



# Lincoln Housing Plan 2014

Prepared by the Lincoln Housing Commission

## FROM THE LINCOLN HOUSING COMMISSION

**This housing plan is committed to “fostering economic, racial, ethnic, and age diversity among [Lincoln's] citizenry through its educational, housing and other public policies.”<sup>1</sup>**

Lincoln is renowned for its creative and resourceful strategies for creating affordable housing while working diligently to maintain Lincoln’s small town character and to control development. Lincoln has a long, though quiet, history of addressing the systemic roots of economic and social inequity, as seen in the diversity of its housing stock and its inventory of affordable housing. Unlike most Massachusetts cities and towns, Lincoln has provided affordable housing entirely through its own local initiatives: by adopting zoning incentives, granting special permits, investing local revenues and Community Preservation Act (CPA) funds, and forming partnerships that have involved, at times, five local organizations.

Lincoln has achieved the state’s 10% affordable housing goal without ever having to issue a Chapter 40B comprehensive permit. In fact, Lincoln’s first mixed-income rental development, Lincoln Woods, was already on the horizon when the General Court enacted Chapter 40B in 1969. Tapping the ingenuity and resourcefulness of town residents and relying on the powers of local government is the “Lincoln Way,” and it has served Lincoln well for many years.

While Lincoln’s track record is impressive, it also illustrates the challenges that small towns face as managers of growth and change. Diversity remains important to Lincoln, as evidenced by the Town’s vision statement; but today, residents also recognize that creating affordable housing will help to protect the Town from large, unwanted, Chapter 40B developments.

In March 2012, the Housing Commission, in association with the Affordable Housing Trust, the Lincoln Foundation, and the Planning Board, sponsored a public housing forum to seek input from Lincoln residents. The forum identified as key issues the need:

- 1. To develop a proactive strategy for planning and developing a diverse housing supply for low- and moderate-income people and for people with incomes up to 150% of the area median income.**
- 2. To increase the town’s capacity to develop, manage, and preserve affordable housing.**
- 3. To maintain local control over housing development by retaining a minimum of 10% affordable housing.**

To meet these challenges Lincoln will need to remain innovative and proactive in its housing policies and initiatives.

---

<sup>1</sup> From the Lincoln Vision Statement.

We have many people to thank for the production of this Housing Plan. The Housing Commission worked with the Affordable Housing Trust, the Lincoln Foundation, the Assessors' Office and the Planning Board. But many town employees, especially Chris Reilly and Anita Scheipers, made significant contributions. The Housing Commission also received valuable support from Colleen Wilkins, Patrice Brennan, and last but not least, Elaine Carroll. Without the contributions of these town employees, the Housing Plan would not have been possible.

We owe a special thanks to Ellen Meadors who spent many hours preparing and calculating Land Area Minimum. Ellen's contribution saved the Housing Commission \$5,000 to \$10,000 in consulting fees.<sup>2</sup>

This Housing Plan was produced for the Town of Lincoln by the Lincoln Housing Commission in collaboration with Richard Heaton of H & H Associates and Judith Barrett of COG, Inc.

#### **LINCOLN HOUSING COMMISSION**

Pamela Gallup, Chair

Stephen Dirrane

Constance Lewis

Gila Naderi

Robert Wadsworth

Mary Sheldon (Council on Aging Representative)

Elaine Carroll (Administrative Assistant)

---

<sup>2</sup> See Appendix 7: Land Use Minimum.

# Table of Contents

FROM THE LINCOLN HOUSING COMMISSION .....	I
INTRODUCTION .....	1
SUMMARY OF 2014 HOUSING PLAN .....	2
DEMOGRAPHIC PROFILE AND TRENDS .....	3
HOUSING MARKET AND AFFORDABILITY .....	8
CHAPTER 40B .....	16
HOUSING DEVELOPMENT .....	20
LINCOLN’S AFFORDABLE HOUSING COALITION .....	23
GOALS AND IMPLEMENTATION STRATEGIES.....	26
GOAL 1 .....	26
GOAL 2 .....	28
GOAL 3 .....	29
APPENDIX 1 .....	31
APPENDIX 2 .....	32
APPENDIX 3 .....	35
APPENDIX 4 .....	36
APPENDIX 5 .....	37
APPENDIX 6 .....	43
APPENDIX 7 .....	44
APPENDIX 8 .....	46
APPENDIX 9 .....	51
REFERENCES .....	62

## Table of Figures

<b>FIGURE 1: 2003 CONSOLIDATED HOUSING PLAN RESULTS</b>	<b>1</b>
<b>FIGURE 2: RECENT POPULATION AND HOUSEHOLD CHANGES IN LINCOLN</b>	<b>3</b>
<b>FIGURE 3: HOUSEHOLDS BY TYPE</b>	<b>5</b>
<b>FIGURE 4: DISTRIBUTION OF HOUSEHOLD INCOMES</b>	<b>6</b>
<b>FIGURE 5: TEN-YEAR CHANGE IN MEDIAN CONDOMINIUM SALE PRICES</b>	<b>8</b>
<b>FIGURE 6: LINCOLN ASSESSORS' REPORT FOR FY'2013</b>	<b>9</b>
<b>FIGURE 7: LINCOLN RESIDENTIAL PROPERTIES BY 2013 ASSESSED VALUE</b>	<b>9</b>
<b>FIGURE 8: HOUSING AFFORDABILITY FOR A FAMILY OF FOUR</b>	<b>10</b>
<b>FIGURE 9: HOMEOWNER HOUSING COST BURDEN IN LINCOLN'S REGION</b>	<b>10</b>
<b>FIGURE 10: AFFORDABILITY MISMATCH FOR HOMEOWNERS IN LINCOLN'S REGION</b>	<b>12</b>
<b>FIGURE 11: LINCOLN AFFORDABLE RENTAL OPTIONS</b>	<b>14</b>
<b>FIGURE 12: LINCOLN WOODS WAITING LIST</b>	<b>14</b>
<b>FIGURE 13: LINCOLN'S CHAPTER 40B SUBSIDIZED HOUSING INVENTORY</b>	<b>17</b>
<b>FIGURE 14: LINCOLN 40B PROJECTION FOR 2020</b>	<b>18</b>
<b>FIGURE 15: AFFORDABLE HOUSING COALITION</b>	<b>25</b>
<b>FIGURE 16: ORGANIZATIONS</b>	<b>35</b>
<b>FIGURE 17: LAND AREA MINIMUM</b>	<b>44</b>
<b>FIGURE 18: AFFORDABLE LAND AREA MINIMUM</b>	<b>45</b>

# INTRODUCTION

## Looking Back: The 2003 Housing Plan

The Lincoln Housing Commission produced a Consolidated Housing Plan in 2003. This plan served at least two purposes: to fulfill Lincoln’s obligations as a member of the West Metro HOME Consortium (administered by the City of Newton) and to provide a Housing Production Plan that qualified under the Massachusetts Department of Housing and Community Development (DHCD) Chapter 40B regulations. In 2009, the Housing Commission produced an interim plan to update the community on the Town’s progress towards achieving the goals of the 2003 plan.<sup>3</sup>

The 2000 decennial United States census had already revealed that Lincoln’s affordable housing stock of 181 units did not meet the 10 percent statutory minimum required by M.G.L. Chapter 40B. To address this housing deficit and to plan for the 2010 census, the Housing Commission used the 2003 Consolidated Housing Plan as a strategic action plan and called for the production of between 40 and 60 units.

Using the 2003 Housing Plan, Lincoln added 56 units to its inventory, a substantial growth in its affordable housing program. This growth could not have been achieved without the establishment of two significant organizations, the Community Preservation Committee in 2003, which recommends to Town Meeting the awarding of Community Preservation Act (CPA) funds, and the Affordable Housing Trust in 2006. CPA funds infused the affordable housing program with the money to create 20 units of housing (three units at Sunnyside Lane, two units at Minuteman Commons, one unit at Greenridge, and 14 units in three group homes). The other 36 units were created without financial support from the Town; instead, they were created through zoning and Town Meeting approval (30 units at The Commons--originally named The Groves--and six units at Minuteman Commons).

<b>FIGURE 1: 2003 CONSOLIDATED HOUSING PLAN RESULTS</b>		
<b>Property</b>	<b>Units Developed</b>	<b>Project Funding</b>
<b>Sunnyside Lane</b>	3	CPA *
<b>The Commons (formerly The Groves)</b>	30	Developer
<b>Group Homes</b>	14	CPA/Developer
<b>Greenridge Condo</b>	1	CPA
<b>Minuteman Commons</b>	6	Developer
<b>Minuteman Commons (buy-downs)</b>	2	CPA
<b>Total Units</b>	56	

\* Community Preservation Act.

<sup>3</sup> See Appendix 2: History of Affordable Housing in Lincoln.

# SUMMARY OF 2014 HOUSING PLAN

Communities control the make-up of their population by the steps they take to control housing growth. Recognizing this, for more than 45 years, Lincoln has pursued innovative ways to create many types of housing-- affordable housing, housing for elderly residents, residences for people with disabilities, and a variety of housing at market-rate prices--all in a manner compatible with the town's rural character.

## Key Findings

- ❖ **Chapter 40B Subsidized Housing Inventory.** Today, with 11% of its housing stock affordable, Lincoln is ahead of the state's minimum goal for affordable housing. However, by US Census 2020, Lincoln will barely meet the minimum 10% requirement.
- ❖ **Lincoln Faces Many Challenges.** Among the challenges Lincoln faces are the long-term affordability of units at Battle Road Farm, the viability of the mixed-income rental apartments at The Commons, the burden of monitoring housing units for compliance with affordable housing restrictions, and the uncertain future of housing at Hanscom Air Force Base (HAFB).
- ❖ **Local Control.** Lincoln has retained local control over housing development by strategically providing affordable housing. To preserve the character of the town, Lincoln must maintain 10% affordable housing.
- ❖ **Housing Needs.** Lincoln needs to expand its affordable housing portfolio to accommodate seniors, handicapped persons, low and moderate-income families, and people with incomes up to 150% of Area Median Income (AMI).

## Plan Goals and Recommendations

1. **Develop a proactive strategy for planning and developing a diverse housing supply for low- and moderate-income people and for people with incomes up to 150% of median income.**
2. **Strengthen Lincoln's capacity to preserve, develop, and manage its affordable housing.**
3. **Provide ongoing education about housing needs in Lincoln in order to build and maintain community support for local initiatives.**

# DEMOGRAPHIC PROFILE AND TRENDS

## Key Findings

- ❖ Population growth is decreasing, but household growth is rising
- ❖ 39% of Lincoln’s population is over 55<sup>4</sup>
- ❖ The median population age in Lincoln is 49.3
- ❖ 36% of Lincoln households are occupied by “empty nesters”
- ❖ Almost 50% of Lincoln’s adult population holds graduate or professional degrees
- ❖ Almost 40% of Lincoln households have incomes greater than \$200,000
- ❖ Only 5% of Lincoln households have incomes less than \$35,000

## Population

### Population Growth

Over the past twenty years, the communities in Lincoln’s region have experienced relatively low rates of population growth and, in some cases (including Lincoln's), a slight decrease in total population. However, the number of households (a household consists of all the people who occupy a housing unit) has increased, indicating both continued growth in household formation rates and continued decline in the size of Lincoln's households. Thus, household growth, rather than population growth, drives the demand for housing.

FIGURE 2: RECENT POPULATION AND HOUSEHOLD CHANGES IN LINCOLN								
Geography	Population			Households			% Change 2000-2010	
	1990	2000	2010	1990	2000	2010	People	Households
Massachusetts	6,016,425	6,349,097	6,547,629	2,247,110	2,443,580	2,547,075	3.1%	4.2%
Lincoln (Town)	4,515	5,152	5,076	1,744	1,984	2,039	-1.5%	2.8%
HAFB	3,151	2,904	1,286	888	806	365	-55.7%*	-54.7%*
Total	7,666	8,056	6,362	2,632	2,790	2,404	-21.0%	-8.7%

Source: Bureau of the Census.  
 \*Population and households at Hanscom Air Force Base fell due to the reconstruction of military housing under a Dept. of Defense privatization agreement.

<sup>4</sup> 2010 Census Data for ZIP Code 01773 (see Appendix 5).

The population in the Town of Lincoln proper is estimated to grow by 6 percent between 2010 and 2030.<sup>5</sup> This is two-thirds the growth rate of Massachusetts as projected by the Metropolitan Area Planning Council (MAPC). A major driver of Lincoln's population growth is The Commons project, an independent living community for seniors that began occupancy in 2009. When fully occupied, The Commons will account for a population increase of 250 people in 168 independent living units. This includes 100 units in the Russell Building, 30 units in the Flint Building, and 38 cottages. The campus will also have an assisted living and memory care facility with up to 90 residents; this facility is slated for completion in 2014.

### **Aging of the Population**

Like the Commonwealth's population and that of the nation as a whole, Lincoln's population is aging. The "Baby Boom" generation -- people born between 1946 and 1964 -- is now reaching or approaching retirement age, and most "Echo Boomers" -- people born between 1980 and 1995 -- have become young adults. (The decline in the number of school-age children can be seen in the gradual decline in K-8 enrollments in the Lincoln Public Schools.)

Since 1990, the median population age in Lincoln has increased from 44.4 to 49.3.<sup>6</sup> The number of people in Lincoln between 25 and 44 has declined significantly, while empty nesters make up a noticeably larger share of the total population. Continued population growth of people over 65 (and especially over 75) indicates a potential need for more residential options for seniors, including services to support the "aging in place" population. The plans by The Commons to add assisted living and memory care units illustrates a market response to the demand for housing choices for frail elders both in Lincoln and in nearby towns.

## **Households**

### **Households and Families**

During the past ten years, Lincoln and most of its neighbors have witnessed a higher rate of growth in non-family households than in family households. However, this trend had already emerged a decade earlier, when the number of non-family households in Lincoln increased nearly 24 percent. Most of the non-family household growth involves single people living alone. In communities like Lincoln, the vast majority of one-person households are made up of senior citizens -- primarily women -- a population that often has limited financial flexibility.

Consistent with Lincoln's aging population and declining household sizes, the percentage of households composed of families with dependent children is relatively small: 31 percent. In fact, Lincoln has one of the smallest percentages of families with dependent children of all towns in the region. (The town with the largest percentage is Sudbury at 57.9 percent.)

