



269



# 3. Housing

*A sampling of Southborough's housing stock.*

Photos courtesy of Southborough Planning Board.



**At forty-one percent of the Town's land area, housing is the most prevalent land use in Southborough; its cost and availability are critical components in the range of elements that together define the character of the community.**

## Introduction

At forty-one percent of the Town's land area, housing is the most prevalent land use in Southborough; its cost and availability are critical components in the range of elements that together define the character of the community. While the housing stock (supply) today serves the needs of most of its citizens, market changes have made it difficult for certain segments of the community to afford housing costs. The housing goal is to provide choices for people and return to the diverse housing types historically found in Southborough. Therefore, diversity in housing type and price is a significant aspect of this Plan.

To inform the discussion of housing availability, the first sections in this chapter provide a brief summary of population and household changes that are occurring in Southborough. Following the demographic analysis is a description of the inventory of housing choices—from small apartments to large estates—and how market forces are affecting the mix. Southborough completed its Affordable Housing Strategic Plan in September 2004 and significant components of that plan have been included—and updated—in this chapter.

*A typical single family residence in Southborough.*

Photo courtesy of Southborough Planning Board.

## Population and Demographic Profile

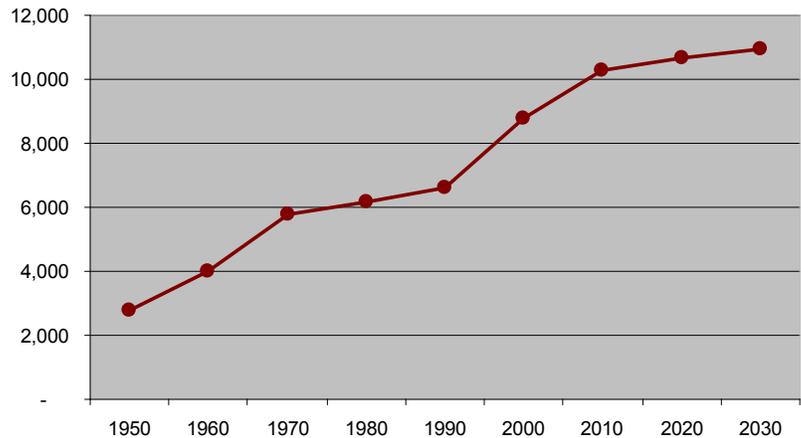
As shown in Chart 3-1, Southborough's population has grown dramatically since 1990 (32 percent increase) and is expected to continue to grow at a rapid rate through 2010 (17 percent). However, in the first five years of the current decade, the Town has observed a more moderate growth rate than expected, at approximately 9 percent. Southborough's most recent census reported a population of 9,580.<sup>1</sup> Population projections by the Metropolitan Area Planning Council (MAPC) anticipate Southborough's growth rate to continue to be moderate through the year 2030 (3 and 4 percent per decade).<sup>2</sup>

<sup>1</sup> Southborough Town Census, 2006. Estimates for the 2007 population are slightly lower at 9,469 (Claritas).

<sup>2</sup> As discussed at the end of the chapter, Southborough has approximately 300 to 400 housing units in various stages of the development process, from proposed to under construction. Depending on the build out schedule of these projects and the number of bedrooms in each unit, Southborough could reach the MAPC 2010 projected population sooner than 2010. However, it is possible to predict how long it will take for these units to be built.

**Chart 3-1**  
**Population over Time**

Source: US Census 1990 and 2000; Metropolitan Area Planning Council (projections)



## What is the MAPC?

The MAPC is a regional planning agency representing 101 cities and Towns in the metropolitan Boston area. Among other tasks, MAPC:

- ▶ Addresses issues of regional importance;
- ▶ Has oversight responsibility for the region’s federally funded transportation program;
- ▶ Collaborates in the development of comprehensive plans and recommendations; and
- ▶ Provides technical assistance and advocacy.

With a total land mass of nearly 13.9 square miles, Southborough’s current population density is 689 people per square mile.<sup>3</sup> In 1990, the population density was almost 500 people per square mile.

Southborough’s population growth reflects the expansion of housing from the eastern portion of the state into suburban and rural locations

<sup>3</sup> This is a measure of land mass only; the 13.9 square miles (8,922 acres) does not include the Sudbury Reservoir. The total area of Southborough, including the reservoir is 15.4 square miles (9,843 acres)

first beyond Route 128 and ultimately continuing across Interstate 495. The primary reasons that people chose Southborough as their residence, which may have attributed to its population growth in the 1990s are:

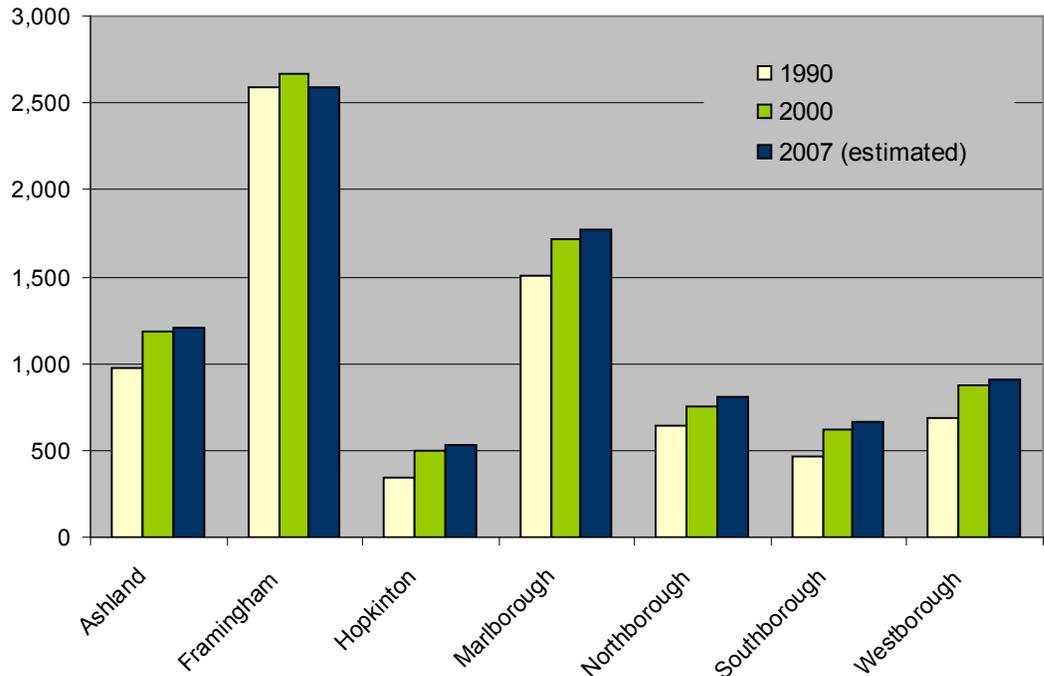
- ▶ the quality of the public schools;
- ▶ Southborough is a picturesque community;
- ▶ the Town’s commuting location (about 25 miles to Boston and 15 to Worcester);
- ▶ the quality of life; and
- ▶ the open space.<sup>4</sup>

Furthermore, Southborough had fairly large amounts of vacant land in the late 1990s when the market rebounded. Like other neighboring communities, the value of Southborough’s land increased considerably after 1995. As a result, the Town lost Chapter 61 and Chapter 61A land (forest and agricultural land, respectively) to residential development because the land value was perceived by the owners to be far greater than the tax relief provided under legal agreements over these land uses. This is a

<sup>4</sup> From the survey conducted for the Draft Open Space and Recreation Plan, 2006.

