

# Town of Falmouth Housing Production Plan

COMMUNITY MEETING • NOVEMBER 8, 2023



# Project Team



## **Town of Falmouth**

Kim Fish, Housing Coordinator  
Jed Cornock, Town Planner



## **Horsley Witten Group**

Jeff Davis  
Krista Moravec  
Nate Kelly



## **Barrett Planning Group**

Alexis Lanzillotta  
Tony Duong  
Judi Barrett

# Agenda

- Welcome
- Presentation
  - Housing Production Plan Basics
  - Housing Needs: Preliminary Overview
  - Barriers to Housing Development
- Group Discussions
- Report Out
- Next Steps & Closing





# Housing Production Plan Basics

## FALMOUTH HOUSING PRODUCTION PLAN

# What is a Housing Production Plan (HPP)?

- Purpose: Facilitate development and preservation of homes that meet the requirements of the state's affordable housing law, commonly known as Ch.40B.
  - Statewide goal: at least **10%** of year-round housing units in every municipality will be deed-restricted as affordable to low- or moderate-income households.
  - As of October 31 2023: **8.11%** of Falmouth's year-round housing stock meets this requirement and is included on MA's Subsidized Housing Inventory (SHI).
- HPPs must receive local adoption by the Planning Board and Select Board (or City Council) before submission to the MA Executive Office of Housing and Livable Communities (HLC) for approval.

# HPP Components: 760 CMR 56.03(4)



## Housing Needs Assessment

- Demographic Analysis
- Housing Inventory & Assessment
- Projection of Housing Needs
- Development Constraints & Plans to Mitigate
- Infrastructure Capacity

## Housing Goals

- Mix of Housing Types (feasible & consistent with need)
- Numerical Housing Production Goal (SHI-eligible units)

## Implementation Strategies *To meet housing goals*

- Proposed Zoning or Policy Changes
- Site Identification for Housing
- Desired Characteristics of Development
- Regional Partnerships

# HPP Components: 760 CMR 56.03(4)



## Housing Needs Assessment

- Demographic Analysis
- Housing Inventory & Assessment
- Projection of Housing Needs
- Development Constraints & Plans to Mitigate
- Infrastructure Capacity

## Housing Goals

- Mix of Housing Types (feasible & consistent with need)
- Numerical Housing Production Goal (SHI-eligible units)

## Implementation Strategies *To meet housing goals*

- Proposed Zoning or Policy Changes
- Site Identification for Housing
- Desired Characteristics of Development
- Regional Partnerships

# HPP Components: 760 CMR 56.03(4)



## Housing Needs Assessment

- Demographic Analysis
- Housing Inventory & Assessment
- Projection of Housing Needs
- Development Constraints & Plans to Mitigate
- Infrastructure Capacity

## Housing Goals

- Mix of Housing Types (feasible & consistent with need)
- Numerical Housing Production Goal (SHI-eligible units)

## Implementation Strategies *To meet housing goals*

- Proposed Zoning or Policy Changes
- Site Identification for Housing
- Desired Characteristics of Development
- Regional Partnerships

# “What does ‘Affordable’ Mean?”



## Housing Needs Assessment

- Demographic Analysis
- Housing Inventory & Assessment
- Projection of Housing Needs
- Development Constraints & Plans to Mitigate
- Infrastructure Capacity

## Housing Goals

- Mix of Housing Types (feasible & consistent with need)
- Numerical Housing Production Goal (SHI-eligible units)

## Implementation Strategies *To meet housing goals*

- Proposed Zoning or Policy Changes
- Site Identification for Housing
- Desired Characteristics of Development
- Regional Partnerships

# 2023 Income Limits for Barnstable County

	Household Size					
	1	2	3	4	5	6
30% HAMFI	\$24,200	\$27,650	\$31,100	\$34,550	\$37,350	\$40,280
50% HAMFI	\$40,300	\$46,050	\$51,800	\$57,550	\$62,200	\$66,800
80% HAMFI	\$64,450	\$73,560	\$82,850	\$92,050	\$99,450	\$106,800
100% HAMFI	\$80,550	\$91,950	\$103,550	\$115,050	\$124,300	\$133,500

- **SHI:** list compiled by **Executive Office of Housing & Livable Communities** (HLC, formerly DHCD) of low- or moderate- income (LMI) housing units by city or town
- To be listed on SHI, housing units must be deed-restricted as affordable to households **at or below 80% HAMFI.**
- HAMFI = HUD Area Median Family Income

# “Whose housing needs will this plan address?”

The HPP is not *limited* to addressing LMI housing needs. **However**, the primary focus must be moving a community toward its 10% statutory minimum of SHI-eligible units under Chapter 40B.

**The Needs Assessment will inform whether the plan’s goals and strategies should address additional income levels.**



# “Where will future housing go?”

## Housing Needs Assessment

- Demographic Analysis
- Housing Inventory & Assessment
- Projection of Housing Needs
- Development Constraints & Plans to Mitigate
- Infrastructure Capacity

## Housing Goals

- Mix of Housing Types (feasible & consistent with need)
- Numerical Housing Production Goal (SHI-eligible units)

## Implementation Strategies *To meet housing goals*

- Proposed Zoning or Policy Changes
- Site Identification for Housing
- Desired Characteristics of Development
- Regional Partnerships



# Housing Needs: Preliminary Overview

## FALMOUTH HOUSING PRODUCTION PLAN

# Project Schedule

	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
<b>Task 1. Needs Assessment</b>	Active						
<b>Task 2. Affordable Housing Goals</b>			Active				
<b>Task 3. Implementation Strategies</b>					Active		
<b>Task 4. Final Housing Production Plan</b>							Active

# Project Schedule

		Aug 2023	Sept 2023	Oct 2023	Nov 2023
<b>Task 1. Needs Assessment</b>	<b>Task 1. Needs Assessment Detail</b>				
	Review of Existing Plans				
	Analyze Housing Needs				
Task 2. Affordable Housing Goals	Small Group Interviews				
	Assessment of Constraints				
Task 3. Implementation Strategies					
Task 4. Final Housing Production Plan					



# What We've Heard

- Trajectory of housing crisis **worsened by impacts of pandemic** on market conditions
  - Out-of-towners can buy properties quickly and with cash
  - Varying levels of concerns about short term rentals
    - Loss of winter and year-round rentals
    - Changing character of neighborhood
- Aging population split: continued trend of **wealthy retirees**, yet also **more homeless or at risk of homelessness seniors** than previous years
- Difficulty filling public and private sector positions; more workers **traveling from across bridge**
- **What will future generations in town look like if these trends continue?**