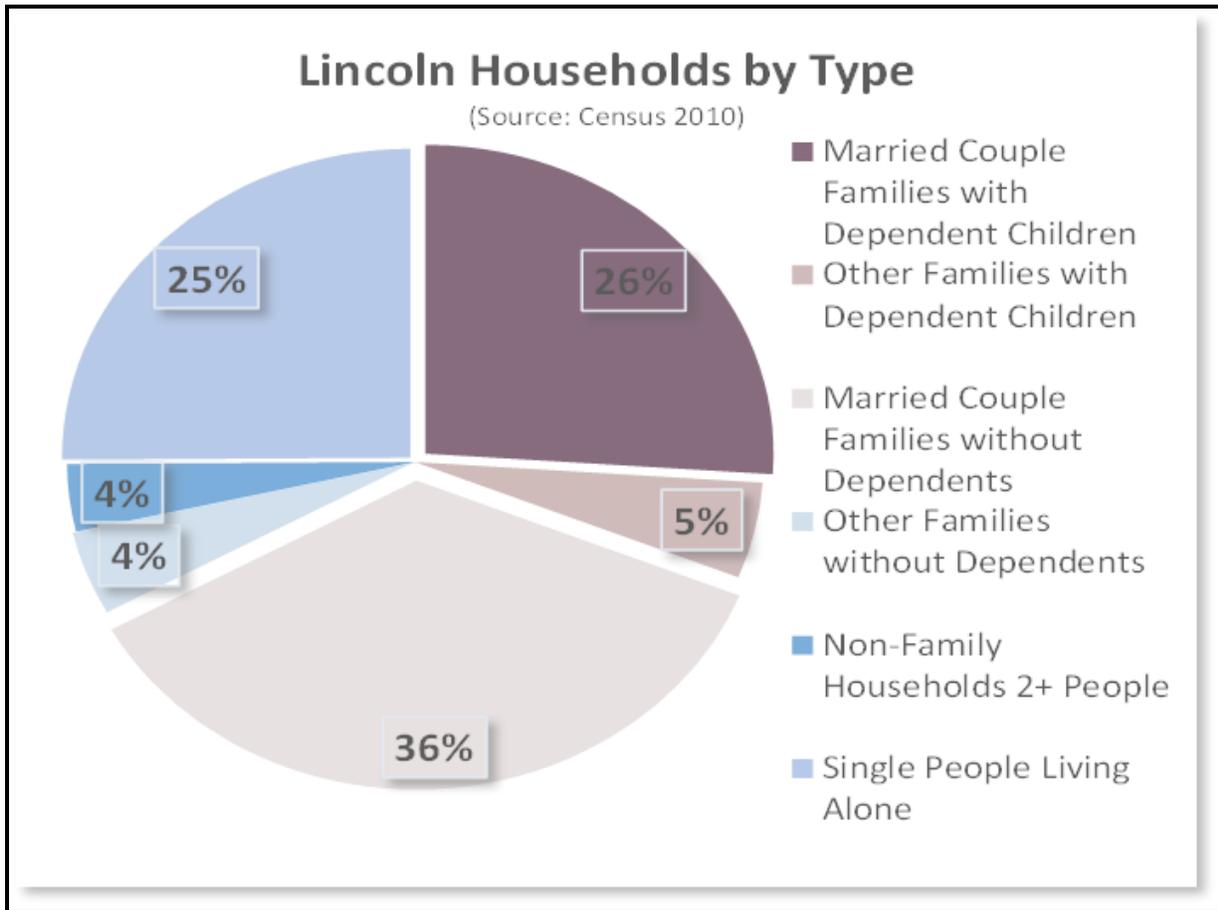
---

<sup>5</sup> Estimate by H&H Associates.

<sup>6</sup> Census 2000, DP-1, and Census 2010, DP-1, Profile of General Population and Housing Characteristics.

The MAPC estimates that between 2010 and 2030, Lincoln households occupied by residents 75 years and older will roughly triple and households with 65 to 74 year old occupants will double, while households with 35 to 54 year old occupants will decrease by around a half.<sup>7</sup>

**FIGURE 3: HOUSEHOLDS BY TYPE**

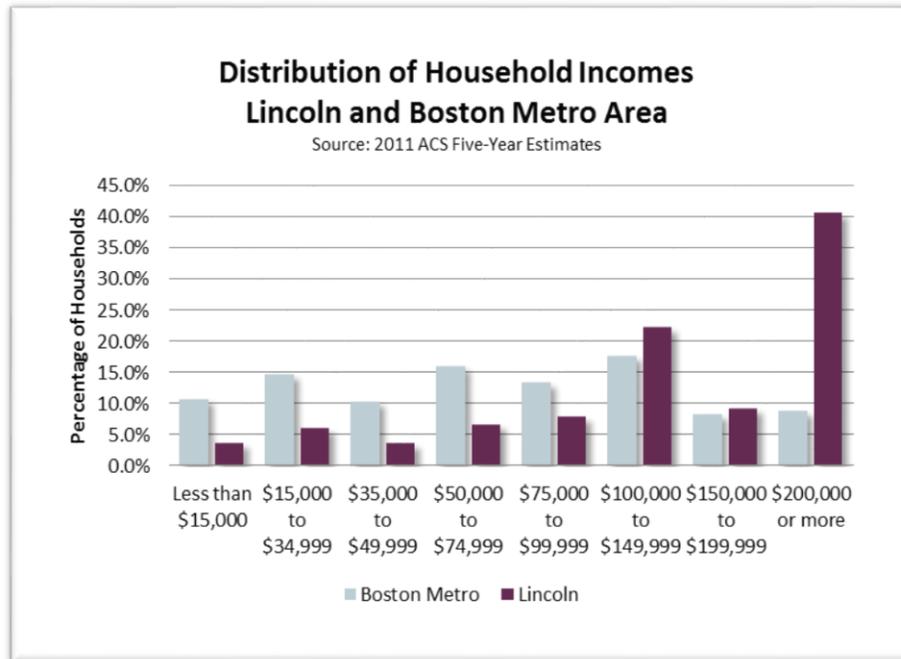


### Household Incomes

Lincoln's 2010 median household income was the Commonwealth's sixth highest and its median family income, the third highest (in both cases, excluding Hanscom Air Force Base residents). Overall, the economic status of Lincoln households is very high. However, about 5 percent of Lincoln's households – made up mainly of senior citizens – have incomes below \$35,000 per year.

<sup>7</sup> The Metropolitan Area Planning Council (MAPC) based these projections on data that include HAFB. Thus the Town needs to base its planning and decision-making on local data and plausible assumptions about the future. The complete MAPC report may be found at [www.mapc.org/data-services/available-data/projections](http://www.mapc.org/data-services/available-data/projections).

**Figure 4: Distribution of household incomes**



**Education and Employment**

Lincoln’s very high level of educational attainment goes hand-in-hand with the employment and income characteristics of its labor force. Almost 50 percent of Lincoln’s adult population holds a graduate or professional degree, which makes Lincoln the region’s second highest-ranking town for the educational achievements of its residents. (Lexington ranks first.) By contrast, similarly well-educated adults make up 16.6 percent of the population in Massachusetts and 18.7 percent in the Boston metro area.<sup>8</sup>

The overwhelming majority of Lincoln’s employed residents have professional occupations in management, the sciences, education, the law, or health care. The connection between Lincoln’s education levels and the occupations and earnings of its labor force is inextricable. According to the American Community Survey, the median earnings of Lincoln residents with full-time, year-round employment rank fourth regionally, but the median earnings of male residents with full-time, year-round employment are much higher, ranking second overall.

**Race, Ethnicity, and Language**

The region’s major cities and the concentrations of college students in urban centers like Waltham and Newton drive the metro area’s statistical profile. Metro-wide, racial and ethnic minorities comprise about 27 percent of the total population, but for Lincoln and its neighbors, the same groups account for 11-16 percent.<sup>9</sup>

<sup>8</sup> 2011 ACS Five-Year Estimates, DP-02, “Selected Social Characteristics.”

<sup>9</sup> Department of Housing and Community Development, “Percent Racial/Ethnic Minority by MSA/County, Census 2010”.

The populations of Lincoln and nearby towns are predominantly white and non-Hispanic and are more likely to come from English-speaking families than their urban counterparts. In Lincoln, about 11 percent of the over-five population speaks a language other than English at home compared with the Boston metro average of 22.3 percent.<sup>10</sup> Approximately 12 percent of Lincoln's residents are foreign-born, mainly from East Asian and South Central Asian countries.<sup>11</sup>

---

<sup>10</sup> 2011 ACS Five-Year Estimates, S1601, "Language Spoken at Home."

<sup>11</sup> 2011 ACS Five-Year Estimates, B05007, "Place of Birth by Year of Entry by Citizenship Status for the Foreign-Born Population."

# HOUSING MARKET AND AFFORDABILITY

## Key Findings

- ❖ Lincoln has the 2nd highest single-family home prices in the region
- ❖ The median single-family home value in Lincoln is \$855,000<sup>12</sup>
- ❖ The median value for condominiums is \$360,000<sup>13</sup>
- ❖ 16% of Lincoln’s housing stock is rental units
- ❖ Of the 264 age-restricted units in Lincoln, only 16 are affordable
- ❖ Lincoln has only four handicapped-accessible units

## Housing Market Conditions

### Home-Ownership Market

Lincoln is a suburb that attracts second or third-time homebuyers – typically from elsewhere in the Boston metro area – who want larger or finer homes. Its single-family home sale prices are the region’s second highest (Weston's are first), but sale prices have fallen just about everywhere in response to post-2007 housing market conditions.

As suggested by the data in the following table, there is more affordability in Lincoln’s condominiums and townhouses. Lincoln’s median condominium sale price is lower than that of surrounding communities in part because some of Lincoln's condominiums include affordable units, which sell at a reduced price in order to accommodate moderate-income homebuyers.

FIGURE 5: TEN-YEAR CHANGE IN MEDIAN CONDOMINIUM SALE PRICES					
Community	Median Sale Price			% Change	
	2002	2007	2012	2002-2007	2007-2012
<b>LINCOLN</b>	\$389,500	\$435,000	\$360,000	11.7%	-17.2%
<b>Weston</b>	\$285,000	\$414,500	\$750,000	45.4%	80.9%
<b>Wayland</b>	\$535,000	\$631,000	\$508,000	17.9%	-19.5%
<b>Concord</b>	\$338,500	\$429,000	\$387,000	26.7%	-9.8%

Source: The Warren Group.

As noted below, in FY 2013, the Lincoln Assessors’ reported that most of the properties in Lincoln are single-family homes (1,510) or condominiums (401).

<sup>12</sup> US Census Data by Zip Code for 2010 (DP4).

<sup>13</sup> US Census Data by Zip Code for 2010 (DP4).

<b>FIGURE 6: LINCOLN ASSESSORS' REPORT FOR FY'2013</b>		
	<b>LUC Code</b>	<b>Number of Properties</b>
<b>Single Family Homes</b>	101	1,510
<b>Condominiums</b>	102	401
<b>Two Family Homes</b>	104	7
<b>Apartments 4-8 units</b>	105	2
<b>Apartments 8+ units</b>	112	2
<b>Residential/Commercial</b>	013	3
<b>Total</b>		1,928
Source: 2013 Lincoln Assessors' Report.		

As the following table shows, of the 1,510 single-family homes, 162 were assessed at between \$200,000 and \$500,000. Families with incomes at or below 80% of Area Median Income cannot afford a single-family home in Lincoln. Also as noted, of 401 condominiums, 76 were assessed at below \$200,000; many of these condos are already part of Lincoln's Subsidized Housing Inventory.

<b>FIGURE 7: LINCOLN RESIDENTIAL PROPERTIES BY 2013 ASSESSED VALUE</b>						
	<b>&lt;\$200,000</b>	<b>&gt;\$200,000 &lt;\$500,000</b>	<b>&gt;\$500,000 &lt;\$1,000,000</b>	<b>&gt;\$1,000,000 &lt;\$3,000,000</b>	<b>&gt;\$3,000,000</b>	<b>Total Number of Properties</b>
<b>Single Family Homes</b>	0	162	898	437	13	1,510
<b>Condominiums</b>	76	308	17	0	0	401
<b>Total Properties</b>	76	470	915	437	13	1,911
Source: 2013 Lincoln Assessors' Report.						

### Rental Market

Sixteen percent of Lincoln's households rent the unit they occupy.<sup>14</sup> There are 334 rental units in Lincoln,<sup>15</sup> and Lincoln counts 177 rental units on its Subsidized Housing Inventory (SHI); however, only 85 units are actually affordable.<sup>16</sup>

The primary rental choices in Lincoln are at Lincoln Woods (125), Lincoln Ridge Estates (36), The Commons (30), and affordable units owned by the Town (9), but single-family homes and 67 known accessory apartments also provide rental housing.

<sup>14</sup> Census 2010, H4, "Tenure."

<sup>15</sup> US Census Data by Zipcode see Appendix 5.

<sup>16</sup> DHCD policy count mixed use rental developments affordable but only 25% need to be affordable for all the units in the development to count.

## Housing Affordability

### Housing Affordability for a Family of Four

In 2013, the Area Median Income (AMI) for a family of four in Lincoln's region was \$94,400. Generally, properties selling for less than \$200,000 are affordable by a family of four earning 80% of the area median income (80% of the AMI = \$67,350), while a residence selling for \$500,000 requires an income of 150% of AMI (150% of the AMI = \$142,000).<sup>17</sup>

<b>FIGURE 8: HOUSING AFFORDABILITY FOR A FAMILY OF FOUR</b>			
<b>&lt;\$200,000</b>	<b>&gt;\$200,000 &lt;\$300,000</b>	<b>&gt;\$300,000 &lt;\$400,000</b>	<b>&gt;\$400,000 &lt;\$500,000</b>
\$67,350 80% of Area Median Income	\$94,400 100% of Area Median Income	\$118,000 125% of Area Median Income	\$142,000 150% of Area Median Income

### Housing Cost Burden

As defined by the federal government, a housing cost burden exists when a family spends more than 30% of its monthly gross income on housing costs. A severe housing cost burden exists when a family spends more than 50% of its monthly gross income on housing costs.

