

# **Town of Framingham**

## **Board of Selectmen**

### **Housing Policy**

**Adopted: March 4, 2004**

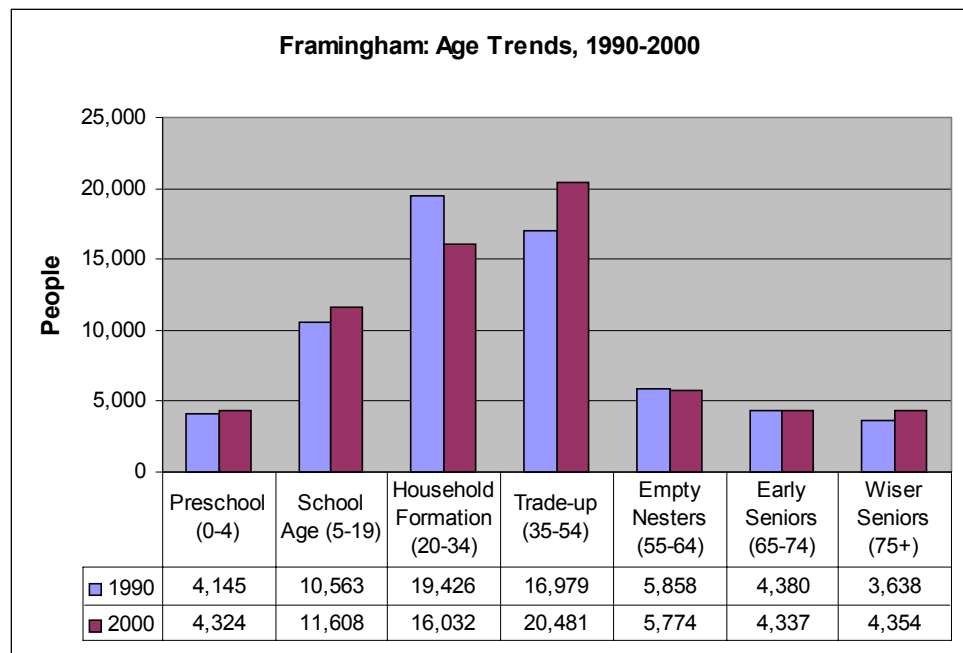
*Dedicated to excellence in public service.*

## ***Town of Framingham Housing Policy***

Over the past several years, the high cost and inadequacy of Framingham’s housing stock, and the need for improved housing in Framingham has been documented by extensive analysis of local and regional housing availability and need, which was facilitated by the Framingham Housing Partnership, the Framingham Planning & Economic Development Department and the Metropolitan Area Planning Council.

We have found that housing is perhaps the most complex of all of the elements that comprise our Town. Housing acts as the building block of Framingham. It affects how we interact with our neighbors whether across a fence or in a lobby of a large apartment complex and influences the social networks that constitutes our community fabric. The distribution of housing is the footprint of our neighborhoods.

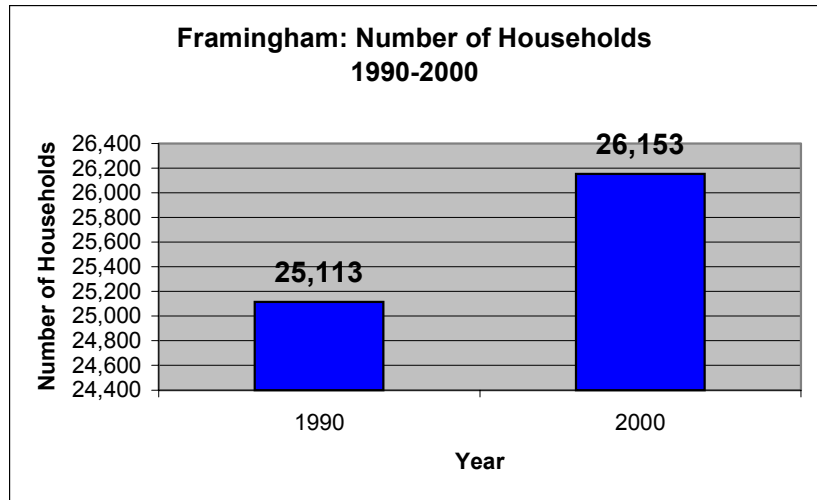
Framingham’s population grew 3% in the 1990s, much more slowly than many of the surrounding communities did. The number of households increased by 1,000 during the 1990s, while the typical household size declined to 2.43 persons per household. Smaller household size is a reflection of several



