee. If the proposed project sponsor does not have the expertise to undertake project management functions, it should work with the Boxford Housing Partnership Committee to identify a private company, capable non-profit organization, or even a housing authority from a nearby community to assume these important management functions.