The housing cost burden measures the number of homeowners and renters whose monthly housing cost exceeds what they can afford. For homeowners, housing costs include mortgage payment, house insurance, and property taxes. For renters, housing costs include rent, basic utilities, and renters insurance.

The following table shows the percentage of lower-income homeowners in Lincoln spending more than 30 percent of their income on housing costs. Not surprisingly, the data show that, overall, the percentage of cost burdened households declines as income increases. In Lincoln and most of the surrounding suburbs, the households with very low incomes – generally under \$35,000 – are made up of senior citizens.

<b>FIGURE 9: HOMEOWNER HOUSING COST BURDEN IN LINCOLN'S REGION</b>								
	<b>Income under \$20,000</b>		<b>Income \$20,000 to \$34,999</b>		<b>Income \$35,000 - \$49,999</b>		<b>Income \$50,000 - \$74,999</b>	
<b>Geography</b>	<b>Total</b>	<b>Cost Burden</b>	<b>Total</b>	<b>Cost Burden</b>	<b>Total</b>	<b>Cost Burden</b>	<b>Total</b>	<b>Cost Burden</b>
<b>Massachusetts</b>	109,232	91.3%	140,780	65.6%	157,300	53.2%	281,515	48.0%
<b>Boston Metro</b>	57,984	94.6%	76,525	71.5%	86,877	56.2%	162,523	53.2%
<b>LINCOLN</b>	41	100.0%	26	100.0%	40	77.5%	162	63.0%
<b>Concord</b>	213	96.7%	304	84.2%	250	47.6%	473	53.3%
<b>Sudbury</b>	89	100.0%	196	86.2%	143	77.6%	457	46.8%

Source: 2010 ACS Five-Year Data, and HUD CHAS Data (CHAS Table 5).

<sup>17</sup> 80% of AMI is NOT calculated by multiplying AMI (\$94,400) by 80%. This figure is derived and published by HUD each year for each community using a different formula. See Appendix 6.

## Access to Affordable Housing

Most towns have some modest, older single-family homes that are fairly affordable and some apartments with low monthly rents. However, housing that is affordable due to its age, condition, or location is not necessarily occupied by or available to low- or moderate-income people. The U.S. Department of Housing and Urban Development reports data for an affordable housing barrier known as the affordability mismatch, which is defined as housing units that are affordable but unavailable to lower-income households because higher-income households already live in them. Affordability mismatch measures:

- ❖ The number of housing units in a community with rents or home values affordable to people with very low incomes (at or below 30 percent of AMI), with low incomes (between 31 and 50 percent of AMI), and with moderate incomes (between 51 and 80 percent of AMI)
- ❖ The number of households in each income tier
- ❖ How many of these households live in units they can afford
- ❖ How many of the affordable units have a high probability of housing problems in addition to housing costs; that is, the units are substandard or inadequate

According to a recent report from HUD: higher income renters occupy about 42 percent of the units that would be affordable to extremely low-income renters, who earn less than 30 percent of Area Median Income (AMI). Further, higher income renters occupy 36 percent of the units that would be affordable to renters who have incomes at 30 to 50 percent of AMI. As a result of this competition and because a substantial proportion of available units are not in standard or adequate physical condition, only 32 units of adequate, affordable rental housing are available for every 100 extremely low-income renters.

Despite Lincoln's very high home prices, the town does have some housing that could be affordable to low- or moderate-income homebuyers. Data recently compiled by the Lincoln Planning Board show that about 5 percent of Lincoln's housing units (107 homes) have appraised values at or below \$200,000,<sup>18</sup> which is roughly the upper-limit for moderate-income sale prices.

A HUD analysis of affordability mismatch in each city and town sheds more light on these lower-value housing units in Lincoln. HUD's data (a special tabulation file from the Census Bureau's American Community Survey) indicate that Lincoln has about 120 units which, if sold at their appraised price, would be affordable by low- or moderate-income homebuyers. HUD's estimate is close enough to the Planning Board's to increase confidence in the Planning Board's study.

By cross tabulating the original survey records, HUD was able to compare household sizes and incomes with housing values and to determine how many technically affordable units actually house low- or moderate-income residents. The next table summarizes HUD's findings for Lincoln and the

---

<sup>18</sup> Bob Domnitz, Lincoln Planning Board.

surrounding towns. The study indicates that just 9.2 percent of the technically affordable homes in Lincoln are occupied by households with incomes that are aligned well with the cost of their homes.<sup>19</sup> It also indicates that at the time (2009), none of the homes vacant and available for purchase in Lincoln would have been affordable for a moderate-income, first-time homebuyer.

FIGURE 10: AFFORDABILITY MISMATCH FOR HOMEOWNERS IN LINCOLN'S REGION				
Geography	Affordable at or below 100% Area Median Income	Pct. Total Owner-Occupied Units	Number Occupied by Low-Mod Homeowners	Pct. Affordable Units
LINCOLN	120	6.5%	19	15.8%
Bedford	160	4.2%	55	34.4%
Concord	175	3.6%	20	11.4%
Lexington	265	2.9%	30	11.3%
Sudbury	185	3.7%	30	16.2%
Waltham	895	8.1%	150	16.8%
Wayland	114	2.6%	14	12.3%
Weston	130	3.9%	60	46.2%

Source: HUD, Comprehensive Housing Affordability Strategy (CHAS) Data, 2009 ACS Five-Year Estimates.

The situation is similar in the rental market. When a very low-income tenant rents an apartment priced for a moderate-income tenant, the tenant will probably be housing-cost burdened. Since a moderate-income apartment is closer to what the tenant can actually afford, the degree of housing cost burden will be reduced, but clearly it will not be eliminated. This condition exists in most communities, and it may exist in Lincoln as well. Unfortunately, HUD's study does not separate housing at HAFB from housing in the rest of the town, so it is not possible to determine the extent of housing cost burden in Lincoln's rental housing.

## Housing Gap Analysis

Lincoln is seeking ways to maintain its existing affordable units, both rental and ownership, while also growing its affordable housing stock in order to hold onto the 10 percent statutory minimum. Throughout Lincoln's region, there is great demand for affordable rentals of all sizes – one, two, and three bedrooms – but today, demand for affordable for-sale units has dropped considerably.

The present and projected supply of housing indicates that there is a high probability that the following gaps will continue to occur.

### Housing for Seniors

Seniors over the age of 55 represent 39% of Lincoln residents.<sup>20</sup> Lincoln seniors who are not in need of affordable housing have some options as they age. From a single family house, they can

<sup>19</sup> U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS) Data, 2009.

<sup>20</sup> 2010 US Census Data for ZIP Code 01773 (see Appendix 5).

downsize to a condominium. And some seniors can afford to age in place. Lincoln has three age-restricted developments, Minuteman Commons (32 condominiums); Ryan Estates (24 condominiums); and The Commons (30 rental units, 100 ownership-units in the Russell Building, and 38 cottages). In 2014, The Commons plans to add 40 units of assisted living and 50 nursing and memory care units.

Of the 264 age-restricted units in Lincoln, only 16 (eight condos at Minuteman Commons and eight rental units at The Commons) are affordable for seniors whose income is at 80% or less of Area Median Income (AMI). For a one-person household, 80% of AMI is \$47,150; for a two-person household, \$53,900.

### **Housing for Handicapped Residents**

Lincoln currently has three group homes providing housing for 14 developmentally delayed adults. There are only four handicapped-accessible units in Lincoln (two at Lincoln Woods; one a town-owned unit; and one at Minuteman Commons).

### **Housing for Town Employees and New Home-Buyers**

One- or two-income families of Town and school employees earning between \$75,000 and \$120,000 find it difficult to purchase housing in Lincoln. The majority of these employees do not qualify for affordable housing built under 40B, nor do they earn enough to purchase market rate housing in town.

Younger people who grew up in town are faced with few options if they wish to continue living in Lincoln close to their friends and families and are often forced to move out of town to find moderate priced housing.

## **Demand for Housing Home Ownership Units**

In recent years, the demand for homeownership units for households earning at or below 80% of Area Median Income has declined because moderate income home-buyers often are not able to cover the carrying costs of the property due to the high costs of maintenance and increasing condo fees and assessments.<sup>21</sup>

In addition, units at Battle Road Farm are hard to sell because, under the original deed rider the resale price formula does not guarantee affordability to moderate-income homebuyers. Because DHCD recognizes the difficulties with homeownership units available only to families with incomes at or below 80% of AMI, it recently adopted a policy to allow buyers with more than 80% AMI and up to 120% of AMI to purchase affordable units without affecting a community's Subsidized Housing Inventory (SHI), provided that preference is always given to a qualifying family whose income is below 80% of AMI. Units sold at 80% to 120% might be affordable for many Town employees and young people who grew up in Lincoln.

---

<sup>21</sup> 80% of Area Median Income for a family of four is \$67,350.

## Rental Units

The US Census reports that 334 (16%) of Lincoln’s households rent the unit they occupy.<sup>22</sup>

There is a significant need for affordable rental housing in Lincoln for families and seniors. Lincoln Woods has 68 affordable units and 68 households waitlisted. The Housing Commission has six occupied rental units, and there are nine households waitlisted for these units. There are 264 age-restricted units in Lincoln, but only 8 units at The Commons are affordable rental units.

To encourage mixed income rental units, 40B regulations allow all units (not just the affordable units) in a rental project to count on the SHI on the assumption that rental housing is more affordable by definition than ownership housing. This means that Lincoln can count 178 rental units on its SHI, but in fact, only 99 units are actually affordable.

The following table represents the distribution of income levels among the 178 rental units on Lincoln’s SHI.

<b>FIGURE 11: LINCOLN AFFORDABLE RENTAL OPTIONS</b>						
<b>Property</b>	<b>30% AMI Extremely Low</b>	<b>50% AMI Very Low</b>	<b>80% AMI Low/ Moderate</b>	<b>Handicap Accessible</b>	<b>Market rate</b>	<b>Total Units</b>
<b>Lincoln Woods</b>		30	36	2	57	125
<b>Housing Commission</b>	1	2	2	1		6
<b>Town of Lincoln</b>			3			3
<b>The Commons</b>			8		22	30
<b>Total</b>	1	32	49	3	79	*164

\*The 14 Group Home units are excluded from this table.  
U.S. Census Data by Zipcode for 2010 (PP4) reports 334 rental units in Lincoln.

The Lincoln Housing Commission has four households waiting for two one-bedroom units; three households waiting for three-bedroom units; and two households waiting for one handicapped accessible unit.

Since Lincoln Woods is a mixed income development and its viability depends on the distribution of market and affordable units, DHCD requires that certain units and types of units are designated as affordable. Following is a table depicting Lincoln Woods waitlist by income and unit size.<sup>23</sup>

<b>FIGURE 12: LINCOLN WOODS WAITING LIST</b>				
<b>Area Median Income</b>	<b>1 bedroom</b>	<b>2 bedroom</b>	<b>3 bedroom</b>	
<b>80% moderate/low</b>	13	21	2	
<b>50% very low</b>	17	15	0	
<b>Total</b>	<b>30</b>	<b>36</b>	<b>2</b>	<b>68</b>

<sup>22</sup> Census 2010, H4, "Tenure."

<sup>23</sup> From Lincoln Woods, 10.15.2013.

### **Handicapped Accessible Housing**

There is a significant need for handicapped accessible housing as well as housing for people with developmental delays. Some of the handicap accessible housing should be designated for seniors.

# CHAPTER 40B

## Key Findings

Even though Lincoln complies with Chapter 40B today, by 2020 the Town will need to add affordable units to maintain a comfortable margin over the mandatory 10%

- ❖ The 2010 Census does not include the 168 units at The Commons
- ❖ Phase II of The Commons will add 40 new year-round housing units
- ❖ Lincoln needs to maintain existing SHI units
- ❖ Lincoln needs to make sure that new, market-rate housing development does not cause Lincoln to fall below 10%

Massachusetts General Law Chapter 40B, the Massachusetts Affordable Housing Law, was enacted in 1969 to address the shortage of affordable housing in the state and to reduce low-income and minority-concentration areas in cities by providing more housing choices in suburbs and small towns. The affordable housing law has helped build communities rich in economic, cultural, and racial diversity. It has provided homeownership for teachers, nurses, police officers, social workers, persons with disabilities, retail employees, and administrative staff. For young working families, these homes provide opportunities to live in the town where they were raised. For seniors, these homes provide an opportunity to downsize to more affordable homes that are also easier to maintain. The local preference allowed by regulation ensures that homes are first made available to families and seniors already living in town.

Chapter 40B mandates that each city and town in Massachusetts provide at least 10% of their housing stock for households that are at or below 80% of AMI (Area Median Income). When less than 10 percent of a town's housing is affordable, qualified developers can apply for and be granted a Comprehensive 40B Permit, bypassing most local boards and even town meeting approval. A Comprehensive 40B Permit seriously curtails a municipality's ability to control and manage development.

Unlike most Massachusetts cities and towns, Lincoln has provided affordable housing entirely through its own local initiatives. This means that Lincoln has achieved the state's 10 percent affordable housing goal without ever having to issue a Chapter 40B Comprehensive Permit. In fact, Lincoln's first mixed-income rental development, Lincoln Woods, was already on the horizon when Chapter 40B was enacted.

In 2010, the opponents of 40B gathered enough signatures to place a referendum on the state ballot to repeal Chapter 40B. The referendum to eliminate Chapter 40B was defeated by Lincoln voters by nearly 67% and by Massachusetts voters by nearly 60%. Affordable housing is a hallmark

of Lincoln’s commitment to “economic, racial and cultural diversity.”<sup>24</sup> Affordable housing, along with conservation of open space, excellent schools, and services to seniors together define the “Lincoln Way,” which has served Lincoln well for many years.

