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TOWN OF NATICK
Housing Production Plan

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Table of Contents

Table of Contents 3
Glossary of Terms 6
Section 1: Executive Summary 8
Community Development Advisory Committee 8
Affordable Housing Trust 8
Methodology 9
Definitions 10
Acknowledgements 10
Section 2: Summary of Key Findings 11
Community and Demographics 11
Housing 12
Subsidized Housing Inventory 12
Tools and Funding 12
Affordable Housing Supply 13
Affordability Gap 14
Stakeholder Interviews 14
Demand for Housing 14
Constraints 15
Affordable Housing Goals 16
Implementation Strategies 16
Section 3: Demographic Analysis 18
Community Description 18
Transportation 19
Health Care 19
Senior Services 19
Natick Service Council 20
Population 20
Age Distribution 21
Race 23
Households 23
Household Type and Size 24
Family Growth 25
Household Income 25
Rent Burdened 26
Poverty 27
Education 29
Employment 29
Commute to Work 32
Unemployment 33
Section 4: Housing Characteristics 35
Housing Units 35
Age and Condition 35

Housing Type 36
Housing Tenure 37
Building Permit History 38
Vacancy 39
Foreclosure Data 40
Assessed Valuation 40
Tax Rate and Tax Bills 41
Affordable Housing Real Estate Tax Rate 43
Municipal Services/Cost 44
Section 5: Affordable Housing Inventory 45
Affordable Housing Defined 45
Chapter 40B 46
Subsidized Housing Inventory 46
State Public Housing 47
Federal Public Housing 48
Public Housing 48
Private Affordable Rental Housing 50
Market-Rate Rental Housing 52
Private Affordable Ownership Housing 53
Market-Rate Ownership Housing 57
Planned Affordable Housing 58
Section 6: Demand Analysis 60
Affordability Gap 60
Homeownership 60
Rental 62
Demand for Housing 62
Section 7: Stakeholder Interviews 65
Section 8: Zoning and Funding for Affordable Housing 67
Local Zoning Bylaws 67
Inclusionary Housing Option Program 67
Housing Overlay Option Plan 67
Smart Growth Overlay District 68
Funding Mechanisms 68
Community Preservation Act 68
HOME Funds 68
Community Development Block Grant Program 69
Affordable Housing Trust 69
Senior Citizen Property Tax Incentive Program 69
Historic Tax Credits 69
Section 9: Constraints on Future Development 71
Transportation Constraints 71
Water and Wastewater Management Constraints 72
Conservation Constraints 72

Section 10: Affordable Housing Goals 73
Housing Unit Growth Analysis 73
Natick Housing Production Program 75
Section 11: Implementation Strategies 77
Educational Strategies 77
Zoning and Planning Strategies 79
Preservation Strategies 81
Housing Production Strategies 82
Short Term Action Plan 85
Appendix A: Subsidized Housing Inventory 88
Appendix B: Natick Zoning Map 89
Appendix C: Smart Growth Overlay District Map 91
References 93

Glossary of Terms

ACS – American Community Survey – a survey prepared and conducted by the US Census that estimates population, housing, social, and economic statistics in the years between the decennial censuses.

Affordable Housing – Housing with costs at or below 30% of a household's annual income.

AMI – Area Median Income - Midpoint in the family-income range for a metropolitan statistical area or for the non-metro parts of a state.

CDAC – Community Development Advisory Committee

CDBG – Community Development Block Grant – Block grants that fund activities such as affordable housing, anti-poverty programs, and infrastructure development. Block grants are sums of money granted by the federal government to a regional government with only general provisions as to the way it is to be spent.

Chapter 40B – A state statute, which enables local Zoning Boards of Appeals to approve affordable housing developments under flexible rules if at least 20-25% of the units have long-term affordability restrictions. Also known as the Comprehensive Permit Law.

Claritas – Data source that projects statistics such as population, income, and households based on US Census data

CPA – Community Preservation Act

Deed Rider - Addendum to a deed that guarantees affordability status for a unit through future sales.

DHCD – Department of Housing and Community Development

Esri – Data source that projects statistics such as population, income, and households based on US Census data

FMR - Fair Market Rent - Gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service.

HOME funds - Formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

Household vs. family – According to the US Census, a family is a group of related individuals including a householder and at least one more person. A household is a group of individuals that may or may not be related with one head of household. A household may include only one family.

HUD – Department of Housing and Urban Development

Inclusionary zoning - Planning ordinances that require a share of new construction to be designated as affordable for households with low to moderate incomes.

Local Preference Policy – Policy dictating that preference in affordable housing is shown to individuals and households that live, work, or are related to someone who lives in Natick.

Low-income vs. very low-income – Low-income households are those households making at or below 50-80% of the Area Median Income. Very low-income households are those households making below 50% Area Median Income

Median Income – A central point in a sample of household incomes where half of the income range is above the median point and half of the income range is below the median point.

MLS – Multiple Listing Service

NAHT – Natick Affordable Housing Trust

Rent Burdened – Households that are paying more than 30% of their annual income towards rent. Severely rent burdened households are those households paying more than 50% of their annual income towards rent.

Section 8 – Program through which the government authorizes housing assistance payments to private landlords in order to provide housing for low-income households.

SHI - Subsidized Housing Inventory – A listing of all units within the state that receive federal or state-level subsidies.

Stakeholder – an individual, group of individuals, or organization with an interest in the issue at hand.

Subsidized Housing - Housing for moderate to low income individuals and households supported by government funding.

The Warren Group – Data source that provides housing sales and building permit data based on individual municipality's registry of deeds.

ZBA – Zoning Board of Appeals

Section 1: Executive Summary

The Town of Natick hired LDS Consulting Group, LLC (LDS) to create an Affordable Housing Needs Assessment and Affordable Housing Production Plan (Plan) for submission to the Massachusetts Department of Housing and Community Development (DHCD). Since the last plan, the Town of Natick has created an Affordable Housing Trust Fund (Trust) and has reached the states 10% affordable housing goal. The goal of this study is to not only identify the supply and demand for affordable housing in Natick but to also provide a strategic plan to assist the Town in determining how it should best direct and leverage its resources to meet the affordable housing needs in Natick.

One of the guiding principles LDS followed in its work is described in the Town of Natick Vision Statement, which was published in the 2008 Natick 360 Strategic Plan 2008 - 2012. That plan focuses on providing citizens of Natick with a vibrant, sustainable and welcoming community. Specifically, the plan provides the following vision statement that outlines the type of town that Natick residents want to develop:

"As citizens of Natick, we aspire to create a future in which Natick is a healthy community of diverse and interconnected citizens, businesses, organizations and neighborhoods, where citizens of all ages, backgrounds and income levels can live, work and thrive;"

Community Development Advisory Committee

The Community Development Advisory Committee (CDAC) is charged with acting as an advisory board and resource in carrying out the major goals identified in the Town's Housing Plan and the Consolidated Plan, participating in the development of housing and community programs, and providing input and guidance for any future proposed plans. The CDAC's major accomplishment was the presentation of an article to Natick Town Meeting recommending that the Town establish an Affordable Housing Trust Fund.

The Board of Selectmen appointed the following members to the CDAC: Carol Gloff representing the Board of Selectmen; Glen Glater representing the Planning Board; Bruce Weisberg representing the banking industry; Paul Mulkerron representing the real estate industry; and at-large member Marjorie Gove.

The Executive Director of the Natick Housing Authority and the Natick Town Administrator (or her designee, in this case the Natick Housing Planner) are non-voting members of the committee.

Affordable Housing Trust

The Natick Affordable Housing Trust (NAHT) was formed in February 2008, after Natick Town Meeting voted in Fall 2007 to accept Massachusetts General Law Chapter 44, Section 55C, and thus authorized the establishment of a municipal affordable housing trust for Natick. The general purpose of such trust, as stated in Massachusetts General Law, is for the purpose of creation and preservation of affordable housing for the benefit of low and moderate-income households.

This action by Town Meeting authorized the Board of Selectmen to appoint a board of trustees of the NAHT, which was required to include no less than five (5) trustees, at least one (1) of whom is also a current member of the Board of Selectmen.

The following current Trustees were appointed by the Board of Selectmen: Carol Gloff, representing the Board of Selectmen; Glen Glater, representing the Planning Board; Bruce Weisberg, representing the banking industry; Paul McKeon, representing the real estate industry; Randy Johnson, representing the construction industry; Michael Avitzur an attorney; and at-large members Stephen Gartrell, Marjorie Gove, and Jay Ball when we began our study.

Methodology

LDS reviewed existing studies and plans. Demographic and housing data for the town of Natick were obtained by reviewing the latest Census data, including American Community Survey Data ("ACS"), local assessment information, Claritas reports, Esri Reports and other sources. Claritas and Esri project trends in population, households and other matters in five-year increments. Using this demographic data, LDS has then compared Natick to its neighboring towns as well as Middlesex County and the Commonwealth of Massachusetts.

The ACS is a nationwide survey designed to provide communities with a fresh look at how they are changing. It is a critical element in the Census Bureau's reengineered decennial census program. The ACS collects and produces population and housing information every year instead of every 10 years. However, the data sample is significantly smaller than the summary field data collected in the regular census and therefore in smaller municipalities, there are larger margins of error.

LDS has also examined the housing inventory for the Town of Natick. This was done by reviewing past studies and interviewing local officials and property managers. The Multiple Listings Service, Warren Group and other sources were also used to understand the historic and current housing market. In addition to creating a housing inventory, LDS has provided an overview of the different zoning bylaws and local initiatives that promote and fund affordable housing in Natick. This information was gathered through interviews with local officials, a review of local zoning bylaws and other research.

The Housing Production Plan also includes a summary of the potential constraints on future development. LDS interviewed Natick officials and examined past studies to obtain this information. All of the information was then used to develop affordable housing goals and implementation strategies for the Town of Natick.

This report is reflective of the data, market conditions and conclusions considered at this point and time. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy. The report, or a copy thereof, may not be used for any purposes other than those set forth herein without the written consent of the author, and in any event, only with the proper written qualifications and only in its entirety.

Definitions

According to the United States Census, a family includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption. All people in a household who are related to the householder are regarded as members of his or her family. A family household may contain people not related to the householder, but those people are not included as part of the householder's family in census tabulations. Thus, the number of family households is equal to the number of families, but family households may include more members than do families. A household can contain only one family for purposes of census tabulations. Not all households contain families since a household may comprise a group of unrelated people or one person living alone.

According to the United States Census, a household refers to all individuals who live in the same dwelling. Household types are arranged into two groups: family households and nonfamily households. A family household contains at least two persons -- the householder and at least one other person related to the householder by birth, marriage, or adoption -- and is categorized into three types: married couple; female householder with no spouse present; and male householder with no spouse present. A nonfamily household may contain only one person -- the householder -- or additional persons who are not relatives of the householder. Nonfamily households may be classified as either female nonfamily or male nonfamily households. For each year, the total number of households is the sum of the five mutually exclusive household types. By census definition, householders must be at least 15 years of age.

Acknowledgements

We would like to thank the members of the CDAC and the Trust, and in particular Housing Planner Joe Merkel for helping pave the way for us to gather information from various Town departments and answering many questions. We could not have accomplished this without your time and dedication. We also want to acknowledge the efforts of the Town of Natick Council on Aging, Assessors Department, Community Development Department and Department of Public Works.

Section 2: Summary of Key Findings

Community and Demographics

Natick is a largely residential town that has seen a consistent rate of growth in the last two decades. Growth can be attributed to excellent highway access to points east and west, commuter rail access to Boston, the local school system, and the redevelopment of the town center. Natick, which has a population of 33,006, according to the 2010 Census, experienced a 3.8% growth rate from 2000 to 2010. This growth rate is on par with the Commonwealth of Massachusetts, higher than Middlesex County, and is higher than all the surrounding municipalities except for Wellesley and Dover. Residents in the town, in terms of age of the population, are getting older. The 25-34 year old population has seen a net decrease of 39% from 1990 to 2010 and the 35-44 year old population has only had a 1.8% net growth from 1990 to 2010. Meanwhile, Natick's 45-54 year old, 55-59 year old and 60 to 64 year old populations have seen net growth rates from 1990 to 2010 of 67%, 58% and 29%, respectively. Despite the decrease in 25 to 34 year olds and a small increase in 35 to 44 year olds, the 5 to 14 year old age group has seen a net increase of 37% from 1990 to 2010. This growth has been consistent over the last two decades but is expected to slow due to lack of developable land.

The number of new households has kept pace with population growth, but households have become smaller – average household size is 2.44 in 2010. Natick households are slightly smaller on average than households at the state and county levels. In addition, Natick's household size was smaller than all surrounding municipalities in 2010 despite Natick being one of only three municipalities included in the study that showed growth in household size over this time period. Approximately 60% of Natick households have one or two people, and 32% have three or four people. Many town residents are well educated professionals (more than 50% have a minimum of a Bachelor's degree), with moderately-high incomes. Median household income has also increased by 78% over the last two decades, reaching $87,568 in 2010. However, an estimated 51% of households in Natick paid at least 30% of their income toward rent over the ten-year period between the 2000 and 2010 Censuses, which indicates a large demand for more affordable rental housing. The number of families living below the poverty line in Natick has risen. In addition, more individual females are below the poverty rate than males and the percentage of all individuals below the poverty level in Natick is half the average in Middlesex County and one-third of the state average.

The majority of Natick workers – an estimated 79% – worked in white collar jobs in 2011. On average, Natick residents have a slightly longer commute to work, 28.6 minutes, than their counterparts in Middlesex County and the Commonwealth of Massachusetts. The annual unemployment rate in Natick (not seasonally adjusted) has remained lower than that of Middlesex County and the Commonwealth of Massachusetts since at least 1990. The unemployment rate was at the lowest in the last 10 years in 2007 when it reached 3%. It rose steadily until 2010 and has seen a continuous and net decrease over the last year, reaching 4% in December of 2011, the most recent month with data available.

Housing

There has been a consistent increase in the number of housing units in Natick over the last two decades. Since 2000, the number of units has increased by 5.6%, which is less than the County and State's rate of housing growth. Roughly 12% of the housing stock was built within the last two decades. Approximately 56% of the housing stock was built before 1960. Despite these changes, the town's housing stock continues to lack diversity. The town largely consists of single-family homes (72%), and the vast majority of housing units (72%) are ownership units. There are few rental options, particularly for lower-income residents. There have been a minimal number of foreclosures in the community, and foreclosed homes tend to be purchased right away. In 2010, 5.1% of housing units in Natick were vacant, which is a low vacancy number and indicates that there could be a shortage of housing supply.

Housing values and real estate tax bills have been increasing. The average assessed value of a single-family home in Natick has doubled since FY 2000, though it has declined since the peak in 2007. Since FY 2000, the average single-family tax bill has increased by over 50%, reaching $5,773 this fiscal year, FY 2012. This has made it increasingly difficult for lower-income residents, particularly those on fixed incomes, to remain in Natick.

Subsidized Housing Inventory

The Massachusetts Legislature enacted Massachusetts General Law Chapter 40B in 1969 to "help address the shortage of affordable housing statewide by reducing unnecessary barriers created by local approval processes, local zoning and other restrictions" (Citizens' Housing and Planning Association, 2009). The state's Subsidized Housing Inventory (SHI) is used to determine if a municipality has reached the 10% affordable housing threshold.

According to the SHI, the Town of Natick had 14,052 Year Round Housing Units – based on the 2010 Census – and 1,412 SHI units as of February 2, 2012. According to the Town's Housing Planner, paperwork has been submitted for an additional 5 ownership units at 20 South Avenue with an additional 138 rental units to be added after the building permits are granted for the Paperboard project in Natick Center. That means that currently 10.05% of the Town's housing stock is considered to be subsidized, soon to be 11.06%; and the Town of Natick has exceeded the state's 10% goal (Massachusetts Department of Housing and Community Development, 2012).

Tools and Funding

Natick has a wide range of tools and a limited amount of funding sources to create and preserve affordable housing in the community. The Town has one residential district that allows multifamily housing as a permitted use, the Residential Multiple (RM) district. The minimum lot size in this district is 20,000 square feet. The Town has an Inclusionary Housing Option Program that permits higher density for projects of 10 or more units in exchange for building or funding affordable units. They also have a Housing Overlay Option Plan which provides higher density in exchange for including 10%-15% of the units as affordable. This has been instrumental in creating three developments: Castle Courtyard, Admiral's Cove, and 20 South Avenue.

There is also a Smart Growth Overlay District. There are currently only two sources of funding for affordable housing in the community, HOME funds or Inclusionary funds. We have provided suggestions for additional sources of funding such as applying for CDBG funds or implementing the Community Preservation Act (CPA). In addition, the Town offers income-eligible seniors a reduction in taxes in exchange for volunteer work for the community. The Town needs a greater variety of housing choices for its residents and therefore needs other sources of revenue to fund such endeavors.

Affordable Housing Supply

There are a total of 815 actual affordable housing units in Natick. This number differs from the SHI because not all affordable units are on the SHI, and some rental units are counted on the SHI despite not actually being affordable due to the nuances of Chapter 40B. See page 40 for further information on calculating how Chapter 40B units are counted on SHI. In addition, there are 12 ownership units built and not yet on the inventory and 130 rental units permitted but not yet built.

The Natick Housing Authority ("NHA") manages a total of 429 housing units including 89 family units, 323 elderly and disabled units and a 10-person group home. Wait times range from 5-15 years for family units and 6 months to 1 year for an elderly/disabled unit. They also administer 109 mobile vouchers with a wait time of five or more years. The NHA faces significant challenges due to a constrained funding environment and aging buildings. They are working diligently to bring units that have been off line, back on line. There is a need to preserve affordable housing for the neediest population that NHA serves.

There will be an additional 130 actual units of privately owned affordable rental housing when Chrysler Apartments and Paperboard are built (20% of 138 total units at Paperboard; 25% of 407 total units at Chrysler). Sherwood Village is an existing a 236 unit elderly housing development on Mill Street with potential expiring units. All developments reported high occupancy for affordable units and high demand for units. In fact, Cloverleaf reported that they receive requests daily for affordable units. In addition, the Community Planning Department reported weekly requests for affordable housing, with the highest demand from single-parent households with incomes at 80% of AMI. The requests are evenly split for homeownership and rental.

According the SHI and the Housing Planner, there are 98 affordable homeownership units in Natick. They include 38 units as part of the Natick Mall off-site development program among other units. Although South Natick Hills has approved 67 units, only 40 have been built. In addition, a housing development on South Avenue has been approved in the HOOP district and will contain 2 affordable units when built. There have been issues with selling smaller one bedroom homeownership affordable units in recent years, which may be due to the low prices of condominiums and the issues with the economy. In addition, re-sales of units in mostly renter occupied buildings have been slow.

Affordability Gap

Like housing values, home sales prices have largely declined in recent years. The average sales price of single-family homes in Natick was $510,000 in 2008, but it dropped to $412,000 in 2012 (through March). Single-family homes, though, have still been selling for more than $459,000 on average in the past 12 months, according to the Multiple Listings Service. There is therefore a substantial gap between the sales price of an affordable home and the actual price of a home on the market in Natick. For example, the gap between what is affordable to a low-income family of four earning 80% of area median income (AMI) and the average sales price of a three-bedroom, single-family home is roughly $250,000.

Market rents are also out of reach for low-income residents in Natick. The gap between the amount of rent a low-income, two-person household earning 80% of AMI can afford and the market-rate rent of a two-bedroom apartment at Cloverleaf – a newer apartment complex – is $388. It is important to note that Cloverleaf offers many amenities in addition to being fairly new.

Stakeholder Interviews

The vast majority of the stakeholders and organizations we interviewed responded that more affordable housing is needed within the town, in particular for families (Cooper, 2012) and one-parent households. Other issues included a lack of senior affordable housing in Natick (Parker, 2012); a feeling that the existing affordable housing in Town is generally unattractive (Parker, 2012); and a lack of housing for families having incomes above the HUD income limits for affordable housing yet below the level at which they are able to afford market-rate housing (Maseda, 2012). In addition, there is a large need for housing for persons who suffer from mental disabilities, and finally, there is a need to provide rental assistance to keep individuals and families in their homes as a means of homelessness prevention.

Demand for Housing

Based on our demand calculations, there is significant demand for multi-family units at both the 50% and 80% AMI levels. Based on the occupancy rates, and inquiries to existing affordable rental developments, we believe that the greatest need is for affordable rental housing. Furthermore, the absorption of affordable homeownership units has been a challenge for some unit types and locations in Natick. It may be due to the fact that condominium pricing of market rate units is similar to that of affordable units, or a result of the poor economic conditions. Regardless, we would suggest that if there is a desire for additional homeownership units, that they be single family homes, rather than condominiums. In addition, we do not recommend homeownership products for households earning significantly below 70% of AMI as they are not able to absorb the costs required to maintain a property long term and are more vulnerable economically to sudden job loss or major health incidents than higher earning households.

There is very strong need at the 50% AMI level for elderly rental units as well as at the 80% AMI level. A small portion of this demand may be absorbed by the 103 units at Chrysler Apartments since it will have elevators which will be attractive to seniors. The homeownership market for

affordable age-restricted housing is very small for a variety of reasons, including the fact that there is an asset limitation, so we do not recommend any affordable age-restricted homeownership units. In addition, we note that there is a large and growing elderly population, and there is a need for a product that provides a higher level of care such as supported elderly housing or assisted living.

Constraints

According to an official at the Department of Public Works, there are few, if any, constraints to development in terms of sewer and water. The Town currently is part of the Massachusetts Water Resources Authority (MWRA) sewer system and utilizes its own wells and treatment plant for water. The DPW official also said that the road system should not be an impediment to development.

Speaking with an official at a local non-profit organization, public transportation was identified as a constraint to the ability of those who need affordable housing to effectively utilize any new developments. This official mentioned that the local public transportation service, the MWRTA, does not operate at hours that allow for those working at certain types of businesses, such as the Natick Mall, to utilize public transportation, due to the inability to return home at night after 8 PM or at any time on Sundays.

Impacts on traffic and the ability to provide parking are a constraint with respect to the development of new housing. Town staff indicated that transportation updates and infrastructure maintenance are predicated on State funding. Without State funding, these projects may be delayed or not undertaken, which inhibits development within the Town, and may have an effect on any potential affordable housing within the Town.

In addition to these constraints, there are several specific locations in the town that have traffic and parking issues of which many, if not all, are reliant upon State funding, and therefore progress of these projects moves at the pace of the State. These locations include: the intersection of Route 9/Oak Street, the intersection of Route 9/Route 27, and downtown Natick. Funds from the State will be necessary to repair bridges, mitigate issues with traffic safety, and finish projects that have been designed, but have not been undertaken.

Parking is also an issue in the Town, specifically in downtown Natick where there is a large building that has been struggling to fill the upper levels due to a lack of parking in the downtown area. If there were parking available, the owner would be able to fill upper stories either with offices or residential units. During the interview, it was mentioned that state priority development assistance would allow the Town to construct a parking garage that would provide parking spaces for the downtown area, and allow more business to provide parking for their employees, therefore possibly freeing up spaces for tenants.

Affordable Housing Goals

The Town of Natick has taken significant steps to promote affordable housing and housing diversity in the community. This is reflected by the creation of the Natick off site program and the implementation of the HOOP and HOOP II Districts Despite these efforts, however, the Town of Natick continues to face challenges in meeting all of the community's affordable housing needs and is looking for direction in how to best invest its limited resources which currently are HOME funds. Based on the housing inventory, demand analysis and other findings in this study, the Town will work toward the following affordable housing goals:

- Preserve existing affordable homeownership and rental units.
- Increase the supply of affordable rental housing for very low-income (<50% AMI) and low-income (50%-80% AMI) families;
- Increase the supply of affordable rental housing for very low-income (<50% AMI) seniors;
- Provide low-income seniors with housing options that include supportive services (i.e.,. assisted living facilities);
- Increase affordable homeownership opportunities for low-income (<80% AMI), first-time homebuyers.
- Increase housing and support opportunities for special needs populations such as battered women, developmentally disabled persons, survivors of traumatic brain injury, veterans or formerly homeless persons.
- Identify additional sources of funding for affordable developments.

Because the Town has exceeded the state's 10% affordable housing goal, it can determine its own yearly production schedule and we have suggested that three units per year starting in 2016 is a reasonable goal which is adding 10% of new units.

Implementation Strategies

To meet the housing goals mentioned above, the Town can consider a variety of implementation strategies. These strategies – 21 have been recommended – are based on the local needs, existing resources, constraints and compliance issues discussed throughout this Housing Production Plan. They have been grouped according to the type of strategy proposed: Education and Capacity Building Strategies, Zoning and Planning Strategies, Preservation Strategies, and Housing Production Strategies. While some of the strategies, like those aimed at administrative matters, do not directly create affordable units, they provide the support and environment needed to achieve housing goals.

We have suggested the following goals for consideration by the Town. Each goal has been described in detail in Section 11.

