Marblehead Housing Production Plan (HPP)

Public Forum

June 24, 2019
Welcome!

Marblehead Housing Production Plan
Public Forum
Tonight's Agenda

• Open House (7pm – 7:15pm)

• Presentation (7:15pm – 7:45pm)

• Small Group Discussion (7:45pm – 8:15pm)

• Group Report (8:15-8:30pm)
About MAPC

MAPC is the regional planning agency serving the people of the 101 cities and towns of Metropolitan Boston
About the Housing Production Plan

MAPC + Town Staff

Advisory Committee

Marblehead residents

Board of Selectman and Planning Board Approval
About the Housing Production Plan

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Plan Timeline

**Data**
- Housing need and demand analysis

**Location**
- Constraints and opportunities

**Final Plan**
- Local adoption and state submission

**SPRING**
- Town Visit
- Tour, interviews, focus groups

**SUMMER**
- Forum 1
- Input on key findings, goals, location approach

**NOW**
- Goals
- Goals and strategies to achieve them

**FALL**
- Forum 2
- Input on location and strategies

**WINTER**
- Implementation
- Steering Committee and action items

**FUTURE**
Housing Production Plans (HPP)

The Town of Marblehead is planning to meet housing need in the town through a Housing Production Plan.

A Housing Production Plan (HPP) is a proactive strategy for communities to plan for and guide the creation of housing.

HPP COMPONENTS

- **Comprehensive Housing Needs Assessment**: Data on demographic trends, existing housing stock, and future housing needs.
- **Housing Goals**: Desired housing and a numerical goal for annual housing production.
- **Implementation Strategies**: Strategies and timeline to achieve housing goals, including zoning modifications, specific sites, and building characteristics.

A HPP helps communities understand their housing needs, identify housing goals, and make progress towards achieving them.
What is considered affordable housing?

Rental or owner-occupied housing is “affordable” when it costs 30% or less of a household’s income.

Households that pay more than 30% of their income on housing are cost burdened.

Households that pay more than 50% of their income on housing are severely cost burdened.

Key terms and concepts
And how is that different from deed-restricted Affordable Housing?

Deed-restricted Affordable Housing is for low-income households. Households pay no more than 30% of their income on housing.

Usually, eligible households earn less than 80% of the Area Median Income and comply with other legal requirements.
What’s the Area Median Income?

To determine housing eligibility for deed-restricted Affordable Housing, government programs use the **Area Median Income (AMI):**

**AMI for Marblehead + surrounding communities is $107,800**

Half the households earn **less than** the median

Half the households earn **more than** the median

**80% of the AMI** in Marblehead varies by household size, and is $73,000 for a 3-person household.

Source: U.S. Department of Housing and Urban Development
# Chapter 40B + HPPS

<table>
<thead>
<tr>
<th>State Statute</th>
<th>Encourages municipalities to expand their affordable housing stock.</th>
<th>10% State Goal</th>
<th>If below, affordable housing development not complying with local zoning can be approved by local ZBAs.</th>
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<tbody>
<tr>
<td>A DHCD-certified HPP allows the ZBA to deny a comp permit for 40B developments for a period.</td>
<td>A locally adopted and State-approved HPP can serve as a guide to influence 40B development.</td>
<td>hpp</td>
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# HPP Benefits

<table>
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<tr>
<th>Category</th>
<th>Description</th>
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<tr>
<td><strong>HOUSING NEED</strong></td>
<td>Address unmet housing need and demand in the community</td>
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<tr>
<td><strong>DEVELOPMENT</strong></td>
<td>Influence the type, amount, and location of housing</td>
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<td><strong>COORDINATION</strong></td>
<td>Get the Town on the same page regarding housing</td>
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<td><strong>STATE TARGET</strong></td>
<td>Help the Town reach the 10% affordable housing goal</td>
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<tr>
<td><strong>CERTIFICATION</strong></td>
<td>Possibly prevent unwanted 40B development</td>
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<tr>
<td><strong>UNDERSTANDING</strong></td>
<td>Build understanding of housing need and demand in Marblehead</td>
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Marblehead Subsidized Housing Inventory