## Subsidized Housing Inventory Analysis

FIGURE 13: LINCOLN'S CHAPTER 40B SUBSIDIZED HOUSING INVENTORY				
Development or Site Name	Location	Type	SHI Units	Affordability Expires
Battle Road Farms	Old Bedford Road	Ownership	48	Perpetuity
Lincoln Woods	Lincoln Rd/50 Wells Rd	Rental	125	4/1/2032
Old Concord Turnpike Units	Old Concord Turnpike	Ownership	2	Perpetuity
DDS Group Homes	Various	Rental	13	n/a*
Tower Road Units	Tower Road	Rental	2	Perpetuity
Codman Farm Farmhouse	Codman Road	Rental	2	Perpetuity
Pierce House Unit	Weston Road	Rental	1	Perpetuity
Greenridge	Greenridge	Ownership	1	Perpetuity
Minuteman Commons	82 Virginia Road	Ownership	8	Perpetuity
The Commons Apartments	17-19 Cambridge Turnpike	Rental	30	Perpetuity
Sunnyside Lane	Sunnyside Lane	Rental	4	Perpetuity
	<b>Total Units</b>		<b>236</b>	11.0%
		Census 2010 Year-Round Units	2,153	
		Minimum Required for 10%	**215	

Source: DHCD, August 2012, February 2013.  
 \* The Town has secured deed restrictions ensuring affordability.  
 \*\* Lincoln currently has 21 more units than required.

The 10 percent statutory minimum is based on the total number of year-round housing units reported in the most recent decennial census; in order to claim that the Town has met its 40B requirement, Lincoln needs to have 215 affordable units out of 2,153 year-round units.<sup>25</sup> Complying with this requirement allows the Town to deny 40B applications if they are not consistent with local needs. Lincoln currently has a modest reserve of 21 affordable units; that is, 21 units more than the number required to meet the 10 percent statutory minimum under Chapter 40B. However, the projection for 2020 is that the Subsidized Housing Inventory (SHI) will only have two units over the 10% mandate.

## Planning Ahead: Census 2020

With the addition of 266 year-round housing units and only eight Subsidized Housing Units, Lincoln will remain over the statutory 10% mandate by only two units reducing Lincoln’s Subsidized Housing Inventory (SHI) from 11% to 10%. Two units over 10% does not allow the Town to

<sup>24</sup>From Lincoln Vision Statement.

<sup>25</sup>Census 2010, DP-1. “Year-round” means the community’s total number of housing units minus units the Census Bureau classifies as vacant and for seasonal or recreational use only.

absorb unanticipated development on the few large sites left in town (Farrington Memorial and Mill Street) or unexpected losses of units on the Subsidized Housing Inventory. Lincoln has retained local control over housing development by strategically providing affordable housing. Without some significant development of affordable housing, Lincoln may lose the capacity to guide new housing development through zoning and other Town regulation until the 10% threshold is once again achieved.

<b>FIGURE 14: LINCOLN 40B PROJECTION FOR 2020</b>		
<b>New Development 2010 to 2020</b>	<b>Additional Housing Units</b>	<b>Additional SHI Units</b>
<b>The Commons Phase I</b> <sup>26</sup>	168	
<b>The Commons Phase II</b>	40	
<b>Lewis Street</b> <sup>27</sup>	8	8
<b>New Homes</b>	30	
<b>Accessory Apartments</b>	20	
<b>2010 Year Round Units &amp; SHI Units</b>	2153	236
<b>2020 Projections</b>	<b>*2419</b>	<b>244</b>
*To meet 40B's 10% mandate, Lincoln will need to have 242 units of affordable housing.		

## Challenges to Preserving Units on the SHI

### Systematic Monitoring

Monitor existing affordable units by conducting annual reviews of Town-owned rental units and homeownership units and by making sure private developers of affordable housing comply with annual monitoring. Monitoring will ensure that units remain on the SHI.

#### ❖ **Battle Road Farm**

Monitor re-sales and re-financing to ensure that units remain affordable and eligible for the SHI.

#### ❖ **The Commons**

Closely monitor any changes to the use of market rate rental units to ensure that the program complies with the Regulatory Agreement and all 30 units remain eligible for the SHI.<sup>28</sup>

<sup>26</sup> The 30 Rental Units at The Commons is counted on 2010 SHI but the housing units for The Commons won't be counted until 2020.

<sup>27</sup> The ZBA recently approved an eight-unit rental development on Lewis Street in an historic building that was once used as a pickle factory. Two of the eight units will be affordable, but all eight units will count on Lincoln's housing inventory.

<sup>28</sup> All 30 apartments must be used as rentals and not for any other purposes to remain in compliance with Regulatory Agreement.

❖ **Hanscom Air Force Base**

The uncertain future of the housing at HAFB could affect Lincoln’s Chapter 40B obligations in the future. In 2005, Lincoln and the towns of Bedford, Lexington, and Concord commissioned some early “what-if” planning in order to understand the potential impact of closing HAFB.<sup>29</sup> Decommissioning of the base or a change in the legal status of the housing units there would have a significant impact on Lincoln.

## **Preventing 40B Development**

Lincoln is not obligated to create additional affordable housing because it already exceeds the 10% statutory minimum. Given the Town’s track record since the mid-1960s for creating affordable housing, it is unlikely that Lincoln would ever have a large enough SHI deficit to trigger a Comprehensive 40B development. Therefore, the goals for this Affordable Housing Plan are primarily qualitative, focusing mainly on preservation of existing affordable housing, improved organizational capacity, and efficient use of available resources.

Lincoln’s best strategy for preventing unwanted 40B development is by maintaining the statutory 10% minimum for affordable housing. To do this, Lincoln will need to produce at least 10 units of affordable housing by 2020.

---

<sup>29</sup> Sasaki Associates, et al., *Hanscom Air Force Base Pre-BRAC Community Advance Planning* (2005). This study was done for the 2005 BRAC.

# HOUSING DEVELOPMENT

## Key Findings

- ❖ In Lincoln, home-buyers demand large single-family homes
- ❖ Lincoln is losing small modestly priced homes
- ❖ Lincoln has little vacant land left for development

Lincoln relies on zoning, subdivision control, wetlands protection, septic system requirements, and local historic districts to regulate development. The Town also has a demolition delay and a neighborhood conservation district by-law, both intended to help save the small, older homes built during the inter-war years and after World War II – homes that have become targets for teardown and mansionization. These regulations effectively determine what can be done – and how much can be done – on a parcel of land; zoning provides the power to regulate land use.

## Development Trends

According to the Massachusetts State Data Center, Lincoln issued building permits for 200 new housing units between 1996 and 2011.<sup>30</sup> When Lincoln's Comprehensive Plan was prepared between 2007 and 2009, the Planning Department compiled information on forty-nine homes that had been demolished since the late 1990s. Most were replaced by larger, more expensive residences.

In Lincoln and other Boston-area suburbs, teardown/rebuild projects have become increasingly common. There is little vacant land left for new housing development, so affluent homebuyers seeking houses with many amenities and custom features buy lots with older homes on them, tear down the original structures, and replace them with new, far more valuable residences. This development trend has contributed to Lincoln's gradual loss of modest homes.

## Potential Development Sites

Lincoln has a few properties that have the potential for development and/or redevelopment for affordable housing. These sites must meet restrictions for private septic systems; and, in some cases, private water would have to be provided to the site.

The Town planner for Lincoln and the Housing Commission have compiled a preliminary list of properties that may be suitable for affordable housing. The following list is for discussion purposes only and may be used as a guide when considering other potential sites that are not on this list. This report does not recommend that the Town proactively seek development of any of these sites except for the one site owned by the Affordable Housing Trust.

---

<sup>30</sup> U-Mass Donohue Institute, Massachusetts State Data Center, Building Permit Data 2000-2011.

❖ **Farrington Memorial Property**

An 83.8-acre site located on the southern side of Route 2, near Gerard's. Currently, the property is used for institutional purposes.

❖ **Lincoln Station Area**

Lies within the South Lincoln Overlay District, which provides for great flexibility toward the production of affordable housing in a planned, higher-density development. Lincoln Station is a prime location for the types of housing for which Lincoln has identified a need, including smaller units with some access to facilities, transportation alternatives, and services without reliance on a car. Denser housing arrangements that include some multi-family units are inherently less expensive than single-family dwellings, even without market intervention. However, Lincoln should ensure that any new housing development around Lincoln Station includes affordable units that will count on the Town's SHI.

❖ **Lincoln Woods**

A 20.14 acre parcel located in Lincoln Station adjacent to the Lincoln Mall. The site hosts a 125-unit mixed-income rental development with 68 affordable housing units. In 2010, Community Builders purchased the property. They are developing plans to renovate the units and are considering adding additional units to the site.

❖ **The Minuteman Property**

A 10.5-acre site located on Mill Street adjacent to the Minuteman Regional High School. The property contains two single-family homes and a small elder care facility.

❖ **12 Airport Road**

A small non-conforming lot located in north Lincoln. The property is adjacent to Hanscom Air Force Base. The Affordable Housing Trust purchased the property in 2010 to build a five-bedroom group home. Unfortunately, the United States Air Force and Minuteman National Historic Park have tied the property up in litigation. A resolution is expected in 2014.

## **Affordable Housing Development Tools**

Lincoln's basic zoning places almost the entire town in a single large-lot district (Single-Family Residence [R1]). But Lincoln has made innovative use of overlay districts to provide for a mix of housing and commercial developments, too. Developments such as Lincoln Woods, Farrar Pond Village, Battle Road Farm, Minuteman Commons, and The Commons would not have been possible without Lincoln's unusual approach to planned developments, which requires front-end negotiations between proponents and the Planning Board, considerable attention to consensus building, and concept-plan approval by Town Meeting on a project-by-project basis. The process can be expensive and risky for developers, who pay for the public hearings and bear the cost of any special outreach that may be required to provide information to Lincoln voters before Town Meeting.

Lincoln's zoning includes special housing regulations enacted for the purpose of encouraging the construction of a limited number of housing units suitable for occupancy by Town employees, young people, older people, and persons of low- and moderate-income, while ensuring compliance with local planning standards and policies concerning land use, building design, and the health, safety, convenience, and general welfare of the inhabitants of the Town.<sup>31</sup>

❖ **Accessory Apartments**

Accessory apartments are allowed by special permit in single-family homes or accessory buildings. There are 67 known accessory apartments scattered throughout town. Some homeowners strive to keep their units affordable, and some are rented to households that meet the criteria for affordable housing. However, Lincoln has never been able to capture these units for the Subsidized Housing Inventory (SHI).

❖ **Multiple Apartments**

The Board of Appeals may issue a special permit for more than one apartment per lot provided that the owner designate as open space a tract of land contiguous to the lot containing a minimum of 80,000 square feet for each apartment.

❖ **Cluster Development**

Lincoln allows single-family cluster developments on parcels with a minimum of 160,000 square feet of land.

❖ **Inclusionary Zoning**

In 2005, Lincoln adopted inclusionary zoning for any residential development with six or more housing units. The by-law requires approximately 15 percent of the total number of units in a development to be affordable and count on the Town's Subsidized Housing Inventory (SHI). Developers have the option of providing units within their projects or in another location in Lincoln, donating developable land, or paying a fee in lieu of creating affordable housing. Inclusionary zoning fees are paid to the Affordable Housing Trust.

The most effective use to date of this by-law is the development of The Commons. When Deaconess Communities approached the Town about building elderly housing on a site next to Crosby's Corner, local officials and staff worked with the developer to include thirty mixed-income apartments in the project design. Since 25 percent of these apartments were designated as affordable units, all thirty were added to Lincoln's SHI.

More recently, when Benchmark Senior Living (purchaser of The Commons) approached the Town about building Phase II to include 40 units of assisted living to be counted as year-round housing units in addition to a 25-bed nursing home and a 25-bed memory care unit, the Housing Commission and the Planning Board worked with Benchmark to secure a \$500,000 payment to the Affordable Housing Trust to be used to build two additional units of affordable housing in Lincoln to offset the building of the 40 year-round assisted living units.

---

<sup>31</sup> Section 14, Zoning By-Law of Town of Lincoln.

# LINCOLN'S AFFORDABLE HOUSING COALITION

## Key Findings

- ❖ Even though Lincoln complies with 40B today, the Affordable Housing Coalition needs to be vigilant about protecting its existing affordable units and making sure that new, market-rate housing development does not cause Lincoln to fall below 10%.
- ❖ The Affordable Housing Coalition needs to develop an Asset Management strategy for its assets and obligations.
- ❖ The Affordable Housing Coalition has significant needs for professional staff or consultant support.

## Affordable Housing Coalition

The Affordable Housing Coalition is made up of the Housing Commission, the Affordable Housing Trust, and the Lincoln Foundation, working together to create and preserve affordable housing in Lincoln. Although each member of the Affordable Housing Coalition has a different mission, unique legal authority, and different responsibilities, the groups work together to create and maintain affordable housing.

Although Lincoln regulates housing development through zoning and other means, regulation alone does not explain the Town's success in managing growth and protecting Lincoln's rural character. Lincoln's land-use innovations also reflect partnerships between the Rural Land Foundation (RLF), the Lincoln Foundation, the Lincoln Housing Commission, and other organizations. These partnerships have helped Lincoln carry out zoning initiatives for projects such as Farrar Pond Village, Lincoln Woods, and Battle Road Farm.

## Local Capacity to Provide Affordable Housing

Strengthening Lincoln's capacity to preserve, develop, and manage affordable housing through continued eligibility of units for the Subsidized Housing Inventory (SHI) depends in part on whether the affordability restrictions are monitored consistently and compliance reports are filed with DHCD. In other words, preservation requires capacity and resources. Lincoln has several immediate needs to maintain its affordable housing program at a high level.

### Housing Coordinator.

The three organizations that comprise the Affordable Housing Coalition – the Housing Commission, the Affordable Housing Trust, and the Lincoln Foundation – have significant needs

for professional staff or consultant support. Any community that has sustained success with affordable housing knows that creating, preserving, and managing affordable units is difficult and time-consuming. Often, it requires a quick response to both problems and new opportunities. Like many other communities, Lincoln has issues that need attention, ranging from the timely monitoring of the affordable housing restrictions at Battle Road Farm and Minuteman Commons to developing and maintaining a “Ready Buyer” list and working efficiently with affordable unit homeowners and their attorneys and lenders during refinancing.<sup>32</sup>

### **Systematic Monitoring**

To preserve its SHI-eligible units, Lincoln needs to ensure that all affordability restrictions are monitored in a timely manner and that, for rental units, annual certifications of tenant income eligibility and rental affordability are submitted to DHCD. There should be an annual schedule for monitoring ownership and rental units and a system for documenting both the monitoring and the reports filed with DHCD in a timely manner. The Housing Coordinator should be responsible for carrying out these annual reviews and reporting requirements.