Education and Capacity Building Strategies

1. Continue to educate and train committee members
2. Educate the public
3. Partner with housing providers and agencies
4. Create a guide of financing options for low-income homeowners/landlords

5. Examine energy efficiency/green building programs

Zoning and Planning Strategies

1. Consider IHOP Zoning Bylaw and create a new Inclusionary Zoning by-law
2. Work on Adoption of Inclusion zoning by-law.
3. Amend the zoning by-law to encourage upper floor apartment development in the downtown area by amending parking requirements.
4. Create an accessory unit program
5. Institute a fee waiver or reduction program for affordable units
6. Examine project review functions/funding allocations
7. Amend local preference policy.

Preservation Strategies

1. Work with the NHA to preserve housing and bring units back on line
2. Buy down existing affordable units with new deed riders
3. Pursue CDBG/HOME funding to establish a housing rehabilitation program

Housing Production Strategies

1. Identify and make available Town-owned land for affordable housing development
2. Identify vacant, abandoned or underutilized land for affordable or mixed-income housing development
3. Re-establish a down payment assistance program for first-time homebuyers
4. Explore a "buy down" program for first-time homebuyers
5. Explore partnering with private developers
6. Leverage existing funding resources
7. Consider revisiting the idea of adopting of the Community Preservation Act

Section 3: Demographic Analysis

Community Description

Natick is a suburban community located in eastern Massachusetts, 18 miles west of Boston. Natick is bordered by Framingham on the west, Wayland and Weston on the north, Wellesley and Dover on the east, and Dover and Sherborn on the south. Natick was incorporated as a town in 1781 with a Board of Selectmen/Town Meeting style of government. According to the 2010 Census, the population of Natick is 33,006 (US Census Bureau). Natick's land area is 15.09 square miles with a population density of 2,187 people per square mile (Massachusetts Department of Housing and Community Development). The town is mostly built out, with little undeveloped land left that is not reserved for open space, therefore any new development, especially development located near transportation, can only occur on existing developed space such as infill development or redevelopment of existing structures.

The Town of Natick government includes a Board of Selectmen, Town Administrator and Representative Town Meeting. It also has numerous boards and committees, ranging from a Bicycle and Pedestrian Advisory Committee to the Cochituate Rail Trail Advisory Committee (Town of Natick, 2012).

Natick has one high school serving the community, Natick High School, as well as two middle schools and five elementary schools. The Natick School District was placed on the College Board's 2nd Annual AP® District Honor Roll for significant gains in Advanced Placement® access and student performance (Natick Public Schools, 2011).

Natick is home to four private schools in addition to the Natick public schools. These four schools include The Riverbend School, an independent Montessori school serving children from 15 months to 8th grade (The Riverbend School, 2010); The Tobin School, an independent day school for children grades pre-kindergarten to 5 (The Tobin School, 2011); Walnut Hill School for the Arts, a performing arts school for grades 9-12 (Walnut Hill School for the Arts); and the Brandon School and Residential Treatment Center, a non-profit residential school treating troubled boys and their families (Brandon School, 2011).

Several recreational opportunities exist within the area. Six golf courses are located in the surrounding area; however, only one is located in Natick. These golf courses include: Sassamon Trace Golf Course (Natick), Nehoiden Golf Club (Wellesley), Wellesley Country Club (Wellesley), Sandy Burr Country Club Wayland), Leo J Martin Memorial Golf Course (Weston), and Pine Brook Country Club (Weston). Natick and the surrounding area is also home to several museums and historical landmarks; the Natick Mall, the largest shopping mall in New England, which also includes a 16-screen movie theater adjacent to the mall; the Chase Arena, an ice rink; and several local parks. The Charles River flows through Natick, with a dam located in South Natick along Route 16. This area attracts fishermen, picnickers, and recreationists who use the waterfall from the dam, the grassy areas surrounding the river, and the river itself for recreational opportunities. There are other community recreation and entertainment opportunities in Natick such as Camp Arrowhead, a camp for children and

adults with disabilities; the Natick Community Organic Farm; Natick Drama Youth Theatre; numerous sports fields; and Broadmoor Sanctuary, an National Audubon nature center with many recreational opportunities.

Transportation

Natick is part of the Massachusetts Bay Transit Authority (MBTA) system, with Natick residents having access to the commuter rail via the Natick and West Natick stations, both of which are on the Framingham/Worcester Line. The Natick station has 71 parking spaces available to anyone with a town parking permit, while the West Natick station has 178 spaces, with a $4 per day rate. The trip from the Natick and West Natick stations into Boston's South Station are approximately 45-50 minutes and cost $5.75 for a one-way trip.

Natick does not have direct bus access to Boston, but it is part of the Metro West Regional Transit Authority (MWRTA) with bus access to Framingham and Worcester, and the surrounding areas. The MWRTA provides bus service to connect to the MBTA Green Line at the Woodland Station, and the Green line is another option for getting to/from Boston. Natick is served by a majority of the MWRTA bus lines with a major hub being at the Natick Mall and stops at the Natick Center and West Natick MBTA commuter rail stations.

There is an express bus that travels between the Natick Mall/Shopper's World and Logan International Airport. The travel time for this bus is approximately 30-45 minutes and it operates approximately every 30 minutes on weekdays and every hour on weekends. An adult one-way ticket is $12 with reduced fares for seniors and children. Parking is $7 per day.

Natick is well positioned for automobile transportation with four major roadways passing east-west through town. These are Interstate 90, Route 9, Route 135, and Route 16. The four east-west roadways run parallel to one another. I-90 is along the northern border of Natick; Route 9 and Route 135 travel through the center of Natick, with Route 135 becoming Central Street in downtown Natick; and Route 16 running through South Natick. Access to Boston and points west are available via any of these roadways. These transportation routes may however, cause north south barriers within the Town impeding pedestrian and bike access.

Health Care

Natick is served by Leonard Morse Hospital, which is part of MetroWest Medical Center. MetroWest Medical Center also includes Framingham Union Hospital, which is approximately 3 miles from Natick Center. MetroWest Medical Center provides a wide range of services to the community including: emergency, surgical, oncology, cardiovascular, maternity, gastroenterology, and rehabilitation services, among others.

Senior Services

The Town of Natick Council on Aging (COA) provides a broad range of services to approximately 2,789 seniors in the community. The age of persons served ranges from under 55 to over 85 years old. Based on interviews with officials, the average age of seniors served was mid-70s to early 80s. The COA provides activities, education, information, and social and

support services and programs. The three most utilized services are elder nutrition, transportation (through volunteer rides and cab coupons) and exercise classes. Programs and services include information resources, case management and crisis intervention, coordination of volunteer services, wellness, intergenerational and fitness programs, health services and support for chronic disease self-management, assistance for families and individuals on accessing public and private benefits, and advocating for older adults and individuals with disabilities of all ages. Weekly shopping trips are provided to Natick elders by the MWRTA, but no transportation is provided directly by the COA. The COA does provide volunteer rides, of which over 875 rides were provided for medical appointments and other purposes in the past year. The COA also distributed 2,837 cab coupons for reduced cab fare in the past year. Based on information from COA officials, the COA makes housing reference referrals in 35 to 45 cases per year (Aging, 2012). The COA is involved in a senior tax work program which consists of 125 approved positions for 125 hours and a $1,000 property tax credit. Currently 38 participants are taking advantage of the program. There is a new community service/senior center under construction on East Central Street.

Natick Service Council

We spoke to Greg Tutuny at the Natick Service Council (NSC). Mr. Tutuny stated that the main charges of the NSC are providing financial assistance in the form of rent, heating fuel and utility assistance, food pantry, career development, behavioral health services, and substance abuse services to individuals and families making up to 300% of the federal poverty guideline income. Mr. Tutuny stated that the need for NSC services has increased by about 20% over the last three years. Many of the clients are tenants of the Natick Housing Authority properties, and a connection between NHA and NSC has been cultivated, due to the proximity of the two offices and the services provided. Mr. Tutuny indicated that most of the requests received by the NSC are within the $400 to $500 range, and that the NSC currently serves 227 families in Natick. Many of the services offered by the NSC are provided to renters, at a ratio of 95% renters/5% home owners, therefore many of these services can be classified as homeless prevention, rather than foreclosure prevention. The funds needed to run the organization and provide services to the community are raised through local business and individual/family donations. No state or federal funding is received by the NSC. Mr. Tutuny indicated that the need for affordable housing is growing in Natick and the NSC has recently seen a growth in families and individuals from lower-middle class households coming to the NSC for aid. He also indicated that there is a growing need for elderly housing and affordable family housing, particularly for families making 30% of the area median income (Tutuny, 2012).

Population

Natick's population was 33,006 in 2010 (US Census Bureau) as shown in Table 1. It has grown roughly 3.8% since 2000, which is lower than the 5.3% increase the town experienced from 1990 to 2000. The town's rate of growth in the last decade was slightly higher than that of Middlesex County and similar to, but slightly higher than that of Massachusetts. Natick grew more in the past decade than all but two of the surrounding towns, Dover and Wellesley, both of which grew by a larger percentage, with Dover's population more than doubling in the last ten years.

According to ESRI, Natick's population is expected to increase by 10.5% over the next five years. This figure incorporates the 2010 Census figures and accounts for increased development in the Town over the last few years. It should be noted that the 2016 Claritas estimates did not utilize 2010 data. We have no ability to analyze the issues with the Dover population data. The only explanation we have is the 2010 is actual census, and 2016 uses 2000 data and projects forward.

Table 1

POPULATION GROWTH							
	1990	2000	Percent Change	2010	Percent	2016	Percent Change
Natick	30,210	31,802	5.30%	33,006	3.80%	36,466	10.48%
Dover	2,163	2,216	2.50%	5,589	152.20%	2,357	-57.80%
Framingham	64,989	66,910	3.00%	68,318	2.10%	66,412	-2.80%
Sherborn	3,932	4,142	5.30%	4,119	-0.60%	4,316	4.80%
Wayland	11,972	13,214	10.40%	12,994	-1.70%	13,589	4.60%
Wellesley	26,615	26,613	0.00%	27,982	5.10%	28,018	0.10%
Weston	10,237	11,505	12.40%	11,261	-2.10%	12,514	11.10%
Middlesex County	1,398,468	1,465,396	4.79%	1,503,085	2.57%	1,530,780	1.84%
Massachusetts	6,016,425	6,349,097	5.50%	6,547,629	3.10%	6,660,155	1.70%

Source: 1990 Census, 2000 Census, 2010 Census, ESRI (Natick, Middlesex County and Massachusetts 2016 projections) Claritas (All Other Municipal 2016 Projections)

Age Distribution

Figure 1 shows the population by age for the Town of Natick, comparing census data from 1990-2010. The middle age categories in Natick have seen a large shift in the last twenty years. The largest of these is the 25 to 34 year old category, which has declined by 39% since 1990. The 35 to 44 year olds have a net growth of only 1.8% since 1990, which includes a 15% decline from 2000 to 2010. The 45 to 54 year olds, however, have seen a large increase of 67% since 1990. The older age groups also saw a large amount of growth in the last twenty years, approximately 67% for 55-59 year olds and 27% for 60 to 64 year olds. This represents an outmigration from Natick of these middle age groups during the last twenty years, but a settling down for the older age groups. Figure 1 below displays these trends over the twenty year span.

Figure 1

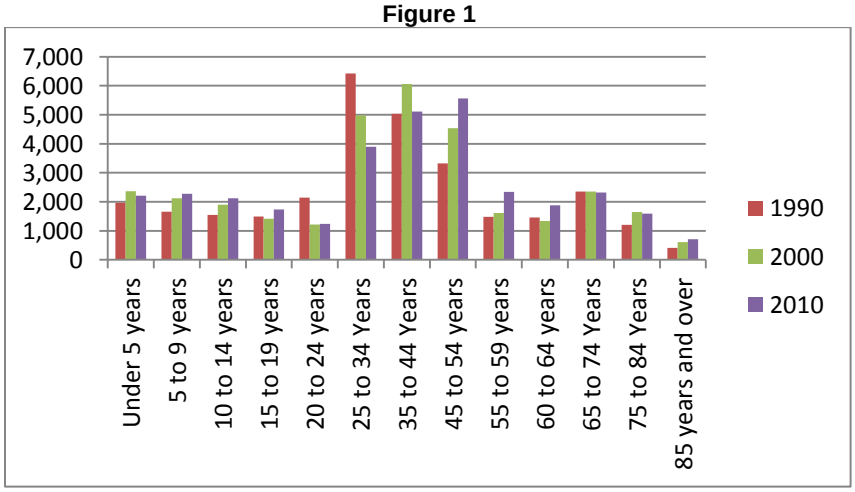


Table 2 shows both the percent by age group of overall population, as well as the percent change for the specified time period. This table illustrates that the younger age groups in Natick have seen a gradual increase over the last twenty years as the overall population has grown. The age groups of 5 to 9 years and 10 to 14 years have seen a growth of between 0.3% and 1.2%, respectively, with a larger rate of growth seen between 1990 and 2000 than between 2000 and 2010. There is a large drop in 20 to 24 year olds from 1990 to 2000 which remained to the 2010 Census. From 1990 to 2000, the population of 20 to 24 year olds saw approximately a 50% decline in population. This could be due to a larger trend of outmigration from Massachusetts among this age group due to a lack of housing choice and/or affordable housing. We note that the 2010 census data does not include new developments such as Chrysler Apartments which cater to the young professional population and incorporate affordable housing.

The majority of the over-55 population has seen growth over the past twenty years, with the largest growth in the past decade. In particular, the 45-65 year old population grew by over 40%. In addition, the 75 to 84 and 85+ year olds have seen growth in Natick of 31% and 73%, respectively, over the last twenty years.

Table 2

AGE DISTRIBUTION									
	1990	Percent	2000	Percent	Percent Change 1990 - 2000	2010	Percent	Percent Change 2000 - 2010	Net 1990-2010
Total population	30,510	--	32,170	--	5.4%	33,006	--	2.6%	8.2%
Under 5 years	1,966	6.4%	2,370	7.4%	20.5%	2,207	6.7%	-6.9%	12.3%
5 to 9 years	1,655	5.4%	2,124	6.6%	28.3%	2,276	6.9%	7.2%	37.5%
10 to 14 years	1,546	5.1%	1,903	5.9%	23.1%	2,122	6.4%	11.5%	37.3%
15 to 19 years	1,496	4.9%	1,421	4.4%	-5.0%	1,737	5.3%	22.2%	16.1%
20 to 24 years	2,145	7.0%	1,219	3.8%	-43.2%	1,242	3.8%	1.9%	-42.1%
25 to 34 Years	6,424	21.1%	4,981	15.5%	-22.5%	3,898	11.8%	-21.7%	-39.3%
35 to 44 Years	5,027	16.5%	6,058	18.8%	20.5%	5,115	15.5%	-15.6%	1.8%
45 to 54 years	3,327	10.9%	4,532	14.1%	36.2%	5,561	16.8%	22.7%	67.1%
55 to 59 years	1,482	4.9%	1,619	5.0%	9.2%	2,346	7.1%	44.9%	58.3%
60 to 64 years	1,462	4.8%	1,335	4.1%	-8.7%	1,878	5.7%	40.7%	28.5%
65 to 74 Years	2,359	7.7%	2,350	7.3%	-0.4%	2,325	7.0%	-1.1%	-1.4%
75 to 84 Years	1,212	4.0%	1,650	5.1%	36.1%	1,591	4.8%	-3.6%	31.3%
85 years and over	409	1.3%	608	1.9%	48.7%	708	2.1%	16.4%	73.1%

Source: 1990 Census, 2000 Census, 2010 Census

In 2010, the median age in Natick was 41.1 years (US Census Bureau). This is slightly older than the median ages in Middlesex County and Massachusetts, which were 38.3 and 39.1 years, respectively.

Race

The population in Natick does not have a lot of diversity. It has remained predominantly White over the past decade, as shown in Table 3 below, with a slight decrease between the 2000 and 2010 census. As a result, Minority residents are increasing slightly in number, with Asians seeing the largest increase, almost doubling in number from 2000 to 2010.

Table 3

RACE IN NATICK				
	2000	**Percent**	**2010**	**Percent**
Total population	32,170	--	33,006	--
White	29,602	92.0%	28,822	87.3%
Black or African American	525	1.6%	692	2.1%
American Indian and Alaska Native	34	0.1%	42	0.1%
Asian	1,242	3.9%	2,386	7.2%
Native Hawaiian and Other Pacific Islander	17	0.1%	10	0.0%
Some Other Race	247	0.8%	391	1.2%
Two or More Races	503	1.6%	663	2.0%

Source: 2000 Census, 2010 Census

Households

A household includes all people who occupy a housing unit, which can be a house, apartment, mobile home, group of homes or single room that is occupied as separate living quarters. The number of households in Natick has continued to grow since 1990, as shown in Table 4 below. Natick's household growth, at 2.5%, was second highest of the surrounding towns, with Wayland being the only town with a higher rate at 4.0%. Compared to Middlesex County and Massachusetts, however, Natick's new household formation is lower than both, with Middlesex County having a growth rate of 3.5% and Massachusetts at 4.2%. From 1990 to 2010, Natick's household growth has mirrored the Town's population growth. Natick's household formation rate is expected to decrease by 1.9% according to Claritas, however, updated 2010 Census figures contributing to updated Claritas reports will likely change that decrease into an increase. We note that Dover has experienced a large amount of population growth, 152%, from 2000-2010 but only 2.5% household growth. It could be attributed to an increase in the size of households, or the fact that the 2010 census is an actual count and the 2016 is projected based on 2000 Census data.

Table 4

HOUSEHOLD GROWTH							
	1990	2000	% Change 1990-2000	2010	% Change 2000-2010	2016 projection	% Change 2010-2015
Natick	12,009	13,080	8.9%	13,406	2.5%	13,150	-1.9%
Dover	1,643	1,849	12.5%	1,869	1.1%	783	-58.1%
Framingham	25,113	26,153	4.1%	26,173	0.1%	25,699	-1.8%

HOUSEHOLD GROWTH							
	1990	2000	% Change 1990-2000	2010	% Change 2000-2010	2016 projection	% Change 2010-2015
Sherborn	1,349	1,423	5.5%	1,438	1.1%	1,450	0.8%
Wayland	4,210	4,625	9.9%	4,808	4.0%	4,743	-1.4%
Wellesley	8,472	8,594	1.4%	8,695	1.2%	8,871	2.0%
Weston	3,350	3,718	11.0%	3,776	1.6%	3,897	3.2%
Middlesex	519,527	561,220	8.0%	580,688	3.5%	586,992	1.1%
Massachusetts	2,247,110	2,443,580	8.7%	2,547,075	4.2%	2,579,999	1.3%

Source: 1990 Census, 2000 Census, 2010 Census, Claritas (2016 projections)
Note: The 2016 projections provided for the five towns are for each of the town's Zip Code.

Household Type and Size

As demonstrated below, the distribution of household types in Natick has remained relatively the same since 1990, despite the increase in the number of households. Two-person households have continued to make up the largest proportion of households in town at approximately 30%-34%; however there appears to be a slowly developing trend of a decreasing number of two-person households and a slow increase of one-person households. After a small drop, the number of three-person households has held steady while the number of four-person households has been slowly increasing. The number of households with five or more persons has been relatively unchanged.

Table 5

HOUSEHOLD TYPE IN NATICK						
Type	1990		2000		2010	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**
1-person household	2,983	24.8%	3,697	28.3%	3,896	29.1%
2-person household	4,148	34.5%	4,344	33.2%	4,223	31.5%
3-person household	2,144	17.9%	2,141	16.4%	2,170	16.2%
4-person household	1,738	14.5%	1,967	15.0%	2,114	15.8%
5-person household	696	5.8%	700	5.4%	759	5.7%
6-person household	215	1.8%	183	1.4%	189	1.4%
7-or-more-person household	85	0.7%	48	0.4%	55	0.4%

Source: 1990 Census, 2000 Census, 2010 Census

It is a generally accepted principle that household sizes have been decreasing across the county as families are having fewer children than previous generations. However, Natick has seen an increase in household size over the past 10 years, different from most of the surrounding towns, Middlesex County, and Massachusetts. Despite this increase, Natick still has a net negative growth in housing size when the timeline is extended back to 1990, when Natick averaged 2.5 persons per household. The average household size in Natick is still smaller than in Middlesex County and Massachusetts. This has been true since 1990, as shown below. In 2010, the average household size in Natick was 2.44.

Table 6

AVERAGE HOUSEHOLD SIZE					
	1990	2000	% Change	2010	% Change
Natick	2.5	2.42	-3.2%	2.44	0.8%
Dover	2.98	3.01	1.0%	2.96	-1.7%
Framingham	2.44	2.43	-0.4%	2.47	1.6%
Sherborn	2.96	2.95	-0.3%	2.86	-3.1%
Wayland	2.8	2.8	0.0%	2.69	-3.9%
Wellesley	2.7	2.7	0.0%	2.78	3.0%
Weston	2.78	2.85	2.5%	2.82	-1.1%
Middlesex County	2.59	2.52	-2.7%	2.49	-1.2%
Massachusetts	2.58	2.51	-2.7%	2.48	-1.2%

Source: 1990 Census, 2000 Census, 2010 Census

Family Growth

A family consists of a householder and one or more people living in the same household who is related to the householder by birth, marriage or adoption. As shown below, the number of families in Natick has grown at a slightly higher rate than Middlesex County or the Commonwealth of Massachusetts. The projection for 2016 shows a large growth of 9.3% in Natick while growth in Middlesex County and Massachusetts will remain stable compared to 2010 numbers.

Table 7

FAMILY GROWTH							
	1990	2000	% Change 1990-2000	2010 Estimate	% Change 2000-2010	2016 projection	% Change 2010-2016
Natick	8,126	8,532	5.0%	8,714	2.1%	9,526	9.3%
Middlesex County	347,306	361,076	4.0%	366,656	1.5%	372,003	1.5%
Massachusetts	1,514,746	1,576,696	4.1%	1,603,591	1.7%	1,625,470	1.4%

Source: 1990 Census, 2000 Census, ESRI (2016 projections)

Household Income

As shown in below, the median household income in Natick has increased by approximately 25%, on par with Middlesex County and the Commonwealth. The median income in surrounding towns has not grown as quickly indicating that Natick may be becoming a more attractive place to live for a more affluent population. Despite the growth that Natick has seen in median household income, it is still significantly below all surrounding communities except for Framingham. However, it is higher than the Middlesex County and Commonwealth of Massachusetts averages.

Table 8

MEDIAN HOUSEHOLD INCOME					
	1990	2000	% Change 1990-2000	2010	% Change 2000-2010
Natick	$49,229	$69,755	41.69%	$87,568	25.54%

MEDIAN HOUSEHOLD INCOME					
	1990	2000	% Change 1990-2000	2010	% Change 2000-2010
Dover	$91,376	$141,818	55.20%	$164,583	16.05%
Framingham	$42,948	$54,288	26.40%	$64,061	18.00%
Sherborn	$93,925	$121,693	29.56%	$145,250	19.36%
Wayland	$72,057	$101,036	40.22%	$129,805	28.47%
Wellesley	$79,111	$113,686	43.70%	$139,784	22.96%
Weston	$95,134	$153,918	61.79%	$148,512	-3.51%
Middlesex	$43,847	$60,821	38.71%	$77,377	27.22%
Massachusetts	$36,952	$50,502	36.67%	$64,509	27.74%

Source: 1990 Census, 2000 Census, 2006-2010 ACS

Table 9 Table 9 compares the distribution of household income in 2000 Census figures to 2006-2010 ACS figures and 2016 estimates. The majority of households in Natick earn $50,000-$100,000. There is a trend toward reductions in the lower-income ranges and increases in the higher-income ranges. For example, for the period 2000-2010 the number of households earning $100,000 to $149,999 increased by roughly 30%, and the number of households earning $150,000 to $199,999 increased by 44%. At the other end of the income spectrum, the number of households earning more than $15,000 but less than $35,000 showed a decrease of approximately 14%-30%. Households earning between $35,000 and $74,999 also saw a large decrease in numbers, however, not as dramatic as the $15,000 to $34,999 income group.

Table 9

HOUSEHOLDS BY HOUSEHOLD INCOME IN NATICK								
	2000	Percent	2010	Percent	% Change 2000-2010	2016	Percent	% Change 2010-2016
Less than $15,000	1,060	8.1%	907	6.9%	-14.4%	828	5.6%	-8.7%
$15,000 to $24,999	834	6.4%	574	4.4%	-31.2%	660	4.5%	15.0%
$25,000 to $34,999	1,009	7.7%	693	5.3%	-31.3%	583	3.9%	-15.9%
$35,000 to $49,999	1,462	11.2%	1,226	9.3%	-16.1%	1,070	7.2%	-12.7%
$50,000 to $74,999	2,698	20.6%	1,989	15.2%	-26.3%	1,875	12.7%	-5.7%
$75,000 to $99,999	2,197	16.8%	1,886	14.4%	-14.2%	2,491	16.8%	32.1%
$100,000 to $149,999	2,231	17.0%	2,879	22.0%	29.0%	3,787	25.6%	31.5%
$150,000 to $199,999	874	6.7%	1,256	9.6%	43.7%	1,674	11.3%	33.3%
$200,000 or more	734	5.6%	1,705	13.0%	132.3%	1,840	12.4%	7.9%

Source: 2000 Census, 2006-2010 ACS, ESRI (2016 Projections)

Rent Burdened

Households are considered rent burdened if they pay more than 30% of their income on rent. Households are considered significantly rent burdened if they pay more than 50% of their income on rent. As shown in Table 10, an estimated 51% of households in Natick paid at least 30% of their income on rent in 2009. This is a smaller percentage compared to those in Middlesex County and the Commonwealth of Massachusetts. Similarly, compared to

Middlesex County and the state, a smaller percentage of Natick households–an estimated 13.1% - were severely rent burdened during this same period. The number of severely rent burdened households appears to be shrinking, however the number of households paying 35%-50% or more to rent has increased by half since 2000. This could be due to the recession that began in 2008, when many people lost all or a significant portion of their income thereby skewing the percentage of their income going towards their rent.