Subsidized Units: 333

Total Housing Units: 8,528

SHI: 3.9%

2010 Census

Additional Units: 520

SHI: 10%
Housing Needs Assessment

Demographic profile

Housing stock

Housing affordability

Key Findings to Consider
Demographic Profile

Marblehead population (1980 to 2017)

20,126
1980

2% Increase

20,554
2017

Demographic Profile

Marblehead households led by someone 55 or older (1980 to 2017)

2010: 6,597
2017: 7,978

21% Increase

Demographic Profile

Population Trends

Enrollment in Marblehead public schools (2010 to 2017)

3,462 students
2010

3.9% Decline

3,325 students
2017

Source: Massachusetts Department of Elementary and Secondary Education, 2010-2017
Demographic Profile

Population Characteristics

Family households and households with children

70% of households are families
32% of households have children

Demographic Profile

Housing tenure

80% owners

20% renters

Demographic Profile

Percent of White and Non-White Residents, Marblehead + Context Communities

Demographic Profile

Median Household Income, Marblehead + Context Communities (2017)

Demographic Profile

Income

Household income for households led by someone 65 or older

- Half earn $60,000 or less
- About one third earn $40,000 or less

Source: CHAS (2015)
Housing Stock

Housing types in Marblehead

- **Single-family**: 77%
- **Two-family**: 8%
- **3-9 Unit Building**: 13%
- **10+ Unit Building**: 2%

Housing Stock

Single-family and multi-family permits (pre-1940 to present)

Source: U.S Census Building Survey, 2017
Housing Stock

Median price of a two-bedroom apartment in Marblehead

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<th>Rental Costs</th>
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<tr>
<td><strong>1 Bedroom</strong></td>
<td>$1,865</td>
</tr>
<tr>
<td><strong>2 Bedroom</strong></td>
<td>$1,900</td>
</tr>
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</table>

Source: MAPC Rental Database, 2018
Approximate monthly income of a two-person household earning the Massachusetts minimum wage

- **2 Bedroom**
  - $1,900

- **$12/hour**
  - $1,250 per month

*Source: MAPC Rental Database, 2018 and Mass.gov*
Housing Stock

Rental Costs

Approximate monthly income of a one-person household earning the Massachusetts minimum wage

1 Bedroom

$1,865

$12/hour

$625 per month

Source: MAPC Rental Database, 2018 and Mass.gov 2019
Housing Stock  

Rental Costs

Income needed to afford a two-bedroom apartment without being cost burdened

$76,000

Source: MAPC Rental Database, 2018 and Mass.gov 2019
Housing Stock  Rental Costs

Entry level salaries for Marblehead public employees.

Police Officer  Firefighter  Teacher

$51,214  $51,214  $47,239

Source: Marblehead Town Data (2019)
Housing Stock

Median price of a single-family home and condo in Marblehead (2017)

Single-family: $645,000
Condominium: $342,000

Housing Stock

The cost to buy

20% down payment for a single-family home and condo

Single-family
$645,000

Condominium
$342,000

$129,500

$68,400

Housing Affordability

Low-income households in Marblehead

Low-income threshold

- $86,240 or less
- 1/3 of households in Marblehead
- Half of the 1,640 renter-occupied households
- 60% of the 1,400 non-family senior households

Sources: U.S Department of Housing and Urban Development, 2018 and CHAS 2015
Cost burden in Marblehead

- 67% of low income households
- 70% of seniors living alone

Source: CHAS 2014
For the 2,404 low-income residents in town, there are 333 units on the SHI.

So for every 7 eligible residents, there is 1 Affordable Housing Unit.

Source: Massachusetts Department of Housing and Community Development, 2017 and CHAS, 2015
Questions?
Small group discussions
Ground rules

• Everyone has an equal opportunity to contribute

• Everyone is an expert; respect others’ point of view.

• Respect limited time.

• Please work to complete the worksheet and tasks. Your input is important!
Topic 1

• What groups do you think have the greatest housing need in Marblehead?
Topic 2

• What do you want housing to support in Marblehead?
Marblehead Housing Production Plan (HPP)

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June 24, 2019
Thank you!

Questions or Comments?

Rebecca Curran Cutting
rebeccac@marblehead.org
Town Planner
Town of Marblehead

Alex Koppelman
akoppelman@mapc.org
Regional Housing + Land Use Planner II
Metropolitan Area Planning Council