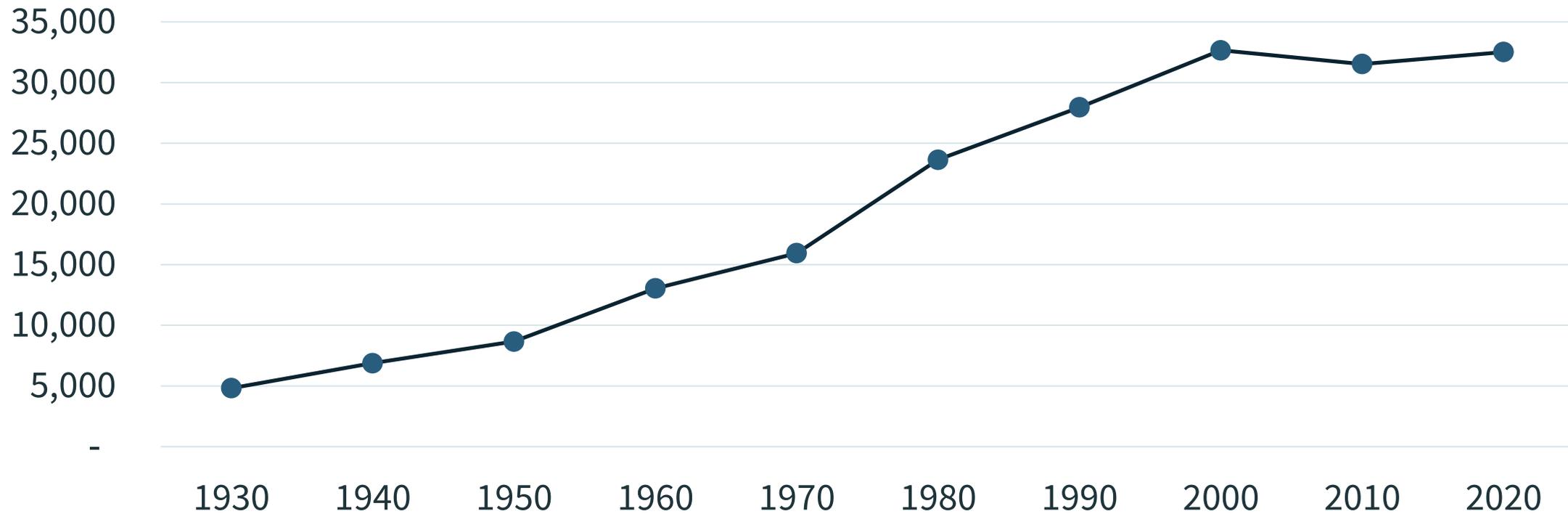
# What We've Heard

- ***Variety of housing types needed*** to accommodate range of income levels and lifestyles
- Current regulations do not adequately support creation of new affordable housing
- Many properties are ***nonconforming*** – should zoning can be “right sized” to address this?
- ADUs and conversion of existing properties likely to be more accepted than other housing types, although range of housing needed
- ***Regional collaboration*** is critical for advancing housing goals
- Town doing what it can to change zoning bylaws, but then amendments not passed at Town Meeting – ***education is key*** for understanding housing needs and strategies for addressing these challenges

