TOWN OF ACTON

Housing Production Plan

2020

Prepared for:
Town of Acton, MA

Prepared by:
Regional Housing Services Office (Lara Plaskon, Elizabeth Rust) and
Jennifer M. Goldson, AICP, JM Goldson community preservation + planning
with the assistance of
Acton Planning Department

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Introduction

A Housing Production Plan (HPP), defined in regulations at 760 CMR 56.03 and administered by the Department of Housing and Community Development (DHCD), is a proactive strategy for planning and developing affordable housing. The HPP identifies the housing needs of a community and the goals and strategies it will use to identify and achieve or maintain the 10% threshold mandated by M.G.L. Chapter 40B[1]. The Town's status relating to this 10% threshold is documented on the Subsidized Housing Inventory (SHI), also administered by DHCD.

This HPP Program enables municipalities to develop strategies to meet their affordable housing needs in a manner consistent with the MGL Chapter 40B statute, produce housing units in accordance with that plan, and demonstrate progress towards their affordable housing production. By taking a proactive approach in the adoption of an HPP, cities and towns are much more likely to achieve both their affordable housing and community planning goals. HPPs give communities under the 10% threshold of Chapter 40B, but are making steady progress in producing affordable housing on an annual basis, more control over comprehensive permit applications for a specified period of time. HPPs give communities over the 10% threshold a framework to maintain the statutory minima in accordance with local needs and community goals.

The Town of Acton places great importance on planning for affordable housing through the HPP process, and this HPP renews the prior 2015 Housing Production Plan.

Housing Production Plans are certified by the following process, as identified in the regulations:

- Prepare the HPP: In accordance with the regulations, write the plan, including a public process, and have the plan adopted by the Board of Selectmen and Planning Board,
- Approve the HPP: DHCD approves the plan,
- Certify the HPP: Create affordable units equal to 0.5% of the total number of housing units in Acton (or 43 for Acton) in one year, or 1.0% (85 for Acton) in two years, and petition DHCD for certification.
- Renew the HPP: The term of the HPP is five years from approval.

Acton currently has a certified HPP, providing a 'Safe Harbor' until July 18, 2021, provided that the units (Avalon) retain eligibility[2] for the SHI for the entire certification period. If units are no longer eligible for inclusion on the SHI, they will be removed and will no longer be eligible for certification.

[1] The 10% mandated by M.G.L. 40B refers to the target that the State has set for all cities in towns in Massachusetts. 10% of the year-round housing units in a city or town (as determined by the most recent decennial census) should be permanently restricted to be affordable to households earning 80% or less of the HUD-determined Area Median Income (AMI). If 10% of units in a city or town do not yet have such affordability restrictions, Chapter 40B allows that development can occur outside a municipality's normal zoning rules.

[2] Units are retained on the SHI when Building Permits are issued within 12 months of the Comprehensive Permit, and Occupancy Permits 18 months after that. These milestones are up to the developers.

Acton has chosen to prepare a Housing Production Plan for two reasons:

1. The 2015 Housing Production Plan requires renewal per the regulations, and this update is being undertaken to retain that approval status.
2. Many of the strategies defined in the in the 2015 Housing Production Plan have been implemented, and it is time to set future strategic goals and objectives with broad community input.

This Housing Production Plan was prepared by the Regional Housing Services Office, JM Goldson community preservation + planning, the Planning Department of the Town of Acton, and the Acton Community Housing Corporation (ACHC). The plan was funded by the ACHC from Acton's Community Preservation Act funds.

The project started in August 2019 with an extensive compilation of available information from over a dozen sources, creating the Needs Assessment chapter. From there, the citizen participation phase commenced with focus groups, an on-line survey which was offered to residents, and advertised in local media from November 22 through December 13, 2019. In total, 754 unique responses were recorded, and the majority of respondents indicated that they live in Acton (86 percent). The steering committee held a community workshop on January 30, 2020 to discern the goals and strategies, which were further explored and detailed. This 9-month effort concludes with the review and adoption of Acton's 2020 Housing Production Plan.

The Housing Production Plan was reviewed and adopted by the Planning Board on and the Board of Selectmen on June 9, 2020.

Executive Summary

The Town of Acton began work on this Housing Production Plan (HPP) in the fall of 2019. The plan has been prepared through a partnership between the Regional Housing Services Office (RHSO) and Jennifer Goldson from JM Goldson community preservation + planning. The RHSO has prepared this housing needs assessment and JM Goldson is conducting the community engagement and goals and strategies sections of the plan.

The HPP has been led by the Town through the Town Planning Division staff, members of the Acton Community Housing Corporation (ACHC) and the Acton Housing Authority. An HPP oversight group comprised of a member of the Board of Selectmen, ACHC members, Planning Division staff, and the Planning Board provided advisory guidance.

The HPP process started with a comprehensive needs assessment investigating over 18 data sources –ranging from the US Census to the Acton Building Department. From there, the project started the multi-pronged community engagement strategy. In November 2019, the team held three focus groups (with 25 attendees), administered an on-line survey (with 754 responses), and held a well-attended community workshop in January (65 attendees). The input from all this data is reflected in the resulting plan.

Key findings from the comprehensive housing needs assessment are summarized below. And the resulting strategies referenced herein aim to create a more varied housing stock and increase affordability to support householders at different income levels and in different stages of life.

Summary Housing Needs Assessment

Acton's population grew most significantly from 1950 to 1970, with over 100% increases each of those decades. Since 2000, the growth has been steady at 8% to 2010, and 8% to 2018, for a total of 23,738. As is characteristic of many municipalities in the region, the town's population is aging with the greatest population increases among residents age 65 to 74 of a 56% increase from 2010 to 2018. Meanwhile, school enrollment has dipped only slightly during the past few years, and a somewhat flat enrollment is anticipated for the next 4-5 years. Acton's non-white population, notably Asian, has grown 6% in the 2018 period, with a corresponding decrease in the white population over that same period. Acton's household size has remained almost constant while it has increased slightly in the surrounding communities and Massachusetts. Renter households are, on average, one person smaller than owner households.

Looking towards the housing stock, nearly two-thirds of Acton's housing units are single-family homes, with three-quarters owner-occupied. However, Acton also has the highest percentage of renters among the comparison communities. Data finds that two-thirds of the people under age 35 are renters, dropping to 20% by aged 45, and then increasing to 43% for age 85 or older. The vacancy rates are low, indicating a tight housing market which likely pushes costs up.

Home values have been steadily rising since 2000, with an increase in median sale price of single family homes, now $635,000. In 2010, almost half of all single family homes sold for less than $500,000, and in 2019 that figure was only 19%. The median rents for the past twelve months are reported at $2,763.

Acton has an inventory of lower priced units in older condominium complexes, which provide some naturally affordable[3] housing to lower income households, equally divided between ownership and rental. These smaller units (770 sqft) are not formally restricted, and allow owners to build market equity while providing lower cost housing, with assessed values under $200,000, and corresponding median sales price of $180,000.

The median household income in Acton is $137,910, more specifically $164,842 for family households and $51,828 for non-family households. This translates to a sales price of $554,000 which is well below the median sales price of $635,000. A household would need an income of $172,792 to purchase a home in Acton at its median price. Therefore, the median sales price in Acton for a single family home is above what a median income household in Acton can afford.

Acton currently has 7.75% (or 657 units) on the state's Subsidized Housing Inventory, with 300 of those as market rental units, allowed because all rental units in a M.G.L Ch. 40B development are eligible to be included on the SHI. Acton has an active pipeline of affordable units, and plans to achieve safe harbor through the 10% housing unit threshold in the near future. The timing of this 'safe harbor' may dip and shift with the publication of the 2020 Census data and the recalibration of the SHI by DHCD in 2021.

The public input received included:

- The need for more affordable housing, both deed-restricted and "naturally affordable;" due to increased demand for visitable housing for seniors (while noting that families with children are a protected class in Fair Housing laws) and people with physical disabilities, and group housing for adults with disabilities;
- the priority of balancing open space preservation with housing production goals;
- the desire to maintain Acton's historic character through the re-use of older housing stock and the thoughtful location of new developments
- the importance of mitigating development impacts on traffic and congestion; and,
- the desire to enhance Acton's sense of community.

Specific housing opportunities were also discussed, including priority development areas in and around Kelley's Corner and the Village Districts, and local entities like the Acton Community Housing Corporation (ACHC) and Acton Housing Authority (AHA). Barriers identified include natural and built environmental constraints, regulatory and municipal obstacles, capacity limitations, and the

[3] [3] The term "naturally affordable" refers to housing whose market value is currently affordable to households earning 80% or less of the HUD-defined area median income (AMI). However, naturally affordable housing is not deed restricted to ensure permanent affordability.

challenge of coordinating multiple planning goals. These threads are similar to those identified in Acton's 2015 HPP.

Ultimately, the goal for affordable housing in Acton is to sustain a degree of housing choices that meet the needs of people with different household types, incomes, and stages of life. These options should also increase access to housing in Acton for those who live and work in the community. Acton will build on its history of diligent efforts to provide affordable housing with the goals and strategies laid out in this plan.

The evolving circumstances related to the global pandemic of the Covid-19 virus will affect Acton as they are affecting communities across the country. It is likely that some local jobs may disappear and the number of local low-income families will rise due to the economic ramifications of the virus. As a result, evictions and foreclosures may increase, and community housing needs may change, including changes that may be needed in housing design for health and safety in alignment with state and local building codes post pandemic. It will be important for Town officials to monitor these conditions and coordinate among different departments to address issues that arise. The goals and strategies laid out in this plan may also evolve due to changes in the community brought on by the pandemic.

Summary Goals and Strategies

The housing discussion, combined with the comprehensive housing needs analysis described above and a thorough assessment of development constraints, led to proposed housing goals and strategies. The final plan that emerged based on that input provides Acton with housing and programming guidance to target those with unmet housing needs, build capacity and community awareness, guide housing production to priority development areas, and amend zoning to advance housing production.

Goal 1. PRODUCTION: Strive to create a minimum of 43 homes annually that count on the SHI towards the state's 10 percent goal per MGL c.40B primarily through rehabilitation or reuse of existing buildings, where feasible. This rate of production will create at least 191 SHI units by 2025, as needed to achieve the 10% goal.[4] Note that there are proposed units already in the development pipeline, listed on p. 32 of this document, that could achieve the state's goal.[5] When Acton reaches the 10% goal, the Town will continue to promote and encourage initiatives to help meet local housing needs.

Goal 2. MIX OF OPTIONS: Encourage a mix of housing options to provide homes for a range of household types including families, seniors, young adults, individuals with disabilities, and

[4] Note: The absolute numerical goal is likely to change based on the updated total year-round units per the 2020 U.S. Census.

[5] If the Powder Mill Apartments, a 230 unit rental project on the Maynard-Acton border, is permitted as proposed in 2020, Acton will achieve the 10% safe harbor with this project.

lower-income households, particularly households with incomes at or below 50 percent AMI.

Goal 3. CONSERVATION: Combine new residential development with conservation through creation of market-rate and affordable homes that are densely clustered to preserve open space, natural resources, and scenic vistas.

Goal 4. SUSTAINABILITY: Encourage new construction and rehablitation that incorporates sustainability standards, including energy efficiency, clean and renewable energy sources, and compact building footprints.

Goal 5. CENTERS AND VILLAGES: Locate new residential multifamily and mixed-use development in and near existing business centers and village districts to enhance economic vitality, promote walkable, vibrant neighborhoods and ensure environmentally sustainable land use practices.

Goal 6. CAPACITY: Reinforce the work of existing local housing organizations with enhanced implementation capacity, expanded regional collaboration, and increased opportunities for community education including heightened awareness of fair housing issues.

Goal 7. PRESERVATION: Continue efforts to preserve and support existing affordable housing stock.

Strategy 1. Create an inventory of private land suitable for redevelopment or new construction of diverse housing options, particularly in areas with sidewalk access to nearby amenities and services, and coordinate with developers to plan Local Initiative Program projects that provide affordable housing that includes local preference.

Strategy 2. Conduct a study to consider establishing and funding a program with the Acton Housing Authority to acquire condominiums and apartment buildings to create affordable rental units that are eligible for inclusion on the Subsidized Housing Inventory, including housing for low-income households.

Strategy 3. Consider establishing and funding a buy-down program for first-time homebuyers.

Strategy 4. Consider expanding the Acton Community Housing Corporation's Capital Improvement Program to help leverage other resources for home modifications and improvements that increase the accessibility for seniors and people with disabilities.

Strategy 5. Conduct a planning area study of the South Acton area to consider creation of more compact housing development to encourage starter homes or mixed-use/multi-family development, particularly near the South Acton Commuter Rail station.

Strategy 6. Reconsider adoption of a mixed-use zoning bylaw for Kelley's Corner and mixed-use zoning along Great Road, in order to encourage infill development and redevelopment of existing buildings to include housing.

Strategy 7. Consider rezoning areas with vacant/underutilized offices, industrial, or institutional buildings to allow by-right redevelopment for multifamily or mixed-use housing, including evaluation of the effectiveness of the existing Transfer of Development Rights provisions.

Strategy 8. Collaborate with the Historic District Commission (HDC) to explore the possibility of: allowing conversion of appropriate single-family homes to multifamily homes; upgrading properties that are already multifamily to accommodate more units; expanding homes to accommodate accessory apartments; and, permitting a limited amount of appropriate infill development within the Historic Districts.

Strategy 9. Consider adopting a CPA-funding policy, in collaboration with the CPC and the Open Space Committee, to encourage set-aside land for context-sensitive affordable or mixed-income housing development that is well integrated into a conservation setting.

Strategy 10. Evaluate the locations of the Affordable Housing Overlay Districts and strengthen the districts provisions to produce more affordable and sustainable units, especially to create housing for households most in need.

Strategy 11. Conduct an Analysis of Impediments to Fair Housing Choice, alone or in collaboration with other nearby communities, to identify institutional barriers and solutions to further fair housing.

Strategy 12. Collaboratively with the Acton Commission on Disabilities, work with developers and rehab contractors at the early stages of development proposals and rehab projects to require that new housing developments provide units that are adaptable to people with disabilities above the minimum required by law, and consider regulatory changes that require or incentivize the inclusion of adaptable housing units where appropriate.

Strategy 13. Consider adopting a local bylaw that prohibits expansion of fossil fuel infrastructure for new construction.

Strategy 14. Collaborate with organizations supporting disabled individuals and Acton community members to biannually evaluate the demand and specific needs related to accessible housing options, including group homes and independent living opportunities.

Strategy 15. Perform an annual review of Housing Production Plan goals and strategies and include on a Board of Selectmen meeting agenda each year, with participation by the Planning Board, Acton Community Housing Corporation, and other relevant boards and staff.

Strategy 16. Maintain Acton's status as a Housing Choice Community, in order to ensure enhanced access to state funding, by reapplying every two years and striving to continue to meet the requirements for designation through a combination of housing production and best practices.

Strategy 17. Schedule annual meetings that promote inter-municipal coordination, including conversations between ACHC and the Open Space Committee, all land-use board discussions and trainings, and an annual housing forum to discuss progress towards housing goals.

Strategy 18. Maintain and develop partnerships with regional and local non-profit housing developers, including Habitat for Humanity, to identify opportunities to provide funding as well as

to tap them for their expertise and advice on potential zoning amendments to encourage development of housing options.

Chapter 1: Comprehensive Housing Needs Assessment

An analysis of local demographic data and housing stock reveals key characteristics and trends in Acton that help explain housing needs and demand. In order to understand how the town compares to similar communities, Acton data is compared to the following municipalities: Andover, Bedford, Concord, Lexington, Sudbury, Wayland, and Westford. Acton data will also be compared at times to Middlesex County and to Massachusetts to provide a broader regional context for Acton. Ultimately, this section will provide the framework for housing production goals and strategies to address local housing concerns included later in this document.

Demographics

This Housing Production Plan is grounded in a thorough examination of Acton's demographic makeup. An analysis of the current population, household composition, race and ethnicity, and educational attainment provides insight into the existing housing needs and demand. Projections of Acton's future residential composition help inform housing planning efforts.

Key Findings

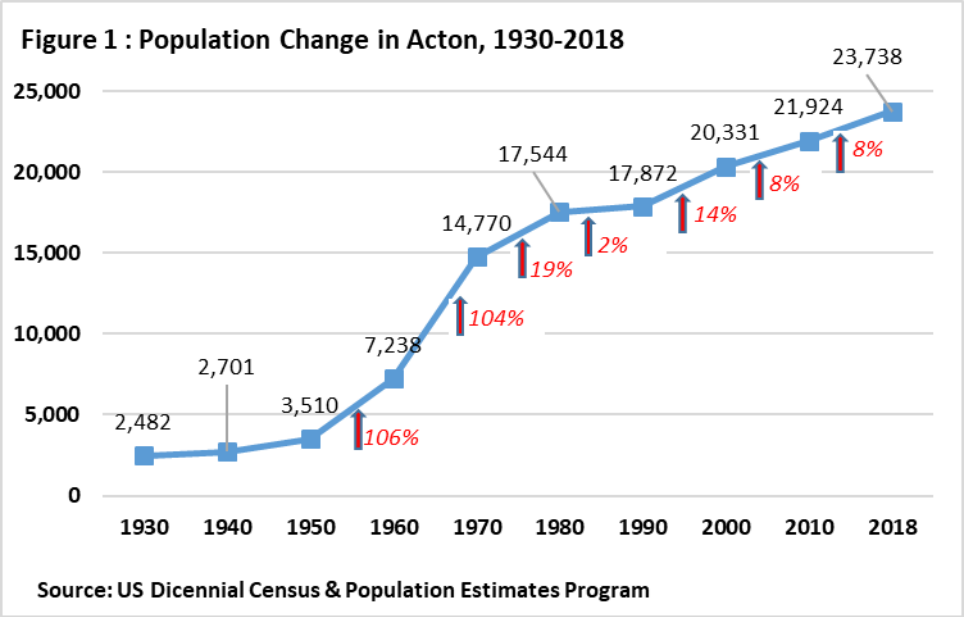
- Acton's population has grown faster than projections from both the Massachusetts Area Planning Council (MAPC) and UMass Donohue Institute.
- The over-65 population grew 37% since the 2010 Census, from 4,221residents to 5,242 according to the most recent American Community Survey (ACS) numbers.
- 75% of current households are families (meaning two or more related individuals living together). Although Acton's rate of non-family households is fairly close to some of the comparison communities, it still has one of the highest non-family rates within these communities.
- Acton's racial and ethnic composition has become significantly more diverse since the 2010 census. The percentage of non-white residents has increased from 23% of the population in 2010 to 29% of the population according to the most recent ACS numbers.

Population

Acton grew dramatically during the 1950's and 1960's, doubling from the 1950 to 1960, and doubling again from the 1960 to 1970. Substantial growth continued through 1980, slowed down between 1980 and 1990, but then picked up again between 1990 and 2000, transforming Acton from a rural to a suburban community. It is important to note that the majority of growth occurred between 1960 and 1980. Growth since 1980 is small compared to previous decades.

Even though growth has moderated in the past two decades, Acton's population growth is outpacing projections. The 2015 Acton HPP used population projections from the Metropolitan Area Planning Council (MAPC), specifically MAPC's "Stronger Region" projections[6], which showed that Acton's population would increase 8% from 2010 to 2030, from 21,924 to 23,625. However, the most current data from the U.S. Census Bureau Population Estimates Program[7] shows that Acton's population has already increased 8% since 2010.

As of 2018, the Census Bureau reports that Acton's official population was 23,738, higher than MAPC's projection that the population would be 23,625 in 2030. Similarly, the University of Massachusetts Donohue Institute, projected an even lower 2030 population for Acton of 22,906. Since the official population of Acton is already greater than these commonly used sources for projections, they are not accurate in the case of Acton, and they will not be used in this plan.



The increase in Acton's population is not spread equally across age groups. As is characteristic of many municipalities in the region, Acton's population is aging. The U.S. Census American Community Survey (ACS) provides the best information about age groups. As the chart below demonstrates, the biggest increases in population have been taking place in the 65+ age group. The 65+ population has nearly tripled since 1990, from 1,194 to 3,303 while the other segments of the population have grown much more modestly or even decreased in some cases.

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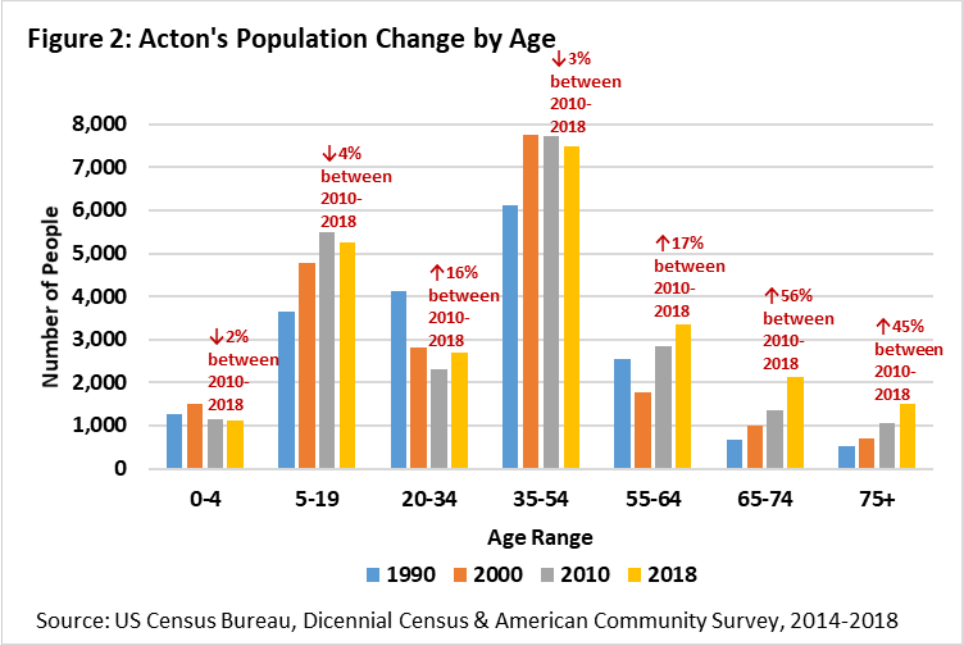
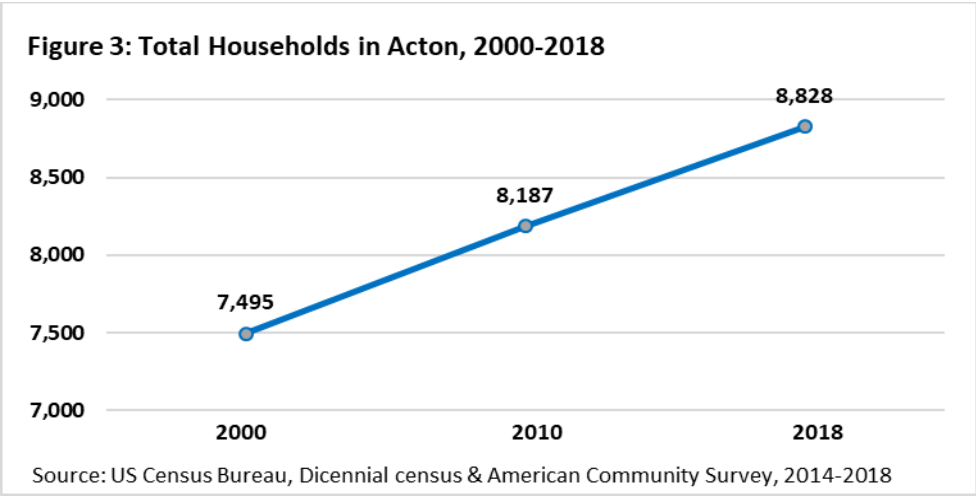
[6] MAPC released two sets of projections prior to 2015 – "Status Quo" projections that provided a more conservative estimate of how much towns and cities would grow, and "Stronger Region" projections that made assumptions that pointed to more robust growth for cities and towns. The 2015 Acton HPP used MAPC's Stronger Region projections. Other plans, such as the Acton Water District's 5 Year Strategic Plan, used MAPC's Status Quo projections.
[7]The American Community Survey website reports that the "Census Bureau's Population Estimates Program produces and disseminates the official estimates of the population for the nation, states, counties, cities, and towns…"

In the next section, about housing stock, Figure 15 reports on the percentage of homeowners and renters in different age groups. 2018 ACS data shows that 80% of Acton's 65+ households are homeowners which is an indicator that they are likely long term residents.



Household Composition

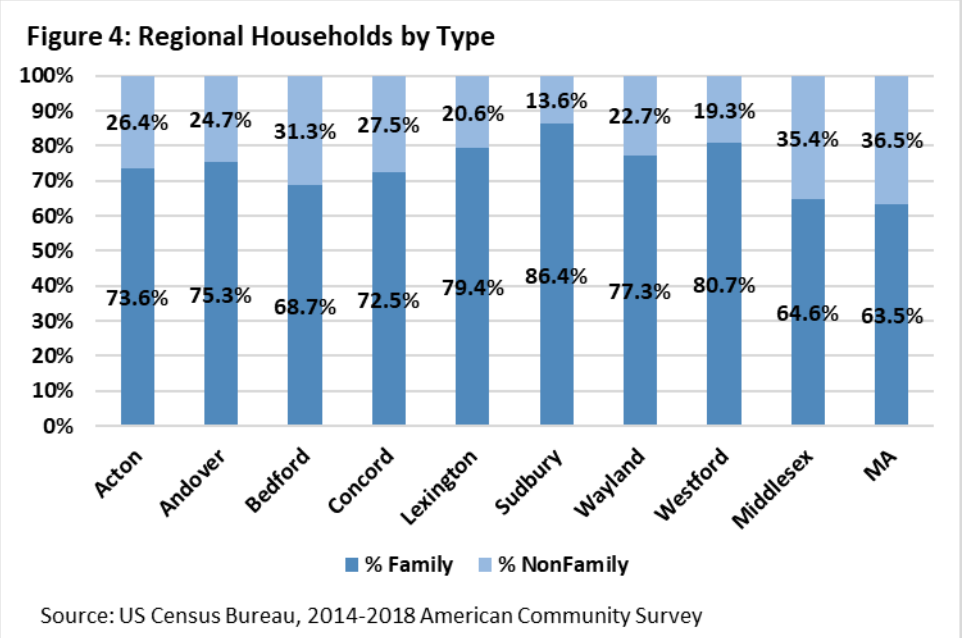
The number of households in a community could be considered even more important than population since the number and type of households within a community, and household spending power correlate to housing unit demand. Each household resides in one dwelling unit, regardless of the number of household members. According to the 2010 U.S. Census, Acton was home to 8,187 households. This constitutes a 9% increase from 7,495 households in 2000. According to 2014-2018 ACS data, the number of households has grown to 8,828, an increase of 8% during that period.



