

Executive Summary

Introduction

The Town of Chatham sits on the elbow of Cape Cod, surrounded on three sides by water. It is much-desired as both a resort vacation location and a retirement community. Since World War II, the number of housing units has quadrupled, while the population has nearly tripled. As demand for housing increased, so too did the cost of housing and especially land. Affordable housing production was intermittent and did not keep up with the rapid growth of the town. The result is an affordable housing shortage that threatens the character and viability of the town.

Chatham currently has 4.87% of its year-round housing stock considered affordable. By definition, “affordable” means a household earning at or below 80% of Area Median Income (AMI) who would pay no more than 30% of its income for housing costs. The Commonwealth has established a goal of having 10% of the housing stock affordable for all communities, a goal the Town of Chatham has embraced in both its Long Range Comprehensive Plan and subsequent Affordable Housing Action Plans as well as its Community Preservation Master Plan. The Town of Chatham also recognizes the need to provide some housing for those earning above 80% of AMI but are still priced out of the market.

This Planned Production Plan will provide guidance to the Town in order to meet the housing needs of the community. In accordance with the Planned Production Plan Guidelines, this Plan projects affordable housing creation equal to .75%, or 27 units per year of the total year-round housing stock (3,596) based on the 2000 Census.

The Plan contains a number of initiatives and a matrix to answer the questions of who, what, when, and how they will be developed. They are grouped according to their function as either **preservation** or **production** of housing or **policies** that affect the supply of affordable housing.

Goals and Objectives

There are two underlying goals for all of the strategies and recommendations in this plan:

- *To promote the production and preservation of balanced housing resources that address the unmet needs of the Town of Chatham*
- *To maximize the local interest and investment in affordable housing*

These goals are based on the understanding that the Town should promote affordable housing to satisfy the full range of local needs – not just to satisfy the 10% Chapter 40B standard – and that it is important for elected and appointed officials and citizens understand this commitment to the greatest extent possible.

Additionally, the following range of objectives served as the basis for the recommended strategies included in this Planned Production Plan:

- To preserve the existing affordable housing stock
- To assure new housing production is harmonious with the existing community
- To provide a wide range of housing choices to meet diverse housing needs
- To leverage public and private funds to the greatest extent possible in the production and preservation of affordable housing
- To require local preference for affordable housing, to the greatest extent allowable by law
- To assure the Town of Chatham is an active partner in the development of affordable housing

Summary of Housing Needs Survey

The Affordable Housing Committee updated their Housing Needs study in the fall of 2006 and mailed it to every household in Chatham. The following is a summary of results from the survey:

- 834 Respondents
- Demographics of respondents:
 - 82.2% either 1 or 2 person household
 - 11.4% have children under 18
 - 12.5% have income below \$25,000
 - 27.3% have income above \$80,000
 - 6% have grown children living with them
- 84.7% Adequately Housed
- 15.3% Need Housing
 - 53% Renters
 - 40% Owners
 - 7% Other
- 190 or 22.8% of the respondents indicated they have family who would like to live in Chatham but can't afford to
- 85 or 10.2% of the respondents indicated they are thinking of moving out of Chatham due to unmet housing needs
- 109 or 13.1% of the respondents are interested in creating an accessory apartment

Survey Conclusions:

1. Housing for Individuals is the most indicated need – both rental and ownership
2. There is a need for some above 80%/below market rate housing
3. There is a need for a homeowner rehabilitation and weatherization/energy efficiency program
4. Technical and financial assistance for accessory apartments is desired.