**Chart 3-2**  
**Population Density**  
**Comparisons by Region**

Source: US Census 1990 and 2000;  
 Claritas 2007 (estimated)



**Table 3-1**  
**Population Comparisons by Region**

Region	1970	1980	1990	2000	2007
Southborough	5,798 (-)	6,193 (6.8%)	6,628 (7.0%)	8,781 (32.5%)	9,469 (7.8%)
Neighbors †	128,659 (-)	136,196 (5.9%)	144,121 (5.8%)	163,195 (13.2%)	165,290 (1.3%)
Worcester County	637,037 (-)	646,352 (1.5%)	709,705 (9.8%)	750,963 (5.8%)	n/a ‡
Massachusetts	5,689,000 (-)	5,737,000 (0.8%)	6,016,425 (4.9%)	6,349,097 (5.5%)	6,437,1933 (1.4%)*

Source: 1970 and 1980 data obtained from the Central Massachusetts Regional Planning Agency and the Metropolitan Area Planning Council; US Census 1990 and 2000; 2007 estimates obtained from Claritas.

Notes: † Neighbors include the cities or Towns of: Ashland, Framingham, Hopkinton, Marlborough, Northborough and Westborough.

‡ The County Government system in Massachusetts was discontinued in July 1998 and therefore no data is available at this level.

\*Massachusetts population data is from 2006.

statewide trend; Massachusetts lost 40 acres per day to development between 1985 and 1999.<sup>5</sup> Nearly nine out of ten of the acres lost were used for residential development, primarily low-density, large lot construction. The majority of the acres lost are forest.

Southborough's 32 percent population growth in the 1990's outpaced the state (5.5 percent), the county (5.8 percent), and the average 13.2 percent growth in the neighboring towns. However, it should be noted that of its neighbors, only Hopkinton grew more rapidly than Southborough in the 1990's (45 percent).

<sup>5</sup> This and the next two sentences are from "Losing Ground: At What Cost?" produced by MassAudubon, November 2003.

Southborough has the smallest population among its neighbors. At 689 persons per square mile, Southborough also has the second lowest population density among its neighbors, with only Hopkinton having fewer persons per square mile (535 persons per square mile). Chart 3-2 shows that, excluding Framingham, population density has increased in Southborough's immediate region at similar rates.

Children were the fastest growing age cohort during the 1990's in Southborough. The under five years of age population has increased by 76 percent and the five to seventeen year olds by 64 percent. The last of the Under 5 year cohort have just entered the schools and it is clear that the system has seen the effect of this dramatic increase in school aged children. On the other hand, once finished with high school, young adult residents seem to be leaving Southborough (as shown in Chart 3-3). This decrease of the young adult population has been common in small communities. Reasons for the outflow of these age cohorts can be attributed to a lack of rental options or a lack of affordable, small units appropriate for single professionals or young couples.

The 35 to 54 age cohort also showed a nearly 50 percent increase in population between the years 1990 and 2000. Estimates indicate that this cohort will now decrease slightly (1.1 percent) through 2007. Although still representing a smaller proportion of the population than the 35 to 54 cohort, the group that continues to grow is those over 55 years of age. As experienced elsewhere in Massachusetts and the rest of the nation, the population is aging and cities and Towns are searching for ways to accommodate their elderly and retiring populations within the community.

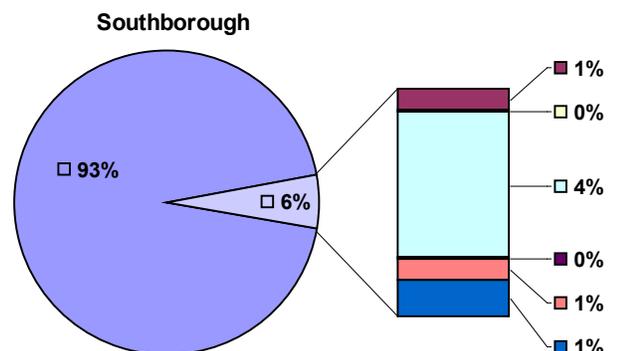
## What is a cohort?

A **cohort** is a group of subjects—most often humans from a given population—defined by experiencing an event (typically birth) in a particular time span. Here, it describes the set of subjects born within a certain time period.

The population of Southborough is evenly distributed between male (49 percent) and female (51 percent). Southborough's population is relatively homogeneous, with approximately 95 percent of the population identifying as White or Caucasian, 4 percent identifying as Asian, and less than one percent identifying as Black. This is a higher percentage of Caucasian population compared to Southborough's neighbors (87%) and Massachusetts as a whole (85%), as shown in Chart 3-4.

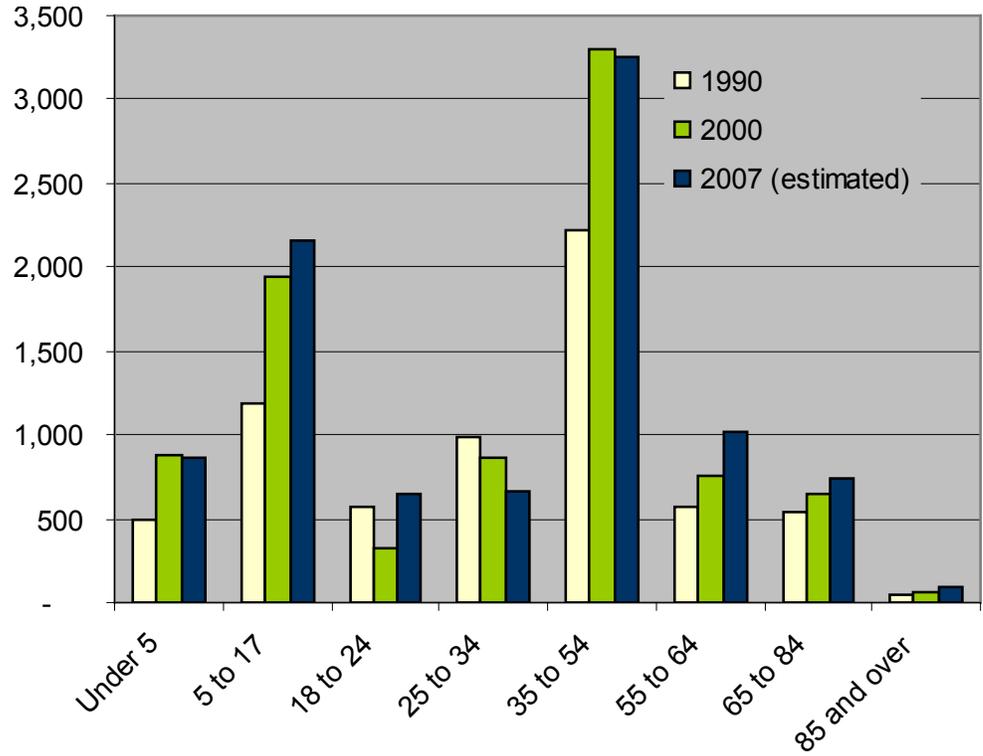
**Chart 3-4**  
**Population Comparison by Race**