Family & Non-Family Households

Different household types often have different housing needs or preferences. For example, a single senior will prefer a smaller dwelling unit than a family with children. A municipality's composition of household types can indicate how well suited the existing housing inventory is to current and future residents.

The Town of Acton's 8,828 households can be divided between families and non-families per Census categories. The Census defines families as any household with two or more people related by birth, marriage, or adoption and residing together (including multi-generational families), regardless of whether there are children living in the household. Non-families include one-person households and households comprised of two or more non-related persons living together. Acton's households are primarily families (74%).



It is useful to evaluate Acton against similar towns in the region to see how the town compares in regards to certain data points. For the purposes of this HPP, Acton will be compared to Andover, Bedford, Concord, Lexington, Sudbury, Wayland, and Westford.[8] The town is on par with most other towns in the regional analysis. Middlesex County and Massachusetts, however, both have comparatively higher proportions of non-family households than Acton (35% and 36% respectively).

[8] These communities have been used consistently by the Town for comparison purposes based on their populations, finances, and economic characteristics. The neighboring Towns of Boxborough, Carlisle, Littleton, Stow and Maynard do not share these same characteristics.

Table 1: Acton Households by Type

	Estimate	% of Total
Family Households	6500	74%
With own children under 18 years	3476	39%
Married Couples	5909	67%
With own children under 18 years	3233	
Male Householder, No spouse present	123	1%
With own children under 18 years	37	
Female Householder, No spouse present	468	5%
With own children under 18 years	206	
Nonfamily Households	2328	26%
Householder living alone	1880	21%
65 years and older	750	9%
Total Households	8828	

Source: US Census Bureau, 2014-2018 American Community Survey

Of Acton's family households, most are married (90%) and a little over half have children under the age of 18 (54%). Of the non-family households, 83% are single-person households and 35% of nonfamily householders are 65 years of age or older.

Head of Household by Age

In addition to household type, the age of heads of households can indicate demand for particular unit types and sizes. The most recent census information shows that the largest group of Acton householders is age 45-54 (26%). The next largest populations are the two older population groups: 22% are householders aged 55-64 and 23% are aged 65 or older, for a total of 45% of households where the head is 55 or older. The youngest householder groups are the smallest, making up only 9% of all householders. These groups have been decreasing consistently since 2000.

Table 2: Acton Head of Household by Age

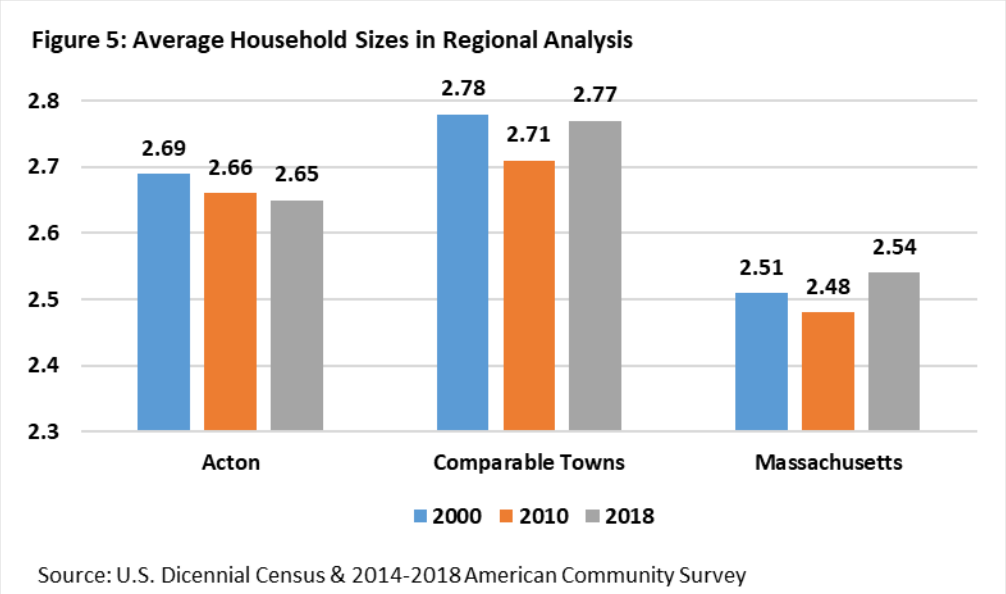
Age of Householder	2000	% of Total Households, 2000	2010	% of Total Households, 2010	2018	% of Total Households, 2018	Change 2000-2018	% Change 2010-2018
Under 35	1,191	16%	855	10%	771	9%	(420)	-35.3%
35-44	2,243	30%	1,709	21%	1,699	19%	(544)	-24.3%
45-54	2,004	27%	2,502	31%	2,326	26%	322	16.1%
55-64	1,055	14%	1,684	21%	1,965	22%	910	86.3%
65+	1,002	13%	1,437	18%	2,067	23%	1,065	106.3%
Total	7,495		8,187		8,828			

Source: US Census Bureau Dicennial Census & 2014-2018 American Community Survey

Household Size

Average household size decreased slightly from 2.69 people in 2000 to 2.66 in 2010, and decreased slightly again to 2.65 as of the most recent American Community Survey (ACS) data. Owner-occupied household size also decreased a bit from 2000 to 2010, from 2.93 to 2.88, but then increased slightly to 2.9 according to the 2018 ACS. The size of renter-occupied households increased, from 1.95 to 1.96, between 2000 and 2010, and has remained stable since then.

The most recent ACS (2014-2018) shows that towns being used in the regional analysis for this HPP, and the state overall, are experiencing an uptick in household size as compared to the 2010 census. The increase is larger than in Acton where the increase is only seen with renter households, but not with household size overall. Current ACS data also shows that Acton's overall household size is larger than the state's household size, but smaller than the average across the region. Looking at the comparable towns individually, only Bedford and Concord currently have smaller household sizes than Acton.



Race & Ethnicity

The racial composition of Acton has experienced significant changes since 2000. Looking at U.S. Census data from 2000 and 2010, and the most recent 2018 ACS data, the percentage of white people who comprise Acton's population dropped from 88% in 2000 to 77% in 2010, to 70% in the 2014-2018 ACS. In actual numbers, there were 17,982 white residents in 2000, 16,593 in 2010, and 16,393 per the recent ACS.

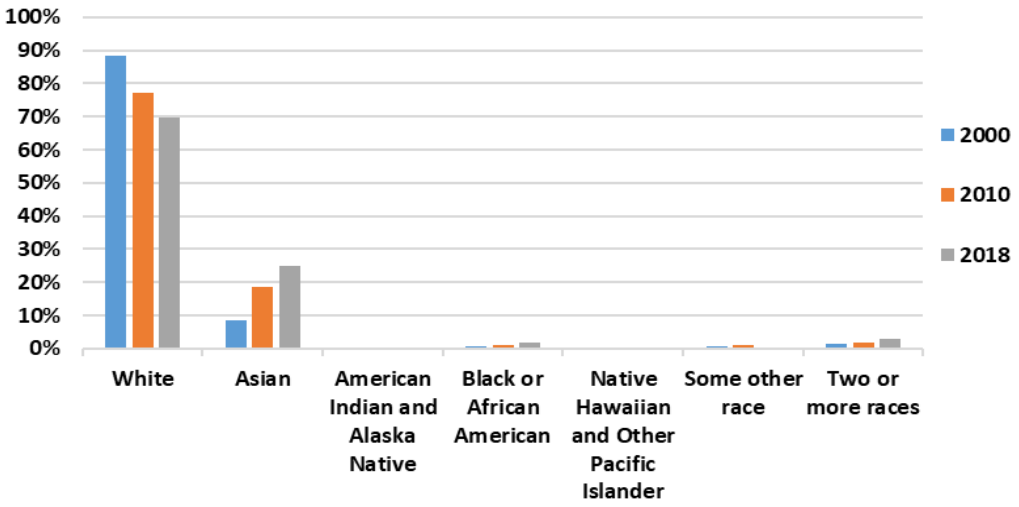
During this time, Acton has experienced a notable increase in residents of Asian descent. There has been a 236% increase in the number of Asian residents – from 9% of the

population in 2000 to 25% of the population per 2018 ACS statistics, or an additional 4,151 people of Asian descent. It is important to note that Asian is a broad category that includes the Far East, Southeast Asia, and the Indian subcontinent including, for example, China, Taiwan, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. The majority of Acton's Asian residents are of Indian and Chinese descent.

The MA Department of Housing and Community Development (DHCD) highlights this growth in its **2019 Analysis of Impediments to Fair Housing Choice**. According to this report, foreign born residents account for 16% of Massachusetts' population, but Acton's percentage is significantly higher. Between 2010 and 2016, Acton saw more than a 20% increase in its foreign born population, making it one of only 30 communities in MA with a foreign born population of 20% or more. More precisely, 25.5% of Acton residents are foreign born, roughly half of whom were born in Asia.

The other non-white populations in Acton have experienced much less change during this period and remain between 1% and 3% of the total population. Similarly, the number of Hispanic or Latino[9] residents in Acton, who include people from all races, has grown relatively slowly. Hispanic/Latino residents represented 1.8% of Acton's population in 2000, 2.6% in 2010, and are 3.1% of the population per 2018 ACS statistics. Comparatively, 2018 ACS data about Massachusetts overall shows that the African-American population comprises 8%, and the Hispanic population comprises 12% of MA's total population. To summarize, non-white residents now make up 30% of Acton's population, and white residents comprise 70%, but diversity is limited within the non-white residents.

Figure 6: Racial Composition of Acton's Population, 2000-2018



Source: U.S. Dicennial Census & 2014-2018 American Community Survey

[9] Hispanic or Latino is the term used by the U.S. Census Bureau to refer to persons of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race. Although the term Latinx is a gender neutral term that is now often preferred, the Census still uses Hispanic or Latino, so those terms will be used here.

Disability

The U.S. Census Bureau defines a disability as a long-lasting physical, mental, or emotional condition. Residents with one or more disabilities can face housing challenges if there is a shortage of housing in a community that is affordable, physically accessible, and/or provides the supportive services that people with disabilities may need. According to the 2014-2018 American Community Survey (ACS), 8% of Acton's civilian, non-institutionalized population report having one or more disabilities. This includes 2% of children under 18 years of age, and 6% of the population aged 18 to 64 years of age. Notably, 24% of Acton's 65 and older population reported having one or more disabilities.

Acton's disability rate of 6% among its younger adult population (18-64 years of age) is slightly lower than the rates for the younger adult populations in Middlesex County and Massachusetts, 7% and 9% respectively. Acton's rates of disability among children and among adults over 65 are also lower, but still comparable, to the rates in Middlesex County and Massachusetts. The table below provides more details.

Table 3: Population by Disability Status 2018

	Acton		Middlesex County		Massachusetts	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Total Civilian Noninstitutionalized Population	23,398		1,600,272		6,830,796	
With a Disability	1,831	8%	152,049	10%	791,132	12%
Under 18 years	5,798		318,278		1,364,881	
With a Disability	139	2%	12,808	4%	62,885	5%
18 to 64 years	14,096		1,042,373		4,362,578	
With a Disability	857	6%	69,344	7%	384,133	9%
65 years and over	3,504		239,621		1,103,337	
With a Disability	835	24%	69,897	29%	344,114	31%

Source: US Census Bureau, 2014-2018 American Community Survey

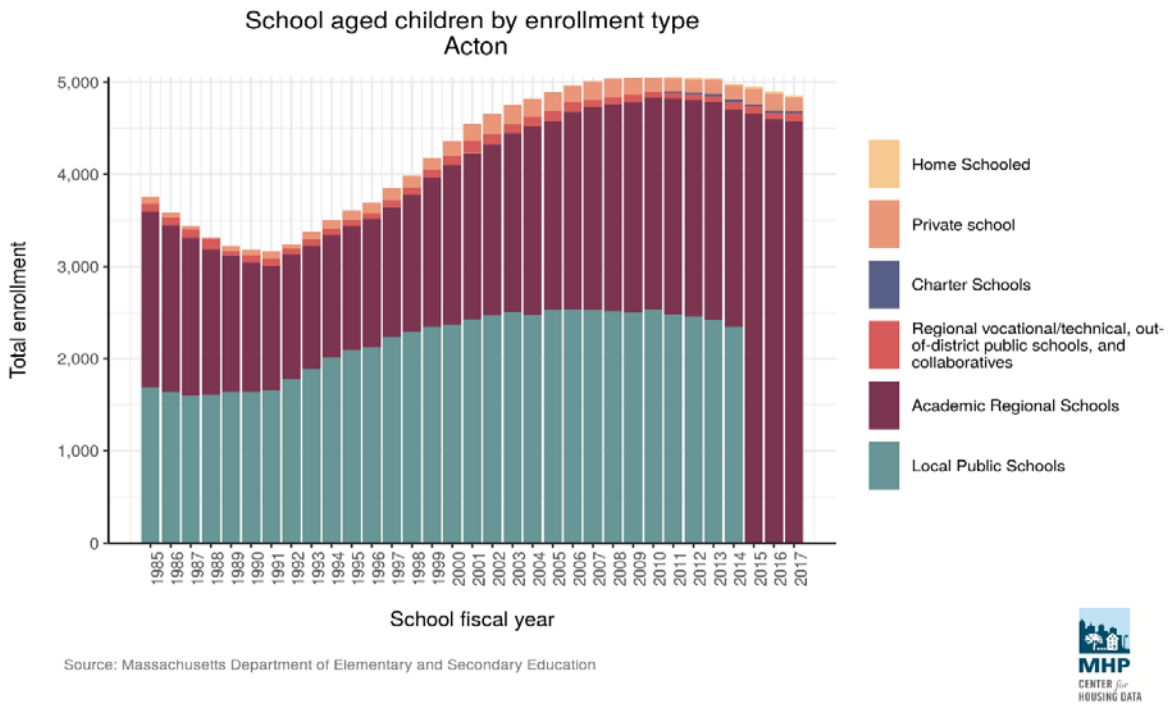
According to RHSO & DHCD records, Acton currently has 18 units of housing on its Subsidized Housing Inventory (SHI) that are managed by the Massachusetts Department of Developmental Services (DDS) for people with developmental disabilities, as well as 10 SHI units managed by the Department of Mental Health (DMH) for people with mental health disabilities. Eliot House has an additional 11 units of affordable housing on Acton's SHI for people referred by DDS or DMH.

Education

Enrollment

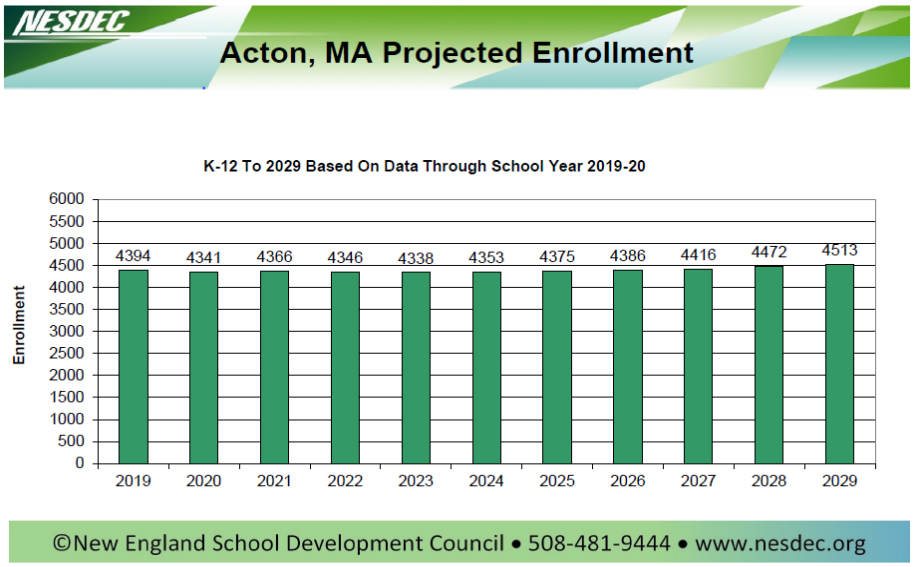
Enrollment in the Acton Public Schools provides additional insight into recent population and economic trends within town. Prior to 2015, Acton was served by both the Acton Public Schools for kindergarten through sixth grade and the Acton-Boxborough Regional School District (CCRSD) for grades seven through twelve. Since 2015, Acton and Boxborough have completely regionalized all schools, kindergarten through grade 12. The chart below shows that Acton's school enrollment rose steeply through the 1990's and into the mid-2000's, but plateaued around 2011/2012 and has been decreasing slightly since then.

Figure 7: School Aged Children by Enrollment Type



The New England School Development Council (NESDEC) prepares enrollment projections for the Acton-Boxborough Regional School District for planning purposes. Continuing the enrollment trend for the past few years, projections from NESDEC anticipate rather flat or slightly declining enrollment for the next few years followed by small, steady increases in Acton's enrollment starting in 2024, and continuing through 2029. K-12 enrollment for Acton is projected to be 4,513 in 2029 – this is 119 more Acton students spread across all grades than in 2019.

Figure 8: Projected Enrollment of Acton Students through 2029



Educational Attainment

According to the 2014-2018 American Community Survey (ACS), 76% of Acton residents 25 years or older have earned a bachelor's degree or higher educational attainment. On the other end of the spectrum, the rate of incomplete high school education is a low 3%. The percentage of people who completed high school, but nothing higher, is 8%, and the percentage of people with some college or an associate's degree is 14%. Although this high level of educational attainment has been in place in Acton for quite a while, the rate is even higher now than in the past. The 2000 Census shows 69% of residents with a bachelor's degree or higher, compared to the 2018 rate of 76%.

Table 4: Educational Attainment, Age 25+

	Acton		Middlesex County		Massachusetts	
	Estimate	Percent	Estimate	Percent	Estimate	Percent
Less than high school diploma	479	3%	69,267	6%	446,304	9%
High school graduate	1,248	8%	208,798	18%	1,126,183	23%
Some college/Associate's degree	2,245	14%	201,375	18%	1,108,231	23%
Bachelor's degree or higher	12,343	76%	655,571	58%	2,152,010	45%

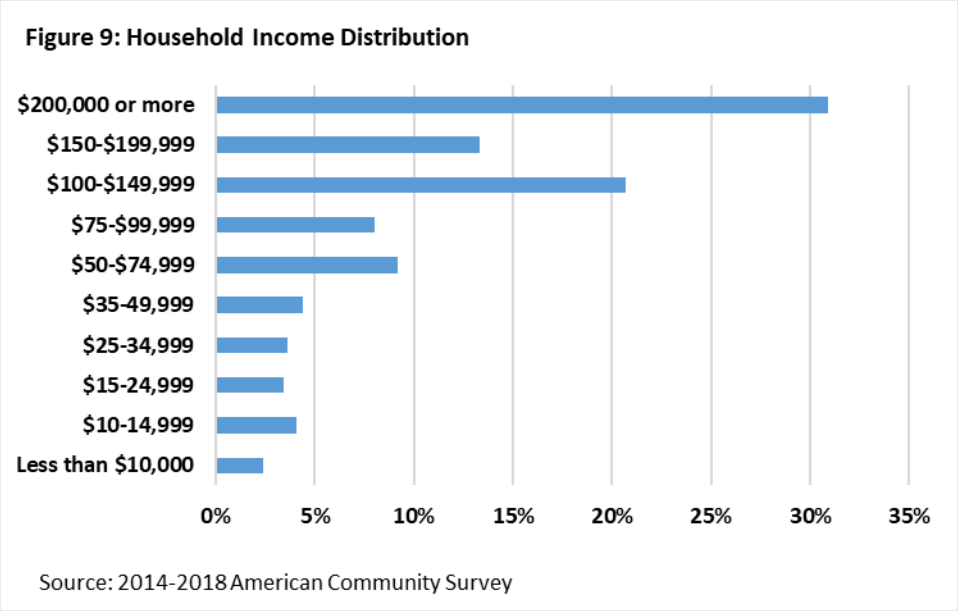
Source: US Census Bureau, 2014-2018 American Community Survey

Acton's rate of residents with a college degree or higher educational attainment is significantly higher than that of Middlesex County and Massachusetts overall. Correspondingly, Acton's rates of lower educational attainment are lower than in these comparison areas.
2018 ACS data shows that incomes among those with higher educational attainment are greater than incomes among those with lower educational attainment. The median income for Acton residents who have a high school diploma, but no further education, is $37,820. The median income

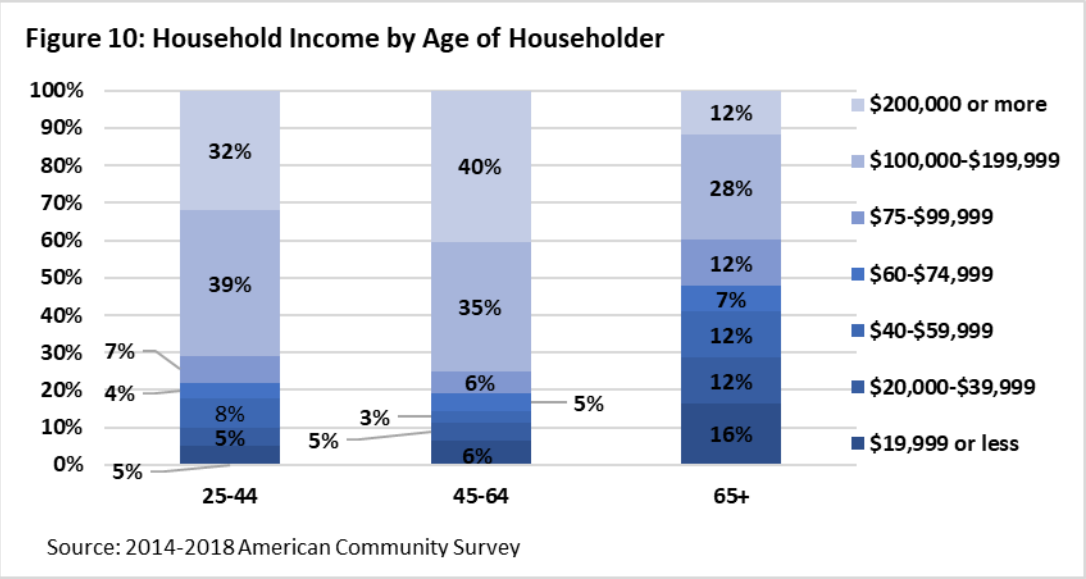
for Acton residents who have a graduate or professional degree is $115,722. A further exploration of income among Acton residents is below.

Household Income

Household income is an important determinant of how much a household can afford to pay for their dwelling unit, either to rent or own, and also whether that household is eligible for housing assistance. Acton is home to households earning a wide range of income levels. According to the 2014-2018 American Community Survey (ACS), median household income in Acton is estimated at $137,910. It is higher for family households at $164,842, but much lower for non-family households at $51,828. The percent of total households in a variety of income ranges is shown below.



Acton's income spread is quite different among older householders than those under the age of 65. For example, 71% of householders aged 25-44, and 75% of householders aged 45-64 earn $100,000 or more per year. However, only 40% of householders over age 65 earn $100,000 or more per year. Almost half of those over 65 earn $74,999 or less per year. Since Acton's older population is more likely to have less income, they are more likely to have difficulty with housing costs than the younger population. Even if older homeowners have paid off their mortgages, they are often on fixed incomes and must still pay property taxes as well as the cost of ongoing maintenance (which often increases as homes age).



Summary

This overview of Acton's demographics indicates that Acton's population is consistently growing and becoming more racially and ethnically diverse, though the diversity is not equally representative of all racial and ethnic minorities. Acton residents are generally well-educated and have high incomes. However, income statistics show that older householders generally have much lower incomes than younger householders. When considered together, these statistics indicate a need for more affordable housing units targeted to Acton's older residents.

Housing Stock

The following section examines Acton's current housing supply and how it has changed over time. Understanding housing type, age, tenure, vacancy, and recent development will contribute to an understanding of current needs and demand in Acton and thereby help inform future housing production planning.

Key Findings

- 70% of Acton's housing units are single family homes.
- 73% of housing stock is owner-occupied. Younger age groups and the oldest senior residents are most likely to rent.
- Home sale prices increased dramatically during the late 1990's and early 2000's, then took a dip, but started to rebound around 2013 and have been rising ever since.
- Acton has more diversity in housing types and the highest rate of multi-family housing compared to all the similar communities included in this report.
- Since 2010, Acton's housing development has been almost exclusively limited to single-family homes. Acton lags behind comparison communities in the development of multi-family housing since 2010.

Type & Age

70% of Acton's housing units are in single-family homes. Multifamily housing is distributed among residential structures of two or more units. Of this housing type, buildings with more than 10 units are most prevalent, comprising 19% of the total housing stock. There are several multi-family developments in Acton that contain 10 or more units, and only include market rate units, both rental and ownership. These are largely located along Rte. 2A where a substantial number of such units were built in the 1960's and 1970's. Acton also has several multi-family developments, both rental and ownership, with some that include some affordable units and are listed on the Subsidized Housing Inventory. Some developments that have affordable units include Avalon Acton with 296 units, , McCarthy Village and Whittlesey Village with 47 total units, Old High School Commons with 15 units, Residences at Robbins Brook with 3 units, and Windsor Green with 68 units.

