

# **Affordable Housing Plan for the Town of Acton, Massachusetts**

Submitted for certification under the Department of Housing and  
Community Development's Planned Production Regulations, 760 CMR 31.04(1),  
by the Board of Selectmen of the Town of Acton

**April 26, 2005**

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## I. Executive Summary

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In June, 2004, the Town of Acton submitted a Community Development Plan for approval by the Department of Housing and Community Development (“DHCD”) pursuant to Executive Order 418. Work on the CD Plan began in early 2003, when the Town received a grant from DHCD to develop a long-range housing production strategy. The Town’s CD Plan, developed by Community Opportunities Group, Inc., addresses two mutually dependent concerns – housing options and economic development. The Plan’s housing element analyzes the Town’s housing needs and identifies strategies for achieving production goals. Specifically, the CD Plan analyzes the fabric of the community, painting a picture of who lives in Acton and in what types of residential settings (single-family homes, condos, etc.). The Plan compares these “demographics” with those in Acton’s neighboring municipalities. The Plan then studies the existing housing stock, in terms of the type of housing available and its level of affordability for the people who live in Acton. Applying this knowledge, the CD Plan identifies the Town’s specific housing needs, and suggests specific initiatives and actions for the Town to meet those needs over the next few years.

Notably, the CD Plan was designed to address housing production at multiple levels of affordability, not merely housing that qualifies toward the Town’s Subsidized Housing Inventory under Chapter 40B.<sup>1</sup> Executive Order 418 (E.O. 418) promotes housing for “a broad range of incomes,” including households with incomes up to 150% of area median income for homeownership units, and 100% of area median income for rental units. By contrast, to qualify under Chapter 40B’s Subsidized Housing Inventory, housing generally must be affordable to households earning no greater than 80% of the area median income (hereinafter, “Chapter 40B housing”).

DHCD’s Planned Production regulations provide incentives to municipalities to increase their stock of Chapter 40B Housing. Towns that make incremental progress toward reaching the statutory goal of having 10% of its housing stock affordable can deny or approve with conditions comprehensive permit applications without a meaningful threat of an appeal. To qualify for this privilege, towns must have an affordable housing production plan certified by DHCD. While recognizing that its housing needs are not limited to Chapter 40B Housing, Acton desires to have more flexibility in managing comprehensive permit applications, and accordingly, submits this plan for certification. This Plan supplements the CD Plan by defining specific affordable housing production goals, analyzing the capacity of municipal infrastructure and services to accommodate increased affordable housing production, and identifying specific geographic areas for future affordable housing growth.

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<sup>1</sup> Only “low or moderate income housing” as defined by Chapter 40B, Section 20 and 760 CMR 30.02 qualifies towards the Town’s Subsidized Housing Inventory.

## II. Housing Needs Assessment

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The CD Plan identified the following specific housing needs in the Town of Acton, in order of priority:

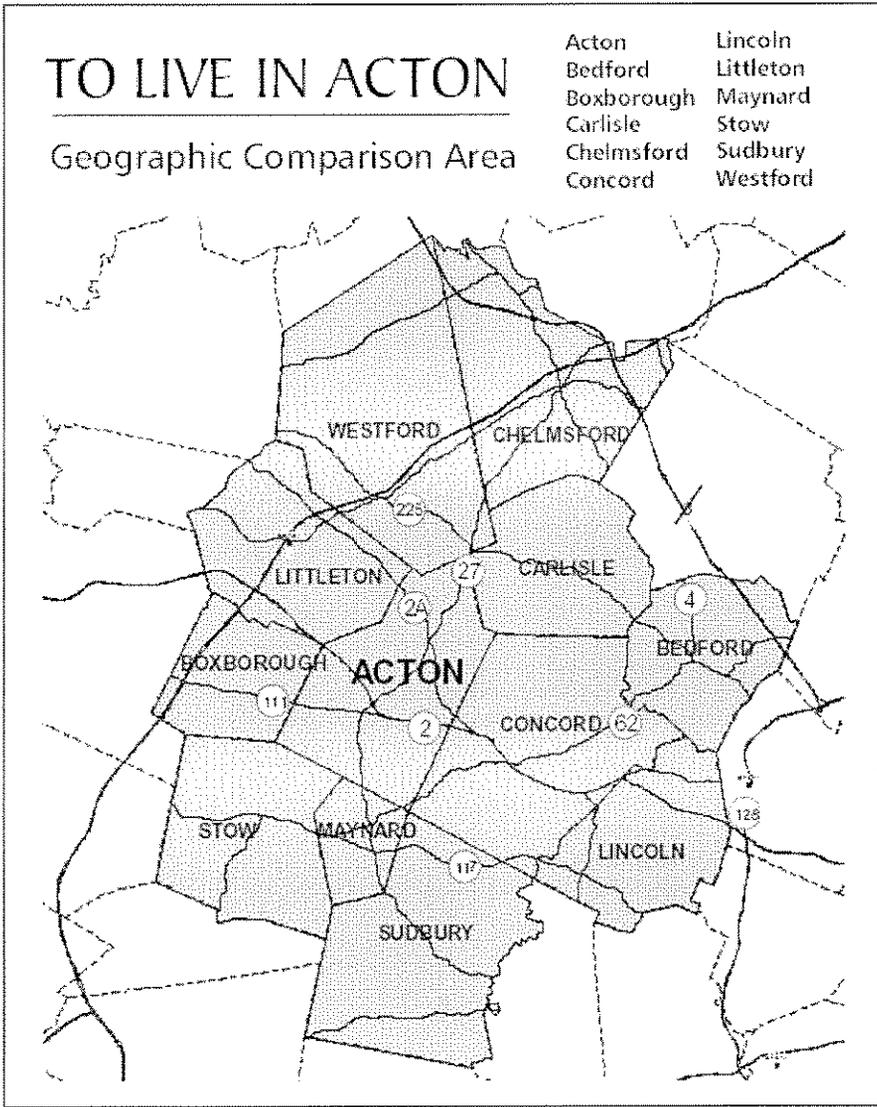
1. Affordable rental units for very-low and low-income families;
2. Affordable rental units designed for low-, moderate- and middle-income senior citizens and persons with disabilities;
3. Affordable homeownership units for moderate-income families;
4. Affordable homeownership units in a range of residential use types and sizes for moderate and middle-income seniors; and
5. Homeownership units at below-market prices, affordable to middle-income homebuyers.

Preceding this conclusion, the CD Plan analyzed the demographics of the community and the capacity of the existing housing stock to meet the demands of the people who live in Acton. The CD Plan's discussion of these factors follows.

### A. COMMUNITY DEMOGRAPHICS

Acton is one of the Commonwealth's most prestigious suburbs. It offers excellent schools and town services, attractive villages and neighborhoods, open space, and convenient access to retail, restaurant and service establishments. Bounded by Carlisle, Concord, Sudbury, Maynard, Stow, Boxborough, Littleton and Westford, Acton is located in a "wealth belt" of affluent, demographically similar communities west of Boston.

Today, Acton is a maturely developed town with a limited supply of vacant, readily developable land. During the 1990s, Acton absorbed a higher rate of population growth than the state average, but not all of the increase is attributable to new-home construction. In fact, many older housing units in Acton were resold in the past decade. Moreover, homes that served as rental units in 1990 converted to homeownership when market demand for housing accelerated after the recession. Acton attracted many new families with children, as did Boxborough, and as a result the Acton-Boxborough Public Schools experienced an unusually high rate of K-12 enrollment growth.



**1. Population & Household Characteristics**

Acton’s recent population history is a measure of the town’s location, prestige and the composition of its housing stock. Profound demographic changes and regional highway improvements between 1950-1970 sparked relentless suburban development in a number of small towns west and north of Boston. For Acton, the postwar development period culminated in a 20-year population increase of more than 200%. Not surprisingly, the town’s growth rate dropped after 1970, as was the case statewide. However, Acton absorbed a relatively high rate of population growth again during the 1990s, as shown in Table 1.1.

Table 1.1: 50-Year Population History, Acton & Surrounding Communities

Area	Decennial Census						% Chg. 1990-2000
	1950	1960	1970	1980	1990	2000	
Massachusetts	4,690,514	5,148,578	5,689,377	5,737,037	6,016,425	6,349,097	5.5%
Middlesex County	1,064,569	1,238,742	1,397,268	1,367,034	1,398,468	1,465,396	4.8%
<i>Study Area</i>							
ACTON	3,510	7,238	14,770	17,544	17,872	20,331	13.8%
Bedford	5,234	10,969	13,513	13,067	12,996	12,595	-3.1%
Boxborough	439	744	1,451	3,126	3,343	4,868	45.6%
Carlisle	876	1,488	2,871	3,306	4,333	4,717	8.9%
Chelmsford	9,407	15,130	31,432	31,174	32,383	33,858	4.6%
Concord	8,623	12,517	16,148	16,293	17,076	16,993	-0.5%
Lincoln	2,427	5,613	7,367	7,098	7,666	8,056	5.1%
Littleton	2,349	5,109	6,380	6,970	7,051	8,184	16.1%
Maynard	6,978	7,695	9,710	9,590	10,325	10,433	1.0%
Stow	1,700	2,573	3,984	5,144	5,328	5,902	10.8%
Sudbury	2,596	7,447	13,506	14,027	14,358	16,841	17.3%
Westford	4,262	6,261	10,368	13,434	16,392	20,754	26.6%
<i>Study Area Total</i>	48,401	82,784	131,700	140,773	149,123	163,532	9.7%

*Sources: MISEK (1995-1996), Census 2000, Summary File 1 Table P-1.*

### ***Population Age***

The age profile of Acton residents changed dramatically during the 1990s. Changes that occurred locally differ from the Commonwealth's experience and that of the nation. For example, the state's over-65 population increased by a modest 4.9%, mainly among persons over 75. In Acton, the elderly population rose substantially – 45% – or 525 people, mainly among persons between 65-74. Moreover, family household growth during the 1990s led to a 35% increase in Acton's under-18 population even though the state's under-18 population rose by only 11%. In addition, under-18 population growth statewide occurred among persons between 5-17 years of age while the preschool population declined -3.7%. In Acton, the pre-school population increased by more than 21% and the school-age population (5-17) increased at a rate more than double that of the state. Aside from the implications of family household growth for Acton's public schools, these age statistics shed light on how the town is perceived within the real estate market: by developers, builders, homebuyers and renters.

**Table 1.2: Change in Age of Acton Population, 1990-2000**

Age Cohort	1990	2000	% Chg.	Age Cohort	1990	2000	% Chg.
Under 5	1,240	1,507	21.5%	Age 45-54	2,570	3,581	39.3%
Age 5-17	3,246	4,485	38.2%	Age 55-64	1,537	1,784	16.1%
Age 18-24	1,510	878	-41.9%	Age 65-74	682	997	46.2%
Age 25-34	3,008	2,222	-26.1%	Over 75	504	704	39.7%
Age 35-44	3,575	4,173	16.7%				
Total Population	17,872	20,331	13.8%				
% Population <18				% Population >65			
Acton	25.1%	29.5%		Acton	6.6%	8.4%	
Massachusetts	22.5%	23.6%		Massachusetts	13.6%	13.5%	

*Source: Bureau of the Census, 1990 Census of Population and Housing, Census 2000, Summary File 1.*

### ***Race and Ancestry***

Acton has experienced not only household and population growth, but also change in the racial and ethnic make-up of its people. A decade ago, 95% of the 17,872 people living in Acton were white and primarily of English, Italian or German descent. As of Census 2000, 88.5% of Acton's 20,331 residents were white and while the same national backgrounds prevailed, the number of persons reporting Italian ancestry had increased by more than 40%. Nearly all of Acton's growth in minority population occurred among Asians, who comprised 3.6% of the total population in 1990 and 8.6% in 2000. Today, Acton has one of the region's lowest percentages of African Americans (0.7%) and a strikingly low percentage of Hispanic persons (1.8%). Unlike the Hispanic population throughout Massachusetts or in the Boston metropolitan area, Acton's is predominantly white (70%). Minority households overall comprise less than 10% of all households in Acton, and Hispanic households, 1.3%. About 14% of the town's population is foreign-born.<sup>2</sup>

### ***Disability***

Acton has a fairly small population percent of persons with disabilities. In Massachusetts, nearly 18% of all people between 5-64 years of age and 39% of those 65 and older have a disability: a condition that substantially impairs one or more major life functions. The same applies to only 7.8% of the population 5-64 years and 23.8% of the elderly in Acton. Compared to the rest of the state, most towns in Acton's region have smaller percentages of persons with disabilities, although the presence of seniors with disabilities is generally close to the statewide average. However, the incidence of school-age children with a disability is higher in Acton than in nine of the 11 surrounding towns.<sup>3</sup>

<sup>2</sup> U.S. Department of Commerce, Bureau of the Census, Census 2000, Summary File 1 Tables P-7, P-8, H-6, H-7, <<http://www.census.gov>>.

<sup>3</sup> Census 2000, Summary File 3 Tables P-41, P-42, PCT-26. Note: the Census Bureau defines "disability" as a long-lasting sensory impairment or a condition that severely limits physical activity. The most recent decennial census provides two disability data sets that differ by population age. For persons over 16, Census 2000 includes an analysis of several types of disabilities, including employment-related disabilities, but the same information is not available for children 5-15. Childhood disability data from the federal census are quite different from special education data reported by a public school system and there is no direct relationship between them. In the Acton-

## Households and Families

Despite the large increase in Acton’s elderly population during the 1990s, its *households* are comprised primarily of *families* headed by persons between 35-44 years of age.<sup>4</sup> The town’s homes, the relative wealth of its population and its long-standing commitment to quality schools all make the town attractive to families, particularly those with children. Table 1.3 shows that Acton exceeds the Boston metropolitan area and the state for percentage of family households, families with children and average household size. Given Boxborough’s much higher rates of population and household growth between 1990-2000, it is not surprising that K-12 enrollments in both the local and regional schools rose significantly in the same period.

Table 1.3: Households and Families

Category	Acton	Boston PMSA	State
Population	20,331	3,406,829	6,349,097
Households	7,495	1,323,487	2,443,580
Average Household Size	2.69	2.48	2.51
Families	5,540	824,145	1,576,696
Percent Families	73.9%	62.3%	64.5%
Average Family Size	3.19	3.12	3.11
Families with Children <18	3,227	386,663	748,865
Percent Families with Children <18	58.2%	46.9%	47.5%

Source: Census 2000, Summary File 1 Table DP-1.

Married-couple families are more common in Acton than in several communities nearby or elsewhere in the Commonwealth, but generally, the town’s household profile is similar to that of other affluent suburbs. Over the past 20 years, the number of one-person households in Acton increased markedly, consistent with state and national demographic trends. However, while the number of married-couple families increased only 2.4% statewide during the 1990s, the number in Acton rose by 14%. A relatively high rate of family household formation and the rise in birth rates that occurred between the late 1980s and mid-1990s help to explain Acton’s modest increase in average family size from 3.15 to 3.19.

Overall, the number of households in Acton increased by 13.6% between 1990-2000, slightly below the rate of population growth. More significant than either the rate of household growth or change in household type is the age of Acton householders, however. During the past decade, the number of under-34 households in Acton dropped by more than 25% – twice the rate of under-34 household decline statewide – while householders between 45-54 years of age increased by 33.6%. Just as Acton’s elderly population rose significantly, so did the number of over-65 households. In fact, the rate of elderly household growth in Acton (46.7%) exceeded most towns

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Boxborough Regional School District, 14.7% of all students receive special education services, along with 14.1% in the Acton Public Schools (K-6). Statewide, students receiving special education services account for 15.6% of all K-12 enrollments.

<sup>4</sup> “Household” refers to one or more persons occupying a housing unit. “Family” is a household of two or more people related by blood, marriage or operation of law.

in the immediate area. Nonetheless, households headed by persons over 65 remain a fairly small percentage of all Acton households – a regionally low 13.4%.

**Table 1.4: Households and Families by Age of Householder**

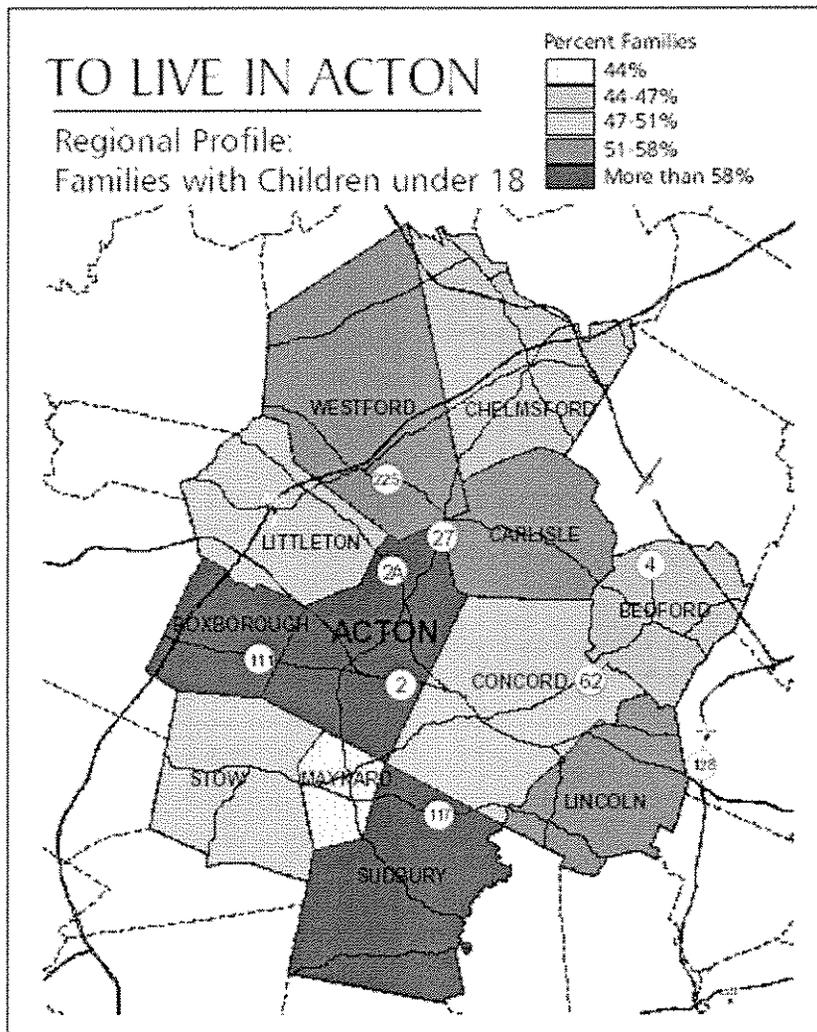
Category	Total Households			Percent Family Households		
	Acton	Boston PMSA	State	Acton	Boston PMSA	State
Total	7,495	1,323,487	2,443,580	73.9%	62.3%	64.5%
Age of Householder						
15 to 24 years	134	53,787	95,499	34.3%	27.4%	37.0%
25 to 34 years	1,057	243,810	419,180	62.7%	55.0%	61.2%
35 to 44 years	2,243	305,698	565,663	81.7%	73.1%	75.3%
45 to 54 years	2,004	264,891	497,268	81.0%	72.2%	73.0%
55 to 64 years	1,055	173,390	324,113	74.6%	67.5%	68.0%
65 to 74 years	616	141,079	267,063	64.9%	60.0%	60.3%
75 to 84 years	310	105,828	208,389	51.3%	46.2%	45.9%
85 years and over	76	35,004	66,405	38.2%	28.4%	28.4%

*Source: Census 2000, Summary File 1 Table P-21.*

***Family Type and Composition***

Given the prevalence of family households in Acton and the town’s substantial population growth among children under 18, it makes sense that local families differ by type and composition from their counterparts in the Boston metropolitan area or across the state. Married couples comprise 76% of all families in the Commonwealth while single men or women – divorced, separated or widowed – respectively account for 6% and 18%. Approximately 46% of the state’s married- couple families, 42% of its single-parent men and 56% of its single-parent women have children under 18. In Acton, married couples constitute a significantly larger percentage (88%) of all families while 3% of the town’s family households are headed by single men and 9%, by single women. For all family types, however, Acton has much larger percentages of families with children under 18: 59% of married couples, 48% of single-parent men and 66% of single-parent women. The average number of children under 18 in Acton families is 1.08 in married-couple families, .62 in families headed by single men, and 1.01 in families headed by single women.<sup>5</sup>

<sup>5</sup> Census 2000, Summary File 1 Tables P-34, P-36.



### *Household Income*

Household wealth has placed Acton among the Commonwealth's 25 most affluent towns for at least three decades. Families with children under 18 have the highest household incomes in Acton, followed by households headed by persons 45-54 years of age. More than 11% of all households in Acton have incomes of \$200,000 or more, compared to 3.5% statewide.