Source: 2000 US Census

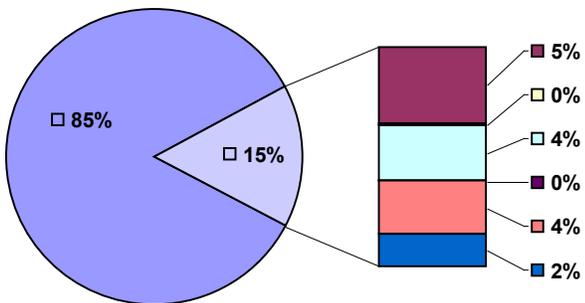


**Chart 3-3**  
**Distribution of Population**  
**by Age**

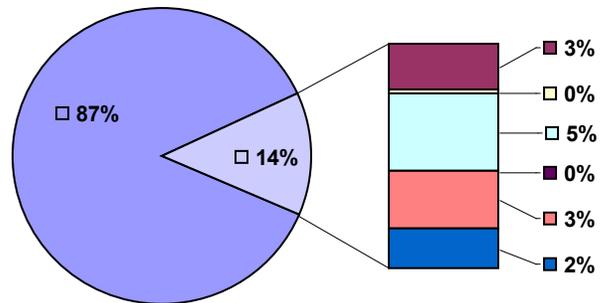
Source: US Census, 1990 and 2000; Claritas 2007 (estimated)



**Massachusetts**



**Region**



- White alone
- Black or African American Alone
- American Indian and Alaska Native alone
- Asian alone
- Native Hawaiian and Other Pacific Islander alone
- Some other race alone
- Two or more races

## Household Definitions

Two types of householders are distinguished in the U.S. Census. A **family householder** is a householder living with one or more people related to him or her by birth, marriage, or adoption (see more on family below). The householder and all people in the household related to him are family members. A **non-family householder** is a householder living alone or with non-relatives only.

The Census Bureau classifies all people not living in households as living in **group quarters**. There are two types of group quarters: institutional (for example, correctional facilities, nursing homes, and mental hospitals) and non-institutional (for example, college dormitories, military barracks, group homes, missions, and shelters).

Source: Glossary at American FactFinder, [factfind.census.gov](http://factfind.census.gov).

### Households

According to the 2000 US Census, Southborough had 2,952 households (occupied housing units), an increase of 641, or almost 30 percent from 1990, as shown in Table 3-2. The number of households increased at a comparable rate to the population increase (32 percent), which indicates that there is little change in the household size in Southborough in the past decade. However, Southborough's census data indicates that the Town is actually increasing in household size, although only slightly, which is in contrast to the national trend of declining household size. In 1990, the persons per household figure was approximately 2.91 and by 2000, it had increased slightly to 2.97 persons per household. This increase in household size is primarily because Southborough has a larger percentage of family households than the national average, which is dictated by availabil-

ity of a housing stock in Southborough that is well suited for families. In fact, Southborough is second only to Hopkinton (3.33 persons per family) in average family size (3.30) according to the 2000 U.S. Census.

The large percentage of family households speaks to the prevalence of a housing stock in Southborough suitable to families—larger single family homes. As shown in Table 3-2, the number of family households has increased through 2007 by 6 percent and households with children under 18 by 20 percent. Of the nonfamily households nearly 80 percent are single-person households. Of those single-person households, nearly 40 percent are older than 65 years of age. Only 28 people live in group quarters in Southborough; this is less than one percent of the 2000 population.

Southborough's household growth in the past decade is the highest increase among its neighboring communities except for Hopkinton, as shown in Table 3-3. The communities immediately surrounding Southborough—Ashland, Framingham, Marlborough, Northborough, and Westborough—encountered less household growth in the past decade than Southborough, although the increase in Framingham was significantly less (4.1 percent) than the rest.

### Housing Conditions

Household growth is the primary driver of housing demand in a community. In 2000, a total of 2,997 housing units were counted in Southborough (see Table 3-4). Nearly 99 percent of the housing stock is occupied, leaving only 45 vacant units (1.5 percent). Between 1990 and 2000, the number of housing units

**Table 3-2**  
**Household Changes by Type**

	1990	2000	% change 1990 -2000	2007	% change 2000-2007
Total Households	2,281	2,952	29.4%	3,126	5.9%
Family Households	1,850	2,427	31.2%	2,576	6.1%
Married couple family	1,646	2,181	32.5%	2,314	6.1%
Households with <18	852	1,284	50.7%	1,544	20.2%
Householder >64	242	456	88.4%	N/A	N/A
Nonfamily households	431	525	27.0%	550	4.8%
One-person households	342	412	20.5%	419	1.7%
Over 65	148	161	8.8%	N/A	N/A

Source: US Census 1990 and 2000; Claritas 2007 (estimates)

**Table 3-3**  
**Regional Household Growth**

Year	Southborough	Ashland	Framingham	Hopkinton	Marlborough	Northborough	Westborough
1990	2,281	4,607	25,113	3,159	12,152	4,058	5,392
2000	2,952	5,720	26,153	4,444	14,501	4,906	6,534
% Change	(29.4%)	(24.2%)	(4.1%)	(40.7%)	(19.3%)	(20.9%)	(21.2%)

Source: US Census 1990 and 2000

**Table 3-4**  
**Change in Housing Units (1990-2000)**

Housing Units	1990	2000	# Change	% Change
Occupied ("Households")	2,281	2,952	671	29.4%
Vacant	80	45	(35)	-43.8%
<b>TOTAL</b>	<b>2,361</b>	<b>2,997</b>	<b>636</b>	<b>26.9%</b>

Source: US Census 1990 and 2000

increased by 27 percent. The vacancy rate in Southborough declined from 3.4 percent to 1.5 percent, (see Table 3-5) which exhibits a growing demand for housing in Southborough. Southborough's low vacancy rate indicates that the Town is generally meeting most local demand and that there is (as of 2000) a continued demand for housing in Southborough.

As shown in Chart 3-5, 88 percent of Southborough's 2000 occupied housing stock is owner-occupied (2,599 units). The remaining 12 percent (353 units) is renter-occupied. Although the ratio of owner-occupied to renter-occupied has changed slightly from 1990 (84 percent owner-occupied and 16 percent renter-occupied), the actual number of renter-occupied units (353 units) has decreased by four units since 1990. This low percentage of rental housing supports the earlier assertion that Southborough is not providing a range of housing options, such as rental units.

Census data from 2000 shows that approximately one-quarter of all of Southborough's homes were built since 1990 (see Chart 3-6), although that percentage increases when one adds the new homes built since 2000. The bulk of the houses were built in the 40 years from 1950 through 1990. About 16 percent date back to earlier than 1939. Thus, Southborough's housing stock is relatively young when compared to other communities in Massachusetts.