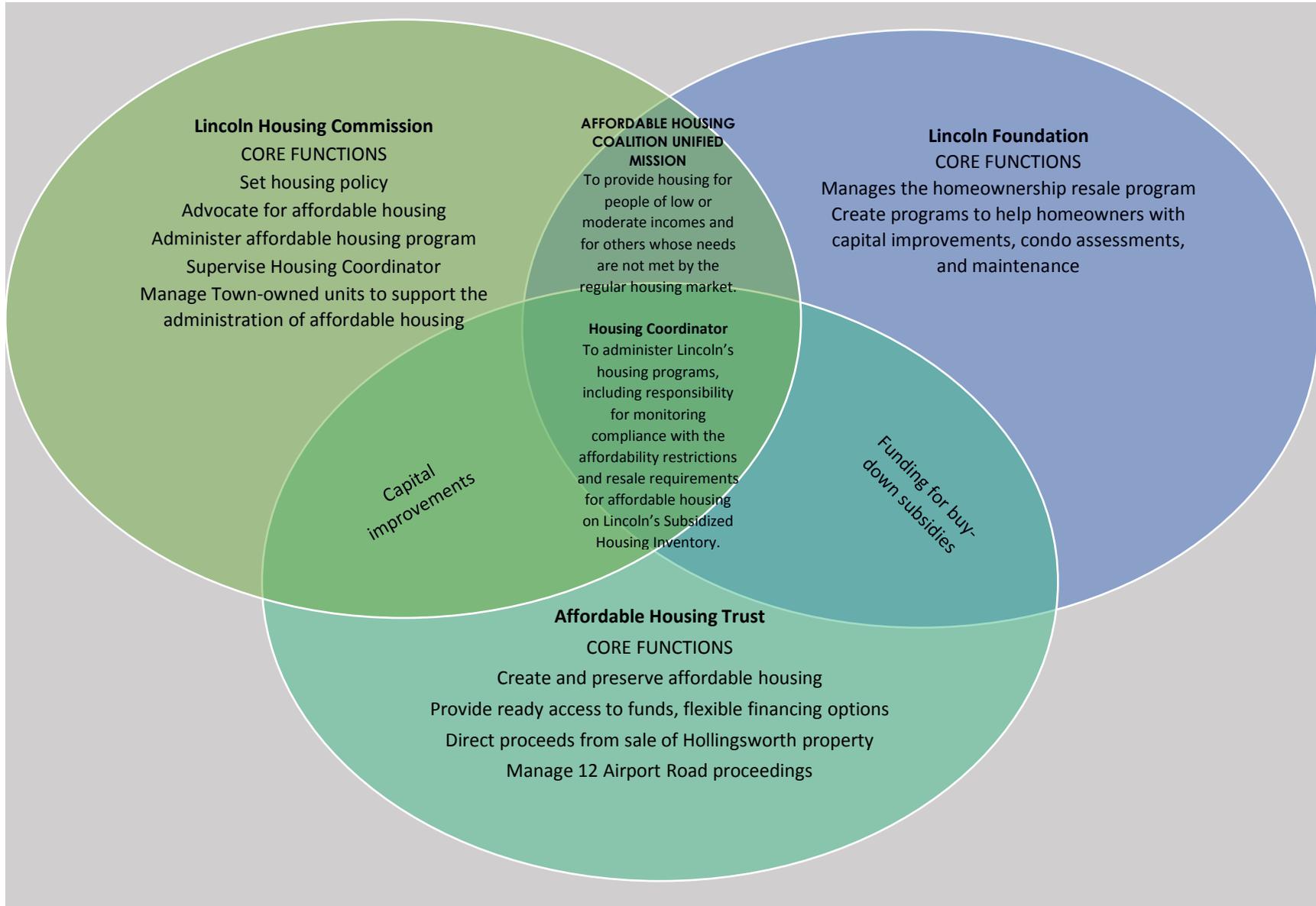
### **Asset Management Strategy**

To sustain and cultivate the affordable housing program, the Affordable Housing Coalition needs to develop and implement an Asset Management strategy to create a plan for addressing the continuing expenditures of the Housing Commission and the Lincoln Foundation. The Asset Management strategy also needs to address the assets in the Affordable Housing Trust, the six Town-owned rental units, and the coordination of requests for Community Preservation Act funds.

---

<sup>32</sup> See Appendix 4: Proposed Scope of Housing Services.

**FIGURE 15: AFFORDABLE HOUSING COALITION**



## GOALS and IMPLEMENTATION STRATEGIES

Maintaining local control over affordable housing development and maintaining the Town's Subsidized Housing Inventory above the ten percent threshold will give Lincoln the autonomy to craft and implement its own creative approaches to housing and to ensure that future development is compatible with Lincoln's rural character. To implement this Housing Plan, Lincoln will need to work toward the following goals:

- 1. Develop a proactive strategy for planning and developing a diverse housing supply for low- and moderate-income people and for people with incomes up to 150% of Area Median Income.**
- 2. Strengthen Lincoln's capacity to preserve, develop, and manage its affordable housing.**
- 3. Provide ongoing education about housing needs in Lincoln in order to build and maintain support for local initiatives.**

### GOAL 1

Develop a proactive strategy for planning and developing a diverse housing supply for low- and moderate-income people and for people with incomes up to 150% of Area Median Income.

#### **Subsidized Housing Production Strategies**

To maintain Lincoln's long-standing commitment to provide affordable housing that meets local needs in a manner that is consistent with the Comprehensive Plan, this Affordable Housing Plan promotes the following strategies:

- ❖ **Continue to seek affordable housing opportunities throughout the town, using techniques such as scattered site development, condominium buy-downs, and purchase or development of rental housing and group homes.**
- ❖ **Ensure that affordable housing is included in potential residential and mixed-use developments in the Lincoln Station area.**
- ❖ **Support the Lincoln Housing Commission in setting local targets and strategies to provide more affordable housing.**

## Coordinate Zoning and Planning

### Chapter 40R

Lincoln should consider development incentives such as M.G.L. c. 40R and c. 40S (smart growth legislation) to achieve the Town's housing goals. As state housing production laws, M.G.L. c. 40R & 40S encourage communities to create overlay districts for higher-density housing development in designated “smart growth” locations. The state defines areas eligible for Chapter 40R&S zoning as:

- ❖ areas near transit stations
- ❖ areas of concentrated development, including town and city centers, and other existing commercial districts in cities and towns
- ❖ areas served by existing infrastructure, existing underutilized facilities and/or transportation facilities
- ❖ areas with other characteristics that make them suitable for higher-density, mixed-use zoning

These statutes also provide monetary rewards and incentives for adoption of compatible zoning, while still allowing the Town control over design guidelines and approval requirements.<sup>33</sup>

### Strategies to Protect Small Houses

Encourage the retention and creation of smaller single-family homes in order to maintain a range of housing stock and affordability available to smaller households and those of young adults and seniors.

The demolition of smaller homes and replacement with much larger, more expensive homes diminishes housing opportunities. Lincoln still has some smaller homes that would be appropriate for young families and older residents who do not need or want a large house to maintain. Expanded efforts to preserve the remaining inventory of small houses could help Lincoln achieve its housing goals. Toward these ends, Lincoln should consider:

- ❖ Removing zoning obstacles to preserving smaller homes by allowing them to be relocated to other lots with existing residences on them for use as accessory dwelling units
- ❖ Exploring the possibility of tax incentives to preserve smaller homes and create affordable units

### Accessory Apartments

Encourage accessory apartments to provide both more options within the current housing stock and the resources for older residents on limited incomes to stay in their homes. Lincoln should consider:

---

<sup>33</sup> See Appendix 9: Resources for Affordable Housing and Preservation.

- ❖ Studying the special-act tax incentives in the Towns of Wellfleet and Provincetown, which offer a reduction in property taxes to landlords who agree to rent to low- or moderate-income tenants
- ❖ Providing administrative support to help landlords navigate DHCD rules and regulations

## GOAL 2

**Strengthen the capacity of Lincoln’s Affordable Housing Coalition to preserve, develop, and manage its affordable housing.**

### Preserving the Subsidized Housing Inventory

#### Systematic Monitoring

Essential to Lincoln's affordable housing program is the monitoring of existing affordable units through annual reviews of Town-owned rental units and homeownership units and through making sure private developers of affordable housing comply with annual monitoring. Monitoring will ensure that units remain on the SHI.

- ❖ **Battle Road Farm**

Monitor re-sales and re-financing to ensure that units remain affordable and eligible for the SHI.

- ❖ **The Commons**

Make sure The Commons does not change the use of the rental units and complies with annual monitoring to ensure compliance with the Regulatory Agreement and guarantee that all 30 rental units remain eligible for the SHI.

- ❖ **Hanscom Air Force Base**

Work collaboratively with the Board of Selectmen and other Town boards to ensure that the housing units at Hanscom Air Force Base do not become part of Lincoln’s year-round housing inventory as this would create a significant deficit in the Town’s SHI. Lincoln would need to provide 73 affordable units to offset the units at Hanscom Air Force Base.

- ❖ **Lincoln Woods**

Monitor affordable housing restriction at Lincoln Woods which expires in 2030.

### Professional Support

The duties of a housing coordinator range from conducting lotteries and maintaining a “Ready Buyer” list to monitoring affordability restrictions. Lincoln hoped to address some of these needs by engaging the Regional Housing Services Office (RHSO) in Sudbury, but the arrangement did not work out. Nevertheless, the needs that prompted Lincoln to join RHSO in the first place still exist. In the near term, the Housing Commission has resources it can use to hire a Housing Coordinator for a limited number of hours. Longer term, however, the Housing Commission, the Affordable

Housing Trust, and the Lincoln Foundation, should work together to determine the best way to fund a Housing Coordinator position.<sup>34</sup>

## Asset Management

To sustain and cultivate the affordable housing program, the Affordable Housing Coalition needs to develop an Asset Management strategy for the organization's assets and obligations. The plan needs to address the following questions:

- ❖ What are the short, medium, and long term costs of the affordable housing program?
- ❖ How can the Affordable Housing Coalition maximize the use of Community Preservation Act (CPA) funds?
- ❖ How often should the Asset Management Strategy be updated? How long should the plan cover, one, two, three years or longer?
- ❖ How does the legal authority of each entity of the Affordable Housing Coalition affect the management of assets? For example, the Trust has the ability to leverage property owned by the Trust, and the Trust can expend Federal and State housing grants. The Lincoln Foundation can expend funds for deferred maintenance or condo assessments, but the Housing Trust and the Housing Commission cannot do so. The Housing Commission controls the proceeds from rent of the six Town-owned units and uses them for routine maintenance of town-owned rental housing and to administer the Town policies and DHCD regulations of Lincoln's affordable housing program.

## GOAL 3

**Provide ongoing education about housing needs in Lincoln in order to build and maintain support for local initiatives.**

### Communication

To advance the Housing Plan goals, institute regular communication about affordable housing among Town boards and committees, including periodic meetings with the Board of Selectmen (whose meetings are televised).

### Public Outreach

The Affordable Housing Coalition should make annual or more frequent public reports on the implementation of this plan by using the Annual Town Report and committee reports for the State of the Town Meeting to review the Town's progress. If the Housing Plan needs to be amended between five-year updates, the Coalition should use the same avenues to inform the public.

---

<sup>34</sup> See Appendix 4: Proposed Scope of Housing Services.

## **Web Page**

Make public information and educational materials readily available by developing a Lincoln Housing web page on the Town's official website, providing local information as well as links to regional and state resources.

## **Regional Planning**

Lincoln should continue working with other towns, the Massachusetts Municipal Association (MMA), Citizens Housing and Planning Association (CHAPA) and the Metropolitan Area Planning Council (MAPC) to promote municipal sensitivity to DHCD's Chapter 40B regulations and guidelines.

# APPENDIX 1

## ACRONYMS

**AHC** – Affordable Housing Coalition

**AHT** – Affordable Housing Trust

**AMI** – Area Median Income

**COA** – Council on Aging

**CPA** - Community Preservation Act

**CPC** - Community Preservation Committee

**DHCD** - Department of Housing and Community Development

**HAFB** – Hanscom air Force Base

**HUD** - U.S. Department of Housing and Urban Development

**LF** – Lincoln Foundation

**RLF** – Rural Land Foundation

**SHI** – Subsidized Housing Inventory

## APPENDIX 2

### HISTORICAL TIME LINE OF AFFORDABLE HOUSING IN LINCOLN

**1968** The Lincoln Foundation organizes in November to “produce, maintain, operate, and finance housing in Lincoln.”

**1971** The Rural Land Foundation, a charitable trust founded in 1965 to combine conservation with development designed to creatively preserve open spaces, helps to purchase a large portion of the Codman estate for housing purposes.

**1976** Lincoln Woods opens with 125 units, half subsidized, half market rate.

**1978** The Selectmen appoint a Housing Committee that produces an inventory of housing in Lincoln, develops a list of housing needs, and recommends that Lincoln establish a Housing Commission (instead of a Housing Authority).

**1979** Lincoln creates the Housing Commission.

**1986** Special June Town Meeting appropriates \$2,000,000 to purchase 31 acres of McHugh property in North Lincoln for potential development of affordable housing.

**1988** Housing Commission submits its Five-Year Housing Plan for the Town, which includes an account of current housing stock and an assessment of needs for affordable housing, to the Executive Office of Communities and Development (E.O.C.D.).

**1988** The Town leases 30 Sunnyside Lane from the State and a tenant begins occupancy.

**1989** Battle Road Farm Phase I is complete.

**1991** Battle Road Farm Phase II is complete.

**1992** St. Joseph's Church initiates the Ryan Estates development, which offers elders 24 luxury condominiums with an assisted living component. Although Ryan Estates offers two “moderate rate” units, these do not officially qualify as affordable housing because their moderate rates are above the affordable moderate rate limitations.

**1996** Battle Road Farm Phase III completed.

**1997** Codman farmhouse leases to Codman Community Farm for use as housing by their farmers.

**2000** Lincoln Housing Commission begins negotiations with the State for the purchase of 30 Sunnyside Lane.

**2000** Community Preservation Act is enacted by the State legislature and signed by the governor.

**2001** Five Town-owned housing units, the Sunnyside Lane house, and two homes under in perpetuity deed restrictions are accepted as "affordable" by the State under the Local Initiative Program.