social trends – smaller families, single persons living alone, persons delaying or foregoing marriage, higher divorce rates, and the elderly living independently longer. Smaller household size has implications for the type of housing demanded now and in the future. The current "baby boomlet" is expected to increase household size somewhat; however, this increase is only expected to last for a short period. If a significant number of homes are built for these larger families, they may become a financial burden for future small families, which could lead to dwelling conversions into multi-family houses, poor maintenance, and an increased number of accessory apartments.

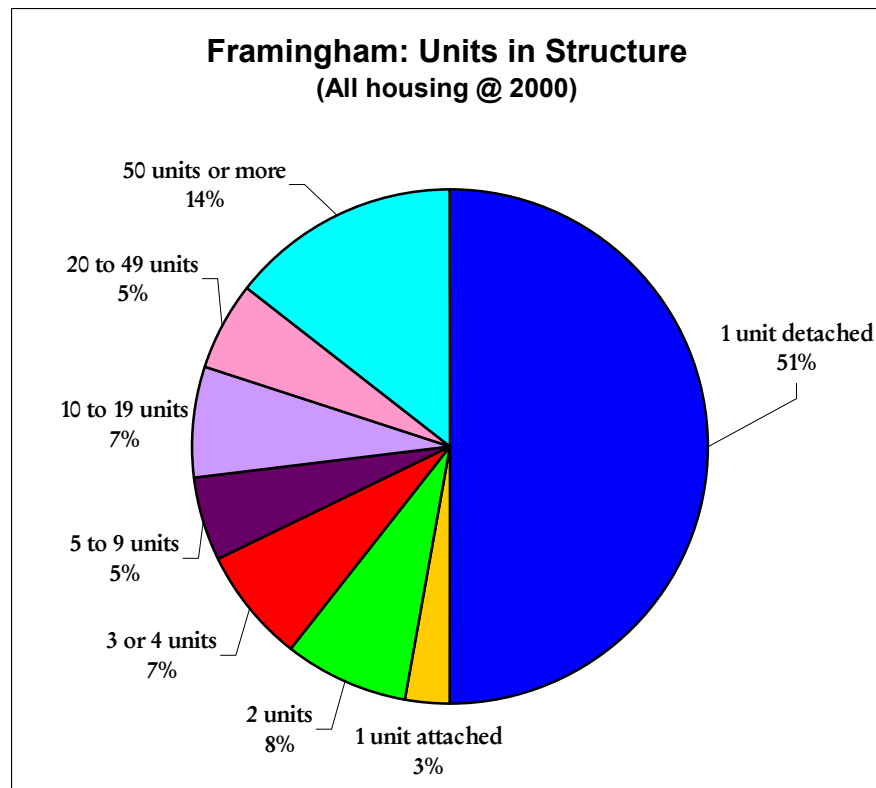
According to the 2000 U. S. Census, 63% of Framingham’s households are families and 37% are non-families. A single parent heads over 23% of the families with children, up slightly from 1990. Non-family households have increased slightly more (5%) than family households (3%) in Framingham, but not as much as in Metrowest (13%). Of non-family households in Framingham, 78% live alone, and 25% of these are age 65 or over.

Just over 50% of Framingham’s housing stock is single-family residences, however, 37% of the households are non-families and 78% of the non-families are persons living alone. These statistics reflect the need to diversify our housing stock to meet the needs of our residents. We must make housing choices for our town that will accurately reflect the diversity of our population.