According to the 2000 census data, Southborough had a total of 2,997 housing units, 90.7 percent of which were considered as detached, single units. Another 2.9 percent were attached, single units, either townhouses or condominiums. The rest of the Town's housing stock was

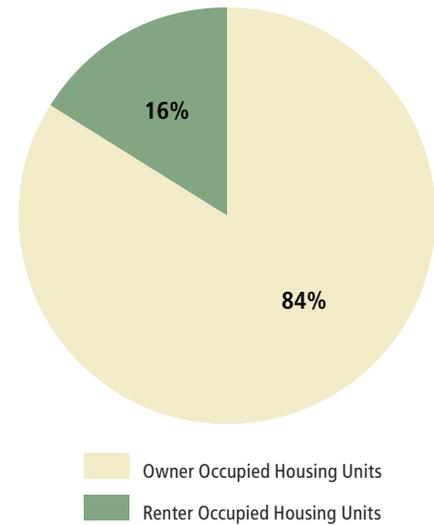
**Table 3-5  
Housing Vacancy**

	1990	2000
Vacant Units	80	45
Total Housing Units	2,361	2,997
<b>VACANCY RATE</b>	<b>3.4%</b>	<b>1.5%</b>

Source: US Census 1990 and 2000

**Chart 3-5  
Housing Ownership**

Source: US Census 2000, SF3



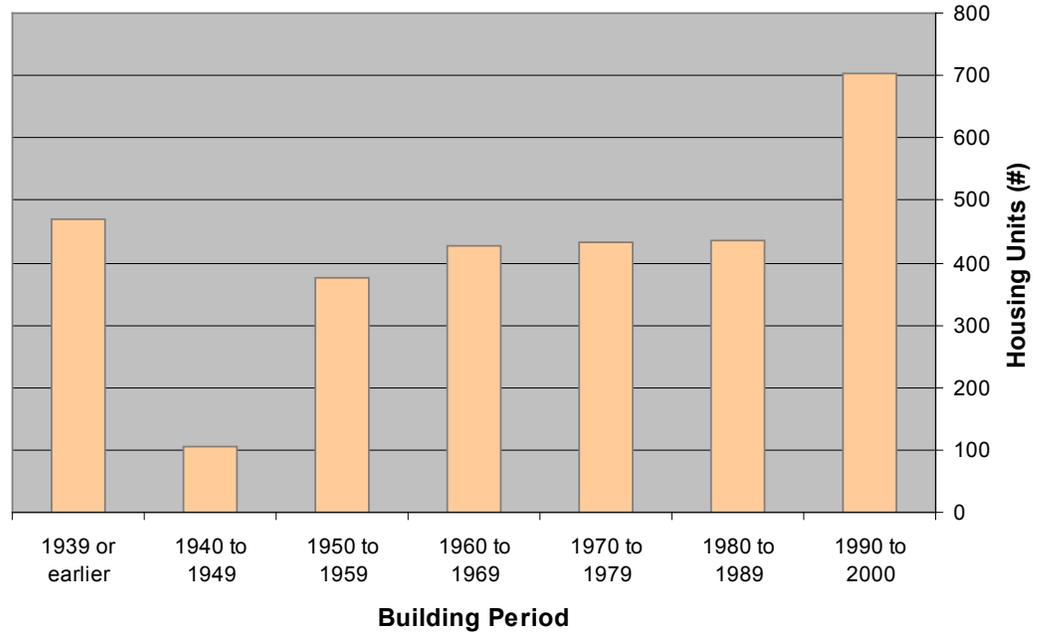
in buildings containing multiple units ranging from duplexes to mid-sized complexes with less than 10 units, as shown in Chart 3-7.

**Housing Market**

Below is recent data relating to the housing market, some of which has been updated since the 2004 Affordable Housing Plan.

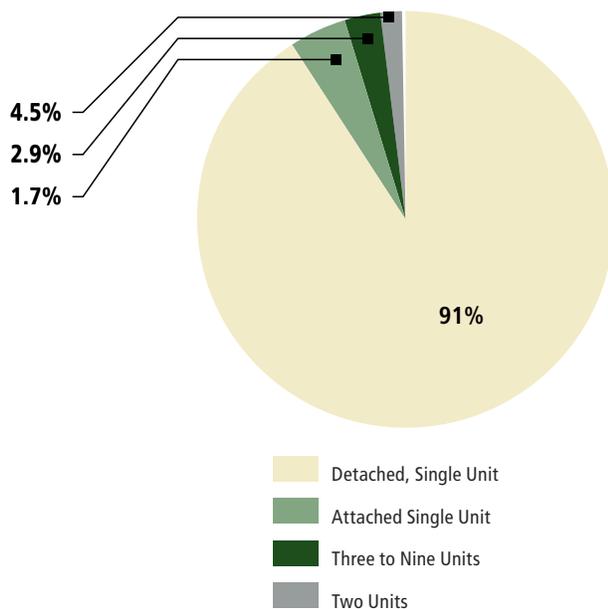
**Chart 3-6**  
**Age of Housing Stock**

Source: US Census 2000, SF3



**Chart 3-7**  
**Housing by Units in Structure**

Source: US Census 2000, SF3



## Household Definitions

**Single unit, detached** is a 1 unit structure detached from any other house; (with open space on all four sides).

**Single unit, attached** is a 1 unit structure that has one or more walls extending from ground to roof separating it from adjoining structures.

**2 or more units** are units in structures containing 2 or more housing units, further categorized in the U.S. Census as units in structures with 2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more units.

Source: Census Data Information at [factfinder.census.gov](http://factfinder.census.gov)

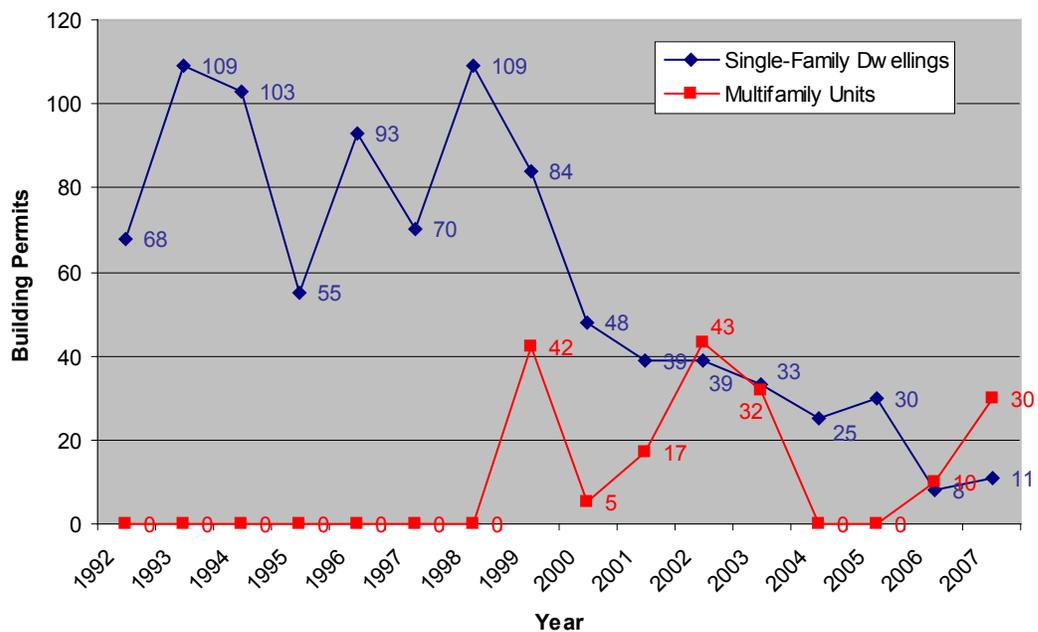
When looking at Chart 3-8, one can plainly see that the 1990s were boom years for housing construction in Southborough. In the current decade, the new housing starts have slowed down to an average of 36 single family building permits per year. Conversely, on average 92 housing permits were pulled annually for single family homes between 1992 and 1999. In the last few years, single family housing construc-

housing growth is expected to be higher.