Table 10

GROSS INCOME TOWARD RENT								
	1990		2000		% Change 1990 to 2000	2010		% Change 2000 to 2010
	Number	Percent	Number	Percent	Percent	Number	Percent	Percent
Natick								
30%+	1,162	29.2%	1,384	33.9%	19.1%	1,577	51.1%	14.0%
50%+	462	11.6%	482	11.8%	4.3%	405	13.1%	-16.0%
Middlesex County								
30%+	76,442	36.6%	99,897	41.8%	30.7%	120,949	57.1%	21.1%
50%+	33,786	16.2%	33,411	14.0%	-1.1%	46,148	21.8%	38.1%
Massachusetts								
30%+	357,960	39.3%	445,472	42.9%	24.5%	565,623	61.0%	27.0%
50%+	170,213	18.7%	160,173	15.4%	-5.9%	224,389	24.2%	40.1%

Source: 1990 Census, 2000 Census, 2006-2010 ACS

Poverty

The median income in Natick is $87,568 per year. An individual working an average hourly wage job will earn approximately $22,000 per year. The federal poverty guidelines show that at the 100% poverty level, the income for one person is $11,170 annually. Therefore, a person earning an average wage in Natick will earn approximately 200% of the federal poverty level. A family of four at the 100% poverty earns $23,050, just above minimum wage.

As shown in Table 11, Natick is roughly in the middle of the surrounding towns in terms of percentage of families below the poverty level. Natick had 2.4% of families below the poverty level, which is approximately half of the Middlesex County average and significantly less than the Massachusetts average, at 7.5% of all families.

Table 11

FAMILIES BELOW POVERTY						
	1990		2000		2010	
Town	Total Families	% Below Poverty	Total Families	% Below Poverty	Total Families	% Below Poverty
Natick	8,197	1.9%	8,532	1.7%	8,714	2.4%
Dover	1,394	0.4%	1,568	2.3%	1,585	1.6%
Framingham	16,155	4.2%	16,573	6.0%	16,535	6.9%

FAMILIES BELOW POVERTY						
	1990		2000		2010	
Town	Total Families	% Below Poverty	Total Families	% Below Poverty	Total Families	% Below Poverty
Sherborn	1,337	1.0%	1,423	0.7%	1,178	2.8%
Wayland	3,431	1.0%	3,722	2.1%	3,676	0.9%
Wellesley	6,492	1.3%	6,537	2.4%	6,669	2.5%
Weston	2,770	1.6%	2,993	2.1%	2,948	2.6%
Middlesex	349,355	4.2%	361,076	4.3%	366,656	5.1%
Massachusetts	1,525,198	6.7%	1,576,696	6.7%	1,603,591	7.5%

Source: 1990 Census, 2000 Census, 2006-2010 ACS.

In Natick, when you look at the details of all families below the poverty level in Table 12, there are significantly higher proportions of single, female-head-of-household families and families with single, female-head-of-household and a child under 18 listed as having incomes below the poverty level (6.7% and 13.1%, respectively), when compared to married-couple-families with or without children under 18 (0.4% and 1.7%, respectively) or all families with or without children (3.3% and 2.9%, respectively).

Table 12

POVERTY RATES DETAILED - NATICK	
	Percent
All families	2.9%
With related children under 18 years	3.3%
With related children under 5 years only	0.0%
Married couple families	1.7%
With related children under 18 years	0.4%
With related children under 5 years only	0.0%
Families with female householder, no husband present	6.7%
With related children under 18 years	13.1%
With related children under 5 years only	0.0%

Source: 2006-2010 ACS

We also examined individual poverty rates in Natick as compared to the County and the State. It shows that as a percentage of all persons, more individual females are below the poverty rate than males. It also illustrates that the percentage of all individuals below the poverty level is half the average in Middlesex County and one-third of the state average.

Table 13

INDIVIDUAL POVERTY IN NATICK									
	Natick			Middlesex County			Massachusetts		
	Total	Below poverty level	Percent below poverty level	Total	Below poverty level	Percent below poverty level	Total	Below poverty level	Percent below poverty level
All Individuals	31,821	1,114	3.5%	1,428,271	108,660	7.6%	6,253,462	658,391	10.5%
Under 18 years	7,488	245	3.3%	316,796	25,318	8.0%	1,412,218	186,815	13.2%
18 to 64 years	20,008	538	2.7%	928,323	68,778	7.4%	4,006,774	394,306	9.8%
65 years and over	4,325	331	7.7%	183,152	14,564	8.0%	834,470	77,270	9.3%
Male	15,803	455	2.9%	694,487	46,409	6.7%	3,024,012	283,884	9.4%
Female	16,018	659	4.1%	733,784	62,251	8.5%	3,229,450	374,507	11.6%

Source: 2006-2010 ACS

Education

As shown in Table 14, in 2010, 78.1%, the majority of the population age 25 and older in Natick, went on to higher education after high school. This a larger proportion of the population compared to Middlesex County, which had 69% of residents move onto higher education or the Commonwealth of Massachusetts, which saw 62% go onto higher education.

Table 14

EDUCATIONAL ATTAINMENT OF POPULATION 25+					
	High School Graduate or GED	Some College	Associate's Degree	Bachelor's Degree	Master's, Professional School, or Doctorate Degree
Natick	18.1%	11.5%	6.3%	34.2%	26.1%
Middlesex County	22.6%	13.6%	6.1%	25.6%	23.7%
Massachusetts	26.7%	16.0%	7.6%	21.9%	16.4%

Source: 2006-2010 ACS

Employment

Natick residents age 16 years and older worked in a variety of occupations in 2010, as shown in Table 15. The most common occupation was education, health, and social services, with 26.4% of the population employed by that industry. Natick had roughly the same proportion of its population employed in that industry as the Middlesex County average and the Massachusetts average. Other common occupations of Natick included Professional, Scientific and Management at 19.5% and Retail Trade at 10.2%.

Table 15

OCCUPATION BY INDUSTRY FOR POPULATION 16+						
	Natick		Middlesex County		Massachusetts	
Industry	Total	Percent	Total	Percent	Total	Percent
Total Employed Population	17,787	--	784,372	--	3,271,535	--
Agriculture, forestry, fishing and hunting, and mining	37	0.2%	1,854	0.2%	12,821	0.4%
Construction	667	3.7%	38,614	4.9%	191,971	5.9%
Manufacturing	1,507	8.5%	77,661	9.9%	323,351	9.9%
Wholesale trade	619	3.5%	17,963	2.3%	87,944	2.7%
Retail trade	1,812	10.2%	71,986	9.2%	350,202	10.7%
Transportation, warehousing, and utilities	536	3.0%	23,325	3.0%	123,187	3.8%
Information	568	3.2%	26,156	3.3%	88,659	2.7%
Finance, insurance, real estate	1,674	9.4%	62,304	7.9%	264,145	8.1%
Professional, scientific, management, administrative	3,474	19.5%	138,438	17.6%	416,530	12.7%
Educational services, health care and social assistance	4,687	26.4%	210,208	26.8%	872,032	26.7%
Arts, entertainment, recreation, accommodation and food services	948	5.3%	52,123	6.6%	261,420	8.0%
Public administration	718	4.0%	28,812	3.7%	132,542	4.1%
Other services	540	3.0%	34,928	4.5%	146,731	4.5%

Source: 2006-2010 ACS

The majority of Natick workers – an estimated 79% - worked in white collar jobs in 2011 as shown in Table 16. This is higher than the Middlesex and Massachusetts average, but lower than many of the surrounding communities.

Table 16

OCCUPATION CLASSIFICATION FOR WORKERS 16+			
	Blue Collar	**White Collar**	**Service and Farm**
Natick	9.2%	79.2%	11.7%
Dover	4.8%	88.6%	6.7%
Framingham	12.8%	67.6%	19.6%
Sherborn	4.2%	89.3%	6.6%
Wayland	6.6%	84.2%	9.2%
Wellesley	3.2%	87.9%	8.9%
Weston	3.2%	88.2%	8.6%
Middlesex	12.8%	73.1%	14.1%
Massachusetts	16.3%	66.8%	16.9%

Source: Claritas (2011 estimates)

The average weekly wage for all industries in Natick in the second quarter of 2011 – the most recent data available – was $1,105. That is almost equal to, but slightly lower, than the average

for the state ($1,107) and well below the Middlesex county average ($1,333) (Massachusetts Executive Office of Labor and Workforce Development).

Within Natick, the five largest employers are Boston Scientific, Leonard Morse Hospital, Math Works, American Medical Response, and Soldier Systems Center, as shown in Table 17. In addition, five of the top 10 employers are retailers, illustrating that there is tremendous job diversity in Natick. In terms of future job growth, a 166,000 square foot building is under development for Math Works that is expected to create an additional 600 jobs.

Table 17

LARGEST 25 EMPLOYERS IN NATICK		
Company Name	Address	Number of Employees*
Boston Scientific Corp	Boston Scientific Pl	1,000-4,999
Leonard Morse Hospital	Union St	1,000-4,999
Math Works Inc.	Apple Hill Dr	1,000-4,999
American Medical Response	Tech Cir	1,000-4,999
Soldier Systems Ctr.	Kansas St	500-999
Cognex Corp	Vision Dr	500-999
Home Depot	Speen St	250-499
Macy's	Worcester St	250-499
Nordstrom	Speen St	250-499
Roche Bros	W Central St	250-499
Abercrombie & Fitch	Worcester St	250-499
Bennett-Hemenway Elementary	E Evergreen Rd	100-249
Bernardi Auto Group	Worcester St	100-249
Brandon School	Winter St	100-249
Brigham Gill Chrysler Jeep Dodge	Worcester St	100-249
Cheesecake Factory	Worcester St	100-249
Coan Oil Inc.	W Central St	100-249
Crowne Plaza-Boston Natick	Worcester St	100-249
DIRECTBUY	Worcester St.	100-249
Herb Chambers of Natick Inc.	N Main St	100-249
Longfellow Sports Club	Oak St	100-249
Middlesex Savings Bank	Main St	100-249
Natick High School	West St	100-249
Natick Visiting Nurse Assn.	W Central St	100-249
Neiman Marcus	Speen St	100-249

Source: Massachusetts Executive Office of Labor and Workforce Development
*Unclear if all jobs are actually located in the Town of Natick

Commute to Work

On average, Natick residents have a slightly longer commute to work, at 28.6 minutes, than their counterparts in Middlesex County and the Commonwealth of Massachusetts. Natick, overall, is very similar to Middlesex County and Massachusetts in commute times, with approximately 24% of commutes less than 15 minutes, and the highest percentage of commutes between 15 and 30 minutes. This comparison is illustrated in Table 18 below.

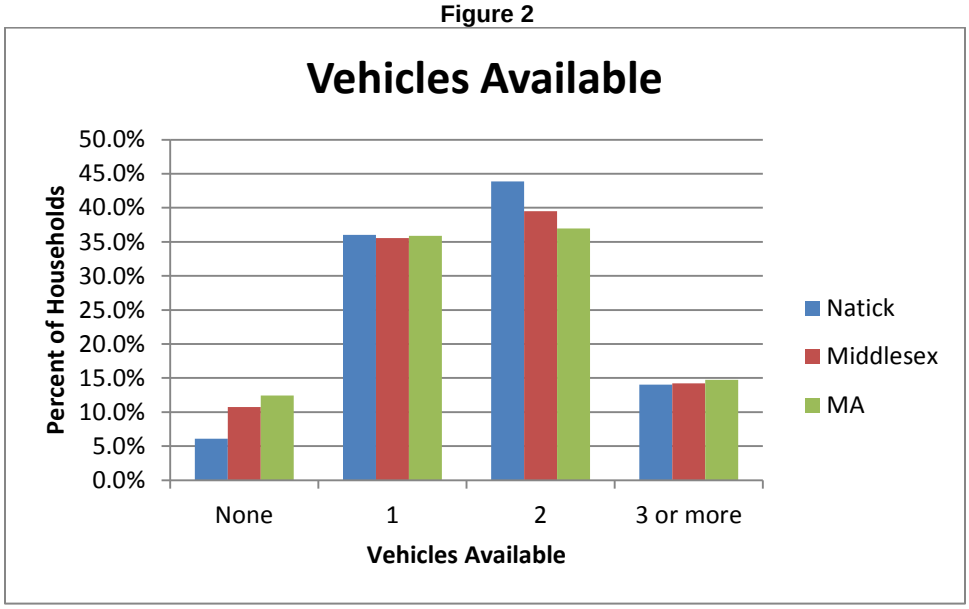
Table 18

TRAVEL TIME TO WORK			
	Natick	Middlesex County	Massachusetts
	Percent	Percent	Percent
Less than 15 minutes	23.7%	22.6%	25.9%
15 - 30 minutes	29.5%	32.7%	33.0%
30 - 45 minutes	24.0%	25.3%	21.9%
45 - 60 Minutes	12.5%	10.9%	9.4%
60 or more minutes	10.4%	8.6%	9.9%
Mean travel time to work (minutes)	28.6	27.7	27.3

Source: 2006-2010 ACS

It should be noted that 84% of workers drive alone to work, and only 7.2% take public transportation. This at least partially reflects the limited public transportation options available in Natick. The MBTA commuter rail is the only direct option for persons living in Natick and working in Boston to take public transit to work, however there is a bus to the Green Line in Newton. In addition, approximately 58% of all employed workers aged 16 and older have at least two vehicles available, which is higher than Middlesex County and Massachusetts at 54% and 52%, respectively, see figure 2 below.

Figure 2

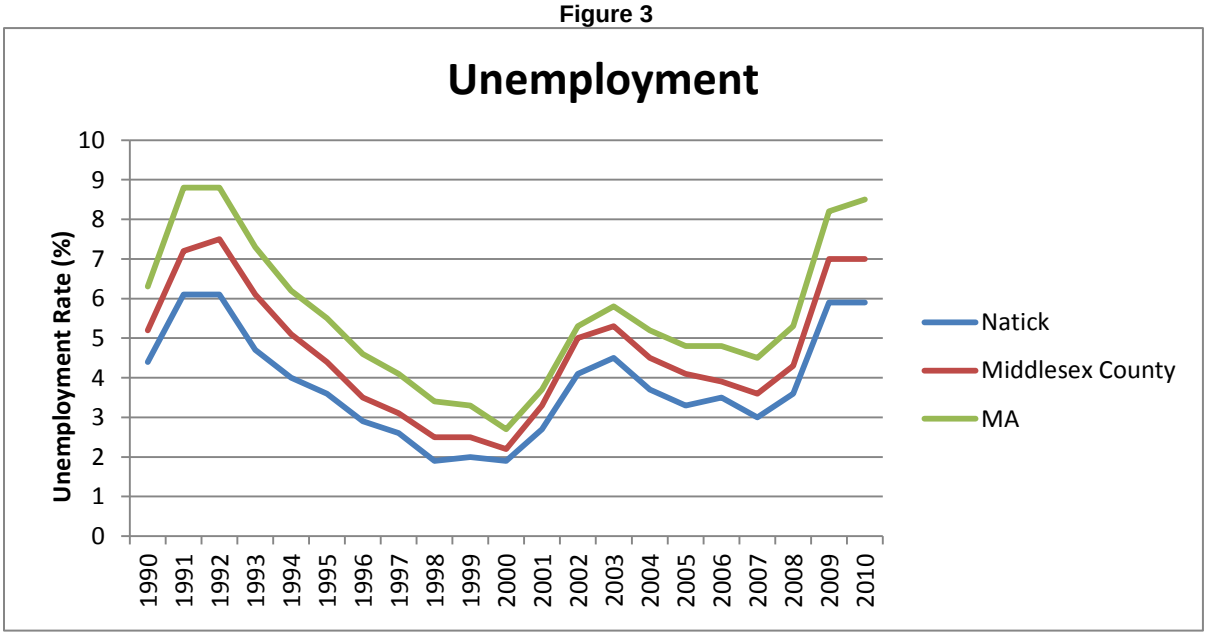


Source: 2006-2010 ACS

Unemployment

As Figure 2 demonstrates, the annual unemployment rate in Natick (not seasonally adjusted) has remained lower than the Middlesex County and the Commonwealth of Massachusetts averages since at least 1990. It peaked at 6.1% in Natick in 1991, and approached that same level in 2009 and 2010 when the rate was 5.9%.

Figure 3



Source: Massachusetts Executive Office of Labor and Workforce Development

The lowest the unemployment rate has been was 1.9% in 1999 and 2001. Table 19 below shows the unemployment rate of the surrounding areas in 2011. The unemployment rate in Natick has continued to decline over the course of 2011 to 4.0% in December 2011, as shown in Table 19.

Table 19

UNEMPLOYMENT RATE IN 2011									
Month	**Dover**	**Framingham**	**Natick**	**Sherborn**	**Wayland**	**Wellesley**	**Weston**	**Middlesex County**	**MA**
December 2011	3.2	4.8	4	3.6	3.9	3.8	2.9	5.1	6.5
November 2011	3	4.6	4.1	3.7	4	3.8	3.3	5.1	6.4
October 2011	4	5.2	4.6	4.6	4.4	4.5	4	5.6	6.8
September 2011	3.9	5.4	5.1	4.8	4.8	5	4.1	6	7.2
August 2011	3.7	5.2	4.9	3.7	4.5	4.3	3.9	5.8	7
July 2011	4.5	5.9	5.4	4.9	5.1	5.5	4.8	6.5	7.8
June 2011	4.8	6	5.3	4.9	5.4	5.6	5.1	6.5	7.8
May 2011	4.5	5.4	4.9	4.7	5.4	5	4.5	6	7.4
April 2011	4.8	5.3	4.6	5	4.8	4.6	4.2	5.9	7.4
March 2011	4.4	5.7	4.8	4.7	5.1	4	3.7	6.2	8.2
February 2011	4.7	6	5.1	5.2	5.3	4.5	4.1	6.6	8.6
January 2011	5.2	6.4	5.6	5.5	5.7	5.2	4.2	7	8.9
December 2010	4.3	6	5.4	5.7	5.4	5.1	4.2	6.5	8

Source: Massachusetts Executive Office of Labor and Workforce Development

Section 4: Housing Characteristics

Housing Units

Table 20 displays the total number of housing units in Natick and the surrounding areas from 1990 to 2010. In 2010, there were 14,121 housing units in Natick, a growth of 753 units or 5.6% from 2000. This rate of growth is slightly more than half the rate of Middlesex County. The Commonwealth of Massachusetts grew 7.1% during that time, only 1.5% faster than Natick. When compared to surrounding towns, the housing unit growth rate in Natick is in the middle of the pack, with Weston, Dover and Wayland having higher growth rates, as shown in Table 20.

Table 20

HOUSING UNITS					
	1990	2000	% Change 1990-2000	2010	% Change 2000 to 2010
Natick	12,645	13,368	5.7%	14,121	5.6%
Dover	1,696	1,849	9.0%	1,969	6.5%
Framingham	26,402	26,734	1.3%	27,529	3.0%
Sherborn	1,374	1,451	5.6%	1,495	3.0%
Wayland	4,383	4,735	8.0%	5,021	6.0%
Wellesley	8,764	8,861	1.1%	9,089	2.6%
Weston	3,508	3,718	6.0%	4,008	7.8%
Middlesex	543,796	561,220	3.2%	612,004	9.0%
Massachusetts	2,472,711	2,621,989	6.0%	2,808,254	7.1%

Source: 1990 Census, 2000 Census, 2010 Census

Age and Condition

Table 21 below provides information on the age of the housing stock in Natick. Roughly 56% of the housing units were built before 1960, making them more than 50 years old. Approximately 30% of units were built in the 1940's and 1950's and 25% in the 1970's. There has been relatively less development of new housing stock in Natick in the past two decades, approximately 6% per decade and remaining fairly constant at approximately 850 units a decade.

Table 21

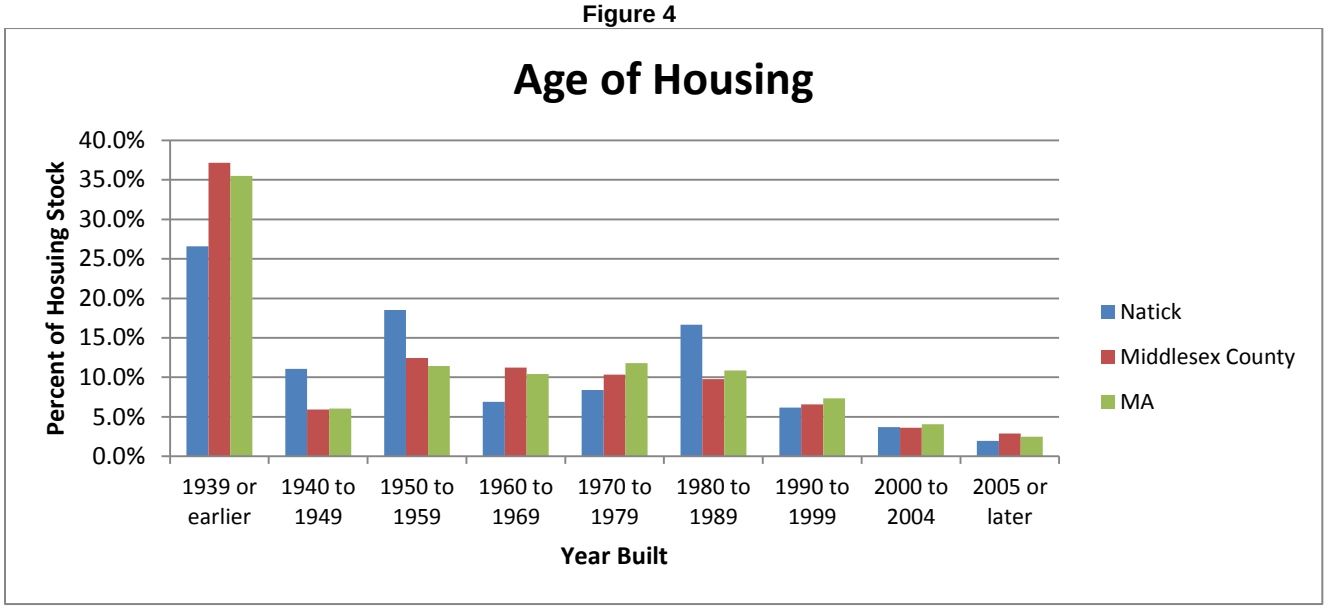
YEAR STRUCTURE BUILT		
	Total	Percent
Built 2005 or later	277	2.0%
Built 2000 to 2004	521	3.7%
Built 1990 to 1999	866	6.2%
Built 1980 to 1989	2,342	16.7%
Built 1970 to 1979	1,178	8.4%
Built 1960 to 1969	970	6.9%
Built 1950 to 1959	2,599	18.5%
Built 1940 to 1949	1,555	11.1%

YEAR STRUCTURE BUILT		
	Total	Percent
Built 1939 or earlier	3,734	26.6%

Source: 2006-2010 ACS

Figure 4 shows that except for standout decades in 1950 and 1980, the rate of housing production in Natick has followed the same patterns as Middlesex County and Massachusetts.

Figure 4



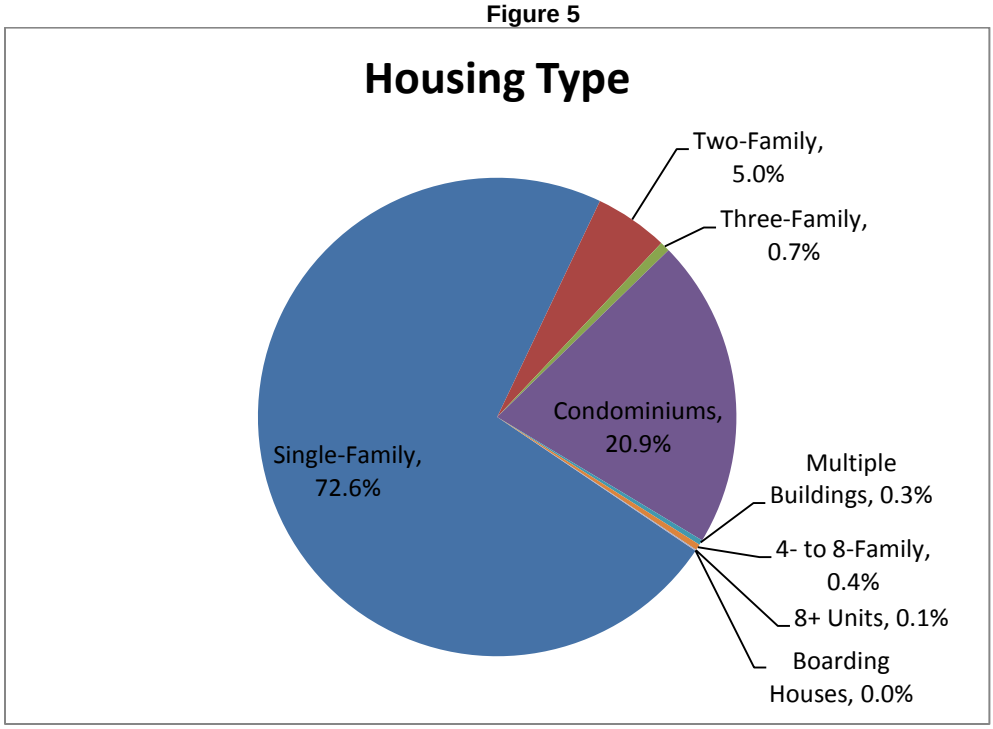
Source: 2006-2010 ACS

Housing Type

The housing stock in Natick is mostly single-family homes, as shown in Figure 5. Of the remaining 27.4% of the housing stock that is not single-family housing, 580 properties, or 5% are two-family houses. There are 79 three-family dwellings, 40 multiple buildings (the tax assessor refers to these as more than one unit on a site), 47 4-8 unit family dwellings, and seven 8+ unit buildings. Condominiums are the second-most prevalent housing type with 2,441 units, or 20.9% of all housing units in Natick.