Non-family households – including one-person households and households of unrelated individuals – and elderly households almost always have lower incomes than families, and the same applies in Acton. The town's median family income of \$108,189 is 2.47 times higher than the median non-family income (\$43,769), which exceeds the ratio of family-to-non-family income in most communities nearby. The ratio of median family income to the median income for householders over 75 is far more pronounced, however: 4.26. Restated, the ratio means that

Acton's families have \$4.26 of income for every \$1.00 of income among householders over age 75. The economic position of Acton's families is clearly much higher than that of its oldest householders, and this is also true in Carlisle, Sudbury and Westford. Approximately 2.9% of Acton's population and 3.8% of its households fall below the federal poverty standard. Among persons below poverty, 24.7% are children under 18.<sup>6</sup>

**Table 1.5: Household and Family Incomes**

Category of Income	Acton (\$)	Boston PMSA (\$)	Massachusetts (\$)
Median Household Income	91,624	55,183	50,502
Median Income by Age of Householder			
Under 25 years	33,571	30,448	27,364
25 to 34 years	72,143	57,578	51,855
35 to 44 years	100,808	66,869	61,304
45 to 54 years	112,266	72,633	67,287
55 to 64 years	108,197	61,768	56,699
65 to 74 years	55,870	36,829	33,589
75 years and over	25,375	23,267	21,522
Family Income			
Median Family Income	108,189	68,341	61,664
Median Income Families with Children <18	115,560	69,179	61,530

*Source: Census 2000, Summary File 3, Tables P-54, P-56, P-77, PC1-39.*

Regionally, Acton is at the midpoint for percentage of low- and moderate-income households, 21%, and just below the midpoint for percentage of low- and moderate-income families, 13.7%. In more than half of the towns around Acton, families make up a larger percentage of low- and moderate-income households than is the case statewide or within Middlesex County, but this is not true in Acton, Bedford, Boxborough and Concord. Table 1.6 shows that while all 12 towns surpass the state for families as a percentage of all households, the percentage of lower-income families is not always commensurate with the percentage of families overall. The differences appear to correlate with two factors: the cost of market housing in general, and the inventory of homes developed for lower income families in each of these communities.

<sup>6</sup> Census 2000, Summary File 3 Tables P-77, P-80.

Table 1.6: Households and Families by Low- and Moderate-Income Status

Area	Households		Families			
	Total	% LMI	Total	% LMI	% LMI Households	% All Households
Massachusetts	2,443,580	43.9%	1,576,696	35.2%	51.8%	64.5%
Middlesex County	561,220	37.0%	361,076	28.6%	49.7%	64.3%
ACTON	7,495	21.3%	5,540	13.7%	47.6%	73.9%
Bedford	4,621	21.0%	3,419	13.0%	45.7%	74.0%
Boxborough	1,853	19.5%	1,271	12.4%	43.8%	68.6%
Carlisle	1,618	19.7%	1,372	13.7%	58.9%	84.8%
Chelmsford	12,812	30.7%	9,307	21.1%	50.0%	72.6%
Concord	5,948	20.9%	4,440	12.4%	44.4%	74.6%
Lincoln	2,790	25.9%	2,255	21.9%	68.3%	80.8%
Littleton	2,960	31.6%	2,217	22.6%	53.5%	74.9%
Maynard	4,292	37.6%	2,810	28.0%	48.8%	65.5%
Stow	2,082	19.9%	1,678	16.0%	64.6%	80.6%
Sudbury	5,504	16.6%	4,751	13.2%	68.5%	86.3%
Westford	6,808	18.6%	5,806	13.9%	64.0%	85.3%

Sources: U.S. Department of Housing and Urban Development, Census 2000. "LMI" means low- and moderate-income.

Compared to households in other towns nearby, Acton's households are more likely to derive earned income from wage and salary employment and somewhat less likely to have self-employment income. Acton also falls slightly below the middle of the region for percentage of households with earned income from investments: interest, dividends or net income from rental property. It has one of the region's lowest percentages of households with Social Security or other retirement income – measures that corresponds to its very low percentage of elderly households – and Acton fairly low percentages of households with Supplemental Security Income or public assistance.

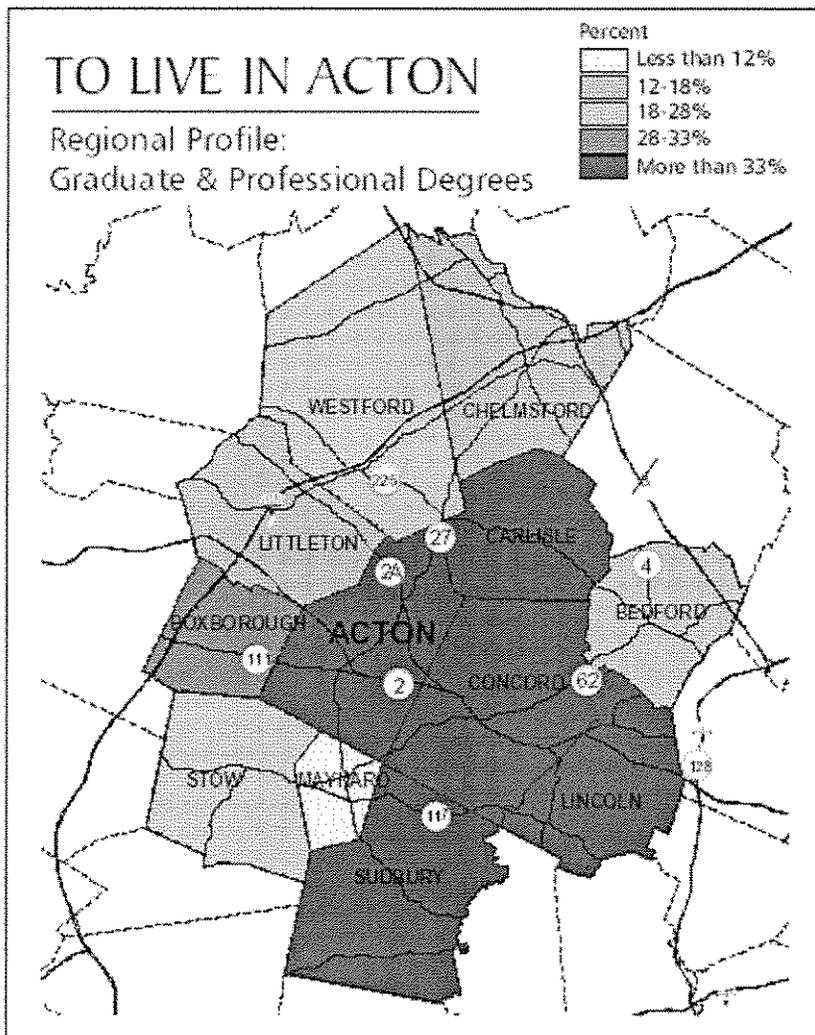
### ***Labor Force, Education and Employment***

Acton's labor force includes about 11,300 people. Compared to the state as a whole, Acton consistently has a much lower unemployment rate.<sup>7</sup> The education levels of a community's adults, the types of jobs they hold and the number of employed family members invariably correlate with local wealth. In Acton, more than 34% of all persons over age 25 hold graduate or professional degrees, which dramatically exceeds the state average (13.7%) and that of many towns nearby. About 60% of the labor force is employed in management, education and social services, medicine, law, architecture and engineering: fields that require advanced training. Acton also has a regionally large percentage of families with two working parents (57.5%).<sup>8</sup>

<sup>7</sup> Massachusetts Department of Employment and Training, "Local Area Unemployment Series (LAUS), 1985-2001," Municipal Data, <http://www.detma.org>.

<sup>8</sup> Census 2000, Summary File 3 Tables P-37, P-48.

There is virtually no difference in the educational attainment of women and men in Acton, but there is an obvious difference in their earnings. The median annual wage or salary income for men in Acton is 1.68 times higher than that of women, adjusted for hours worked per week and weeks worked per year.<sup>9</sup> The “gendered” wage gap in Acton is larger than for the state overall, but similar conditions exist in neighboring towns. In addition, men in Acton’s labor force have 1.8 times the earnings of men throughout Massachusetts, while its women have earnings that exceed the earnings of women statewide by 1.47.<sup>10</sup>



<sup>9</sup> Census 2000, Summary File 3, Tables PCT-45, PCT-47, P-85.

<sup>10</sup> Census 2000, Summary File 3, Table DP-3. Data represent people employed full-time, year-round only.

## B. EXISTING HOUSING STOCK CHARACTERISTICS

As a reflection of market preferences and the high cost of land, most new homes in Acton are large, expensive single-family homes. However, more than 30% of Acton's entire housing inventory consists of apartments and condominiums built since the late 1960s and small, older multi-family housing. The mix of housing in Acton is unusual for a small suburb. It contributes not only to the town's visual appeal, but also to the population and household characteristics that distinguish Acton from similarly wealthy towns in the region. Acton offers housing choices that are lacking in other affluent suburbs: in terms of housing type, architectural styles, setting and location.

**Table 1.7: Housing Inventory**

Area	Single-Family	Two-Family	Multi-Family & Townhouse Styles			Other Housing
			3-9 Units in Structure	10+ Units in Structure	Townhouse Units	
Massachusetts	1,374,479	304,501	455,551	358,589	104,129	24,740
Middlesex County	282,013	88,579	84,061	93,822	25,690	2,516
ACTON	4,943	203	648	1,324	554	8
Bedford	3,461	292	187	224	456	88
Boxborough	1,081	12	95	612	106	0
Carlisle	1,573	38	18	0	20	6
Chelmsford	9,074	425	534	1,582	1,144	266
Concord	4,662	260	646	236	342	7
Lincoln	1,568	56	375	80	832	0
Littleton	2,506	136	149	102	43	119
Maynard	2,745	430	620	295	316	0
Stow	1,933	12	130	0	53	0
Sudbury	5,322	37	64	153	14	0
Westford	6,161	184	264	38	272	22

*Source: Census 2000, Summary File 3, Table H-30.*

### 1. Housing Quality, Condition & Value

Overall, Acton homes appear to be in good to excellent condition. More than 85% of the town's entire housing inventory was built after 1940, and neither federal census data nor local records provide evidence of overcrowding, code violations or health and safety hazards. While Acton has some lower-value homes, they are not seriously substandard. The town's newest single-family homes are quite large, especially when compared to houses built between the wars (1920-1945). A majority of Acton's lower-cost homes date to the interwar era, and their modest building values correspond to differences in size, amenities and often, construction quality.

Since most housing units in Acton are single-family homes, the quality, value and mix of styles and sizes in the single-family home inventory have a significant impact on the visual character

and social make-up of the town. Together, all of Acton’s single-family homes occupy about 5,040 acres of land, or 38% of the town’s total land area.<sup>11</sup> Table 1-8 supplies a summary statistics for Acton’s single-family homes by age, size, land area and value.<sup>12</sup>

Table 1.8: Characteristics of Single-Family Homes by Age

Year Built	No. Parcels	Land		Buildings		Value	
		Total	Average Parcel	Average Living Area	Average Rooms	Building & Outbuildings	Land
Pre-1860	144	396.46	2.75	2,369	7.8	229,981	203,265
1860-1919	238	250.76	1.05	1,968	7.3	174,183	185,432
1920-1949	227	228.32	1.01	1,659	6.4	132,975	187,970
1950-1975	2,792	2,130.55	0.76	1,847	7.0	183,230	202,695
1976-1990	798	1,191.99	1.49	2,591	7.9	312,270	224,961
1991-2002	555	827.06	1.49	2,984	8.4	422,953	220,171

*Source: Acton Assessor’s Office (FY03 Valuation Data).*

Table 1.8 reinforces what Acton residents already know about recent development trends in their own community. In the last quarter of the 20th century, a noticeable change occurred in the size of new homes and the amount of land they consumed. The tendency toward much larger dwelling units accelerated during the 1990s, and today, the average living area of a new home in Acton is 1.8- 1.85 times the average living area of homes built between the wars. New homes are also more likely to be 2.5 stories high, with at least four bedrooms, 2.5 or more bathrooms, and fixtures, amenities and landscaping that cater to upper-income homebuyers. In addition, Acton’s new homes almost universally adhere to colonial design principles, except for adaptations that accommodate modern taste for larger windows. However, neighborhoods with many homes built between 1920-1949 – such as portions of Central Street, Liberty Street, Parker Street or School Street – create a different impression of Acton. Well-maintained bungalows, ranches, Cape Cod-style homes and some contemporary designs are fairly common in these areas. As a group, the houses have somewhat lower elevations, fewer details and smaller front yards.

There are other differences in Acton’s single-family home inventory that cannot be captured easily by conventional building and land statistics. For example, lots with Acton’s oldest homes often have outbuildings, a custom that has gradually disappeared. Yard items that contribute to the value of homes are all but non-existent in the property descriptions of homes built after 1950. Many of the homes that pre-date the Civil War are quite large, and some of them clearly reveal additions that were built long ago. The Greek Revival, saltbox and farmhouse designs found in some parts of Acton differ quite a bit from the houses around them, for as new neighborhoods replaced open farmland after 1950, they changed the context and setting of Acton’s once-rural homesteads. The changes involved far more than lost agricultural land, for as neighborhoods

<sup>11</sup> Acton Assessor’s Office, FY03 Property Records Database.

<sup>12</sup> The number of single-family dwelling units listed in Table 1.8 differs somewhat from the number reported in Census 2000. Definitions used to classify property for assessment purposes are not the same as the definitions used by the Census Bureau to classify housing units by type. For example, Acton has older properties with two residences on one lot. These properties are not assessed in the same class as conventional detached single-family homes and as a result, the dwelling units located on them are not included in Table 1.8. However, the Census Bureau would record both dwelling units as detached single-family homes.

built during the 1950s began to mature, land not used for roads, homes and driveways eventually reforested. As a result, the mix of vegetation that characterizes old, modern and new neighborhoods in Acton has a profound impact on the feel of each area. Some of the town's most beautiful houses also have a second residence on the lot, such as a carriage house or guest quarters, which represent a development tradition made impossible by the zoning regulations in most communities today.

## 2. Housing Density & Age by Area of Town

Acton's development history is reflected in the mix, density and age of its housing stock. Since the Census Bureau reports detailed housing data in sub-local units, or census block groups, it is possible to describe and map some of a community's housing characteristics in fairly small comparison geographies. Acton has twelve census block groups in four census tracts. The block group boundaries probably do not match areas that townspeople think of as neighborhoods, but for purposes of this report they will be referred to variously as "neighborhoods" or simply "areas." Acton's census tract and block group boundaries are illustrated on Map H-1.

Table 1.9: Housing Inventory by Census Tract and Block Group

Census Tract/ Block Group	Total Units	Single- Family	Two- Family	Multi-Family & Townhouse Styles			Other Housing
				3-9 Units in Structure	10+ Units in Structure	Townhouse Units	
Tract 3631.01							
Block Group 1	485	446	0	10	29	0	0
Block Group 2	254	241	4	0	0	9	0
Block Group 3	200	192	8	0	0	0	0
Block Group 4	918	710	46	94	40	28	0
Block Group 5	719	396	10	94	76	143	0
Block Group 9	715	458	0	46	211	0	0
Tract 3631.02							
Block Group 1	569	237	5	75	252	0	0
Block Group 2	721	111	18	118	200	274	0
Block Group 9	760	328	0	5	378	49	0
Tract 3632.01							
Block Group 3	303	271	18	14	0	0	0
Block Group 4	394	216	47	57	55	19	0
Block Group 5	438	415	6	9	0	0	8
Tract 3632.02							
Block Group 1	235	197	0	24	6	8	0
Block Group 2	417	277	18	45	65	12	0
Block Group 6	552	448	23	57	12	12	0

Source: Census 2000, Summary File 3 Table H-20.

In many towns, areas with the highest housing unit density tend to correspond to areas with the oldest homes, but this is not uniformly true in Acton. The census block group with the highest housing unit density, measured in units per acre for the block group as a whole, is located southwest of West Acton Village, bounded roughly by Willow and Summer Streets. The

neighborhoods in this census block group include several subdivisions built between the mid-1950s and early 1970s, when Acton's population quadrupled over the course of two decades. Other sections of Acton with fairly high concentrations of housing exist just to the south and west of West Acton Village, between Acton Center, East Acton Village and Route 2, and along the east side of Great Road north of East Acton Village. Several multi-family developments and fairly small minimum lot sizes near Route 2A and Main Street on the east side of Acton contribute to the higher density in these areas.

Two of Acton's villages – East Acton and North Acton – are located in one census tract that has 27% of the town's land area and more than 62% of all multi-family and townhouse units in large developments.<sup>13</sup> Significant differences in the character of development around these two villages illustrate the risks of interpreting housing characteristics at the census tract level. A relatively small number of single-family homes and substantial amounts of open space mean that the gross density of development around North Acton is quite low compared to other parts of town, but this is not true for East Acton.

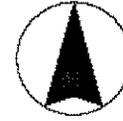
Acton has a generous inventory of well-preserved historic homes, particularly inside and adjacent to the local historic districts. However, so much of Acton's housing has been built since 1950 that nodes with high concentrations of older homes are not always obvious. The census block groups with relatively large percentages of homes that pre-date World War II extend west and south from South Acton Village, south of West Acton Village, and southeast of Acton Center. Most of the homes in these areas are detached single-family dwellings, but the town assessor's maps also show that there are many small, older multi-family and mixed-use buildings along the roads leading to the villages. The block group with the highest concentration of older (pre-1939) homes, located south and west of South Acton Village between Willow, Central and Main Streets, is fairly low-density when measured on a gross units/acre basis. Still, Acton has two large public holdings in the same block group (Mount Hope Cemetery and Heath Hen Meadow), and the presence of so much open space effectively reduces the housing unit density in this section of town. A majority of Acton's most recent housing development has occurred east of Route 2A in the northern end of town, west of Route 2A on the western side of town, and in the southeast corner between the railroad, Main Street/Route 27 and the Concord and Maynard town lines (Map H-2).

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<sup>13</sup> Area calculations derived from Census 2000 GIS data layers obtained from ESRI/Geography Network.

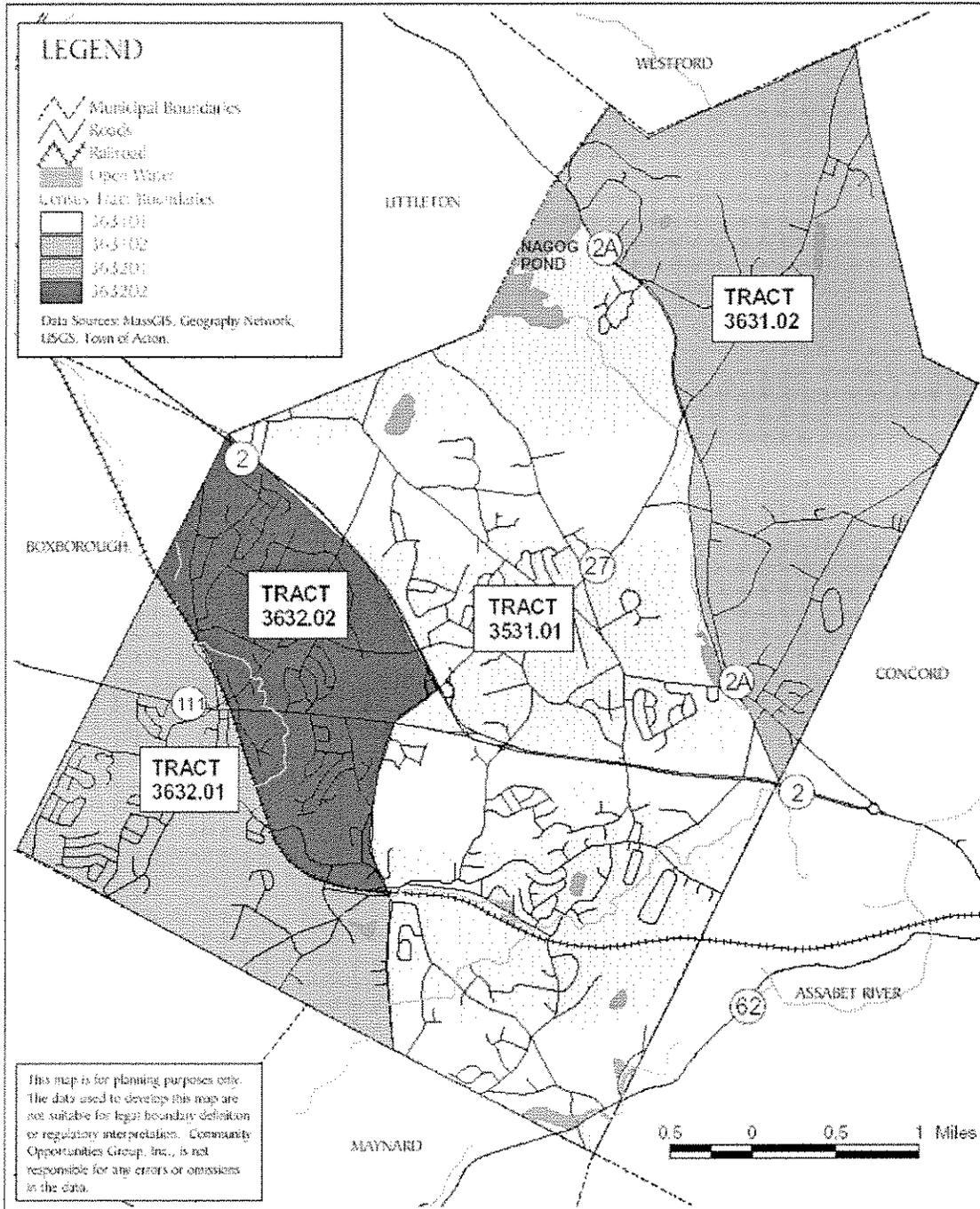
# TO LIVE IN ACTON

## ACTON COMMUNITY DEVELOPMENT PLAN



Community Opportunities Group, Inc.  
Boston, Massachusetts

MAP H-1  
CENSUS TRACTS & BLOCK GROUPS



### 3. Renter-Occupied Housing

Acton is home to one of the region's largest population of renters. Table 1.10 shows that while the percentage of renter-occupied housing units is somewhat lower in Acton than in a few towns nearby, Acton is second only to Chelmsford for number of renter households.