The vast majority of the new housing in Southborough has been for single family homes, a trend that is consistent with earlier development patterns. Multi-family development has been less consistent since re-emerging in Southborough in 2000, ranging from 0 to 43 building permits pulled.

**Chart 3-8**  
**New Housing Starts**  
**1992-2007 †**

Source: Town of Southborough  
Note: † 2007 includes actual building permits pulled through June 21, 2007; data from July through December is estimated based on past trends and projects in the pipeline.



tion has dropped considerably. In part, this drop in new housing construction is due to the phasing of projects in the pipeline; while no firm projections exist at this time, some show that new housing starts are expected to increase again in the next year, but not to the levels of the early part of the decade. Furthermore, housing growth is not expected to reach the level of the 1990s. This decrease in single family housing starts is also attributable to the slowing housing market statewide. Multi-unit

The only multi-family housing being produced since 1999 has been for projects designed to house residents over 55 years of age.<sup>6</sup> This trend is worth noting because the 2004 Plan identifies the need for a greater diversity of housing stock in Southborough. Although there has been an increase in multi-family housing, it has only filled a niche that benefits a single demographic

<sup>6</sup> The prevalence of multi-family housing produced and restricted to 55 years of age and over is largely attributable to the Housing for Older Persons Act which was amended by Congress in 1995. Impacts of this amendment were seen broadly in the late 1990s.

*This multi-family development in Southborough is exclusive to residents over 55 years of age.*

*Since 1999 all multi-family developments in Southborough have been for the over 55 crowd.*



group. As shown earlier in Chart 3-3, this single demographic group (55+) has increased in population by 27 percent since 1990. This can be attributed to existing residents aging in place as well as new residents moving into Southborough to take advantage of the new housing options in Town.

While it's true that Southborough experienced a large increase in households over 55 years of age, the Town also far exceeded the state and the nation as a whole for growth among the 35 to 54 year old cohort (i.e. families with children). As stated before, this growth is largely predicated by the provision of over 90 percent of the Town's housing stock as single family homes. At the same time, the demographic of 18 to 34 year olds has decreased by a total of 23 percent. This can be attributed to young adults having difficulty finding housing that is affordable to rent or purchase. This decline in population is the area of greatest concern because it can be inferred that Southborough is not providing valid housing options to allow these younger residents to remain in Southborough.

Like the decline in new housing construction discussed above, Chart 3-9 also shows the decline in housing sales in Southborough in the last two years. Up until 2007, this decline in sales was matched with an increase in median sales price. However, that sales price has begun to decline in 2007.

Southborough is experiencing the same housing stabilization as most of the Commonwealth, with a significant decline in sales price of single family homes so far in 2007 (\$425, 000 median sales price). As illustrated in Chart 3-10 and Table 3-6 and 3-7, housing prices in Southborough are generally high and have increased

## Household Definitions

Housing starts are the number of new dwellings begun in a geographic area during a particular period. Used as an economic indicator, they are measured by the number of building permits pulled.

Source: Census Data Information at [factfinder.census.gov](http://factfinder.census.gov)

**Table 3-6  
2003 - 2006 Home Sales**

Price Range	Number Sold
Under \$299,999	24
\$300,000 - \$399,999	119
\$400,000 - \$499,999	155
\$500,000 - \$699,999	111
\$700,000 - \$899,999	106
\$900,000 and up	75
<b>TOTAL</b>	<b>590</b>

AVERAGE SALES PRICE \$624,152

AVERAGE LIST PRICE \$651,928

AVERAGE TIME ON MKT. 65 days

Source: Town of Southborough

**Table 3-7  
Median Sales Price: 2006**

Town	Single-Family	Condominium
Hopkinton	\$604,000	\$303,750
Southborough	\$570,000	\$593,500
Westborough	\$510,000	\$207,000
Ashland	\$402,750	\$308,000
Northborough	\$367,500	\$245,000
Framingham	\$365,000	\$204,000
Marlborough	\$334,000	\$70,000

Source: The Warren Group

substantially from a median sales price of \$204,000 in 1995 to \$557,500 in 2006.

2003 through 2006 were the peak years for

## Household Definitions

**Median Sales Price** is the selling price of a home that falls in the middle between the most expensive and least expensive home sale price in the area. It is different than assessed property value.

Median sales price is an indicator of property value and demand for homes in an area. This is a standard indicator used nationwide to understand property value, the willingness and ability to pay, and demand for homes in an area.

**Average**—as opposed to median—is the result obtained by dividing the sum total of a set or group of numbers by the total number in that group. This is not as commonly used because high numbers in a set or very low numbers in the set skew the average number and may distort the picture

Source: First American Real Estate Solutions accessed at [http://www.ubalt.edu/bnia/indicators/Expl\\_Housing\\_MedianSales\\_VS3.html](http://www.ubalt.edu/bnia/indicators/Expl_Housing_MedianSales_VS3.html) on June 22, 2007.

housing prices in Southborough, maxing out at \$655,000 in 2005. Only 4 percent of the homes sold between 2003 and 2006 were priced less than \$300,000 (see Table 3-6).