# Total Population

## Falmouth Total Population, 1930-2020

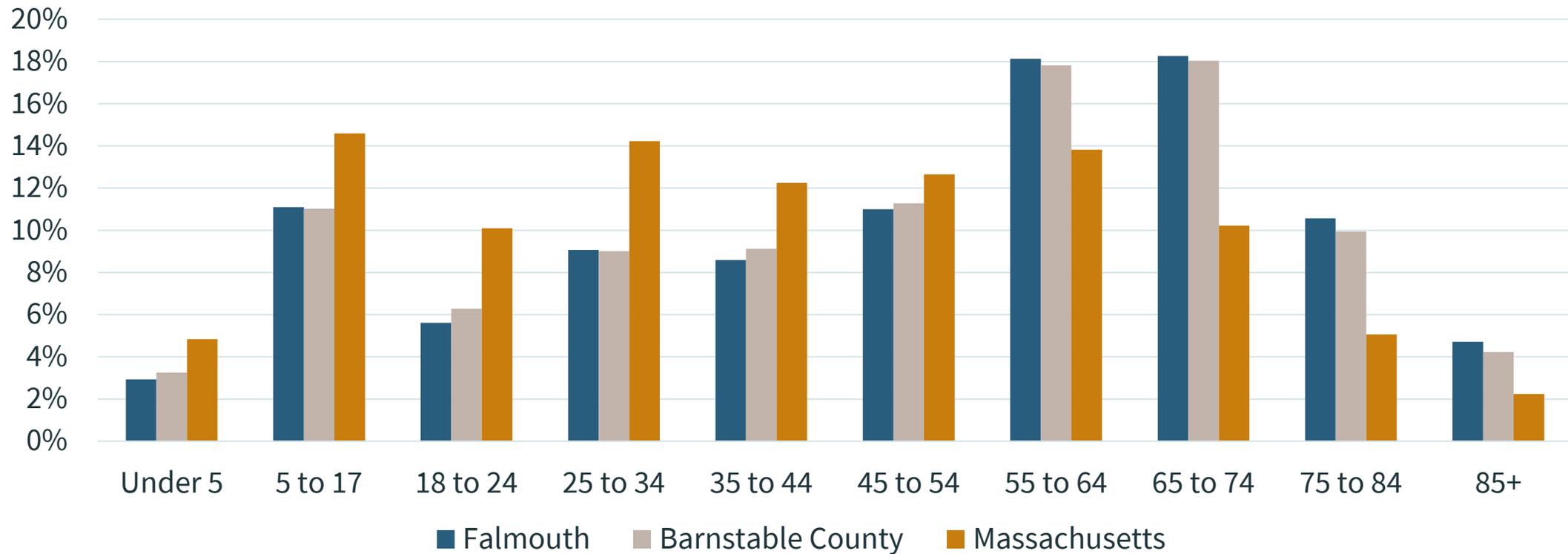
Source: US Census Bureau



# Age Breakdown

## Population Age: Falmouth, Barnstable County, and Massachusetts

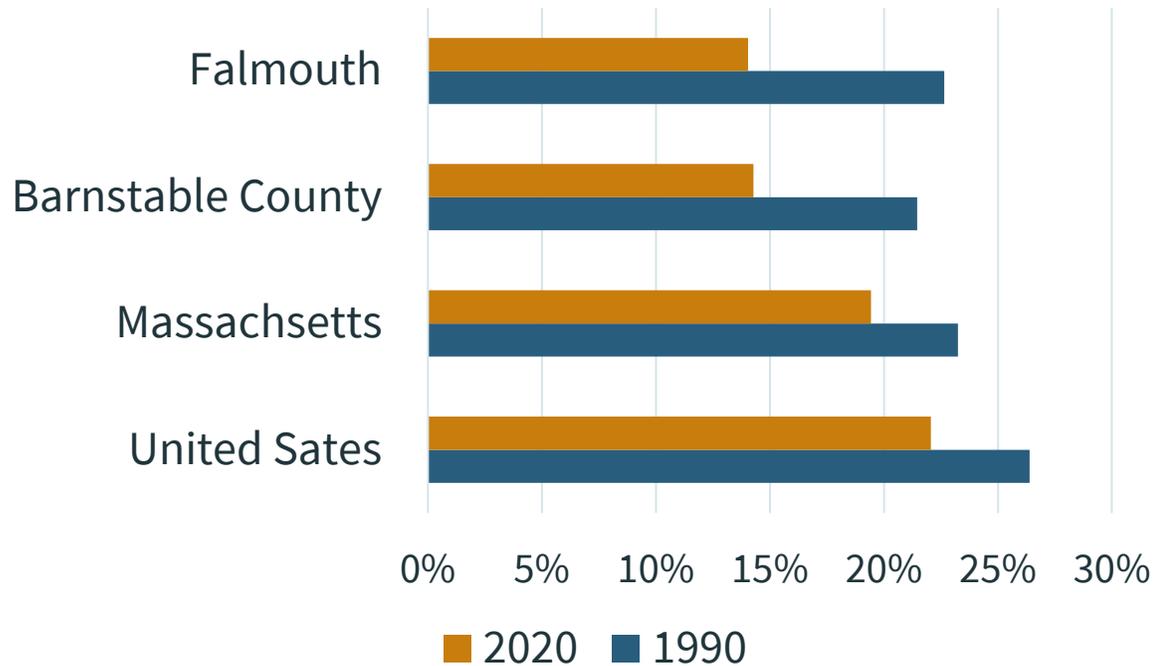
Source: US Census Bureau, 2020 Decennial Census



# Age Trends: 1990-2020

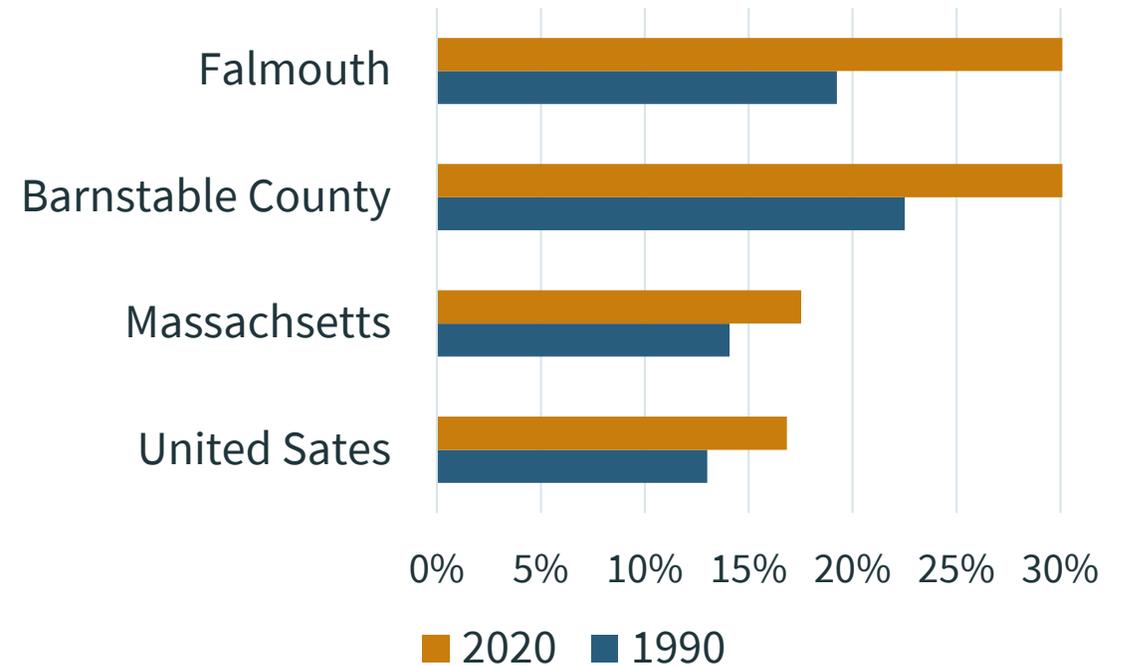
## Percent Total Population Under 18

Source: US Census Bureau, 1990 and 2020  
Decennial Census



## Percent Total Population Over 65

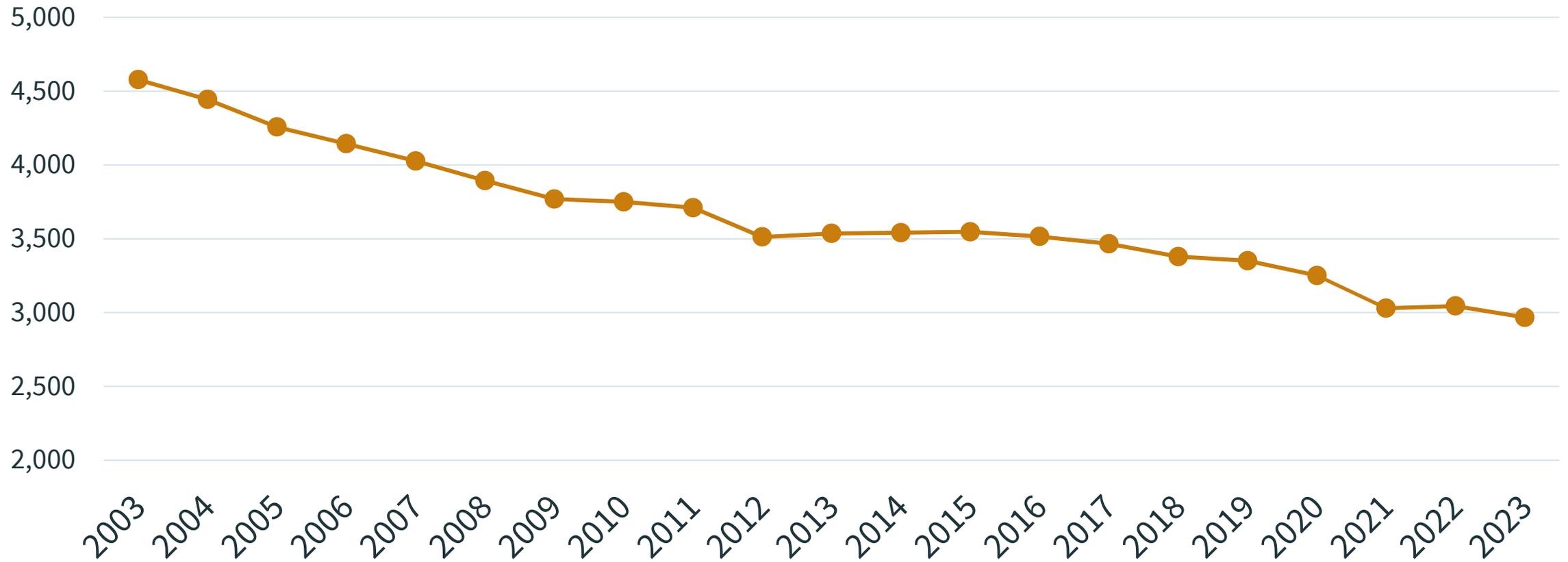
Source: US Census Bureau, 1990 and 2020  
Decennial Census