Table 1.10: Housing Occupancy & Percentage of Rental Units by Town

	Occupied Housing Units					Occupied Housing Units			
	All	Owner	Renter	% Renter-		All	Owner	Renter	% Renter
ACTON	7,495	5,702	1,793	23.9%	Lincoln	2,790	1,710	1,080	38.7%
Bedford	4,621	3,705	916	19.8%	Littleton	2,960	2,461	499	16.9%
Boxborough	1,853	1,310	543	29.3%	Maynard	4,292	2,997	1,295	30.2%
Carlisle	1,618	1,518	100	6.2%	Stow	2,082	1,813	269	12.9%
Chelmsford	12,812	10,743	2,069	16.1%	Sudbury	5,504	5,076	428	7.8%
Concord	5,948	4,798	1,150	19.3%	Westford	6,808	6,258	550	8.1%

Source: Census 2000, Summary File 1 Table H-4.

On one level, Acton renters are statistically similar to renters across the state. About 45% of all renters in Acton are families, which is comparable to the percentages found in most of the region. The only town in which families make up a substantial majority of all renters is Lincoln, and Lincoln's 84% is very unusual: the national average is only 53%. However, even though Acton's rental housing attracts families at about the same rate as rental housing statewide, there are significant differences in the composition of families found in local, regional and state rental housing. For example, married couples comprise about 54% of all families in rental housing across the Commonwealth, but 71% of Acton's renter families are married couples, mainly persons under 45 years of age. Acton also has the region's second smallest percentage of renter families with school-age children, and the second largest percentage of renters under age 35, regardless of household type. Acton's *non-family* renters – one-person households or households of two or more unrelated people – stand out in several respects. First, men living alone are far more common in Acton's rental housing, and Acton has the region's largest percentage of male renters under age 35. Second, it has one of the smallest percentages of elderly women in rental housing. These distinctions are very important for a housing analysis, for even though Acton's average renter household size is quite small, its tenant households are very different from the small tenant households in several towns in the region.



**Table 1.11: Renter Households by Household Type and Selected Characteristics**

Area	Family Households			Non-Family Households			
	Total	% Married Couples	% Single- Parent Women	Total	% Men <34 Yrs.	% Elderly Women	Avg. Renter Household Size
Massachusetts	426,335	54.0%	36.7%	509,193	19.5%	18.5%	2.17
Middlesex County	92,641	43.2%	28.1%	122,050	22.0%	16.2%	2.12
ACTON	797	71.3%	21.1%	996	23.1%	9.7%	1.95
Bedford	385	66.5%	26.8%	531	8.5%	32.0%	1.98
Boxborough	210	72.4%	19.0%	333	22.5%	3.0%	1.84
Carlisle	53	83.0%	13.2%	47	14.9%	25.5%	2.30
Chelmsford	865	61.5%	30.6%	1,204	16.2%	33.6%	1.93
Concord	547	73.3%	19.7%	603	8.1%	26.9%	1.99
Lincoln	907	90.5%	7.1%	173	8.1%	22.5%	3.05
Littleton	204	61.8%	31.4%	295	14.6%	27.1%	1.93
Maynard	567	57.5%	34.2%	728	13.0%	24.3%	2.01
Stow	123	56.9%	35.0%	146	14.4%	30.1%	1.94
Sudbury	209	59.8%	34.9%	219	8.7%	37.4%	2.14
Westford	284	65.1%	25.7%	266	12.0%	24.1%	2.23

*Source: Census 2000, Summary File 1 Table H-16, H-17, H-12.*

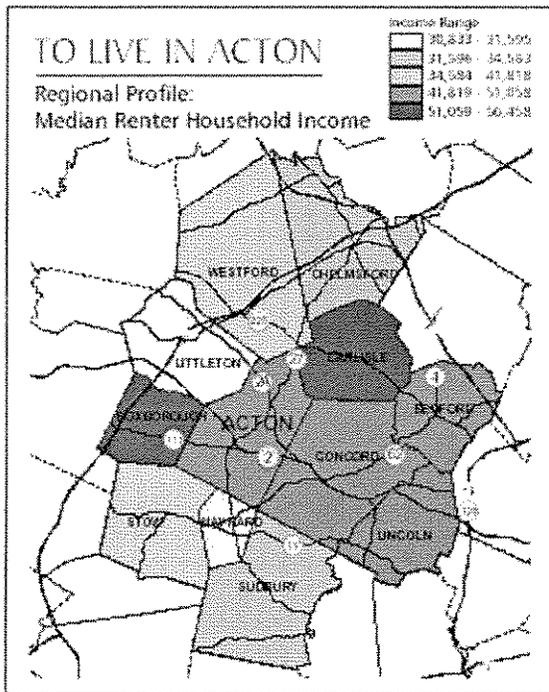
The racial, ethnic and class mix of renters in Acton is also atypical for its region and the state. In fact, the cultural diversity and income mix of renters in Acton's area reveal significant demographic differences in communities that seem so similar when they are compared on the basis of mainstream population characteristics. Regionally, Acton ranks second for racial minorities as a percentage of renter households (15.8%). Nearly 70% of Acton's 283 minority renters are Asians and 11.3%, African Americans. The community that leads the 12-town area for percentage of minority renters is Lincoln (16.9%), however, where African Americans comprise 49% of all minority renters and Asians, 8%. Neither Acton nor of the any surrounding towns approximates the state average for racial minorities in rental housing, 22.2%. In all but two communities in Acton's region, minority households are more likely to be homeowners than renters: the opposite of minority housing conditions across the state or within the Boston metropolitan area. For example, the ratio of minority renters to minority homeowners is 2.12 for the state as a whole, but only .61 in Acton. Moreover, in most towns around Acton, the percentage of Hispanic renters is less than half that of Middlesex County and substantially smaller than the percentage of Hispanic renters across the Commonwealth.

**Table 1.12: Minority Status of Renter Households**

Area	Renter Households	% Racial Minority Renters	% Hispanic Renters	Ratio Minority Renters to Homeowners	Ratio Hispanic Renters to Homeowners
Massachusetts	935,528	22.1%	10.2%	2.12	3.58
Middlesex County	214,691	18.8%	6.4%	1.83	2.87
ACTON	1,793	15.8%	2.8%	0.61	1.14
Bedford	916	7.8%	2.7%	0.30	0.74
Boxborough	543	9.8%	2.2%	0.52	2.40
Carlisle	100	2.0%	2.0%	0.03	0.13
Chelmsford	2,069	8.7%	1.4%	0.38	0.53
Concord	1,150	5.4%	1.6%	0.36	0.62
Lincoln	2,790	16.9%	4.4%	1.75	3.62
Littleton	2,960	4.2%	1.2%	0.42	0.46
Maynard	4,292	6.5%	4.2%	1.06	2.04
Stow	2,082	3.3%	3.0%	0.16	0.47
Sudbury	5,504	6.1%	1.9%	0.11	0.22
Westford	6,808	3.3%	1.1%	0.06	0.15

*Source: Census 2000, Summary File 1 Tables H-4, H-6, H-7, H-14, H-15H.*

Renters in Acton are primarily white, non-Hispanic, working-age people with good jobs. Although the median renter household income in Acton is not the region’s highest, it is very high considering that so many of its renters are one-person, non-elderly households, i.e., households dependent on a single person’s earnings. In some communities with unusually high renter household incomes, such as Carlisle and Lincoln, married couple families tend to be the dominant household type in renter-occupied housing; in Acton, married couples are the dominant family type, but they do not constitute a majority of all renter households. This is a crucial distinction.



From town to town, the make-up and economic position of renter households are notably different and so are the kinds of homes they occupy. Most renters in Acton, Boxborough and Chelmsford live in fairly large multi-family housing developments: some developed and managed as rental housing, others developed as or converted to condominiums but occupied by a large number of tenants. In contrast, Carlisle's small renter population lives mainly in detached single-family homes, much like the town's homeowners, while a majority of Lincoln's renters occupy townhouses. In Westford, renters generally choose from a limited inventory of single-family homes and older two-family and small multi-family buildings. Table 1.13 shows that throughout the 12-town area, the types of housing occupied by renters varies considerably, and these differences tend to correlate with differences in the size and composition of renter households. Except for Lincoln and Carlisle, however, housing type alone is not a determining factor in the income levels of renters in Acton's region. In several of these communities, age-restricted elderly housing constitutes a large share of all multi-family rental units. The restriction on age effectively restricts tenant incomes.

**Table 1.13: Renter Households by Income, Rent and Occupied Housing Types**

Area	% Renters by Housing Type							
	Median		Single-Family	Two-Family	% Renters by Housing Type		Townhouse Units	Other Housing
	Income	Gross Rent			3-9 Units in Structure	10+ Units in Structure		
Massachusetts	30,682	684	9.6%	18.1%	37.1%	31.0%	3.8%	0.3%
Middlesex County	39,631	835	7.1%	23.2%	30.8%	34.8%	3.9%	0.2%
ACTON	47,259	867	10.0%	5.2%	24.4%	57.6%	2.5%	0.3%
Bedford	47,031	980	9.8%	23.9%	17.4%	22.3%	26.6%	0.0%
Boxborough	52,778	786	9.7%	1.1%	12.6%	71.8%	4.8%	0.0%
Carlisle	56,458	1,400	64.4%	17.8%	17.8%	0.0%	0.0%	0.0%
Chelmsford	33,889	777	13.1%	13.1%	14.7%	52.0%	5.6%	1.5%
Concord	51,058	1,106	27.3%	14.9%	36.8%	9.8%	11.2%	0.0%
Lincoln	50,531	950	15.4%	4.4%	21.6%	3.0%	55.6%	0.0%
Littleton	31,595	680	29.7%	12.0%	27.7%	20.4%	7.0%	3.2%
Maynard	30,833	730	16.3%	22.2%	35.0%	20.0%	6.5%	0.0%
Stow	39,632	739	39.1%	4.4%	48.0%	0.0%	8.5%	0.0%
Sudbury	34,583	756	47.7%	7.0%	14.4%	29.3%	1.6%	0.0%
Westford	41,818	690	36.9%	21.3%	27.3%	4.7%	7.1%	2.7%

*Source: Census 2000, Summary File 3 Tables HCT-12, H-32, H-68.*

#### **4. Owner-Occupied Housing**

The affluent reputation of Acton’s region is based on the characteristics of its homeowners. They are predominantly traditional, married-couple families of upper-middle-income means, and compared to families throughout Massachusetts, they are far more likely to have children under 18. Although Acton has a conspicuously small percentage of elderly homeowners, the town is not alone. The percentage of elderly homeowners in Boxborough, Stow, Sudbury and Westford is also small relative to the average for the state or Middlesex County, and in each case the reasons are different. Boxborough had one of the state’s highest rates of population growth during the 1990s, when a substantial number of new homes were built and many new families moved into the community. Westford also absorbed regionally high rates of housing and population growth, and while Stow and Sudbury experienced somewhat smaller population increases, they experienced a considerable amount of new residential development. The size of households in owner-occupied dwelling units and the ages of family members differ somewhat across the region, but in most of these communities, homeowners tend to be in a similar economic position.



**Table 1.14: Homeowners by Household Type and Selected Characteristics**

Area	All Homeowners				Homeowner Families		
	Total	Elderly	<35 years old	Avg. Hhld. Size	Total	Married Couples	Single Parents
Massachusetts	1,508,052	24.8%	11.1%	2.72	1,150,361	84.1%	11.6%
Middlesex County	346,329	23.8%	10.8%	2.76	268,435	85.3%	10.9%
ACTON	5,702	14.8%	8.8%	2.93	4,743	91.0%	6.8%
Bedford	3,705	25.3%	7.9%	2.75	3,034	89.6%	7.7%
Boxborough	1,310	9.5%	9.0%	2.95	1,061	90.9%	6.6%
Carlisle	1,518	15.2%	3.1%	2.96	1,319	93.0%	5.2%
Chelmsford	10,743	20.5%	11.4%	2.74	8,442	86.3%	10.5%
Concord	4,798	27.7%	3.6%	2.77	3,893	89.8%	8.2%
Lincoln	2,790	30.5%	4.6%	2.69	1,348	90.9%	6.4%
Littleton	2,960	17.6%	11.5%	2.89	2,013	88.7%	8.1%
Maynard	4,292	20.3%	14.1%	2.61	2,243	85.7%	10.3%
Stow	2,082	13.3%	9.4%	2.95	1,555	92.8%	5.2%
Sudbury	5,504	15.4%	7.5%	3.10	4,542	92.3%	5.9%
Westford	6,808	12.1%	10.7%	3.10	5,522	90.7%	6.9%

*Source: Census 2000, Summary File 1 Table H-16, H-17, H-12.*

Since 1990, minority homeownership has increased in Acton and other towns nearby. Today, Asian homeowners are more prevalent in Acton and Boxborough than in any other town in the region or the state as a whole. Only Lincoln and Littleton fall below the state average. However, African American homeowners are disproportionately underrepresented in 11 of the 12 communities.

**Table 1.15: Minority, Hispanic & Latino Homeownership Rates**

	Minority Homeowners			Hispanic Owners		Minority Homeowners			Hispanic Owners
	All	Asian	Black			All	Asian	Black	
Massachusetts	6.5%	2.0%	2.4%	1.7%	Middlesex Cty.	6.3%	3.5%	1.4%	1.3%
ACTON	8.3%	7.1%	0.2%	0.4%	Lincoln	6.2%	5.1%	0.6%	0.5%
Bedford	6.6%	4.7%	1.3%	0.2%	Littleton	2.0%	0.9%	0.5%	0.4%
Boxborough	8.3%	6.8%	1.0%	0.0%	Maynard	1.2%	1.0%	0.0%	1.4%
Carlisle	5.9%	4.3%	0.0%	0.0%	Stow	3.4%	2.5%	0.0%	0.7%
Chelmsford	4.3%	3.5%	0.4%	0.3%	Sudbury	4.7%	3.7%	0.6%	0.5%
Concord	3.2%	2.5%	0.5%	0.6%	Westford	5.9%	4.5%	0.4%	0.4%

*Source: Census 2000, Summary File 1 Tables H-4, H-6, H-7, H-14, H-15H.*

Much like its renters, Acton’s homeowners are primarily white, non-Hispanic people with the education and experience to command high-paying jobs. On a scale of regional affluence, Acton is a “midpoint” community: its homeowners are much wealthier than homeowners statewide, yet the surrounding towns form a continuum of wealth in which Acton falls roughly in the middle. One factor that distinguishes Acton from some neighboring communities is its relatively large inventory of owner-occupied multi-family and townhouse units. Still, Lincoln has a much larger

percentage of owner-occupied townhouses and Boxborough, a substantially larger percentage of owner-occupied multi-family units. Considering the overall mix of homes by type, Boxborough and Lincoln are closest to the state average for two-family, multi-family and townhouse units occupied by homeowners, yet Lincoln's median home value is the second highest in Massachusetts.

**Table 1.16: Homeowner Households by Income, Home Values and Occupied Housing Types**

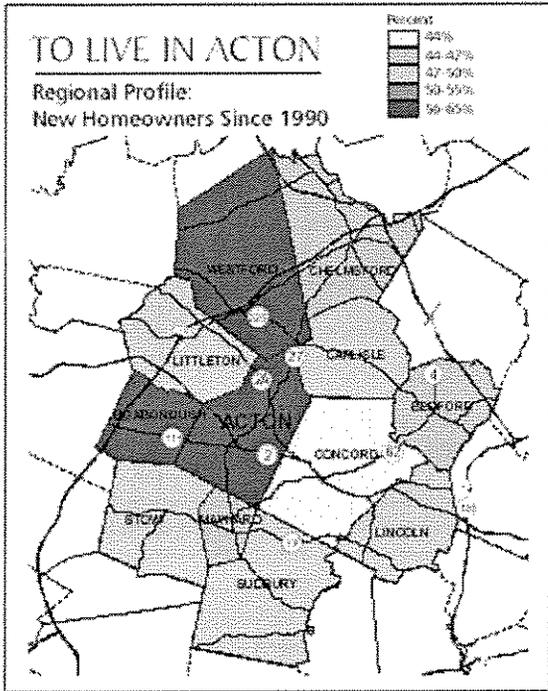
Area	Median Income	Median Value Home	% Homeowners by Housing Type					
			Single-Family	Two-Family	3-9 Units in Structure	10+ Units in Structure	Townhouse Units	Other Housing
Massachusetts	64,506	185,700	78.5%	7.8%	5.0%	3.3%	4.1%	1.3%
Middlesex County	76,552	247,900	75.8%	10.2%	4.2%	4.4%	4.8%	0.6%
ACTON	106,639	332,400	81.9%	1.7%	3.4%	4.1%	8.8%	0.1%
Bedford	102,043	332,200	89.7%	1.7%	0.8%	0.5%	4.9%	2.4%
Boxborough	107,456	371,000	77.8%	0.0%	2.0%	14.1%	6.1%	0.0%
Carlisle	134,068	456,000	97.4%	1.3%	0.0%	0.0%	0.9%	0.4%
Chelmsford	78,034	213,900	80.9%	1.2%	1.9%	4.5%	9.3%	2.2%
Concord	106,239	453,400	88.6%	1.6%	3.8%	1.5%	4.4%	0.1%
Lincoln	118,167	590,300	78.2%	0.5%	6.8%	2.4%	12.1%	0.0%
Littleton	81,563	243,400	93.5%	2.0%	0.0%	0.0%	0.3%	4.2%
Maynard	72,831	188,800	83.4%	4.5%	4.1%	0.2%	7.7%	0.0%
Stow	101,740	291,600	98.3%	0.0%	0.0%	0.0%	1.7%	0.0%
Sudbury	125,821	422,400	99.5%	0.1%	0.0%	0.2%	0.1%	0.0%
Westford	102,399	278,500	93.5%	0.9%	1.6%	0.2%	3.6%	0.1%

*Source: Census 2000, Summary File 3 Tables HCT-12, H-32, H-76.*

## 5. The Housing Market

### (a) *Homeownership*

Homebuyers choose a house based on what they can afford on one hand, and personal factors such as the quality of public schools and distance to work on the other hand. Often, homebuyers investigate houses for sale in a cluster of owns that seem more or less equal in terms of their advantages. The preferences of homebuyers, developers and the communities themselves, by the choices they make to zone land, converge to shape housing demand and supply characteristics at local and sub-regional levels.



Despite important differences between Acton and neighboring towns, they bring several qualities to the real estate market: excellent schools, access to regional employment, a housing inventory comprised mainly of single-family homes, and a price continuum from very high-end to affordable for middle-income homebuyers. Acton's median single-family home sale price is slightly above average the regional average. What can be said for most of these towns is that a majority of their incoming single-family homebuyers are families who have, or will have, school-age children, as the Department of Education recognized in a recent analysis of school enrollment trends (1999).

Table 1.17: K-12 Foundation Enrollment Growth by Town, 1993-1999

Town	DOE Category	FY93	FY95	FY97	FY99	% Change	
						FY93-FY99	Annual Average
ACTON	Above Average	3,183	3,373	3,588	3,930	23.5%	3.9%
Bedford	Above Average	1,696	1,773	1,883	2,085	22.9%	3.8%
Boxborough	High	590	743	848	993	68.3%	11.4%
Carlisle	Above Average	752	785	874	935	24.3%	4.1%
Chelmsford	Low	5,299	5,317	5,519	5,644	6.5%	1.1%
Concord	Above Average	2,205	2,275	2,427	2,672	21.2%	3.5%
Lincoln	High Growth	559	564	652	843	50.8%	8.5%
Littleton	High Growth	1,007	1,162	1,262	1,331	32.2%	5.4%
Maynard	Above Average	1,214	1,359	1,454	1,457	20.0%	3.3%
Stow	Above Average	880	954	981	1,069	21.5%	3.6%
Sudbury	High	2,645	2,821	3,164	3,543	34.0%	5.7%
Westford	High	2,993	3,196	3,587	3,962	32.4%	5.4%

*Source: Massachusetts Department of Education (2001).*

The Commonwealth's highest-growth towns lie mainly along I-495 and on Cape Cod and the Islands. Given its Route 2 location near I-495, Acton began to grow rapidly when the regional highway system was completed 40-50 years ago. More than 60% of Acton's housing inventory was built between 1950-1980, a period that produced only 38% of all homes in Massachusetts. When the economy began to recover after the recession of the early 1990s, home prices throughout Acton's area rose very quickly. By 2000, the median single-family home sale price in Acton had increased by 74% in one decade. Moreover, in traditionally affordable towns such as Maynard, the rate of growth in single-family home sale prices accelerated dramatically after 1995.