**2002** The Lincoln Housing Commission negotiates with the State for the purchase of three state-owned undeveloped acres surrounding 30 Sunnyside Lane.

**2003** The Lincoln Housing Task Force, produces a Consolidated Housing Plan for Lincoln.

**2003** Lincoln begins participating in the Community Preservation Act program.

**2006** Town Meeting votes to create the Affordable Housing Trust (AHT) to hold funds, creating flexibility to respond to market opportunities to acquire land or buildings for the purpose of creating affordable housing.

**2007** Three additional units of affordable housing are built on Sunnyside Lane. One of these units is handicapped accessible. The building of these properties are funded with Community Preservation Act (CPA) funds, as well as with donations from the Codman Trust and the Lincoln Foundation.

**2007** The Commons has its official groundbreaking adding 30 units of affordable housing. In addition to the rental units, The Commons meets an identified need for elderly housing with some assisted living options.

**2008** The Town uses CPA funds to reduce the price of two units at Minuteman Commons. The special permit for this project had required the developer to designate six units as affordable. The buy downs bring the total affordable units at Minuteman Commons to eight units.

**2008** Town Meeting authorizes \$900,000 of CPA money to fund the Affordable Housing Trust. Since that time, the AHT has contributed 11 units of affordable housing.

**2008** Two group homes for handicapped citizens relocate to Lincoln, resulting in the addition of nine units to the Subsidized Housing Inventory. CPA funds contributes to the purchase and renovations of these homes in the form of second mortgages.

**2010** A local resident donates her home on Huntley Lane to NuPath to be used as a five-bedroom group home.

**2011** The Affordable Housing Trust purchases 12 Airport Road.

**2012** The Hollingsworth Property is under agreement with the proceeds to go to the Affordable Housing Trust.

**2013** The Housing Commission renovates 30 Sunnyside Lane using HOME Funds.

**2013** The Commons applies for a special permit to begin Phase II. Phase II will have 40 units of assisted living to be counted as year-round housing units in addition to a 25-bed nursing home and a 25-bed memory care unit. The Housing Commission and the Planning Board negotiate a \$500,000 donation to Lincoln's Affordable Housing Trust.

## APPENDIX 3

### ORGANIZATIONS IN LINCOLN AFFORDABLE HOUSING COALITION

FIGURE 16: ORGANIZATIONS	HOUSING COMMISSION	HOUSING TRUST	LINCOLN FOUNDATION
<b>Established</b>	<b>1979</b>	<b>2006</b>	<b>1968</b>
<b>Enabling Act</b>	November 5, 1979 STM, Article 11; Chapter 359, Acts of 1979	March 2006 ATM, Article 24, G.L. c. 44, § 55C	Organized under 501 c(4) of the Federal Tax Code as a social service provider
<b>Mission</b>	To provide housing for persons of low and moderate income and others whose needs may be identified from time to time	Creation and preservation of affordable housing	To promote, develop, and finance housing diversity in Lincoln as part of the Town's rural heritage
<b>Membership</b>	5 members: 3 elected, 1 Selectmen appointed, 1 appointed by Commonwealth, and liaison from the COA	6 members appointed by Selectmen; 1 must be a Selectman; Board appoints 1 each from Housing Com., Finance Com., Lincoln Foundation, and (2) At-Large	Members selected by the Lincoln Foundation board
<b>Primary Roles</b>	Set housing policy. Advocate for affordable housing. Manage town-owned units. Administer Affordable Housing Program. Includes responsibility for monitoring of rental developments, town owned units and home ownership units	To provide ready access to funds and more flexible financing options	Advocate for Affordable Housing. Management of homeownership resale program. Create programs to help homeowners with capital improvements, condo assessments and maintenance
<b>Authority</b>	Broad-based authority to create and promote affordable housing: acquire, sell, rent and/or manage property; construct, renovate, reconstruct buildings; receive grants or gifts; is lead local agency for state programs	Broad-based authority to create and preserve affordable housing: Has all of the authorities vested in the Housing Commission but may also hold, invest and borrow money and may spend funds without appropriation by the town	May receive, invest and expend funds in pursuit of housing programs. Is not obligated to adhere to municipal bid and wage laws
<b>Limitations on Authority</b>	Cannot spend money without vote of the town. Has no authority to bond. Does not have eminent domain powers. Must comply with municipal bidding and prevailing wage laws	Must comply with municipal bidding and prevailing wage laws	

# APPENDIX 4

## PROPOSED SCOPE of HOUSING SERVICES

### 1. Monitoring

- Perform annual monitoring of ownership units through self-declarations
- Follow through on home owners who have received financing without permission from the Town or DHCD
- Perform annual monitoring of rental developments through compliance reports from monitoring agents
- Perform annual monitoring of town owned rental units
- Prepare leases and return money on security deposit

### 2. Subsidized Housing Inventory administration

- Reconcile all projects with the Subsidized Housing Inventory maintained by the Department of Housing and Community Development and the records maintained by the municipality
- Resolve discrepancies
- Add new units to the inventory as required

### 3. Local Support

- Meet on-site with staff and housing entities
- Consult on projects
- Review project documents
- Prepare proposals for supplemental services as needed

### 4. Creation of New Management Structures

- Create Monitoring Database of Affordable Housing Developments, their recorded restrictions, monitoring agents, and residents
- Create Ready-buyer list
- Create Ready-renter list
- Perform Annual Ready Buyer and Ready Renter List Maintenance

### 5. Rental and Sales Agent

- Administer Tenant Selection Plan
- Administer Re-Sales of Home Ownership Units

### 6. Administration of Home Ownership Program

- Help Home Owners with Re-financing

## APPENDIX 5

### 2010 Census data for ZIP Code 01773

POPULATION BY SEX AND AGE		
<b>Total 2010 Census Population for ZIP Code 01773</b>	<b>5,112</b>	<b>100.0%</b>
<b>Under 5 years</b>	<b>204</b>	<b>4.0%</b>
<b>5 to 9 years</b>	<b>302</b>	<b>5.9%</b>
<b>10 to 14 years</b>	<b>437</b>	<b>8.5%</b>
<b>15 to 19 years</b>	<b>347</b>	<b>6.8%</b>
<b>20 to 24 years</b>	<b>120</b>	<b>2.3%</b>
<b>25 to 29 years</b>	<b>118</b>	<b>2.3%</b>
<b>30 to 34 years</b>	<b>119</b>	<b>2.3%</b>
<b>35 to 39 years</b>	<b>204</b>	<b>4.0%</b>
<b>40 to 44 years</b>	<b>315</b>	<b>6.2%</b>
<b>45 to 49 years</b>	<b>456</b>	<b>8.9%</b>
<b>50 to 54 years</b>	<b>482</b>	<b>9.4%</b>
<b>55 to 59 years</b>	<b>490</b>	<b>9.6%</b>
<b>60 to 64 years</b>	<b>442</b>	<b>8.6%</b>
<b>65 to 69 years</b>	<b>345</b>	<b>6.7%</b>
<b>70 to 74 years</b>	<b>213</b>	<b>4.2%</b>
<b>75 to 79 years</b>	<b>216</b>	<b>4.2%</b>
<b>80 to 84 years</b>	<b>166</b>	<b>3.2%</b>
<b>85 years and over</b>	<b>136</b>	<b>2.7%</b>
<b>Median age (years)</b>	<b>49.3</b>	<b>( X )</b>
<b>16 years and over</b>	<b>4,086</b>	<b>79.9%</b>
<b>18 years and over</b>	<b>3,901</b>	<b>76.3%</b>
<b>21 years and over</b>	<b>3,800</b>	<b>74.3%</b>
<b>62 years and over</b>	<b>1,346</b>	<b>26.3%</b>
<b>65 years and over</b>	<b>1,076</b>	<b>21.0%</b>
<b>Male population of ZIP Code 01773</b>	<b>2,452</b>	<b>48.0%</b>
<b>Under 5 years</b>	<b>104</b>	<b>2.0%</b>
<b>5 to 9 years</b>	<b>145</b>	<b>2.8%</b>
<b>10 to 14 years</b>	<b>223</b>	<b>4.4%</b>
<b>15 to 19 years</b>	<b>187</b>	<b>3.7%</b>
<b>20 to 24 years</b>	<b>54</b>	<b>1.1%</b>
<b>25 to 29 years</b>	<b>64</b>	<b>1.3%</b>
<b>30 to 34 years</b>	<b>56</b>	<b>1.1%</b>
<b>35 to 39 years</b>	<b>91</b>	<b>1.8%</b>
<b>40 to 44 years</b>	<b>141</b>	<b>2.8%</b>
<b>45 to 49 years</b>	<b>200</b>	<b>3.9%</b>
<b>50 to 54 years</b>	<b>221</b>	<b>4.3%</b>

<b>55 to 59 years</b>	<b>232</b>	<b>4.5%</b>
<b>60 to 64 years</b>	<b>207</b>	<b>4.0%</b>
<b>65 to 69 years</b>	<b>173</b>	<b>3.4%</b>
<b>70 to 74 years</b>	<b>101</b>	<b>2.0%</b>
<b>75 to 79 years</b>	<b>104</b>	<b>2.0%</b>
<b>80 to 84 years</b>	<b>89</b>	<b>1.7%</b>
<b>85 years and over</b>	<b>60</b>	<b>1.2%</b>
<b>Median age (years)</b>	<b>49.1</b>	<b>( X )</b>
<b>16 years and over</b>	<b>1,930</b>	<b>37.8%</b>
<b>18 years and over</b>	<b>1,833</b>	<b>35.9%</b>
<b>21 years and over</b>	<b>1,782</b>	<b>34.9%</b>
<b>62 years and over</b>	<b>648</b>	<b>12.7%</b>
<b>65 years and over</b>	<b>527</b>	<b>10.3%</b>
<b>Female population of ZIP Code 01773</b>	<b>2,660</b>	<b>52.0%</b>
<b>Under 5 years</b>	<b>100</b>	<b>2.0%</b>
<b>5 to 9 years</b>	<b>157</b>	<b>3.1%</b>
<b>10 to 14 years</b>	<b>214</b>	<b>4.2%</b>
<b>15 to 19 years</b>	<b>160</b>	<b>3.1%</b>
<b>20 to 24 years</b>	<b>66</b>	<b>1.3%</b>
<b>25 to 29 years</b>	<b>54</b>	<b>1.1%</b>
<b>30 to 34 years</b>	<b>63</b>	<b>1.2%</b>
<b>35 to 39 years</b>	<b>113</b>	<b>2.2%</b>
<b>40 to 44 years</b>	<b>174</b>	<b>3.4%</b>
<b>45 to 49 years</b>	<b>256</b>	<b>5.0%</b>
<b>50 to 54 years</b>	<b>261</b>	<b>5.1%</b>
<b>55 to 59 years</b>	<b>258</b>	<b>5.0%</b>
<b>60 to 64 years</b>	<b>235</b>	<b>4.6%</b>
<b>65 to 69 years</b>	<b>172</b>	<b>3.4%</b>
<b>70 to 74 years</b>	<b>112</b>	<b>2.2%</b>
<b>75 to 79 years</b>	<b>112</b>	<b>2.2%</b>
<b>80 to 84 years</b>	<b>77</b>	<b>1.5%</b>
<b>85 years and over</b>	<b>76</b>	<b>1.5%</b>
<b>Median age (years)</b>	<b>49.4</b>	<b>( X )</b>
<b>16 years and over</b>	<b>2,156</b>	<b>42.2%</b>
<b>18 years and over</b>	<b>2,068</b>	<b>40.5%</b>
<b>21 years and over</b>	<b>2,018</b>	<b>39.5%</b>
<b>62 years and over</b>	<b>698</b>	<b>13.7%</b>
<b>65 years and over</b>	<b>549</b>	<b>10.7%</b>

<b>POPULATION BY RACE FOR ZIP Code 01773</b>		
<b>What is the Population of ZIP Code 01773</b>	<b>5,112</b>	<b>100.0%</b>
<b>One Race</b>	<b>4,999</b>	<b>97.8%</b>
<b>White</b>	<b>4,546</b>	<b>88.9%</b>
<b>Black or African American</b>	<b>107</b>	<b>2.1%</b>
<b>American Indian and Alaska Native</b>	<b>4</b>	<b>0.1%</b>
<b>Asian</b>	<b>307</b>	<b>6.0%</b>
<b>Asian Indian</b>	<b>60</b>	<b>1.2%</b>
<b>Chinese</b>	<b>160</b>	<b>3.1%</b>
<b>Filipino</b>	<b>5</b>	<b>0.1%</b>
<b>Japanese</b>	<b>14</b>	<b>0.3%</b>
<b>Korean</b>	<b>23</b>	<b>0.4%</b>
<b>Vietnamese</b>	<b>14</b>	<b>0.3%</b>
<b>Other Asian [1]</b>	<b>31</b>	<b>0.6%</b>
<b>Native Hawaiian and Other Pacific Islander</b>	<b>3</b>	<b>0.1%</b>
<b>Native Hawaiian</b>	<b>0</b>	<b>0.0%</b>
<b>Guamanian or Chamorro</b>	<b>0</b>	<b>0.0%</b>
<b>Samoan</b>	<b>0</b>	<b>0.0%</b>
<b>Other Pacific Islander [2]</b>	<b>3</b>	<b>0.1%</b>
<b>Some Other Race</b>	<b>32</b>	<b>0.6%</b>
<b>Two or More Races</b>	<b>113</b>	<b>2.2%</b>
<b>White; American Indian and Alaska Native [3]</b>	<b>16</b>	<b>0.3%</b>
<b>White; Asian [3]</b>	<b>64</b>	<b>1.3%</b>
<b>White; Black or African American [3]</b>	<b>12</b>	<b>0.2%</b>
<b>White; Some Other Race [3]</b>	<b>10</b>	<b>0.2%</b>
<b>Race alone or in combination with one or more other races: [4]</b>		
<b>White</b>	<b>4,651</b>	<b>91.0%</b>
<b>Black or African American</b>	<b>124</b>	<b>2.4%</b>
<b>American Indian and Alaska Native</b>	<b>23</b>	<b>0.4%</b>
<b>Asian</b>	<b>377</b>	<b>7.4%</b>
<b>Native Hawaiian and Other Pacific Islander</b>	<b>6</b>	<b>0.1%</b>
<b>Some Other Race</b>	<b>45</b>	<b>0.9%</b>
<b>HISPANIC OR LATINO POPULATION FOR ZIP Code 01773</b>		
<b>Total population</b>	<b>5,112</b>	<b>100.0%</b>
<b>Hispanic or Latino (of any race)</b>	<b>126</b>	<b>2.5%</b>
<b>Mexican</b>	<b>25</b>	<b>0.5%</b>
<b>Puerto Rican</b>	<b>16</b>	<b>0.3%</b>
<b>Cuban</b>	<b>17</b>	<b>0.3%</b>
<b>Other Hispanic or Latino [5]</b>	<b>68</b>	<b>1.3%</b>
<b>Not Hispanic or Latino</b>	<b>4,986</b>	<b>97.5%</b>