Peter Calthorpe, renowned planner and author, warned, “The old suburban dream is increasingly out of sync with today’s culture. Our household makeup has changed dramatically, the work place and work force have been transformed, average family wealth is shrinking, and serious environmental concerns have surfaced. But we continue to build post World War II suburbs as if families were large and had only one breadwinner, as if the jobs were all downtown, as if land and energy were endless, and as if another lane on the freeway would end traffic congestion.”<sup>1</sup>

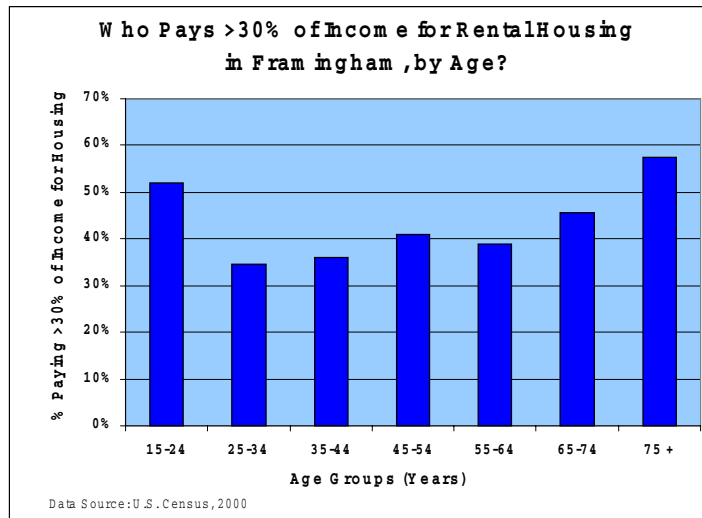
The build-out study completed by the Executive Office of Environmental Affairs and the Metropolitan Area Planning Council two years ago predicts fulfillment of Mr. Calthorpe’s warning. Framingham can expect about 3,227 new housing units under existing zoning. Of those new dwelling units, 65.5% will be single family & 34.5% will be multi-family rental located in the Central Business District.



Sales prices, rents, and the affordability gap have grown. The low-moderate population has

<sup>1</sup> Calthorpe, Peter, *The Next American Metropolis*, 1993

increased from 28% to 39% since 1990, and almost 4,000 low-income renters pay over 30% of their income for rent. Recent studies show that rental and home price increases have forced millions of households to pay more than is a generally accepted amount. Renters remain particularly vulnerable to these rapid changes in price. The chart shows the proportion of Framingham renters and homeowners that are “housing cost burdened”. Specifically those paying more than 30% of their monthly income on housing cost.



Framingham incomes lost ground relative to the region in the 1990s. Median household income rose 23% to \$54,300 in 2000, slightly below Boston PMSA median of \$55,200 (+36%). Families in poverty grew by 48% to 1,000 (5,100 individuals total). At the same time, housing tenure choice and neighborhood quality are strong determinants of the ability of households to accumulate wealth through equity in their homes. Studies show that for 67% of Americans, their home is the largest investment in their lifetime.

Housing rates in Metrowest and Framingham in particular, are very high. For example, the HUD Fair Market Rent<sup>2</sup> (the rental rates allowed for HUD reimbursements in the Area) in Framingham for fiscal year 2001, was \$ 840 for a 1-bedroom unit, \$1051 for a two-bedroom unit, and \$1314 for a three-bedroom unit. However, the actual rents encountered in the current market, as documented by housing service providers, are up to \$200 per month higher. To make matters worse, the Framingham Vacancy Rate is the lowest in the MetroWest area: 1.7% for Apartments and 0.2% for homes.<sup>3</sup> This rate is particularly distressing in light of the fact that vacancies are considered to be “tight” when they fall below 5%. Low vacancy rates coupled with high demand lead to rapidly rising housing costs.

Framingham’s single-family home sale prices rose almost 78% from 1988-2002. Of 58 new homes built in 2001, only one was assessed for less than \$200,000; 50% were over \$300,000. The average per unit construction cost for single-family dwellings in 2002 was over \$188,000. Framingham rents rose 160% from 1980-2000. The median rent in Framingham for the year 2000 was \$835, requiring an annual income of \$33,400.