Today, the land market in all of these towns is dictated by housing demand, yet buildable land is increasingly scarce. The shortage of land stems from several conditions: zoning regulations, natural constraints, infrastructure and wastewater capacity, and the location and amount of existing development. In Acton, most of the available land for future housing development is contained within fairly large parcels that have an existing residence. The relentless demand for homes in Acton and other towns nearby is rooted in population trends that date to the aftermath of World War II. As the youngest of the "Baby Boomers" began to form new households a decade ago, they sought suburban homes: most of them had been raised in the suburbs, and a large percentage of the state's highest-paying jobs are in suburban locations. In Massachusetts, the housing pipeline was not equipped to handle new demand for homes, for the state's 8.7% growth in households (1990- 2000) was met by only a 6% increase in housing units. Similar trends occurred throughout Acton's region, for the rate of household growth consistently exceeded the rate of housing unit growth. In all but Acton, Littleton and Sudbury, the rate of household growth also surpassed the rate of population growth. Households – not population – create housing demand.

Table 1.18: Single-Family Home Sale Price Trends, 1990-2003

Area	Median Sale Price			Median Sale Price			% Change 1990-2003
	1990	2000	% Change	1995	2003	% Change	
ACTON	216,000	374,900	73.6%	260,000	469,275	80.5%	117.3%
Bedford	197,250	363,750	84.4%	244,550	445,000	82.0%	125.6%
Boxborough	235,000	460,000	95.7%	278,000	549,500	97.7%	133.8%
Carlisle	318,000	599,900	88.6%	358,750	715,000	99.3%	124.8%
Chelmsford	158,000	243,000	53.8%	162,500	329,900	103.0%	108.8%
Concord	276,000	536,500	94.4%	342,500	659,900	92.7%	139.1%
Lincoln	341,000	734,000	115.2%	522,500	975,000	86.6%	185.9%
Littleton	194,000	290,750	49.9%	173,500	360,000	107.5%	85.6%
Maynard	150,000	210,000	40.0%	134,000	290,250	116.6%	93.5%
Stow	185,000	325,900	76.2%	206,500	417,500	102.2%	125.7%
Sudbury	296,250	508,500	71.6%	307,000	586,250	91.0%	97.9%
Westford	202,250	325,000	60.7%	228,819	416,125	81.9%	105.7%

Source: Banker & Tradesman (2004).

Acton's low homeownership vacancy rate of .8% shows that properties for sale move quickly and that the level of market demand surpasses the available supply of homes. Given housing sale prices and the age profile of Acton homeowners, the town is particularly attractive to "buy-up" or second-time homebuyers who want a more valuable home in a prestigious community. For many, "buy-up" means a new or larger house that needs little improvement. However, Acton also has some older, more affordably priced homes and condominiums for younger people seeking to become homeowners. Although the town still retains some of these units today, they are a declining component of Acton's housing inventory because substantial renovation projects have converted many of them into larger homes comparable to those built in new subdivisions.

#### (b) *Rental Market*

Statewide, the scarcity and cost of rental housing leave prospective tenants with very few choices. Rental units are often age-restricted, a condition that limits access to portions of the rental inventory. In addition, however, the needs of tenants vary considerably: young citizens looking to establish their independence, new families who need a short-term rental while they search for home to buy, senior citizens who no longer want the burden or expense of homeownership, and households that cannot afford to buy a home or simply prefer to rent. As a result, the demand side of the rental housing market is hardly uniform. As for the supply side, four conditions exist in Acton's region: the inventory of rental units is fairly diverse, expensive, older than homeownership units, and vulnerable to homeownership conversion.

Most suburbs discourage multi-family housing by limiting residential uses to single-family homes, allowing attached units at a density high enough to attract some condominium development but not high enough to attract rental development, or by requiring multi-family developers to apply for a special permit. Very few rental units have been added to Acton's regional housing inventory since the 1980s, yet several of these towns absorbed significant residential growth during the past decade.

Regionally, about 8% of all renter-occupied housing units were built between 1990-2000 while 58% pre-date 1970. Chelmsford, Acton, Maynard and Concord account for 60% of all renter-occupied units in the area. Considering all 12 towns, the total rental inventory includes about 10,700 units, of which only 306 were vacant and available for rent in April 2000.

As of Census 2000, Acton's rental vacancy rate was only 2.8%, down significantly from 7.7% in 1990. Renter-occupied units had *also* declined, however, for between 1990-2000, units occupied by tenants at the beginning of the decade were later sold and occupied by homebuyers. Overall, Acton's region had 869 fewer renter-occupied housing units in 2000 than in 1990, or a -7.5% decrease. Despite the rate of household growth and new unit production that occurred in all 12 towns, vacancies in single-family homes and townhouses dropped by a total 253 units. These two housing types were the most dramatically affected of all by conversion from renter to owner occupancy.

**Table 1-19: Change in Renter-Occupied Units, Units for Rent and Rent Ranges<sup>14</sup>**

Area	Census 2000				1990 Census			
	Median		Units	Average Rent Asked	Median		Units	Average Rent Asked
	Renter Occupied	Gross Rent for Rent			Renter-Occupied	Gross Rent for Rent		
Massachusetts	935,332	684	34,174	701	915,617	580	67,772	575
Middlesex County	214,629	835	5,056	964	209,727	671	11,948	656
ACTON	1,795	867	52	921	1,946	733	163	735
Bedford	915	980	24	1,173	1,284	817	30	824
Boxborough	546	786	26	840	443	716	84	653
Carlisle	101	1,400	3	N/A	120	667	5	903
Chelmsford	2,068	777	40	1,075	2,037	702	154	715
Concord	1,145	1,106	38	2,309	1,254	877	52	701
Lincoln	1,075	950	6	N/A	1,221	764	12	1,039
Littleton	499	680	16	527	504	726	43	742
Maynard	1,290	730	39	582	1,424	631	76	734
Stow	271	739	2	N/A	229	730	9	708
Sudbury	444	756	19	N/A	452	632	13	982
Westford	550	690	13	654	654	691	17	668

*Source: Census 2000, Summary File 1 Tables H-4, H-5, Summary File 3 Tables H-61, H-63; 1990 Census, Summary File 1 Tables H-03, H-05, H-058, Summary File 4 Table H-043A.*

<sup>14</sup> Notes to Table 1.19: (1) Rents asked for vacant units in Carlisle, Lincoln, Stow and Sudbury are not reported in Census 2000 due to statistical sampling procedures used by the Census Bureau. (2) An analysis of vacant units by range of asking rents, housing types and rooms per unit in all 12 communities suggests that in some cases, units vacant on April 1, 2000, may have been disproportionately located in subsidized rental developments, especially subsidized developments restricted for elderly/disabled occupancy. This finding applies primarily to communities in which the average asking rent was lower in 2000 than in 1990.

In all markets, rental units recycle faster than homeownership units and the same applies in Acton, where the median move-in year for tenants is 1998 (for homeowners: 1991). Region-wide, renters appear to relocate in 24- to 30-month cycles, although there is some evidence of longer-term tenancies, particularly in Westford and Harvard. The type, size and price of the region's rental stock contribute to significant variations in average renter household size. Acton's renter households are among the smallest in the area, in contrast to Lincoln or Carlisle, where a large percentage of all renters are families with children.

Regardless of factors that may distinguish Acton-area renters, they have at least one challenge in common: the high cost of housing. Measured by monthly rents alone, i.e., excluding utility costs, tenants pay anywhere from \$800 to more than \$1,000 per month to live in Acton and as much as \$1,560 per month in Carlisle. The variation in rental prices reflects the size and type of rental structure, unit sizes, and the percentage of the rental inventory that is subsidized by federal or state sources. These statistics reflect conditions on April 1, 2000, but while rental charges have undoubtedly increased since then, the overall relationship between rents in each community has most likely remained the same. Unless they qualify under federal income guidelines, households searching for a suburban apartment face difficult odds of finding one they can afford. Of the 306 vacant units for rent in the 12-town area, 17% were in Acton. More than 10% of the region's vacant units were for rent at monthly rates of \$2,000 or more. However, for both existing and soon-to-be tenants, the issue is not only monthly rents charged by landlords, but also the cost of utilities. Depending on the type of unit and whether it is subsidized, utilities add \$45 to \$100 per month to the base rent paid by renter households.

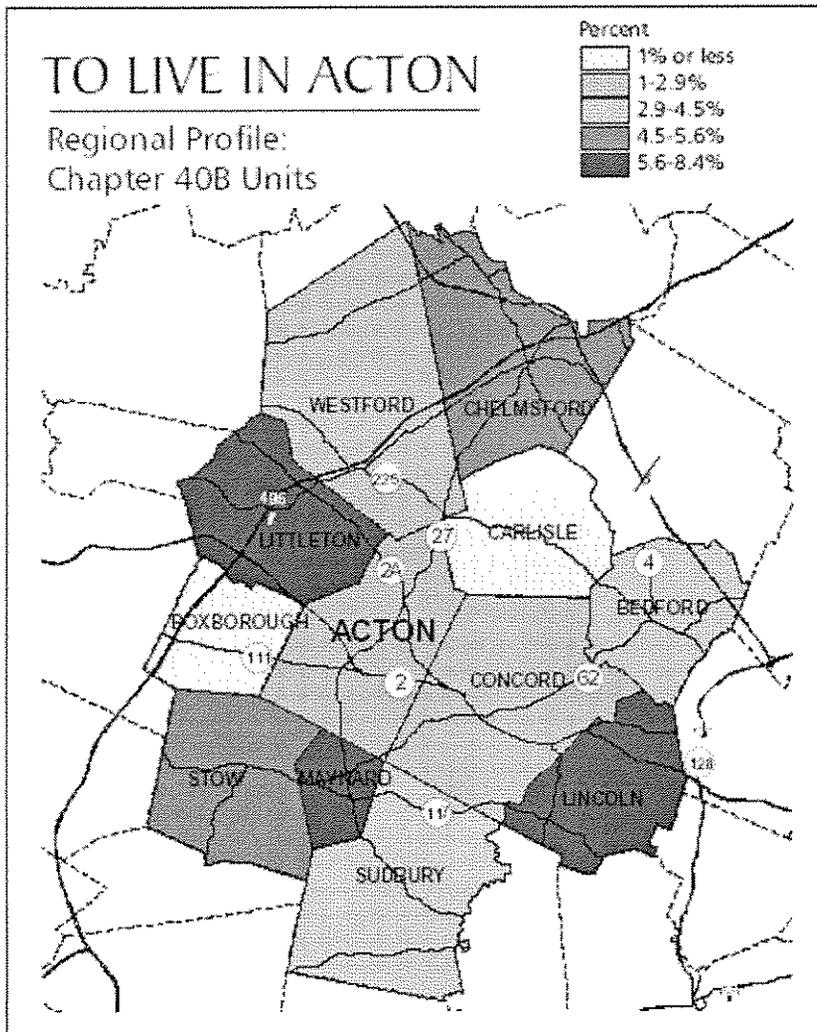
## 6. Housing Affordability

### (a) *Chapter 40B*

Acton has some lower-cost homes, but it has very few that qualify as affordable housing units under state law. In Massachusetts and most states across the country, the term "affordable housing" means homes made affordable to lower income households by a deed restriction or covenant that restricts sale prices and rents as the units are vacated, sold or leased to new tenants. Acton currently has 183 units of housing that qualify as "affordable" under Chapter 40B, a law that is highly controversial in most communities because it overrides local zoning regulations that make low- and moderate-income housing economically infeasible to build.<sup>15</sup> The device that overrides local zoning is a comprehensive permit.

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<sup>15</sup> This count includes two comprehensive permit developments permitted in 2004, but not yet occupied – Franklin Place and Fort Pond Brook Place, and a Local Initiative Program unit on Dunham Avenue.



Enacted in 1969, Chapter 40B establishes a legal presumption of unmet housing needs when less than 10% of a community's year-round housing stock is affordable to households at or below 80% of median family income. Generally, communities that do not meet the 10% threshold must issue a comprehensive permit unless there is a compelling basis to deny one. Developers, in turn, may ask the state's Housing Appeals Committee (HAC) to overturn a local Zoning Board of Appeals (ZBA) decision. Many appeals are resolved by negotiation between developers and local officials, but HAC's overrides have left a lasting impression on communities and form the basis for most of the opposition from local governments today.

Of Acton's 183 Chapter 40B units, approximately 11% are homeownership units and the rest are restricted for rental occupancy.<sup>16</sup> The Acton Housing Authority owns and manages 142 rental units and while most are in public housing developments, some of the family units are condominiums in various locations around Acton. There are also two group homes for people

<sup>16</sup> Nancy Tavernier, Chairman, Acton Community Housing Corporation, June 2004.

with developmental disabilities, one owned by the Acton Housing Authority and the other by the Department of Mental Retardation. Acton’s 25 Chapter 40B homeownership units are primarily a result of the town’s own zoning more than comprehensive permits.

Statewide, 8.53% of all houses and apartments meet the statutory definition of “low- and moderate-income housing units,” though only 31 of the state’s 351 communities have produced enough subsidized housing to satisfy the 10% goal. While cities top the list for affordable housing production, a few towns also exceed 10%. The communities in Acton’s region have a combined total of 2,429 Chapter 40B units, or 4.12%. Lincoln tops the list for percentage and Chelmsford, for number, but most of the towns exceed the suburban average of 2.77%.

**Table 1.20: Chapter 40B Subsidized Housing Inventory by Town<sup>17</sup>**

Community	Total Year-			Community	Total Year-		
	Round Units	Chapter 40B Units	% Subsidized Base		Round Units	Chapter 40B Units	% Subsidized Base
Acton	7,645	183	2.38%	Lincoln	2,076	175	8.43%
Bedford	4,692	210	4.48%	Littleton	3,018	240	7.95%
Boxborough	1,900	12	0.63%	Maynard	4,398	332	7.55%
Carlisle	1,647	18	1.09%	Stow	2,108	117	5.55%
Chelmsford	12,981	625	4.81%	Sudbury	5,582	214	3.83%
Concord	6,095	177	2.9%	Westford	6,877	132	1.92%

*Source : DHCD Subsidized Housing Inventory (April 2005), Nancy Tavernier, Acton CHC (2005).*

**(b) Other Measures of Affordability**

The legislature’s intent in enacting Chapter 40B was to assure a “fair-share” distribution of low-income housing across the state, but housing policy analysts do not define affordable housing need on the basis of a fixed 10% standard. The national definition of housing affordability assumes that a home is affordable to its owners if their monthly housing costs – a mortgage payment, property taxes, and house insurance – do not exceed 30% of their monthly gross income. Similarly, an apartment is considered affordable to tenants if they pay 30% of their gross monthly income, or less, for rent and utilities. Under these criteria, “affordable housing need” exists when households pay more than 30% of their gross income for housing costs. In housing industry parlance, they are classified as “housing cost burdened.”

According to federal data, 26.2% of homeowners statewide and 23.8% in Acton meet the definition of housing cost burdened households. The situation is different among elderly homeowners. Across the Commonwealth, 25.2% of all homeowners over age 65 pay more than 30% of their monthly income on housing but in Acton, this applies to 28.7% of all over-65 homeowners. Of all homeowners, however, those with low incomes are affected more

<sup>17</sup> For all towns except Acton, the number of Chapter 40B units listed in Table 1.20 is based on the most recently published update of the Subsidized Housing Inventory (April 2002). DHCD is currently collecting information from all communities across the state as part of a two-year update process. As a result, some of the data presented in Table 1.20 may be obsolete.

pervasively than any other group. At least 56% of all low-income homeowners in Massachusetts and 80.4% in Acton are housing cost burdened. Although the percentage of cost-burdened homeowners overall is slightly smaller today than in 1990, this is not true for elderly or low-income households. In both cases, the percentage of housing cost burdened homeowners has increased since 1990.

**Table 1.21: Incidence of Housing Cost Burden: Homeowners by Mortgage Status, Age & Income<sup>18</sup>**

Area	With Mortgage		Without Mortgage		Elderly	Low-Income
	% Cost Burdened	% Severely Cost Burdened	% Cost Burdened	% Severely Cost Burdened		
Massachusetts	26.2%	8.7%	14.1%	5.5%	25.2%	56.0%
Middlesex County	25.7%	8.6%	14.3%	5.9%	25.6%	61.9%
ACTON	23.8%	8.1%	12.7%	3.1%	28.7%	80.4%
Bedford	17.9%	3.3%	11.2%	3.3%	21.1%	64.7%
Boxborough	21.7%	7.8%	6.5%	3.5%	24.5%	72.9%
Carlisle	29.0%	13.6%	14.1%	6.8%	23.0%	81.5%
Chelmsford	22.6%	7.1%	14.8%	5.6%	28.9%	62.6%
Concord	29.0%	10.6%	11.8%	5.6%	24.9%	82.9%
Lincoln	26.6%	9.2%	11.6%	6.1%	16.7%	69.2%
Littleton	21.8%	7.2%	4.7%	1.6%	14.4%	62.5%
Maynard	26.4%	7.4%	16.7%	9.2%	24.9%	62.3%
Stow	24.5%	8.2%	11.8%	2.0%	8.0%	59.9%
Sudbury	25.5%	9.0%	12.6%	6.5%	25.3%	79.7%
Westford	19.2%	4.8%	12.0%	4.0%	28.9%	63.3%

*Source: Census 2000 Summary File 3, Tables H-94, H-96, H-97. Severely cost burdened means homeowners paying more than 50% of their income on principal, interest, taxes and insurance.*

Compared to homeowners, a larger percentage of the state's renters are housing cost burdened and it is not surprising to find that the same applies to renters in Acton. Statewide, 38.7% of all renters pay more than 30% of their monthly income for rent and utilities, and in Acton, 30.2%. Except for communities with large inventories of subsidized elderly housing and few elders living in market rate rentals, the incidence of housing cost burden among seniors is much greater across the Commonwealth, regionally and in Acton. In nearly all communities, however, rental housing cost burden is far more serious for low-income households that are ineligible for age-restricted units.

<sup>18</sup> Note to Table 1.12: "Severely Cost Burdened" measures households paying more than 50% of their income on housing costs.

Table 1.22: Incidence of Housing Cost Burden: Renters by Degree of Burden, Age & Income

Area	All Renters			
	% Cost Burdened	% Severely Cost Burdened	% Elderly	% Low-Moderate Income
Massachusetts	38.7%	18.3%	50.5%	64.0%
Middlesex County	36.9%	16.4%	52.8%	69.9%
ACTON	30.2%	13.2%	47.9%	77.7%
Bedford	36.5%	16.9%	60.1%	72.0%
Boxborough	19.7%	10.2%	0.0%	64.2%
Carlisle	35.6%	0.0%	66.7%	100.0%
Chelmsford	44.6%	22.4%	69.7%	78.0%
Concord	29.2%	13.8%	33.2%	59.4%
Lincoln	43.6%	12.2%	38.5%	70.0%
Littleton	40.4%	14.6%	51.2%	67.2%
Maynard	40.4%	18.9%	43.9%	67.0%
Stow	32.8%	13.9%	52.1%	67.0%
Sudbury	45.6%	20.0%	58.7%	76.4%
Westford	27.8%	10.0%	51.6%	64.0%

*Source: Census 2000, Summary File 3 Tables H-60, H-71, H-73. Severely cost burdened refers to tenants paying more than 50% of their income on rent and utilities.*

Higher-density development is often regarded as crucial for reducing housing costs, but statistics for the state and countywide geographies indicate that this is not always true. In many communities, the incidence of rental housing cost burden seems to increase with density and scale. In Massachusetts, more renters occupy units in two- to four-unit buildings than any other type of housing (42%) and the smallest percentage of renters is found in single-family homes and townhouses (13.4%). The distribution of renters by housing type is virtually the same in Middlesex County and the state as a whole. In Acton's region, however, the physical characteristics of renter-occupied housing are quite different. Here, nearly 32% of all renters live in single-family homes and townhouses and 25.4% in two- to four-family buildings.

Census data point to a correlation between median renter household income and the percentage of single-family and townhouse units in a community's renter-occupied housing inventory. Although rents are usually lower in multi-family developments, renter household incomes *also* tend to be lower, but there are exceptions. The regional anomaly is Boxborough (Table 1.23), which has the second highest median renter household income, the largest percentage of renters in multi-family developments, and the lowest percentage of cost-burdened renters overall. Concord is the only town with consistently smaller percentages of cost-burdened renters by housing type compared to the state or Middlesex County, but Acton is a very close second. Together, Acton and Concord house 27% of all renters in the 12-town area – and 42% of all renters with annual incomes of more than \$100,000.