# School Enrollment

Falmouth Public Schools: Total Enrollment

Source: MA DESE



# Household Types

## Household Types: Falmouth, Barnstable County, Massachusetts

Source: US Census Bureau, 2020 Decennial Census

	Falmouth		Barnstable County		Massachusetts	
TOTAL Households	15,004		103,368		2,749,225	
Family	9,017	60%	62,954	61%	1,718,902	63%
<i>Married Couple</i>	7,021	78%	48,639	77%	1,232,150	72%
<i>Other Family</i>	1,996	22%	14,315	23%	486,752	28%
Non-Family	5,987	40%	40,414	39%	1,030,323	37%
<i>Living Alone</i>	5,104	85%	34,099	84%	792,540	77%
<i>Not Living Alone</i>	883	15%	6,315	16%	237,783	23%

# Household Types

## Household Types: Falmouth, Barnstable County, Massachusetts

Source: US Census Bureau, 2020 Decennial Census

	Falmouth		Barnstable County		Massachusetts	
TOTAL Households	15,004		103,368		2,749,225	
Family	9,017	60%	62,954	61%	1,718,002	63%
<i>Married Couple</i>	7,021	78%	44,000	70%	1,218,000	72%
<i>Other Family</i>	1,996	22%	18,954	30%	500,002	28%
Non-Family	5,987	40%	40,414	39%	1,031,223	37%
<i>Living Alone</i>	5,104	85%	34,900	86%	800,000	77%
<b>65+</b>	<b>2,923</b>	<b>57%</b>	<b>19,779</b>	<b>58%</b>	<b>338,023</b>	<b>43%</b>
<i>Not Living Alone</i>	883	15%	6,315	16%	237,783	23%

**Percent of Total Households  
65+ Living Alone**

**Falmouth: 19%**  
**Barnstable County: 19%**  
**Massachusetts: 12%**

# Housing Units

## Housing Units: Falmouth, Barnstable County, Massachusetts

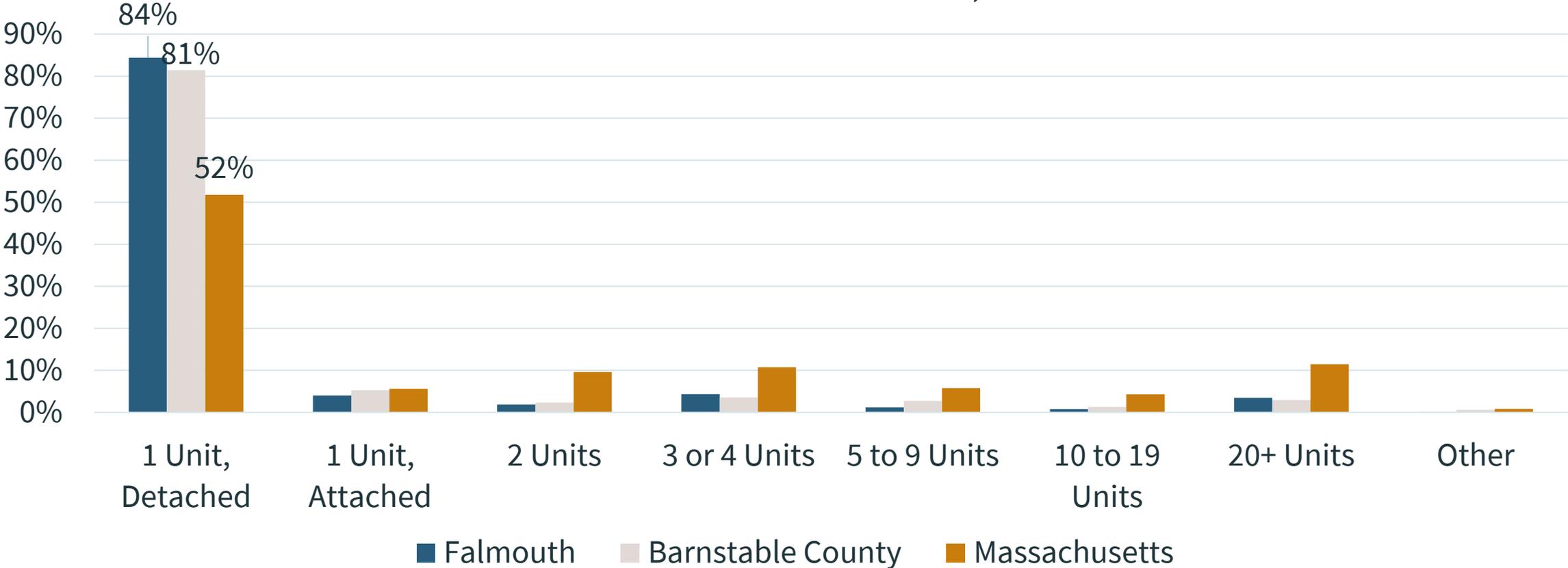
Source: US Census Bureau, 2020 Decennial Census

	<b>Falmouth</b>	<b>Barnstable County</b>	<b>Massachusetts</b>
Housing Units	22,817	164,885	2,998,537
Occupied Housing Units	15,004	103,368	2,749,225
Vacant Housing Units	7,813	61,517	249,312
For Recreational, Seasonal, or Occasional Use	6,914	46,834	108,242
Year-Round Housing Count	15,903	118,051	2,890,295
<b>Percent Total Housing Units Counted as Year-Round</b>	<b>70%</b>	<b>72%</b>	<b>96%</b>
<b>Percent of Total Housing Units for Recreational, Seasonal, or Occasional Use</b>	<b>30%</b>	<b>28%</b>	<b>4%</b>

