

Affordable Housing

7. Affordable Housing

Overview

When one compares the maximum affordable home purchase prices for an average, locally-employed Chatham couple or family to the average listing price for Chatham residential properties, it is clear that there is a remarkable affordability gap for locally-employed Chatham workers and residents who wish to acquire their own home.

- Affordable Housing Strategies for Chatham, June 1988

After World War II, Chatham experienced both a residential building boom and an unprecedented influx of new residents, primarily of retirement age. The number of housing units has nearly quadrupled since 1945, while the population has more than tripled. The percentage of houses used only seasonally has steadily increased, though figures are elusive. From 1980 to 2000, the percentage of houses used year-round has declined from 53% to 47%, with the result that presently half of Chatham's housing units are used seasonally and the number of houses now exceeds the year-round census population - 6,743 units versus 6,625 people.

As land costs increased, inexpensive homes, primarily smaller year-round affordable houses, were sold, enlarged or totally replaced for retirement and/or second homes, depleting the affordable housing stock drastically. A substantial gap exists between mortgage costs and the price which typical area residents can pay. As of 1999, the maximum mortgage affordable by a household with the area's median income (\$44,700) was \$117,220 and for a moderate income household (one earning 80% of the median income), the maximum affordable mortgage was \$89,400. With very few houses available for \$200,000 or less, most people of median or lower income cannot afford to purchase.

The affordability gap exists for renters, too. Assuming that 28% of income can be comfortably spent on housing (not including utilities), a monthly payment of \$834 is affordable for a moderate income family in Chatham (one earning 80% of the median income) and \$559 is affordable for a low income family (making 50% of median income or \$22,350). Currently, rental prices run about \$750 for a 2-bedroom apartment and start at \$850 for a house. Paying more than 30% of income for housing is risking financial difficulties, particularly a low-income household. Many Chatham households with incomes of \$20,000 or under are paying more than 35% of their income for housing - over one-third of the homeowners and two-thirds of the renters. This is more a problem for families than for the elderly. The Human Services Committee's annual survey indicates that 20% of young families are paying over 50% of their income for housing.

The purpose of this section is to identify issues and goals for affordable housing for the citizens of our town - singles, families and the elderly - who need it.

Goals & Policies

7.1 Goal

Improve opportunities for the area's low and moderate income households to find safe and decent affordable year-round housing units in Chatham.

Definitions used in this section:

Low and moderate income households are those with incomes at or below 80% of Chatham's median household income as reported by the U.S. Department of Housing and Urban Development.

Affordable means at a cost of no more than 30% of gross household income for households at or below 80% of the town's median income as reported by the U.S. Department of Housing and Urban Development.

Year-round housing units are houses or apartments occupied for most or all of the year.

Policies

The Affordable Housing Committee, or any other entities as may be appointed by the Board of Selectmen for the same purpose, should establish an affordable housing program in keeping with the objectives and policies of this plan, specifically addressing Chatham's affordable housing needs.

Recommend funding methods, such as passage of the Community Preservation Act in 2002, as well as grants and town appropriations necessary to carry out an effective affordable housing program. (AH1)

Work with regional housing agencies, such as the HOME Consortium and the Lower Cape Cod Community Development Corporation, as well as private entities such as Habitat for Humanity, to develop cooperative arrangements and projects to benefit Chatham's low and moderate households. (AH2)

Explore the creation of a housing non-profit organization to raise funds to be used to develop affordable housing. (AH3)

Coordinate with economic development efforts and human services agencies to improve economic and living conditions for the area's low and moderate income households. (AH4)

Administer matters related to the designation or contribution of affordable housing units, funds, and lots by developers or other donors. (AH5)

7.2 Goal

Meet the regional affordable housing goal of 10% of the year-round housing units in Chatham by the year 2015 by raising the stock to 5% by the year 2005, 7.5% by the year 2010 and 10% by the year 2015.

Definitions used in this section:

Affordable housing means rental or purchased units that can be leased or purchased by residents and workers at or below 80% of median income.