<b>HISPANIC OR LATINO AND RACE</b>		
<b>Total population</b>	<b>5,112</b>	<b>100.0%</b>
<b>Hispanic or Latino</b>	<b>126</b>	<b>2.5%</b>
<b>White alone</b>	<b>93</b>	<b>1.8%</b>
<b>Black or African American alone</b>	<b>11</b>	<b>0.2%</b>
<b>American Indian and Alaska Native alone</b>	<b>0</b>	<b>0.0%</b>
<b>Asian alone</b>	<b>1</b>	<b>0.0%</b>
<b>Native Hawaiian and Other Pacific Islander alone</b>	<b>0</b>	<b>0.0%</b>
<b>Some Other Race alone</b>	<b>13</b>	<b>0.3%</b>
<b>Two or More Races</b>	<b>8</b>	<b>0.2%</b>
<b>Not Hispanic or Latino</b>	<b>4,986</b>	<b>97.5%</b>
<b>White alone</b>	<b>4,453</b>	<b>87.1%</b>
<b>Black or African American alone</b>	<b>96</b>	<b>1.9%</b>
<b>American Indian and Alaska Native alone</b>	<b>4</b>	<b>0.1%</b>
<b>Asian alone</b>	<b>306</b>	<b>6.0%</b>
<b>Native Hawaiian and Other Pacific Islander alone</b>	<b>3</b>	<b>0.1%</b>
<b>Some Other Race alone</b>	<b>19</b>	<b>0.4%</b>
<b>Two or More Races</b>	<b>105</b>	<b>2.1%</b>
<b>RELATIONSHIP</b>		
<b>The Population of ZIP Code 01773</b>	<b>5,112</b>	<b>100.0%</b>
<b>In households</b>	<b>5,111</b>	<b>100.0%</b>
<b>Householder</b>	<b>2,052</b>	<b>40.1%</b>
<b>Spouse [6]</b>	<b>1,294</b>	<b>25.3%</b>
<b>Child</b>	<b>1,466</b>	<b>28.7%</b>
<b>Own child under 18 years</b>	<b>1,180</b>	<b>23.1%</b>
<b>Other relatives</b>	<b>144</b>	<b>2.8%</b>
<b>Under 18 years</b>	<b>27</b>	<b>0.5%</b>
<b>65 years and over</b>	<b>58</b>	<b>1.1%</b>
<b>Nonrelatives</b>	<b>155</b>	<b>3.0%</b>
<b>Under 18 years</b>	<b>4</b>	<b>0.1%</b>
<b>65 years and over</b>	<b>17</b>	<b>0.3%</b>
<b>Unmarried partner</b>	<b>75</b>	<b>1.5%</b>
<b>In group quarters</b>	<b>1</b>	<b>0.0%</b>
<b>Institutionalized population</b>	<b>0</b>	<b>0.0%</b>
<b>Male</b>	<b>0</b>	<b>0.0%</b>
<b>Female</b>	<b>0</b>	<b>0.0%</b>
<b>Noninstitutionalized population</b>	<b>1</b>	<b>0.0%</b>
<b>Male</b>	<b>0</b>	<b>0.0%</b>
<b>Female</b>	<b>1</b>	<b>0.0%</b>

<b>HOUSEHOLDS BY TYPE</b>		
<b>Total households for ZIP Code 01773</b>	<b>2,052</b>	<b>100.0%</b>
<b>Family households (families) [7]</b>	<b>1,490</b>	<b>72.6%</b>
<b>With own children under 18 years</b>	<b>648</b>	<b>31.6%</b>
<b>Husband-wife family</b>	<b>1,294</b>	<b>63.1%</b>
<b>With own children under 18 years</b>	<b>544</b>	<b>26.5%</b>
<b>Male householder, no wife present</b>	<b>59</b>	<b>2.9%</b>
<b>With own children under 18 years</b>	<b>28</b>	<b>1.4%</b>
<b>Female householder, no husband present</b>	<b>137</b>	<b>6.7%</b>
<b>With own children under 18 years</b>	<b>76</b>	<b>3.7%</b>
<b>Nonfamily households [7]</b>	<b>562</b>	<b>27.4%</b>
<b>Householder living alone</b>	<b>488</b>	<b>23.8%</b>
<b>Male</b>	<b>174</b>	<b>8.5%</b>
<b>65 years and over</b>	<b>73</b>	<b>3.6%</b>
<b>Female</b>	<b>314</b>	<b>15.3%</b>
<b>65 years and over</b>	<b>151</b>	<b>7.4%</b>
<b>Households with individuals under 18 years</b>	<b>663</b>	<b>32.3%</b>
<b>Households with individuals 65 years and over</b>	<b>750</b>	<b>36.5%</b>
<b>Average household size of ZIP Code 01773</b>	<b>2.49</b>	<b>( X )</b>
<b>Average family size for ZIP Code 01773 [7]</b>	<b>2.95</b>	<b>( X )</b>
<b>HOUSING OCCUPANCY</b>		
<b>Total housing units</b>	<b>2,154</b>	<b>100.0%</b>
<b>Occupied housing units</b>	<b>2,052</b>	<b>95.3%</b>
<b>Vacant housing units</b>	<b>102</b>	<b>4.7%</b>
<b>For rent</b>	<b>11</b>	<b>0.5%</b>
<b>Rented, not occupied</b>	<b>0</b>	<b>0.0%</b>
<b>For sale only</b>	<b>31</b>	<b>1.4%</b>
<b>Sold, not occupied</b>	<b>12</b>	<b>0.6%</b>
<b>For seasonal, recreational, or occasional use</b>	<b>26</b>	<b>1.2%</b>
<b>All other vacants</b>	<b>22</b>	<b>1.0%</b>
<b>Homeowner vacancy rate (percent) [8]</b>	<b>1.8</b>	<b>( X )</b>
<b>Rental vacancy rate (percent) [9]</b>	<b>3.2</b>	<b>( X )</b>

<b>HOUSING TENURE</b>		
<b>Occupied housing units</b>	<b>2,052</b>	<b>100.0%</b>
<b>Owner-occupied housing units</b>	<b>1,718</b>	<b>83.7%</b>
<b>Population in owner-occupied housing units</b>	<b>4,436</b>	<b>( X )</b>
<b>Average household size of owner-occupied units</b>	<b>2.58</b>	<b>( X )</b>
<b>Renter-occupied housing units</b>	<b>334</b>	<b>16.3%</b>
<b>Population in renter-occupied housing units</b>	<b>675</b>	<b>( X )</b>
<b>Average household size of renter-occupied units</b>	<b>2.02</b>	<b>( X )</b>

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

**Source: U.S. Census Bureau, 2010 Census.**

## APPENDIX 6

### FY 2013 Income Limits Summary

Lincoln town, Massachusetts										
FY 2013 Income Limit Area	Median Income	FY 2013 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Lincoln town	\$94,400	Very Low (50%) Income Limits	\$33,050	\$37,800	\$42,500	\$47,200	\$51,000	\$54,800	\$58,550	\$62,350
		Extremely Low (30%) Income Limits	\$19,850	\$22,650	\$25,500	\$28,300	\$30,600	\$32,850	\$35,100	\$37,400
		Low (80%) Income Limits	\$47,150	\$53,900	\$60,650	\$67,350	\$72,750	\$78,150	\$83,550	\$88,950

NOTE: Lincoln town is part of the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area, so all information presented here applies to all of the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area.

### FY 2013 Median Family Income Calculation Methodology

Estimates of median family income for metropolitan and non-metropolitan areas are developed as follows:

1. 2006-2010 ACS estimates of median family income calculated by the Census Bureau for HUD's Fair Market Rent and Income Limit areas are used as the basis for FY 2013.
2. In areas where the 2010 5-year ACS estimate is smaller than the reported margin of error, the state non-metro estimate of median family income is used.
3. In areas where there is a 2010 1-year ACS estimate of median family income that exceeds its margin of error, the 1-year ACS estimate becomes the basis for median family income.
4. Once the appropriate 2010 ACS data has been selected, the data are set as of December 2011 using the December national CPI value divided by the 2010 National CPI value.
5. All estimates are then trended from December 2011 to April 2013 (1 ¼ year) with a trending factor of 1.66% per year. The trend factor is calculated as the annual growth rate in the national 1-year estimate of median family income between the 2005 and 2010 American Community Surveys.

Lincoln town, MA has published local area 1-year 2010 ACS Survey results.

## APPENDIX 7

### Land Area Minimum Calculation for Lincoln

Chapter 40B, §20 permits towns to deny 40B applications when 1.5% of the town’s land area is used for affordable housing. The criteria for meeting land area minimum is stated in 760 CMR 56.03 (3) (b). Land area minimum is calculated by deducting unavailable land from the town’s total land area: U.S. Government land, State, County and town land; open water, deeded conservation land and 100 Yr FEMA Flood Plain. The next step is to calculate the affordable land area.<sup>35</sup>

Land Area Minimum can only be presented to DHCD for certification after a town’s Subsidized Housing Inventory falls below the 10% minimum and the local Zoning Board denies a 40B permit. Although Lincoln *may* be eligible to assert this defense the certification process is subject to challenge by the Applicant and DHCD. In addition, the Zoning Board has the burden of proving to the Applicant and DHCD that Lincoln has achieved Land Area Minimum. The 40B Comprehensive Permit process timeline is designed to enable developers to quickly and efficiently attain a Comprehensive Permit within 60 days of the opening hearing of the permit. The process of certifying Land Area Minimum is uncertain and Lincoln should not rely on this calculation to deny a 40B permit.

FIGURE 17: LAND AREA MINIMUM	
Land	Land Area
Total Lincoln Land Area (excluding public roads)	9,256
Owned by Town of Lincoln	-1,897
Town owned affordable housing	68
Owned by the United States of America	-838
Owned by the City of Cambridge	-452
Owned by the Commonwealth of Massachusetts	-216
Owned by the Town of Concord	-7
Conservation Deeds and Conservation Restrictions	-1,332
Open Water	-94
100 year FEMA Flood Plain	-191
Parcels Classified an Unbuildable	-140
<b>Total Available Land</b>	<b>4,157</b>
<b>1.5% of Available Land</b>	<b>62</b>

<sup>35</sup> See Appendix 7 for Land Area Minimum Calculation

**FIGURE 18: AFFORDABLE LAND AREA MINIMUM**

<b>Project Name</b>	<b>Location</b>	<b>Type</b>	<b>Total Land Area</b>	<b>Total Units</b>	<b>SHI Units</b>	<b>Eligible Land Area</b>
<b>Battle Road Farms</b>	Old Bedford Road	Ownership	19.28	120	48	7.71
<b>Lincoln Woods</b>	50 Wells Rd	Rental	20.14	125	125	20.14
<b>Old Concord Turnpike Units</b>	Old Concord Tnpke	Ownership	1.4	2	2	1.4
<b>DDS Group Homes</b>	Various	Rental	3.15	13	13	3.15
<b>Tower Road Units</b>	65-75 Tower Road	Rental	16.33	2	2	16.33
<b>Codman Farm Farm-house</b>	Codman Road	Rental	19.1	2	2	19.1
<b>Pierce House Unit</b>	Weston Road	Rental	30.91	1	1	30.91
<b>Geenridge</b>	Greenridge	Ownership	6.37	36	1	.18
<b>Minuteman Commons</b>	82 Virginia Road	Ownership	3.7	32	8	.93
<b>The Commons Apartments</b>	17-19 Cambridge Turnpike	Rental	2.95	30	30	2.95
<b>Sunnyside Lane</b>	26-30 Sunnyside Lane	Rental	2.17	4	4	2.17
<b>McCart Realty Trust</b>	Lewis Street	Rental	0.5	8	8	0.5
<b>Affordable Land Area</b>						<b>105</b>
<b>Actual 1.5% of Land Area = 62 Acres</b>						

## APPENDIX 8

### GLOSSARY

**Affirmative Marketing Plan.** A plan that meets the fair housing and non-discrimination requirements of the Department of Housing and Community Development (DHCD) for marketing affordable housing units. Such plan typically provides for a lottery and outreach to populations protected under the federal Fair Housing Act of 1968, as amended. The plan must be designed to prevent housing discrimination on the basis of race, creed, color, national origin, sex, age, disability, familial status, sexual orientation, or any other legally protected class under state or federal law.

**Affordable Housing.** As used in this plan, "affordable housing" is synonymous with the Department of Housing and Community Development's (DHCD) definition of low- and moderate-income housing, i.e., housing affordable and available to households earning no more than 80 percent of area median income at a monthly housing cost that does not exceed 30 percent of their monthly gross income. (See also, Very Low Income, Low Income, and Moderate Income.)

**Area Median Income (AMI).** The median family income, adjusted for household size, within a given metropolitan or non-metropolitan area, updated annually by HUD and used to determine eligibility for most housing assistance programs. For Lincoln, this means the Boston-Cambridge-Quincy Fair Market Rent Area (HUD HMFA), which is very similar to the Boston-Cambridge-Quincy Metropolitan Statistical Area.

**Chapter 40A. G.L. c. 40A,** the state Zoning Act. The current version of the Zoning Act was adopted in 1975 (1975 Mass. Acts 808).