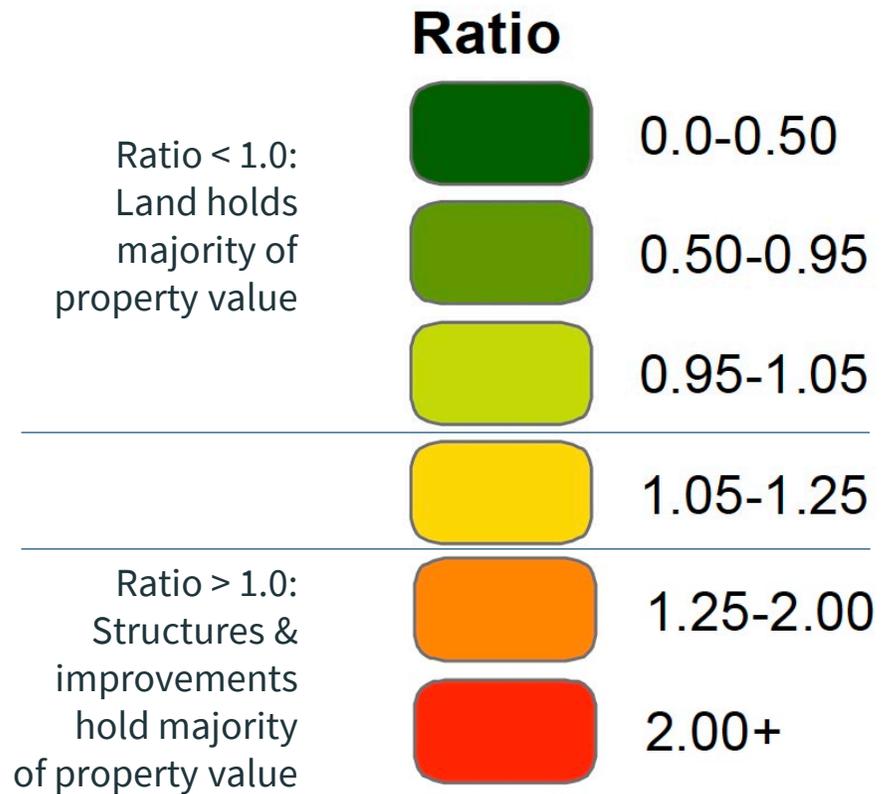
# Housing Types

## Units in Structure: Falmouth, Barnstable County, Massachusetts

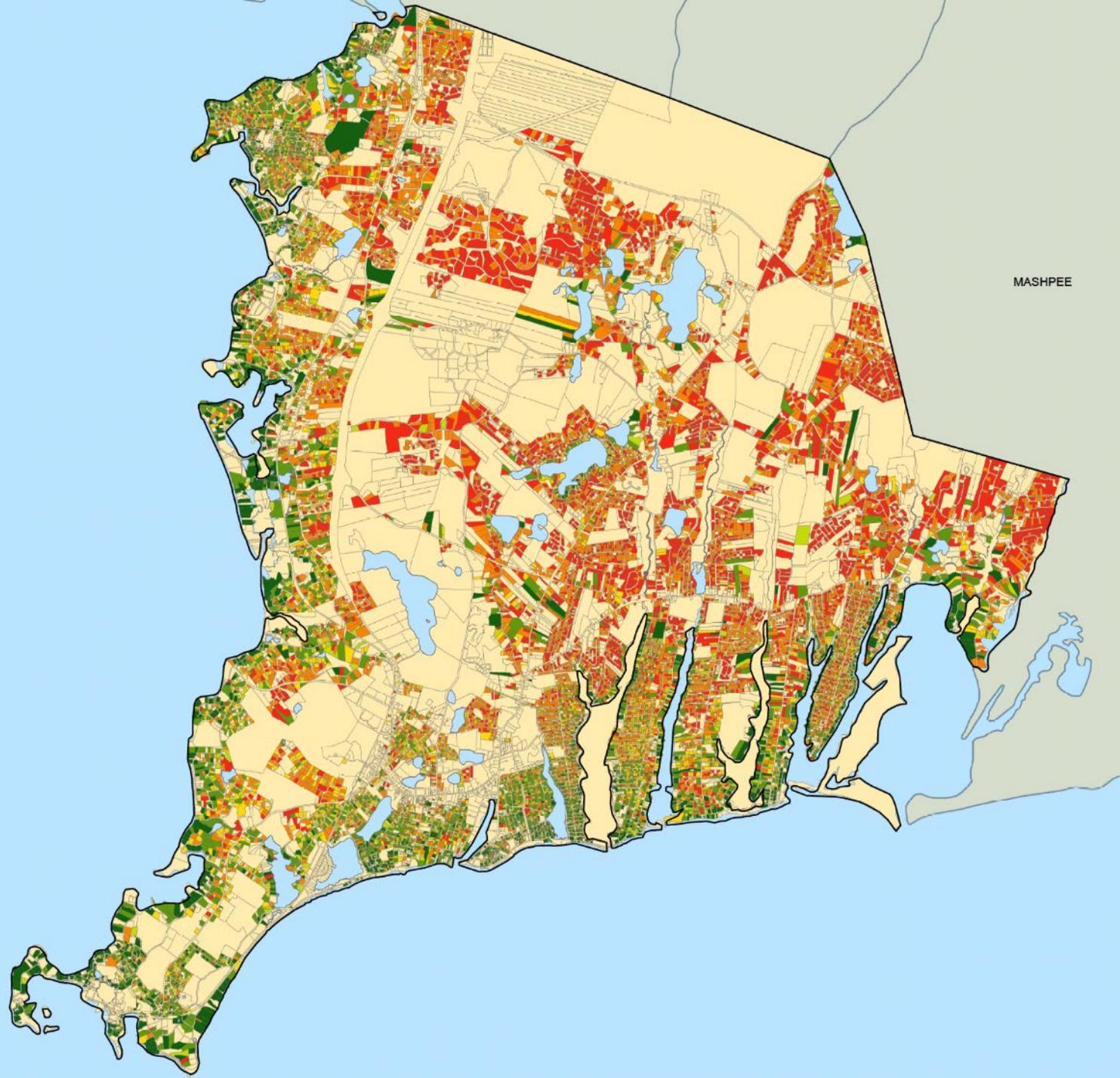
Source: ACS 5-Year Estimates, 2017-2021



# Improvement-to-Land Value Ratios for Single-Family Homes



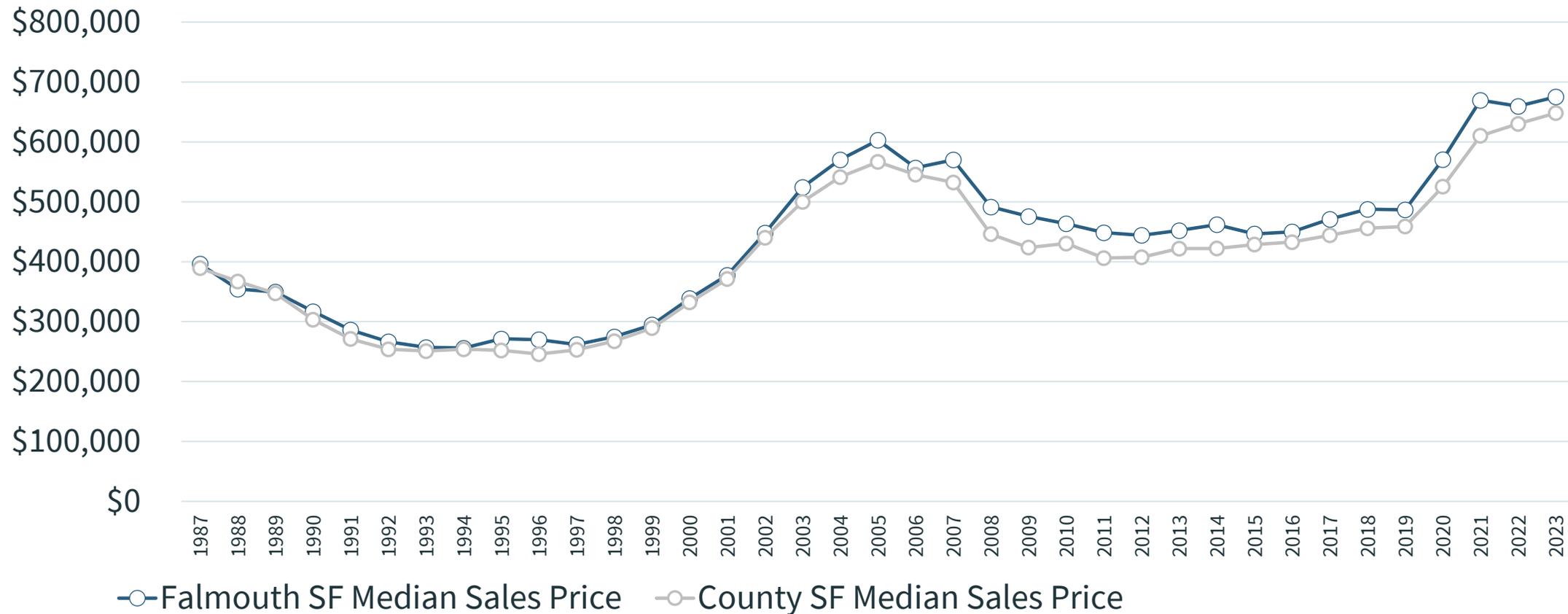
11/8/2023



# Single Family Home Sales

## Inflation-Adjusted Median Sales Price for SF Homes: Falmouth and Barnstable County

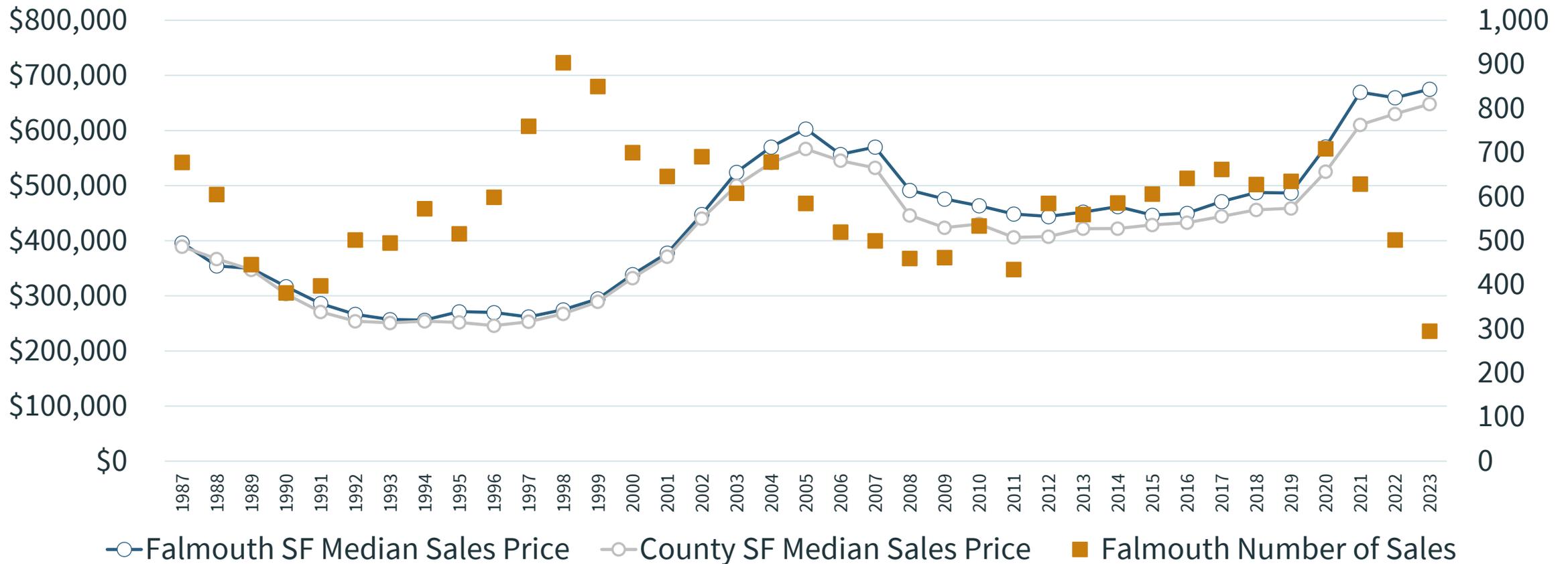
Source: Warren Group



# Single Family Home Sales

## Inflation-Adjusted Median Sales Price for SF Homes: Falmouth and Barnstable County

Source: Warren Group



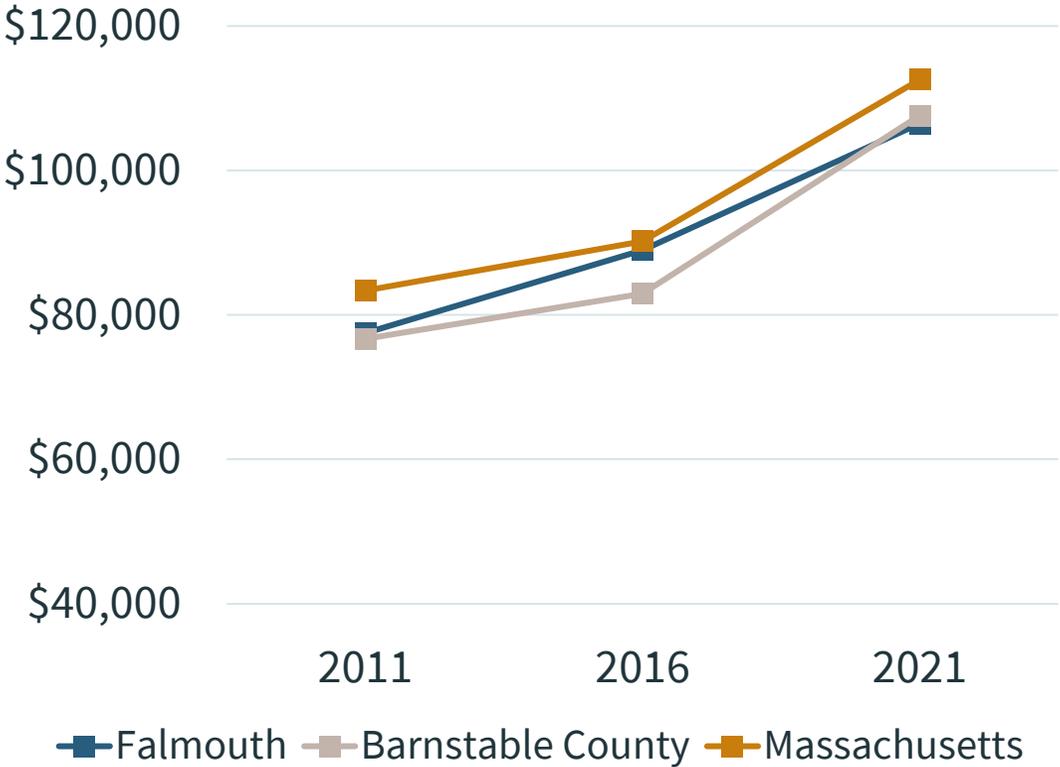
# Market Rents

	<b>Barnstable County Fair Market Rent (2023) Source: HUD</b>	<b>Falmouth Median Rent Survey (Previous 24 Months) Source: Rentometer</b>	
	<b>Rent</b>	<b>Median Rent</b>	<b>Sample Size</b>
<b>1-bedroom</b>	\$1,553	\$1,400	11
<b>2-bedroom</b>	\$2,044	\$1,628	12
<b>3-bedroom</b>	\$2,501	\$2,200	4