Affordable housing goal of 10%. This percentage has been set as the commonwealth's goal for all communities in the state. It is based on 10% of all year-round occupied housing units in a town be affordable housing. (See above)

Policies

Amend the Zoning Bylaw to allow mixed residential and commercial development and multi-family dwellings within neighborhood centers and ensure that some units in neighborhood centers be affordable housing. (AH6)

Amend the Zoning Bylaw to require that 10% of the units or lots in a development of over 10 units or lots be affordable. Allow for such units or lots to be provided off-site and that equivalent payment may be made to the town for its affordable housing program. (AH7)

Preserve and maintain the existing affordable housing stock. (AH8)

Ensure that current housing units created or dedicated as affordable housing remain affordable. On all affordable units provided in response to bylaw requirements or regulations, require a deed restriction ensuring that the units remain affordable in perpetuity. (AH9)

Evaluate current Zoning Bylaws to allow accessory apartments for other than relatives with restriction to rent them at affordable rates. Create an amnesty bylaw for currently illegal apartments, modeled after Barnstable's. (AH10)

Produce new affordable housing units. (AH11)

Expand current bylaw that requires apartments over commercial space to allow commercial space to be converted to apartments with deed restrictions to keep the rentals affordable. (AH12)

Allow developers increased density in exchange for affordable units on site. (AH13)

Require that site plan development for institutions (commercial and nonprofit) employing more than 10 workers include housing for them. (AH14)

Develop a rental inspection bylaw. (AH15)

Provide tax incentives to those who already provide apartments that are affordably priced and to those who bring new affordably priced apartments on the market to maintain these apartments at affordable rates. (AH16)

7.3 Goal

New or rehabilitated affordable housing should be designed to fit into the existing neighborhood so neither the appearance nor location of the units would identify them as affordable.

Policies

When creating or preserving a pool of affordable housing, be responsive to the community’s concern about wastewater and green space.

Strive toward “scattered site” affordable housing rather than grouping or concentrating units in one area.

Affordable housing units created through required developer dedication or through local funds shall be compatible with the neighborhood in design, appearance, construction, and quality of materials. (AH17)

Amend the Zoning Bylaw to require that sites on which apartments are located are laid out and designed to provide residential amenities, such as usable yard space, trees, open green 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. (AH18)

Ensure that affordable units are fairly marketed without discrimination prohibited by law and that selected tenants are income eligible.

Definition used in this section:

Income eligible means that the income of the applicant household does not exceed 80% of the median household income in Barnstable County as recorded by the U.S. Department of Housing and Urban Development.

Require through bylaw that developers providing affordable housing units in response to local requirements establishing fair procedures and criteria for marketing units and selecting tenants and/or buyers in keeping with this objective. (AH19)

Marketing strategies for units created through local funds shall be in keeping with this objective.

Ensure that affordable housing created in Chatham addresses specific local needs.

Update surveys and need analyses at a minimum of 5-year intervals and adjust town programs and focus accordingly. (AH20)

Evaluate existing affordable housing at a minimum of 5-year intervals to determine the extent to which needs have been met through town and private efforts and what deficiencies remain. (AH20)

Through the housing organization designated by the town, work with local inns and other seasonal employers to address the housing needs of summer workers. (AH21)

Establish a rental voucher program or other method to encourage year-round affordable rentals and discourage the eviction of renters during the summer months. (AH22)

Ensure that affordable housing efforts are supportive of the environmental policies of this plan. Consider the use of nitrogen removal systems where nitrate loading regulations limit the number of bedrooms in units with conventional septic

systems. (*See Land Use and Natural Resources sections.*)

Encourage the use of existing buildings (rather than new construction) for affordable housing unit creation. (AH23)

Ensure that rental units, including summer rentals, are kept in safe and decent condition. (AH23)

Establish a mandatory rental inspection program. (AH23)

Ensure that all affordable rental units created by the town have a workable management program. (AH24)