According to the tax assessor, some rental housing units have been lost to homeownership in the past two decades due to converting two family homes into duplex condominium units (Dangelo, 2012).

Figure 5



Source: Town of Natick Assessor

Housing Tenure

Table 22 shows the housing tenure in 2000 and 2010 for Natick and the surrounding areas. Natick has a higher rate of homeownership than Middlesex County and the Commonwealth of Massachusetts. However, Natick has a significantly lower rate of homeownership than its neighboring communities, with the exception of Framingham. In 2010, approximately 72% of housing units in the town were owner-occupied. This is a small increase from 2000 when roughly 71% of units were owner-occupied. This indicates that the growth in housing stock has occurred on a one-for-one basis between rental and ownership units, or that rental units are converted to ownership units at the same rate that replacement units are built.

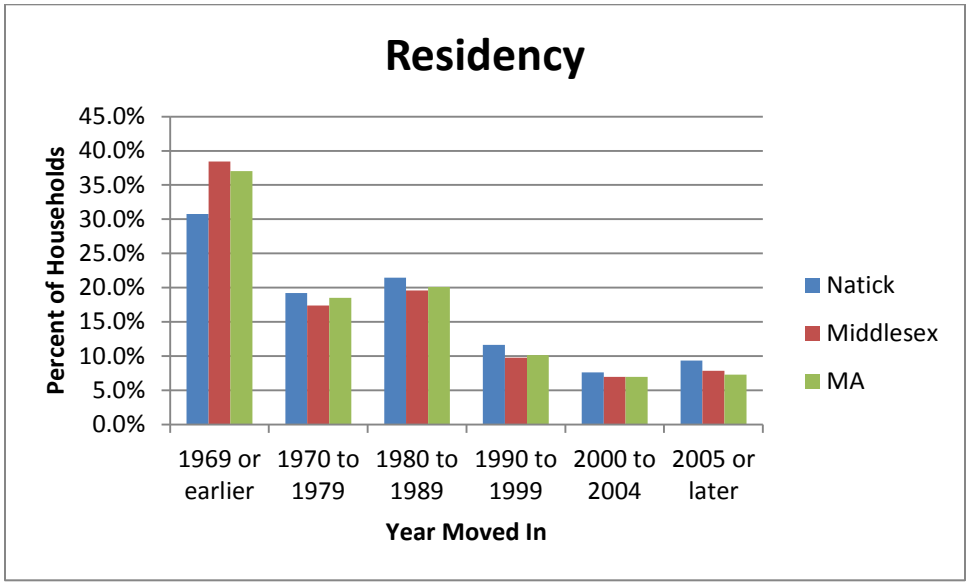
Table 22

HOUSING TENURE				
	2000		2010	
	Rental	Owned	Rental	Owned
Natick	28.90%	71.10%	28.40%	71.60%
Dover	5.10%	94.90%	5.00%	95.00%
Framingham	44.50%	55.50%	45.50%	55.50%
Sherborn	7.20%	92.80%	6.70%	93.30%
Wayland	8.30%	91.70%	11.30%	88.70%
Wellesley	16.90%	83.10%	18.20%	81.80%
Weston	13.90%	86.10%	14.60%	85.40%
Middlesex	38.30%	61.70%	37.80%	62.20%
Massachusetts	38.30%	61.70%	37.70%	62.30%

Source: 2000 Census, 2010 Census

Figure 6 below shows the years Natick residents moved into their homes according to the 2010 Census, and then it compares this data to the residents of Middlesex County and the Commonwealth of Massachusetts and the year they moved into their homes. As of 2010, approximately half of Natick residents moved into their homes prior to 1980 and approximately 71% prior to 1990. Comparatively, only approximately 29% of Natick residents moved into their homes after 1990. The move in rate closely mirrors the building rate for new homes over these same time periods.

Figure 6



Source: 2006-2010 ACS

Building Permit History

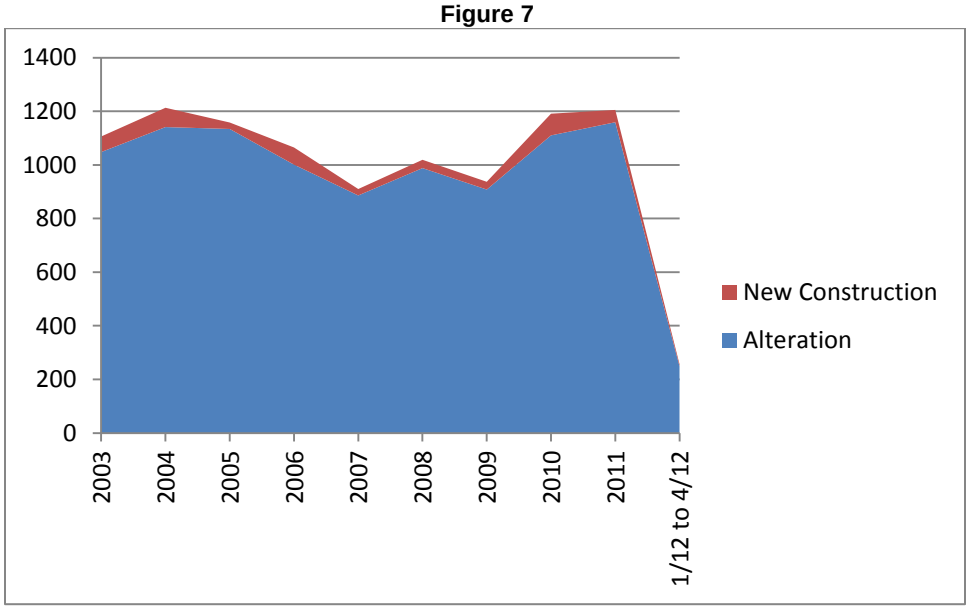
The history of construction permits, as shown in Table 23 and Figure 7 reflects the growth of new dwellings between 2003 and 2012 (through March 31). There was a significant slowdown in building beginning in 2007. The number of building permits has increased since 2010 and continues to rise. It should be noted that the Town of Natick keeps records for only new construction and alterations, and not on the type of use the building accommodated. Therefore, both residential and commercial developments were included in both categories.

Table 23

BUILDING PERMITS IN NATICK										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	1/12 to 4/12
Alteration	1048	1141	1134	1001	886	988	908	1110	1159	249
New Construction	58	72	24	64	24	31	29	81	46	8

Source: Town of Natick Building Inspector

Figure 7



Source: Town of Natick Building Inspector

Vacancy

The Foundation for Growth created a working paper to project housing construction needs for the state under a variety of possible economic scenarios through the year 2020 (Lindsay Koshgarian; Lindsay Koshgarian, October 29, 2010). In their findings, they assumed that a healthy vacancy rate is defined as the rate at which prices neither rise nor fall, and has been estimated by the Harvard Joint Center for Housing Studies for the purposes of national housing projections to be 1.5 percent for owner-occupied housing and 7.4 percent for rental housing (McCue, November 2007). The report stated that rental vacancy rate should be close to 7.4 percent to avoid unnecessary price inflation.

The report highlighted the following information:

- In 2008, Massachusetts had a shortage of 20,116 housing units statewide, if vacancy rates needed for healthy markets are considered.
- In 2008, the Boston Metro region had a shortage of 14,343 units, reflecting shortages in both single- and multi-family housing units, and 10,330 for multi-family units alone.
- Rental vacancy rates were lowest for multi-family housing in Massachusetts in Metro Boston (4.5 percent).
- They forecasted population growth in Massachusetts from 2008-2020 is projected to be 11.6% growth for person's age 25 to 34 year old.
- They forecasted for Massachusetts a gap in housing supply of 33,775 multi-family units, including 20,651 in Greater Boston.

In 2010, 5.1% of housing units in Natick were vacant, indicating that Natick has reached equilibrium in terms of supply and demand for housing. This vacancy rate, which has increased since 2000, is identical to that of Middlesex County and almost half the vacancy rate of the Commonwealth of Massachusetts, as shown in Table 24. It should be noted that the

increased vacancies overall in 2010 are likely the result of the current economic environment, including ability to obtain financing and units in foreclosure.

Table 24

VACANT UNITS				
	2000		2010	
	Number	Percent	Number	Percent
Natick	288	2.2%	715	5.1%
Dover	35	1.9%	100	5.1%
Framingham	581	2.2%	1,356	4.9%
Sherborn	28	1.9%	57	3.8%
Wayland	110	2.3%	213	4.2%
Wellesley	267	3.0%	494	5.4%
Weston	107	2.8%	232	5.8%
Middlesex County	15,461	2.7%	31,316	5.1%
Massachusetts	178,409	6.8%	261,179	9.3%

Source: 2000 Census, 2010 Census

Foreclosure Data

There were a total of 38 foreclosures in Natick in 2011 and 37 in 2010 (Dangelo, 2012). According to the tax assessor, he believes relative to other communities, this is low. Foreclosures in Natick are not currently seen as a major issue as they tend to be bought in a short period of time. We examined multiple listing data for bank owned sales and short sales and found that condominiums were being purchased within three months and single-family homes within 6-9 months. In the last 12 months, there have been four lender-owned condominium properties sold – average price $173,000 – and eighteen lender-owned single-family homes sold – average price $315,000 (Multiple Listing Service). The average sale days on market for condominiums was 87; for single-family homes it was 142 days. There were 10 short sales of single-family homes with an average selling price of $366,000 and an average of 194 days on market; and 12 short sales of condominiums with an average sale price of $149,000 and an average of 99 days on market.

Assessed Valuation

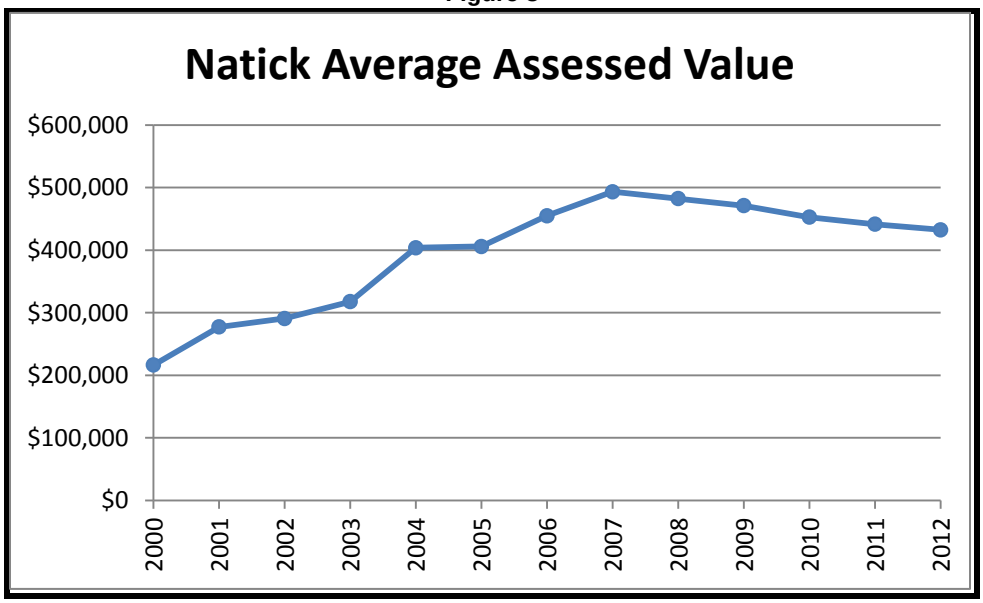
The number of residential properties in Natick increased from 8,219 in FY2000 to 8,478 in FY2012 (Massachusetts Department of Revenue). This increase – roughly 3.2% over the last 12 years – has contributed to a rise in the total assessed value of single-family properties in Natick, as shown in Table 25. This rise in total assessed value has also been caused by increasing property values. The average assessed value of a single-family property in Natick has doubled since FY2000, as shown in Figure 8. The largest increases were 28% in FY2001 and 27% in FY2004 (Massachusetts Department of Revenue). Since the peak in 2007, the average assessed value of single-family properties has fallen by 10%, largely due to the downturn in the economy.

Table 25

TOTAL SINGLE FAMILY ASSESSED VALUE		
Fiscal Year	Total Assessed Value	% Change
2000	$1,777,697,130	4.5%
2001	$2,289,947,900	28.8%
2002	$2,420,575,900	5.7%
2003	$2,656,412,250	9.7%
2004	$3,385,118,600	27.4%
2005	$3,409,513,000	0.7%
2006	$3,831,877,700	12.4%
2007	$4,163,886,500	8.7%
2008	$4,074,410,000	-2.1%
2009	$3,980,497,800	-2.3%
2010	$3,828,720,700	-3.8%
2011	$3,735,204,600	-2.4%
2012	$3,665,889,700	-1.9%

Source: Massachusetts Department of Revenue

Figure 8

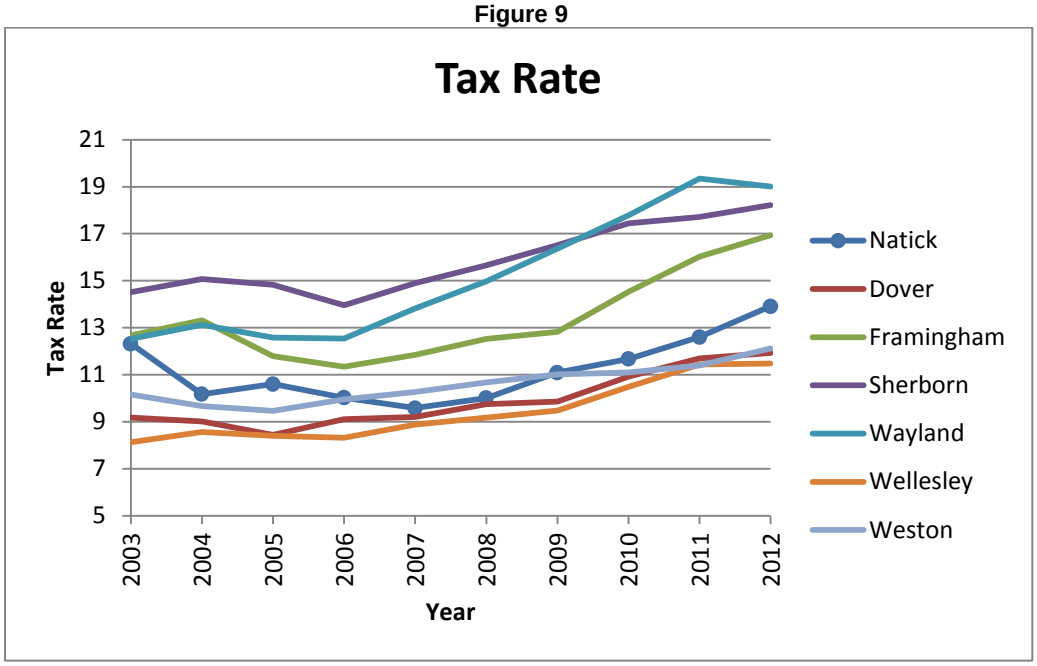


Source: Massachusetts Department of Revenue

Tax Rate and Tax Bills

Natick has a single tax rate for residential, commercial, industrial and personal properties. This fiscal year, FY2012, the tax rate is $13.91 per $1,000 of assessed valuation (Massachusetts Department of Revenue).

Figure 9



Source: Massachusetts Department of Revenue

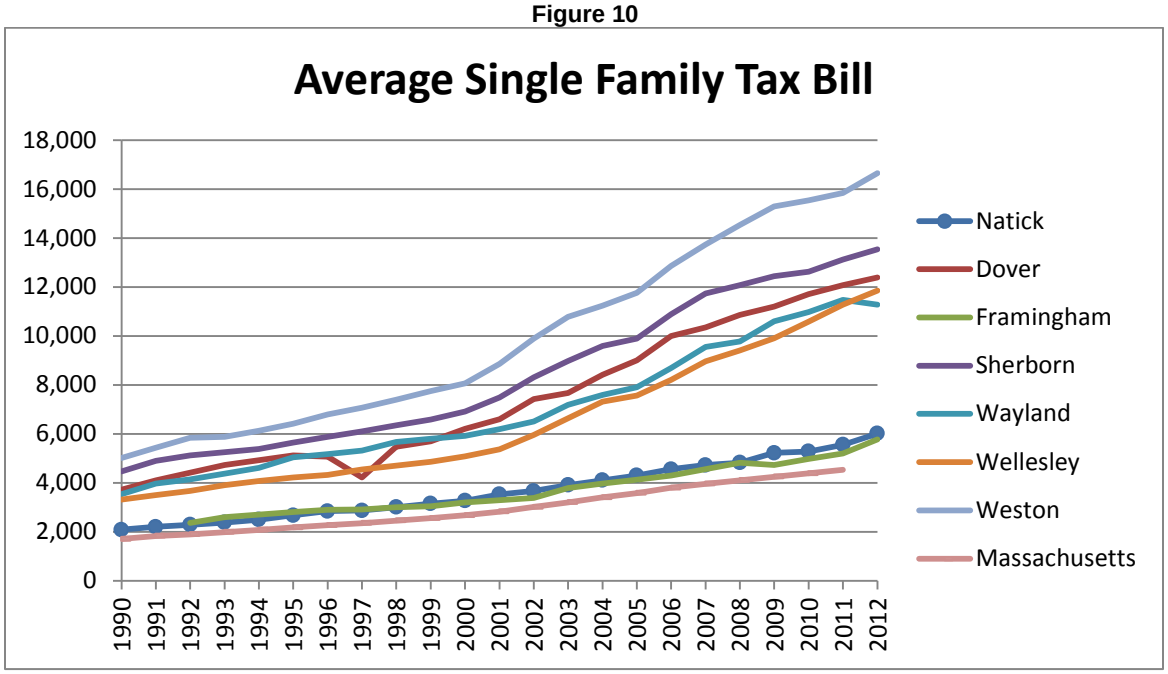
Figure 9 shows that the tax rate in Natick has been on a steady incline since FY2007, when it was at the lowest point ($9.58) in the past ten years. The tax rate declined between FY2003 and FY2004 by 17.5%; saw a small increase of 4.2% in FY2005, and then continued declining between FY2006 and FY2007. Among its neighboring towns, Natick has been in the middle of the group, but significantly lower than the municipalities with the two highest tax rates, Wayland and Sherborn. Wellesley has the lowest tax rate in the area. The purpose of this paragraph is to show that taxes are considered a real estate expense related to the cost of housing. The rise and fall of real estate tax rates affects persons on fixed incomes and their ability to afford and maintain housing.

As shown in Figure 10 below, the average single-family tax bill in Natick, its neighboring towns and the Commonwealth of Massachusetts has been steadily increasing since FY1990. The average tax bill in Natick has risen from $2,091 in FY 1990 to $6,015 in FY2012. This is a total increase of 187% or an average increase of 4.9% a year (Massachusetts Department of Revenue). This increase is higher than the statewide median tax bill which has grown by 165% since FY1990; however, the average growth rate for the state is 4.8%, only slightly lower than the average growth rate for Natick. This fiscal year, FY2012, the average single-family tax bill in Natick is 8.2% more than last fiscal year's average of $5,561 due in part to the addition of two debt exclusions to the property taxes. The statewide median tax bill last fiscal year was $4,537. The statewide median was not available for this fiscal year.

Among the towns geographically surrounding Natick, Wayland has had the highest tax bill since at least FY1990, as shown in Figure 10. The average single-family tax bill in Natick has largely been on par with that of Framingham since FY1992 (Framingham tax bill numbers were

unavailable for FY1990 and FY1991), and Natick has been higher than the average tax bill in Massachusetts since FY1990.

Figure 10



Source: Massachusetts Department of Revenue

Affordable Housing Real Estate Tax Rate

All affordable units that are recorded through the DHCD LIP process, or are legally recognized as affordable before the issuance of a Certificate of Occupancy are appraised at an affordable value. There is some additional paperwork required in the event that a market rate unit is converted to an affordable unit and is a common practice among Massachusetts communities. This occurred for the onsite units at Nouvelle Natick, Natick Green, Natick Village and Deerfield Forest and required buyers of affordable units to file for a real estate tax abatement for their affordable home because the Town of Natick had previously assessed their units at full market price since no affordable deed rider was in place at the time of assessment. That means that buyers who close on affordable units early in the calendar year have to pay market rate real estate taxes throughout the year. It also means that at closing, they have to provide tax escrow funds based on market-rate taxes. This is a burden to buyers that have purchased units that were previously designated market rate and were converted to affordable (Engler, 2012). It is our understanding that this policy has been in place since February 10, 2009.

The following is an excerpt taken from a tax abatement form created for this specific purpose: "An affordable homeowner is required to provide the town with a copy of the recorded deed with the deed restriction attached to reduce the assessment. If the property has been assessed at full value as of January 1st, the taxes due will reflect the full and fair market value. If the property is a deed restricted property, the new owner must file the request for adjustment within thirty days of the recorded transfer. The process will adjust the value of the property to the purchase price of the restricted property. The tax dollar adjustment will be applied to the

outstanding obligation on the specific property. The affordable property will be assessed and taxed at the affordable value commencing from the date the deeded property has been recorded at the Registry of Deeds with the deed restriction. All new affordable homeowners must contact the Assessor's Office within thirty days of the purchase. Failure to contact the Assessors may restrict their ability to adjust the value."

Municipal Services/Cost

The Town of Natick is expected to collect $86.46 million in revenues in FY2012, up from $79.64 million in FY2011 and $76.97 million in FY2010 (Massachusetts Department of Revenue). Property taxes - $66.25 million – are expected to represent 77% of all revenues in FY 2012, with the rest coming from State aid and other sources. The majority of the Town's expenditures go towards education. This is the case in most, if not all, communities in Massachusetts, though Natick spent a lower percentage of its budget – 44% – on education in FY2010 than the state average of 49%. Other FY 2010 expenditures in Natick included public safety (10%), general government (47%), public works (3%), human services (8%), and culture and recreation (12%). Roughly 18% of expenditures went to fixed costs and debt service. (Data on FY2011 expenditures was not available).

Section 5: Affordable Housing Inventory

Affordable Housing Defined

The term "affordable housing" can mean different things so we typically refer to affordable housing by the income one needs to earn to qualify to live in affordable housing. Typically, housing is considered affordable if a household pays no more than 30% of its income toward housing costs. Affordable housing can either be subsidized (i.e. a resident pays 30% of their income for rent and the government subsidizes the rest) or self – pay (i.e. the rent is lower than market and the tenant pays the lower rent). Examples of subsidized housing are most public housing units and persons that utilize a Section 8 mobile voucher to pay rent.

The term "low-income" housing generally refers to housing that is affordable to households earning up to 80% of Area Median Income (AMI"). According to HUD, Natick is located in the Boston-Cambridge-Quincy Primary Service Area (PSA) for purposes of calculating affordable income limits, rents and homeownership prices. A household qualifying at 80% of AMI in the Boston-Cambridge-Quincy PSA could earn no more than $52,000 for a two-person household or $65,000 for a four-person household. "Very low-income" housing is typically affordable to qualifying households earning no more than 50% of AMI; that would be $39,150 for a two-person household or $48,900 for a four-person household. These two income levels – 50% and 80% of AMI – are used in 40B projects. Table 26 shows the income limits for households in Natick by household size.

Table 26

2012 INCOME LIMITS FOR AFFORDABLE HOUSING IN NATICK						
Area Median Income	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5 Person**	**6 Person**
30% AMI	$20,550	$23,500	$26,450	$29,350	$31,700	$34,050
50% AMI	$34,250	$39,150	$44,050	$48,900	$52,850	$56,750
60% AMI	$41,100	$46,980	$52,860	$58,680	$63,420	$68,100
80% AMI	$45,500	$52,000	$58,500	$65,000	$70,200	$75,400
110% AMI	$75,350	$86,130	$96,910	$107,580	$116,270	$124,850

Source: Massachusetts Housing Partnership

Table 27 provides the maximum allowable rents for affordable housing in Natick in 2012, the latest data available. It shows, for example, that the monthly rent of a one-bedroom unit in Natick that is affordable to households earning no more than 80% AMI cannot exceed $1,137. The rents listed below assume that the landlord pays all utilities.