<b>4-bedroom</b>	\$2,781	No Data	No Data

# Median Family & Household Incomes

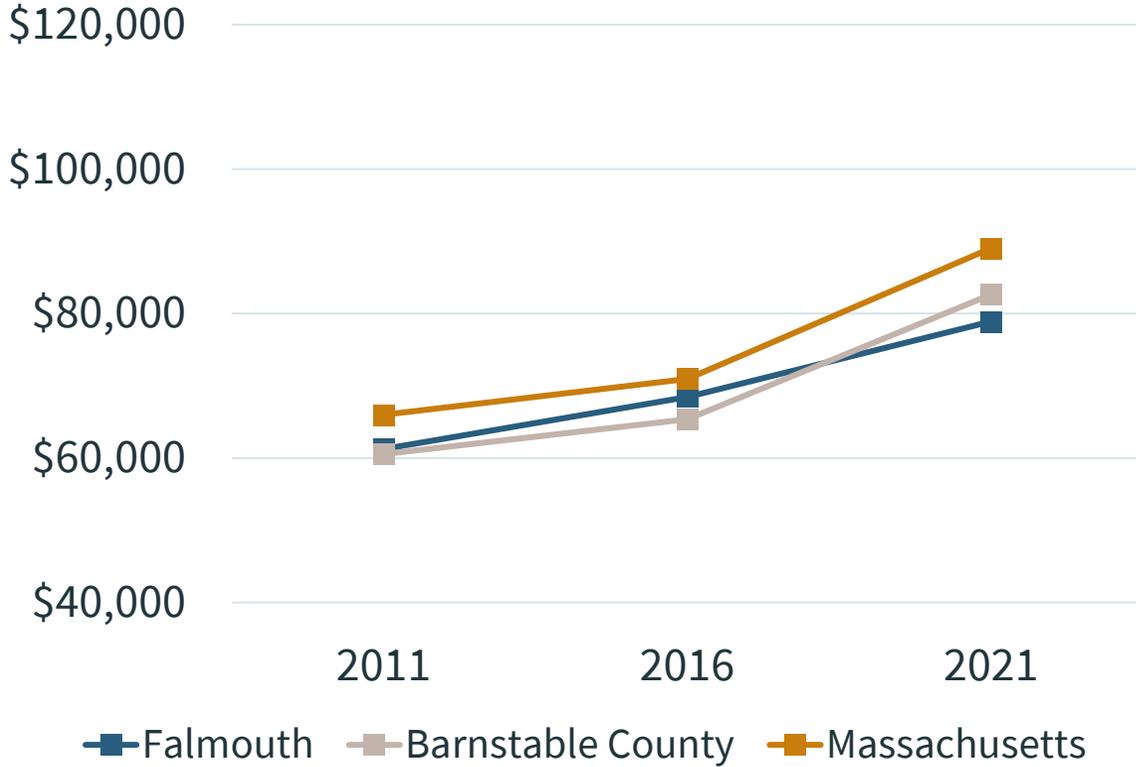
**Median Family Income, 2011-2021**

Source: ACS 5-Year Estimates



**Median Household Income, 2011-2021**

Source: ACS 5-Year Estimates



# Severely Cost Burdened Households

## Severely Cost Burdened Households: Owners and Renters (Estimates)

*Severely cost-burdened households spend more than 50% of their incomes toward housing costs.*

*HAMFI = HUD Area Median Family Income*

Source: CHAS 2020, HUD

<b>Income</b>	<b>Falmouth</b>	<b>Barnstable County</b>	<b>Massachusetts</b>
Up to 30% HAMFI	60%	60%	56%
>30% to 50% HAMFI	27%	36%	30%
>50% to 80% HAMFI	6%	11%	10%
>80% to 100% HAMFI	3%	3%	3%
>100% HAMFI	1%	1%	1%
<b>Total</b>	<b>13%</b>	<b>15%</b>	<b>15%</b>

# Severely Cost Burdened Low-Income Households

## Severely Cost Burdened Households: Owners (Estimates)

Source: CHAS 2020, HUD

Income	Falmouth	Barnstable County	Massachusetts
Up to 30% HAMFI	53%	64%	67%
>30% to 50% HAMFI	26%	34%	33%

## Severely Cost Burdened Households: Renters (Estimates)

Source: CHAS 2020, HUD

Income	Falmouth	Barnstable County	Massachusetts
Up to 30% HAMFI	65%	56%	52%
>30% to 50% HAMFI	31%	40%	28%



# Barriers to Development

## FALMOUTH HOUSING PRODUCTION PLAN

# Infrastructure: Sewer Services

- Town has very limited sewer services (roughly **11% of properties**)
- Most people use **on-site septic** - threatening drinking water and surface water (including coastal ponds) with excess **nitrogen**
- Falmouth's **Wastewater Treatment Plant** helps mitigate nitrogen impacts for the properties connected to it
- The Town's "**Flow Neutral**" **policy** ensures that the town doesn't exceed the Wastewater Treatment Plant's limited treatment and disposal capacity

# Infrastructure: Sewer Services

Town's ***Water Quality Management Committee*** is exploring many different options for the future

Preferred approach . . .