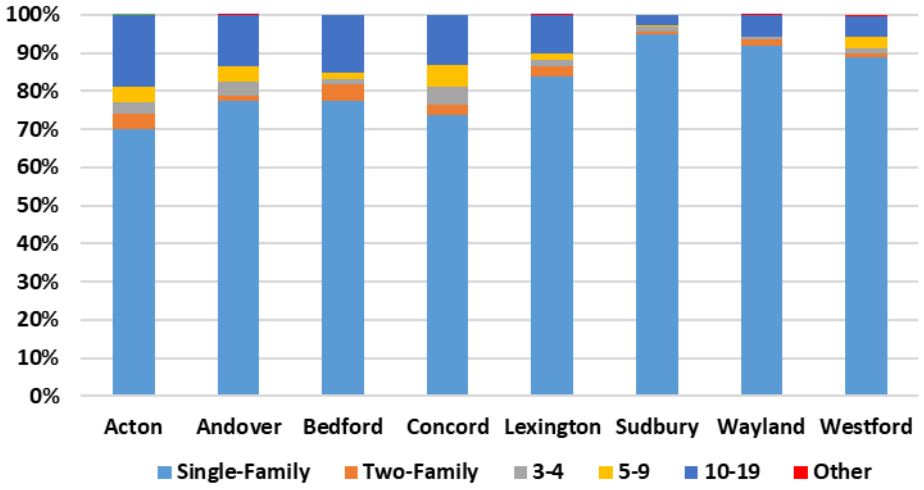
Table 5: Housing Units by Type

	# of Units	Percent
Single-Family, detached	5522	63%
Single-Family, attached	620	7%
Two-Family	321	4%
3 or 4 units	267	3%
5-9 units	381	4%
10 or more units	1706	19%
Mobile Homes	11	0.1%

Source: 2014-2018 American Community Survey

A regional comparison shows that all surrounding municipalities have housing stocks composed primarily of units in single-family structures. However, Acton has the lowest percentage of single family homes out of all of the comparison communities. Furthermore, Acton has a higher percentage of most other housing types and, therefore, has more housing diversity than any comparison community.

Figure 11: Regional Comparison of Housing Types

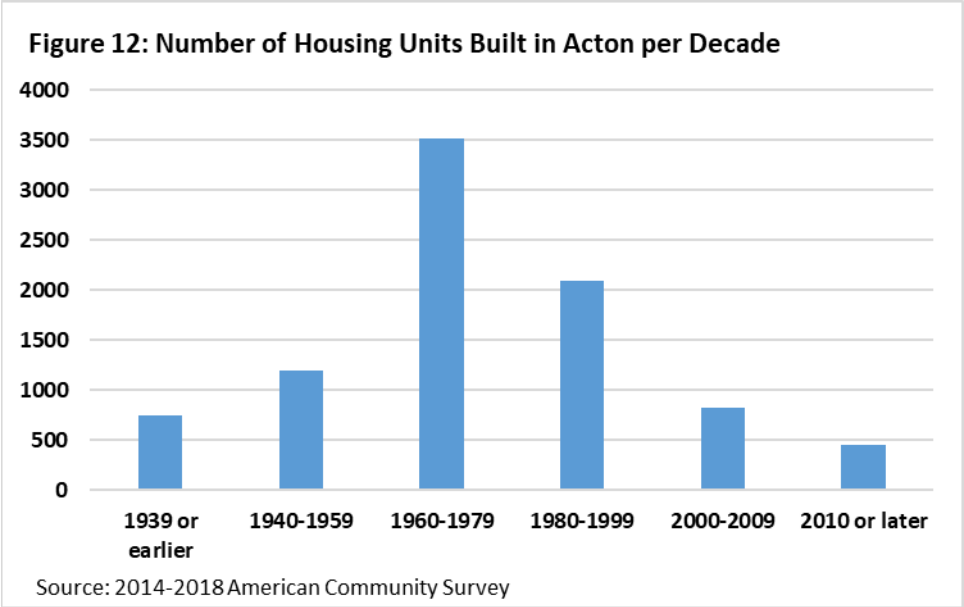


Source: 2014-2018 American Community Survey

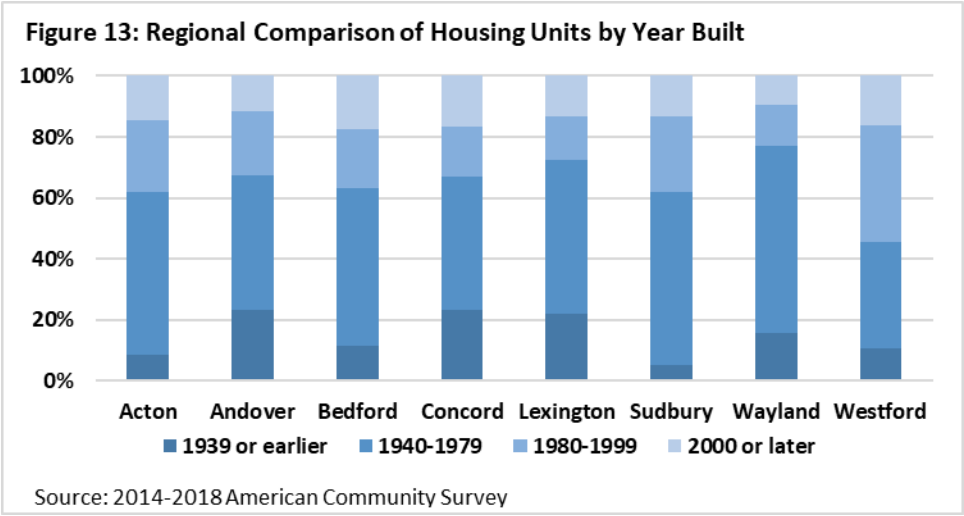
Almost one-quarter (22%) of Acton's occupied housing units were constructed in 1959 or earlier. Older structures may lack heating and energy efficiencies and may not be code compliant, which adds to the monthly utility and maintenance costs. Older units built prior to 1978 may also have lead paint[10], which is not safe for children, but can be costly to mediate. These additional costs have an impact on the affordability of older units for both owners and renters. The largest period

[10] Massachusetts' Lead Law was passed in 1978 and requires the removal or control of lead paint in houses with children under 6. If houses built before 1978 are being sold or rented, sellers, real estate agents, and owners who rent their homes are required to notify their buyers and tenants of lead risks. (https://www.mass.gov/the-massachusetts-lead-law)

of building for Acton was by far the 1960's and 1970's when just about 40% of the current available housing stock was built. 14% of current housing units were added since 2000, and development since 2010 has been particularly limited, with just 5% of housing units built during that time period.

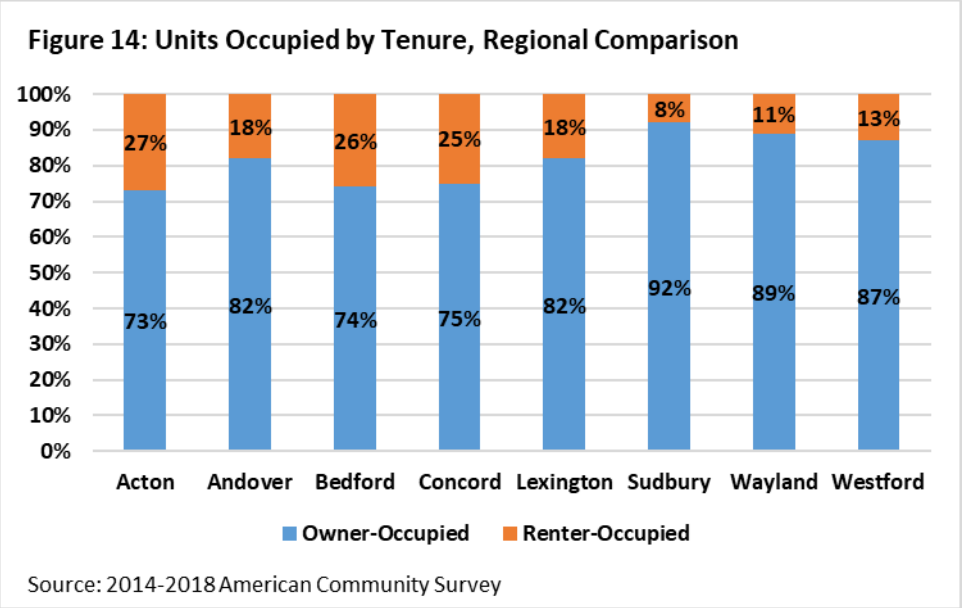


Acton is fairly similar to the comparison communities regarding the age of its housing stock. However, Acton has the second smallest percentage of units that were built before 1939, so it did not start developing in earnest until a bit later than some communities. In terms of recent development post 2000, Acton is right in the middle of the other comparison communities with neither the lowest nor the highest percentage of units developed during this period.

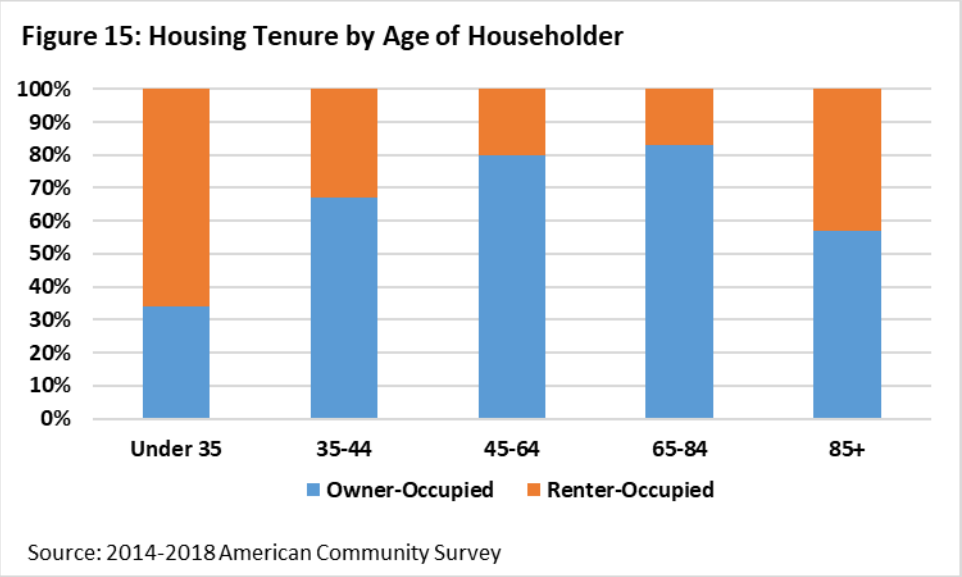


Tenure

The 2014-2018 American Community Survey (ACS) reports that Acton has a total of 8,828 occupied housing units. Of those units, 6,483 (73%) are owner-occupied. Acton has the highest percentage of renters among the comparison communities.



Most people in the youngest age category in Acton are renters. 66% of people under age 35 are renters. There are also a significant number of renters in the next youngest 35-44 age category at 33%. Finally, there are a substantial number of renters at the other end of the age spectrum. 43% of people age 85 or older in Acton are renters. In the other age categories, renters make up a relatively small part of the population.



Vacancy

The 2014-2018 American Community Survey (ACS) reported 9,139 housing units in Acton, with 8,828 occupied housing units (97%) and 311 vacant housing units (3%). As discussed above, about 73% of occupied units were owner-occupied and 27% renter occupied. The homeowner vacancy rate is 0.4% and the rental vacancy rate is 3.9% indicating a tight housing market which likely pushes costs up. A healthy rental vacancy rate is considered to be 7%-8%, and a healthy homeowner vacancy rate is 2%.[11]

Housing Market

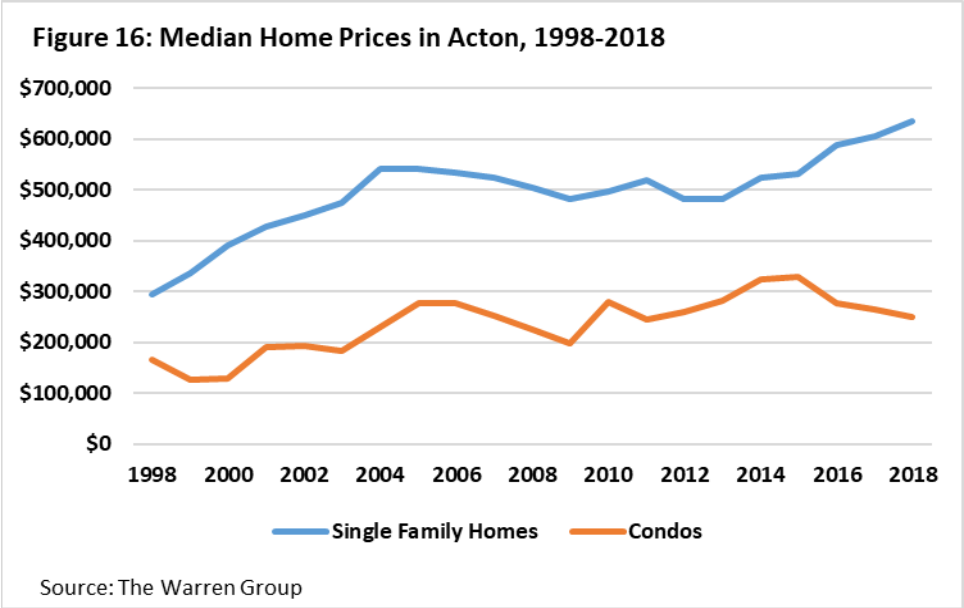
Housing costs within a community reflect numerous factors, including demand and supply. If the former exceeds the latter, then prices and rents tend to rise. Depending on the income levels of the population, these factors can significantly reduce affordability for both existing residents and those seeking to move in.

Sale Prices & Volume

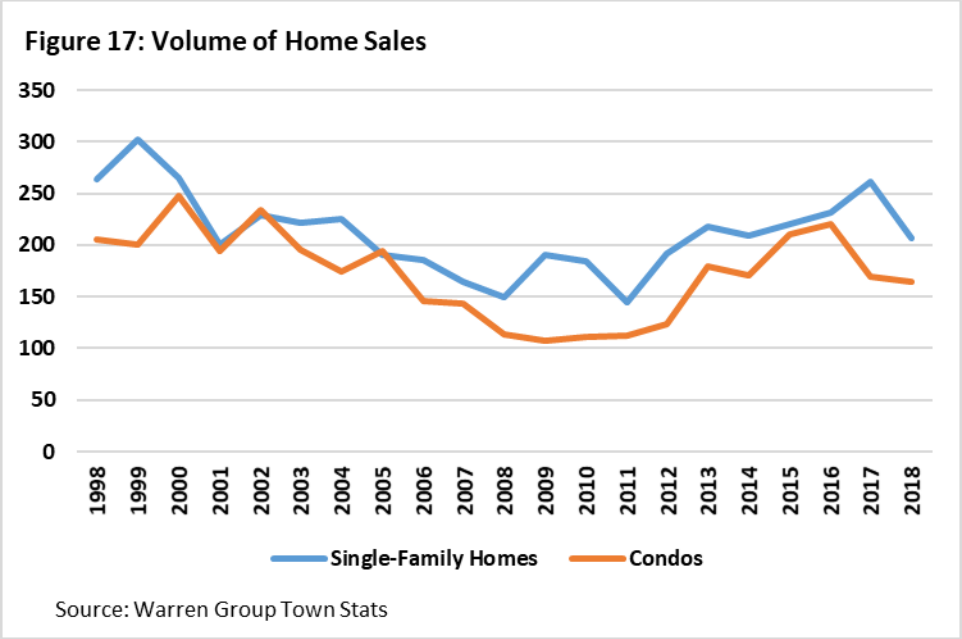
According to data from The Warren Group, single family home prices rose fairly steeply in Acton from 1998 through 2005 when they hit a peak of a median price of $542,000. The market then dipped back down again until 2014 when prices began rising and have largely continue to rise.[12] The median price of condominiums in Acton has been a bit more up and down, reaching a peak of $330,000 in 2015, but actually decreasing steadily since then, with a median price of $250,000 in 2018. This is evidence that Acton has a good size stock of naturally occurring affordable condos, largely along the 2A corridor. Although these units are not deed restricted, they still provide an important homeownership option for some low/moderate income households.

[11] CityLab article, "Vacancy: America's Other Housing Crisis," by Richard Florida, July 27, 2018

[12] Author began writing this section in 2019 before a full year of 2019 data was available. Warren Group Town Stats show that the 2019 median single family home price for single family homes decreased to $600K, but prices have increased again, and the median for Jan-March 2020 is $638,600.



During this same 20-year time period, the volume of overall sales of single family homes and condos has been very similar both in number, and in the trend sales have followed. The peak of sales was between 1998 and 2000. Sales volume then decreased pretty steadily for quite a few years. Sales volume began to pick up again around 2012 and had been rising fairly steadily until a downturn in the past year or two.



The number of high priced homes that have been sold since 2010 provides additional insight into the housing market. During the past few years, high priced homes have become more common,

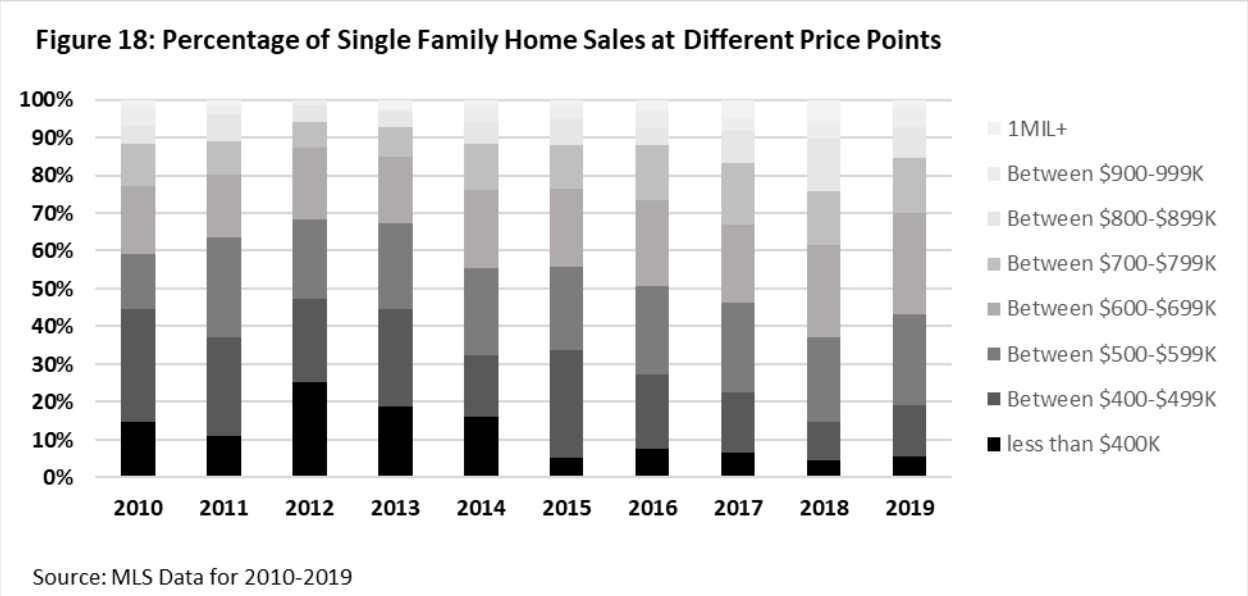
making up an increasingly large slice of the total number of homes sold in Acton each year. According to Multiple Listing Service (MLS) data:

- The number of homes in Acton that sold for $800K or more in 2010 was 22.
- The number of homes in Acton that sold for $800K or more in 2019 was 36.

At the same time, the number of lower priced homes has been decreasing. MLS data shows:

- 84 homes sold for less than $500,000 in 2010, but only 45 homes sold for less than $500,000 in 2019
- Homes that sold for less than $500,000 made up 45% of sales in 2010, but decreased to only 19% of sales in 2019.

The chart below demonstrates that lower priced homes are making up a smaller and smaller proportion of homes sales in recent years.

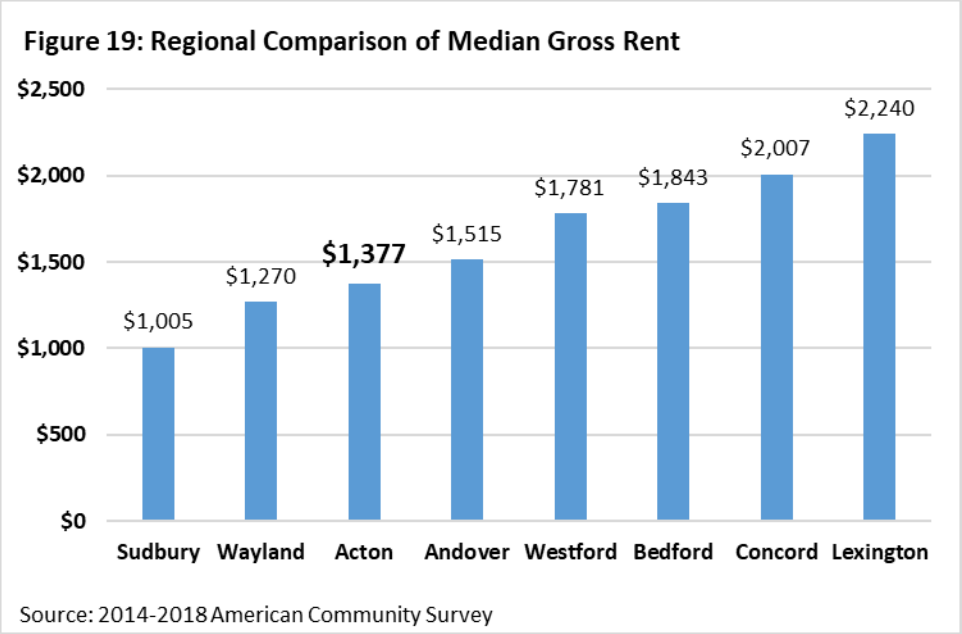


The median sales prices of Acton's single family homes indicate that households with low or moderate incomes likely cannot afford to purchase a single family home. However, there appears to be a good volume of condo sales which are much more moderately priced and offer naturally occurring affordable ownership options for moderate income households.

The gap between the housing that is available for purchase in Acton and the prices that many households living in Acton can afford is discussed in more detail in the Housing Affordability section later in this document.

Rent

Median gross rent varies widely throughout the region. According to the US Census data, at $1,377, Acton's median rent is the third lowest in the area. It is also lower than the Middlesex County median gross rent of $1,541.



Unfortunately, Census data regarding rents is not the most reliable. First, rents are self-reported via the American Community Survey. Second, they represent units that were leased at any time prior to survey response, so they do not paint an accurate picture of the current market.

Two websites that list apartments were consulted in an attempt to gain a better picture of Acton's rental market. A search for apartments listed for rent in Acton on Trulia.com on January 2, 2020 generated the listings in Table 6 below. The total number as well as the size of units was limited with the vast majority of available units having 2 bedrooms. Only 1, 2, or 3 units were available in any other bedroom size. In addition, Trulia.com provides summary data and reports that the median price for rentals for the past twelve months was $2,763.[13]

Table 6: Acton Units listed for rent on Trulia.com, 1/2/20	
Median Price of a studio based on 1 listing	$1,995
Median Price of a 1-bedroom based on 3 listings	$1,600
Median Price of a 2-bedroom based on 14 listings	$1,885
Median Price of a 3-bedroom based on 2 listings	$3,300
Median Price of a 4+ bedroom based on 1 listing	$4,000

Source: Trulia.com, January 2, 2020

A search for rentals in Acton was also conducted on Apartments.com on May 15, 2020. The results of that search are displayed in Table 7 below. The median price of the units is similar to what was found on Trulia in January, but there were even fewer listings – 17 total, with no studios, and only one 3-bedroom unit, and one 4-bedroom unit. The apartments.com website also provides summary data and reported that, as of May 2020, the average rent for an apartment in Acton is $1,285 for a studio, $1,572 for a one-bedroom, $2,009 for a two-bedroom, and $2,008 for a 3-bedroom.

[13] Trulia.com, accessed on 5/15/20

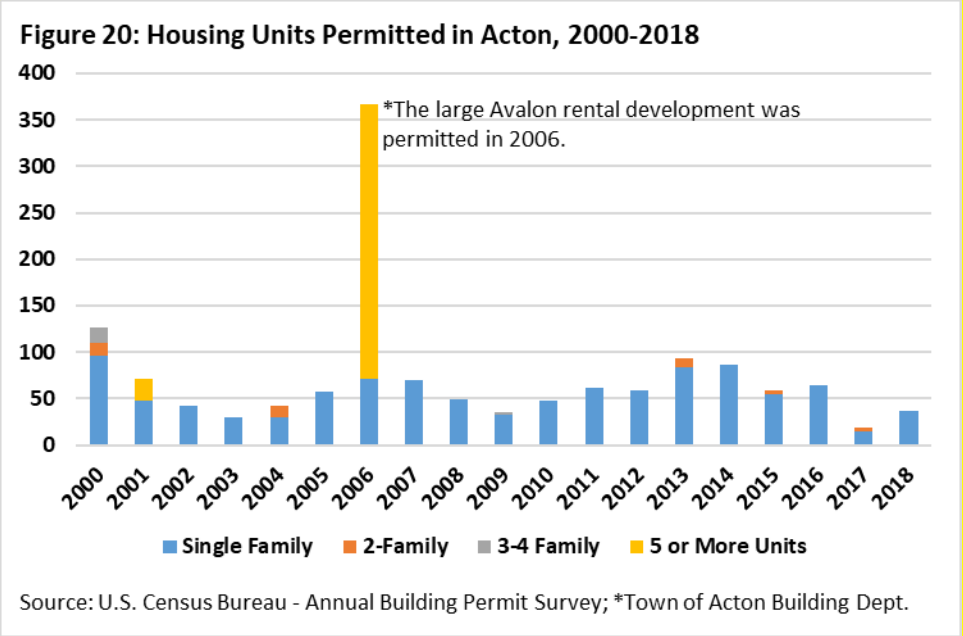
Table 7: Acton Units listed for rent on Apartments.com, 5/15/20	
Median Price of a 1-bedroom based on 6 listings	$1,600
Median Price of a 2-bedroom based on 9 listings	$1,795
Median Price of a 3-bedroom based on 1 listing	$3,100
Median Price of a 4+ bedroom based on 1 listing	$3,500

Source: Apartments.com, May 15, 2020

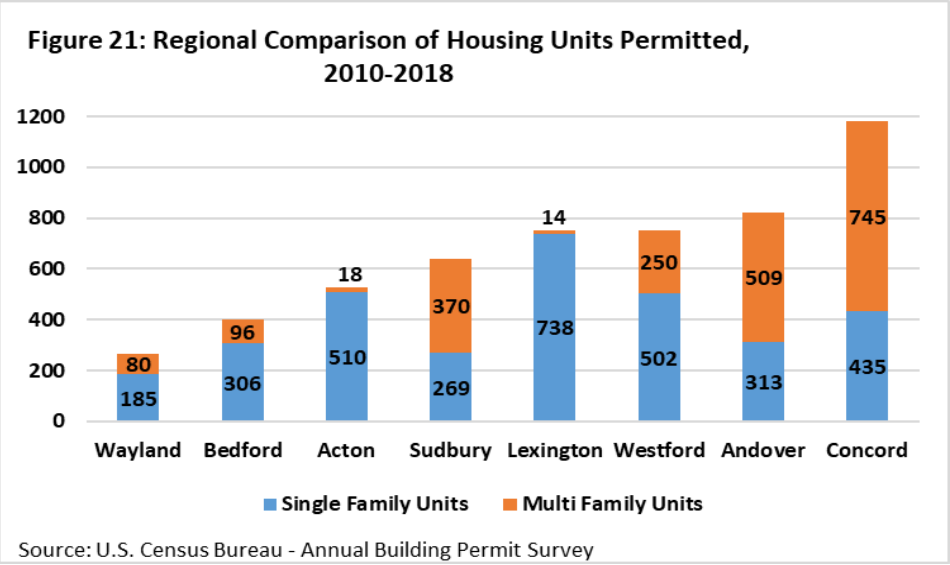
The Housing Affordability section of this document will describe whether the available rental housing can meet the needs of Acton's population based on this information.