Table 27

2012 MAXIMUM ALLOWABLE RENTS FOR AFFORDABLE HOUSING IN NATICK						
# Bedrooms	**SRO**	**Studio**	**1 Br**	**2 Br**	**3 Br**	**4 Br**
30% Rent	$384	$513	$550	$661	$763	$851
50% Rent	$642	$856	$917	$1,101	$1,271	$1,418
60% Rent	$770	$1,027	$1,101	$1,321	$1,526	$1,702
80% Rent	$852	$1,137	$1,218	$1,462	$1,690	$1,885
110% Rent	$1,412	$1,883	$2,018	$2,422	$2,798	$3,121

Source: Massachusetts Housing Partnership

Table 28 below shows Fair Market Rents for the Town of Natick in FY 2012. These rents are used for several purposes, including determining the amount of contract rent used for the Housing Choice Voucher program, commonly known as the Section 8 mobile voucher program. This is the amount of rent a landlord can get for a unit occupied by a tenant with a mobile voucher. The tenant pays 1/3 of their income towards rent and the federal government pays the remaining amount to the landlord. Some communities are located in high wealth areas and may be able to charge 110% or 120% of FMR, whereas other communities are of lower wealth and may not be able to charge the full amount, if it is less than market rate rents.

Table 28

FY 2012 FAIR MARKET RENTS (FMR) FOR NATICK					
	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
FMR	$1,099	$1,166	$1,369	$1,637	$1,799

Source: MassHousing, HUD

Chapter 40B

The Massachusetts Legislature enacted Massachusetts General Law Chapter 40B in 1969 to "help address the shortage of affordable housing statewide by reducing unnecessary barriers created by local approval processes, local zoning and other restrictions" (Citizens' Housing and Planning Association, 2009). Known as the "Comprehensive Permit Law" or "Anti-Snob Zoning Law," 40B has streamlined the permitting process for low- and moderate-income housing projects by allowing developers to apply for a single permit, known as a comprehensive permit, from the Zoning Board of Appeals (ZBA) instead of having to obtain approvals from numerous boards.

To qualify for 40B, projects must meet certain criteria. For example, at least 25% of units must be affordable to households earning at or below 80% of AMI or 20% of units must be affordable to households earning at or below 50% of AMI (Citizens' Housing and Planning Association, 2009). The affordability restrictions must run for at least 30 years. In addition, Chapter 40B can allow developers of 40B projects to circumvent local zoning in communities where less than 10% of their housing inventory is considered affordable.

Subsidized Housing Inventory

The state's Subsidized Housing Inventory (SHI) is used to determine if a municipality has reached the 10% affordable housing threshold. To encourage rental housing development, if at least 25% of units are occupied by Income Eligible Households earning 80% or less than the area median income, or alternatively, if at least 20% of units are to be occupied by households earning 50% or less of area median income, and all criteria outlined for SHI inclusion are met, then all of the units in the rental development shall be eligible for inclusion on the SHI. In determining the number of units required to satisfy either percentage threshold, fractional numbers shall be rounded up to the nearest whole number (e.g. in a 51 unit development, 13 units would be restricted in order to meet the 25% standard). According to the SHI, the Town of Natick had 14,052 Year Round Housing Units – based on the 2010 Census – and 1,412 SHI units as of February 2, 2012. According to the Town's Housing Planner, paperwork has been

submitted for an additional 5 ownership units at 20 South Avenue and 138 rental units at Paperboard will be added soon. That means 11.66% of the town's housing stock will be considered to be subsidized, and the Town of Natick has exceeded the state's 10% goal (Merkel, 2012) (Massachusetts Department of Housing and Community Development, p. 2012) See Appendix A for the Town of Natick's SHI. It is important to note that all of the units on the SHI are not necessarily affordable or below market rate. In rental projects, for example, all units are counted on the SHI even if only 20% are actually affordable to lower-income residents.

There are a total of 973 actual affordable housing units in Natick. Table 29 below breaks down these affordable units by tenure and type. The table differs slightly from the state's Subsidized Housing Inventory (explained under "Chapter 40B" above) because the summary table only includes units that are truly affordable and constructed.

Table 29

SUMMARY OF AFFORDABLE HOUSING IN NATICK	
Rental	
Family	271*
Senior/Disabled	559
DMH/DDS	52
Ownership	
Family	97**
Total	**979**

*Chrysler and Paperboard totaling 130 are not yet built.
**South Natick Hills is still adding units

A core issue in many communities is some older deed riders on affordable units allow for annual increases in sales prices. This kind of allowances has resulted in prices that quickly exceed the maximum sales price threshold for households earning up to 80% of AMI. The units therefore may become ineligible to be listed on the SHI. In these situations, the Affordable Housing Trust may wish to work with owners of affordable units to try to "buy down" their unit so that deed riders can be replaced with the state's standard Local Initiative Program Deed Rider. This will ensure long-term affordability and will allow the unit to remain on or be added to the SHI. In addition, some communities are having issues with projects that use HOME funds for homeownership development and/or for down payment assistance or first time homebuyer training. There is a disconnect between what HOME will allow and the standard form of deed rider required by DHCD.

State Public Housing

State public housing falls under Massachusetts General Laws Chapter 667 for elderly housing and Chapter 705 for family housing. State-aided public housing generally refers to projects built with 100% state funding (i.e. construction grants or payments to the local housing authority to cover debt service). There are some units whose construction has effectively been paid by the federal Department of Housing and Urban Development (HUD) through annual payments to cover debt service, and some of their operating costs have been paid through Section 8 programs. In elderly housing, occupancy is restricted to households with a member

age 60 or older, and in MGL 667 projects up to 13.5% of the units in are available to any age individual with disabilities.

Admission to state public housing is limited to households with net incomes below 80% of AMI. In reality, tenant incomes tend to be far lower than the maximum allowed. There are no asset limits and no citizenship or residency requirements. The amount of rent a tenant pays is based on household income and whether the cost of any utilities (electricity, heat, cooking fuel) is included in the rent. Rent also differs in elderly versus family public housing (Community Resources Information, Inc.)

Currently, tenants in state elderly/disabled public housing typically pay:

- 30% of net income if utilities are included;
- 25% of net income if utilities are separate.

Tenants in state family public housing typically pay:

- 32% of net income if the tenant does not pay for utilities;
- 30% of net income if the tenant pays for some utilities;
- 27% of net income if the tenant pays for all utilities.

DHCD provides operating subsidies for state-aided public housing to help cover deficits. These deficits result from rents being set at a percentage of tenant income and therefore not always cover operating costs. In some cases, DHCD may provide funds for service coordinators to assist tenants in elderly state-aided housing.

Federal Public Housing

Federal public housing refers to public housing that is built with 100% federal (HUD) funds. These projects are subject to federal regulations and receive annual operating subsidies from HUD as well as modernization funds for capital and management improvements as they age. Under current law, 75% - 85% of new openings must go to households earning less than 50% of AMI, with the balance being limited to households earning no more than 80% of AMI. Tenants typically pay 30% of their monthly adjusted income in rent. (Monthly adjusted income is annual income minus allowed deductions.)

Public Housing

The Natick Housing Authority manages a total of 531 affordable housing units as shown on Table 31 below. All units that are on line are 100% occupied (Merrit, 2012). Residents can qualify to live in these units if they earn less than 50% of AMI and pay 30% of their income towards rent. The elderly housing developments include Cedar Gardens, Coolidge Gardens and South Main Street which is a congregate elderly facility. Cedar Gardens was built in the 1950's and is in need of substantial repair, which has commenced. In 1989 Coolidge Junior High School was renovated to create Coolidge Gardens and is a more attractive building. At the elderly and disabled developments, the wait time is six months to a year, if no special accommodations are required. The elderly buildings do not have a supportive services coordinator, therefore management staff spends a lot of time addressing issues not related to

housing. Natick Services Council recently started offering a Living Well Program which assists with behavioral and mental health and some housing authority residents are utilizing this program. The provision of supportive services to housing authority residents is becoming increasingly important, especially to elderly housing residents. Therefore, the housing authority would benefit greatly from the additional of a supportive services coordinator.

The family housing developments include scattered site housing at Curve, High, Pond, Westview, S. Main, School, Webster, and West Hill Park. The average wait time for a family unit is 10 years. This long wait is attributed to the limited number of units as well as the tendency of families to stay in their units once they move in, so there is minimal turnover and therefore vacancy. The housing authority owns and manages two group homes on West Hill Park totaling 10 residents. The chart below shows the wait list for family public housing units as of January 12, 2012 with a breakdown for local preference and low income status (Merrit, 2012). The majority of households on the NHA wait list are at the 30% AMI level.

Table 30

NHA FAMILY PUBLIC HOUSING WAIT LIST			
Unit Type	**One**	**Two**	**Three**
Total Households	**692**	**363**	**55**
Local Preference	**52**	**27**	**3**
LP at 50%-80%	**3**	**2**	**0**

The housing authority also administers 102 Section 8 mobile vouchers and 7 MRVP vouchers. They utilize the NAHRA centralized wait list and report only having 3-4 vouchers returned in a year and become available to new rental households (Merrit, 2012).

Table 31

PUBLIC HOUSING	
Community	**Natick**
Family units	89
Wait List	5-15 years
Elderly/disabled units	323
Wait List	6 months - year
Section 8 Mobile Vouchers	102
Wait List	5 or more years
Centralized List	Yes
Other units	10-person group home
MRVP Units	7

We spoke with David Parish, a member of the Board of the Natick Housing Authority to learn about current and future priorities (Parish, 2012). The NHA has undergone a change in senior management and its main focus is to get units that have been off line, back on line and also to

examine new development opportunities. The NHA serves the people with the greatest need in Natick. The NHA is one of only two providers in town of affordable subsidized elderly housing. The NHA has several projects they are discussing including:

1. Reconfiguring units at Cedar Gardens to create one or two handicapped accessible units.
2. Examining whether to repair or rebuild two units of family housing at Plain Street that are off-line due to severe capital needs.
3. Creating a business plan to re-develop a deteriorating and off-line congregate housing building into a viable affordable housing development.
4. Examining new housing development including mixed income opportunities, with a focus on the downtown.
5. Growing its volunteer program to include additional assistance with maintenance and supportive services.

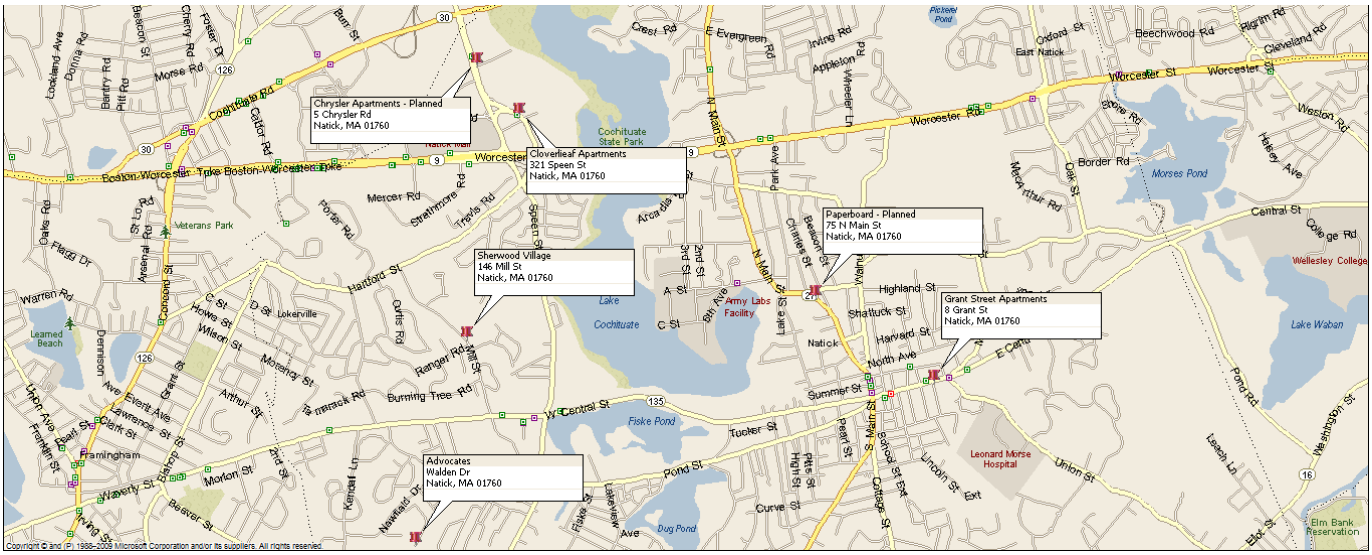
Private Affordable Rental Housing

The following chart is a summary of the existing and planned affordable rental housing by income level in Natick followed by a map showing each development:

Table 32

EXISTING FAMILY RENTAL			
Development	30%	50%	80%
Cloverleaf			46
Grant			6
Advocates	6		
NHA		89	
Planned Family Rental			
Development	30%	50%	80%
Chrysler*			102
Paperboard**			28
Existing Elderly Rental			
	30%	50%	80%
Sherwood		236	
NHA		323	

* Under construction
**Permitted but not yet built



We have summarized below information on each affordable rental development.

Sherwood Village, located at 145 Mill Street, is a Section 8 project-based development for elderly or disabled residents built in 1983. Residents can earn no more than 50% of AMI and pay 1/3 of their annual income towards rent. Managed by Cornerstone Corporation, it has 236 one-bedroom units. The development is located in northwest Natick, north of Route 135 and west of Speen Street. Sherwood Village is currently 100% occupied. The wait list is at least a year. Heat and hot water are included in the rent, and the development has a community room, on-site laundry, off-street parking and a resident services coordinator. The majority of residents are single and in their 80s.

Cloverleaf Apartments is managed by Forest Properties Management Inc. and is located at 321 Speen Street. The units are located close to the Massachusetts Turnpike. There is no transportation at the property but there are some transportation options at the Natick Mall. The Chapter 40B project was completed in 2008 and has 183 units, including four studios, 94 one-bedroom units and 85 two-bedroom units. Forty-six (46) units are affordable to households earning up to 80% of the area median income. The SHI indicates they will remain affordable until 2031. The development is almost entirely occupied with only one unit vacant (Cloverleaf, 2012). There is no waitlist for market or affordable units at Cloverleaf, however, representatives from the management company indicated that there are approximately 10 requests for apartment availability per week for market-rate housing and approximately 7 requests inquiring about affordable housing availability per week (Cloverleaf, 2012). The representative from Cloverleaf also indicated that there are approximately 100 units that turnover each year which is equivalent to roughly 54% of the total units. The affordable housing lottery was held by Stockard Engler Brigham LLC ("SEB") in 2008. The lottery was advertised for 60 days in local and minority newspapers, Craigslist and the Citizens' Housing and Planning Association website. In the first 60 days, 23 people applied, 16 of which were qualified. Three units went to people under preference categories, including Natick residents. Since 2009, 100% of the affordable units have been occupied (Engler, 2012). Heat and hot water are included in the rent, and the development has a business center, fitness center, pool and

media center. Every unit has laundry. The allowable rents for the affordable units at Cloverleaf are currently $1,170 for a one-bedroom unit and $1,399 for a two-bedroom unit (Cloverleaf Apartments, 2009-2012).

Table 33

CLOVERLEAF RENTS			
Unit Type	Size	Market Rent	Rent/Square Foot
Market Rents			
One	700	$1,625	$2.32
Two	1,030	$1,890	$1.83
Affordable Rent			
One	700	$1,170	$1.67
Two	1,030	$1,399	$1.36

Source: Cloverleaf Apartments

Advocates, Inc. provides residential programs and services to people with disabilities and owns 6 units at the 816-unit condominium development Natick Village at 8 Natick Village Way. The 6 units, which each have one bedroom, are rented to people with disabilities who earn less than 30% of the area median income. The units are fully occupied, and vacancies are filled by referrals from the Department of Developmental Services. The 6 units will remain affordable until at least 2042 (Mills, 2012).

Grant Street LLC owns 24 rental units at 8-10 Grant Street developed under Chapter 40B and known as Grant Place. The development is actually the redevelopment of two homes into three units each as well as the new construction of 18 two-bedroom units. Six of the 24 units are affordable to people earning up to 80% of the area median income. These units will remain affordable in perpetuity. Overall, the development has 1 studio, 1 one-bedroom unit, 21 two-bedroom units and 1 three-bedroom unit. The property opened in 2010 after a long permitting process and a delayed construction process. All units are fully occupied and there is a wait list for the affordable units. The studio unit is 400 square feet and rents for $450, the one-bedroom unit is 700 square feet and rents for $900 a month, the new two-bedroom units range from 1,600-1,800 square feet and rent for $2,200 a month, the older two-bedroom units rent for $1,200, and the three bedroom unit is 1,200 square feet and rents for $1,550 a month. The affordable units rent for $1,200 a month. The landlord pays for heat and hot water and the tenant pays for electricity. The development is ideally located within walking distance to the commuter rail but without the noise of the commuter rail, and is also within walking distance to a local park. Unit finishes in the new two-bedroom units are high end with granite countertops (Ross, 2012).

Market-Rate Rental Housing

Natick has an overall lack of newer large rental apartment complexes, as shown in Table 34. Only one of the apartment complexes listed, Cloverleaf, is located in Natick. Bayberry Hill Estates and Dennison Bishop are both located in Framingham. Most of the rental housing stock in Natick is located in two- and three-family homes, and much of that stock has been lost to condominium conversions.

Table 34

MARKET RATE RENTAL RATES			
	Cloverleaf	Bayberry Hill Estates	Dennison Bishop
1BR Rent	$1,580	$1,500	$1,300
SqFt	700	750	750
$/SqFt	$2.26	$2.00	$1.73
2BR Rent	$2,500	$1,800	$1,595
SqFt	1,030	1,000	1,150
$/SqFt	$2.43	$1.80	$1.39
3BR Rent	--	$2,200	--
SqFt	--	1,300	--
$/SqFt	--	$1.69	--

The market rate rents for these three apartment complexes range from $1,300 to $1,580 for a one-bedroom unit, $1,595 to $2,500 for a two-bedroom unit, and $2,200 for the one complex with a three-bedroom unit. The unit sizes for these three apartments are comparable with one-bedroom units ranging from 700 to 750 square feet, two-bedroom units ranging from 1,000 to 1,150 square feet, and the one apartment with three-bedroom units averaging 1,300 square feet.

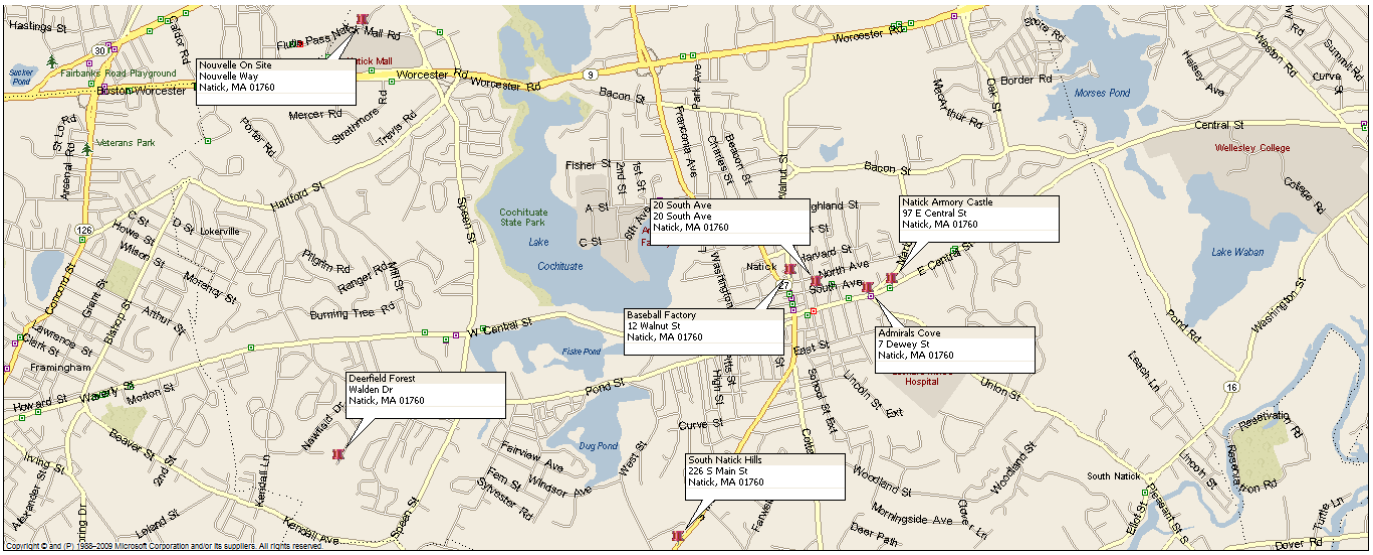
Private Affordable Ownership Housing

There are 98 affordable homeownership units built in Natick. They include the following:

Table 35

Property	Units
Baseball Factory	5
Deerfield Forest *	3
South Natick Hills**	40
Natick Mall Offsite Program	38
Castle Courtyard	4
Admirals Cove	2
Natick Green	6
***Natick Mall onsite - Nouvelle**	7
***20 South Avenue**	5

*Not including Natick Mall Offsite ownership or Advocates rental
**Still being built out and can add an additional 27 affordable units.
***Not on SHI



These units are listed in the Affordable Housing Inventory in Appendix A. Natick's affordable housing is created in several ways, including Chapter 40B, Inclusionary Housing Option Program and Housing Overlay Option Plans (HOOP I and II).

Baseball Factory Condominiums is a 20-unit midrise condominium at 12-13 Walnut Street that has 5 units affordable to households earning up to 80% of the area medium income. The former baseball factory was converted into condominiums and one commercial unit in 1989. Of the five affordable units, four are currently occupied while one is in the process of being offered for re-sale through the Southern Middlesex Opportunity Council. The affordable units when they were last sold where priced between $50,000 and $60,000, however, future sales prices will be determined by the terms of their deed riders. Market-rate one-bedroom units are selling for approximately $143,000 - $146,000 and market-rate two-bedroom units are selling for 7approximately $159,000 - $226,000. One-bedroom units are approximately 474-482 square feet, and two-bedroom units are approximately 545-772 square feet. Monthly fees for the affordable units range from $164 to $233 a month and are based on square footage of the unit.

Deerfield Forest Condominiums is one of three contiguous condominiums totaling 334-unit garden-style condominium including Natick Green and Natick Village with entrances on Walden Drive and West Central Street. Deerfield Forest was built in 1989 and has 13 affordable units, three privately, six owned by Advocates and renter occupied, and nine which are part of the General Growth Properties off site program. Deerfield Forest has one- and two-bedroom units that range from 600-1,000 square feet. Their market-rate units cost approximately $145,000 for a one-bedroom unit and $199,000 for a two-bedroom unit. The last affordable units sold for $120,000-$130,000 for households earning at or below 80% of AMI annually. Future sales prices will be determined based on the terms of their deed riders. In addition, Natick Village has 20 off the General Growth Properties offsite units.

Admiral's Cove is a 12-unit homeownership development located at 7 Dewey Street in Natick. Three of its units are affordable as a result of units being bought under the Natick Mall offsite program, and two of the units are affordable due to the permitting of the development through the HOOP overlay district, for a total of 5 out of 12 affordable units. According to MLS, five market rate units were sold in 2006/2007 for $429,900-$519,900. We have been informed that there are two units that remain unsold. The ratio of affordable to market rate and two vacant units could cause an issue moving forward in the event the condominium has significant maintenance issues.

General Growth Properties ("GGP") identified, acquired, renovated and sold 38 units throughout Natick as part of the GGP "off-site" program (with all but 3 of the 38 units coming from Natick Green, Natick Village and Deerfield Forest). The last of these 38 units was sold in early 2011. The last of the 1BR units sold for $99,900. The last 2BR units sold for $134,900. The other three units were three bedroom units purchased by GGP in Admirals Cove. The affordable housing units were permitting by a special permit issued to GGP.

There was an initial lottery for the off-site program prior to any units being identified and acquired. There were 36 applications, of which 26 were eligible households. That lottery list was eventually exhausted and the units were sold on a first-come, first-served basis. SEB reviewed and verified applicant eligibility and eligible households were allowed to sign Purchase and Sale Agreements. Over the course of the entire off-site program, over 100 applications were reviewed, and 77 households were found to be eligible for the program. Forty of those eligible households decided not to sign purchase and sale agreements or were unable to obtain permanent financing for closing. Of the eligible households, 17 were minority and 39 qualified for Local Preference. Nine Local Preference Households were minorities.

Howard Hughes Corporation took over GGP assets in late 2010/early 2011. They informed SEB in early 2011 that instead of selling 10 more off-site affordable units, they would sell 7 affordable units on-site in Nouvelle at Natick. SEB contacted all of the households who had applied for the off-site units to give them the first opportunity to purchase these on-site units. Only one household purchased one of the seven units. The remaining 6 units were offered by lottery. Marketing was done from May 2011 through June 2011. There were 11 eligible applications: 2 households qualified for Local Preference, 6 households were minorities.