**Table 1.23: Percentage of Housing Cost Burdened Renters by Type of Dwelling Unit**

Area	Renter Households in Sample	Detached			
		Single-Family Home or Townhouse	Units in 2-4 Family Buildings	Units in 5-19 Family Buildings	Units in 20+ Family Buildings
Massachusetts	932,073	36.9%	36.5%	39.9%	42.9%
Middlesex County	214,291	36.5%	34.0%	38.0%	41.4%
ACTON	1,795	38.0%	23.0%	27.4%	35.2%
Bedford	907	41.6%	21.1%	47.7%	44.7%
Boxborough	519	34.6%	75.0%	17.9%	6.1%
Carlisle	90	37.8%	20.0%	100.0%	N/A
Chelmsford	2,061	42.9%	31.0%	43.9%	53.0%
Concord	1,130	29.7%	29.9%	26.0%	34.1%
Lincoln	1,064	40.2%	42.9%	78.1%	27.3%
Littleton	499	30.9%	40.6%	41.7%	43.6%
Maynard	1,290	44.1%	40.2%	35.9%	47.8%
Stow	271	18.6%	49.0%	40.0%	N/A
Sudbury	444	42.1%	12.2%	100.0%	72.6%
Westford	550	18.1%	28.8%	40.7%	100.0%

*Source: Census 2000, Summary File 3 Table H72.*

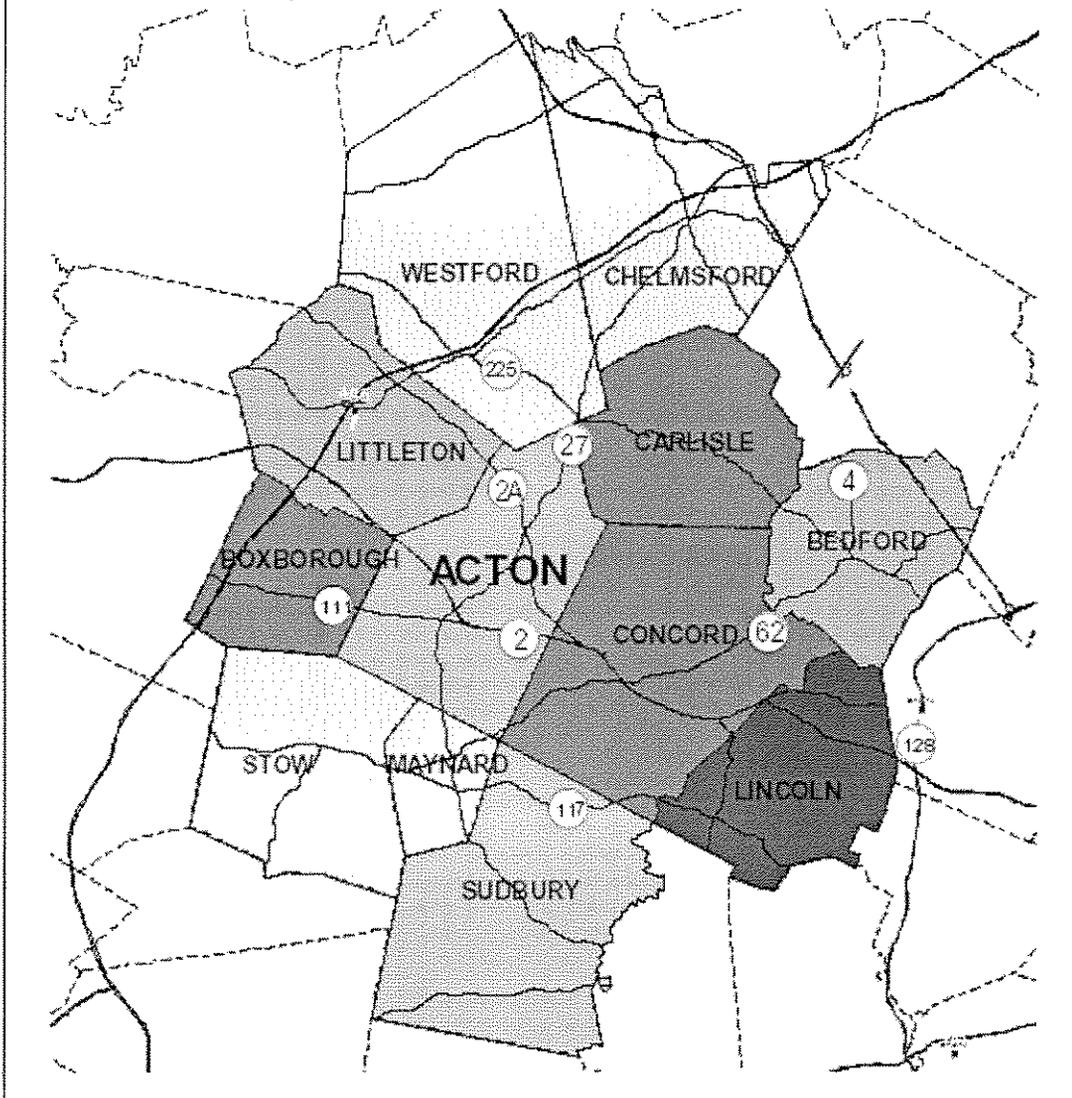
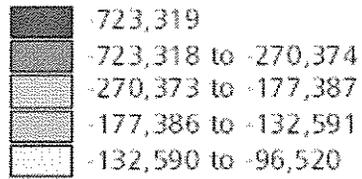
**(c) *The Affordability Gap***

Since the 1930s, federal housing policies have effectively subsidized homeownership through income tax deductions for mortgage interest and real estate taxes, federal home mortgage insurance, and more recently, low-interest loans and grants that help moderate income renters become homeowners. Though some home-seekers have more resources than lenders require, such as equity to invest from the sale of a previous home or a gift or loan from family members, those with only their savings to put toward a downpayment find homebuying more difficult. First, while saving to purchase a home they must also pay rent, and because apartments are so scarce, market rents have become very expensive. Second, since the purchase price of a house usually determines the downpayment amount, first-time homebuyers end up saving toward a moving target: the sale price of homes in a very tight real estate market.

# TO LIVE IN ACTON

## Regional Profile: Affordability Gap

### Homeownership Gap



Under conventional loan underwriting standards, homebuyers at Acton's median household income of \$91,624 can afford a purchase price of about \$291,888. For them, the town's median single-family home sale price of \$469,275 (2003) translates into an "affordability gap" of -\$177,387: the difference between the sale price and the purchase price they can afford. A sale price of \$469,275 is also high enough to preclude 61% of Acton's present households, and 83%

of all households in the Boston metropolitan area, from purchasing a house in town if they were first-time homebuyers today. Condominiums often supply more affordability than single-family homes, and in Acton this appears to be true: its median condominium sale price was \$182,000 last year. However, Acton's condominium sale prices increased by nearly 80% during the 1990s, and even though they are comfortably affordable to homebuyers at Acton's median household income, they exceed the buying power of 69% of all renters in the region.

## **C. DEVELOPMENT CONSTRAINTS**

As in many Massachusetts communities, Acton developers perceive a shortage of developable land arising from several conditions: zoning regulations, natural constraints, infrastructure and wastewater capacity, and the location and amount of existing development. In Acton, most of the available land for future housing development is contained within fairly large parcels that have an existing residence.

### **1. Permitting Constraints**

Historically, it is well established that restrictive zoning discourages the development of cheaper housing. In many towns, multi-family housing, which traditionally is cheaper to build and less valuable on the open market, is either prohibited or relegated to certain areas of the town that are deemed appropriate for such housing. Most Chapter 40B housing is of the multi-family variety because of the cost efficiencies in producing such housing.

Often, small town and suburban master plans do not identify any areas for higher-density housing because it is often difficult to reach any consensus about density – except that many existing residents oppose higher density housing being introduced into established neighborhoods. As a result, zoning bylaws typically provide for higher-density uses only where such uses already exist. All other areas are left to develop at a lower density or low intensity of use, a condition that has contributed to sprawl throughout Eastern Massachusetts.

In this regard, Acton is very unusual; the Acton Zoning Bylaw allows a wide range of uses, variable densities, and incentives to developers to balance private interests with public benefits. Specifically, accessory dwellings are permitted by right in all residential districts, multi-family housing by right in four zoning districts and by special permit in two other zoning districts, and single-family to multi-family conversions by special permit in all residential and village districts. In addition, Acton promotes small assisted living facilities by allowing them as of right, and larger ones by special permit, in all residential districts.

The Acton Zoning Bylaw also anticipates a town that is physically organized by village centers, a central feature of “Smart Growth” zoning. Acton provides incentives for transfer of development rights to encourage compact physical form in the town's principal four village centers.

Even though the Acton Zoning Bylaw provides for density incentives and transfer of development rights to accomplish local planning goals, the density bonuses may not be as attractive to developers as town officials had anticipated. The Town's Affordable Housing

Incentives and Overlay District bylaw (Section 4.4) provides density bonuses in the Affordable Housing Overlay District, where the developer sets aside a percentage of housing built as deed-restricted affordable housing, or makes a cash payment to the Town equivalent to the cost of providing such housing. Acton's success at producing affordable housing under this bylaw is noteworthy, yet the bylaw has not accomplished as much as local officials had hoped when it was adopted in the early 1990s. Many of the density incentives seem generous compared to the restrictive regulations in most suburbs, but they may not be enough to persuade profit-motivated developers to apply for a special permit.

Of course, to the extent that any of Acton's local bylaws and regulations are perceived as a constraint to the development of affordable housing, the permitting of such developments can be streamlined through the Chapter 40B process. Even if the Town's progress toward achieving the 10% threshold entitles the Zoning Board to deny comprehensive permit applications, the Zoning Board can continue to approve with conditions comprehensive permit applications that would enable to Town to continue to make progress toward the 10% goal. The Town has demonstrated a sincere willingness to work with Chapter 40B applicants. Over the last three years, the Zoning Board has permitted three comprehensive permit developments, one of which was permitted under DHCD's Local Initiative Program with the support of the Board of Selectmen. Currently, the Town is negotiating a comprehensive permit for a 360-unit development in North Acton. The Board of Selectmen actually asked the applicant to build 64 more units of housing than what the applicant had originally applied for and has recommended that the Board of Appeals expedite the public hearings on the application.

The Town has the ability to mitigate any perceived development constraints that are attributable to its permitting bylaws and regulations, through amendments to the bylaws or regulations, waivers and variances (where permitted), or through the comprehensive permit process.

## **2. Physical and Natural Constraints**

Wetlands and Title V constraints are significant development barriers in some parts of town, and Acton does not have many large tracts of sewered upland land left to support new homes. As reported in Acton's recent Master Plan Update (1998), most of the town's remaining residential growth potential involves land that is already developed: parcels with an existing single-family home and surplus land that may be subdivided in the future.

The "Existing Land Uses and Open Space" map from the CD Plan (attached hereto as Exhibit A), and the "Developable Lands and Partial Constraints" map from Executive Office of Environmental Affairs (attached hereto as Exhibit B) illustrates the scarcity of vacant land capable of being developed residentially.

Unlike permitting constraints, the Town cannot mitigate physical constraints that are not within its control, such as state environmental protection regulations or the scarcity of developable land.

## **D. EXISTING MUNICIPAL INFRASTRUCTURE AND SERVICES**

Acton's existing municipal infrastructure and services can accommodate modest population growth over the next five to ten years. As with most suburban communities, the kinds of municipal services most directly affected by population growth are housing development are water and sewer service, educational services, and public safety services.

Approximately 10% of residential, commercial, and industrial uses in the Town are served by the Town's public sewer system. The existing sewer system is limited primarily to the southeast part of town, serving the residential, commercial, and industrial uses in South Acton and Kelly's Corner. Parts of the Town's Affordable Housing Overlay Districts are within the area having town sewers. The Town's sewage treatment plant has some capacity for expansion; DEP has issued a draft groundwater discharge permit that would further increase that capacity by an additional 49,000 gallons per day, and the Town is preparing a Comprehensive Water Resource Management Plan/Environmental Impact Report evaluating issues such as connecting higher-density village areas to the sewer system. Unless these areas are added to the system, however, soil conditions will constrain development of available land. Most of the land that is available for development has difficult physical characteristics that make the installation of private septic systems very costly under current technologies. Much of the available land left for development has either ledge outcroppings, high water tables, wetlands, or a combination of all three.

Approximately 98% of the Town is served by public water provided by the Acton Water District. Therefore, the threat of contamination to private wells from septic systems is minimal. However, the Town's water supply – which relies exclusively on groundwater wells - is not unlimited. Like most communities in eastern Massachusetts, the Town is confined by annual withdrawal limits to their wells set by the Department of Environmental Protection. In addition, contaminant plumes from a major federal superfund site located in the Town have affected a number of public water supply wells and, after more than 20 years, this contamination is still undergoing remediation. Presumably, the current withdrawal can accommodate modest population growth; however, the Town's aquifer resources are limited.

Unlike water and sewer service, the provision of education and public safety services are not dependent on environmental factors, but rather on factors such as the municipal budget, the limitations imposed by Proposition 2 ½, the willingness or unwillingness of town voters to approve overrides (such as the pyramid override on this year's annual election), collective bargaining issues, and in the case of public safety services geographical constraints. In a town such as Acton, where approximately 80% of the municipal budget already funds the schools, increases in tax revenue generated from growth do not necessarily offset the substantial increases in education and public safety expenditures resulting from such growth. Generally, however, the Town is supportive of appropriate population growth in appropriate areas of the Town and will work to ensure that such growth is not confined by available educational and public safety resources.

### **III. Affordable Housing Goals & Strategies**

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It is tempting to define a town's housing needs by its own shortfall of Chapter 40B units, but the need for decent, suitable and affordable housing exists at most market levels. Indeed, the Commonwealth's affordable housing shortage is more complicated than state policymakers and many communities have been willing to concede. The very high rents for market-rate apartments in Chapter 40B developments serve as a reminder that more density and an expanded housing supply do not guarantee that homes will be affordable even to middle- and upper-middle income renters. The same is true for market-rate single-family homes and condominiums in Chapter 40B homeownership developments.

According to the U.S. Department of Housing and Urban Development (HUD), nearly 45% of the state's 2,443,580 households have incomes at or below 80% of the area median family income (AMFI) for the regions in which they live, adjusted for household size. Providing Chapter 40B housing units equal to 10% of all year-round homes in Massachusetts requires a total of 252,696 units. An update of the Subsidized Housing Inventory last year indicates that 215,621 Chapter 40B units already exist, or 8.53% statewide. If every community that does not meet the 10% standard today produced enough low-income housing to comply, their units added to the existing pool would create an affordable housing inventory of about 296,720 units. Still, Massachusetts would have 803,000 low- and moderate-income families without a guarantee of affordable housing. In Acton, 10% means about 604 Chapter 40B units in addition to the town's current 161-unit inventory, yet technical compliance with Chapter 40B would leave about 670 Acton households in homes they cannot afford.

A second temptation in defining housing needs is to focus on local residents only, without regard for needs that exist within larger regions or among communities with similar housing markets. In an effort to coax cities and towns to address affordable housing, the state has unwittingly reinforced the tendency to "think locally" by promoting a policy of up to 70% "local preference" units in Chapter 40B developments. Fifty-four percent of all households in Middlesex County qualify as low or moderate income, yet only 31% of them live in non-urban communities such as Acton. Federal census data show that about 45% of Middlesex County's homeowners and 55% of Acton's moved into their present home in the past decade. Although local officials in most cities and towns worry about the social, economic and fiscal impacts that affordable housing developments may bring to their communities, many households can choose to move from one town to another because they have economic mobility. For low- or moderate-income households, the shortage of affordable housing is effectively a shortage of choices.

Considering the age, income and composition of households in Acton and adjacent communities and housing prices throughout the area, Acton should focus on the following priority needs.

#### **A. HOUSING PRODUCTION GOALS**

The Town of Acton seeks to achieve at least an annual .75% increase in its Chapter 40B subsidized housing inventory. The specific housing production goals were identified in the Town's CD Plan as follows:

**1. Increase affordable rental units for very-low and low-income families.**

**Discussion.** Unlike many suburbs west and north of Boston, Acton has a fairly large percentage of renter-occupied housing: 24% of the town's occupied housing units.<sup>19</sup> However, very few of Acton's rental units are designed for families and fewer still are affordable to low-income families.

Of Middlesex County's 54 cities and towns, Acton has the second lowest rank for percentage of renter-occupied housing with three or more bedrooms and the eighth lowest rank for average renter household size (1.73), so it is not surprising to find that single people live in nearly half of Acton's rental units. Many of the town's renters are young and middle-aged professionals, often with incomes that exceed renter household incomes elsewhere in the Boston

metropolitan area. Adjusted for household size, Acton's median renter household income surpasses that of all towns in the immediate area.

Acton's Chapter 40B Inventory includes only 42 rental units for low-income families. In Acton today, 530 of the town's renter households – or 30% – spend more than 30% of their monthly income on rent and utilities. Nearly 65% of Acton's cost-burdened renters are households headed by persons under 44 years of age, and most of them are families: married couples and single parents. Sub-regionally – that is, Acton and 11 nearby towns – there are 3,684 low-income families and 1,557 very-low-income families, but only 2,238 Chapter 40B rental units, most of which are age-restricted.

**2. Increase affordable rental opportunities for low-, moderate- and middle-income senior citizens and persons with disabilities.**

**Discussion.** The population percent of persons 65 and over in Acton is very low: 8.4% compared to 13.8% for the state as a whole and 13% for Middlesex County. Acton also falls in the lowest quartile for Middlesex County for percentage of elders in rental housing. Significantly, the ratio of median household income for seniors over 75 to the town's median family income overall is only .235 – a ratio that means Acton's oldest residents are in a profoundly different economic position from that of its working-age families. It is little wonder that Acton's senior population is so small.<sup>20</sup>

To Live in Acton

**PRIORITY HOUSING NEED #1**  
**Low-Income Rental Units**

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In Acton's region, a four-person family with income at or below \$41,350 meets the federal definition of a low-income household.

There are 405 low-income families living in Acton today.

89% are housing cost burdened.

<sup>19</sup> Census 2000, Summary File 1 Table H-7.

<sup>20</sup> Census 2000, Summary File 1 Table P-12, Summary File 3 Tables H-14, H-69, H-71.

Except for 90 units at the Inn at Robbins Brook, an assisted living facility with three affordable units certified for listing on the Subsidized Housing Inventory, the only rental housing units developed for the elderly in Acton are owned and managed by the Acton Housing Authority. As a result, there are very few choices to elders with incomes above 80% of area median family income, and Acton's small portfolio of elderly public housing (91 units) means that elders with incomes below 80% also have strikingly few options. The issue is not only affordability, but also size and configuration. Owing to design constraints imposed by housing subsidy programs, public housing units are usually quite small. To some senior citizens, the degree of "downsizing" involved in relocating to an affordable housing unit is an enormous sacrifice while other seniors view a small apartment as an asset because it is easier for them to manage. For elderly residents and elderly relatives of Acton families, the town should provide more choices in order to meet needs that will not be served by high-end assisted living units. Elderly independent living apartments priced on a continuum for low-, moderate- and middle-income seniors, and possibly elderly cottage units or "ECHO" housing, would help to address these needs.<sup>21</sup>

In addition, Acton is substantially below average for Middlesex County and the Commonwealth for percentage of working-age adults with disabilities, and its percentage of elderly persons with disabilities is the sixth lowest in Middlesex County.<sup>22</sup> Acton has well-defined village centers that could support access to goods and services for people with mobility impairments and other disabilities. Today, there is very little barrier-free housing in Acton except for accessible units in elderly developments or homes that have been retrofitted by private property owners.

To Live in Acton

**PRIORITY HOUSING NEED #2**  
Affordable Senior Apartments

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In Acton, the median household income of seniors over 75 is only 23% of the town's median family income. Acton ranks fourth in Middlesex County for the magnitude of the income gap between its oldest households and working-age families.

<sup>21</sup> In housing parlance, "ECHO" means "Elderly Cottage Housing Opportunities." In concept, an ECHO unit is similar to an in-law apartment. Instead of being located inside a single-family dwelling, however, an ECHO unit is a freestanding home situated on the same lot as a principal residence, usually that of a family member.

<sup>22</sup> Census 2000, Summary File 3 Table P-42.

**3. Increase affordable homeownership opportunities for moderate-income families.**

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**Discussion.** Nearly all of Acton's recent achievements in Chapter 40B housing production have resulted in homeownership opportunities for moderate-income households. Local officials and developers have made important contributions to Acton's affordable housing supply because without the town's own zoning incentives for affordable units, Acton would not have had any moderately-priced homes for first-time homebuyers units until the late 1990s. However, including four homes in Acton's most recently approved comprehensive permit project, Franklin Place, Acton has only 19 homeownership units on the Subsidized Housing Inventory.

To live in Acton

**PRIORITY HOUSING NEED #3**  
Moderate-Income Homeownership

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In Middlesex County, Acton has a fairly low percentage of non-elderly, low- and moderate-income households and one of the highest percentages of low-income households that are housing cost burdened.

The incidence of homeowner cost burden is very high among young families in three of Acton's census block groups.