Housing Units Permitted

According to the U.S. Census Bureau's Annual Building Permit survey, between 2000 and 2018, Acton issued permits for 1,418 housing units. Of those, 1,035 were for single-family homes, while 383 were for units in multifamily buildings. The majority of the multi-family units were the result of the construction of the large Avalon rental development in 2006. Since 2006, only 18 units of multi-family housing have been permitted according to the Census Annual Housing Building Permit Survey.



Looking at the comparison communities, Acton is on the low end in terms of both total units permitted and multi-family units permitted in recent years. In particular, all other towns, except for Lexington, have far surpassed Acton in the development of multi-family units permitted since 2010.



Source: U.S. Census Bureau - Annual Building Permit Survey

Recent & Future Development

Development Pipeline

Acton has seven (7) developments in the pipeline to create additional affordable restricted housing and record them to the SHI:

1. 184 Main Street: 184 Main Street is a privately-developed 8-unit condo development with 2 affordable homeownership units. It is currently under construction with occupancy planned in 2020. These 2 units have not been recorded on the SHI.
2. Powder Mill Apartments: Powder Mill Place is a 230-unit rental project proposed on the Maynard-Acton border by a private developer, with 25% of the units affordable to households earning 80% of AMI. Initially the development was going to contain some units in Maynard and some in Acton, but the most recent design has 100% of the units in Acton. The LIP application has received a Project Eligibility Letter (PEL) by DHCD, the developer has filed its Comprehensive Permit application, with hearings scheduled to open in the spring of 2020. If permitted as proposed in 2020, Acton will achieve the 10% safe harbor with this project.
3. Grandview: This condominium project is age restricted to households 55 and older. The proposal includes one 4 story building with 32 (8 affordable) homeownership units at 363 Great Road. The proposed design caters to empty-nesters and seniors. DHCD issued a PEL in late 2019.
4. Post Office Crossing: Post Office Crossing is a development of 12 single family homes, including 3 affordable homeownership units. After a nearly 3-year delay, this development is under construction, but it has been moving very slowly. The first affordable unit is completed and sold, with the remaining two open with no target dates.
5. 446 Mass Ave: 446 Mass Ave is a 31-unit apartment building containing 1-bedroom units for seniors and non-elderly, disabled individuals. This project is being developed by a non-profit developer and is seeking Low-Income Housing Tax Credit (LIHTC) funding. The project received a Project Eligibility Letter (PEL) from DHCD as well as approval from the Acton Zoning Board of Appeals (ZBA). The project was not awarded funding from DHCD in 2019 (its first round attempt), and is applying for funding in the 2020 funding round.
6. 348-364 Main Street: Acton Housing Authority (AHA) was approved at 2019 Town Meeting to develop a 31-unit apartment building containing 1-bedroom units for seniors and non-elderly, disabled individuals on this town-owned land. The project is moving forward with predevelopment beginning.
7. Piper Lane: Piper Lane is a proposed development of 28 townhouse units, including 7 affordable homeownership units. There has been a lot of community opposition to this development, and the Board of Selectmen voted not to recommend it. MassHousing issued a PEL, and the ZBA has held multiple hearings that are still ongoing. Most recently, the Acton Conservation Commission ordered a peer review of the environmental design's impact on the wetlands and the nearby vernal pool. This could substantially alter the project plan. As of January 2020, the ZBA hearing process is on hold until this review is completed.

The table below provides a summary of how many units each of these developments will add to Acton's housing inventory, including the number of units that will get added to the SHI. If all of these projects come to fruition, greater than 10% of Acton's housing units will be included on its SHI, based on the total housing units calculated in the 2010 U.S. Census. The number of housing units in Acton will be re-calculated in the upcoming 2020 census, and the percentage of SHI units will decrease.

Table 8: Development Pipeline

Development Name	Total Units	Affordable Units	Market Units	Total Units Towards SHI
446 Mass Ave	31	31	0	31
Powder Mill Place	230	58	172	230
184 Main Street	8	2	6	2
Piper Lane	28	7	21	7
Post Office Crossing	12	3	9	3
Acton Housing Authority (AHA)	31	31	0	31
Grandview	32	8	24	8
Total	**372**	**140**	**232**	**312**

Source: Acton Community Housing Corporation; Acton Planning Department

Housing Affordability

Key Findings

- Data from Trulia.com indicate that much of Acton's rental housing is not affordable to low-income households.
- 22% of Acton households are low income, earning less than 80% of AMI and therefore may be eligible for housing assistance through most federal and state programs.
- 24% of Acton households are cost burdened, paying 30% or more of their income on housing costs; the rate (36%) is particularly high among renter households.
- 7.75% of Acton's housing, or 657 units, are recorded on the state's Subsidized Housing Inventory. However, many SHI units are not actually affordable to households at 80% or less of AMI because all rental units in a M.G.L Ch. 40B development are eligible to be included on the SHI, not just the 20-25% price-restricted affordable units.
- The median sales price of single-family homes in Acton in 2018 was $635,000. However, households at Acton's median income of $137,910 could afford to purchase a home that costs no more than $554,000, and 4-person low-income households at 80% of the AMI could afford to purchase a home that costs no more than $340,000.

In the previous sections, Acton's population and housing stock were examined. The intersection of these previously examined areas—demand (people) and supply (housing units)—as well as policy, planning, and funding, ultimately determines housing affordability in a given community. In this section, the affordability of Acton's housing stock to Town residents is assessed.

Households Eligible for Housing Assistance

One measure of affordable housing needs is the number of households that may be eligible for housing assistance based on estimated household income. Federal and state programs use Area Median Income (AMI), along with household size, to identify these households. Table 9 below shows U.S. Department of Housing and Urban Development (HUD) income limits for extremely-low (below 30% of AMI), very-low (30-50% of AMI), and low-income (50-80% of AMI) households by household size for the Boston-Cambridge-Quincy Metropolitan Statistical Area (MSA), which includes Acton[14]. Typically, households at 80% of AMI and below may qualify for housing assistance, though there are some exceptions based on household size and assets.

[14] The Boston-Cambridge-Quincy MSA includes 112 cities and towns spread throughout parts of Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties in Massachusetts. The MSA also includes three towns in Rockingham County, New Hampshire.

Table 9: FY 2020 Affordable Housing Income Limits
Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area

Household Size	Extremely Low Income (30% AMI)	Very Low Income (50% AMI)	Low Income (80% AMI)
1 Person	$26,850	$44,800	$67,400
2 Person	$30,700	$51,200	$77,000
3 Person	$34,550	$57,600	$86,650
4 Person	$38,350	$63,950	$96,250
5 Person	$41,450	$69,100	$103,950
6 Person	$44,500	$74,200	$111,650
7 Person	$47,600	$79,300	$119,350
8 Person	$50,650	$84,450	$127,050

Source: HUD

Data from HUD's Comprehensive Housing Affordability Strategy (CHAS) reports that 9%, 6%, and 7% of households in Acton are extremely low income, very low income, and low income respectively. This means that a total of 22% of all households, or approximately 1,950 households, may qualify for affordable housing programs based on income.

Current M.G.L. Chapter 40B Subsidized Housing Inventory

Under M.G.L. Chapter 40B, affordable housing units are defined as housing that is developed or operated by a public or private entity and reserved by deed restriction for income-eligible households earning at or below 80% of the AMI. In addition, all marketing and placement efforts follow Affirmative Fair Housing Marketing guidelines per the Massachusetts Department of Housing and Community Development (DHCD). These units are also deed restricted units.

Housing that meets these requirements, if approved by DHCD, is added to the subsidized housing inventory (SHI). Chapter 40B allows developers of low- and moderate-income housing to obtain a comprehensive permit from the Acton Zoning Board of Appeals to override local zoning and other restrictions if less than 10% of a community's housing is included on the SHI.

A municipality's SHI fluctuates with new development of both affordable and market-rate housing. The percentage is determined by dividing the number of affordable units by the total number of year-round housing units according to the most recent decennial Census. As the denominator increases, or if affordable units are lost, more affordable units must be produced to reach, maintain, or exceed the 10% threshold.

Acton has 7.75% affordable housing. Of the 8,475 units of total year-round housing units in the town (from the 2010 Census), there are 657, or 7.75% that are counted as 'affordable' on the State's Subsidized Housing Inventory of which 300 are market rate units. A look at the history of Acton's SHI shows that there was a big jump in the number of units on the SHI in 2007, with the

construction of the large Avalon rental development. Since then, there were only incremental increases due to modestly sized ownership developments that generally included a small handful of affordable homeownership units in each. However, there was another significant jump this past year (2019) with the beginning of construction of a second phase of the Avalon rental project. There is potential for additional significant increases in the number of units on Acton's SHI, and even the possibility of reaching 10%, if some of the larger rental projects described in the Future Development section above come to fruition.

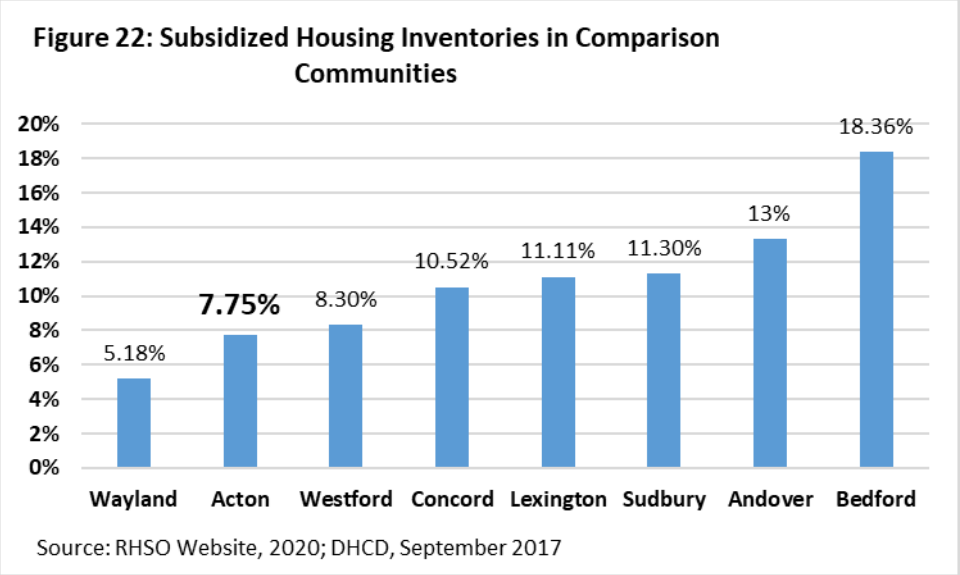
It is important to note that the total number of units in Acton, which is used as the denominator when calculating Acton's SHI percentage, will change following the 2020 census. When the denominator last changed following the 2010 census, Acton's SHI percentage decreased even though the total number of units on the SHI had increased – see the row for 2012 in the chart below.

Table 10: History of Acton's SHI

Year	# of Units on SHI	SHI %
2002	158	2.07%
2005	177	2.32%
2007	501	6.55%
2012	533	6.29%
2013	552	6.51%
2014	549	6.48%
2015	553	6.53%
2016	559	6.60%
2017	568	6.70%
2018	569	6.71%
2019	657	7.75%

Source: DHCD

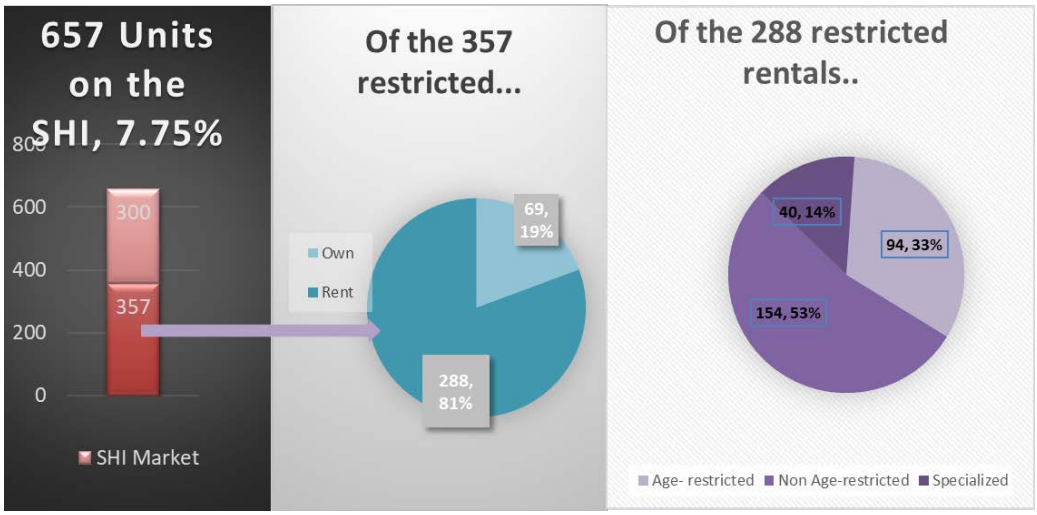
Compared to the municipalities being used for comparison in this report, Acton's SHI percentage is on the low end of the spectrum.



It is important to note that due to state eligibility policies under M.G.L. 40B, the actual number of affordable units in Acton or any community is much lower than the inventory indicates. In ownership developments that have an affordable component, only the affordable ownership units are included on the SHI. However, in rental developments, 100% of the units (regardless of the cost of rent) are counted as long as a minimum of 20% of units are affordable to households at 50% or below AMI, or 25% of units are affordable to households at 80% or below AMI.

As the chart below demonstrates, only 357 of the 657 SHI units are actually affordable to households at or below 80% of the AMI. Of the 357 restricted units, the vast majority are rental units, and the rest are homeownership units. The remaining 300 units are market rate rentals, counted on the SHI as they are part of a development that was constructed under a Comprehensive Permit. Although not affordable, these market rate rental units meet a demand for market-rate rental housing. Of the 288 restricted, affordable rental units, 53% are family units, 33% are age-restricted units, and 14% are specialized units for people with disabilities who are referred by the MA Department of Developmental Services (DDS) or the MA Department of Mental Health (DMH). In addition to the forty units for DDS or DMH-referred disabled individuals, there are also 29 affordable rental units scattered throughout the inventory that are accessible for people with physical disabilities.

Figure 23: Breakdown of Units on Acton's SHI



Source: RHSO Inventory

The 357 total restricted units are not nearly enough for the 1,950 Acton households who would be eligible for restricted units. These numbers exhibit that there must be a significant number of low income households in Acton who are paying more towards housing costs than they can actually afford.

Housing Cost Burden

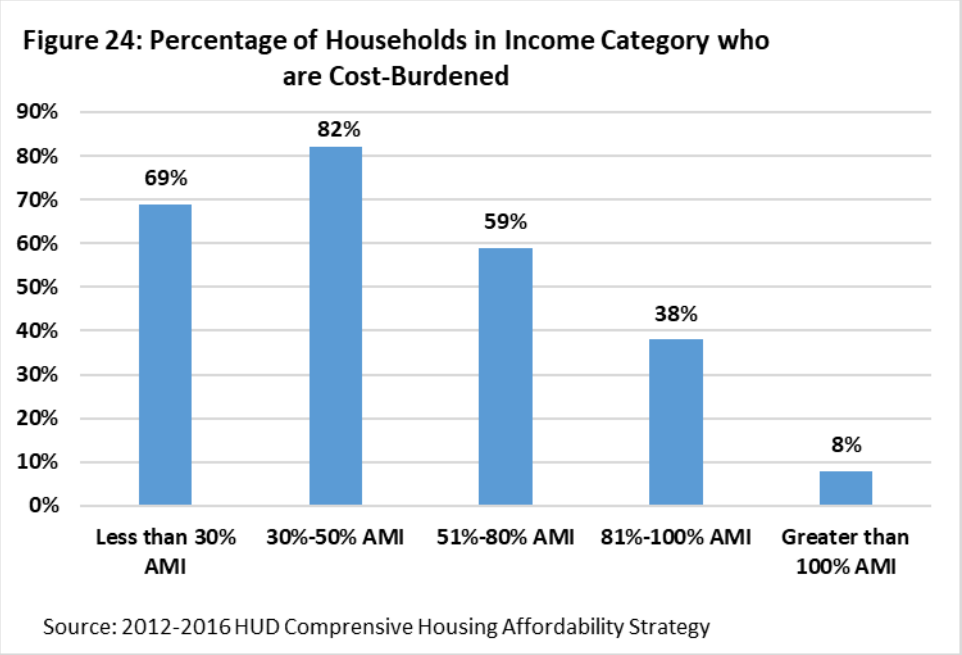
One method to determine whether housing is affordable to a community's population is to evaluate households' ability to pay their housing costs based on their reported gross household income. HUD considers households who spend more than 30% of their gross income on housing to be 'housing cost burdened', and those that spend more than 50% to be severely housing cost burdened. Landlords and banks enforce these standards, and will generally not sign a lease or qualify someone for a mortgage if they will be paying more than 30% of gross income towards housing costs.

According to HUD's most recent Comprehensive Housing Affordability Strategy (CHAS) data, a total of 24%, or approximately 2,040 households in Acton are cost burdened, and 925 of those households (11% of total households), are severely cost-burdened. Notably, the rate of cost burden is significantly higher among renters than owners: 36% versus 20%. In order to pay monthly housing costs, it is assumed that cost-burdened households must make difficult decisions about where to cut costs in other areas, such as health care, education, or nutrition.

Cost Burden by Income

Cost burden does not impact all Acton households equally. It is important to note which income categories (low, very-low, and extremely-low) are most cost burdened. CHAS data reports that cost burden occurs at a much higher rate among lower income households than higher income households. 70% of low-income Acton households – those who earn less than 80% of area median income (AMI) – are housing cost-burdened. As shown below, the 30-50% AMI sub-category has the highest rate

of cost burden. However, only 8% of households who earn more than 100% of AMI are housing cost burdened.



Affordability Gap

The large percentage of low income households in Acton who are cost-burdened indicates that there is a gap between the number of households at or below 80% of AMI and the number of housing units affordable to households at this income level.

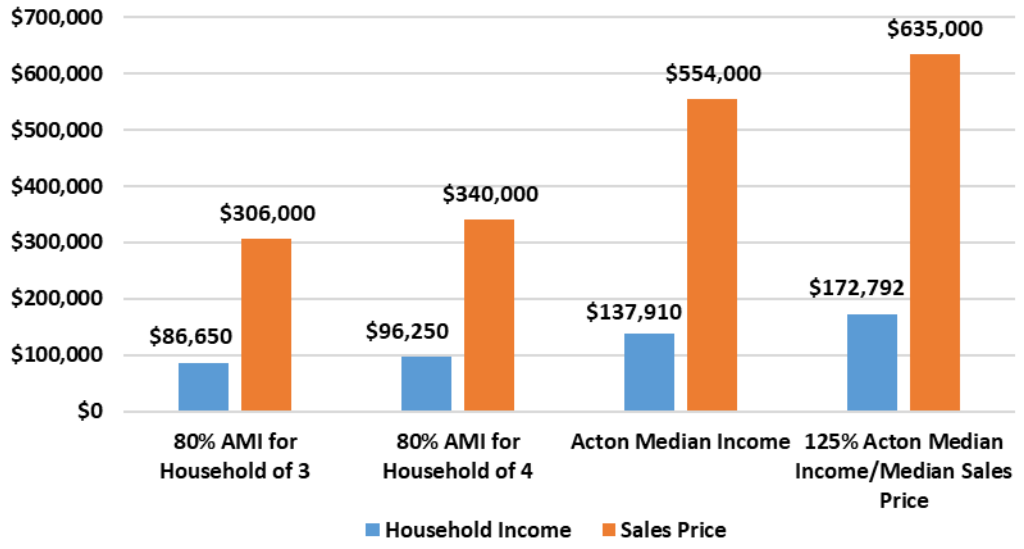
Ownership

A four-person household earning at or below 80% AMI ($96,250) could afford to purchase a home that costs less than $340,000, using the DHCD affordability calculator and assuming a 5% down payment and an interest rate of 3.97% (per DHCD guidelines). Trulia.com shows that there are currently (as of 1/7/20) only four properties on the market in Acton that are under $340,000 – all small (less than 1,000 sq. ft.)[15], two-bedroom condos which may not be adequate for more than a 3-person household. Furthermore, the DHCD affordability calculator shows that Acton's 2018 single-family median sale price of $635,000[16] requires an annual income of $172,792, nearly $35,000 higher than Acton's median household income of $137,910.

[15] In units with small bedrooms that have limited square footage, the MA sanitary code and its minimum square footage requirements per person must be considered - https://www.mass.gov/doc/105-cmr-410-state-sanitary-code-chapter-ii-minimum-standards-of-fitness-for-human-habitation/download

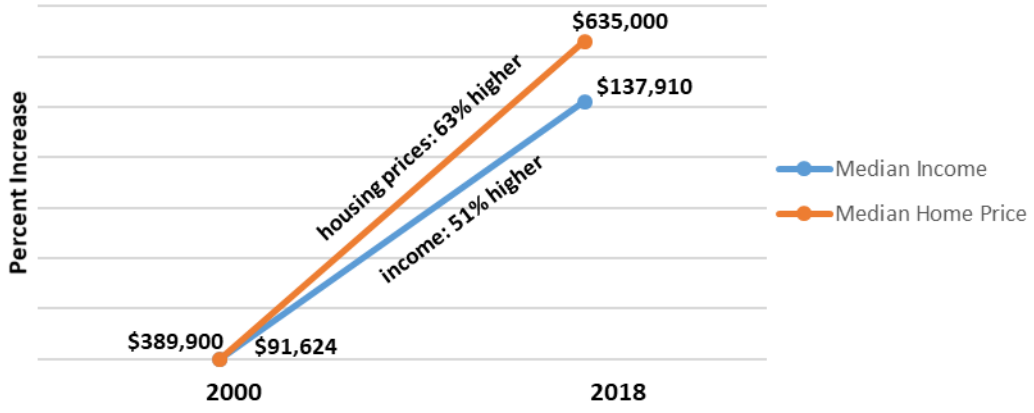
[16] The Warren Group

Figure 25: Annual Income Needed to Afford to Purchase a Home in Acton



Source: DHCD Sales Price Calculator; Author calculations use 2020 Acton tax rate, assume 30-year fixed mortgage; 5% down payment for first 2 examples/10% down payment in last 2 examples; 3.97% interest

Figure 26: Comparison of the increase in housing prices and income between 2000 and 2018



Source: 2000 U.S. Census; 2014-2018 American Community Survey; Warren Group Town Stats

Rental

For rentals, a 4 person household earning 80% of AMI ($96,250) could afford approximately $2,400 per month in rent if all of the utility costs for the apartment were included, or

approximately $2,215 per month in rent if utilities were not included.[17] Trulia summary data reported that the median rent in Acton during the past year was $2,763 – not affordable to a low-income household. However, the averages on Apartment.com as well as point-in-time rental listings (see Tables 6 and 7 earlier in this document) show that there are affordable rental options available in Acton, but the total number of units is limited, and the units that are available are generally smaller 2-bedroom units, which are often not suitable for families. The 2020 rent for a restricted 2-bedroom rental unit is $2,166 with all utilities included, or $1,991 if no utilities are included. The 2020 rent for a restricted 3-bedroom rental unit is $2,406 with all utilities included, or $2,233 if no utilities are included. Though these prices are comparable to some of the market rate units in Acton, they are still an important resource for low-income renters since the market units are so limited.

The gap between the actual cost of housing units in Acton that are available to buy and the housing cost that would be affordable to low-income families is substantial. Affordable market rentals are available, but extremely limited. The affordability gap as well as the scarcity of units indicates a clear need for more rental and homeownership units that would be affordable for households earning 80% or less of AMI.

Naturally Occurring Affordable Housing

Acton has an inventory of lower priced units in older condominium complexes, which provide some naturally affordable housing to lower income households. These units are not formally restricted, allowing owners to build market equity.

An analysis of all condominiums in Acton[18] included 1004 total condominiums of which almost half (48%) are being rented (owned by owners with mailing addresses outside Acton), including absentee landlords and investors. Most (721) of these units are located on Davis Road (272) and Great Road (449). Built as apartments between 1968 and 1978, many were converted to condominiums in the 1980's, and consistent with all condominiums in Acton, most (57%) are not owner-occupied.

Looking at the value and pricing side of the condominiums on Davis and Great Roads:

- The condominiums are valued under $200k
    - 42% are 1bedroom, 671 median sqft, assessed value of less than $150k
    - 48% are 2bedroom, 844 median sqft, assessed value between $150k and $200k
    - 10% are larger with 1,788 median sqft and an assessed value of over $200k
- The current rent range $1500-$1950 (from limited data points)
- 120 sales over the last three years (2017/18/19), with a median sales price of $170k ($140k for 1BR, $180k for 2BR)

[17] Author's calculations assume rent is affordable when no more than 30% of gross income is spent on rental costs. The Concord Housing Authority Utility Allowance chart was used to calculate the affordable rent with no utilities included.
[18] Condominium data provided from the Town Assessor to the Town Planning Department on 4/9/20.

In general, a condo buy down program focused on these units can be done, and in fact has been done in Acton as well as other surrounding communities, though similar programs have had limited success in that they only produce a small handful of units. The units must be in good repair, with no deficiencies, and generally desirable. The financial status of the condo development must be stable, with adequate reserves. In an ownership model, the price would need to be enough below market to account for the resale restriction, where the owner has limited appreciation. Condo fees for these units, typically in the range of $400/month, would also present a challenge in conversion to deed restricted units. Finally, deferred maintenance is an important consideration in the affordable restricted ownership model as well. In a rental model, the lower rents may not cover purchase costs, thus requiring local subsidies needed for acquisition and on-going maintenance.[19]

Given the lower market price, it is reasonable to investigate developing a program to convert these lower priced housing units, generally condominiums, to formally deed restricted housing units and recording them on the SHI, as further described and identified in Chapter Three's Goals and Strategies to consider more closely.