### Future Housing Demand

After reviewing Framingham’s 1980 federal census profile and comparing the data to the 2000 U.S. Census, we have concluded that for the most part, needs that exist in Framingham today have been present for a long time. The major differences are that since 1980, homeownership

<sup>2</sup> Federal Register, September 25, 2000

<sup>3</sup> 2000 U.S. Census

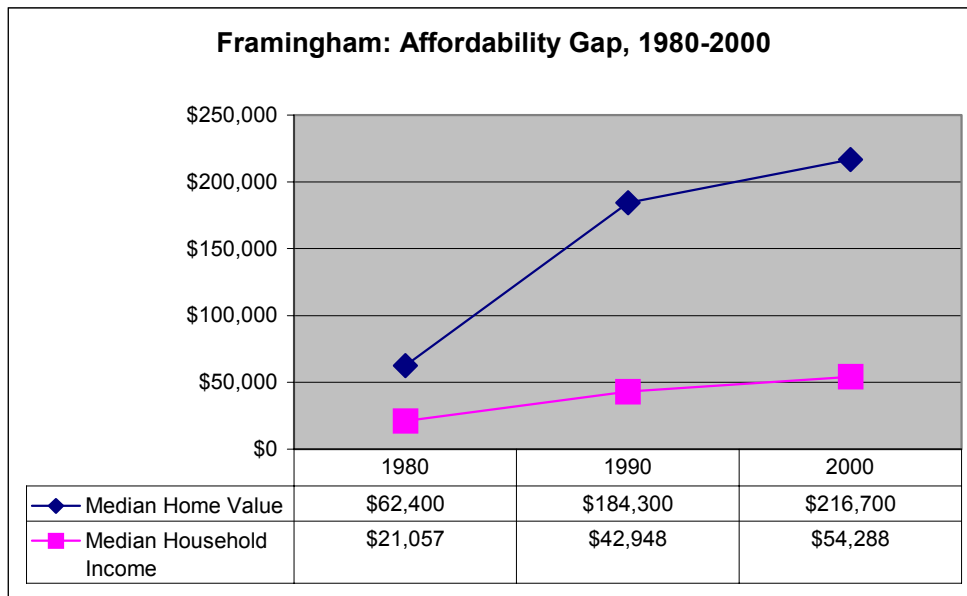
costs have risen more dramatically than renter costs, and through a thorough investigation of the existing housing stock, a modest number of low-income rental housing units have been added to the Chapter 40B Inventory of Subsidized Housing. The cost of housing remains as one of the biggest challenges relating to housing. Housing represents a first claim on consumer income and is one of the fastest-rising elements of consumer expenditure.

Like it or not, as development pressure rises which it is predicted to do for the next decade, Framingham will be confronted by a steady stream of small and medium sized projects as well as the occasional “whopper”. While many residents would like to pull up the drawbridge behind them, the fundamental question is not development of housing versus no development, but rather, “How much?”, “What type?”, and “Where?”. To build a sustainable future, we must ensure that the American Dream is more accessible to our diverse population: singles, the working poor, the elderly, and the financially pressed middle class who can no longer afford the good life of the past.

Population trends and projections show that Framingham will experience an increased population and decreased household size. There is an imbalance between the existing housing stock and the resident’s housing needs. No effort is made to ensure construction of a product that meets the needs of our townspeople. In the next decade, there will be a growing demand for more affordable housing, housing for middle-income families, and empty-nester housing to meet the needs of our aging population. In addition, there will be more pressure for family, trade-up, and early senior housing.

**Affordable Housing for All**

With the serious cutbacks we have experienced in federal and state funding for affordable



housing since 1990, it is becoming increasingly difficult to maintain the current inventory of assistance, let alone expand it to address the unmet need. Funding cutbacks make it difficult to maintain existing buildings physically. In addition, some

private developments are reaching the end of their use restrictions, which means that additional funding will be needed if owners are to agree to extend affordability.

The high cost of housing is a serious, and often intractable, social and economic problem for many residents. Framingham’s middle-income households actually have more barriers to

housing choice than its low-income households. Middle-income families have earnings that exceed the income limits for Chapter 40B housing, yet they could not afford to purchase a home in Framingham today and many of them cannot afford the homes they already own. With growing numbers of households in need of housing assistance, the gap between the supply and demand for housing assistance has grown and the incidence of homelessness has risen. The current state policy of limiting housing investment primarily to short-term assistance to help the homeless will not reverse this trend.