Families constitute a substantial portion of all households in Acton and their median income is the tenth highest family income in Middlesex County. Additionally, Acton ranks 12 for high percentage of married-couple families (88.1%) and 7 for married-couple families with children under 18 (50.9%). The incomes of married-couple families, and particularly married-couple families with children, are much higher than the incomes of other households in town. In light of the make-up and economic position of most Acton households, it is not surprising to find that the town has a relatively small percentage of cost-burdened homeowners: about 24%, compared to 26% for both Middlesex County and the state.<sup>23</sup>

Despite the economically advantaged position of most Acton families, statistical indicators of their well-being mask important differences that exist among homeowners by age, income, and neighborhood. Acton's percentage of young homeowners – households headed by people under 35 – is only 8.8%, which places the town in the lowest quartile for Middlesex County and underscores the “buy-up” nature of Acton's housing market. Since many of the young homeowners who live in Acton have fairly high incomes, the incidence of housing cost burden among them is roughly consistent with the Middlesex County average for the same age group (24%). Affordability conditions for young homeowners in three sections of Acton differ significantly from the town-wide average, however: in these neighborhoods, nearly half of all homeowners under age 35 pay more than 30% of their income on housing costs.

County-wide, Acton ranks 40 for percentage of low- and moderate-income households, and the rate of housing cost burden for this group of homeowners in Acton is the County's sixth highest. Significantly, the rate of housing cost burden among low- or moderate-income homeowners ranges from 50-100% in seven of Acton's nine census block groups. Overall, the percentage of cost-burdened low- and moderate-income homeowners in Acton is much higher than in a

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<sup>23</sup> Census 2000, Summary File 1 Tables P-34, P-36, Summary File 3 Tables H-94, PCT-39.

majority of Middlesex County towns or the state as a whole. In Acton, less than half of the households with incomes in the low or moderate range are senior citizens.<sup>24</sup>

**4. Provide affordable homeownership units in a range of residential use types and sizes for moderate-and middle-income seniors.**

**Discussion.** Many elderly homeowners in Acton – regardless of income – spend more on housing costs than elders in communities nearby, the balance of Middlesex County, the Boston metropolitan area or the state. Townwide, about 28% of Acton’s over-65 homeowners pay more than 30% of their income on housing: for most, this means property taxes and house insurance, and for some, it also includes a mortgage payment. Acton ranks 16 out of 54 Middlesex County communities for high percentage of cost-burdened elderly homeowners. For the elderly as a percentage of all homeowners, a high-low ranking of the county’s 54 cities and towns places Acton only at 12. Less than 15% of Acton’s homeowners are over 65, compared to 24.8% for the state as a whole.

To Live in Acton

**PRIORITY HOUSING NEED #4**  
More Choices for Seniors

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Acton ranks 16 out of 54 Middlesex County communities for high incidence of housing cost burden among the elderly. Over-65 households comprise 14.8% of all homeowners in Acton. As a result, Acton's county rank for percentage of elderly homeowners is only 12. Low-, moderate- and middle-income senior citizens cannot afford to live in Acton.

The shortage of options for seniors who want to “down-size” to smaller homes is hardly unique to Acton. Elderly homeowners are underrepresented in most of Acton’s market area. Although the region offers “over-55” developments of townhouses, condominiums and small single-family homes, nearly all of the units are priced at the upper end of the market: sale prices starting at \$299,000 and monthly fees of \$360-\$450. For example, the assessed values of Acton’s new over-55 condominiums and townhouses at The Pines at Robbins Brook are \$303,717 and \$401,300 respectively. In the past few years, several communities in Eastern Massachusetts have issued comprehensive permits for “over-55” housing, but Chapter 40B is not always the best tool for creating affordably priced homeownership units for seniors. While many elderly households are eligible for Chapter 40B affordable units on the basis of income, the value of their assets may be too high. In addition, the market-rate units in Chapter 40B developments are usually out of reach for moderate- and middle-income elderly homebuyers. Like most towns, Acton needs elderly units at below-market prices without the income and asset restrictions associated with Chapter 40B.

**5. Provide homeownership units at below-market prices, affordable to middle-income homebuyers.**

**Discussion.** Acton’s evolution as a town with many large, spacious, expensive homes seems inescapable. For three successive decades, Acton has ranked in the top 25 communities statewide

<sup>24</sup> Census 2000, Summary File 1, Table H-16, Summary File 3 Tables H-94, H-96.

for median household income and the top 20 communities for median family income.<sup>25</sup> This year, Acton homeowners have paid the state's 16th highest average single-family tax bill, although their property tax burden is very similar to that of other upper-income suburbs.<sup>26</sup> As testimony to the pattern of high household wealth in most west-of-Boston suburbs, Acton is actually a "mid-market" town for the region: its median single-family home sale price of \$469,275 represents an 85% increase since 1995 and throughout, it has remained roughly at the midpoint of the 12-town comparison area, with Lincoln at the highest end of the range and Maynard at the lowest.<sup>27</sup>

One way to think about home prices in any community is to consider whether its present homeowners could afford to buy a house in town if they were first-time homebuyers today. In Acton's case, the median single-family home sale price would be unaffordable to 61% of its existing households and 83% of all households in the Boston metropolitan area. Under conventional loan standards, a household of four at the Boston area median family income (\$82,600) can afford to purchase a house or condominium that costs about \$285,000. For them, the median single-family sale price in Acton constitutes an affordability gap of \$184,275.<sup>28</sup>

Undeniably, other towns nearby offer more homes at lower prices than prospective homebuyers will find in Acton. For example, the median single-family sale price in Maynard, Chelmsford and Littleton ranges from \$290,250-\$360,000. However, the most striking feature of the region's housing market is the change that has occurred in home prices in traditionally affordable communities. Since 1995, the highest rates of regional sale price growth have occurred in Maynard (117%), Littleton (107%) and Chelmsford (103%).<sup>29</sup> As a result, the risk of diminished housing affordability for young workers and their families is a region-wide problem, one that will not be solved by a single town's initiatives.

For many years, Acton's contribution to the supply of "entry" homeownership units has been its substantial inventory of condominiums, which are affordable to a much wider pool of prospective homebuyers than its single-family homes. Excluding detached condominiums – that is, single-family homes in a development with shared land ownership – condominiums and townhouses in Acton have sold for \$145,000-\$180,000 since 2000.<sup>28</sup> These units are clearly affordable to many households, particularly young renters living in Acton and communities closer to Boston. A challenge for Acton is to preserve the affordability of its condominiums so that some of them will continue to provide moderately priced alternatives to a single-family home. Since 1995, the median sale price of condominium and townhouse units in Acton has increased by 81%.

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<sup>25</sup> The Boston Globe, August 27, 2002, <<http://www.boston.com>>. The Globe posted a one-time, online collection of three decades of census data for all cities and towns in New England, supplied by the Bureau of the Census when Census 2000 Summary File 3 Demographic (DP-series) Tables were released on August 27, 2002.

<sup>26</sup> Massachusetts Department of Revenue, Division of Local Services, "FY2004 Average Single-Family Tax Bill." Municipal Data Bank, <<http://www.dls.state.ma>>. Here, "tax burden" measures the average single-family tax bill as a percentage of the median income for homeowners in each community, and "suburb" refers to the "King of Community" classification system developed several years ago by the Department of Revenue.

<sup>27</sup> Acton Assessor's Office, FY03 Parcel Database supplied to author. The condominium and townhouse sale prices cited above do not include units at The Pines at Robbins Brook.

<sup>28</sup> "Affordability" assumes a 30-year, fixed-rate mortgage at 7% interest and a 10% downpayment.

<sup>29</sup> The Warren Group, "Free Market Statistics," <<http://www.thewarrengroup.townstats.com>>.

## **B. EXISTING HOUSING PRODUCTION STRATEGIES**

Acton has one of the most innovative, thoughtfully conceived zoning bylaws in Massachusetts. The town encourages a variety of residential uses, including density incentives by special permit for clustered residential development, senior housing and provision of affordable housing. Acton also allows accessory dwellings by right in all residential districts, multi-family housing by right in four zoning districts and by special permit in two zoning districts, and single-family to multi-family conversions by special permit in all residential and village districts. In addition, Acton promotes small assisted living facilities by allowing them as of right, and larger ones by special permit, in all residential districts. Moreover, Acton provides incentives for transfer of development rights to encourage compact physical form in the town's four village centers. Since the early 1990s, Acton officials have used zoning and small comprehensive permits to approve about 30 affordable housing units that are or will be eligible for listing on the Subsidized Housing Inventory, and to negotiate cash contributions from developers to the town's own affordable housing efforts.

In addition to using its regulatory powers to provide for a mix of homes, Acton has a very active Housing Authority and the town has sustained a committed corps of affordable housing advocates for nearly two decades: first as an independent non-profit organization and later, as a local initiative corporation operating under the aegis of a special act of the legislature. The Acton Community Housing Corporation (ACHC) functions more as a local housing partnership than as a developer, although its legislative charter allows the ACHC to engage in affordable housing development much like other special-act non-profits around the state, such as LexHAB and the Belmont Housing Trust. Recently, the ACHC spearheaded a plan for the town to lease the historic Towne School to a private developer for an 18-unit affordable rental project. The ACHC has worked tirelessly on behalf of Acton's affordable housing needs, even when local housing partnership committees in many towns lost energy after the state reduced its financial support for affordable housing development several years ago. Acton voters have also agreed to adopt the Community Preservation Act (CPA), a move that could mean a significant infusion of new resources into affordable housing production.

Despite these actions, Acton remains one of the state's most expensive towns to live in and its housing, while diverse, is out of reach for 71% of all households in the Boston metropolitan area. Wetlands and Title V constraints are significant development barriers in some parts of town, and the reality is that Acton does not have many large tracts of land left to support new homes. As Acton neighborhoods "fill in" with additional housing, the town will probably experience more intense opposition to new development simply because the loss of vacant land pockets will be visible to so many people. Together, the environmental, open space and fiscal implications of more homes do not bode well for Acton's ability to make substantial gains in affordable housing. Furthermore, while Acton's zoning is creative, it is also very complicated. Many of the density incentives seem generous compared to the restrictive regulations in most suburbs, but they may not be enough to persuade risk-conscious developers to apply for a special permit.

## C. NEW HOUSING PRODUCTION STRATEGIES

### 1. DEFINING “AFFORDABILITY”

Although local officials are understandably concerned about Chapter 40B, there are compelling housing issues in Acton and Chapter 40B does not guarantee that they will be addressed: variety, predictability and affordability in rental housing, and housing cost barriers to middle-class homeownership.

In 1990, 29.5% of Acton’s housing stock was occupied by renters, yet by 2000, the number of rental units had declined by 7.9%. Of the 1,946 units that housed tenants in 1990, 225 were detached single-family homes – a condition that helps to explain the slightly larger average household size in Acton’s rental units a decade ago. After the recession lifted, 45 of these single-family homes were eventually sold to homebuyers and the units converted from renter- to owner-occupancy. Most of the remaining 108 “lost” rental units stemmed from condominium conversions and the sale of renter-occupied condominiums to homebuyers.<sup>30</sup> Market forces have an enormous impact on the occupancy characteristics of residential property, and Acton’s experience illustrates how vulnerable renters can be to conditions in the real estate market. Within the 12-town comparison area, the total housing inventory increased by 6,079 dwelling units (11.2%), but the number of ownership units rose by 7,498 (18.5%) while the renter-occupied inventory decreased by 876 units.<sup>31</sup> At the same time, the vacancy rates in all 12 communities dropped significantly as the rate of household formation surpassed the rate of housing production. These kinds of conditions form the backdrop for the dramatic growth that has occurred in housing sale prices and rents throughout the Boston metropolitan area.

Housing costs usually exceed ability to pay for the elderly, young adults and low- or moderate-income households, and renters are more likely to be affected than homeowners. For the most part, Acton conforms to this pattern. However, the high percentage of cost-burdened homeowners in the 24-34 year age group in some parts of town suggests that at times, families are buying homes at prices they can barely afford and their ability to pay erodes when a parent is laid off or leaves the labor force to care for an infant. Low-income senior citizens are also affected, but in Acton the incidence of housing cost burden disproportionately affects two groups of homeowners: younger couples and single-parent families. Of course, Acton needs to plan carefully for housing that is affordable to moderate- and middle-income families because the negative fiscal impact of new residential development will simply aggravate the incidence of housing cost burden. Acton’s challenge will be to provide for below-market family housing – both ownership and rental – at a pace the town can absorb.

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<sup>30</sup> The loss of 18 units at the Village Arms Apartments also contributed to the 1990-2000 reduction in renter occupancies reported by the Census Bureau.

<sup>31</sup> 1990 Census of Population and Housing, Summary File 1 Tables H-1, H-2, H-3, H-5, and H-43; Census 2000, Summary File 1 Tables H-1, H-2, H-3 and H-5, and Summary File 3 Table H-32.

## 2. HOUSING PRESERVATION

Two obvious housing preservation concerns exist in Acton: the affordability of its condominiums and the “informal” supply of affordable single-family and two-family dwellings in older neighborhoods.

A review of parcel data supplied by the Acton Assessor’s Office and a windshield survey of several neighborhoods suggest that Acton has about 300 older single-family and two-family homes that are “informally” affordable: units not subject to any deed restrictions, but due to their size, condition and age, they are of lower value and therefore at risk of redevelopment and conversion to expensive housing stock. Overall, these units are fairly small compared to new homes in Acton, and they share two noteworthy characteristics: virtually all of them were built between 1920-1950, and the ratio of building to land value is very low, i.e., the land is worth considerably more than the homes themselves.<sup>32</sup> Conditions such as these provide an economic basis for major alterations investments and demolition-rebuild projects – and ultimately, the loss of “market” affordable homes.

Expansions of existing homes and demolition-rebuild attract new wealth into a community. They also contribute some “new growth” tax revenue under Proposition 2 ½. However, as these activities cause older homes to appreciate in value, they remove lower-cost housing from the market. Strategies to secure the affordability of older homes would help Acton cultivate a small base of Chapter 40B-eligible units for low- or moderate-income homebuyers or renters, avoid the environmental costs of new development, and preserve design traditions that pre-date the modern conventional subdivision. In addition to acquiring these homes when the owners are ready to sell and placing deed restrictions on the units before selling or renting them as affordable housing, Acton could consider a demolition delay bylaw that applies to all demolition activity and provides incentives to preserve lower-value homes in-place or on relocation sites, including on lots with an existing structure. Similar techniques can be used to acquire condominiums and protect their affordability as well.

Preservation strategies are very difficult to implement. They require dedicated community involvement and considerable staff and volunteer time. However, capitalizing on the established base of homes in Acton is more prudent than encouraging new construction and will probably be more acceptable to residents and local officials. Acton should emphasize preservation techniques to meet a variety of housing needs: affordable units that qualify under Chapter 40B, affordable units that serve “below market” households, and small homes for seniors and young citizens in search of starter housing. Community Preservation Act (CPA) revenue and cash contributions from developers are ideal sources for these kinds of affordable housing initiatives.

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<sup>32</sup> Acton Assessor’s Office, FY03 Parcel Database. Statistics by author; windshield surveys of selected addresses completed in March-April 2004.

### 3. THE ROLE OF LOCAL GOVERNMENT

#### (a) Planning & Public Policy Leadership

Planning requires leadership, but leading the way on affordable housing requires local governments to make choices that frequently spark opposition. While city and town officials are often called upon to balance their personal views with the wishes of their constituents, the public good and the requirements of law, housing is a particularly difficult issue for them to address. Compared to the federal and state governments, local government has a much smaller pool of constituents and far more contact with them on a day-to-day basis. In Massachusetts, most towns operate under forms of government that are designed to be deliberative and guided by majority interests. Open town meeting is an unusual legislative arrangement, one that puts constituents in the role of legislators with a direct say in major policy questions. Moreover, the executive branch is comprised of many elected and appointed boards, often with overlapping jurisdiction. When community leaders disagree about the need for affordable housing or local government's role in providing for it, carrying out any affordable housing initiatives becomes nearly impossible.

Acton's most recent experience with a comprehensive permit was very difficult for town boards, staff, the Acton Community Housing Corporation, the site's abutters, and the developer. Although the project was ultimately approved with a significant reduction in the number units the developer had applied for, Acton does not want to repeat the problems that occurred with Franklin Place. It is very clear that Acton needs policies and criteria to align the affordable housing review objectives of town boards, commissions and staff. Ultimately, the direction must come from two boards that have enough authority over public policy and planning to effect and sustain inter-departmental cooperation: the Board of Selectmen and the Planning Board. Together, they should to adopt a uniform comprehensive permit policy and that policy, in turn, should provide the framework for zoning changes and public investments to increase the supply of affordable housing.

As Acton's chief elected officials, the Board of Selectmen has the broadest jurisdiction over public policy and in the comprehensive permit realm, the selectmen have several key functions. First, they are the recognized point of contact for state agencies that receive project eligibility applications from developers seeking to build subsidized housing. Accordingly, it is the selectmen who determine (or should determine) the town's response to proposed sites and projects before a comprehensive permit reaches the Board of Appeals. Second, the selectmen appoint the Board of Appeals, which has the statutory power to issue or deny comprehensive permits. Third, the selectmen appoint the Acton Community Housing Corporation's board, which has handled virtually all of the affordable housing work in Acton since the mid-1980s. Fourth, the Board of Selectmen has authority to approve applications to the Local Initiative Program (LIP) for non-subsidized comprehensive permit developments and to nominate locally created affordable units for listing on the Subsidized Housing Inventory.

Planning Boards have jurisdiction over comprehensive planning, zoning and subdivision control. By law, they have the power to prepare and adopt master plans, and during the 1990s the Acton Planning Board directed two master plan programs: 1991 and 1998. In addition, planning boards are required to hold a public hearing on all proposed zoning changes prior to town meeting, and

in many communities they serve as special permit granting authority for a variety of uses. Aside from their traditional functions, planning boards may soon become the vehicle for issuing comprehensive permits. Even if this power remains vested with the Board of Appeals, however, planning boards have a crucial role in evaluating and commenting on comprehensive permits because they have so much “hands-on” experience with development review. Moreover, since planning boards oversee the implementation of a master plan, their comments and recommendations on comprehensive permits are effectively an exercise of land use policy.

The conflicted relationship between G.L. c.40A, the Zoning Act, and G.L. c.40B, Sections 20-23, the Comprehensive Permit Law, presents an extraordinary challenge to communities across the Commonwealth. When the legislature adopted Chapter 40B in 1969, the state placed some constraints on the zoning power of cities and towns. Regardless of the direction set by a master plan, land zoned for residential, commercial or industrial development may be used for low- and moderate-income housing in cities and towns that do not meet the 10% threshold that determines whether the Housing Appeals Committee can overturn a local comprehensive permit decision.

Often, small town and suburban master plans do not identify any areas for higher-density housing because it is so difficult to reach any consensus about density – except that residents oppose it. As a result, zoning bylaws typically provide for higher-density uses only where they already exist. All other areas are left to develop at a lower density or low intensity of use, a condition that has contributed to sprawl throughout Eastern Massachusetts. In this regard, Acton is very unusual; the Zoning Bylaw allows a wide range of uses, variable densities, and incentives to developers to balance private interests with public benefits. It also anticipates a town that is physically organized by village centers, a central feature of “Smart Growth” zoning. An issue for Acton is that even though the Zoning Bylaw provides for density incentives and transfer of development rights to accomplish local planning goals, the density bonuses may not be as attractive to developers as town officials imagine.

Acton needs to translate the wisdom of its master plan and zoning into a workable plan to manage comprehensive permits. Toward that end, Acton’s Board of Selectmen and Planning Board should jointly adopt a comprehensive permit policy statement that goes far beyond project review guidelines and answers the question that every developer yearns to ask: what does the town want? A comprehensive permit policy statement must be realistic if it is to succeed, and it ought to include the following information:

#### 1) Location, Scale & Density

##### a) Locations

- (1) Where does Acton prefer to see comprehensive permit developments?
- (2) What areas are least appropriate for the higher-density development that is associated with comprehensive permits?

- (3) Both areas – preferred and not preferred – should be described and represented on a map. Since Acton has already zoned several areas for higher-density uses, the town has a usable set of policies on which to base these decisions.

b) Scale & Density

- (1) The town should state clear preferences for project scale, including the conditions under which a larger-scale development would be considered beneficial to Acton.
- (2) Encourage developers to consider small-scale homeownership developments. Since much of Acton’s remaining developable land is on lots with an existing dwelling unit, the eventual division of these parcels may create opportunities for small developments of 6-10 dwelling units.
- (3) Encourage developers to consider small reuse projects. In most cases, the conversion of an older residential or commercial structure to affordable rental or ownership housing will also result in small-scale development. Acton should establish some parameters for zoning exemptions to encourage these investments, such as eliminating the requirement for owner-occupancy in a multi-family conversion or an increase in the floor area ratio above that prescribed in the Zoning Bylaw.

2) Housing Needs

- a) What housing needs is Acton primarily interested in addressing? Since Chapter 40B is a market-driven approach to developing housing, it does not guarantee that a town’s or region’s affordability needs will be met. Acton should take a declarative stance about its housing needs and ask developers to address them.
- b) How much affordability does the town want to accommodate on a project-by-project basis? Although all of the apartments in a comprehensive permit rental development “count” on the Subsidized Housing Inventory, they are not all affordable. If Acton wants to provide for below-market rental units in addition to low- and moderate-income units, the town should express a preference for range of affordability.
- c) Do some of the preferred locations make more sense than others for certain types of housing?
- d) Given local concerns about the fiscal impact of new growth, how many (or what percentage of) affordable family units is Acton willing to consider in a comprehensive permit development?