Housing Needs by Acton Residents

If Acton can demonstrate the associated needs and the absence of any disparate impacts in an Affirmative Fair Housing Marketing Plan, DHCD allows up to 70% of affordable units in a development to be set aside as 'local' or community preference units. This Local Preference Justification reviews the needs of Acton low income households compared to the availability of housing affordable to those households. Acton has provided adequate local preference justification for its developments.

Every new housing development creates an Affirmative Fair Housing Marketing Plan (AFHMP) in accordance with the AFHMP guidelines issued by DHCD, most recently in May 2013. Under no circumstance would the local selection preferences disproportionately delay or otherwise deny admission of non-local residents that are protected under state and federal civil rights laws. Each AFHMP demonstrates what efforts will be taken to prevent a disparate impact or discriminatory effect and must be approved by the Subsidizing Agency.

The affordability gap analysis above and the information below are intended to demonstrate the need for housing by Acton residents, defined in accordance with AFHMP requirements as:

1. Current residents: a household in which one or more members is living in the city or town at the time of application.
2. Municipal Employees: Employees of the municipality, such as teachers, custodians, firefighters, police officers, librarians, or town hall employees.
3. Employees of Local Businesses: Employees of businesses located in the municipality.
4. Households with children attending the local public schools.

[19] See Appendix A for an analysis of a potential buy-down program from October 2018.

The Town of Acton, as well as many private businesses in Acton, would like to have employees live closer to Town (or in Town) so that they can know the community better and provide consistent service levels and better responses to emergency situations. The further Town employees are required to travel due to housing costs, the greater the problem in providing a high level of service to residents, particularly during inclement weather conditions or emergency situations. Additional benefits to the community and employees include reductions in travel time, congestion, and potential improvement in air quality.

There are potentially many people who work for Acton businesses who would qualify for low-income housing. According to 2018 data from the Massachusetts Department of Labor and Workforce data, there are 878 establishments, covering all industries, listed in Acton, MA reporting an average monthly employment of 10,141 employees. The average weekly wage of these employees is $1,270, yielding an annual income of $66,040, which is significantly less than the current HUD 80% AMI for a family of four at $96,250.[20] Although it is unlikely that the majority of people who work in Acton are supporting a family of four on one salary, these statistics are still an important reference point.

Further insight into the needs for affordable housing for those who live and/or work in Acton is provided by waitlist data from the Acton Housing Authority (AHA). The chart below shows the number of Acton residents on the AHA's waiting list for different types of housing. The application date information shows that it is common for applicants to be on the waitlist for many years due to low turnover rates.

Table 11 - Acton Housing Authority Waitlist Information

Unit Type	Total Applicants on Waitlist	Total Local Applicants	Application Date for Local Household at top of list
One Bedroom Over 60	500+	85	8/27/2013
One Bedroom Under 60, Disabled	344	4	3/20/2019
Two Bedroom	500+	32	6/6/2016
Three Bedroom	500+	18	4/28/2016
Section 8	216,956	348	1/10/2003

Source: Acton Housing Authority

Many factors provide justification for Acton to request a community preference for its residents and for people who work in the town whenever new affordable housing units are built:

- the high cost of housing in Acton
- the significant number of people who live and work in Acton who earn less than 80% of AMI

[20] Massachusetts, Labor and Workforce Development website, http://lmi2.detma.org/lmi/lmi_town.asp, accessed 1/7/20.

- the high rate of housing cost burden among low-income households in Acton
- the extremely long wait times for local applicants for rental housing available through the Acton Housing Authority

DHCD and the state agencies have to-date always approved the request for Local Preference.

Chapter 2: Development Constraints and Limitations

Residential development in Acton is influenced by various factors pertaining to the natural and built environments; regulatory and municipal barriers; capacity limitations; and the broader planning and political context, including resident preferences.

The following constraints have been identified as relating to housing development and affordability:

- Natural & Built Environment
  - Limited land availability and the high cost of land
  - Car-dependent town with limited forms of alternate transit modes
  - Lack of public sewers in areas suitable for development
  - Source of all 95% of water in Acton is from groundwater wells within the town boundaries.
- Regulatory & Municipal Barriers
  - Outdated zoning
  - Difficulty passing new bylaws and regulations
  - Historic District restrictions on new housing development
- Capacity Limitations
  - Limited financial resources for affordable housing creation
- Broader Planning and Political Context
  - Community desire to maintain town character
  - Community desire for open space preservation
  - Public apprehension to changing status quo related to housing needs and issues
  - Public perceptions of new development and new residents

Building on these concerns, this section provides an overview of Acton's residential development environment and some of the local obstacles to the creation of affordable housing.

Natural & Physical Constraints

Land Availability

Over the last century, Acton, like many of its neighbors, has seen its fields and orchards transformed into suburban development. Farmland, once the predominant land use in Acton, has become scarce, replaced by housing, commercial areas, and forest. The Town has approximately 7,000 acres of forested land, more than 50% of its total area. This includes small private holdings, such as back land on residential lots, as well as larger forested areas of public open space.
The Acton 2020 Comprehensive Community Plan estimates there are 2,200 acres of developable land left, excluding wetlands, or 17% of the total land area. Based on 2008 data, approximately 1,800 new housing units could be constructed under current zoning, contributing an additional 22% to Acton's housing stock. Most of the available land for future housing development is composed of fairly large parcels that must be subdivided in order to leverage its development potential.

Residential development demands in Acton have continued over the past decade, with the use of marginal land for large lot subdivisions and infill development in established neighborhoods being the predominant methods. The chart below, taken from the 2014-2021 Acton Open Space and Recreation Plan, details the location and amount of developable land remaining in Acton by zoning district.

ACTON ZONING and LAND AVAILABILITY

		Total Acres[1]	Percent of Town	Developable Acres Remaining[2]	Percent of Total Acres
Residential Districts					
Residence 2	R-2	3,941.9	30.3%	454.8	11.5%
Residence 4	R-4	593.2	5.0%	68.2	11.5%
Residence 8	R-8	1,162.6	8.9%	187.0	16.1%
Residence 8/4	R-8/4	765.7	5.9%	342.8	44.7%
Residence 10	R-10	74.1	0.5%	7.8	10.5%
Residence 10/8	R-10/8	1,554.8	12.0%	669.2	43.0%
Residence A (multi-family)	R-A	225.2	1.7%	39.6	17.6%
Residence AA (multi-family)	R-AA	7.7	0.0%	0.5	6.5%
Village Residential	VR	62.6	0.5%	4.6	7.3%
Village Districts					
East Acton Village	EAV	31.1	0.2%	1.7	5.5%
East Acton Village 2	EAV-2	19.8	0.2%	0.3	1.5%
North Acton Village	NAV	43.0	0.3%	22.7	52.8%
South Acton Village	SAV	34.2	0.3%	7.0	20.5%
West Acton Village	WAV	22.9	0.2%	0.8	3.5%
Office Districts					
Office Park 1	OP-1	119.2	0.9%	64.2	53.9%
Office Park 2	OP-2	105.4	0.8%	22.1	21.0%
Business Districts					
Kelley's Corner	KC	47.0	0.4%	3.4	7.2%
Limited Business	LB	158.6	1.2%	9.6	6.1%
Powder Mill District	PM	72.8	0.6%	9.5	13.0%
Industrial Districts					
General Industrial	GI	135.1	1.0%	5.7	4.2%
Light Industrial	LI	39.1	0.3%	5.5	14.1%
Light Industrial 1	LI-1	191.5	1.5%	5.7	3.0%
Small Manufacturing	SM	119.0	0.9%	8.5	7.1%
Technology District	TD	302.6	2.3%	255.8	84.5%
Special Districts					
Agriculture-Recreation-Conservation	ARC	1837.0	14.1%	NA	NA
Planned Conservation					
Residential Community	PCRC	304.8	2.3%	0	0%

2014-2021 Acton Open Space and Recreation Plan

Environmental Constraints

Watershed Areas & Wetlands

Acton has two major watersheds: Nashoba Brook and Fort Pond Brook. These watersheds account for 65% of the recharge of Acton's groundwater aquifers—the source of the Town's drinking water. The other 35% is contributed by watersheds not wholly within Acton. Wetlands are significant development barriers in some parts of town. In fact, they comprise nearly 13% of the town's area.

Protected Open Space & Habitats

Acton has more than 2,000 acres of permanently protected land. The Conservation Commission is responsible for approximately 1,645 acres, and the Water District comprises another 400 acres. In addition, the state owns just over 200 undeveloped acres, and there are over 700 acres in Chapter 61, 61A and 61B which temporarily protect land that is in active forestry, agriculture or recreation.

Acton has five biodiverse areas identified by the State's BioMap 2 Project: NARA/Wills Hole/Kennedy/Marshall Land/Nashoba Sportsman Club, which is partially Town-owned and a Zone II Wellhead Protection Area; Grassy Pond, also partially Town-owned; Assabet River in the southeastern corner of town and including a portion of a Zone II Wellhead Protection Area; Heath Hen Meadow, wetlands along the town boundary with Stow and Maynard and including a portion of a Zone II Wellhead Protection Area; and Reformatory Fields/Wetherbee Conservation Land, which also includes a portion of a Zone II Wellhead Protection Area.

The town also has State-designated Priority Habitats of Rare Species, including habitats for nine State-listed rare plant or animal species, most of which are concentrated along major brooks. In addition, there are 23 certified vernal pools and 142 potential vernal pools—habitats for wood frogs, salamanders, and other species. Acton works with developers to minimize environmental damage and limit encroachment in all new construction projects using tools such as cluster development, storm water management and conservation restrictions.

Municipal Infrastructure

Water and Sewer

The Acton Water District provides potable water to approximately 95% of the town from groundwater wells in several locations in Acton.[21] These wells are surrounded by protection zones, in which land use and development is restricted through Acton's zoning bylaw. Acton residents and businesses use approximately 600 million gallons of water per year, and the Massachusetts Department of Environmental Protection limits withdrawal to 708 million gallons/year. Usage has been essentially flat because of water conservation methods, and the use of private wells, which offset increases in demand due to growth, particularly in the summer months. Maximum daily water

[21] The other 5% comes from private wells, serviced by the Town of Concord, and other Public Water Supplies.

demand is often greater than 2.0 million gallons per day; in the summer it can reach as high as 2.6 million gallons per day. Consequently, the Acton Water District has instituted summer watering bans at times to keep usage below the DEP maximum levels.

AWD's primary mission is to ensure all residents served by the District will be able to access sufficient clean water for as long as the Town exists. Fulfilling this mission is accomplished by conservation, protection, and expansion (when possible) of our groundwater resources. AWD has voluntarily 2 and proactively implemented stringent summer water use restrictions to conserve water during the hottest and driest part of the year. Residents of the Town have enthusiastically participated in following these restrictions. Groundwater protection zones have been established within the Town. Maps of the groundwater protection zones must be consulted before any new development occurs. The Housing Production Plan appears to propose development in a Zone 2, which is an area of groundwater recharge into our aquifer. Development creates impervious areas which typically reduce groundwater recharge to the aquifer unless mitigation procedures are employed. Additional concerns in the Zone 2 include stormwater management, alteration of natural hydrology, and wastewater management. This is especially concerning as 40B would override the local protections afforded to the groundwater quality and quantity under the zoning bylaw. Development in a sensitive recharge area seriously affects AWD's ability to protect our groundwater supply.

Changes in zoning should be evaluated carefully due to the potential impacts on natural systems and increased intensity of use on properties that may be incompatible with groundwater protection efforts. The Housing Production Plan needs to recognize that groundwater protection zones are not an absolute protective measure against all types of property use and changes to a property may impact the static understanding of the groundwater zones. For example, siting a large-volume wastewater or stormwater discharge in a Zone 3 or 4 may cause that zone to become part of a Zone 2. The town and the developer should be cognizant of the need to understand such changes as more intense use of land is proposed.

AWD is aware that as the town grows, providing additional volumes of water may be necessary. The District intends to retain our current permitted pumping of groundwater and is exploring options for increasing that volume. It should be noted that State policies regarding water use and withdrawal are becoming more complex and onerous for all communities in Massachusetts. Communication with the AWD in the pre-development phase is essential to successful housing construction, as a developer may want to purchase a parcel which has groundwater exploration value.

Constraints pertaining to Title 5, the State Environmental Code Regulating Septic Systems, are another significant development barrier in parts of town. For example, lack of sewers in Town is an obstruction to the construction of any housing along Rt. 2A, West Acton. Wastewater management in town relies on a combination of the centralized public wastewater treatment plant on Adams Street in South Acton (Middle Fort Pond Brook) and private on-site disposal systems. The Middle Fort Pond Brook plant currently services somewhat less than 10% of the Town. It treats

approximately 125,000 gallons of wastewater/day from 680 properties, and has additional capacity of approximately 50% of that which is currently used. Most residential properties (80%) utilize individual on-site septic systems; and according to Acton Health Department estimates, approximately 10% of town properties utilize clustered on- site septic systems or package treatment plants. On-site treatment is viable for most, but not all, residential lots in Acton, though meeting on-site treatment standards on some lots may involve additional cost. As an alternative, the Town allows innovative/alternative (I/A) systems for replacement of conventional systems and sometimes for new construction.

The Town's Comprehensive Water Resources Management Plan (CWRMP) completed in 2006 identified 15 wastewater planning "Areas of Need," five of which are categorized as high- priority needs areas. The initial implementation of the CWRMP has focused on (1) evaluating which Areas of Need could feasibly be served by the existing wastewater treatment plant; and (2) identifying priority areas for sewer extensions. The CWRMP identified Wastewater Management Districts[22] (WMD) as the primary or secondary solution to be considered for most of the 15 Need Areas. 2019 Town Meeting voted not to expand the sewer system into West Acton, which had previously been identified as an "Area of Need".

Roads and Transportation

Acton's transportation system is composed of a 120 miles network of public roadways, most of which were not designed for today's traffic volumes, according to the Acton 2020 Comprehensive Community Plan. However, planned improvements are underway in several key locations in Acton using state and federal transportation funds, including the intersection of Routes 27 and 111, and the Piper Road intersection with Route 2, which will incorporate more modern design standards. The improvements will increase safety and improve capacity. The Town also has a Complete Streets Policy which requires that the Town "approach every transportation project and program as an opportunity to improve streets and the transportation network for all users." To implement this policy, the Town has taken advantage of state funding for Complete Streets which encourages safe and accessible travel options for all modes – walking, biking, transit and vehicles.

Acton's low density land use pattern encourages driving, but there are opportunities to strengthen transportation links in existing villages that lend themselves more to multi-modal neighborhoods. Residents' interest in better public transportation, pedestrian, and bicycle infrastructure has resulted in a shuttle service to the South Acton Train Station (SATS), improved station design, accessibility improvements, and sidewalk design guidelines. The MBTA has completed improvements to the SATS and the Littleton Station over the past decade, resulting in relieving some of the parking congestion in Acton.
Acton is a member of the Lowell Regional Transit Authority (LRTA) service area, and provides transportation services to all residents through its paratransit and Dial-A-Ride van services and rail

[22] According to the CWRMP, Wastewater Management Districts offer Greater levels of environmental and public health protection through the delineation of a specific area within which the design, construction, operation, and maintenance of onsite wastewater treatment systems will be more closely regulated.

shuttle, and the fixed-route Cross-Acton Transit service. It is also part of the multi-town, public-private CrossTown Connect transportation management association, with shared van dispatch to many areas in Acton and destinations in neighboring towns, including Acton, Boxborough, Concord, Littleton, Maynard, Sudbury and Westford and several private corporate members.[23]

Schools

Acton is the larger partner in the Acton-Boxborough Regional School District. The District includes one high school, one middle school, six elementary schools, and one preschool. The quality of schools within the district is considered quite high, and likely attracts families to Acton. According to the Massachusetts Comprehensive Assessment System (MCAS) 2019 scores, Acton elementary schools rank 38th out of 365, the middle school ranks 9th out of 495, and the high school ranks 4th out of 352.[7] Acton has recently committed to over $100 million in school improvements to continue to provide excellent education for the community for the next several decades. The recent regional trend of declining school enrollment is also apparent in Acton; however based on the most recent enrollment projections by the New England School Development Council (NESDEC), enrollment is expected to increase again over the next ten years to nearly 5,700 students. The district has seen dramatic shifts in the number of English Learners and has developed special education programming to better meet the needs of students, which will be afforded by specialized spaces in the new school improvements.

Regulatory Constraints

Residential Zoning and Land Use

Zoning bylaws regulate the type and location of development construction within a community. For the purposes of a HPP, zoning can be considered a constraint if the bylaw significantly limits expanding the housing supply to meet demand. Acton's zoning bylaw allows a wide range of residential uses, variable densities, and incentives to developers to balance private interests with public benefits. However, the most useful tool to create housing – allowing multi-family zoning as of right – is not widely available, and has proven difficult to pass at Town Meeting.

[7]<http://www.schooldigger.com/go/MA/Districtrank.aspx.

[23] The Town of Acton website provides more information on the different ride services offered in Town: https://www.acton-ma.gov/626/Transportation-Services

District		RESIDENTIAL USES Single family	Two-Family	Dwelling Conversions	Multifamily	Combined Business & Dwelling
Residence 2	R-2	Y	N	SPA	N	N
Residence 4	R-4	Y	N	SPA	N	N
Residence 8	R-8	Y	N	SPA	N	N
Residence 8/4	R-8/4	Y	N	SPA	N	N
Residence 10	R-10	Y	N	SPA	N	N
Residence 10/8	R-10/8	Y	N	SPA	N	N
Residence A	R-A	Y	Y	SPA	SPS	N
Residence AA	R-AA	Y	Y	SPA	Y	N
Village Residential	VR	Y	SPA	SPA	SPA(2)	Y(7)
East Acton Village	EAV	Y	Y	SPA	Y(2)	Y
East Acton Village 2	EAV-2	Y	Y	SPA	Y(2)	Y
North Acton Village	NAV	Y	Y	SPA	N(3)	Y
South Acton Village	SAV	Y	Y	SPA	Y(2)	Y
West Acton Village	WAV	Y	Y	SPA	Y	Y
Kelley's Corner	KC	Y	N	SPA	N	Y
Limited Business	LB	Y	N	SPA	N	Y
Powder Mill	PM	Y	N	N	N	Y

(2) Not more than four DWELLING UNITS shall be permitted per multifamily dwelling.
In the VR District a Site Plan Special Permit shall not be required.
In the SAV district, the Board of Selectmen may by Special Permit allow more than four DWELLING UNITS per Multifamily Dwelling.
(3) Multifamily dwellings created under the provisions of Section 5.4 and Section 5.5 shall be permitted.
(7) Provided that the owner of the property resides on the property, the business USE is limited to 500 square feet of NET FLOOR AREA, and all parking spaces are provided to the rear or side of the BUILDING.

Y Use is permitted by right in any district
N Use is prohibited in any district
SPA Use may be permitted by special permit from the Board of Appeals
SPS Use may be permitted by special permit from the Board of Selectmen

Source: Town of Acton Zoning Bylaw, April 2019

More than 60% of the town is zoned for residential uses: 58% for single-family housing and just under 2% for multifamily housing. However, most of the land in multifamily zoning districts is already developed, leaving little opportunity for expansion of this type of housing.

Several provisions of the Acton zoning bylaw promote compact development patterns (Open Space Development, Senior Residence, Planned Conservation Residential Community District and Special Provisions in Village Districts), some solely with the construction of residential housing and some allowing a mixture of housing and commercial development. These bylaws contain special provisions if a percentage of affordable housing is developed. However, these bylaws are complicated to permit and have been rarely used since their adoption. Recent efforts to expand zoning bylaws to encourage denser housing have failed at Town Meeting.

Zoning recommendations to further promote the development of diverse and affordable housing in Town are made in the subsequent section on goals and implementation strategies.

Historic District Restrictions

The Historic District Commission administers Acton's Chapter P Zoning Bylaw for Acton's three historic districts (comprising approximately 180 historic residential properties-about 2% of the housing units in Acton). These statutory bylaws govern new construction and rehabilitation in the districts with the goal preserving the original character and architectural integrity of those districts.

The Commission recognizes that the maintenance and rehabilitation costs associated with historic properties are generally substantially higher than typical residential properties which may seem to discourage the creation of affordable housing. However, since the creation of the Historic Districts in 1990, the Commission has accommodated several affordable housing initiatives by either modifying certain standards on a case-by case basis or; preferably, and more successfully, such as the Habitat for Humanity House at 43-45 School Street, encouraged affordable housing applicants to secure Community Preservation Commission funds to supplement their budgets, allowing those projects to adhere to the historic district bylaws as closely as possible".

Capacity Limitations

Acton has multifamily housing developments along Rte2A that were constructed in the 1960s and 1970s under local zoning. These developments are the lowest cost housing opportunities occurring in the unrestricted market in Town. Today, there are no locations in Town that allow high density multi-family housing under local zoning. Acton, among many other Massachusetts suburban communities and others nationwide, began changing local zoning in the 1960s to restrict multifamily housing which in turn began limiting the stock of housing units that were naturally affordable.

As a response, in 1969 the State enacted M.G.L. Chapter 40B to help address the shortage of affordable housing statewide by reducing barriers created by local approval processes, local zoning, and other restrictions. It was a response to the limited housing access caused by exclusionary zoning practices in many communities. However, since its enactment, Chapter 40B has been proven to be a vital tool for racial and income equity inclusion by creating a more varied and affordable mix of housing types, important entry points for diverse families in local communities that do not allow multi-family housing under their local bylaws. And with changes in the subsidy requirements that allow a larger pool of developers to utilize the law, Chapter 40B is a top producer of housing in Massachusetts.

However, 40B is still viewed negatively by many in town. It is viewed more as a stick than a carrot. This may be due to a lack of understanding by residents of the complexity of the industry, and can be a constraint on housing production. Housing development is most successfully accomplished by professional developers, including non-profit developers, who understand the economics, costs and risks of a project. The formula contained in M.G.L. Chapter 40B (1 affordable unit created for every 3 units of market rate housing) is financially viable in the current economic climate when additional density and other local dimensional regulations are relaxed, as evidenced by the amount of housing produced in Massachusetts under this statute. The ability to communicate

complicated issues to the public, especially when a new development is proposed, is often difficult and can play a role in the public's reluctance to embrace affordable housing.

When either the developer or the municipality does not understand the nuances of development and/or the laws governing its permitting, or the permit ends up in court on appeal, the cost of constructing the development can significantly increase.

While most municipalities strive to comply with the 10% affordable housing mandate in Chapter 40B, many do not have the funds available to create their own affordable housing, nor the funds to subsidize private development to affordable levels. This lack of control often leads to the public's reluctance to support private housing development.

Few communities have been able to meet the State's 10% affordable housing mandate without the use of Chapter 40B, but those that have rely on strong community support for the principles of fair housing and inclusivity, and the adoption of permissive bylaws that allow the construction of multi-family housing.

Planning and Political Context

The final development constraint or limitation highlighted in this Housing Production Plan, is the balance between the desire to limit growth and also providing housing. A housing production plan, pursuant to its name, is oriented towards enabling residential development and the creation of new SHI units.

Public input points to a strong preference by some residents to limit growth, citing the benefit of open space conservation. Restricting development is seen to be the best means of accomplishing this vision, but such a strategy has an unintended side effect of maintaining the economic and demographic constituency currently in place. Other residents have articulated the goal for Acton to be a growing community, with additional housing choices, specifically higher density housing, welcoming new residents of all ages, and all social, racial, and income levels. Some examples of these viewpoints were articulated in the survey conducted as part of this plan:

- "Acton does not need more housing density. There comes a time when a move is needed, not necessarily within Acton. Acton needs to focus on retaining its "livability," not trying to create new housing for every constituency."
- "living in [A]cton is a privilege, not a right. cramming more people into this stressed town is not the way to go."

- "In order to maintain open space, growth in Acton needs to utilize smaller housing lots, increased density and mixed use space. Housing developments that are close to public transportation and commercial areas as well as walkable green space."

- "I like open space. High density buildings with lots of green space, rather than wall-to-wall buildings (either single family, or condos). Nagog Woods like, rather than all these newer developments that are just building next to building."

These goals are not mutually exclusive. Sophisticated analysis of costs and benefits of both development and preservation, and use of each in moderation, can produce a vibrant, thriving, modern community.

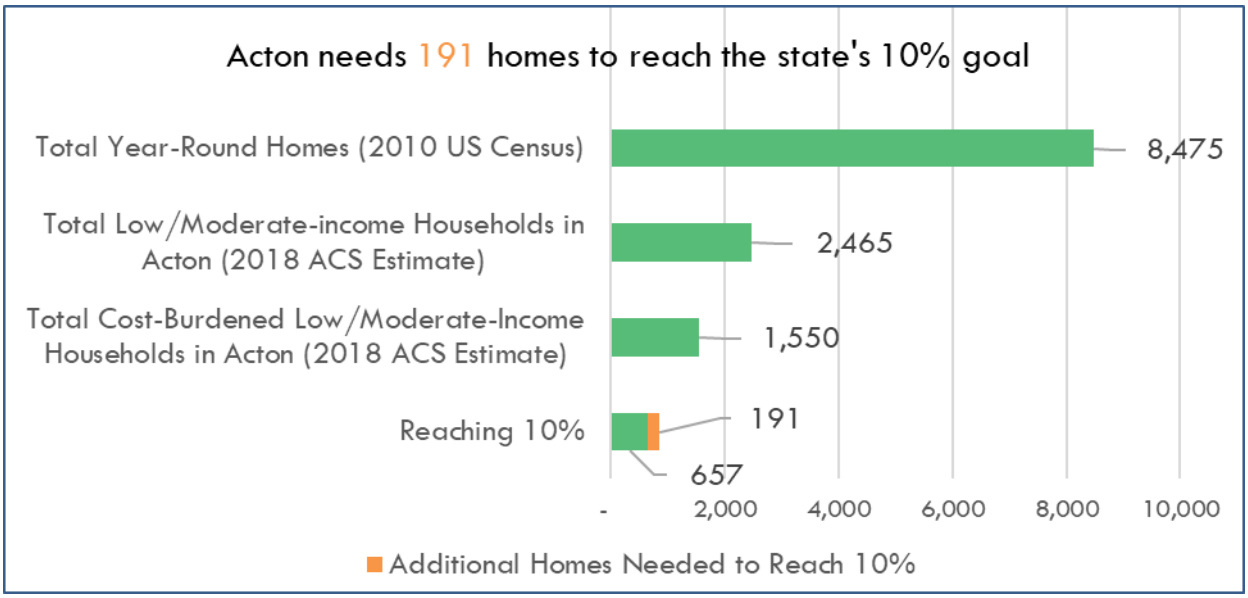
Creating a shared vision of town character, and achieving that vision is important work. Modifying zoning bylaws requires two-thirds vote at Town Meeting – a high bar. Zoning is often a difficult subject to describe to Town Meeting, and there is always going to be neighborhood opposition to any development proposal. It is incumbent on the Planners and Board members to educate the public on valid Town goals so that a general understanding of the benefits to the Town as a whole are communicated.