The complex public opinions about affordable housing are one of the most challenging aspects of our efforts to address housing needs. While it was consistently identified in our Community Development Plan workshops as an area for which the public expresses support, a negative perception of and reaction to affordable housing acts as an obstacle to proposed placements of subsidized or multi-family housing in any neighborhood. Assistance and cooperation is needed from residents and local business leaders in order to promote a range of housing opportunities in Framingham.

There continues to be a poor understanding on the part of much of the public of those who are most affected by the lack of affordable housing and the social and economic costs of inadequately addressing the problem. It is precisely the breadth of these needs and the scope of the challenge that require exploration of new ways to create affordable housing.

#### **Framingham & the Chapter 40B 10% Goal**

Framingham is fortunate to have 10.17% of its housing stock included on the Chapter 40B Inventory of Subsidized Housing as of April 2002. Many residents have expressed their frustration with Chapter 40B (G. L. c. 40B sec. 20-23), and appear willing to rest on our laurels because Framingham is one of the relatively few communities that have attained the goal: 10.17% of our total housing units are certified for inclusion of the 40B inventory of subsidized housing. However, the 10% number is arbitrary, and it is not based on our housing needs.

Although Chapter 40B may have captured a commonly understood meaning of “housing need” in 1969, 10% has little relevance today. In 2003, about 35% of the Commonwealth’s households are low-income or moderate-income, and 39% of Framingham’s households are low-income and moderate-income. In Framingham, we need to question whether 10% is enough to meet our local needs. The data presented herein indicates that a number between 30% - 40% of the Town’s housing stock should be eligible for inclusion on the Chapter 40B Inventory of Subsidized Housing to meet the needs of the residents of Framingham.

Chapter 40B narrowly focuses on housing for low-income and moderate-income households. By defining “housing needs” this narrowly, we exclude other, very important housing barriers such as those faced by middle-income families and young citizens. For the past few decades, affordable housing has been misinterpreted as housing strictly for those who are low-income or need subsidies to pay for housing. In contrast to that belief, affordable housing is not limited to people who are at a low -income level, but includes people who are at a moderate-income level. We interact with these people in our daily activities. They are the teachers, firefighters, police officers, young families, our aging parents, our children, and our recent college graduates. They are the people who make up our community and drive our economy.

When housing is in close proximity to services, quality schools, transportation networks, high-paying jobs and well-funded public safety operations, children have much more opportunity to attain the economic and social stability we hope for them. An intern in the Planning Department may have said it best, “Framingham shouldn’t be seen as a town that only cares to do what the law requests in Chapter 40B, but as town that cares about all of its residents.”

The Selectman of Town of Framingham believe that these challenges can be safely accommodated provided that certain traditional values including diversity, community, frugality and human scale form the basis of our plan for the future; basic elements prevalent in our history. The Selectmen hereby affirm the right of every individual to safe, decent and affordable housing. The Selectmen declare that the economic viability of Framingham relates directly to the provision of housing, and therefore make the provision of adequate housing a high priority of the Town. In furtherance of that objective, the Selectmen hereby adopt the housing policies stated herein.

Now therefore, to maintain and preserve Framingham as a town with a high quality of life for all its residents, the supply of housing in Framingham shall be increased and improved to address the needs of all individuals and households in accordance with the following objectives.

- The Town shall actively advocate and support the development and maintenance of a diverse housing stock throughout Framingham to ensure that quality housing is available to households and individuals at all economic and social levels.
- The town shall actively advocate and support the development of a variety of housing options for special needs populations, including homeless persons, and the elimination of barriers to such housing.
- The Town shall actively promote the elimination of substandard, overcrowded, or other undesirable living conditions.
- The Town shall actively promote and encourage creative, suitable options for the provisions of housing for elderly individuals.
- The Town shall support the preservation and improvement of existing public and privately owned affordable housing.
- The Town shall encourage the adoption of zoning, regulatory, permitting and other procedures that promote appropriate residential development.