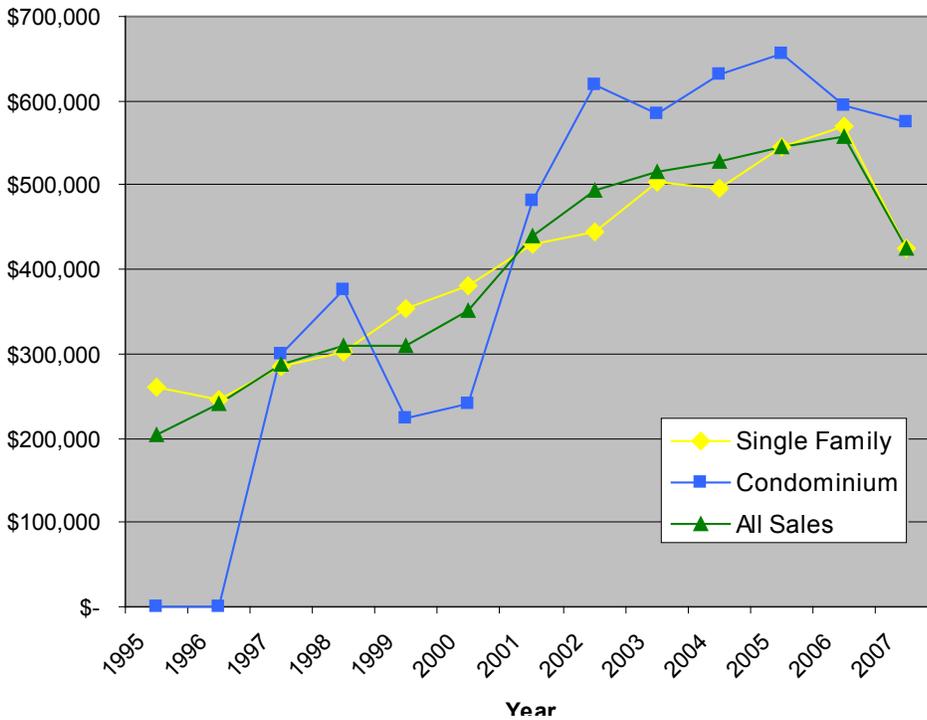
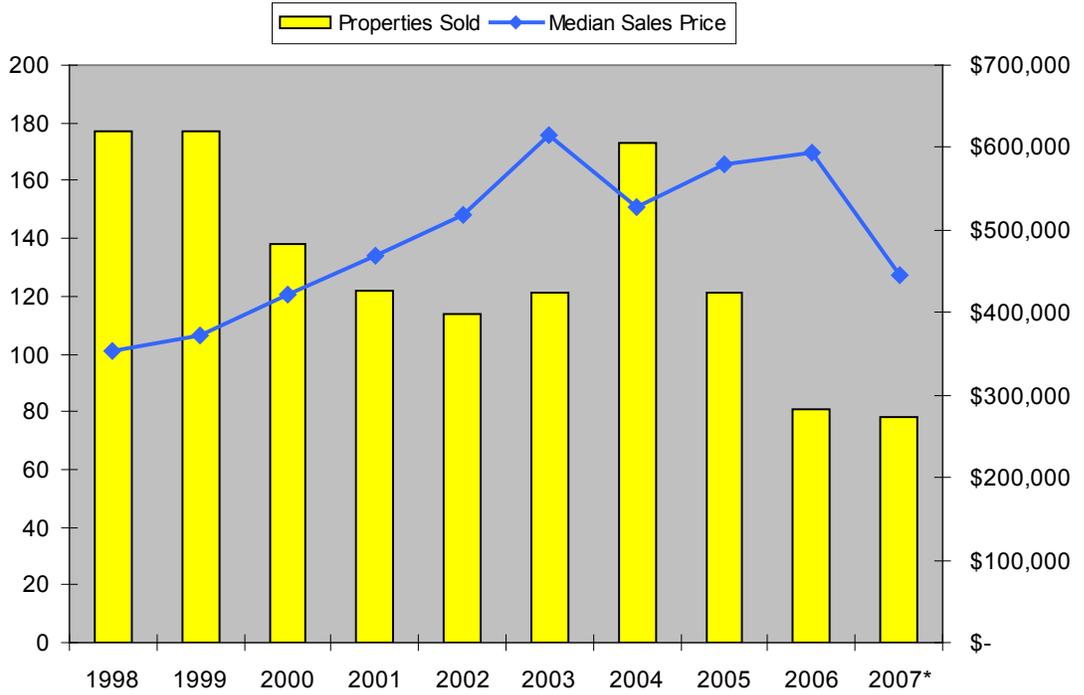
Compared to its neighbors, Southborough has the second highest median sales price in 2006 (see Table 3-7). While condominium sales in Hopkinton appear far less expensive one must consider the total sales; 40 condominiums were sold in Hopkinton in 2006 (two of which are mixed-income townhouses), compared to two in Southborough.

Southborough currently has an inventory of 110

**Chart 3-9**

**Median Sales Price v.  
Home Sales (Single  
Family)**

Source: Municipal Listing Service  
 Note: \* 2007 includes actual building permits pulled through June 21, 2007; data from July through December is estimated based on past trends and projects in the pipeline.



**Chart 3-10**

**Median Sales Price †**

Source: The Warren Group  
 Note: † 2007 data includes through May 2007.

affordable housing units, or 3.7 percent of its total 2000 housing inventory, that qualify under the Commonwealth of Massachusetts Chapter 40B regulations. To meet the 40B 10 percent goal, Southborough needs to increase its qualified affordable housing stock by an additional 269 units as described in the build-out analysis provided in Section 2, Land Use and Zoning.

### Residential Projects in the Pipeline

There are several projects planned or underway in Southborough which possess housing components, including rental units and affordable housing. The following are brief summaries of each project:

#### *Parmenter Meadows*

Parmenter Meadows is a seven-lot conventional subdivision proposed to be located on a new cul de sac off Parmenter Road. The project received definitive subdivision approval and is currently before the Conservation Commission.

#### *Trammell Crow Comprehensive Permit*

The Trammell Crow Company submitted an application to MassHousing for project eligibility for a 200-unit chapter 40B rental development, which it received. However in February 2008 the application was withdrawn. This project was located on a portion of the Flatley Company-owned property off Route 9 and Park Central Drive. The proposed site plan included a wastewater treatment plant and open space, among other site features.

#### *Woodland Meadows Comprehensive Permit*

Located on approximately six acres between Woodland Road and Route 9, this project proposes 40 condominium units located in one

four-story building, with the main entrance off Woodland Road. The applicant received project eligibility from the Commonwealth Department of Housing and Community Development (DHCD) in October 2007. The comprehensive permit application was filed and the hearing is ongoing.

#### *Rossi Estates*

An 11-unit flexible subdivision, the proposal for Rossi Estates has received a special permit but has not yet filed for definitive subdivision approval. Two of the units will be affordable. This subdivision is located off Mt. Vickery Road.

#### *Meeting House Farm*

Under construction, this Comprehensive Permit project contains 29 ownership housing units. Eight of the units will be affordable. This development is located on Middle Road behind the Red Barn Coffee site.

#### *Avalon 40B*

Still in the conceptual phase, the proponent for this project made preliminary presentations to the Selectmen and SHOPC in June 2007. Site eligibility was received in October 2007. The proposal is for a 200-unit rental community located on the 18-acre Flatley Company-owned property on the eastbound side of Route 9 near Crystal Pond Road. The proposed site plan includes a wastewater treatment plant, parking garage, and other site amenities.

## Affordable Housing

The current affordable housing plan for Southborough was prepared in 2004 by Southborough's Housing Opportunity Partnership Committee (SHOPC) and was approved as a planned production plan by DHCD. With a current membership of eight, this committee was founded in 1986 as an ad hoc entity specifically to study and respond to affordable housing issues in Southborough.

Since the inception of SHOPC two decades ago, Southborough has seen tremendous population growth; as a corollary to this growth, housing costs have increased substantially. The population of Southborough in 1990 was 6,628, and by 2006 that number had grown by 44 percent to 9,580. In that same timeframe, the median sale price of housing in Southborough increased 232 percent from \$171,500 in 1990 to \$570,000 in 2006 (see Chart 3-10). Consequently, at the 2004 Annual Town Meeting SHOPC's responsibilities were expanded and the Committee was established as a permanent committee.