### 3) Trade-Offs

- a) What is Acton willing to offer in order to entice developers to abide by the comprehensive permit policy statement?
  - (1) An increase in the density typically associated with homeownership developments? (The conventional standard is an average of eight units per acre or four times the base density allowed under zoning, whichever is greater.)
  - (2) An increase in density in exchange for outstanding architectural design, “green building” technology, or open space?
  - (3) A streamlined pre-application review process for small projects?
  - (4) A land swap to steer developers away from areas that have been planned for lower density development and toward appropriately zoned areas?
  - (5) Waivers of local fees for affordable units?
- b) If the town could choose one of two comprehensive permits submitted concurrently, what criteria would Acton use to evaluate and rank them?
- c) What public benefits – in addition to affordable housing – would make a development responsive to local needs?

### 4) Other Preferences

- a) Acton should convey strongly to the development community that the town prefers Local Initiative Program (LIP) comprehensive permits to conventional comprehensive permits.
- b) The town should establish design review guidelines so developers can anticipate the design elements that local officials prefer in a higher-density project. The guidelines do not need to be overly prescriptive, but they should articulate a set of criteria or standards to guide choices made by project architects.

If the Board of Selectmen and Planning Board adopt a comprehensive permit policy, the policy statement should be interpreted and applied as formal guidelines by all town agencies that have a role in affordable housing development. In addition, when the town comments on project eligibility applications submitted to MassHousing, MassDevelopment or DHCD, the Board of Selectmen should attach the policy statement as evidence of the basis for Acton’s review.

(b) Zoning & Local Resources

Acton has several options to use zoning as a tool for affordable housing production, but the approach that will most likely make a difference is inclusionary zoning. Zoning bylaws with voluntary incentives to build affordable housing have been conspicuously ineffective in Massachusetts. Acton's success at producing any affordable housing under its Affordable Housing Incentives and Overlay District bylaw is remarkable, yet the bylaw has not accomplished what local officials hoped when it was adopted in the early 1990s. For many reasons, Acton is one of the few communities in Massachusetts that has the ingredients to succeed with inclusionary zoning: (1) regulations that require new residential developments to include affordable units or provide them in an equivalent manner, such as off-site units, land donations to the town, or cash contributions to an affordable housing fund; and (2) a quasi-public housing corporation controlled by the Board of Selectmen to manage and re-invest affordable housing trust funds.<sup>33</sup> The Attorney General has recently approved inclusionary bylaws adopted by several suburban communities. In Massachusetts, most inclusionary bylaws trigger a special permit, but some operate as standard development regulations that apply to any residential project over a certain size. The latter is a much better model because it is transparent and predictable, which makes the permitting process clear for developers, landowners, town boards and the public.

Under the Affordable Housing Incentives and Overlay District bylaw (Section 4.4), developers may receive density bonuses in exchange for restricting a certain percentage of housing units as affordable, or making a cash payment to the Town or the Housing Authority. If the Town were to adopt a true "inclusionary zoning" bylaw that mandates an affordable housing contribution for any residential development over a certain size, the Town would likely see a marked increase in revenues for affordable housing purposes. These revenues should be set aside in a separate fund managed by the Acton Community Housing Corporation ("ACHC"), for re-investment in the community.

The ACHC was created by special act of the General Court in 1996, through a petition from the Board of Selectmen. See, Exhibit C. Under the legislation, the ACHC has broad corporate powers, subject to Board of Selectmen oversight, to further the Town's affordable housing goals. These powers actually exceed those provided under the newly adopted Municipal Affordable Housing Trust Fund statute, G.L. c. 44, §55C. The ACHC's powers and duties, as compared to those vested to trust funds established pursuant to the new statute, are explained in the table attached as Exhibit D.

There are currently 5 full members and 4 associate members of the ACHC. Four of the current members are professionally involved in the affordable housing development, two others were formerly involved in some capacity. Over the years, the ACHC has been instrumental in

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<sup>33</sup> Since the developer may choose to include units in a proposed development or make an in-kind or a cash contribution to a community's affordable housing needs, a fee in lieu of creating affordable units is not categorically a development exaction or a tax, and recent case law in Massachusetts concerning affordable housing "impact" fees does not apply, i.e., Dacey v. Town of Barnstable (2001). See Mark Bobrowski, "Bringing Developers to the Table," Inclusionary Zoning in Massachusetts: Lessons Learned (Series), NHC Affordable Housing Policy Review Vol. 2 (January 2002): 7-9.

bringing affordable units to the market. The ACHC maintains a list of potential first-time affordable homebuyers and has administered the lottery-sales of affordable units generated through 40B projects, projects developed under the Affordable Housing Incentives and Overlay District bylaw, and developments with negotiated off-site affordable units.

#### **4. SMART GROWTH**

State government has begun to promote Smart Growth as a policy framework. It is premature to predict whether recent initiatives from the governor's office and the legislature will culminate in Smart Growth practices at the local level, however. Unfortunately, the state's approach has not been articulated well and its goals appear to contain a number of inconsistencies. Acton is in a stronger position than most suburbs to carry out a Smart Growth housing agenda because its Zoning Bylaw already embraces a number of Smart Growth principles. Recently, the legislature reached agreement over a limited package of financial incentives to communities that produce new housing units affordable to low- or moderate-income families. Partially echoing recommendations of the Commonwealth Housing Task Force in *Building on Our Heritage: A Housing Strategy for Smart Growth and Economic Development* (2003), the legislation calls for a small bonus payment for each new unit created in a zoning district that meets the state's definition of Smart Growth zoning. However, the state's criteria for a qualifying district may be unworkable in many communities, including Acton. Furthermore, housing is the only aspect of "Smart Growth" that the legislation explicitly covers.

Towns like Acton that have taken a thoughtful, comprehensive approach to land use planning will need to weigh the new legislation against their own zoning principles and decide whether the incentives offered by the state are adequate and appropriate. A housing plan cannot be made sustainable if it is motivated mainly by the promise of additional state aid. Moreover, as long as Chapter 40B remains available to developers for obtaining approval to build affordable housing, particularly rental housing, they may continue to use it simply for the protection afforded by the appeal process.

#### **5. RECOMMENDATIONS**

To address the needs identified in this plan, the CD Plan identified the following actions items:

##### **(a) Zoning and Land Use**

- 1) Replace the existing Affordable Housing Incentives and Overlay District bylaw (Section 4.4) with a simplified Inclusionary Housing Bylaw that requires affordable dwelling units in all residential developments of five or more homes and does not obligate the developer to seek a special permit.
  - a) Apply for Inclusionary Housing Bylaw to all zoning districts in which residential uses are allowed, and to all types of residential uses, in any development of six or more housing units.

- b) Establish a base inclusionary requirement, e.g., 10% of all dwelling units in any project subject to the bylaw.
  - c) Offer developers a menu of choices to comply, subject to approval by the Planning Board:
    - (1) Include units in the development.
    - (2) Provide equivalent units in another location in Acton.
    - (3) Pay a fee in lieu of creating new units, the fee to be equal to the difference between an affordable purchase price as defined by DHCD's Local Initiative Program (LIP) and the median single-family home or condominium sale price for the most recent fiscal year, as determined by the Board of Assessors.
    - (4) Donate to the town a parcel of land with equivalent development capacity, restricted for affordable housing use.
  - d) Provide a density or floor area ratio bonus by special permit to encourage additional affordable units in zoning districts that allow higher-density development.
  - e) Condition the release of occupancy permits on the town's receipt of affordable unit documentation.
- 2) Consider increasing the minimum lot size for development in the R-2 District but provide a special permit option to build at the current density in exchange for the inclusion of affordable units in a new development, i.e., without the "buy-out" options that would be available under the Inclusionary Housing Bylaw.
  - 3) Amend the Zoning Bylaw by updating the existing definitions of "affordable," "low-income" and other terms required to implement affordable housing regulations.
  - 4) In conjunction with the Inclusionary Bylaw, establish a permanent Affordable Housing Trust fund by special act of the legislature for all revenue generated by the bylaw and any other funding sources as determined by the town, e.g., community housing funds appropriated under the Community Preservation Act.
    - a) Assign administrative responsibility for the trust fund to the Board of Selectmen, whose duties should include preparing an annual allocation plan for the expenditure of trust fund revenue, in consultation with the Planning Board.
    - b) Place authority for approving the annual allocation plan with Town Meeting.
    - c) Incorporate in the home rule petition an exemption from G.L. c.30B requirements so the town can expend trust fund revenue on contracts with the Acton Housing Authority, the Acton Community Housing Corporation, the Acton Economic

Development and Industrial Corporation (EDIC), or another non-profit organization without conducting a formal procurement process for goods and services.

- d) Limit the use of trust fund revenue to the production of dwelling units that qualify for listing on the Chapter 40B Subsidized Housing Inventory as Local Initiative Program Units. "Production" should be defined to include new unit creation, preservation of existing affordable units, reuse and conversion of existing structures, and affordable housing restrictions placed on existing dwelling units.
- 5) Amend the Zoning Bylaw for single-family to multi-family conversions as follows:
- a) Allow conversions by right in any zoning district in which multi-family dwellings are also allowed by right, provided that a conversion project includes at least one affordable dwelling unit.
  - b) Retain the existing special permit requirement for conversion projects that do not include affordable units.
  - c) Consider modifying the conversion-by-special permit provision for existing dwellings in a Business District so that conversions must include at least one affordable housing unit.
- 6) Amend the Zoning Bylaw by adding a new use definition for "ECHO dwelling" and establishing ECHO units as a permitted accessory use in any zoning district in which two-family dwellings are currently allowed, as a special permitted use in all other zoning districts.
- a) Establish an administrative site plan review process for ECHO units.
  - b) Establish minimum design standards and additional land area requirements (if any) for ECHO units.
- 7) Amend the Zoning Bylaw by modifying the affordability standards for Senior Residence Developments (Section 9B) to provide for a mix of low- and moderate-income and below-market senior residence units.
- a) Modestly reduce the existing density bonus and require at least 10% of the units to be affordable to low- and moderate-income elders.
  - b) Restore the existing density bonus for developments that provide an additional 10% affordable units for seniors with incomes between 81-110% of area median family income.
- 8) Amend the Zoning Bylaw to provide for modest frontage waivers by special permit in the Village Residential, R-AA and Village Districts, subject to two requirements: (a) an infill lot created with a frontage waiver must meet the minimum lot area for the district, and (b) its use is limited to an affordable single-family or two-family dwelling.

(b) Comprehensive Permits

- 1) The Board of Selectmen and Planning Board should jointly adopt a comprehensive permit policy, as follows:
  - a) Invite developers to use the Local Initiative Program ((LIP) comprehensive permit process instead of applying directly to MassHousing or MassDevelopment for a project eligibility letter.
  - b) Be open with developers about higher-density housing areas that are most consistent with Acton's established land use policies.
    - (1) Identify and map areas that are most appropriate for higher-density housing, such as the Village Residential, R-AA and R-2 Zoning Districts, and the Village Districts, where relatively small minimum lot sizes, two-family and multi-family uses are already allowed by right or by special permit, and areas close to transportation service.
    - (2) Identify and map areas that are least appropriate for higher-density housing, such as land in the Groundwater Protection Overlay District and the properties identified in the Master Plan as priority open space protection areas.
    - (3) Leave room for options to consider small homeownership developments (2-10 units) in other zoning districts.
  - c) Describe the zoning waivers that Acton is willing to consider, such as a realistic range of additional units per acre or a higher floor area ratio to accommodate affordable homeownership units.
    - (1) When the minimum lot size allowed by zoning is 10,000-15,000 square feet (sq.ft.), consider a maximum standard of 8-12 dwelling units/acre, i.e., embrace the state standard and recognize that the Zoning Bylaw already authorizes an exemption for a substantially higher density in the R-AA District (Section 5.3.2.2).
    - (2) When the minimum lot size allowed by zoning is 20,000 sq.ft., consider a maximum standard of 6 dwelling units/acre.
    - (3) When density is controlled by a floor area ratio instead of units per acre or units per structure, consider increasing the maximum FAR to a range of .85 to 90.
    - (4) For small projects in other areas, consider a density that does not exceed twice the density permitted by zoning unless the applicant agrees to beneficial trade-

offs, such as the protection of roadside open space or a historic building located on the same parcel.

- d) Identify trade-offs the town is willing to consider to encourage comprehensive permits in preferred locations, such as higher density in exchange for design elements compatible with surrounding buildings or green building certification.
  - e) Set reasonable performance standards.
  - f) Identify housing needs that Acton wants comprehensive permit developers to meet.
    - (1) Aside from the fact that rental developments will accelerate Acton's progress toward 10%, Acton needs affordable rental housing. The most significant rental housing need is for families, but Acton is very concerned about the fiscal impact of new growth. At the same time, state government appears to be taking the shortage of family housing more seriously than it has for the past several years. For example, one of the competitiveness criteria for financing from the Priority Development Fund is the inclusion of units with three or more bedrooms.
    - (2) Rather than argue against any family units, ask developers to limit the number of rental units with three or more bedrooms to 10% of all units in a Chapter 40B rental development.
    - (3) Ask developers to include some below-market units in any comprehensive permit development designed for over-55 households. Ten percent in addition to the minimum 25% low- and moderate-income requirement is reasonable for most projects.
- 2) The Acton Community Housing Corporation (ACHC) should revise its comprehensive permit review guidelines, where applicable, to conform to the town's policy statement.
  - 3) Create a streamlined local review process for small comprehensive permit developments, e.g., 10 or fewer units.
    - a) Prepare a "Small Project Application Package" and work with the ZBA to create an expedited review and decision-making process for small-scale projects.
    - b) If Acton prefers small, scattered-site projects, it needs to make the permitting process faster and easier for them. Having a standardized application package will provide technical assistance to applicants who may not be seasoned developers, and the expedited process will result in a more desirable and useful comprehensive permit process.

- 4) Designate an individual officer of the town to negotiate with comprehensive permit applicants during the permit process or, subject to Town Counsel's approval, retain an outside special counsel to assist with negotiations.
- 5) Increase the size of the Board of Appeals from three to five members. The town needs to encourage a variety of viewpoints and provide room for disagreement by having more people involved in the comprehensive permit review and decision-making process.
- 6) Collect and organize the data necessary to estimate operating budget and infrastructure impacts on municipal and school services so the town has the most accurate information possible for negotiating with comprehensive permit developers.

(c) **Supporting Actions**

- 1) Review the roles and responsibilities of the Planning Board, Board of Appeals, Board of Selectmen, Acton Community Housing Corporation and professional staff with respect to affordable housing review, permitting, advocacy and locally sponsored development.
- 2) Consider seeking special legislation to offer significant tax abatements or exemptions to landlords who rent market (unrestricted) units to low- or moderate-income tenants at monthly rents they can afford.
- 3) Develop criteria for identifying and selecting small town-owned and tax title parcels that may be suitable candidates for disposition and development as affordable housing.
- 4) Just as Conservation Commissions and local land trusts work privately with landowners to protect open space, Acton needs to be pro-active with owners of existing homes to create a base of scattered-site affordable housing units. Toward this end, the Acton Community Housing Corporation should consider the following actions:
  - a) Develop a priority list of single-family, multi-family and condominium properties for acquisition/rehabilitation in exchange for permanently affordable housing units.
  - b) Approach property owners about the possibility of acquiring a right of first refusal to purchase their home when they decide to sell.
  - c) Request an allocation of CPA or Inclusionary Housing revenue for a small fund to pay for refusal rights or option agreements between annual town meetings.
- 5) Using CPA and/or Inclusionary Housing revenue, or a separate cash contribution from developers, Acton town should establish a special set-aside fund to purchase Chapter 40B homeownership units upon resale if a qualifying low- or moderate-income homebuyer cannot be found within the period specified in the deed restriction.

This affordable housing production plan incorporates all of the recommended action items from the CD Plan, except for item (a)(4), concerning the creation of a new Affordable Housing Trust

Fund. For the reasons explained above, the existing ACHC already provides the functions served by an affordable housing trust fund.

**D. TIME FRAME FOR IMPLEMENTATION OF ACTION ITEMS**

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

<b>Action Item</b>	<b>Time Frame</b>
Adopt Inclusionary Zoning Bylaw to supplement or replace existing Affordable Housing Incentives and Overlay District Bylaw.	1 year
Lot Size Modifications in R-2 District	1 year
Amend existing definitions of “affordable” and “low income” in Zoning Bylaw	1 year
Fund ACHC’s Affordable Housing Trust Fund.	1 year and ongoing
Modify Zoning Bylaw to facilitate conversions from single-family to multi-family housing.	1 year
Create Elderly Cottage Housing Opportunity zoning bylaw.	1 year
Modify Senior Residence Developments bylaw.	1 year

Develop a town “comprehensive permit policy” to encourage more “friendly” applications and associated administrative improvements to the review process.	1 year
Identify town-owned parcels for possible redevelopment as affordable housing.	on-going
Initiate affordability restriction purchase program, to convert low-cost market rate housing to deed-restricted Chapter 40B Housing under the Local Initiative Program.	6 months
Pursue HOME Program funding and Community Development Block Grant funding for creation of more affordable housing units.	1 year – on-going

#### **IV. Description of Use Restrictions**

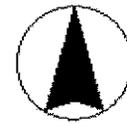
Affordable housing units created through any of the strategies outlined in this Plan that do not otherwise qualify as “low or moderate income housing” under Chapter 40B by virtue of a federal or state subsidy will be qualified under DHCD’s Local Initiative Program.

Acton recently obtained DHCD approval for its modified form Regulatory Agreement and Deed Rider under the LIP program for homeownership developments. The Town’s forms vary somewhat from DHCD’s standard forms, mostly in the area of enforcement of the affordability restrictions. The Town is also institutionalizing a monitoring program for LIP projects, requiring developers to enter into Monitoring Services Agreements with the ACHC. This provides an enhanced level of protection for the Town to ensure that affordable units stay affordable for as long as possible.

Acton has not yet entertained a LIP rental development, and therefore does not yet have working use restrictions for such housing. Copies of the homeownership program documents are attached hereto as Exhibit E.

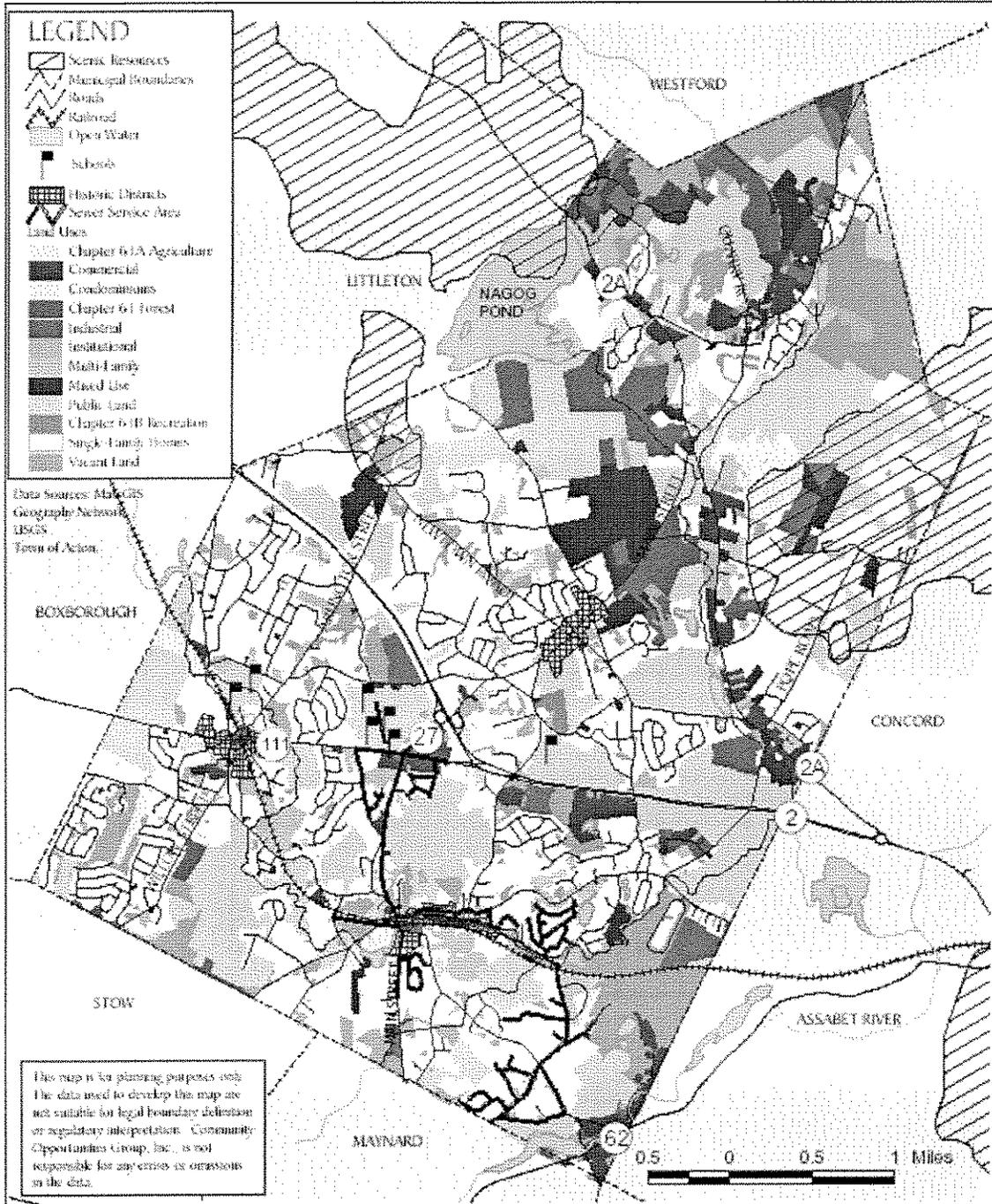
# TO LIVE IN ACTON

## ACTON COMMUNITY DEVELOPMENT PLAN



Community Opportunities Group, Inc.  
Boston, Massachusetts

### EXISTING LAND USES & OPEN SPACE





**Chapter 143. AN ACT ESTABLISHING A COMMUNITY HOUSING CORPORATION IN THE TOWN OF ACTON.**

*Be it enacted, etc., as follows:*

**SECTION 1.** There is hereby established a nonprofit housing corporation which shall be known as the Acton Community Housing Corporation and shall be subject to the supervision of the board of selectmen of the town of Acton. The board of directors of said corporation shall consist of not less than five members who shall be appointed by the board of selectmen for staggered three-year terms as designated by said board of selectmen, such appointments to be made annually by said board of selectmen on or before June thirtieth. Members of said board of directors shall serve until their successors are appointed and qualified. Continuing members may act despite a vacancy in said board of directors and, for this purpose, shall be deemed to constitute a full board of directors. Any vacancy in said board of directors, however occurring, may be filled by the board of selectmen for the unexpired portion of the term.