Summary of Housing Action Plan

Production Initiatives

- A. Use of Town-Owned Land
 - a. Create an inventory of town-owned land suitability for development
 - b. Conduct pre-development activities for feasibility of sites
 - c. Develop a Request For Proposals (RFP) for development (either with conveyance of land or long-term lease)
- B. Use of Town-Owned Buildings (Surplus or Acquired)
 - a. Issue RFP for use of surplus buildings for affordable housing with either conveyance or long-term lease
 - b. Acquire building(s) for affordable housing
 - i. Issue RFP for ownership/lease for development and management
- C. Non-profit Affordable Housing Development
 - a. Encourage the development of affordable housing by private, non-profit housing organizations
 - b. Establish Local Initiative Program (LIP) Criteria for Non-profit Developers
 - c. Reduce or waive town fees for non-profit developers
- D. Private Affordable Housing Development
 - a. Establish Local Initiative Program (LIP) Criteria for Private Developers
 - b. Encourage new construction in growth areas
- E. CHAP – Chatham Homebuyer Assistance Program
 - a. Establish a homebuyer assistance program modeled after the City of Newton’s using Community Preservation Act funds
- F. WHIP – Workforce Housing Inclusionary Program
 - a. Establish a program using Community Preservation Act funds to buy-down any affordable inclusionary housing units produced for purchase as rentals by the Chatham Housing Authority.
- G. Development Fund
 - a. Create a Development Fund from Community Preservation funds, administered by the Selectmen, that would grant and/or lend funds for pre-development or development activities for affordable housing production
- H. Chatham Purchase Price Write-down Program
 - a. Create a program using CPA funds to write-down the cost of existing market housing units

Preservation Initiatives

- A. Resale of Affordable Ownership Units
 - a. Continue Community Preservation Act funding for write-down of units with discounted resale formula
- B. Expiring Use
 - a. Identify affordable housing units with restriction that will expire and develop a strategy to preserve the affordability

Town Policy

- A. Tax Title Acquisition
 - a. Create and approve a policy whereby any tax title property is first offered to the Conservation Commission for preservation of open space, if appropriate, then to the Chatham Housing Authority for use or development of affordable rental housing
- B. Affordable Rental Tax Relief
 - a. Model a property tax exemption after Provincetown's policy for exempting landlords from real estate taxes that are rented year-round to eligible tenants at rents that do not exceed HUD limits.

Zoning Bylaw Reform

- A. Accessory Apartments
 - a. Review and revise by-law for better utilization and compliance with Local Initiative Program (LIP) Guidelines.
 - b. Create an Amnesty program for currently illegal apartments, modeled after Barnstable's.
 - c. Establish an Accessory Apartment administrative position, funded by CPA, to assist applicants through the process
- B. Transfer of Development Rights (TDR)
 - a. Explore the feasibility of TDR development by off setting increased density in some areas with open space in other areas.
- C. Small Lot Development
 - a. Create a by-law that allows development of a single-family home on an undersized lot provided it is deed restricted as affordable.
- D. Mixed-Use Development
 - a. Amend Zoning By-law to allow mixed residential and commercial development and multi-family dwellings within Neighborhood Centers ensuring that some units in Neighborhood Centers be affordable.

- b. Expand the current bylaw that permits apartments over commercial space to allow commercial space to be converted to apartments with deed restrictions keeping them affordable.
- E. Inclusionary Zoning
 - a. Amend current bylaw to provide increased density in exchange for affordable units on site.
- F. Site Plan Developments
 - a. Require site plan development for institutions (commercial and non-profit) employing more than 10 workers to include housing for them.
- G. Community Character
 - a. Create guidelines that require affordable housing units to be compatible with neighborhood in design, appearance, construction and quality of materials.
 - b. Amend the Zoning Bylaws to require sites on which apartments are located be designed to provide residential amenities, such as usable yard space, trees, open space, screened dumpsters, and convenient landscaped parking areas, to the tenants or owners of units. Include a requirement for retrofitting sites to include such amenities where apartments are created through conversion of existing buildings.
- H. Fair Housing Practices
 - a. Ensure that all developers and managers of affordable housing follow Fair Housing Laws in tenant and homebuyer selection and filling vacancies.
 - b. Require affordable housing developments to provide a local preference to the highest percentage allowable by law.