Four of these 11 households closed on units. The other 7 households were eventually given an opportunity to purchase either of the two remaining units but all failed to close for various reasons (unable to obtain permanent financing, one person bought a home through another lottery while waiting on this waiting list, one household backed out). The last two units were marketed and sold on a first-come, first-served basis, with the final units being sold in April 2012.

Pulte Homes is developing **South Natick Hills**, a condominium project with 268 units at 226 South Main Street and 61 Rockland Avenue. Approved in 2007, the Chapter 40B project

includes 67 affordable units for households earning up to 80% of the area medium income. There are 24 one-bedroom units, 192 two-bedroom units that are apartment flats and 52 three-bedroom townhouses. There are 12 affordable one-bedroom units, 42 affordable two-bedroom units, and 13 affordable three-bedroom townhouse units. Five lotteries have been held, one for each building when it opens. The first lottery was for seven townhome units and held in March 2010. Twenty applications were received and all units were purchased. The second lottery (first condominium lottery) was held on June 2010 and had 11 applications and four units purchased. The third lottery was for six townhome units on November 2010 where there were eight applicants and all six units were purchased. The fourth lottery was held for condominium units in May 2011, with no applications, but two units were eventually purchased. The fifth lottery (condominiums) was held in October 2011 and had three applications with one unit being purchased. The lotteries were all held for a minimum of 60 days and advertised in the local newspapers. The remaining eight affordable condominium units are being sold on a first come, first served basis (Eldred, 2012). A fourth building is planned to open in the near future, and the lottery for the nine units in that building is anticipated in June 2012. The affordable units sell for $130,500 for a one-bedroom unit, $167,500 for a two-bedroom. All of the three bedroom townhouse units have been sold. The one bedroom market rate units average 920 square feet and the current asking price is $280,000 and the two bedroom market rate units range from 1,310-1,585 square feet and the asking prices are $326,000-$370,000.

Castle Courtyard is a 23-unit condominium project at 93 East Central Street in the former Natick Armory building. The property is managed by Thayer Properties. It was approved in 2006. The project includes 4 affordable units for households earning up to 80% of the area medium income. The affordable unit sales prices ranged from $196,000 to $216,000 (Palmiter, 2012). The affordable units were created under a Housing Overlay Option Plan (HOOP) district, which requires at least 15% of the units developed to be affordable. The monthly condominium fees for the affordable units differ: two of the one bedroom units pay $159.86 per month while the other two, two bedroom affordable units pay $220.26 per month (Palmiter, 2012).

The development at **20 South Avenue** was approved in a HOOP district in 2006. Developed by Bob Rinaldi, it includes 24 units, 5 of which are affordable for households earning up to 80% of the area medium income. There are 12 two-bedroom units that are 1,150-1,750 square feet and 12 three-bedroom units that are 1,750 square feet. The affordable units sold in the low-to-mid $200,000 (Palmiter, 2012). The monthly condo fees are $89.85 for the affordable units and $400 for the market-rate units (Gauvreau, 2012). The development includes a fitness studio and underground parking. The lottery, conducted by SEB, was held for 60 days, with advertisements in minority newspapers in the area, the Community Newspaper Company weeklies, MetroWest Daily News and the Citizens' Housing and Planning Association website, among other places. There were nine qualified applicants and five that did not qualify. Of the qualified applicants, five fell into local preference categories, which included residents, family members of residents and town employees (Engler, 2012). In December 2009, the development was foreclosed by Needham Bank which took ownership of the remaining 14 market rate units and common areas.

Market-Rate Ownership Housing

The chart below shows the median sales price of single-family homes in Natick for the period February –January of the year noted. It illustrates that sales prices have largely declined since 2005, as shown in Table 36. While the median sales price increased slightly – 5% – between 2009 and 2010, it declined significantly– 23% – between 2010 and 2011. This mirrors the trend that has occurred in Middlesex County and the Commonwealth of Massachusetts, though the recent increase in median sales price in single family homes in Natick was far larger than the 8% increase in Middlesex County and 4% decline in the state.

Table 36

MEDIAN SALES PRICES OF SINGLE FAMILY HOMES						
January	Natick		Middlesex		Massachusetts	
Year	Price	% Change	Price	% Change	Price	% Change
2012	$412,500	14%	$377,700	8%	$260,000	-4%
2011	$361,125	-23%	$350,000	-10%	$270,000	-7%
2010	$467,500	5%	$387,500	3%	$290,000	12%
2009	$445,000	-13%	$375,000	-5%	$260,000	-20%
2008	$510,000	17%	$394,000	-2%	$324,500	-5%
2007	$435,075	7%	$400,750	-2%	$340,000	-3%
2006	$405,000	-14%	$410,000	-2%	$349,000	3%
2005	$472,500	9%	$420,000	10%	$340,000	7%
2004	$432,000	16%	$382,500	2%	$318,900	8%
2003	$374,000	5%	$373,250	12%	$295,000	19%
2002	$356,875	6%	$332,500	7%	$247,000	10%
2001	$337,450	36%	$310,000	16%	$225,000	13%
2000	$248,900		$267,000		$199,000	

Source: The Warren Group

In reality, overall single family home values have fallen 6% since 2005. This decrease in home prices has led to a decrease in equity, and the result has been less mobility for existing homeowners in the community. However, it makes homeownership more accessible to lower-income families than in prior years.

Overall, the number of home sales in Natick has re-bounded in 2010 and 2011 since dropping to fewer than 500 per year in 2008 and 2009 as shown in Table 37. This is most likely due to a settling down in the credit environment after the traumatic economic conditions resulting from the subprime lending crisis. In 2010, home sales increased 14.5% over 2009, most likely due to foreclosures starting to move through the system and banks being able to lend again. At this same time, some new construction projects like Nouvelle at Natick condominiums started to see some sales resulting from a bankruptcy and auctioning off some units in 2010. Condominium sales increased significantly in 2010-2011, making up almost 50% of all sales in those two years.

Table 37

NUMBER OF SALES IN NATICK			
Year	1-Fam	Condo	All
2012	14	6	22
2011	292	230	591
2010	276	232	570
2009	271	170	498
2008	256	150	449
2007	299	150	520
2006	365	133	557
2005	400	206	716
2004	402	225	720
2003	430	232	731
2002	344	205	626
2001	354	197	651
2000	416	205	727

Source: The Warren Group

Planned Affordable Housing

There are three developments permitted in Natick that will contain affordable units, two rental developments under construction, and one homeownership development that has been permitted but has not been built. Chrysler Apartments are being built by Avalon and Paperboard Apartments are. The condominiums being built by Barberry Homes at 42 South Avenue are permitted but on hold. Additional detail is provided below:

Chrysler Apartments, a Chapter 40B project, is planned for 5 Chrysler Road and is currently under construction. The project, being developed by AvalonBay Communities will include 407 rental units in two eleven-story buildings. There will be 14 studios that will average 659 square feet, 203 one-bedroom units that will be average 744 square feet, and 190 two-bedroom units that will average 1,102 square feet. The project includes 102 affordable units for households earning up to 80% of the area medium income. The development will offer a club room on the first floor of each building as well as an outdoor pool and patio and fitness center. Parking will be both surface and structured. The property is located approximately 2.5 miles west of the Natick Center Commuter Rail station. It may benefit from an employee shuttle in the area. It was approved in 2008, and first occupancy is expected in spring/summer 2013, therefore rents have not yet been determined (Unhjem, 2012).

Barberry Homes has received permits to develop a mixed-use, smart-growth project under Chapter 40R at the former Natick Paperboard factory at 75 North Main Street. The proposal is for 150 rental apartments, 28 of which would be affordable for households earning up to 80% of the area medium income. The unit breakdown in this development will be 65 one-bedroom, one-bath; 70 two-bedroom, two-bath; and 15 two-bedroom, two-bath townhomes. There will be

13 one-bedroom, one-bath affordable units and 15 two-bedroom, two-bath affordable units. There are nine different unit layouts. The units will range in size from 791 to 1,525 square feet. The affordable rents are anticipated to be $1,100 for the one-bedroom units and $1,300 for the two-bedroom units. The developer has estimated that the average one bedroom market unit will be priced at $1,800 a month and two bedroom units at $2,000 a month. All utilities will be metered separately, including water. Finishes in the units will be high-end, with granite counters, stainless steel appliances, and hardwood/ceramic tile/carpeted floors. Amenities within the community will include a clubhouse, pool, and a gym. Construction is anticipated to begin in October 2012 and be completed June 2014. The affordable housing lottery will be conducted in October 2013 and will be advertised for 90 days in the press, through the local housing authorities and on the internet.

There is an 11-unit condominium project permitted for **42 South Avenue**. It will be developed by Terrian LLC and Walnut Hill Management Corp., and is expected to include 2 affordable units for households earning up to 80% of the area medium income. The development was approved in 2006, and it is in a HOOP district. Construction has not yet started, the affordable units have not yet been priced and a lottery has not yet been held. The development recently asked for a two year extension on its permits and the extension was granted (Merkel, 2012).

Section 6: Demand Analysis

Affordability Gap

The following demand analysis assesses the gap between home sales prices and rental rates in Natick and the amount of housing costs low-income homeowners and renters can actually afford. It uses the 2012 income limits for affordable housing in Natick, which were shown in Table 26 on page 45. The 80% income limits are provided below in Table 38.

Table 38

2012 HUD INCOME LIMITS FOR AFFORDABLE HOUSING IN NATICK						
Area Median Income	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5 Person**	**6 Person**
80% AMI	$45,500	$52,000	$58,500	$65,000	$70,200	$75,400

Source: Massachusetts Housing Partnership

To better understand whether Town of Natick employees qualify for low-income housing, we have examined average annual salaries for several areas of municipal employment. As Table 39 below illustrates, the average annual salary of a school teacher in the Natick Public Schools is $66,455 (Tranfaglia, 2012). That exceeds the 80% AMI income limit for a one-, two-, three-, and four-person household in Natick, which means local school teachers, on average, do not qualify for low-income housing in the community. Similarly, Natick police officers, who make an average annual salary of $76,000, which includes overtime, do not likely qualify. (This is not to say that individual teachers or police officers with lower salaries would not qualify for affordable housing in Natick.) Town Hall staff members, on the other hand, have an average annual salary of roughly $46,324, which means they likely qualify if they are a two-person household and/or they are the only wage earner in the household.

Table 39

AVERAGE SALARIES FOR TOWN OF NATICK EMPLOYEES	
Teachers	$66,455
Police officers	$76,000
Town Hall administrative staff	$46,324

Source: Natick Human Resources.

Homeownership

As stated previously, the state considers homeownership to be affordable if no more than 30% of a household's income is paid toward housing expenses. This 30% threshold includes not only principal and interest payments – or monthly mortgage costs – but also property taxes, homeowner insurance, private mortgage insurance and any homeowner or condo association fees. In addition, DHCD encourages cities and towns to set affordable sale prices below 80% of AMI to ensure that there is a window of affordability for potential low-income buyers. This window targets households with incomes between 70% and 80% of AMI, and currently for new projects, the state is pricing units at 70% of AMI. For example, in Natick, using current interest and tax rates, a four-person, low-income household can afford to purchase a $209,000 single-family home. See Table 40, which uses the maximum selling price formula from DHCD. If they

were looking to purchase a condominium, because there are typically monthly condominium fees, the price of the home they could afford would go down.

Table 40

HOUSING COST	
Sales Price	**$209,000**
5% Down payment	$10,450
Mortgage	$198,550
Interest rate	**4.25%**
Amortization	30
Monthly P&I Payments	$976.75
Tax Rate	**$13.91**
monthly property tax	$242
Hazard insurance	**$70**
PMI	$129
Condo/HOA fees (if applicable)	**$ 0**
Monthly Housing Cost	**$1,418**
Necessary Income:	$56,709
Household Income:	
# of Bedrooms	3
Sample Household size	4
80% AMI/"Low-Income" Limit	$65,000
Target Housing Cost (80%AMI)	$1,625
10% Window	$56,875
Target Housing Cost (70%AMI)	**$1,422**

There is a substantial gap between the sales price of an affordable home – $209,000 for a low-income family of four – and the average listing prices. According to MLS, the average list price is $459,000 for a three-bedroom, single-family home currently on the market in Natick and the average list price for a three-bedroom condominium in Natick is $472,000. That "affordability gap" is $250,000 for a single-family home and $263,000 for a three-bedroom condominium, as shown in Table 41. (The gap is smaller between the sales price of an affordable home and the median sales price of a single-family home according to the Warren Group data which is shown in Table 41 that gap is $203,500 i.e. $412,500-$209,000).

Table 41

AFFORDABILITY GAP	
Average Single Family Home Sales Price	$459,000
Affordable Home Price	-$209,000
Affordability Gap	**$250,000**

Rental

In Natick, market rents of newer units are out of reach for low-income renters (i.e., households earning 80% of AMI). According to DHCD, affordable rents include a "window" of affordability and are based on rents equal to 30% of 70%-80% of AMI. As shown in Table 42, a two-person, low-income household can afford to rent an apartment for $1,462 a month, if utilities are included. That is $338 less a month than what a tenant renting a two-bedroom, market-rate unit at Cloverleaf roughly spends on rent and utilities.

Table 42

AFFORDABILITY GAP CALCULATION – Two Bedroom Unit	
80% AMI Household Income (2 Person)	$52,000
70% AMI Household Income (10% Affordability Window)	$54,810
30% Income toward Rent	$16,443
Affordable Monthly Rent	$1,462
Market-Rate Rent (based on Cloverleaf)	-$1,800
Affordability Gap (monthly)	**=-$338**

Source: US Department of Housing and Urban
Note: The Market-Rate Rent is based on the rent of a two-bedroom apartment at Cloverleaf

In general, the income gap for renters in Natick is notable. For example, a two-person household paying only 30% of their income towards rent would need an annual income of $72,000 to afford a two-bedroom, market-rate unit at Cloverleaf, including utilities. The income limit for a two-person household earning no more than 80% of AMI in Natick is $52,000. As Table 43 shows, this is an annual income gap of $20,000.

Table 43

INCOME GAP	
Market-Rate Rent	$1,890
Rent Adjusted for Utilities	$1,800
Annual Rent	$21,600
Household Income Needed to Afford Market-Rate Rent	$72,000
80% AMI Household Income (2 Person)	-$52,000
Income Gap	**= -$20,000**

Source: US Department of Housing and Urban Development
Note: The Market-Rate Rent is based on the rent of a two-bedroom apartment at Cloverleaf

Furthermore, a person earning minimum wage is at the 30% of AMI level and could only afford to pay $500 per month for rent.

Demand for Housing

To determine demand, we look at supply, the number of existing affordable units in the community on the SHI, and demand, the number of age and income qualified households in the community. We look at age to separate out age restricted from non-age restricted households The United States Census starts tracking households at age 15 and most elderly units do not allow households with head of householders under age 62. This is a very broad look at demand

because we have no way of determining what other type of affordable housing may be in the community that does not have an affordability limit and is therefore not on the subsidized housing inventory. While a family may have had a house in their family for generations that they purchase for $80,000 and is now worth $400,000, chances are the persons living in that home could not go out and buy that same home today.

We began by examining households by age and income level for three income levels in Natick. We utilized the income requirements as set forth previously. For non-elderly households, 15-61 years old, we used income levels for two- to four-person households as basic parameters. Table 44 shows the number of age- and income-qualified households age 15-61 in Natick, estimated for 2011. We calculated the percentage of households for each income limit as compared to the total number of households in this age category. Because the income range is so broad at 80% of AMI and over, this category had the most qualified households.

Table 44

2-4 PERSON HOUSEHOLD AGES 15-61 2011			
Income Level	**HUD Income Limits**	**Qualified Households**	**% Total**
0% - 50% AMI	0-$48,900	1,653	18%
50% - 80% AMI	$49,000-$64,999	949	10%
80% AMI and over	$65,000+	6,790	72%

For elderly households 62 years and over, we used income levels for one- and two-person households as basic parameters. The chart below shows the number of age- and income-qualified households age 62 and over in Natick, estimated for 2011. We calculated the percentage of households for each income limit as compared to the total number of households in this age category. Because the income range is so broad at 80% of AMI and over, this category had the most qualified households.

Table 45

1-2 PERSON HOUSEHOLD AGES 62+ (ELDERLY) 2011			
Income Level	**HUD Income Limits**	**Qualified Households**	**% Total**
0% - 50% AMI	0-$39,000	1,442	40%
50% - 80% AMI	$39,000-$51,999	401	11%
80% AMI and over	$51,999+	1,773	49%

We then subtracted out all of the existing affordable competitive units from the subsidized housing inventory and what remains is the unmet demand for the age and income-eligible households, minus the competition. We included all of the DMR/Group Home units with the family units at 0-50% of AMI.

Table 46

2-4 PERSON HOUSEHOLD AGES 15-61 2011			
Income Level	Qualified Households	Existing Units	Unmet Demand
0% - 50% AMI	1,653	141	1,512
50% - 80% AMI*	949	279	670

2-4 PERSON HOUSEHOLD AGES 15-61 2011			
Income Level	Qualified Households	Existing Units	Unmet Demand
80% AMI and over	6,790	n/a	n/a

**Includes planned units at Chrysler and Paperboard

Table 47

1-2 PERSON HOUSEHOLD AGES 62+ (ELDERLY) 2011			
Income Level	**Qualified Households**	**Existing Units**	**Unmet Demand**
0% - 50% AMI	1,442	559	883
50% - 80% AMI	401	0	401
80% AMI and over	1,773	n/a	n/a

This illustrates that there is significant potential demand for non-age restricted units (often referred to as family units) at both the 50% and 80% AMI levels. Based on the occupancy rates, and inquiries to existing affordable rental developments, we believe that the greatest current need is for affordable rental housing. Furthermore, the absorption of affordable homeownership units has been a challenge for Natick in some locations. It may be due to the fact that condominium unit pricing of market rate units is similar to affordable units in some locations, or as a result of the poor economic conditions. Condominium pricing can also be affected by the ratio of renter-occupied units. Regardless, we would suggest that if there is a desire for additional homeownership units, that they be single-family homes, rather than condominiums. In addition, we do not recommend homeownership products for households earning at or below 70% of AMI as they are not able to absorb the costs required to maintain a property long term.

There is very strong need at the 50% level for elderly rental units as well as at the 80% level. A small portion of this demand may be absorbed by Chrysler Apartments since it will have elevators which will be attractive to seniors. The homeownership market for affordable age-restricted housing is very small for a variety of reasons, including the fact that there is an asset limitation, so we do not recommend any affordable age-restricted homeownership units. In addition, we note that there is a large and growing elderly population, and there is a need for a product that provides a higher level of care such as supported elderly housing or assisted living.

In addition, we learned from the Natick Community Development Office that they receive several inquiries a week from persons seeking affordable housing. The vast majority of inquiries are from single-parent households at the 80% of AMI income level, seeking a two-bedroom unit. The inquiries are split evenly between homeownership and rental requests. The office keeps a list of available homeownership units and rental developments. For households of lesser income, they refer them to the NHA.

Section 7: Stakeholder Interviews

In order to add some context to our statistical review of affordable housing needs, we contacted the leaders of 26 local civic and social service organizations to learn about the purpose of their organization, the composition of their membership, issues that may have been brought to their attention with regard to housing needs, as well as suggestions for solutions. We spoke to representatives from:

> A Place to Turn Food Pantry; Advocates, Inc.; American Legion; Department of Mental Health; First Congregational Church; Jewish Family Services; Leonard Morse Hospital/MetroWest Medical Center; Natick Service Council, Massachusetts Department of Public Health, Mathworks; MetroWest Chamber of Commerce; MetroWest Interfaith Hospitality Network; Middlesex Savings Bank; Natick Center Associates; Natick Family Network; Natick Federal Savings Bank; Citizens Bank; Natick Lions Club; South Middlesex Opportunity Council; St. Paul Episcopal Church; Tri-County United Way; Sons of Italy; and the Elks.

Several of these organizations stated to us that their organizations were social in nature and did not receive any comments, concerns, or requests for housing assistance. Other organizations stated that any concerns or requests were referred to a different agency, such as in the case of A Place to Turn Food Pantry. Other organizations indicated that while they were service and charitable organizations, they did not receive any comments, concerns or requests for housing assistance.

The vast majority of the stakeholders and organizations, of those who responded, stated that they have received housing related concerns, comments or questions and indicated that more affordable housing is needed within the town, in particular for families (Cooper, 2012) and single-parent families (O'Brien, 2012) and for single adults served by state agencies like the Department of Mental Health (Stepansky, 2012). The Natick Service Council reported a rise in requests for rental assistance and fuel and utility assistance to keep people in their homes (Tutuny, 2012). Several stakeholders indicated that persons affiliated with their organizations had more success finding rental housing in Framingham due to the overall lack of rental housing in Natick (O'Brien, 2012) (Josinia, 2012). Other issues consisted of a lack of senior affordable housing in Natick (Parker, 2012) (Kolbet, 2012); lack of affordable housing for the population earning 30% AMI (Stepansky, 2012) a feeling that the existing affordable housing in Town is generally unattractive (Parker, 2012); requests for persons needing help with foreclosure prevention, back rent and security deposits (O'Brien, 2012); and a lack of housing for families having incomes above the income limits for affordable housing yet below the level at which they are able to afford market-rate housing (Maseda, 2012) (Kolbet, 2012). Paul Kolbet, Associate Rector at St. Paul's Episcopal Church has been providing volunteer maintenance on the NHA units that are currently "off-line" in an effort to preserve existing affordable housing within the Town. Bonnie Biocchi at MetroWest Chamber of Commerce mentioned that while the Chamber has not directly received any issues regarding housing, they are aware that

affordable housing is needed and that it is an obstacle that businesses must face in attracting employees to the area due to the high cost of living in this area compared to the rest of the country (Biocchi, 2012).

The Massachusetts Department of Public Health approved 2,000 applications for persons applying for assistance under their program, of which 27% or 550 applicants noted housing a major need (Vallely, 2012).

Public transit, as described in the constraints section, plays a large part in terms of where families and individuals can live. Representatives from Jewish Family Services indicated that it was important to build housing near transportation services (O'Brien, 2012) as did Michael Stepansky from the Department of Mental Health (Stepansky, 2012). Many families and individuals who currently live in or are seeking affordable housing work in retail or service jobs that are in centralized retail locations such as the Natick Mall. While there is public transportation to these locations, the transit lines generally do not operate at the times necessary for these individuals to utilize the service. A local non-profit official informed us that the bus lines generally stop running at 8PM, prohibiting any workers in the retail or restaurant establishments from taking public transportation home from work if their shift ends after 8PM, therefore requiring these individuals to either take a taxicab or drive to work, incurring extra costs that take away from their ability to pay rent or buy a home (Maseda, 2012).

Section 8: Zoning and Funding for Affordable Housing

Local Zoning Bylaws

The Town of Natick has zoning tools established to assist in producing affordable housing to the community while maintaining the character and public welfare of the Town. The Town has one residential district that allows multifamily housing as a permitted use, the Residential Multiple (RM) district. The minimum lot size in this district is 20,000 square feet for the first four families and 4,300 square feet for each additional family (Town of Natick, 2011). (The zoning districts are shown in the Town's Zoning Map in Appendix B) There are several other zoning bylaws that promote affordable housing in Natick. They are described below.

Inclusionary Housing Option Program

The Town of Natick has an Inclusionary Housing Option Program that allows any proposed residential developments of ten or more dwelling units to develop additional dwelling units, not to exceed 20% of what would otherwise be allowed by underlying zoning, and to potentially reduce the amount of area and/or frontage required by underlying zoning to a maximum of a 15% reduction of area or a 20% reduction in frontage. These bonuses may be allowed if the development provides a certain percentage of affordable housing as described below:

A) By donation to the Natick Housing Authority: A minimum of 5%
B) By sale to the Natick Housing Authority: A minimum of 10%
C) By sale directly to low or moderate income households: A minimum of 10%
D) By cash payment to be used for low or moderate income family housing or other affordable housing units: Amount to be determined by valuation methods as the equivalent value to the units which otherwise would have been provided within the development as affordable units. (Town of Natick, 2011)

This bylaw was used in connection with one planned development at 13A Redman Drive in the 1990's which was to contain one affordable unit. Anecdotal evidence indicated that the development did not go as planned and neither funds, nor an affordable unit were added as a result of the development. Its lack of use may be due to the fact that most single-family home developments in Natick are less than 10 units.

Housing Overlay Option Plan

Natick has instituted two overlay districts HOOP I and HOOP II in order to produce affordable dwelling units for persons of low and moderate income in previously developed areas of the Town. HOOP districts are designed to reduce sprawl and create affordable housing in underutilized areas of Natick Center where public transportation is available (Town of Natick, 2011). These districts are to provide for pedestrian areas within and between housing complexes; public parks; and open space.

HOOP I differs from HOOP II because HOOP II has a higher density and intensity of allowable development. The HOOP I district allows for minimum lot area of 15,000 square feet and the HOOP II district allows for a minimum lot size of 20,000 square feet. The HOOP I district allows

for 2,500 square feet per unit and the HOOP II district allows for 3,500 square feet per unit. Both districts require that 15% of the total dwelling units must be affordable. Even higher densities are allowed in both districts if certain criteria for quality design are met.