Said board of directors shall exercise its powers and perform its duties for the purpose of investigating and implementing alternatives for the provision of and to provide for affordable housing for persons of low, moderate and middle income and other persons whose needs may be identified from time to time in said town. The powers and duties of said board as set forth herein are intended to be alternative and supplemental to and not in limitation of, the powers and duties of the Acton Housing Authority established pursuant to chapter one hundred and twenty-one B of the General Laws. The liability of said board and its members shall be limited to the same extent as the liability of a public employer and public employees as are limited by law.

**SECTION 2.** The board of directors of the Acton Community Housing Corporation shall have the powers and privileges conferred by the provisions of clauses (a) to (f), inclusive, and clause (k) of section nine of chapter one hundred and fifty-six B of the General Laws, and the following powers; provided, however, that no such power shall be exercised either in a manner inconsistent with this act or with any general or special law or to carry on any activity which is not in furtherance of the purposes set forth in this act:

(a) to adopt, amend and repeal rules for the regulation and conduct of its business including, but not limited to, the call and conduct of its meetings, the number of members which shall constitute a quorum and the mode of voting by proxy;

(b) to elect a chairman and vice-chairman, each of whom shall be members of said board, and a secretary and a treasurer, who need not be members of said board and who may be the same person. The treasurer shall give bond for the faithful performance of his duties in such form and such amount as approved and fixed by the board of selectmen. The cost of such bond shall be paid from funds of said board of directors. The chairman and, in his absence, the vice-chairman shall chair meetings of said board. The secretary shall be the custodian of all books, documents and papers filed with said board and of the minute book or journal of said board;

(c) with the approval of the board of selectmen, to make and execute all contracts and all other instruments necessary or convenient for the exercise of its powers and func-

tions, subject to the approval of the town counsel of the town of Acton as to form;

(d) with the approval of the board of selectmen, to acquire or lease, by purchase or otherwise, and to own, hold and use on such terms and conditions and in such a manner as it may deem proper and to exchange, grant options on, sell, transfer, convey, assign, lease, pledge, mortgage, encumber, grant liens on and security interests in or to otherwise dispose of, on such terms and conditions as it may deem proper, real, personal or mixed real and personal property or any interest, easement or rights therein and any assets or revenues of the board of directors, as may be necessary or appropriate to carry out its purposes;

(e) with the approval of the board of selectmen, to enter into agreements or other transactions with the commonwealth or any political subdivision or public instrumentality thereof, the United States government or any federal, state or other governmental agency;

(f) with the approval of the board of selectmen, to enter into contracts or agreements with, and to employ from time to time, contractors, architects, engineers, consultants, attorneys, accountants, construction, financial and other experts, superintendents, managers and such other agents and employees as may be necessary in its judgment and to fix their compensation;

(g) with the approval of the board of selectmen, to receive and hold funds appropriated by the town and other funds, property, labor and other things of value from any source, public or private, by gift, grant, bequest, loan or otherwise, either absolutely or in trust, and to expend or utilize the same on behalf of the corporation for any of its purposes or to act as an agent or conduit in administering or disbursing funds or financial or other aid from any source; provided, however, that all revenues collected or received by the board of directors in connection with its activities, investments or transactions shall be expended only with approval of the board of selectmen of the town of Acton;

(h) to appear in its own behalf before boards, commissions, departments or other agencies of municipal, state or federal government;

(i) to procure insurance against any loss in connection with the property or activities of said board, in such amounts and from such insurers as it may deem necessary or desirable and, with the approval of the board of selectmen, to indemnify its members or agents if and to the extent specified from time to time in the by-laws of the corporation and subject to and in the manner provided by section six of chapter one hundred and eighty of the General Laws;

(j) to formulate and, with the approval of the board of selectmen, to carry out or monitor plans for projects involving the acquisition or operation of housing facilities of any kind or nature, and to construct, reconstruct, renovate, expand, extend, improve, repair, remodel, equip, furnish, maintain, manage and operate such facilities;

(k) with the approval of the board of selectmen, to fix and revise from time to time and to charge and collect rates, fees, rentals and other charges and sales prices for or in connection with the use, occupancy or other disposition of any housing facility or other property or portion thereof under its ownership or control;

(l) with the approval of the board of selectmen, to establish, impose, grant or amend, by deed, lease or any other means or method and to hold the benefit of, monitor, exercise and

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enforce lawful restrictions on the rental, sale, resale, use or occupancy of housing facilities or other property under its ownership or control, or other facilities or property designated by the selectmen of the town or restrictions with respect to the income of owners, tenants or occupants of such housing facilities or other property, or options and rights of first refusal with respect to such facilities or property and to waive, release or discharge any such options, rights or restrictions;

(m) with the approval of the board of selectmen, to enter into, perform or monitor agreements or other transactions with contractors, developers, brokers or other real estate professionals or any other person relating to the provisions of affordable housing for persons of low and moderate income in the town;

(n) to do any and all things necessary or convenient to carry out its purposes and exercise the powers conferred by this act; provided, however, that said board of directors may delegate to any committee or member of said board any action which said board is empowered to do or make or which said board shall have power to conduct by itself;

(o) no contract or agreement to purchase or accept as a gift, any right, interest or title to real property, shall be entered into until a site inspection has been made and a report received from a qualified person regarding the presence of hazardous materials or substances, as defined in chapter twenty-one E of the General Laws or at the property.

**SECTION 3.** Notwithstanding the provisions of any general or special law to the contrary, the income, assets and activities of Acton Community Housing Corporation shall be exempt from all taxes and assessments and said board shall not be subject to any provisions of chapter sixty-three of the General Laws or to any taxes based upon or measured by property or income, imposed by the commonwealth or by any political subdivision thereof. Said board is hereby authorized and empowered to enter into agreements with the assessor of the town of Acton and with the approval of the board of selectmen, wherein said board shall undertake to make to the town annual payments in lieu of taxes in connection with any real property acquired and owned by said corporation, the amounts of such payments to be reasonable sums stipulated in such agreement or agreements or determined in accordance with a reasonable formula so stipulated.

**SECTION 4.** The town of Acton may appropriate funds for carrying out, by said board, of the purposes as set forth herein. Any appropriation therefor may be raised by said town by taxation or otherwise. At least annually, the board of directors shall cause independent audits to be made of the books and records of said board, which annual audits shall be filed with the board of selectmen of said town.

**SECTION 5.** In the event that said board shall be dissolved in accordance with law at any time, all property and interests therein, and all assets and rights of said board existing at such time shall be transferred to the town of Acton by authority of this act, and title to all such property and all such rights shall vest in said town of Acton automatically without the need for further action or instrument and the town of Acton shall, to the maximum extent permitted by law and acting by and through its board of selectmen, assume, hold and exercise the powers and duties of the board of selectmen as set forth herein with respect to such property and rights so transferred to said town.

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**SECTION 6.** This act shall take effect upon its passage.

Approved June 28, 1996.

**EXHIBIT D**

**COMPARISON OF ACHC'S ENABLING ACT<sup>34</sup> WITH  
AFFORDABLE HOUSING TRUST FUND LEGISLATION**

<b>CRITERION</b>	<b>ACHC</b>	<b>TRUST</b>
Purpose	To investigate and implement alternatives and to provide for affordable housing for persons of low, moderate and middle income and other persons whose needs may be identified from time to time in the town.	To provide for the creation and preservation of affordable housing in municipalities for the benefit of low and moderate income households
Governing Entity	Board of Directors, appointed by and subject to the supervision of the Board of Selectmen	Board of Trustees appointed by Board of Selectmen
Number of Directors/Trustees	Not less than five	Not less than five
Term of Office	Staggered three year terms	Term not to exceed two years
Mandatory Director/Trustees	None	Town Manager

<sup>34</sup> In addition to the corporate powers enumerated in the Table, ACHC's board of directors "shall have the powers and privileges conferred by the provisions of clauses (a) to (i), inclusive, and clause (k) of section nine of chapter one hundred and fifty-six B of the General Laws" (§ 2; subject to any restrictions on those powers imposed by ACHC's more specific legislation):

- (a) Corporate Name: to have perpetual succession in its corporate name, unless a period for its duration is limited by special law or in its articles of organization;
- (b) Lawsuits: to sue and be sued;
- (c) Corporate Seal: to have a corporate seal, which it may alter at pleasure;
- (d) Employees and Agents: to elect or appoint directors, officers, employees and other agents, to fix their compensation and define their duties and obligations, and to indemnify such corporate personnel;
- (e) Acquisition of Property Interests: to purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real or personal property, or any interest therein, wherever situated;
- (f) Disposition of Property Interests: to sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage, pledge, encumber or create a security interest in, all or any of its property, or any interest therein, wherever situated;
- (g) Securities: to purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, use and otherwise deal in and with, bonds and other obligations, shares, or other securities or interests issued by others, whether engaged in similar or different business, governmental, or other activities;
- (h) Borrowing, Etc.: to make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage, pledge or encumbrance of, or security interest in, all or any of its property or any interest therein, wherever situated;
- (i) Lending, Etc.: to lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;
- (k) Donations: to make donations, irrespective of corporate benefit, for the public welfare or for community fund, hospital, charitable, religious, educational, scientific, civic or similar purposes, and in time of war or other national emergency in aid thereof.

CRITERION	ACHC	TRUST
Corporate Status	A nonprofit housing corporation subject to the supervision of the board of selectmen	Not a corporation
Other Officers	Chairman, vice-chairman, secretary and a treasurer. The chairman and, in his absence, the vice-chairman shall chair meetings of said board. The secretary shall be the custodian of all books, documents and papers filed with said board and of the minute book or journal of said board	Not specified
Treasurer's Bond	The treasurer shall give bond for the faithful performance of his duties in such form and such amount as approved and fixed by the board of selectmen. The cost of such bond shall be paid from funds of said board of directors.	Not specified
Accept and Receive Property	With the approval of the board of selectmen, to acquire or lease, by purchase or otherwise, and to own, hold and use on such terms and conditions and in such a manner as it may deem proper, and to exchange, grant options on, sell, transfer, convey, assign, lease, pledge, mortgage, encumber, grant liens on and security interests in or to otherwise dispose of, on such terms and conditions as it may deem proper, real, personal or mixed real and personal property or any interest, easement or rights therein and any assets or revenues of the board of directors, as may be necessary or appropriate to carry out its purposes	To accept and receive property, whether real or personal, by gift, grant, devise, or transfer from any person, firm, corporation or other public or private entity, including without limitation grants of funds or other property tendered to the trust in connection with provisions of any zoning ordinance or by-law or any other ordinance or by-law
Purchase and Retain Property	See above	To purchase and retain real or personal property, including without restriction investments that yield a high rate of income or no income

CRITERION	ACHC	TRUST
Sell, Lease and Exchange Property	See above	To sell, lease, exchange, transfer or convey any personal, mixed, or real property at public auction or by private contract for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertaking relative to trust property as the board deems advisable notwithstanding the length of any such lease or contract
Execute and Deliver Deeds, Leases and Other Instruments	With the approval of the board of selectmen, to make and execute all contracts and all other instruments necessary or convenient for the exercise of its powers and functions, subject to the approval of the town counsel of the town of Acton as to form	To execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, covenants, contracts, promissory notes, releases and other instruments sealed or unsealed, necessary, proper or incident to any transaction in which the board engages for the accomplishment of the purposes of the trust
Employ Advisors and Agents	With the approval of the board of selectmen, to enter into contracts or agreements with, and to employ from time to time, contractors, architects, engineers, consultants, attorneys, accountants, construction, financial and other experts, superintendents, managers and such other agents and employees as may be necessary in its judgment and to fix their compensation	To employ advisors and agents, such as accountants, appraisers and lawyers as the board deems necessary.  To pay reasonable compensation and expenses to all advisors and agents and to apportion such compensation between income and principal as the board deems advisable
Establish Sinking Funds and Reserves	Not specified	To apportion receipts and charges between incomes and principal as the board deems advisable, to amortize premiums and establish sinking funds for such purpose, and to create reserves for depreciation depletion or otherwise

CRITERION	ACHC	TRUST
Participate in Reorganizations	Not specified	To participate in any reorganization, recapitalization, merger or similar transactions; and to give proxies or powers of attorney with or without power of substitution to vote any securities or certificates of interest; and to consent to any contract, lease, mortgage, purchase or sale of property, by or between any corporation and any other corporation or person
Deposit Securities with Protective Reorganization Committee	Not specified	To deposit any security with any protective reorganization committee, and to delegate to such committee such powers and authority with relation thereto as the board may deem proper and to pay, out of trust property, such portion of expenses and compensation of such committee as the board may deem necessary and appropriate
Accounting	Not specified	To carry property for accounting purposes other than acquisition date values
Borrowing	With the approval of the board of selectmen, to ... sell, transfer, convey, assign, lease, pledge, mortgage, encumber, grant liens on and security interests in or to otherwise dispose of, on such terms and conditions as it may deem proper, real, personal or mixed real and personal property or any interest, easement or rights therein and any assets or revenues of the board of directors, as may be necessary or appropriate to carry out its purposes	To borrow money on such terms and conditions and from such sources as the board deems advisable, to mortgage and pledge trust assets as collateral
Distributions	Not specified	To make distributions or divisions of principal in kind

<b>CRITERION</b>	<b>ACHC</b>	<b>TRUST</b>
Enforce, Defend and Settle Claims	Not specified	To comprise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the trust, including claims for taxes, and to accept any property, either in total or partial satisfaction of any indebtedness or other obligation, and subject to the provisions of this act, to continue to hold the same for such period of time as the board may deem appropriate
Manage or Improve Real Property	To formulate and, with the approval of the board of selectmen, to carry out or monitor plans for projects involving the acquisition or operation of housing facilities of any kind or nature, and to construct, reconstruct, renovate, expand, extend, improve, repair, remodel, equip, furnish, maintain, manage and operate such facilities	To manage or improve real property; and to abandon any property which the board determined not to be worth retaining
Hold Property Uninvested	Not specified	To hold all or part of the trust property uninvested for such purposes and for such time as the board may deem appropriate
Extend Time for Payments	Not specified	To extend the time for payment of any obligation to the trust
Appropriation Issues	The town of Acton may appropriate funds for carrying out, by said board, of the purposes as set forth herein. Any appropriation therefore may be raised by said town by taxation or otherwise.	Notwithstanding any general or special law to the contrary, all moneys paid to the trust in accordance with any zoning ordinance or by-law, exaction fee, or private contributions shall be paid directly into the trust and need not be appropriated or accepted and approved into the trust. General revenues appropriated into the trust become trust property and to be expended these funds need not be further appropriated

CRITERION	ACHC	TRUST
Ownership of Trust Property	With the approval of the board of selectmen, to receive and hold funds appropriated by the town and other funds, property, labor and other things of value from any source, public or private, by gift, grant, bequest, loan or otherwise, either absolutely or in trust, and to expend or utilize the same on behalf of the corporation for any of its purposes or to act as an agent or conduit in administering or disbursing funds or financial or other aid from any source; provided, however, that all revenues collected or received by the board of directors in connection with its activities, investments or transactions shall be expended only with approval of the board of selectmen of the town of Acton	All moneys remaining in the trust at the end of any fiscal year, whether or not expended by the board within 1 year of the date they were appropriated into the trust, remain trust property.
Status of Employees under 268A	The liability of said board and its members shall be limited to the same extent as the liability of a public employer and public employees as are limited by law.	The trust is a public employer and the members of the board are public employees for purposes of chapter 268A .
Status of Entity and Directors/Trustees under 268A	Not specified	The trust shall be deemed a municipal agency and the trustees special municipal employees, for purposes of chapter 268A.

CRITERION	ACHC	TRUST
Tax Exemption	Notwithstanding the provisions of any general or special law to the contrary, the income, assets and activities of Acton Community Housing Corporation shall be exempt from all taxes and assessments and said board shall not be subject to any provisions of chapter sixty three of the General Laws or to any taxes based upon or measured by property or income, imposed by the commonwealth or by any political subdivision thereof. Said board is hereby authorized and empowered to enter into agreements with the assessor of the town of Acton and with the approval of the board of selectmen, wherein said board shall undertake to make the town annual payments in lieu of taxes in connection with any real property acquired and owned by said corporation, the amounts of such payments to be reasonable sums stipulated in such agreement or agreements or determined in accordance with a reasonable formula so	The trust is exempt from chapters 59 and 62, and from any other provisions concerning payment of taxes based upon or measured by property or income imposed by the commonwealth or any political subdivision thereof.
Annual Audits	At least annually, the board of directors shall cause independent audits to be made of the books and records of said board, which annual audits shall be filed with the board of selectmen of said town.	The books and records of the trust shall be audited annually by an independent auditor in accordance with accepted accounting practices.
Governmental Body	Not specified	The trust is a governmental body for purposes of sections 23A, 23B and 23C of chapter 39.
Public Bidding and Disposition of Public Property	Not specified	The trust is a board of the city or town for purposes of chapter 30B and section 15A of chapter 40 ; but agreements and conveyances between the trust and agencies, boards, commissions, authorities, departments and public instrumentalities of the city or town shall be exempt from said chapter 30B.

CRITERION	ACHC	TRUST
Rules	To adopt, amend and repeal rules for the regulation and conduct of its business including, but not limited to, the call and conduct of its meetings, the number of members which shall constitute a quorum and the mode of voting by proxy	Not specified
Agreements with other governmental entities	With the approval of the board of selectmen, to enter into agreements or other transactions with the commonwealth or any political subdivision or public instrumentality thereof, the United States government or any federal, state or other governmental agency	Not specified
Appearances	To appear in its own behalf before boards, commissions, departments or other agencies of municipal, state or federal government	Not specified
Insurance	To procure insurance against any loss in connection with the property or activities of said board, in such amounts and from such insurers as it may deem necessary or desirable and, with the approval of the board of selectmen, to indemnify its members or agents if and to the extent specified from time to time in the by-laws of the corporation and subject to and in the manner provided by section six of chapter one hundred and eight of the General Laws	Not specified
Charges/Collection	With the approval of the board of selectmen, to fix and revise from time to time and to charge and collect rates, fees, rentals and other charges and sales prices for or in connection with the use, occupancy or other disposition of any housing facility or other property or portion thereof under its ownership or control	Not specified

<b>CRITERION</b>	<b>ACHC</b>	<b>TRUST</b>
Affordable Housing Restrictions	With the approval of the board of selectmen, to establish, impose, grant or amend, by deed, lease or any other means or method and to hold the benefit of, monitor, exercise and enforce lawful restrictions on the rental, sale, resale, use or occupancy of housing facilities or other property under its ownership or control, or other facilities or property designated by the selectmen of the town or restrictions with respect to the income of owners, tenants or occupants of such housing facilities or other property, or options and rights of first refusal with respect to such facilities or property and to waive, release or discharge any such options, rights or restrictions	Not specified
Monitoring Agreements	With the approval of the board of selectmen, to enter into, perform or monitor agreements or other transactions with contractors, developers, brokers or other real estate professionals or any other person relating to the provisions of affordable housing for persons of low and moderate income in the town	Not specified
Elastic Clause	To do any and all things necessary or convenient to carry out its purposes and exercise the powers conferred by this act; provided, however, that said board of directors may delegate to any committee or member of said board any action which said board is empowered to do or make or which said board shall have power to conduct by itself	Not specified
Site Inspection	No contract or agreement to purchase or accept as a gift, any right, interest or title to real property, shall be entered into until a site inspection has been made and a report received from a qualified person regarding the presence of hazardous materials or substances, as defined in the chapter twenty-one E of the General Laws on or at the property	Not specified