Chapter 3: Affordable Housing Goals and Strategies

In order to address Acton's housing needs and overcome the barriers to development identified in this plan, it is critical to identify a series of goals and strategies that will help guide planning, policy, and funding decisions over the next five years. The goals and strategies outlined in this chapter were developed by integrating information from the needs assessment, the analysis of local development constraints and limitations, and feedback collected through the community engagement process.

As acknowledged in the needs assessment, Acton not only needs another 191 subsidized units to meet the 10 percent goal, but income estimates from ACS also indicate that more than half of low and moderate-income households are cost-burdened. Even if the subsidized housing goal is met, there will still be many households seeking affordable housing options, as shown in Figure 27.

Figure 27: Housing needs evaluated against Subsidized Housing Inventory status



As of the date of this writing, Acton has already achieved certification of its Housing Production Plan. The minimum required housing production goal to achieve additional certification of this Housing Production Plan (HPP), and reach "safe harbor" status, is the creation of 43 total units that will count on the SHI in one calendar year (or 0.5 percent of total year-round housing stock). If Acton created an additional 1 percent of units (85 total units) that count on the SHI, then it would be eligible for a two-year certification.

> ***Producing 43 SHI-eligible homes in one calendar year would make the Town of Acton eligible to receive certification of this HPP for one year. This means that the Zoning Board of Appeals could have more authority to deny 40B Comprehensive Permit applications or impose conditions (safe harbor).***

Hypothetically speaking, if Acton were to achieve the minimum annual rate of production every year, this rate of production would create a total of 210 units over 5 years (the term of this HPP). This rate meets the state's minimum annual housing production goal to obtain Housing Production Plan certification and would also exceed the 191 new units needed to reach ten percent of total year-round housing units. Additionally, if the proposed Powder Mill Place apartment complex is permitted, it would also push the Town over the 10 percent threshold, based on the current number of year-round housing units.

Note: When the 2020 US Census figures are released, the number of required SHI units to meet 10 percent is anticipated to change. The 2010 US Census counted 8,475 housing units in Acton. Based on the number of housing units permitted from 2010 to 2018, there has been an increase of over 600 year-round housing units since 2010, which will require a greater number of SHI units to meet the state's 10 percent goal.

Housing Goals

Acton's housing goals address more than just the minimum requirement of producing housing units that are eligible for inclusion on the Subsidized Housing Inventory. Members of the Acton community have needs that extend beyond housing affordability, including increasing the number of accessible homes, and providing options for a variety of household types and income levels, from young adults and families to seniors and others with more accessibility needs.

The following housing goals are based on input from the community engagement conducted as part of the process of updating this Housing Production Plan, including a community forum, focus groups, and an online survey. These goals seek to balance the need for additional affordable housing units with other local priorities, including conservation of open space and redevelopment of underutilized properties.

In addition, the goals of this plan are consistent with the Comprehensive Permit Regulations (760 CMR 56) as required for Housing Production Plans:

> *The HPP shall address the matters set out in the Department's guidelines, including:*
>
> 1. *a mix of types of housing, consistent with local and regional needs and feasible within the housing market in which they will be situated, including rental, homeownership, and other occupancy arrangements, if any, for families, individuals, persons with special needs, and the elderly;*

2. *a numerical goal for annual housing production, pursuant to which there is an increase in the municipality's number of SHI Eligible Housing units by at least 0.50% of its total units (as determined in accordance with 760 CMR 56.03(3)(a)) during every calendar year included in the HPP, until the overall percentage exceeds the Statutory Minimum set forth in 760 CMR 56.03(3)(a).*

Acton's Housing Goals

Goal 1. PRODUCTION: Strive to create a minimum of 43 homes annually that count on the SHI towards the state's 10 percent goal per MGL c.40B, primarily through rehabilitation or reuse of existing buildings, where feasible. This rate of production will create at least 191 SHI units by 2025, as needed to achieve the 10 percent goal.[24] Note that there are proposed units already in the development pipeline, listed on p. 32 of this document, that could achieve the state's goal.[25] When Acton reaches the 10% goal, the Town will continue to promote and encourage initiatives to help meet local housing needs.

Goal 2. MIX OF OPTIONS: Encourage a mix of housing options to provide homes for a range of household types including families, seniors, young adults, individuals with disabilities, and lower-income households, particularly households with income at or below 50 percent AMI.

Goal 3. CONSERVATION: Combine new residential development with conservation through creation of market-rate and affordable homes that are densely clustered to preserve open space, natural resources, and scenic vistas.

Goal 4. SUSTAINABILITY: Encourage new construction and rehabilitation that incorporates sustainability standards, including high energy efficiency, clean and renewable energy sources, and compact building footprints.

Goal 5. CENTERS AND VILLAGES: Locate new residential multifamily and mixed-use development in and near existing business centers and village districts to enhance economic vitality, promote walkable, vibrant neighborhoods and ensure environmentally just and sustainable land use practices.

Goal 6. CAPACITY: Reinforce the work of existing local housing organizations with enhanced implementation capacity, expanded regional collaboration, and increased opportunities for community education including heightened awareness of fair housing issues.

Goal 7. PRESERVATION: Continue efforts to preserve and support existing affordable housing stock.

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[24] Note: The absolute numerical goal is likely to change based on the updated total year-round units per the 2020 U.S. Census.

[25] [1] If the Powder Mill Apartments, a 230-unit rental project on the Maynard-Acton border, is permitted as proposed in 2020, Acton will achieve the 10% safe harbor with this project.

Housing Strategies

The following strategies support the housing goals, listed above. The strategies include zoning updates, policies and programs, implementation capacity, and site-specific strategies.

In addition, the following strategies comply with the requirements of the Comprehensive Permit Regulations (760 CMR 56).

> *The HPP shall address the matters set out in the Department's guidelines, including an explanation of the specific strategies by which the municipality will achieve its housing production goal, and a schedule for implementation of the goals and strategies for production of units, including all of the following strategies, to the extent applicable:*
>
> 1. *the identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating SHI Eligible Housing developments to meet its housing production goal;*
>
> 2. *the identification of specific sites for which the municipality will encourage the filing of Comprehensive Permit applications;*
>
> 3. *characteristics of proposed residential or mixed-use developments that would be preferred by the municipality (examples might include cluster developments, adaptive re-use, transit-oriented housing, mixed-use development, inclusionary housing, etc.);*
>
> 4. *municipally owned parcels for which the municipality commits to issue requests for proposals to develop SHI Eligible Housing; and/or*
>
> 5. *participation in regional collaborations addressing housing development.*

Beyond the specific strategies described in this plan, the Town of Acton and its partners have been implementing other long-term housing strategies to continue sustaining over the next five years. These additional ongoing efforts are described in the Continuing Strategies chapter of the report. The strategies presented in this chapter respond to the goals prioritized for the next five years.

Local Initiatives, Programs, and Monitoring

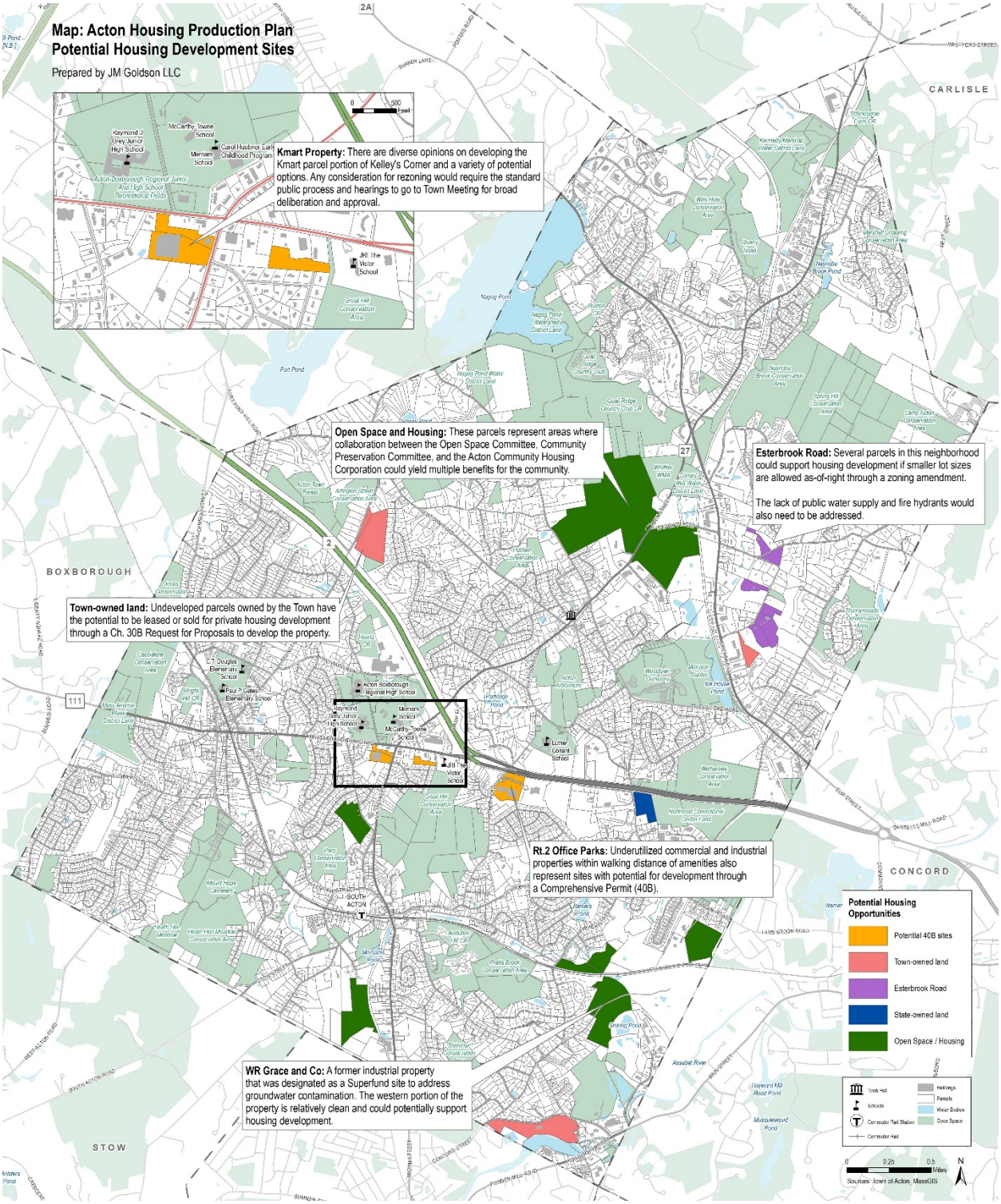
Strategy 1. Create an inventory of private land suitable for redevelopment or new construction of diverse housing options, particularly in areas with sidewalk access to nearby amenities and services, and coordinate with developers to plan Local Initiative Program projects that provide affordable housing that includes local preference.

To further the work of this HPP, the Planning Department is encouraged to conduct a thorough GIS analysis to identify parcels that are vacant or have high potential to be redeveloped for affordable housing. This analysis will consider environmental and regulatory constraints, such as groundwater, wetlands, flood zones, and protected open space, as well as infrastructure capacity, including sewer treatment and drinking water capacity, and prioritize parcels near village centers, public transit, and other commercial areas and amenities. Preliminary research and community feedback on potential sites for future housing development has already highlighted some specific privately-owned parcels in Acton, as shown in Figure 28. These sites include the former Kmart, office parks including parcels along Rt. 2, and agricultural land that could provide both open space and housing (highlighted in dark green).

Based on the results of this analysis, the Town will work with property owners and developers to explore opportunities to create more affordable housing opportunities, particularly rental properties for Very Low Income (<60% AMI) households that provide accessible or adaptable housing options for seniors and residents with disabilities.

New affordable units can also include a local preference, to the extent allowable by law, to help address the waiting list for Acton Housing Authority and the shortage of rental units for lower-income families and seniors (see Needs Assessment chapter for additional details).

Figure 28: Map of potential housing development sites on public and private land



Strategy 2. Conduct a study to consider establishing and funding a program with the Acton Housing Authority to acquire condominiums and apartment buildings to create affordable rental units that are eligible for inclusion on the Subsidized Housing Inventory, including housing for low-income households.

The Town will review and update previous analysis of "naturally affordable" housing to evaluate the potential for the Town or other existing entities to purchase, rehabilitate, and deed-restrict lower priced condominiums to include on the Subsidized Housing Inventory for rental.

Using research summarized earlier in this report, Acton has existing condominiums and apartments that may be affordable to low-income households but are not eligible to be included on the Subsidized Housing Inventory because they are not regulated under the LIP Program with deed restrictions that limit the price as well as preserving affordability. The LIP Program also requires affirmative fair housing marketing and resident selection, meaning that transition to a restricted unit can occur only at change of tenancy or ownership.

By working with the Acton Housing Authority to create and fund a program to buy and rehabilitate available properties, the Town might convert existing housing units to permanently affordable under the LIP Program, creating units on the SHI counting towards the 10 percent goal. This program requires the condominium owners to sell their units to the Housing Authority, the Housing to purchase the units and regulated them under the LIP Program, including performing any required maintenance or repair, and holding a lottery or other approved tenant selection process. The Housing Authority would need additional capacity to manage additional properties, and sufficient capital for the purchase and rehabilitation of apartment buildings or individual condominiums. This strategy could be pursued in coordination with Strategy 9 (historically sensitive conversion) to identify opportunities to simultaneously preserve historic buildings and create new rental options for low-income households.

The Town would make the most of this investment if it ensures as part of this program that rehabilitation eliminates any substandard housing conditions and if it focuses its investment on walkable areas near existing commercial districts and services.

Strategy 3. Consider establishing and funding a buy-down program for first-time homebuyers.

Community Preservation Act (CPA) funds can be used to support the programmatic and administration costs of homeownership assistance programs, which assist low- to moderate-income households (up to 100 percent AMI) to purchase a home. The programs can be designed in a variety of ways including the following examples:

1. **Purchase/Rehab Model:** In this model, the sponsoring entity acquires property, rehabilitates it as necessary, and sells it to a qualified buyer for an affordable price with a deed restriction to secure ongoing affordability. It is important to determine an acceptable level of rehabilitation which stays within the program's budget and does not place unreasonable repair costs on the new homebuyer. These units may be eligible for inclusion on the state's Subsidized Housing Inventory (SHI).

2. **Subsidy Model:** In this model, the sponsoring entity qualifies potential buyers, who then locate a market-rate home to purchase with the help of a subsidy from the sponsoring entity. The subsidy helps buy-down the cost of the mortgage to an affordable price. A permanent deed restriction is then executed for the property to secure ongoing affordability. It is critical to set program parameters, including maximum subsidy-per-unit, maximum property acquisition cost, and minimum property condition/rehabilitation needs with quality standards, at the start of the process to ensure the sustainability of the program. These units may also be eligible for inclusion on the state's Subsidized Housing Inventory (SHI).

In all of these homeowner assistance models, the sponsoring entity must create a transparent, fair, and affirmative process to market the program and select qualified buyers to ensure compliance with federal fair housing laws and the Massachusetts Anti-Discrimination Act.

Strategy 4. Consider expanding the Acton Community Housing Corporation's Capital Improvement Program to help leverage other resources for home modifications and improvements that increase the accessibility for seniors and people with disabilities.

The Acton Community Housing Corporation (ACHC) manages a Capital Improvement Program funded by sources such as Community Preservation Act Funds. Currently, these grants are only available to households with incomes up to 100% of the Area Median Income (AMI) living in deed restricted affordable units. The ACHC could consider expanding this program to non-deed restricted units by seeking additional funding that is not restricted to affordable housing units.

For example, the town could apply for Community Development Funds to support a rehab program specifically for older adults. In 2018, the Town of Agawam received CDF funding for both a rehab program and an Aging in Place (AIP) Program. The Agawam AIP Program provides grants up to $5,000 per qualified senior household to complete non-structural modifications to increase the health and safety of the occupants. To be eligible, owner occupants must be 65 years of age or older, meet HUD Section 8 income guidelines for LMI persons, and have home safety needs that fall under the purview of the program.

Grant funding through such a program would support improvements to the health and safety of participant's homes allowing seniors to remain living independently in their own homes. Specific improvements could include the installation of grab bars, door levers, slip resistant stair treads, dead-bolts, peep holes, smoke and/or carbon monoxide detectors, the cleaning of furnaces and chimneys or other similar work and activities.

If federal funding remains available and if the programs have positive outcomes, the town could seek additional funds in future years, when eligible to do so per the program guidelines.

Planning, Policies, and Zoning

Strategy 5. Conduct a planning area study of the South Acton area to consider creation of more compact housing development to encourage starter homes or mixed-use/multi-family development, particularly near the South Acton Commuter Rail station.

A planning study of the South Acton area that includes robust community engagement could help clarify the community's vision for the future of this area and could consider if the town wishes to adopt zoning mechanisms such as the Smart Growth Zoning Overlay District Act, Chapter 149 of the Acts of 2004, codified as M.G.L. c. 40R. The Smart Growth Zoning Overlay Distrct Act was enacted to encourage communities to create dense residential or mixed-use Smart Growth Zoning Overlay Districts, including a high percentage of smaller affordable housing units, to be located near transit stations, in areas of concentrated development such as existing city and town centers, and in other highly suitable locations.[11]

Such 40R Smart Growth districts are often created in areas with historic resources and can promote the rehabilitation and reuse of historic and other existing buildings to support the creation of affordable and mixed-income housing. Note that 40R districts do not change or supercede the provisions of a local historic district or the historic district commission's authority per a local historic district.

The benefits of such a 40R Smart Growth district include promoting enough density to support a healthy public transportation system. According to research cited in the Massachusetts Housing Partnership research brief: *Transit-Oriented Development Explore (TODEX)*, the minimum density required to support transit service is 10 units per acre (ideally measured as an average residential density within walking distance of ½ mile from a station to promote pedestrian and bicycle modes of access). The residential areas with a ½ mile of the South Acton Commuter Rail Station have a current average density of about 1.2 units per acre – far short of the density needed to support public transit of this type without the need for vehicles and large parking facilities.[26]

Chapter 40R provides financial incentives for communities to establish Smart Growth Overlay Zoning Districts allowing a minimum of 20 units per acre for multifamily houses, 12 units per acre for two- and three-family houses, and 8 units per acre for single-family houses. In addition, Chapter 40R provides bonus payments for units constructed as a result of the greater density afforded in the districts.

Chapter 40R was amended by an Act Relative to Job Creation and Workforce Development (St. 2016, c. 219) to provide the same financial incentives for Starter Home Zoning Overlay Districts, which are districts zoned as-of-right for four single-family home units per acre as well as accessory dwelling units, to be located in highly suitable locations that are similar to, but more flexible or expansive than the locations for smart growth zoning.[13] In addition, Starter Home districts must provide for utilization of either cluster development or low-impact development techniques.

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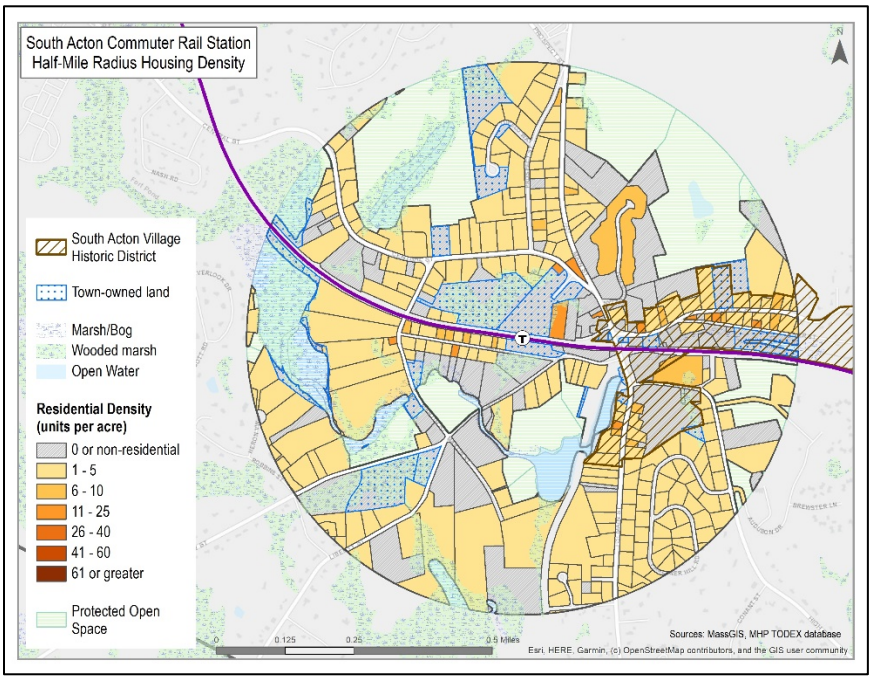
[26] TODEX MA – Transit-Oriented Development Explorer, https://www.mhp.net/news/2019/todex-research-brief

[13] Massachusetts DHCD, *Guidance for MGL c.40R and 760 CMR 59.00*

Properties with close proximity to a transit facility (including commuter rail stations – see Figure 30) - a ½ mile (for Smart Growth Zoning Overlay Districts) or one mile (for Starter Home Zoning Overlay Districts) - would meet Chapter 40R eligibility requirements for Substantial Transit Access. For example, the parcel at 21 Maple Street (H2A-37) south of the train station is owned by the town and is currently used as a parking lot. This site could be redeveloped with street level parking for commuters and multifamily housing constructed overhead (also reducing flood risk).
To consider the appropriateness of creating either a Smart Growth or Starter Home zoning overlay districts in the area of the South Acton Commuter Rail Station, the Town is encouraged to undertake a planning study that considers potential opportunities and constraints for development and redevelopment including identification of historic resources, such as those within the South Acton historic district, municipal water and sewer service, wetlands and floodplains, and other environmental constraints.

Figure 29: Housing density within a half-mile of South Acton Commuter Rail station



Strategy 6. Reconsider adoption of a mixed-use zoning bylaw for Kelley's Corner and mixed-use zoning along Great Road, in order to encourage infill development and redevelopment of existing buildings to include housing.

As part of a suite of zoning reforms that reduce restrictions on affordable and mixed-income, multifamily housing development, the Town should seek to adopt mixed-use zoning for Kelley's Corner (zone KC). A previous attempt to amend zoning in this area followed a public outreach process and was supported by a majority (62.6 percent) of residents during the April 2016 Town

Meeting; however, it did not achieve the 2/3 majority required for adoption[27]. Support shown in the HPP 2019-2020 public forum and online survey for walkable areas and new housing in Kelley's Corner suggest there is still support for this zoning amendment. There are diverse opinions on developing the KMART parcel portion of Kelley's Corner and a variety of potential options. Any consideration for rezoning would require the standard public process and hearings to go to town meeting for broad deliberation and approval.

In addition, the Limited Business zoning district along Great Road (see Figure 30) is another area where a zoning amendment to allow mixed-uses by right could help eliminate a barrier to affordable and mixed-income, mixed-use housing development. This area of existing commercial properties and apartment buildings has capacity for additional infill development and redevelopment of existing buildings for housing. Through a public process similar to what was done for Kelley's Corner, the Town can help build public support for the zoning amendment, which would allow new multifamily housing development, subject only to Site Plan Special Permit, as required.

Strategy 7. Consider rezoning areas with vacant/underutilized offices, industrial, or institutional buildings to allow by-right redevelopment for multifamily or mixed-use housing, including evaluation of the effectiveness of the existing Transfer of Development Rights provisions.

Multiple properties in Acton have vacant or underutilized offices, industrial, or institutional buildings that could be considered for rezoning to allow by-right redevelopment for multifamily residential or mixed-use development. This would provide an option for property owners to respond to market demand and to provide additional opportunities to help Acton meet local housing demand.

Opportunity areas are identified in Figure 31, including Nagog Park (zoned OP-1) and parcels at the intersection of Discovery Way and Piper Road (zoned OP-2), which do not currently allow residential uses. Existing office and industrial buildings could be converted or redeveloped to multifamily housing, or a mix of uses, including housing, and are within walking distance to existing amenities.

As part of this analysis, consider potential zoning amendments to Section 5.4 pertaining to the Transfer of Development Rights (TDR) provisions to enhance effectiveness. The existing zoning provisions establish TDR sending and receiving districts to encourage compact development within defined village centers, discourage excessive development in the Great Road corridor, conserve public funds by concentrating development, balance long-term tax revenue reductions and increases, and to compensate landowners for reduction in long-term development potential.

[27] Molly Loughman, "Kelley's Corner zoning changes denied at Acton Town Meeting," *The Beacon* (Acton, MA), Apr. 6, 2016.

Strategy 8. Collaborate with the Historic District Commission (HDC) to explore the possibility of: allowing conversion of appropriate single-family homes to multifamily homes; upgrading properties that are already multifamily to accommodate more units; expanding homes to accommodate accessory apartments; and, permitting a limited amount of appropriate infill development within the Historic Districts.

Per Section 3.3.3 of the Acton Zoning Bylaw, dwellings with less than four units in existence prior to April 1, 1971 may be altered and used for up to four units for buildings where at least one unit is owner occupied. For some districts, there is an additional requirement that the lot must be at least 10,000 s.f.