Several projects have been developed under the HOOP I and II districts in Natick including Admirals Cove, Castle Courtyard and 20 South Avenue. A planned project at 42 South Avenue has been approved and is proposed to be developed under the HOOP district provisions.

Smart Growth Overlay District

The Smart Growth Overlay District ("SGO district") established pursuant to M.G.L. c40R encourages smart growth and increased housing production in Natick. The SGO district utilizes smart growth principles to increase affordable housing through a diversity of housing options, preserve open space, and create a mix of uses to strengthen the community. In the SGO district, all projects that include housing are required to provide 20% of the total units as affordable housing units.

The proposed Paperboard development by Barberry is to be located within the SGO district. The SGO District is shown on Appendix C.

Funding Mechanisms

Limited funding sources are currently available for affordable housing in Natick. These include HOME funds and Inclusionary Housing funding. These and other potential funding sources are described in the following pages.

Community Preservation Act

The Town of Natick has not adopted the Community Preservation Act (CPA). It has been six years since it failed to pass and it may be time to try again. If enacted, it would add a 3% surcharge on property tax bills. The first $100,000 of assessed valuation for residential properties is exempt as are low- and moderate-income households that apply. In addition to the funds raised by the Town, the state provides an amount of matching funds, which are divided up between of the communities in Massachusetts that have adopted the act (Massachusetts Department of Revenue).

CPA funds can be used for three community purposes: open space, historic preservation and community housing. No less than 10% of the total revenues received must be spent on each of the three categories. The remaining 70% can be spent at the discretion of Town Meeting, which must approve appropriations of CPA money.

HOME Funds

The Town of Natick has been a member of the Metro West HOME Consortium since 2007. The Town's yearly allocation was approximately $87,000; however, due to national HUD budget cuts of the HOME program, this has recently been reduced to approximately $45,000 (Merkel, 2012). Natick has utilized HOME funds for down payment assistance, but most of the funding has been loaned to other communities in order to bank roll funds at a later date. This has resulted in

approximately $320,000 in available funds for Natick, of which $122,000 needs to be committed by September 2012. Use of the $122,000 for rehabilitation of presently vacant Natick Housing Authority units is currently being considered

Community Development Block Grant Program

Other sources of funding can come from Community Development Block Grant (CDBG) funds which can be applied for on a yearly basis in a competitive funding round; Natick is not an entitlement community. If Natick is interested in looking into this, they may want to consider partnering with another community to establish a homeownership rehabilitation program for low- or moderate-income households. The properties will not be listed on the SHI because they will not be deed restricted. Liens are typically placed on the properties' mortgages, which is insufficient for listing on the SHI.

Affordable Housing Trust

The Town of Natick formed an Affordable Housing Trust Fund in Fall 2007. It has several powers, including the ability to buy, retain, construct and improve property. The Trust currently has $37,000 in available funds and anticipates acquiring an additional $85,000 negotiated as cash in lieu of an affordable one-bedroom unit from a development on Pond Street (Merkel, 2012). The Trust has indicated an interest in using some of the funds to provide down payment assistance for affordable units in Natick, possibly targeting units in South Natick Hills that have not been sold.

Senior Citizen Property Tax Incentive Program

The Town of Natick offers a Senior Citizen Property Tax Incentive Program for residents age 60 and over. While the program does not fund the creation of affordable housing in town, it makes housing more affordable for seniors by reducing their property taxes by $1,000 a year. The program has 125 approved positions for 125 hours of work a year. Currently 38 participants are taking part in the program each year.

Historic Tax Credits

The Massachusetts Historical Commission (MHC) administers the Massachusetts Historic Rehabilitation Tax Credit Program whereby certain projects are eligible to receive up to 20% of their rehabilitation costs in state income tax credits. To qualify, the projects must produce income– apartments qualify – and must either be listed on the National Register of Historic Places, be a contributing building within a registered historic district or be eligible for listing on the National Register as determined by the MHC. There is also a Federal Historic Preservation Tax Incentives program whereby historic buildings on the National Register or buildings in historic districts can qualify for a 20% tax credit. The federal credit is available to buildings rehabilitated for rental purposes and not for properties exclusively used as an owner's private home.

There are seven properties in Natick listed on the National Register of Historic Places: the Stephen Bacon House on North Main Street, the Rev. Stephen Badger House on Eliot Street, Casey's Diner

on South Avenue, the Clark Houses on West Central Street, the Robert Jenison House on Frost Street, the Parsonage on Pleasant Street, and the Henry Wilson Shoe Shop on West Central Street. There are two historic districts in Natick, the John Eliot Historic District and the Henry Wilson Historic District. The John Eliot Historic District encompasses much of the center of South Natick. The Henry Wilson Historic District is located along West Central Street from Main Street to the east and Fisk Pond to the west. The properties within the two historic districts could be eligible for state and federal tax credits, which could then be used to help rehabilitate them into affordable rental housing.

Section 9: Constraints on Future Development

Transportation Constraints

Natick is a largely auto-dependent community in the MetroWest Region. It has great east west highway access, particularly via Interstate 90 and State Routes 9, 135, and 16. Residents can therefore easily drive east-west to nearby employment centers as well as the City of Boston. However, speaking with an official at a local non-profit organization, public transportation was identified as a constraint to the ability of those who need affordable housing to effectively utilize any new developments. This official mentioned that the local public transportation service, the MWRTA, does not operate at hours that allow for those certain business, such as the Natick Mall, to utilize public transportation, due to the inability to return home at night after 8PM or any time on Sundays.

The lack of public transportation in Natick presents a barrier to lower-income residents who may not be able to afford to own and maintain a vehicle. It points to the need for mixed-use development, particularly in the downtown area. If housing were developed near jobs, shopping and other amenities, residents would not necessarily need to have their own vehicle. Reduced transportation costs could also allow lower-income residents to potentially afford higher housing costs without sacrificing other necessities like food and clothing.

Another transportation constraint that was identified during the course of our interviews with stakeholders was the fact that transportation updates and infrastructure maintenance are predicated on State funding. Without State funding, these projects may be delayed or not undertaken, which inhibits development within the Town, and may have an effect on any potential affordable housing within the Town.

In addition to these constraints, there are several specific locations in the town that have traffic issues, many, if not all, of which are reliant upon State funding, and therefore progress of these projects move at the pace of the State. These locations include: the intersection of Route 9/Oak Street, the intersection of Route9/Route 27, and Natick Center. Funds from the State will be necessary to repair bridges, mitigate issues with traffic safety, and finish projects that have been designed, but have not been undertaken.

Parking is also an issue in the Town, specifically in Natick Center where there is a large building that has been struggling to fill the upper levels of offices due to a lack of parking in the downtown area. During the interview, it was mentioned that state priority development assistance would allow the Town to construct a parking garage that would provide parking spaces for the downtown area, and allow more business to provide parking for their employees.

The DPW official we spoke with also said that the road system should not be an impediment to development.

Water and Wastewater Management Constraints

According to an official at the Department of Public Works, there are few, if any, constraints to development in terms of sewer and water. The Town currently is part of the Massachusetts Water Resources Authority (MWRA) sewer system and utilizes its own wells and their own treatment plant for water. The official stated that the Town has the capacity for future development.

Conservation Constraints

We spoke with two officials within the Town regarding any constraints to development from the conservation perspective, one from the Open Space Committee and one from the Conservation Commission. Martin Kessel from the Open Space Committee stated that there were no constraints to development of affordable or market-rate housing in terms of open space, but did include that the committee feels that open space is an important part of any future development and with housing in particular. Robert Bois of the Conservation Commission expressed that a main concern would be the preservation of wetlands, which are dictated by exiting regulations. Approximately 34% of the Town land area is covered by forests, wetlands and open space, with the majority of the balance being previously developed (Bois, 2012). A focus on infill development would be desired in order to preserve the existing open space.

Section 10: Affordable Housing Goals

The Town of Natick has taken significant steps to promote affordable housing and housing diversity in the community. This is reflected by the creation of the Natick off site program and the implementation of the HOOP and HOOP II Districts Despite these efforts, however, the Town of Natick continues to face challenges in meeting all of the community's affordable housing needs and is looking for direction in how to best invest its limited resources which currently are HOME funds.

Based on the housing inventory, demand analysis and other findings in this study, the Town will work toward the following affordable housing goals:

- Preserve existing affordable homeownership and rental units;
- Increase the supply of affordable rental housing for very low-income (<50% AMI) and low-income (50%-80% AMI) families;
- Increase the supply of affordable rental housing for very low-income (<50% AMI) seniors;
- Provide low-income seniors with housing options that include supportive services (i.e., assisted living facilities);
- Increase affordable homeownership opportunities for 50%<80% AMI, first-time homebuyers;
- Increase housing and support opportunities for special needs populations such as battered women, developmentally disabled persons, survivors of traumatic brain injury, veterans or formerly homeless persons;
- Identify additional sources of funding for affordable developments.

Housing Unit Growth Analysis

In order to estimate the number of housing units that Natick may add from 2010 to 2020, we examined the growth in housing units over two decades, which showed 5.7% growth from 1990-2000 and 5.6% growth from 2000-2010. Therefore, we assumed that growth would continue at the same rate from 2010-2020. According to the 2010 United States Census, the total number of housing units in Natick was 14,121. The chart below shows the number of housing units to be added between 2010 and 2020, which totals 791 units, to get to a total housing unit count of 14,912 in 2020. Next we calculated the number of units that would be required on the SHI, or 1,491 units. We subtracted the existing SHI to show the potential gap in SHI housing units:

Table 48

HOUSING UNITS	
2010 US Census*	14,121
6.5% Growth 2010-2020	791
2020 Total Units	14,912
10%	1,491
Current SHI	1,412
SHI Potential Gap	79

*differs from SHI as SHI was based on ACS, not actual

The next chart identifies the units that are permitted and/or under construction that most likely will be added to the SHI in the next decade, totaling 172 units. If we subtract the potential SHI gap of 79 units, we are left with a potential excess of 93 affordable housing units. If all units are built as planned, the total SHI will be 1,584 or 10.6%.

Table 49

PLANNED UNITS TO BE ADDED TO SHI	
Paperboard	150
South Avenue	5
South Natick Hills	17
Total	172
Less SHI potential Gap	(79)
Excess SHI Units	93

To take this one step further, we also calculated the number of housing units that we believe were not included in the United States Census counts, which total 689 units. This will leave room for only an additional 102 units to be planned, permitted and built to meet our 2020 housing unit projection of 14,912.

Table 50

PLANNED UNITS NOT IN CENSUS HOUSING COUNT	
Chrysler Apartments	407
Paperboard	150
South Avenue	24
South Natick Hills	108
Total Units	689
Projected 2020 Housing Unit Growth	791
Housing units yet to be planned	102

Since the Town of Natick, as mentioned earlier, has exceeded the state's 10% affordable housing goal, it is unlikely that any new large multiple-unit and high-density 40B projects will be permitted in the near future. It will take 3-4 years for the planned units to be built and absorbed into the marketplace taking Natick to 2015. We have estimated that for year 2016-2020, there will be approximately 20 units added a year (i.e. 102/5. Therefore, we are suggesting a reasonable goal for the Town of Natick will be to create three affordable units per year to keep up with Natick's 10% requirement.

Three units represent approximately 10% of the number of units projected to be added each year. The reality is that Natick does not need to add any more affordable housing units from 2015-2030 and it would still be above 10% if it continues its projected growth of 6.5% continues as illustrated below:

Table 51

Long Term SHI Projection	
2020 US Census Estimate	14,912
6.5% Growth 2020-2030	969
2030 Total Units	15,881
10%	1,588
Projected SHI 2015	1,584
Projected Excess SHI	4

However, just because the community has met the states 10% requirement does not mean that there are not significant affordable housing needs in the community as identified in this study.

Natick Housing Production Program

To meet the affordable housing goals outlined above, the Town will strive to follow the Implementation Strategies in Table 53. Because the percentage of affordable housing units in Natick exceeds the minimum requirement of 10% set by the state under Chapter 40B and Natick is therefore considered a "Certified Community", the Town can determine its own yearly production schedule, as we have suggested in the preceding paragraph.

This does not preclude developers from applying for a Chapter 40B Comprehensive Permit or for the Town toaccept applications for Chapter 40B developments that they would like to pursue (i.e., friendly 40B's). In the event there is an application and a hearing scheduled by the Zoning Board of Appeals, within 15 days of the opening of a local hearing for the Comprehensive Permit the ZBA shall provide written notice to the Applicant for the permit, with a copy to DHCD, that it considers that a denial of the permit or the imposition of conditions or requirements would be considered (by the ZBA) to be "Consistent with Local Needs" on the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation.

If the Applicant wishes to challenge the ZBA's assertion, it must do so by providing written notice to DHCD, with a copy to the ZBA, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that a denial or approval with conditions would be Consistent with Local Needs, provided, however, that any failure of DHCD to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

Communities that have not met the minimum 10% requirement must annually increase the number of SHI units by at least 0.5% of year-round housing units in order to be granted certification by DHCD. If a community receives this certification, they have the choice to deny new Comprehensive Permit applications. In other words, a community can effectively avoid "hostile" Chapter 40B proposals. The Town of Natick has expressed a desire to create or maintain

affordable housing, regardless of whether the units can be counted on the SHI. (The SHI is explained in greater detail on page 46.)

It is recognized that the Town alone cannot accomplish all of its affordable housing goals. It can and should, however, use its resources and planning initiatives to further encourage and facilitate the production of affordable housing. Section 11 outlines specific strategies that the Town can pursue to accomplish its housing goals.

Section 11: Implementation Strategies

Based on the local needs, existing resources, constraints and compliance issues discussed in this Housing Production Plan, the Town of Natick should consider the following implementation strategies as it works to meet its affordable housing goals listed in Section 10. The proposed strategies will also help the Town direct and leverage its funds to best meet the community's housing needs. The strategies, which are described in detail in the following pages, have been grouped into four categories shown below. Table 53 further lists the priority (year of implementation) and responsible party for each strategy.

- Education Strategies
- Zoning and Planning Strategies
- Preservation Strategies
- Housing Production Strategies

While some of the strategies, like those aimed at education, do not directly create affordable units, they provide the support and environment needed to achieve housing goals. The implementation strategies also reflect the state's requirements to address the following strategies to the greatest extent possible:

- Identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purpose of creating SHI Eligible Housing developments to meet its housing production goal;
- Identification of specific sites for which the municipality will encourage the filing of Comprehensive Permit applications;
- Identification of the characteristics of proposed residential or mixed-use developers that would be preferred by the municipality;
- Identification of municipally-owned parcels for which the municipality commits to issue requests for proposals to develop SHI Eligible Housing;
- Participation in regional collaborations addressing housing development.

Educational Strategies

1. ***Continue to educate and train committee members***
   The Community Development Advisory Committee and the Natick Affordable Housing Trust have taken a lead role in promoting affordable housing in Natick, and as such, it is important that committee members understand and keep up to date on housing programs, funding sources, regulations, best practices, fair housing and other related issues. Members should therefore receive ongoing training on affordable housing issues. They can do this by attending meetings of the West Metro HOME Consortium, Metropolitan Boston Housing Partnership, Metropolitan Area Planning Council, Urban Land Institute and other agencies or by participating in housing conferences and seminars sponsored by DHCD, Citizens' Housing and Planning Association (CHAPA), the Massachusetts Housing Partnership (MHP) and the Massachusetts Housing Alliance. MHP, for example, holds an annual Housing Institute every summer to train local officials

on a variety of housing issues. They can also reach out to regional housing providers, housing planning consultants and agencies as described below. In addition, the Town can retain a housing professional to provide training on specific issues. As Trustees gain expertise, they can help educate other local officials such as members of the Board of Selectmen and the Planning Board on housing matters.

2. ***Educate the Public***
   It is important for the public to learn and stay abreast of local housing needs, initiatives and challenges. Not only do housing initiatives – such as zoning bylaw changes – often require local support, an informed public is more likely to provide pertinent information, feedback and suggestions. Education can also dispel myths and help create an environment whereby the community becomes a partner in the Town's housing initiatives. Natick should subsequently work to educate the public about the need and benefits of affordable housing and keep residents informed of housing initiatives. The Town can achieve this through a variety of means. For example, the Town can host community meetings on specific housing initiatives, providing local officials with the opportunity to present their proposals and solicit public input. An informational public meeting on the successful projects that towns have developed utilizing CPA funds or fund received under an inclusionary zoning bylaw serve as basic examples.

3. ***Partner with housing providers and agencies***
   The implementation of this Housing Production Plan will likely require support and assistance from a variety of resources. The Town should consider establishing or strengthening partnerships with housing providers, funding agencies and other housing experts. Some providers in the area or providers who work in Eastern Massachusetts are: Advocates, Inc. West Metro HOME Consortium, Caritas Communities, South Middlesex Opportunity Council, Inc., Women's Institute for Housing and Community Development, The Community Builders, B'Nai B'Brith Housing, MetroWest Collaborative Development and Neighborhood of Affordable Housing. These organizations can provide technical assistance, resources, funding and development services to help the Town of Natick achieve its housing goals. In addition to these housing development providers, there are social service organizations such as domestic violence programs that provide shelter.

4. ***Create a guide of financing options for low-income homeowners/landlords***
   In addition to a possible CDBG housing rehabilitation program, there are other funding resources available to preserve low-income housing. Examples include the "Get the Lead Out" program administered by MassHousing; Hazardous Abatement Grants for cleanup of oil spills, de-leading and asbestos removal; and architectural barriers removal grants. The Town may want to consider creating a guide about these and other financing options that could assist low-income homeowners or landlords.

5. ***Examine energy efficiency/green building programs***
   Start the conversation to identify resources available for low-income homeowners and developers to help promote and facilitate green building. This might be as simple as identifying indigenous plant species that require little water, free energy audit resources, or the most efficient hot water systems. The Town could also look for funding sources for solar panels and green roofs.

Zoning and Planning Strategies

1. ***Consider repealing IHOP Zoning Bylaw and Create a new Inclusionary Zoning Bylaw***
   We were not able to identify any units created, or funds received under the IHOP Zoning Bylaw that was created in the 1990's. We also learned from our stakeholder interviews that this may be due to the fact that Natick is primarily built out, and most new homeownership developments have fewer than 8 units (Evans, 2012). We also learned that there are few sources to fund affordable housing and that location plays a big role in the success of affordable housing. This is because lower income households may need to rely more heavily on public transportation or walking to access work and goods and services. Therefore, a new bylaw that would encourage payments in lieu of housing units could create a fund so that the Town can self-direct the funds to affordable housing developments of their choosing. It could bring affordable housing units into projects such as the proposed assisted living facility at 31 South Main Street. We located one bylaw in the Town of Georgetown that has generated substantial payments in lieu of housing units as follows.

   The Town of Georgetown has an Inclusionary Housing Balance Bylaw that requires any proposed residential development that creates three or more new units to designate at least 10% as affordable (Town of Georgetown, 2008). (Prior to 2008, this bylaw only applied to projects that required a special permit. It now applies to all projects.) In Independent Senior Housing projects at least 20% of units must be affordable. Affordable units must be approved under programs that qualify them for listing on the SHI. The bylaw, which was first adopted in 1999, allows developers to provide off-site affordable units or a payment-in-lieu contribution, if approved by the permitting board. Housing Contribution Payments (HCP) can be made in lieu of providing housing units for developments of 3-7 units. These are calculated with the formula below:

   For homeownership developments of 3-7 units and in the event of a partial unit, you need to round up:

   HCP = Average Market Sales Price x (# of new units) x 0.04

   For ownership developments over 11 units, the formula is below:

   HCP = Average Market Sales Price x (FAHU x 10) x 0.04

   For rental units, the payment needs to be equal to the difference of an average market rate rent for a unit and the rent for a unit for those making 80% AMI, for a period of ten years (therefore, MR –(80% rent) x 10), without adjustments for inflation or interest.

Among the projects that have triggered this bylaw in Georgetown are Little's Hill, a 45-lot development, and Harris Way, a 10-lot development (Cracknell, 2011). Developers of both projects contributed a payment in lieu of creating affordable housing. Specifically, developers of Little's Hill contributed $100,000 to the Town for affordable housing (Georgetown Planning Board, 2007); developers of Harris Way contributed $88,000 in 2010 and are expected to provide $22,000 more in 2011 (Cracknell, 2011). The Town of Georgetown also receives 4% of the sales price for every unit sold at Harris Way.

We also looked at inclusionary zoning bylaws in Newton and Duxbury. The City of Newton inclusionary zoning bylaw applies to all projects that apply for a special permit, and requires that 15% of all units be affordable, with income limits ranging up to 120% of AMI. Payments in lieu are only allowed for projects of 6 or more units. The Duxbury Inclusionary Bylaw applies to the division of land into six (6) or more lots, and requires a special permit from the Planning Board under Section 530 or Section 540 of the Zoning Bylaw. There is a 10% affordable housing requirement. The bylaw allows off site construction as well as a payment in lieu of housing units.

2. ***Amend the zoning bylaw to encourage upper floor apartment development in the downtown.***
   The Town's parking requirements also make it difficult to develop housing in the downtown area where space is limited. The Town may want to consider reducing parking minimums or encouraging shared parking alternatives or off-site parking alternatives for mixed-use projects. In some communities, for example, the required number of off-street parking spaces is reduced by special permit if a project includes at least three uses. For example, in the event the lot behind the police station is improved with a commuter parking garage, perhaps spaces could be shared by commuters during the day and residents in the evening and weekends. Another piece of this may be to create an inventory of the empty spaces in the downtown and survey the business owners to ensure that once a bylaw is created, it will serve the intended purpose.

3. ***Create an accessory unit program***
   Programs like these typically allow homeowners an amnesty period to register illegal accessory or in-law apartments, and/or they provide funding to bring them up to code. In exchange, the homeowners put an affordability restriction on their unit.

4. ***Institute a fee waiver or reduction program for affordable units***
   This type of program is used as an incentive to developers – especially developers of small projects – to create affordable housing. For example, waiving the sewer connection fee for an affordable unit.

5. ***Examine Project Review Functions/Funding Allocations***
   The creation of the housing production plan as a result of the housing needs assessment is a very good time to examine various boards and committees that interact with affordable housing and determine if there may be a more streamlined approach to either review projects, and/or allocate funding. For example, examine roles and bylaws of the Community Development Advisory Committee and the Affordable Housing Trust with regard to organization and project review powers. Examine the roles of the ZBA and Planning Board with regard to housing project review. Who should be overseeing the allocation of HOME funds? In addition, what committee is in charge of ensuring that the housing this is developed is quality housing that is sustainable?

Preservation Strategies

1. ***Work with the NHA to preserve housing and bring units back on line.***
   The NHA has several existing housing developments for which they need funding and technical assistance including:
   a. Reconfiguring units at Cedar Gardens to create one or two handicapped accessible units.
   b. Examine whether to repair or rebuild two units of family housing at Plain Street that are off-line due to severe capital needs.
   c. Create a business plan to redevelop a deteriorating and off-line congregate housing building into a viable affordable housing development.
   d. Growing its volunteer program to include additional assistance with maintenance and supportive services.
6. ***Buy down existing affordable units with new deed riders***
   The format of many of the older, existing deed riders has been a problem in some communities in the Commonwealth. Many older deed riders on affordable units allow for annual increases in sales prices. This kind of allowance results in prices that quickly exceed the maximum sales price threshold for households earning up to 80% of AMI. The units therefore become ineligible to be listed on the SHI. The goal of a buy down program would be to replace the existing deed rider with the state's standard Local Initiative Program Deed Rider or if HOME Funds are used, a typical re-purchase rider. The Trust should continue these efforts, as preserving the long-term affordability of existing units is very important. In addition, by using the state's deed rider, the units can be added or maintained on the SHI.

7. ***Pursue CDBG funding to create a housing rehabilitation program***
   The Town should consider applying for CDBG funding to create a housing rehabilitation program. This could be accomplished either by Natick, or perhaps partnering with a community that already has a CDBG program in place. Housing rehabilitation programs can take many forms. One example is to provide a loan to the homeowner that is reduced by 1/15th each year over a 15-year period as the long as the owner remains in the home. Eligible households would need to earn less than 80% of AMI. If they move during the 15 year period, the remaining amount will need to be repaid. If they live there for 15 years,

the loan is forgiven. While rehabbed homes do not qualify for listing on the SHI – because they are not deed restricted – such a program helps low- and moderate-income residents remain in their homes and avoid displacement due to code violations or hazardous conditions (Displaced lower-income residents would likely struggle to find affordable housing in Natick and could therefore be forced to leave the community). In order for this type of program to be successful it will be important to dedicate housing staff time to provide oversight and coordination of the program.

Housing Production Strategies

1. ***Identify and make available Town-owned land for affordable housing development***
   There appears to be few Town-owned properties in Natick that are suitable for affordable housing development. Nonetheless, the Town could continue to review its own inventory of properties, including tax title land, and identify any surplus or vacant sites that could potentially support affordable housing in the future. If parcels are identified, the Town could work to make them available for housing development. This could be done through a Request for Qualifications and/or a Request for Proposal process.