With this new designation, SHOPC recognized an urgent need to complete an affordable housing plan. The intent of the plan was to identify and respond to the future needs of Southborough's housing market. Its primary focus was to provide a diverse stock of housing and range of affordability levels in a creative, consistent, and innovative manner while maintaining a framework that balanced development and preservation of open space. The following section summarizes the essence of the affordable housing plan that was prepared by SHOPC.

## What is Planned Production?

**Planned Production** is a regulation (760 CMR 31.07(1)(i)) under Chapter 40B that encourages communities to take a proactive approach to affordable housing development.

If a municipality has an affordable housing plan approved by DHCD and is granted certification of compliance with the plan, a decision by the Zoning Board of Appeals (ZBA) relative to a comprehensive permit application will be deemed "consistent with local needs" under MGL Chapter 40B. "Consistent with local needs" means the ZBA's decision will be upheld by the Housing Appeals Committee (HAC). This is commonly referred to as a temporary "reprieve" from 40B.

### Southborough's Affordable Housing Philosophy

The ability of our future generations to be able to find suitable housing choices is dependent on successful housing planning. Southborough recognizes this fact in its elevation of SHOPC from an ad hoc committee to that of a permanent committee. The Town understands the housing market in Southborough as one that threatens to hinder the diversity and community of the Town. This was a commonly raised concern during the initial interviews conducted by the planning team with Town officials and residents.

Residents of many income levels are being priced out of the housing market. The U.S. Department of Housing and Urban Development (HUD) found the median family income in Eastern Worcester HUD Metro FMR Area (which includes Southborough) was \$91,600 for

the fiscal year of 2006.<sup>7</sup> For comparison purposes, the statewide median family income was approximately half of Southborough's median family income in 1999 dollars.<sup>8</sup> The problem lies in the fact that it is not only those residents that fall below 80 percent of the median family income—the benchmark for state subsidized housing—that lack affordable options. In Southborough, prices are so high that households of moderate means (those making between 81 percent to 120 percent of the median family income) cannot afford to buy homes here. Southborough's Affordable Housing Strategic Plan (the Housing Plan) uses this as a criterion for its Strategic Action Plan. The Housing Plan's goal is to provide housing for those who are being priced out regardless of where they stand with respect to the median family income levels.

The Housing Plan points out several constraints in Southborough's current zoning bylaw that discourages the production of affordable housing. For example, multi family and higher density living is currently only allowed for seniors. The Town's current bylaw only allows single family homes to be built by-right on 25,000 ft<sup>2</sup> or one acre lots.<sup>9</sup> The housing market in Southborough has boomed since the 1990s. With that increase everything affiliated with the housing market also escalated in price: land, property taxes, etc. Many families cannot afford to purchase such a large parcel and build

7 [http://www.huduser.org/Datasets/IL/IL06/ma\\_fy2006.pdf](http://www.huduser.org/Datasets/IL/IL06/ma_fy2006.pdf)

8 Interestingly, the Town's median family income has decreased since 2000. Southborough's 1999 median family income was \$119,454 in Southborough and Massachusetts' was \$61,664.

9 The Major Residential Development (MRD) bylaw does allow a 2/3 reduction in lot area for projects that include 8 or more lots or units within 8 years and on contiguous property and under common ownership, among other requirements.

## Income Limits

### Very Low-Income

(Earning 60% or less of AMI)

### Low-Income

(Earning 80% or less of AMI)

### Moderate-Income

(Earning between 81% and 120% of AMI)

a home on it. Thus, the Housing Plan included recommendations regarding the need to revisit certain provisions of the zoning code as a significant, but not the sole step towards the creation of more diverse housing opportunities in Southborough.

At the 2006 Annual Town Meeting, SHOPC gave a presentation on making changes to the Business Village Districts to encourage mixed-use development as a way of revitalizing the villages, but also to allow for more housing options for Southborough. Smaller, multi-family units designed to complement the village character would be an asset to the Town. The presentation was met with enthusiasm and support (more discussion on this specific item can be found in the Land Use and Villages elements, see Chapters 2 and 9).

### Southborough Affordable Housing Trust Fund

At the April 2005 Annual Town Meeting, Town Meeting unanimously approved the creation of the Southborough Affordable Housing Trust Fund (AHTF), whose purpose is the creation and preservation of affordable housing in the Town of Southborough for the benefit of low

and moderate income households. The ability to create such an entity is enabled through Chapter 491 of the Acts of 2004, MGL Chapter 44, §55C. The law gives all communities the local option to create municipal affordable housing trust funds. Previously, cities could create trusts through their own resolution, but towns had to get approval from the legislature through what is known as a home rule petition.

In addition, the law sets forth clear guidelines as to what trusts can do. It allows communities to collect funds for housing, segregate them out of the general budget into an affordable housing trust fund, and use these funds without going back to Town meeting for approval. It also allows trust funds to own and manage real estate, not just receive and disburse funds.

The law's impetus came from the state legislature's joint Housing and Urban Development Committee, which noticed more interest by cities and towns to create either affordable housing trust funds, or other local organizations that perform similar activities. The provisions of this trust fund are as follows:

The board of trustees of the Southborough Affordable Housing Trust Fund (the Board) established by the vote under Article 4 of the Warrant for the 2005 Annual Town Meeting consists of seven trustees, including all of the members of the Board of Selectmen, with the remaining members appointed by the Board of Selectmen. The powers of the Board include, but are not limited to, the following:

- ▶ to accept and receive property by gift, grant, devise, or transfer;

- ▶ to purchase and retain real or personal property;
- ▶ to sell, lease, exchange, transfer or convey any personal, mixed, or real property;
- ▶ to execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, covenants, contracts, promissory notes, releases and other instruments;
- ▶ to manage or improve real property, and to abandon any property which the board determined not to be worth retaining; and
- ▶ to hold all or part of the trust property un-invested for such purposes and for such time as the board may deem appropriate.<sup>10</sup>

Funds paid into the trusts are the property of the Trust and need no additional spending approvals. Funds may be received from fees, private contributions, Community Preservation Act (CPA) funds and payments associated with zoning bylaws. Communities that have passed CPA may benefit most from this law because it gives them a more streamlined way to spend its CPA dollars on housing. This gives Southborough the flexibility to act quickly to secure property for the purpose of affordable housing. To date, 82 Massachusetts communities have this kind of housing trust, Cambridge being a notable example, and the structure has worked very well to create housing opportunities in a wide variety of ways.

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<sup>10</sup> At the April 2005 Annual Town Meeting, Town Meeting unanimously approved Articles 3, 4 and 5 in the Special Town Meeting to create the Trust. The official Roles and Responsibilities have been summarized to include only those actions relative to this document.

The AHTF had notable success in 2006, having funded and completed two projects:

- ▶ Construction of 26 Gilmore Road, a permanently affordable single-family home.
- ▶ Approval of funds for the Southborough Housing Authority to purchase the home at 1 Cordaville Road to create a permanently affordable rental unit.