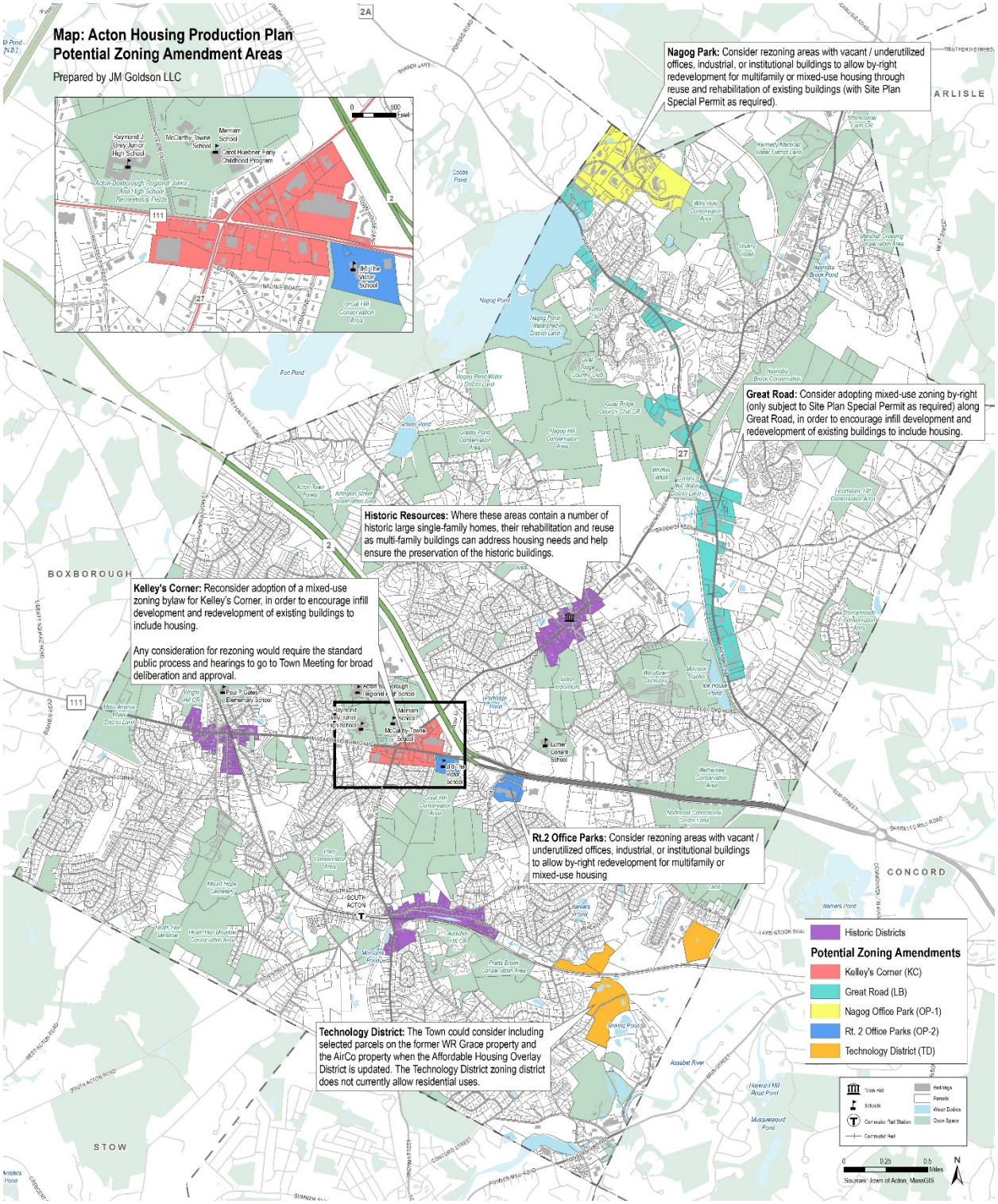
The Town could consider adjusting the eligibility requirements tied to building/use age and lot size requirements, and eliminating the requirement for owner occupancy, to promote more conversions of existing larger houses to multiple units, including historic properties.

Acton has three designated Historic Districts: Acton Center, South Acton, and West Acton. The HDC is charged with administering state Chapter 40C law as well as Acton's Chapter 40C Bylaw. The three Historic Districts do not correspond with the zoning districts described in the Acton Zoning Bylaw but instead overlay multiple zoning districts making overall changes within the Districts very challenging and complicated. Strategy 8 will require extensive collaboration with the Acton Planning Board to amend or alter the regulatory requirements within the various zoning districts. The HOC evaluates historic properties within the Districts on a case-by case basis and determines whether the changes are appropriate for the individual building as well as appropriate for the District as a whole. Modifications to the exterior appearance of a building or site require the approval of the HOC in the form of a Certificate of Appropriateness. The Town should collaborate with the HDC to investigate the potential development opportunities noted above and the regulatory means to accomplish them.

Action Plan

- In collaboration with the HOC and Acton Planning Board, review the existing zoning districts and regulations that are encompassed within the three Historic Districts
- In collaboration with the HOC, and Acton Planning Board, review the HDC's recent analysis of all of the existing historic properties in regard to building size, lot size, FAR, open space percentage, existing setbacks, etc. and determine if there are potential development opportunities to accommodate affordable housing units on appropriate parcels
- Determine a mechanism for codifying these development possibilities
- In collaboration with the HOC engage in an out-reach effort to make historic district owners and others aware of these development possibilities

Figure 30: Potential Areas for Zoning Amendments



Strategy 9. Consider adopting a CPA-funding policy, in collaboration with the CPC and the Open Space Committee, to encourage set-aside land for context-sensitive affordable or mixed-income housing development that is well integrated into a conservation setting.

The Community Preservation Act enables municipalities to set aside a fixed proportion of local real estate taxes to fund projects related to community housing, open space, recreation, and historic preservation. Acton began collecting a 1.5 percent surcharge in Fiscal Year 2003 (with some exemptions), with each reserved fund category receiving 10 percent of the revenue collected each year.

According to the 2019 Community Preservation Plan[28], the Town has been proactive in appropriating funds for each of the designated uses, including funding new units and improvements for Housing Authority properties, Habitat for Humanity projects, and the work of the RHSO to monitor affordable housing.

In order to provide multiple benefits to the Acton community from the use of CPA funds, projects that address more than one of the CPA goals could be prioritized, specifically the combination of community housing and open space. A policy can be adopted that establishes a preference for proposals that combine new open space acquisitions or conservation easements with designated set-aside areas for affordable or mixed-income housing.

A proactive and joint planning effort by the Community Preservation Committee, the Open Space Committee and the Acton Community Housing Corporation can identify and prioritize opportunities to preserve critical habitat and water resource protection areas that can also accommodate context-sensitive housing development with a smaller footprint. This can be accomplished through cluster/cottage-style housing or multifamily buildings that are appropriate to the neighborhood and natural setting, for example the Concord Riverwalk project and Benfield Farms in Carlisle.

Benfield Farms, Carlisle
(photo credit: DellBrook/JKS)

[28] Town of Acton Community Preservation Committee. 2018. *Town of Acton Community Preservation Plan 2019.* https://www.acton-ma.gov/DocumentCenter/View/5162/2019-Community-Preservation-Plan

Strategy 10. Evaluate the locations of the Affordable Housing Overlay Districts and strengthen the districts provisions to produce more affordable and sustainable units, especially to create housing for households most in need.

Section 4.4 of the Acton Zoning Bylaw, the Affordable Housing Incentives and Overlay District, is intended to encourage utilization of the Town's remaining developable land in a manner consistent with local housing policies and needs by increasing the supply of housing that is affordable to LMI households and encourage a greater diversity of housing throughout the town. The overlay district is currently distributed throughout the Town, as shown in Figure 32 and consists of two sub-districts (A and B). Sub-district A provides for Minor Affordable Housing Development as part of an Open Space Development and Sub-district B provides for both Minor and Major Affordable Housing Development.

The Minor Affordable Housing Development provisions allow for construction of two-family houses, adjustments of dimensional requirements, and a density bonus at varying levels for Open Space Developments that provide for affordable housing through one of five options.

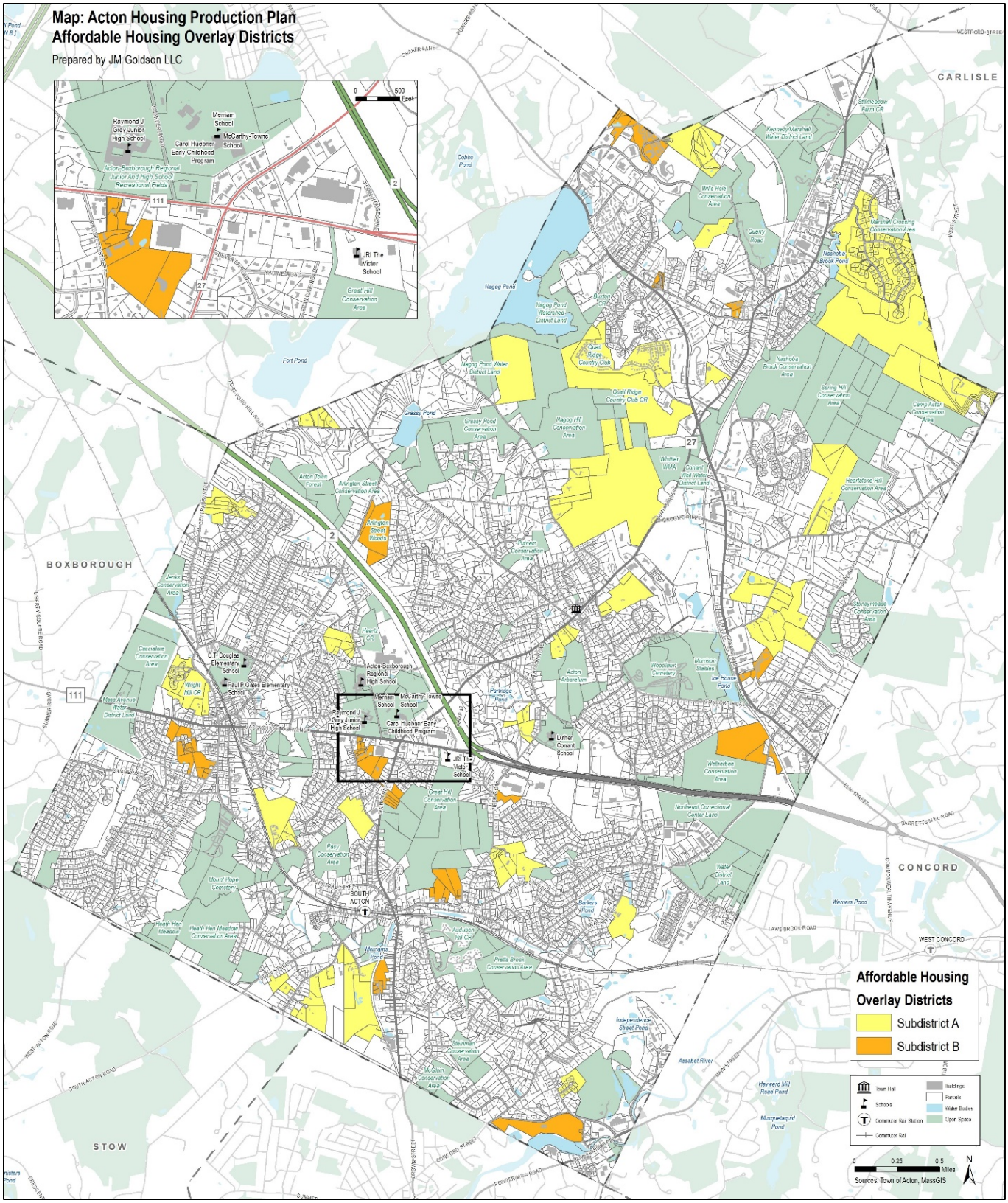
The Major Affordable Housing Development provisions allow flexibility of housing type, with a preference for units that have separate ground floor entrances, a maximum of 15 units per building (with an average of 8 units per building across the development), a maximum density of 5 units per acre for developments that provide for affordable housing through one of three options (Section 4.4.4.1).

Reconsidering which areas of Acton are included in the Affordable Housing Overlay Districts could provide additional opportunities to encourage development through Acton's local zoning provisions as an alternative to Chapter 40B development, which could provide the town greater local control to shape the characteristics and design of this type of residential development. Any revisions to the extent of the overlay should be carefully considered given location preferred development sites, neighborhood context, and opportunities to encourage Open Space Developments.

In addition, the bylaw provisions could be strengthened so that these provisions are more attractive to encourage developers to seek this local zoning path rather than a Comprehensive Permit through Chapter 40B and produce greener, sustainable buildings in addition to affordable units. Consider adjusting requirements and incentives such as recalibrating dimensional requirements, density bonuses, and including green design, renewable energy sources as well as affordable units for a greater mix of income (such as for households at or below 50 percent AMI, special needs/supportive/accessible housing and workforce housing units - up to 120 percent AMI - if warranted given local needs).

The language can also be updated to reflect recent trends for special permits, which are more commonly submitted as Planned Conservation Residential Communities (PCRC) instead of Open Space Developments (OSD). Currently, an OSD Special Permit is a prerequisite for designating a Minor Affordable Housing Development in Sub-District A, but linking it to PCRC would make it a more effective instrument.

Figure 31: Affordable Housing Overlay District locations



Strategy 11. Conduct an Analysis of Impediments to Fair Housing Choice, alone or in collaboration with other nearby communities, to identify institutional barriers and solutions to further fair housing.

Although not required, because Acton is not a member of a HOME Consortium, the community could still benefit from conducting an Analysis of Impediments (AI) to Fair Housing Choice. The AI would include a review of local policies and regulations, how they impede access to housing (particularly for protected classes), conditions that create barriers to fair housing choice, and an evaluation of the range of options available for affordable and accessible housing[29]. By completing such an analysis, the Town could systematically identify the most significant impediments and barriers to fair housing and prioritize actions and policy changes that could help to reduce or eliminate the impediments. For example, zoning provisions that limit the number of bedrooms in a unit may violate fair housing laws. Currently, Acton mandates that accessory apartments shall not have more than two bedrooms, which could be found as a fair housing violation.

Developing an AI, especially in collaboration with other towns in the region, could be part of a longer-term strategy to establish a HOME Consortium and become eligible for allocation of annual HUD Community Development Block Grant funding.

Several other RHSO member communities are already part of the WestMetro HOME Consortium, but Acton could seek out partnerships with other adjoining towns (such as Maynard, Stow, Boxborough, and others) to achieve the minimum eligibility requirements to form a new Participating Jurisdiction[30]. Through such an arrangement, Acton can coordinate funding and policy decisions with other towns to help address fair housing impediments at a regional level.

Strategy 12. Collaboratively with the Acton Commission on Disabilities, work with developers and rehab contractors at the early stages of development proposals and rehab projects to require that new housing developments provide units that are adaptable to people with disabilities above the minimum required by law, and consider regulatory changes that require or incentivize the inclusion of adaptable housing units where appropriate.

The Town could establish standards of adaptability and accessibility, in the form of a checklist, which will be used in the review process of proposed housing developments. These standards could reference current accessibility guidelines from state and national organizations, such as the Massachusetts Architectural Access Board (MAAB) and the Americans with Disabilities Act (ADA), and could be modeled after checklists already in use like the one developed by the Boston Planning & Development Agency (BPDA)[31].

Some of the factors that reviewers could consider for new housing development include:

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[29] U.S. Department of Housing and Urban Development (HUD). 1996. *Fair Housing Planning Guide, Volume 1*. https://www.hud.gov/sites/documents/FHPG.PDF

[30] HUD. *The HOME Program Formula*. https://www.hud.gov/sites/documents/DOC_8404.PDF

[31] BPDA. *Article 80 Accessibility Checklist*. http://www.bostonplans.org/getattachment/2b173503-a553-4880-974f-a25270e8ff34

- Existing infrastructure: public transit access, public services, and municipal buildings in the surrounding neighborhood
- Surrounding site conditions (existing and proposed): sidewalks and ramps, potential obstructions
- Accessible parking: number and proportion of new accessible parking spaces at the site, both for residents and visitors, availability of a drop-off area
- Accessible entryways: ensuring universal access at primary and secondary entrances
- Accessible units: number of units by tenure and income level, architectural barriers in common spaces and any proposed mitigation (ex. elevators, ramps, etc.)
- Impact on the community: funding for neighborhood improvements, inclusive features in common areas, public restrooms, presentation to Acton Commission on Disabilities

In addition, local zoning requirements could require a greater degree of accommodation than the minimum required by the MAAB and ADA. For example, requirements for new units to be adaptable or visitable could be further woven into Acton's zoning bylaw.

Acton's Accessory Apartment provisions per Section 3.8.1.6 already require that ground floor accessory apartments be designed and constructed as adaptable units. Such requirements could be extended and applied to other types of new units, as well.

The US Department of Housing and Urban Development (HUD) Fair Housing Act Design Manual, defines "Adaptable" units as units that have elements and spaces with a design that allows them to be adjusted to accommodate the needs of different people. For example, bathroom walls can contain reinforced areas to allow for later installation of grab bars without the need for major structural work on the walls.

As described by Steinfield and Maisel's book Universal Design, a "Visitable" unit, on the other hand, makes a limited number of features standard in new construction (including one to three family dwelling units) to provide access to people with mobility impairments who may not need to visit or live in a home with permanent accessibility features.

For example, the Town of Westport zoning provisions in its Noquochoke Overlay District includes performance criteria for "Social Sustainability and Visitability" that require that dwelling units meet visitability criteria: a zero step entrance, doorways at least 32 inches of clear width, and at least a half bath on the main floor of the home.

Strategy 13: Consider adopting a local bylaw that prohibits expansion of fossil fuel infrastructure for new construction.

Following the lead of nearby Massachusetts town of Brookline as well as progressive initiatives in other parts of the country (i.e., Berkeley, CA), consider prohibiting gas and oil heating installation in new construction. Such a bylaw could substantially promote the town's protection of public health, safety, and welfare from the effects of air pollution, including greenhouse gas emissions that are contributing to climate change and from fuel leaks and explosions that threaten the Town and its inhabitants.

Brookline is the first municipality outside of California to adopt such a bylaw. Concord is considering a similar bylaw. Consideration could be given to provide some exemptions, such as for production of affordable housing units.

In addition to a focus on reducing fossil fuel reliance in the community, the town could consider including additional provisions to promote other sustainability goals, such as efficient water use.

Capacity, Education, and Coordination

Strategy 14. Collaborate with organizations supporting disabled individuals and Acton community members to biannually evaluate the demand and specific needs related to accessible housing options, including group homes and independent living opportunities.

The Town should organize discussions between local and regional organizations supporting people with disabilities, including the Acton Commission on Disabilities and the Housing for All coalition, to understand how well their housing needs are being met. Local demand should be evaluated against the current stock of accessible units in both public and private housing, and critical gaps and housing barriers should be considered as the Town implements and updates the checklist and regulations described in Strategies 18 and 19.

As the Town works with housing developers on public and private land, the development of housing that can accommodate alternate living arrangements such as group homes and independent living facilities should also be considered, where appropriate.

Strategy 15. Perform an annual review of Housing Production Plan goals and strategies and include on a Board of Selectmen meeting agenda each year, with participation by the Planning Board, Acton Community Housing Corporation, and other relevant boards and staff.

Sharing updates on successes and setbacks related to this plan's goals and strategies is an effective way to promote discussion between Town staff, boards, and the ACHC regarding housing production in Acton. Numerical goals should be set, and methods of measurement established so that progress can be evaluated against them. This review should be established as an annual agenda item for the Board of Selectmen's first meeting each May.

The progress review should cover housing developments completed over the past year, as well as proposed developments in the pipeline, the status of the Subsidized Housing Inventory, and other objectives and coordination efforts for the year ahead that will help ensure that housing production continues to meet the community's needs. The results of this discussion should be summarized in a report and provided to relevant boards, committees, and staff.

Strategy 16. Maintain Acton's status as a Housing Choice Community, in order to ensure enhanced access to state funding, by reapplying every two years and striving to continue to meet the requirements for designation through a combination of housing production and best practices.

Seventy-nine communities in Massachusetts have achieved state designation as a Housing Choice Community. This designation provides access to new financial resources including Housing choice Community Capital Grants and preferential treatment for many state grant and capital funding programs including State Revolving Fund for Water and Sewer infrastructure, MassWorks, Complete Streets, MassDOT capital projects, and PARC and LAND grants. Acton's designation as a Housing Choice Community positioned the Town to receive a $165,000 grant which was utilized by the Acton Housing Authority for a walkway, driveway, and parking reconstruction for McCarthy Village and McManus Village.

Acton was designated as a Housing Choice Community in 2018 - the designation lasts for two years. There are two minimum threshold qualifications to apply:

1. Must have current ADA Self-Evaluation Plan and ADA Transition Plan or agree to achieve these plans within 5 years.
2. May not have a housing moratorium or restrictions that limit new housing growth to less than 5 percent per year.

The designation also requires that the community produce a 5 percent net new housing units over 2010 year round housing units and/or increase of 500 or more units or a 3 percent increase with implementation of at least seven (of fourteen) best practices with at least two affordable best practices. The fourteen best practices can be found in DHCD's Calendar Year 2020 Housing Choice Designation Criteria: https://www.mass.gov/doc/2020-housing-choice-community-designation-criteria/download.

Acton qualified in 2018 to become a Housing Choice Community by producing 301 housing units from 2013-2017 and achieving 4 best practices in supporting housing:

- Designated local resources for housing such as Affordable Housing Trust, donated land for housing, or appropriated substantial Community Preservation Act Funds for Community Housing projects
- Has Zoning that allows mixed use or cluster developments
- Has zoning that allows for Accessory Dwelling units (ADUs) by right (or can demonstrate a consistent pattern over the last 5 years of approving ADUs).
- Multifamily Housing

Strategy 17. Schedule annual meetings that promote inter-municipal coordination, including conversations between ACHC and the Open Space Committee, all land-use board discussions and trainings, and an annual housing forum to discuss progress towards housing goals.

Formalized regular communication between local boards and commissions can promote greater coordination of policies and approaches to affordable housing opportunities and development. This effort can be modelled after housing and land use groups in other municipalities, and can include training on state and federal regulations, including fair housing laws, as well as sources of funding for affordable housing production. The Regional Housing Services Office can provide technical support and facilitation of these meetings.

The ACHC and Open Space Committee should maintain a dialogue and coordinate planning efforts to identify public and private land that would be suitable for these projects. Potential sites should be considered in light of the priorities established by both groups, ensuring that key natural resources are conserved while setting aside land for development of context-appropriate housing that provides opportunities for low- and moderate-income households. Sources of matching funds should also be identified and described in joint project proposals submitted to the Community Preservation Committee.

These proposals should also emphasize the co-benefits of incorporating both open space and housing elements on selected sites. If the Open Space Committee identifies priority areas for acquisition that overlap with potential sites for housing, the ACHC should be provided an opportunity to comment and explore options to incorporate or preserve housing as part of the land purchase. Similarly, the ACHC should consider how open space conservation can best be incorporated into affordable housing development proposals.

Additionally, in order to keep the community informed and engaged on housing development in Acton, the Town should work with Housing for All to host an annual housing forum. The Planning Department should prepare a short summary of progress towards achieving the housing goals outlined in this plan and share success stories from recent developments that address local housing needs. The event should also provide community members with the opportunity to provide feedback on recent housing development, and share their own stories of how the availability of new housing options has benefitted them, as well as additional efforts that may be needed to address ongoing or emerging housing needs.

Strategy 18. Maintain and develop partnerships with regional and local non-profit housing developers, including Habitat for Humanity, to identify opportunities to provide funding as well as to tap them for their expertise and advice on potential zoning amendments to encourage development of housing options.

The Town should build on relationships already established with local and regional non-profit housing developers and identify new partners who are seeking funding or applying for grants that will help fund the expansion of housing options in Acton. Recent projects with Habitat for Humanity have shown the success of these relationships and indicate that housing developed with non-profit organizations may garner more community support than private developments. These organizations

can also provide an outside perspective and other examples from throughout the region on zoning amendments and expediting permitting that could help expand options for housing to a broader range of household types and income levels.

Goals and Strategies Matrix

The strategy matrix below indicates which housing strategies respond to each of the goals described at the beginning of this chapter.

Strategies	Goal 1: Production	Goal 2: Mix of Options	Goal 3: Conservation	Goal 4: Sustainability	Goal 5: Centers and Villages	Goal 6: Capacity	Goal 7: Preservation
1. Inventory of Town-owned and tax-foreclosed properties	X				X		
2. Consider establishing and funding a program with the Acton Housing Authority to acquire condominiums and apartment buildings	X	X	X	X	X	X	X
3. Consider establishing and funding a buy-down program	X	X	X	X	X	X	X
4. Consider expanding ACHC's Capital Improvement Fund	X	X		X		X	X
5. Consider planning area study of So. Acton re: compact housing	X	X		X	X		
6. Mixed-use zoning bylaw for Kelley's Corner / Great Road	X	X			X		
7. Consider rezoning areas with vacant/underutilized buildings	X	X	X				
8. Collaborate with the Historic District Commission re: conversion	X	X	X	X	X	X	X
9. CPA-funding policy: open space & housing	X	X	X			X	
10. Evaluate the Affordable Housing Overlay Districts	X	X			X		
11. Conduct an Analysis of Impediments to Fair Housing Choice						X	
12. Work to boost production of adaptable units	X	X					
13. Bylaw the prohibits expansion of fossil fuel infrastructure				X	X		
14. Evaluate demand and needs related to accessible housing						X	
15. Annual review of Housing Production Plan goals and strategies	X	X	X	X	X	X	X
16. Maintain Acton's status as a Housing Choice Community	X	X	X				
17. Inter-municipal coordination, trainings, and housing forum	X	X	X	X	X	X	X
18. Partnerships with local & regional non-profit housing developers	X	X				X	

Action Plan

The Acton Community Housing Corporation and Planning Department, having spearheaded this planning effort, will be the natural entities to oversee all aspects of its implementation. The matrix below provides more specific assignment of responsible entities, supporting entities, and timeframe to implement the housing strategies.