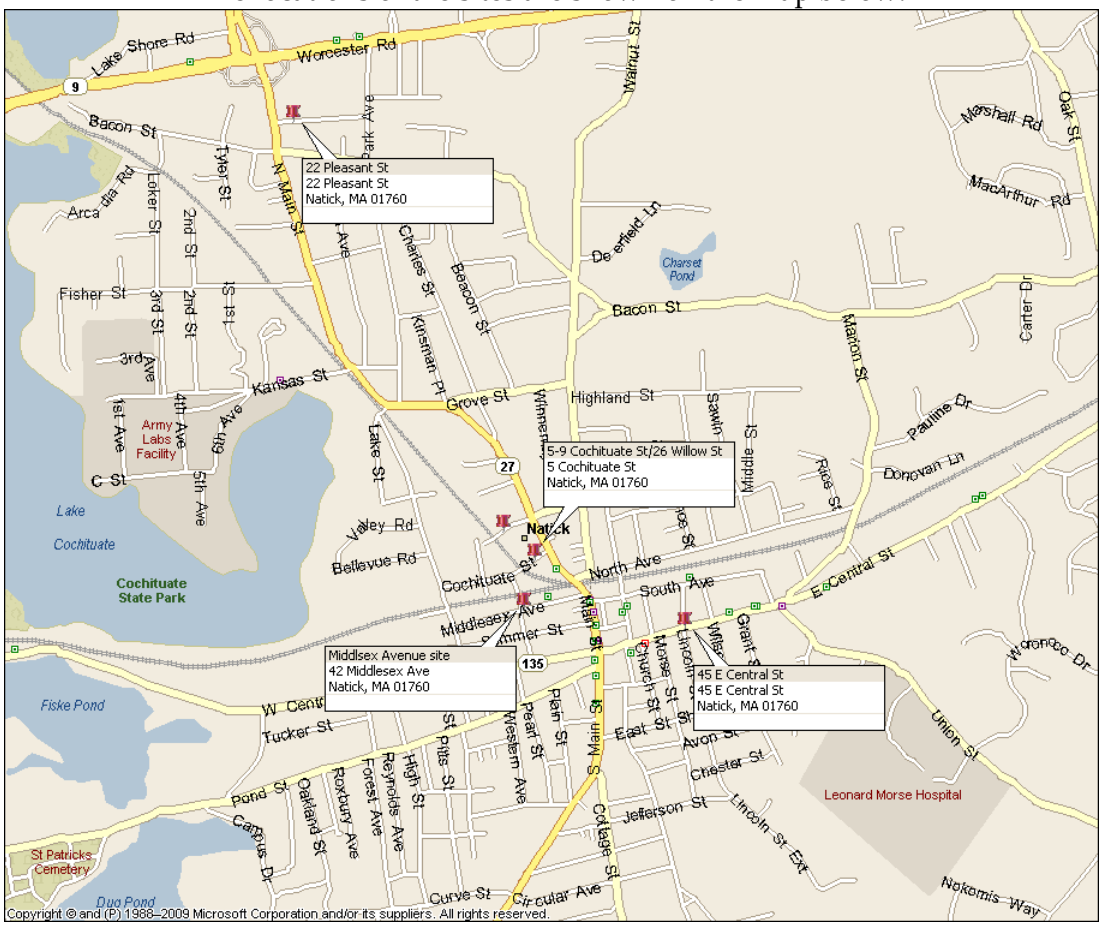
2. ***Identify vacant, abandoned or underutilized land for affordable or mixed-income housing development***
   The Town can work toward preparing a list of vacant, abandoned or underutilized land in Natick and then target them for affordable or mixed-income housing. The Town Housing Planner identified four vacant, abandoned or underutilized properties in Natick that may be suitable for affordable housing development and/or conversion. Two of these sites include multiple parcels that could be assembled to create a larger site as described below:

Table 52

POTENTIAL AFFORDABLE DEVELOPMENT SITES				
Address	Acres	Description	Owner	Zone
		Site 1		
5 Cochituate St	0.1	1 story building, 2,974 sf	Cochituate Limited Partnership	RESGEN
7 Cochituate St	0.259	Corner of building, no sf listed	Cochituate Limited Partnership	RESGEN
9 Cochituate St	0.98	Bulk of 1-2 story building, 38,088 sf	Cochituate Limited Partnership	RSA
26 Willow St	0.651	Part of building, no sf listed	Cochituate Limited Partnership	RSA
Total Acreage	1.99			
		Site 2		
45 East Central St	1.077	Brick two story school building with half story underground, no sq. ft. listed	Roman Catholic Archibishop of Boston	RSC
		Site 3		
22 Pleasant St	4.1	White on story, warehouse building, 41,510 sf	James M Knott	IND 1
		Site 4		
20 Middlesex Ave Parcel 1	0.183	Parking lot, no building	Natick Inhab of the Town	DMU

POTENTIAL AFFORDABLE DEVELOPMENT SITES				
Address	Acres	Description	Owner	Zone
20 Middlesex Ave Parcel 2	0.22	Parking lot, no building	Natick Inhab of the Town	DMU
42 Middlesex Ave	n/a	White, three story house, 3,861 sf	N&C Christie LLC	DMU
33 Summer St Parcel 1	0.24	Parking lot, no building	Natick Inhab of the Town	DMU
33 Summer St Parcel 2	0.03	Parking lot, no building	Natick Inhab of the Town	DMU
Total Square Footage	0.673			
TOTAL ACREAGE	**7.84**			

The locations of the sites are shown on the map below.



Working with the Town Housing Planner, the CDAC or the Trust can investigate these properties in more detail to determine their development potential, examining such matters as ownership, zoning, cost, development, benefits and constraints of development. This process will also help to identify the most appropriate target population and development type for each property, whether that is special needs, multi-family rental or senior housing. They can then prioritize the properties based on which have the highest chance of being successfully developed.

They could then pursue a variety of actions. For example, the Town could purchase and develop a property into affordable or mixed-income housing and then sell the units itself. Alternatively, it could purchase a property and then issue an RFP to developers, outlining the kind of housing it wants to see developed. (It could be a LIP or "friendly 40B" project.) The Town's course of action will depend on the particulars of each property. A small, infill redevelopment project would likely be more appropriate for the Town to pursue on its own rather than a large development on a vacant property. The Town, though, might be able to assist with permitting, funding or other types of expertise and support for larger developments. In any case, by developing or redeveloping abandoned or underutilized properties, much-needed affordable housing may be created, and the amount of taxes generated by the properties will most likely increase.
The Town may want to consider creating small infill housing models such as a house that has two-bedroom townhouses in the first two floors and a three-bedroom flat on the third floor. This could provide an alternative for renters wanting to live in more residential unitsk that would blend well into a neighborhood.

3. ***Reestablish a down payment assistance program for first-time homebuyers***
There is a substantial gap between the sales price of an affordable home for a low-income family in Natick and the average price of a single-family home on the market. As discussed in Section 6: Demand Analysis, that gap is more than $250,000. In order to help low-income households (<80% AMI) purchase their first home, the Town should consider re-establishing a down payment assistance program. The program could be restricted to income-eligible, first-time homebuyers, and it could be structured as a zero-interest, forgivable loan program. The amount of the loan could also be capped at a 5% down payment and closing costs per household. The Trust can determine if the program will require the purchaser to repay the Trust if he or she sells or refinances the property within a certain time period such as five years following purchase.

4. ***Explore a "buy down" program for first-time homebuyers***
Another way to help low-income residents purchase their first home is through a "buy down" program. Such a program helps buy down the purchase price of a home – largely bridging the affordability gap – through a significant grant, typically around $100,000. Eligible buyers must be first-time homebuyers and must be income qualified. They must also live in their home as their primary residence and agree to long-term restrictions on the resale price of their property. (Units can be listed on the SHI). This kind of program should be explored by the Trust. It is important to recognize that this type of program would use significant Trust funds to create a single affordable housing unit.

5. ***Continue to partner with private developers***
The Town should endeavor to work with private developers to facilitate the construction and preservation of affordable housing. As mentioned earlier, for example, the Town may want to consider partnering with developers to use the state's Local Initiative Program (LIP). Through this collaborative process, the Town can encourage the kind of

development it desires while benefiting from the developer's expertise and DHCD's technical assistance. Any units created under the LIP program would be counted on the SHI.

The Town should also consider collaborating with developers to better understand the different challenges they face in trying to build affordable housing, either generally in Natick or on specific sites. Obtaining this information will help the Town address or mitigate these challenges as it works to encourage affordable housing. Keeping an open dialogue with developers will also allow the Town to promote areas where it would like to see affordable housing built.

6. ***Leverage existing funding resources***
   The Town has limited funding for affordable housing preservation and development. The Trust should consider exploring ways that it can utilize this money to raise additional funds. For example, when applying for funding for a small rental development, being able to state that the Town already has a commitment of local funds may result in a higher score than other competing developments. It is suggested that the Town consider creating a guide of funding programs, resources and application dates to assist in this process. This is because programs often only have one or two application dates a year, while other programs have rolling deadlines. One program that supports small rental development is the Federal Home Loan Bank of Boston Affordable Housing Program. Information on this program can be found at www.fhlbboston.com. This program provides both grant funding and low-interest loans.

7. ***Pursue Adoption of the Community Preservation Act***
   The Town of Natick has few sources of funding for affordable housing creation. As noted on page 66, if enacted, the CPA it would add a 3% surcharge on property tax bills. The first $100,000 of assessed valuation for residential properties is exempt as are low- and moderate-income households that apply. In addition to the funds raised by the Town, the state provides an amount of matching funds, which are divided among the communities in Massachusetts that have adopted the act (Massachusetts Department of Revenue). CPA funds can be used for three community purposes: open space, historic preservation and community housing. No less than 10% of the total revenues received must be spent on each of the three categories. The remaining 70% can be spent at the discretion of Town Meeting, which must approve appropriations of CPA money.

Short Term Action Plan

As noted in Table 53, we have set forth items to be addressed in either Years 1, 2, 3 or ongoing, meaning they are ongoing long term strategies. Below, we have outlined in more detail a proposed action plan for Year 1.

Year 1: The main goal of Year 1 will be for to Town to address administrative matters such as adopting the revised local preference policy and creating an operating plan for Years 1, 2 and 3. Action items we suggest are:

Months 1 and 2: Establish and agree on benchmarks for each year so that you will able to check off items as accomplished in any given year.

Months 3 and 4: Discuss and agree on the best use of HOME funds for the coming year. Given that there are existing housing authority needs, this may be a good choice.

Months 5 and 6: Discuss the costs and benefits of a CPA campaign and set forth a time frame, budget and marketing campaign if the choice is to move forward. Determine the best form of inclusionary bylaw and set forth a time frame for adoption and marketing campaign.

Months 7 and 8: Learn about the CDBG program and determine what programs would serve the affordable housing needs of the community such as the home improvement program. Interview lead agencies for this work, such as the Town of Framingham.

Months 9 and 10: Review possible development/redevelopment sites. Identify one small property for either conversion or creation of 1-3 units of affordable rental housing and start on details of a business plan for developing the property.

Months 11 and 12: Research funding grants that would support affordable housing development efforts.

Table 53

HOUSING STRATEGIES		
Strategies	**Priority (Year)**	**Responsible Party**
Education and Organization		
1. Continue to educate and train CDAC, Housing Trustees and the public	Ongoing	Planner/Consultant
2. Educate Public	Ongoing	Trust/CDAC
3. Partner with housing providers and agencies	Ongoing	Trust/CDAC
4. Create a guide of financing options for low-income homeowners/landlords	Year 1	Planner/Consultant
5. Examine energy efficiency/green building programs	Year 2	Planner
Zoning and Planning Strategies		
1. Consider repealing IHOP Zoning Bylaw	Year 2	All
2. Work on Adoption of Inclusionary zoning by law.	Year 2	All
3. Amend the zoning by law in the downtown with regard to parking to encourage second floor residential units.	Year 2	All
4. Create an accessory unit program	Year 3	All
5. Institute a fee waiver or reduction program for affordable units	Year 2	All
6. Examine Project Review Functions/Funding Allocations	Year 1	All
Preservation Strategies		
1. Work with NHA to preserve housing and bring units back on line	Ongoing	NHA/Trust/Planner
2. Buy down existing affordable housing units with new deed riders	Year 4	Planner
3. Pursue CDBG funding to establish a housing rehabilitation program	Year 2	All
Housing Production Strategies		
1. Identify and make available Town-owned land for affordable housing development	Year 2	Planner/Assessor
2. Identify vacant, abandoned or underutilized land for affordable or mixed-income housing development	Year 1	Planner/Assessor
3. Reestablish a down payment assistance program for first-time homebuyers	Year 1	All
4. Explore a "buy down" program for first-time homebuyers	Year 3	All
5. Explore partnering with private developers	Ongoing	All
6. Leverage existing funding sources	Ongoing	All
7. Consider revisiting the idea of adoption of the Community Preservation Act.	Ongoing	TBD

Assumes start date of calendar year January 2013

Abbreviations
CDAC = Community Development Advisory Committee
Trust = Affordable Housing Trust
Planner = Town Planner
PB = Planning Board

Note: The Town can hire a consultant to take on some of the responsibilities.

Appendix A: Subsidized Housing Inventory

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY

Natick

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
2063	n/a	Curve/High Sts.	Rental	52	Perp	No	*DHCD*
2064	n/a	Cedar Terrace	Rental	260	Perp	No	*DHCD*
2065	n/a	4 Cottage St.	Rental	45	Perp	Yes	*DHCD*
2066	William Coolidge House	72 South Main St.	Rental	20	Perp	No	*DHCD*
2067	West Hill Group Homes	17 & 18 West Hill Park	Rental	8	Perp	No	*DHCD*
2068	n/a	201 Pond St;44 Curve St.	Rental	3	Perp	No	*DHCD*
2069	n/a	106-108 Pond/6 Plain/ 2 Hunter Hill/1 Westview, 92 S.Main	Rental	10	Perp	No	*DHCD*
2070	n/a	5-17 School St; 8 Webster St	Rental	8	Perp	Yes	*DHCD*
2071	n/a	1-16 West Hill Park	Rental	16	Perp	Yes	*DHCD*
2073	Natick Village setaside	8 Natick Village Way	Rental	6	2042	No	*HUD* *EOHHS* *FHLBB*
2074	Sherwood Village	Mill Street	Rental	236	2014	Yes	*MassHousing*
2075	Walnut Street	12-13 Walnut Street	Ownership	5	perp	No	*DHCD*
2076	Walden Street	Walden Drive	Ownership	2	perp	No	*DHCD*
2077	Thoreau Street	Thoreau Street	Ownership	1	perp	No	*DHCD*
4384	DDS Group Homes	Confidential	Rental	39	N/A	No	*DDS*
8652	Cloverleaf Apartments	321 Speen St	Rental	183	2031	YES	*FHLBB*
8833	South Natick Hills	226 South Main St & 61 Rockland Ave	Ownership	40	perp	YES	*MassHousing*

This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

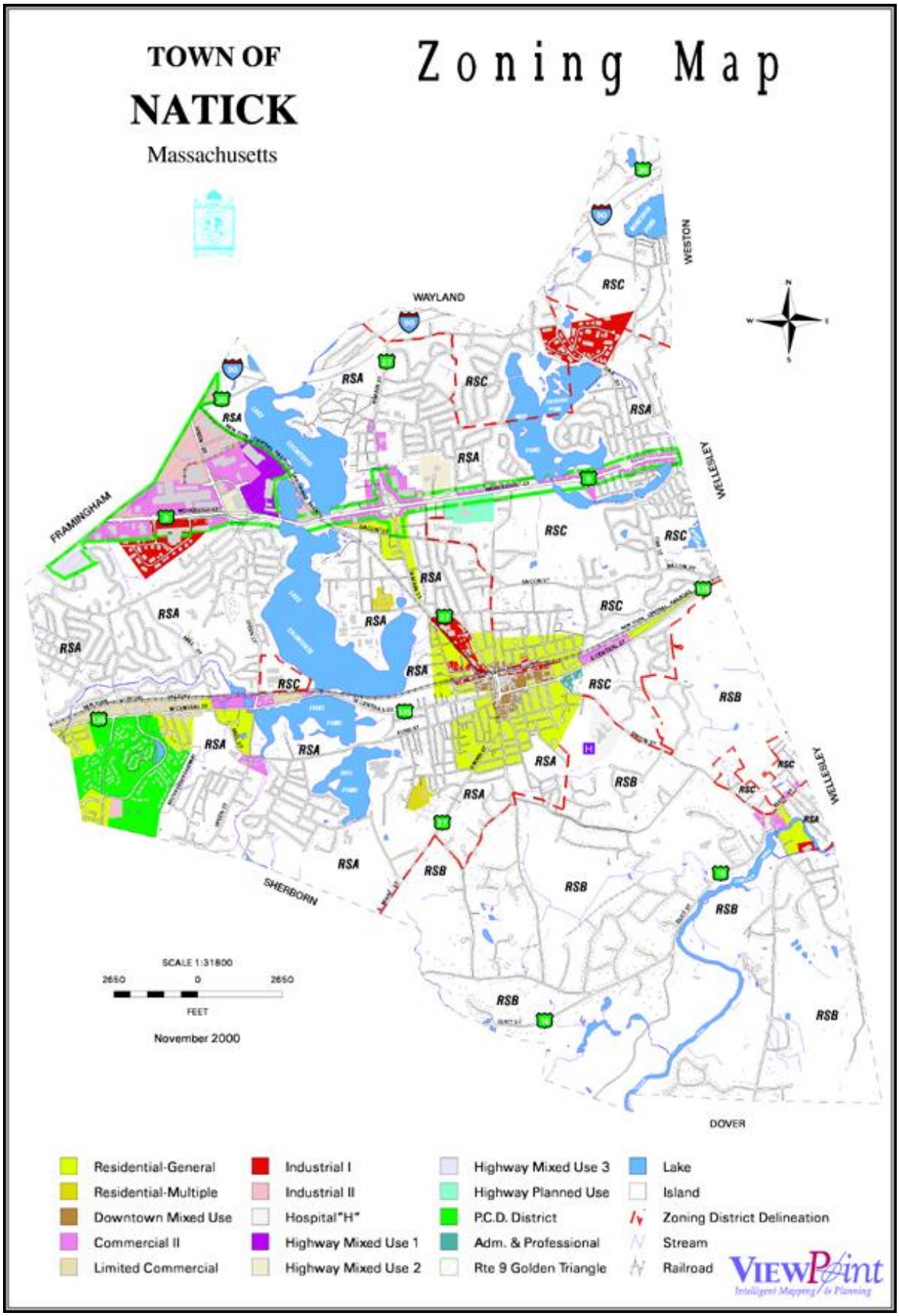
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY

Natick

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
8834	8-10 Grant Street	8-10 Grant Street	Rental	24	perp	YES	*MassHousing*
9008	Natick Mall Offsite	Dewey Street	Ownership	3	Perp	NO	*DHCD*
9009	Natick Mall Offsite	Thoreau Court	Ownership	2	Perp	NO	*DHCD*
9010	Natick Mall Offsite	Walden Drive	Ownership	6	Perp	NO	*DHCD*
9011	Natick Mall Offsite	Village Rock Lane	Ownership	7	Perp	NO	*DHCD*
9012	Natick Mall Offsite	Post Oak Lane	Ownership	1	Perp	NO	*DHCD*
9028	Chrysler Apartments	321 Speen Street	Rental	407	Perp	YES	*MHP*
9083	DMH Group Homes	Confidential	Rental	3	N/A		*DMH*
9299	Castle Courtyard	Castle Courtyard	Ownership	4	Perp	NO	*DHCD* *HUD*
9300	Admiral's Cove	7 Dewey Street	Ownership	2	Perp	NO	*DHCD* *HUD*
9391	Natick Mall Offsite	Village Way	Ownership	5	Perp	NO	*DHCD*
9392	Natick Mall Offsite	Village Hill Lane	Ownership	6	Perp	NO	*DHCD*
9393	Natick Mall Offsite	Squire Court	Ownership	1	Perp	NO	*DHCD*
9394	Natick Mall Offsite	Silver Hill Lane	Ownership	5	Perp	NO	*DHCD*
9395	Natick Mall Offsite	Village Brook Lane	Ownership	2	Perp	NO	*DHCD*
	Natick Totals			1,412	**Census 2010 Year Round Housing Units**		14,052
					Percent Subsidized		10.05%

This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

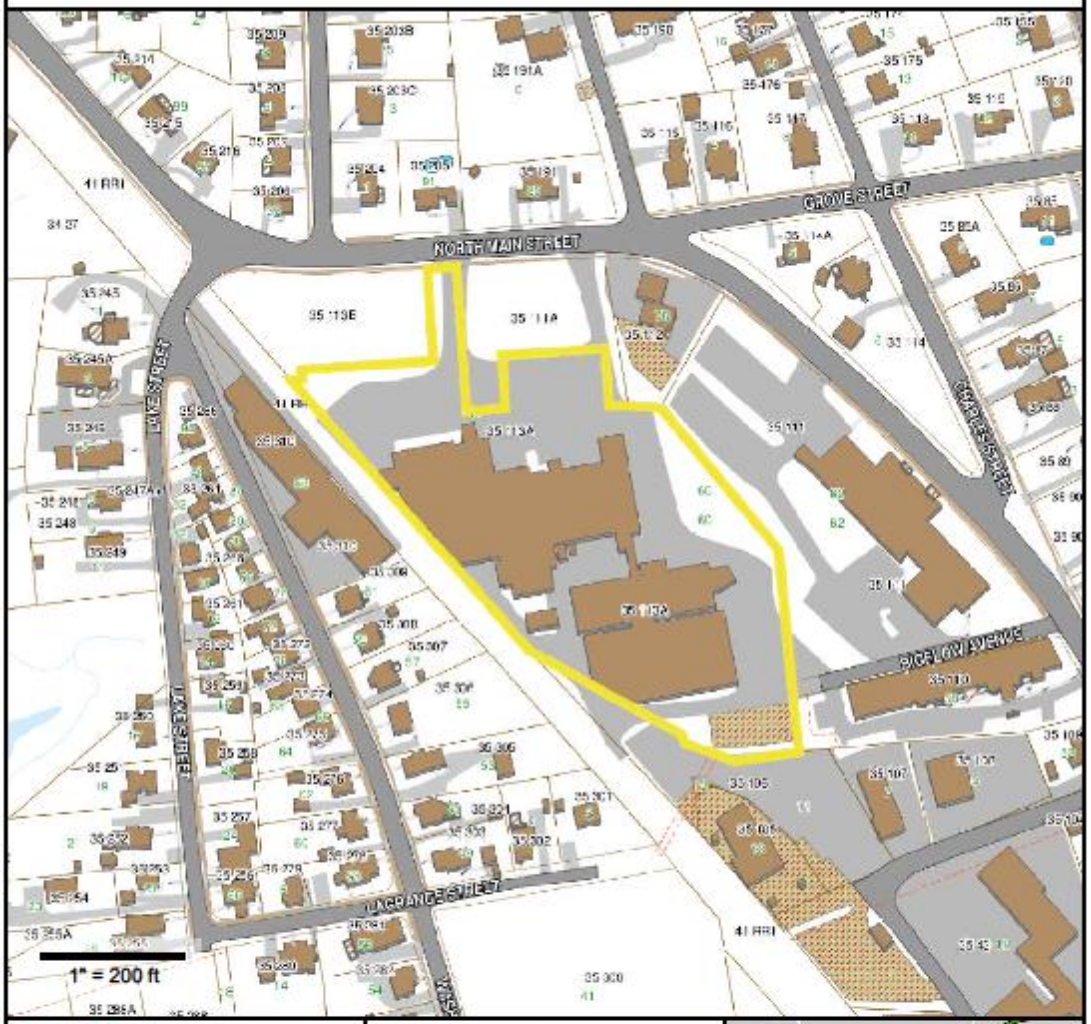
Appendix B: Natick Zoning Map


TOWN OF
NATICK
Massachusetts
Zoning Map
WAYLAND
WESTON
WELLESLEY
FRAMINGHAM
SHERBORN
DOVER
RSA
RSB
RSC
SCALE 1:31800
2650
0
2650
FEET
November 2000
Residential-General
Residential-Multiple
Downtown Mixed Use
Commercial II
Limited Commercial
Industrial I
Industrial II
Hospital"H"
Highway Mixed Use 1
Highway Mixed Use 2
Highway Mixed Use 3
Highway Planned Use
P.C.D. District
Adm. & Professional
Rte 9 Golden Triangle
Lake
Island
Zoning District Delineation
Stream
Railroad
VIEWPoint
Intelligent Mapping & Planning

Appendix C: Smart Growth Overlay District Map

Town of Natick April 18, 2012

Smart Growth Overlay District



Property Information

Property ID 35-0000113A
Location 82 NORTH MAIN ST
Owner NEWARK GROUP INDUSTRIES I C/O NATICK PAPER BOARD

MAP FOR REFERENCE ONLY
NOT A LEGAL DOCUMENT

The Town makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Parcels updated January 1, 2011

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