To date, the AHTF has expended \$348,550 to create two permanently affordable housing units. In 2007 Town Meeting approved funding the trust fund with \$155,000 and subsequently approved \$90,000 in 2008; the additional CPA funds will give the committee the flexibility to act upon projects without waiting for the results of an Annual Town Meeting.

#### *Case Study – 26 Gilmore Road*

In 2000, a condition of approval for a special permit for an 18-lot subdivision for Brendon Homes, Inc. included a requirement to contribute \$100,000 to the Town's Affordable Housing Trust Fund (AHTF) and to participate in the construction of a home on a Town-owned parcel of land. In 2004, the Town acquired this parcel of land through a tax title process and the Town Meeting approved the use of the property for affordable housing. In 2006, the AHTF received CPA funding totaling \$99,976 towards the construction of this home. Finally, after

several meetings between the AHTF, the developer, and residential neighbors to the property, in August 2006, the AHTF and Brendon Homes, Inc. endorsed a Construction Agreement that stipulated conditions and approved the plans and specs for an affordable single-family home on the parcel. In February 2007, following a lottery, the home was sold to an income-eligible family and it was included through the state's Local Initiative Program on the Town's subsidized housing inventory.

The Town has demonstrated its commitment to creating affordable housing via Town initiatives by pursuing this property, enacting Inclusionary Zoning within its subdivision procedures, creating an Affordable Housing Trust Fund, and pursuing CPA funds for these projects. The Trust Fund, along with the Southborough Housing Opportunity Partnership Committee, worked with neighborhood residents, as well as the developer, to ensure a complementary design and a true community project.

#### *Case Study – 1 Cordaville Road*

At the January 2006 Special Town Meeting, this property was authorized for purchase by the Town. It is a three-bedroom, single-family home located at the corner of Routes 30 and 85 in downtown and is within walking distance to the Town House, public library, senior center, Woodward Elementary School, and downtown



*26 Gilmore Rd (left)  
1 Cordaville Rd (right)*



services. The Town purchased the property at below-market value in an effort to retain an ideally-located property and modest home for permanent affordable housing.

The Southborough Housing Authority submitted a grant request to the Southborough Affordable Housing Trust Fund in July 2006, seeking funds to purchase the home from the Town, thereby creating a permanently affordable rental family home. The Trust Fund approved a grant request of \$155,000 to purchase the home. The Board of Selectmen approved a request to purchase the home; the documents were finalized and recorded in December 2006.

The Town sees this project as particularly positive because, once again, many parties participated in its success: Town Meeting, the Affordable Housing Trust Fund, the Southborough Housing Authority, and the Board of Selectmen. This is another example of a community housing project that achieved its stated goals in a cooperative manner. The Housing Authority was able to quickly place a family in the home, thus providing a housing opportunity not previously available.

#### **2004 Affordable Housing Plan Recommendations**

Southborough's Affordable Housing Plan from 2004 states, "Land values are simply too high to create affordable housing within the parameters of the current zoning code." As a result, recommendations are made that address the Town's zoning bylaw in order to allow for a realistic future of affordability. However, non-regulatory methods are required as well. The availability of Community Preservation Act (CPA) funding provides Southborough with additional tools that can be utilized to achieve

the goals of this plan.

Not to be confused with the recommendations of this Master Plan, the 2004 Affordable Housing Plan includes the following set of recommendations:

#### *Short Term*

- ▶ Allow duplexes by special permit
- ▶ Encourage and allow mixed-use in BV district
- ▶ Revise the Multifamily Housing for the Elderly bylaw
- ▶ Town action on tax title properties for properties that could be used to provide housing
- ▶ Encourage rental projects in 40B proposals
- ▶ Encourage affordability in existing units

#### *Short-Mid Term*

- ▶ Effectively use CPA and local affordable housing funds to create affordable housing

#### *Mid-Term*

- ▶ Revise the zoning bylaw to allow new or renovated multi-family housing by special permit to require affordability
- ▶ Encourage in-fill development and development on non-confirming lots to promote more clustered development

#### *Long-Term*

- ▶ Encourage commercial projects to include a housing element
- ▶ Re-use of commercial buildings for housing
- ▶ Housing rehabilitation program using local affordable housing funds
- ▶ Use restrictions

## Housing Goals

### H-1

Ensure that future generations of Southborough citizens and people who work in Southborough are able to remain as residents of the Town.

### H-2

Encourage a more diverse population.

### H-3

Expand the housing choice in Southborough for families.

### H-4

Encourage small lot zoning in villages and other appropriate areas in Town.

### H-5

Encourage multi-family housing in appropriate locations and at an appropriate scale.

### H-6

Maintain Southborough's attractive and aesthetically diverse housing stock and continue to promote quality in future development.

# Housing Recommendations

- ▶ Goal 1: Ensure that future generations of Southborough citizens and people who work in Southborough are able to remain as residents of the Town.
- ▶ Goal 2: Encourage a more diverse population.
  - ▷ H-1: Develop a master plan for use of CPA funds.
  - ▷ H-2: Continue to use CPA funds for variety of affordable housing strategies:
    - rehabilitation of existing housing stock (loan program)
    - develop creative financing mechanisms to assist income eligible households
    - purchase existing multi-family homes for rental housing administered by SHA
    - buy-down existing housing stock
    - construct septic systems for non-profit affordable housing development
    - provide matching funds for partnerships with non-profits
    - provide housing for disabled and elderly residents.
- ▶ Goal 3: Expand the housing choice in Southborough for families.
- ▶ Goal 4: Encourage small lot zoning in villages and other appropriate areas in Town.
  - ▷ H-3: Encourage development on in-fill and non-conforming parcels.
  - ▷ H-4: Encourage re-use of commercial buildings for loft apartments and/or live-work space.
  - ▷ H-5: Inventory Town-owned and tax title property to identify potential parcels for use as affordable housing sites to be developed/rehabilitated by Town or by private developers.
  - ▷ H-6: Encourage a greater diversity of housing options (apartments in 40B projects; accessory apartments, deed restrictions in existing dwellings, etc.).
- ▷ H-7: Expand affordable housing provisions in zoning (inclusionary zoning) to include Multi-family Housing for the Elderly bylaw and mixed-use development if adopted. Consider providing incentives to make it more attractive to developers.
- ▶ Goal 5: Encourage multi-family housing in appropriate locations and at an appropriate scale.
- ▶ Goal 6: Maintain Southborough's attractive and aesthetically diverse housing stock and continue to promote quality in future development.
  - ▷ H-8: Revise zoning to expand housing choices by allowing multi-family dwellings, mixed-use development, duplexes, etc. in a variety of zoning districts.
  - ▷ H-9: Allow duplexes by special permit.
  - ▷ H-10: Revise zoning to allow accessory apartments through site plan review by the Planning Board.
  - ▷ LU-11: Revise zoning to amend Major Residential Development to an Open Space Residential Development that provides for clustered housing development.
  - ▷ NCHR-4: Adopt policies to encourage green development practices and LEED certifiable technologies by the Town and private developers (i.e. review site plan review for environmental/energy efficiency criteria).