#	Housing Strategies	FY2021	FY2022	FY2023	FY2024	FY2025	Responsible Entity	Supporting Entities
1	Create an inventory of private land suitable for redevelopment or new construction of mixed-income housing, particularly in areas with sidewalk access to near key amenities and services, and coordinate with developers to plan Local Initiative Program projects that provide affordable housing that includes local preference.			X			Planning Division	GIS division, ACHC
2	Consider establishing and funding a program with the Acton Housing Authority to acquire condominiums and apartment buildings to create affordable rental units that are eligible for inclusion on the Subsidized Housing Inventory, including housing for low-income households.		X				ACHC, AHA	CPC, RHSO
3	Consider establishing and funding a buy-down program for first-time homebuyers.			X	X		ACHC	CPC
4	Consider creating and funding a local rehab program to expand and leverage other resources for home modifications and improvements that increase the accessibility for seniors and people with disabilities.	X					Planning Division, Board of Selectmen	Council on Disabilities, Building Division, ACHC
5	Conduct a planning area study of the South Acton area to consider creation of more compact housing development to encourage starter homes or mixed-use/multi-family development, particularly near the South Acton Commuter Rail station.			X			Planning Division	Planning Board, Land Use and Economic Development Director, BOS
6	Reconsider adoption of a mixed-use zoning bylaw for Kelley's Corner and mixed-use zoning along Great Road, in order to encourage infill development and redevelopment of existing buildings to include housing.		X	X			Planning Division, Board of Selectmen, KCSC	Planning Board, Land Use and Economic Development Director, EDC

7	Consider rezoning areas with vacant/underutilized offices, industrial, or institutional buildings to allow by-right redevelopment for multifamily or mixed-use housing.		X				Planning Division	Planning Board, Assessors Division, Land Use and Economic Development Director, EDC
8	Collaborate with the Historic District Commission (HDC) to explore the possibility of: allowing conversion of appropriate single-family homes to multifamily homes; upgrading properties that are already multifamily to accommodate more units; expanding homes to accommodate accessory apartments; and, permitting a limited amount of appropriate infill development within the Historic Districts.	X					Planning Division	HDC, Planning Board
9	Consider adopting a CPA-funding policy, in collaboration with the CPC and the Open Space Committee, to encourage set-aside land for context-sensitive affordable or mixed-income housing development that is well integrated into a conservation setting.	X					Planning Division and Natural Resources	Open Space Committee, Conservation Commission, CPC ACHC
10	Consider evaluating the locations of the Affordable Housing Overlay Districts and strengthening their provisions to produce more affordable units – including adequately calibrated threshold reduction and density bonus mechanisms.			X			Planning Division	GIS
11	Conduct an Analysis of Impediments to Fair Housing Choice, alone or in collaboration with other nearby communities, to identify institutional barriers and solutions to further fair housing.		X	X			Planning Division	MAGIC, RHSO
12	Collaboratively with the Acton Commission on Disabilities, work with developers at the early stages of development proposals to actively encourage that new housing developments provide units that are adaptable to people with disabilities above the minimum required by law, and consider regulatory changes that require or incentivize the inclusion of adaptable housing units where appropriate		X	X	X		Planning Division, Building Division	COD
13	Consider adopting a local bylaw that prohibits expansion of fossil fuel infrastructure for new construction		X				Planning Division	BOS, Green Acton, Land Use & Economic Development Director

14	Collaborate with organizations supporting disabled individuals and Acton community members to annually evaluate the demand and specific needs related to accessible housing options, including group homes and independent living opportunities.	X					ACHC	Planning Division, Housing for All, AHA, COD
15	Perform an annual review of Housing Production Plan goals and strategies and include on a Board of Selectmen meeting agenda each year, with participation by the Planning Board, Acton Community Housing Corporation, and other relevant boards and staff.	X	X	X	X	X	Planning Division	BOS, Planning Board, ACHC, CPC
16	Maintain Acton's status as a Housing Choice Community, in order to ensure enhanced access to state funding, by reapplying every two years and striving to continue to meet the requirements for designation through a combination of housing production and best practices.		X		X		Planning Division (2023 start preparing)	BOS, Manager's Department
17	Schedule annual meetings that promote inter-municipal coordination, including conversations between ACHC and the Open Space Committee, all land-use board discussions and trainings, and an annual housing forum to discuss progress towards housing goals.	X	X	X	X	X	Planning Division, Natural Resources Division	BOS, ACHC, Planning Board, Open Space Committee, Conservation Commission, HDC, HC, EDC,
18	Maintain and develop partnerships with regional and local non-profit housing developers, including Habitat for Humanity, to identify opportunities to provide funding as well as to tap them for their expertise and advice on potential zoning amendments to encourage development of housing options.	X	X	X	X	X	Planning Division	ACHC

Continuing Strategies

The following is a list of previously established strategies to address housing needs in Acton, which should be continued throughout the term of this Housing Production Plan. These strategies help enhance and support the other strategies described earlier in the document.

Continuing Strategy 1. Continue to update the inventory of Town-owned and tax-foreclosed properties to identify properties to offer to private developers for conversion or construction of affordable and mixed-income housing.

The town should continue to actively maintain a current list and map of town-owned and tax-foreclosed properties that are regularly vetted for potential as affordable/mixed-income housing sites to address local housing needs, particularly very-low-income rental units for seniors and accessible units.

Offering low/no cost land to the ACHC, AHA, or developers with a track record of context-sensitive affordable housing developments can provide a significant subsidy to help make an affordable housing development feasible. This option may not be appropriate for all surplus town-owned parcels but should be considered as an opportunity in evaluating the options for a site's future development.

Such developments could be 100 percent affordable to low/moderate-income (LMI) households or a mix of units affordable to LMI and middle-income households as well as market-rate units. Creating market-rate units in a development with affordable units can help make developments economically feasible by generating cross subsidies that help to offset the costs of providing affordable units.

The permitting mechanism for such a development would likely be through a comprehensive permit under MGL c. 40B, unless the town's underlying zoning or a zoning overlay would accommodate such a development for a given location.

Local initiatives on municipally-owned properties can provide the town enhanced local control over the design, density, and other characteristics of a development. For example, through a local initiative project the town could require additional low impact development methods, greater energy efficiency, and visitability or universal design standards beyond the minimum accessibility requirements for multifamily housing.[32]

[32] Visitability and Universal Design Standards would go above and beyond the minimum accessibility requirements of the Massachusetts Architectural Accessibility regulation (CMR 521), Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act and the Architectural Barriers Act of 1968. Note, these requirements are complex, however for some basic examples per 521 CMR, townhouses and single-family houses are exempt from accessibility requirements and only 5% of units must be accessible in multifamily buildings with over 20 rental units. Visitability standards can be applied in addition to these minimum requirements (including for townhouses and single-family houses) by requiring three characteristics: 1) a zero-step entrance; 2) wider interior doors, and a half-bathroom on the ground floor. Universal Design is another way municipalities and developers can increase accessible housing and encourages design of products and environments to be usable by all people to the greatest extent possible without need

The town may sell or retain the property under town ownership and lease it to a developer through a long-term ground lease. In this scenario, the developer builds, owns, and manages the building but the town can establish project criteria that become restrictions and provisions in the ground lease. This structure allows the town to create housing without having to administer the construction or management of the housing itself and provides strong assurances for long-term affordability of the units. In addition, a ground lease approach can help reduce acquisition costs since the developer would only be acquiring a lease rather than fee ownership of the property.

Continuing Strategy 2. Track production of subsidized housing units on a regular basis and work with partners to ensure annual production goals are met to achieve recertification of the Housing Production Plan and maintain "safe harbor" status in Acton.

The Planning Department, in conjunction with Regional Housing Services Office (RHSO) and the Acton Community Housing Corporation, should continue reviewing the production of subsidized and market-rate housing units regularly. The rate of production should be evaluated against annual and five-year goals and strategies should be revisited to ensure that the number of new subsidized housing units meets or exceeds the 0.5 percent of year-round housing units required for certification of the Housing Production Plan (or 1 percent for two-year certification).

Meeting these thresholds will ensure that Acton can maintain its "safe harbor" status and the ability to maintain oversight of new housing developments, including Comprehensive Permit (40B) projects.

Continuing Strategy 3. Continue working with the RHSO to monitor existing affordable housing units and maintain their status on the state's Subsidized Housing Inventory.

Acton is a member of the Regional Housing Services Office (RHSO). The RHSO includes the towns of Acton, Bedford, Burlington, Concord, Lexington, Sudbury, Wayland, and Weston. The RHSO provides affordable housing support and information to member communities and citizens looking to live in the region.

The RHSO provides four core housing services: 1) monitoring affordable developments; 2) HOME administration; 3) local support including consultation on affordable housing projects; and 4) regional activities such as providing programs to residents, assisting communities with regional linkages, and maintaining the RHSO website.

The RHSO's website with useful information for current and future residents of the member towns including housing opportunities, refinancing instructions, and current housing inventories: https://www.rhsohousing.org/.

The Planning Department should continue to provide regular updates to the RHSO on the status of affordable housing units and identify any with affordability restrictions that may be at risk of expiring. Sustaining this monitoring effort will help ensure no housing units lose their status on the Subsidized Housing Inventory and enable the RHSO to continue tracking progress towards the 10 percent goal. The Community Preservation Committee should be encouraged to continue providing CPA funds to support the services they provide.

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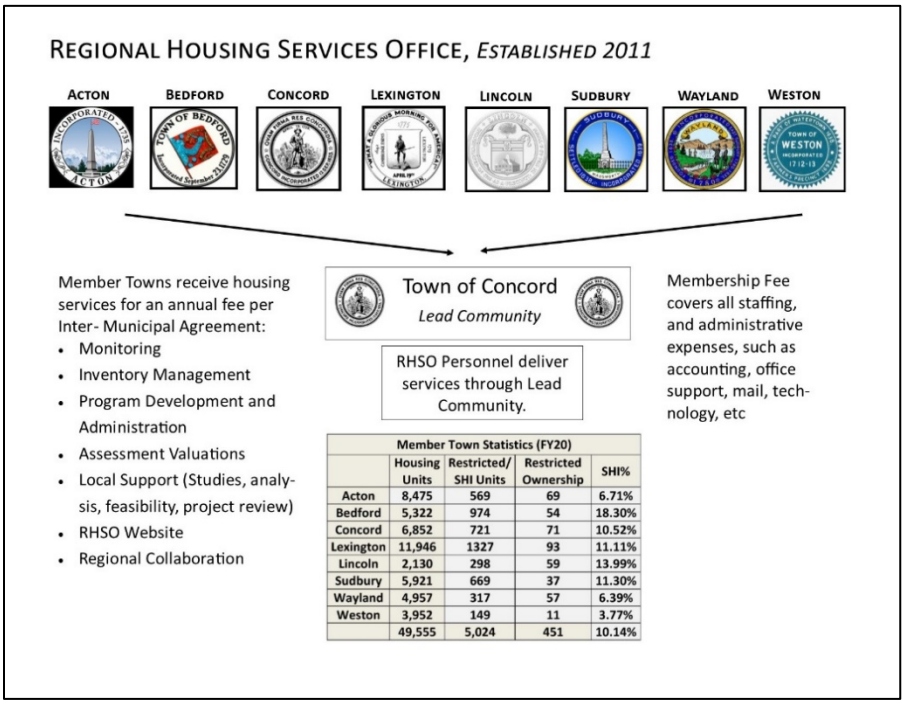
for adaption. (Source: Metropolitan Area Planning Council, http://www.mapc.org/VisibilityHousingToolkit, accessed 5/15/17.)

Figure 32: Regional Housing Services Office overview (source: RHSO)



Member Town Statistics (FY20)				
	Housing Units	Restricted/ SHI Units	Restricted Ownership	SHI%
Acton	8,475	569	69	6.71%
Bedford	5,322	974	54	18.30%
Concord	6,852	721	71	10.52%
Lexington	11,946	1327	93	11.11%
Lincoln	2,130	298	59	13.99%
Sudbury	5,921	669	37	11.30%
Wayland	4,957	317	57	6.39%
Weston	3,952	149	11	3.77%
	49,555	5,024	451	10.14%

Continuing Strategy 4. Provide information to homeowners, renters, and developers on programs and incentives for energy efficiency and renewable energy.

As technical advancements related to energy efficiency and renewable sources of energy continue to evolve, Acton should strive to make information on emerging options for homeowners, renters, and housing developers to implement energy-saving measures in new and existing homes. Web-based and printed summaries of existing programs, local contractors, and tax incentives can help connect the community with these resources.

This effort can be done independently or through a collaboration with one or more neighboring communities. For example, the HeatSmart Arlington-Winchester initiative provides a shared gateway for residents and businesses to explore options for more efficient heating and cooling options, including ground and air source heat pumps, modern wood heating, and solar hot water. The website (http://wepowr.com/heatsmartaw) also includes descriptions of state and federal rebates, tax incentives, and financing options, as well as information on how much savings can be expected.

Figure 33: HeatSmart Arlington-Winchester website

Continuing Strategy 5. Continue to elevate the conversation about the housing needs within Acton by increasing community engagement and education to nurture a diverse and sustainable community.

The Town should continue to seek grants that assist Acton in relaying fact driven data about housing needs.

- The Town sought and was awarded a grant from EOEEA for a Housing and Economic Development Implementation Program to study and document the links between housing and economic development within the Town. This study identified many action items the Town could take to advance its economic development efforts, and identified housing needs related to people employed within the Town and how the existing housing stock impacts the local economy.
- The Town sought and was awarded a mini-grant from MHP to create a data driven flyer to educate the public about household incomes related to different job sectors and the affordable housing options available within the Town.
- Part of this Housing Production Plan project included the consultant's participation in a housing workshop for Acton, "Making Acton a Place to Call Home: Housing Needs and Choices in Acton". The purpose of this workshop was to share data on local and regional housing needs and options, and to provide information on upcoming affordable housing projects and proposals.

The Town should continue to pursue partnerships with regional and state agencies that help communities build coalitions around identified housing needs.

- Acton participated in a pilot program with CHAPA, called the Municipal Engagement Program. The goal of this program was to assist in advancing housing education and supporting local housing organizing efforts as it pertains to their specific community's needs. This program helped to create a citizen's group, Housing For All, whose mission statement is as follows:
    - *We believe that Acton can and should be an inclusive community with housing options to meet the needs of people at different incomes, household types, and stages of life. For Acton to meet the housing needs of current and future residents we support the creation of new housing including multi-family housing, housing for people with limited incomes, and housing for people with special needs, as well as embracing reusing existing housing for new housing needs.*
    - *Housing for All will actively support policies, developments and projects that we believe will make Acton a more inclusive community and facilitate the creation of new housing opportunities, especially housing that meets identified community needs including increasing access to Acton housing for those who work in the community. We seek to work with residents, and others who care about Acton to advance the goal of an inclusive and welcoming community.*

APPENDIX A: Condominium Buy Down analysis 2018

Regional Housing Services Office

Serving Acton, Bedford, Burlington, Concord, Lexington, Sudbury, Wayland, and Weston

Office Address: 37 Knox Trail, Acton, MA 01720
Mailing Address: 2352 Main Street, Suite 2, Concord MA 01742

Website: WWW.RHSOhousing.org
Email: INFO@ RHSOhousing.org
Phone: (978) 287-1092

October 3, 2018
To: Roland Bartl
From: RHSO, Liz Rust and Dan Gaulin
CC: Nancy Tavernier, Kelley Cronin
RE: Acton Condo buy-down analysis

At your request, we are providing some preliminary information about converting existing unregulated condominium units into deed-restricted affordable units for either rental or purchase in Acton.

The idea is to provide housing to low income households and make progress towards the Town's 10% by taking advantage of the naturally occurring affordable units located in Acton, as one non-development alternative to creating restricted affordable units. It should be noted this sort of initiative would also have the effect of removing these naturally affordable units from the inventory preventing buyers from building equity.

The information provided only focuses on the expense side of the proposed program, and does not cover how the program is funded. Without scope of funding, the scale of the program, number of annual units, and thus the overall administrative model cannot be estimated.

In general, this kind of condo conversion can be done, and in fact has been done a few times in Acton as well as other surrounding communities, for both ownership and rental.

In summary, the subsidy per unit for this proposed program is estimated at $155,000 (ownership) to $240,000 (rental) with administrative cost added to that, noting that the particulars of the program and units will vary these costs. There are no public or private subsidies for this sort of program, and all costs are born by the Town or the designated agency, such as the Acton Housing Authority.

In comparison, the recent 12 unit rental development by the Acton Housing Authority required $326,000 per unit subsidy - $58,333 from Acton and the rest from public funds, delivering low income rental in 100% of the units. This is similar to what is expected for the The Residences at Kelley's Corner proposal to deliver low income rental units in 100% of the 31 units, expected to be funded mostly from public subsidy, with a much smaller local contribution. Private subsidies come in the form of restricted units in 40B developments, where the private developer provides the affordable units in exchange for higher density, offsetting the cost of the market units.

We have outlined some general considerations for both models below for further review and discussion. We would be pleased to further explore this concept after initial review, and discussion of scope.

Office Address: 37 Knox Trail, Acton, MA 01720
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Inventory

We looked at all the condominiums listed on MLS for the last 12 months under $250,000, and there were 74: 6 were cancelled listings, 4 are currently active, 6 under agreement, and 58 were sold. Of the 58 sold: 2 were studios, sales price average of $88,250; 20 were 1BR, sales price average of $148,300; and, 36 were 2BR, sales price average of $194,000.

The units, mostly built in the 1970's, sold quickly, with 75% under contract in the first 30 days, and all but 2 sold in under 100 days.

Rental Model

There are a few considerations in crafting a rental model for conversion of small, older market rate condominiums.

Desirability of subject units

The affordable ownership in the 40B model (priced for 80% AMI Households) is a renter's market, meaning that the unit rents are calculated by number of bedrooms and do not account for town, size, age of unit or amenities. So a 1000 sq ft 2BR, 1bath apartment built in 1985 is rented at the same price as a newly constructed 2000 sq ft 2BR, 2bath apartment, before the utility allowance. The 2BR unit is the target size, though some 1BR or 3BR may also be acceptable.

The smaller, older condominium cannot command the same rent as the new construction 'Avalon-like' apartments (80% AMI). These condominiums would need to target a lower income tenant who would not qualify for the 80% AMI.

Pricing of the subject units

Unit purchase: In public rental models, public funds are most often used to subsidize the entire purchase and rehabilitation cost. Perhaps a mortgage could be taken, against the rents, the amount depending on the affordability level.

On-going rents: The rents could be set a number of ways:

1. 30% of Tenant Income: This is the housing authority model where tenants are charged 30% of their income for rent whatever that is. Often this model requires additional subsidy if the rent is not enough to support the on-going maintenance, including condo fee.
2. 50% AMI: This is a 'Very Low Income' rent, with a 2018 2BR 50% gross rent (before subtracting a utility allowance) of $1,214.
3. 60% Area Median Income: This is the Low Income Tax Credit rent standard, and also serves very low income households. A 2018 2BR 60% gross rent (before subtracting a utility allowance) is $1,456.
4. 80% Area Median Income: This is the 40B 'affordable unit' rent. A 2018 2BR 80% gross rent is $1,825. This rent is too high for these units.

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The 50% or 60% rent is likely the rent target serving households at these income limits:

Household Size	1 Person	2 Person	3 Person	4 Person
80% AMI	$56,800	$64,900	$73,000	$81,100
60% AMI	$45,300	$51,780	$58,260	$64,680
50% AMI	$37,750	$43,150	$48,550	$53,900

Some tenants may have Section 8 vouchers to assist in paying their rent. In that case, the tenant will pay 30% of their income to the property manager, and the voucher issuing agency will pay the rest, up to the lower of the market rent or up to FMR (Fair Market Rent - currently $1,740).

Additionally, the Acton Housing Authority may assign project-based vouchers to the subject unit, depending on more details. A property, though, cannot limit its tenants to Section 8 voucher holders, per DHCD requirements.

The condition of the subject units
There may be interior and exterior repairs needed for older condominiums. Full inspections (property, lead, and radon) should be done prior to contract.

There is likely work to be done on the interior before the agency purchases the unit. Note that public procurement requirements likely apply.

The exterior is maintained by the condo association. Careful analysis of the condominium budgeting and finances are required to ensure that sufficient capital reserves are maintained. The agency does not want to purchase a unit in a development that is poorly run and/or has insufficient capital reserves.

The conveyance model of the subject units
The acquiring agency, assumed to be the Acton Housing Authority, would purchase the unit under public procurement requirements. It is likely that an RFP would be required.

These units will be regulated as Local Action Units, under DHCD's Local Initiative Program (LIP). The agency must have experience with the program rules and regulations: fair marketing, lottery administration, income certification.

Additionally, the agency must have experience with public procurement and professional property management practices.

In the RHSO area, the towns of Acton, Burlington, Lexington and Sudbury housing authorities/agencies all have non-public housing units that they own and operate. The Acton

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Housing Authority has the largest portfolio with 33 condominium units it has acquired over the years. Of these, 8 have been purchased with developer, Acton Community Housing Corporation, or Community Preservation Act funds.

On-going Administration

There is program administration required with this kind of program – both one-time per unit, as well as on-going annual requirements for each restricted unit in the program. The estimates below assume that this is additional work for an agency already performing these sorts of tasks, and may require new personnel.

Note that all public agencies are bound by public procurement. This includes housing authorities, housing trusts and other town entities. The Acton Housing Authority has strong experience in this area and has expressed a willingness to perform this work.

One-time tasks per unit: Here are the high-level tasks, with a general estimate of hours (100 hours, $35/hr. $3,500) per unit added to the program.

1. Obtain program approval at annual Town Meetings: Prepare program narratives, presentations, local approvals. (20 hours)
2. Property search: Locate suitable properties through RFP, perform inspections, evaluate feasibility, and determine extent of initial repairs required. (50 hours)
3. Obtain approvals for unit: Obtain approvals from Town, DHCD and others. (20 hours)
4. Resident Selection: Qualify tenant (10 hours). This may include a lottery, which would be more time consuming.
5. Property Acquisition: Purchase property, or otherwise make purchase subsidy available, addressing current year tax assessment issues. (20 hours)

Annual tasks per unit/tenant in the program with a general estimate of hours (150 hours, $35/hr. $5,250) per unit added to the program.

1. Books and records: Track finances and requisitions, pay condo fees, Collect rent, work with Section 8 issuing agency (40 hours)
2. Property Management: Perform initial and on-going repairs. Inspect unit as needed for Section 8 requirements. (20 hours)
3. Recertification and monitoring: Annually recertify tenant for eligibility. (10 hours)
4. Resident Selection: Subject to a Local Initiative Program Affirmative Fair Housing plan which includes annual advertising, a lottery and thorough income qualification. (80 hours)

Summary

A rental condo buydown program takes time to implement and units are added at a measured pace. Units can only be purchased as they come on the market, which can be lengthy with the RFP process. A review of Realtor.com (7/9/18) indicates that there are currently 4 condos for sale listed below $250k.

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The pricing per unit, listed below, does not utilize a mortgage for the purchase. The rent might cover a mortgage payment, though for this analysis it is assumed that the rent covers the high condo fees and on-going maintenance. The administrative costs are also not included below.

Purchase Price	$200,000	Will vary based on unit particulars
Repair Subsidy	$30,000	Assume 15%
Transaction Costs	$10,000	May be reduced for multiple units
Total	$240,000	

As sketched out above, the apartments would provide rental opportunities for lower income households where affordable rental units are in short supply.

Ownership

There are a few considerations in crafting an ownership model for conversion of small, older market rate condominiums, which are different from the rental model.

The desirability of subject units

The affordable ownership in the 40B model (priced for 80% AMI Households) is a buyer's market, meaning that the units are priced by number of bedrooms and do not account for town, size, age or amenities. So a 1000 sq. ft. 2BR, 1bath condo built in 1985 is priced the same as a 2000 sq. ft. 2BR, 2bath condo built in 2018, assuming the condo fees are the same and the homes are in the Boston metro area.

Ready buyers of deed restricted properties often participate in multiple lotteries in adjoining towns for new units and/or participate in buydown programs for existing units and are willing to wait for an attractive unit.

For this reason, in Marshfield, Sudbury and Holliston (who have similar conversion programs) do not generally convert condominium units, and instead offer detached single family homes.

The pricing of the subject units

Ownership deed restricted units must be priced significantly below market value (minimum $75,000) to compensate buyers for accepting the resale price restrictions.

The 80% AMI price for a 2BR is $145,500, which is too close to market price (assume $200k) to make the property attractive. The units would best be offered to a very low income household, earning 50% -60% of the Boston Area Median Income (AMI), same income level as Habitat families. (Holliston has done this successfully.)

The affordable 2BR price for a 50% AMI household is $77,000, the homeowner would have monthly carrying cost of $1,011, using current parameters. Note that the homeowner would pay the market rate condo fee, which we have estimated at $430 (using 380 Great Road as an example).

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Using an estimated market price of $200,000 for 2BR unit (which represents an average of current properties for sale, results in a purchase subsidy of $123,000.

This kind of affordability would provide a first-time home buying opportunity for households where deeply affordable homeownership is often out of reach in the Metro Boston area, assuming they could get a qualifying mortgage (which might be an obstacle).

The condition of the subject units
Just as in the rental model, there may be interior and exterior repairs needed for older condominiums, and full inspections should be done before contract.

On the interior, there is likely work to be done before the owner closes, or some grant provision made for repairs done post-closing – depending on the conveyance model. Note that public procurement requirements apply, including RFP and bid procedures.

The exterior is maintained by the condo association. Careful analysis on the condominium budgeting and finances are required to ensure that sufficient capital reserves are maintained. The town does not want a first-time buyer to purchase a unit in a development that is poorly run and/or has insufficient capital reserves, requiring subsequent special assessments.

The conveyance model of the subject units
The Sudbury, Holliston and Marshfield models similarly convey the units from market rate owners to affordable buyers, with the local agency providing a purchase subsidy at closing. This was also the model for the Acton condo buy-down. The advantage of these models is that the agency does not take title, funding the purchase and repairs through the buyer.

The Holliston Housing Trust, and the Concord Housing Development Trust has also purchased units directly, and then resold them to an eligible purchaser. In all cases, the purchaser is selected via lottery.

These units will be regulated as Local Action Units, under DHCD's Local Initiative Program (LIP). The sponsoring agency must have experience with the program rules and regulations: fair marketing, lottery administration, income certification. It also requires someone who can provide frequent counselling to often-tentative first time buyers.

Summary
An ownership condo buydown program takes time to implement and units are added at a measured pace. Marshfield has been running its condo buydown for 10 years and has 27 units. Sudbury has 8 units over 9 years (constrained by funding), Holliston 4 units in 3 years.

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The pricing per unit, includes the following, which does not include on-going agency administration or the lottery. Those costs are program level, and not necessarily per unit. The costs will vary based on the unit particulars.

Purchase Subsidy	$123	Difference between Market Price ($200k) and Affordab ($77k),
Repair Subsidy	$30	Assume 15%
Tax Subsidy	$2	Compensate owner for difference in taxes for FY
Total	$155	Will vary based on unit particulars

As sketched out above, the condos would provide a first-time home buying opportunity for lower income households where homeownership is often out of reach in the Metro Boston area.