1. Continue to sewer the areas identified by the Water Quality Management Committee
2. Develop an ocean outfall in Vineyard Sound that would eliminate land-based discharges



# Infrastructure: Sewer Services

- **Requirements for denitrification** system installation help keep water clean and also serve as an added expense for development, including affordable housing.
- Town's **Comprehensive Wastewater Management Plan (CWMP)** is being implemented to guide development of new infrastructure and facilitate growth in an environmentally responsible way.



# Zoning

- Much of Falmouth is zoned for single-family homes on large lots (about 1-2 acres). ***Alternatives to large lot zoning are limited.***
- NO base zoning districts allow multi-family housing by right.
- ***But!*** Mixed Residential and Commercial Overlay District (MRCOD) now allows multi-family and mixed use by right.
- Some multi-family allowed by special permit in Business & Industrial zones.
- Outside these areas, even two-family homes require a special permit, if allowed at all.

# Zoning – Recent Significant Efforts

## **Mixed Residential and Commercial Overlay District (MRCOD)**

- “Greater downtown” Falmouth: Main St, Davis Straits, Teaticket Hwy.
- Allows multi-family by right –flexibility for lot size, bulk, parking, etc.
- 25% of rental units and 50% of ownership units must be affordable.
- Residential density cap of 20 units per 40,000SF of upland.

## **Davis Straits District**

- Drafted, not yet adopted. Allows multi-family by right.
- Subject to MRCOD’s affordability requirements.
- No cap on residential density.

# Zoning – Other Efforts

## ***Senior Care Retirement District (SCRC)***

- Allows for variety of senior housing and health-related services.
- Density bonus provided (up to 8 units per acre) if at least **15%** of units are affordable and nitrogen loading is addressed.

## ***Planned Residential Development (PRD)***

- Combines clusters of housing with open space.
- Good tool for land conservation and smart growth.
- Does not address housing affordability - marginally assists with housing diversity (multi-family allowed up to 4 units per building).

# Zoning – Other Efforts

## ***Affordable Housing Development***

- Planning Board may issue special permit to increase density through partial waiver of dimensional requirements.
- Must conform to Planned Residential Development requirements.
- Maximum density is 25% greater than the base, and all bonus units must be affordable.
- No bonus units allowed in the Water Resource Protection Districts.

# Zoning – Other Efforts

## ***Accessory Apartment Bylaw (ADUs)***

- Standards changed - ADUs no longer need to be affordable.
- ADU bylaws are better at increasing housing diversity than increasing affordable housing.
- However, . . . many ADUs are more naturally affordable rental units.

## ***Inclusionary Zoning (IZ)***

- In General Residence zone, triplexes may be constructed by-right if one of the units is affordable.

# Zoning – Other Efforts

## ***Conversion of Existing Homes***

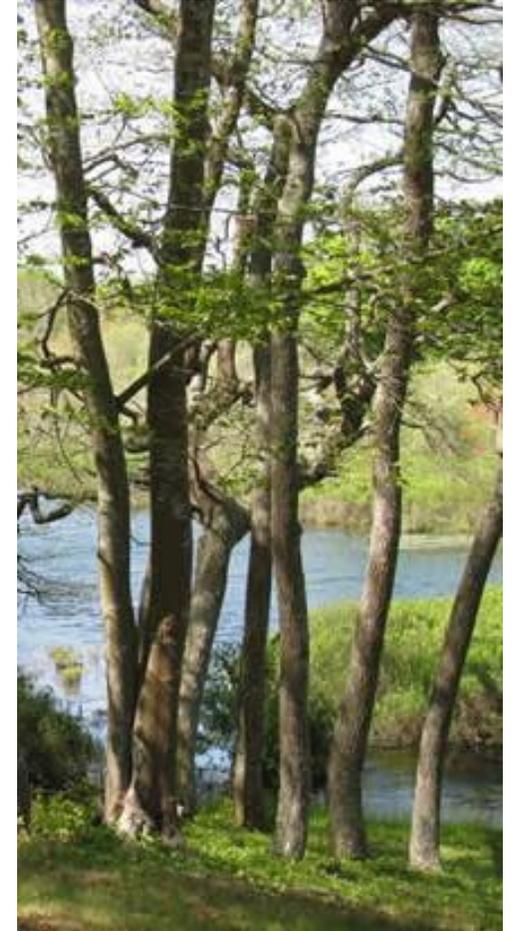
- Homes built before 1980 can convert to up to 4 units.
- Good way for existing housing to evolve and meet changing needs.

## ***Transfer of Development Rights (TDR)***

- Density can be “transferred” from areas the Town wants to protect/conserves to areas where denser development is more appropriate.
- Very complex – TDR has not been utilized in over 20 years. How can it be more effective?

# Environmental Concerns

- Much of the *undeveloped, unprotected land* in Town is environmentally sensitive.
- Protection of *groundwater and surface water – including coastal ponds* - are real and serious concerns.
- Town is conducting a study to determine if *existing drinking water sources* are adequate to meet future demands.



# Environmental Concerns

The Town has many tools it uses to protect the environment:

- Land conservation (300 Committee and others)
- Water Resource Protection District
- Wildlife Corridor Overlay District
- Coastal Pond Overlay District
- District of Critical Planning Concern

***This is all great!*** AND it means there is less land available for development, and what remains is more difficult, time consuming, and expensive to develop (for affordable housing or anything else)

# Other Significant Challenges

- *Property Costs and Availability*
- *Availability of subsidy funds*
- *Limited Public Transportation*
- *Community Perceptions*



***All these challenges are very real!*** But they are not insurmountable. Most of the choices left are not easy and come with serious tradeoffs. *That's what we're here to discuss with you tonight.*

# Group Discussions

FALMOUTH HOUSING PRODUCTION PLAN

# Report Out

## FALMOUTH HOUSING PRODUCTION PLAN

# Next Steps

FALMOUTH HOUSING PRODUCTION PLAN

# Thank you!

- Second Community Meeting:  
**Wed Jan 10, 6:30 pm (Location TBD)**

*Snow Date:*

*Wed January 17, 6:30pm (Location TBD)*

- Stay tuned for project updates at:  
**[www.falmouthma.gov/1448/New-Housing-Production-Plan-Information](http://www.falmouthma.gov/1448/New-Housing-Production-Plan-Information)**