**Chapter 40B. G.L. c. 40B, § 20-23 (1969 Mass. Acts 774),** the state law administered locally by the Zoning Board of Appeals (ZBA) in order to create affordable housing. It provides eligible developers with a unified permitting process that subsumes all permits normally issued by multiple town boards. Chapter 40B establishes a basic presumption at least 10 percent of the housing in each city and town should be affordable to low- or moderate-income households. In communities that fall below the 10 percent statutory minimum, affordable housing developers aggrieved by a decision of the ZBA can appeal to the state Housing Appeals Committee (HAC), which in turn has authority to uphold or reverse the ZBA's decision.

**Chapter 40R. G.L. c. 40R (2004 Mass. Acts 149, s. 92),** a state law that provides for overlay districts with variable densities for residential development and multi-family housing by right (subject to site plan review). At least 25 percent of the units in a Chapter 40R district have to be affordable to low- or moderate-income people. In the Greater Boston area, Belmont, Natick, Lynnfield, and Marblehead are examples of towns that have established Chapter 40R overlay districts.

**Chapter 44B. G.L. c. 44B (2000 Mass. Acts 267),** the Community Preservation Act, allows communities to establish a Community Preservation Fund for open space, historic preservation, and community housing by imposing a surcharge of up to 3 percent on local property tax bills. The state provides matching funds (or a partial match) from the Community Preservation Trust Fund, generated from Registry of Deeds fees.

**Community Development Block Grant (CDBG).** Under the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5300 et seq.), the U.S. Department of Housing and Urban Development (HUD) makes funds available each year for cities with populations of 50,000 or more ("entitlement communities") and each of the fifty states (the Small Cities or "non-entitlement" program). CDBG can be used to support a variety of housing and community development activities provided they meet one of three "national objectives" established by Congress. Housing activities are usually designed to meet the national objective of providing benefits to low- or moderate-income people. Funds may be used for housing rehabilitation, redevelopment of existing properties for residential purposes (in some cases), making site improvements to publicly owned land in order to support the construction of new housing, interest rate and mortgage principal subsidies, and downpayment and closing cost assistance. As a "non-entitlement community," Lincoln can seek CDBG funds only by applying to DHCD. The state program is guided by a five-year Consolidated Plan and One-Year Action Plans required by HUD.

**Community Housing.** As defined under Chapter 44B, "community housing" includes housing affordable and available to (a) households with incomes at or below 80 percent AMI and (b) between 81 percent and 100 percent AMI.

**Comprehensive Permit.** The unified permit authorized by Chapter 40B for affordable housing development.

**Consolidated Plan.** A five-year plan prepared by CDBG entitlement recipients and Participating Jurisdictions under the HOME Program. The purpose of the plan is to document and analyze housing market conditions, affordable housing needs, homelessness and disability housing needs, and non-housing community development needs in the city or state that receives federal housing and community development funds and design a strategy to address those needs using federal, state, local, and private resources. Grant recipients also have to prepare one-year action plans showing how each year's funding will be used in a manner consistent with the five-year Consolidated Plan.

Department of Housing and Community Development (DHCD). The state's lead housing agency, originally known as the Department of Community Affairs (DCA). DHCD oversees state-funded public housing and administers rental assistance programs, the state allocation of CDBG and HOME funds, various state-funded affordable housing development programs, and the Community Services Block Grant (CSBG) Program. DHCD also oversees the administration of Chapter 40B.

**Extremely Low Income. See Very Low Income.**

**Fair Housing Act, Federal.** Established under Title VII of the 1968 Civil Rights Act, the federal Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability.

**Fair Housing Law, Massachusetts. G.L. c. 151B (1946),** the state Fair Housing Act prohibits housing discrimination on the basis of race, color religious creed, national origin, sex, sexual orientation, age, children, ancestry, marital status, veteran history, public assistance reciprocity, or physical or mental disability.

**Fair Market Rent (FMR).** A mechanism used by HUD to control costs in the Section 8 rental assistance program. HUD sets FMRs annually for metropolitan and non-metropolitan housing market areas

(more than 2,500 FMR areas nationally). The FMR is the 40th percentile of gross rents for typical, non-standard rental units occupied by recent movers in a local housing market. (See 24 CFR 888.)

**Family.** A household of two or more people related by blood, marriage, or adoption.

**Gross Rent.** Gross rent is the sum of the rent paid to the owner plus any utility costs incurred by the tenant. Utilities include electricity, gas, water and sewer, and trash removal services but not telephone service. If the owner pays for all utilities, then gross rent equals the rent paid to the owner.

**Group Home. A type of congregate housing for people with disabilities; usually a single-family home.**

**Inclusionary Zoning.** A zoning ordinance or bylaw that encourages or requires developers to build affordable housing in their developments or provide a comparable public benefit, such as providing affordable units in other locations ("off-site units") or paying fees in lieu of units to an affordable housing trust fund.

**Infill Development.** Construction on vacant lots or underutilized land in established neighborhoods and commercial centers.

**HOME Investment Partnership Program (HOME).** A HUD-administered formula grant program that supports the creation and preservation of housing for low- or moderate-income people. Authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended, HOME provides funding to states, larger cities, and groups of contiguous communities that form a consortium for the purpose of qualifying as a "Participating Jurisdiction," or "PJ," which is similar to a CDBG entitlement recipient. Lincoln is part of the West Metro HOME Consortium, administered by the City of Newton. HOME funds can be used for home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers, construction or rehabilitation of housing for rent or ownership, or site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and relocation expenses. PJs may also use HOME funds for tenant-based rental assistance contracts of up to two years if doing so is consistent with their Consolidated Plan and justified under local market conditions. Up to 10 percent of the PJ's annual allocation may be used for program planning and administration.

**Household.** One or more people forming a single housekeeping unit and occupying the same housing unit.

**Housing Appeals Committee (HAC).** A body that adjudicates disputes under Chapter 40B. The Director of DHCD appoints three members to the HAC.

**Housing Authority. Authorized under G.L. 121B,** a public agency that develops and operates rental housing for very low-income and low-income households.

**Housing Cost, Monthly.** For homeowners, monthly housing cost is the sum of principal and interest payments, property taxes, and insurance, and where applicable, homeowners association or condominium fees. For renters, monthly housing cost includes rent and basic utilities (oil/gas, electricity).

**Housing Unit.** As defined by the Census Bureau, a housing unit may be a house, an apartment, a group of rooms, or a single room that is occupied (or, if vacant, intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other

individuals in the building and which have direct access from outside the building or through a common hall.

**HUD.** See U.S. Department of Housing and Urban Development.

**Jobs-to-Housing Ratio.** An indicator of the adequacy of employment and housing in a given community or area.

**Local Initiative Program (LIP).** A program administered by DHCD that encourages communities to create Chapter 40B-eligible housing with or without a comprehensive permit, e.g., through inclusionary zoning, purchase price buydowns, a Chapter 40R overlay district, and so forth. LIP grew out of recommendations from the Special Commission Relative to the Implementation of Low or Moderate Income Housing Provisions in 1989. The Commission prepared a comprehensive assessment of Chapter 40B and recommended new, more flexible ways to create affordable housing without dependence on financial subsidies.

**Low Income.** As used in this plan, low income means a household income at or below 50 percent of AMI. It includes the household income subset known as very low income.

**MassHousing.** The quasi-public state agency that provides financing for affordable housing.

**Mixed-Income Development.** A residential development that includes market-rate and affordable housing.

**Mixed-Use Development.** A development with more than one use on a single lot. The uses may be contained within a single building ("vertical mixed use") or divided among two or more buildings ("horizontal mixed use").

**Moderate Income.** As used in this plan, moderate income means a household income between 51 and 80 percent of AMI.

**Open Space-Residential Development.** An approach to residential development that seeks to preserve as much land as possible for open space and resource protection by allowing housing to be concentrated on less sensitive areas of a site.

**Overlay District.** A zoning district that covers all or portions of basic use districts and imposes additional (more restrictive) requirements or offers additional (less restrictive) opportunities for the use of land.

**Regulatory Agreement.** An affordable housing restriction, recorded with the Registry of Deeds or the Land Court, outlining the developer's responsibilities and rights

**Section 8.** A HUD-administered rental assistance program that subsidizes "mobile" certificates and vouchers to help very low and low-income households pay for private housing. Tenants pay 30 percent (sometimes as high as 40 percent) of their income for rent and basic utilities, and the Section 8 subsidy pays the balance of the rent. Holders of Section 8 certificates have to choose rental units with a monthly gross rent that does not exceed the Fair Market Rent (FMR), and the subsidy they receive makes up the difference between 30 percent of their monthly gross income and the actual gross rent for the unit. By contrast, the subsidy for a Section 8 voucher holder is the difference between the FMR and 30 percent of their monthly gross income. Thus, while Section 8 voucher holders may choose units with gross rents that exceed the FMR, they have to make up the difference between the FMR and the monthly gross rent. Section 8 also can be used as a subsidy for eligible rental

developments, known as Section 8 Project-Based Vouchers (PBV), which are not "mobile" because they are attached to specific units.

**Shared Equity Homeownership.** Owner-occupied affordable housing units that remain affordable over time due to a deed restriction that controls resale prices, thereby retaining the benefits of the initial subsidy for future moderate-income homebuyers.

**Single Room Occupancy (SRO).** A building that includes single rooms for occupancy by individuals and usually includes common cooking and bathroom facilities shared by the occupants.

**Subsidized Housing Inventory (SHI).** A list of housing units that meet DHCD's definition of affordable housing and count toward a community's 10 percent statutory minimum under Chapter 40B.

**SHI-Eligible Unit.** A housing unit that DHCD finds eligible for the Subsidized Housing Inventory because its affordability is secured by a long-term use restriction and the unit is made available to low- or moderate-income households through an approved affirmative marketing plan.

**Subsidy. Financial or other assistance to make housing affordable to low- or moderate-income people.**

**Transit-Adjacent Development (TAD).** Development that is in close proximity to transit, but with a design that has not been significantly influenced by it. It is distinguished from TOD, where transit is the central design feature.

**Transit-Oriented Development (TOD).** Residential and commercial developments designed to maximize access by transit and non-motorized transportation. A TOD typically has a rail or bus station at its center, surrounded by relatively high-density development, with progressively lower-density within one-quarter to one-half mile of the center.

**Typical, Non-standard Rental Units.** A term that defines the types of rental units that HUD includes and excludes in establishing the FMR for each housing market area. The term excludes: public housing units, rental units built in the last two years, rental units with housing quality problems, seasonal rentals, and rental units on ten or more acres.

**U.S. Department of Housing and Urban Development (HUD).** The lead federal agency for financing affordable housing development and administering the Fair Housing Act.

**Very Low Income.** As used in this plan, very low income is a household income at or below 30 percent of AMI. In some housing programs, a household with income at or below 30 percent of AMI is called extremely low income.

## APPENDIX 9

### RESOURCES FOR AFFORDABLE HOUSING PRESERVATION & DEVELOPMENT

#### FUNDING FOR AFFORDABLE HOUSING

There are four major housing agencies in Massachusetts: the Department of Housing and Community Development (DHCD), MassHousing, the Massachusetts Housing Partnership Fund, and the Community Economic Development Assistance Corporation (CEDAC). Each has a specific purpose or mission, but they work collaboratively to design and administer a wider range of housing assistance programs than many people realize. In addition, the U.S. Department of Housing and Urban Development (HUD) is the primary federal agency responsible for financing affordable housing. HUD subsumes other housing-related agencies and programs, e.g., the Federal Housing Administration (FHA). Some of the funds administered by state agencies (mainly DHCD) are actually federal dollars allocated to the state under various block grant or formula grant entitlement programs.

Every effort has been made to ensure that the information presented here is current and applicable to non-urban communities like Lincoln. However, housing programs do change; some have limited authorization periods; some change names or undergo a change in priorities and project approval requirements from administration to administration; and some may be temporarily unavailable due to a shortage of funds. Many private organizations also offer financial support for affordable housing, but because of the number of entities and loan products involved, they are not included.

#### *Housing Development*

Today, most comprehensive permit developments rely on internal subsidies to make units affordable. However, projects without a cash subsidy usually create housing that is affordable to households at the upper end of the moderate-income range. Meeting the housing needs of lower-income people almost always requires more than an internally generated subsidy, yet state and federal funds are in short supply and invariably competitive.

Since Lincoln is an affluent suburb, it does not have the same access to public subsidies as larger cities and lower-income communities. In order to obtain funding from most programs administered by the state, private developers (non-profit or for-profit, if eligible) have to file a "OneStop" application, which in turn opens the door to Low-Income Housing Tax Credits (LIHTC) and many of the other subsidies described below. DHCD issues a Notice of Funding Availability (NOFA) twice a year. The OneStop application allows developers to apply to several programs at the same time and tailor their financing requests to the unique needs of their projects.

#### HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Created under the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended, HOME is a federal formula grant program that provides block grants to cities and states ("Participating Jurisdictions," or PJs) and consortia of smaller cities and towns (with a lead PJ) for acquisition, rehabilitation, and new construction of affordable housing for low- and moderate-income people. The funds can be used for rental housing development, rehabilitation loans and grants, rental

assistance, and down payment assistance to moderate-income first-time homebuyers. By law, PJs must reserve at least 15 percent of their annual HOME allocations to fund housing that will be owned, developed, or sponsored by nonprofit groups that qualify as Community Housing Development Organizations (CHDOs).

The HOME Program is administered by HUD, but for recipients of the state allocation, DHCD serves as the administering agency in Massachusetts. DHCD will consider HOME funding requests from for-profit developers, non-profit developers, CHDOs, and municipalities in cooperation with any of these entities. For projects in communities like Lincoln, which belongs to a HOME Consortium, DHCD will award up to \$50,000 per HOME-assisted unit and up to a per-project maximum of \$750,000.

Rental Housing Development. In Massachusetts, the HOME Program focuses primarily on rental housing and the funding policies give preference to housing that serves very-low-income people. Under current state policy, all HOME-assisted rental units must be affordable to tenants with incomes at or below 60 percent AMI (the LIHTC income limit). At least 20 percent of the units must be affordable for households earning less than 50 percent AMI. HOME subsidies are awarded in the form of deferred payment loans (DPL) at 0 percent interest for 30 years. A HOME-eligible rental project must have at least five units, and each HOME-assisted unit must be protected by an affordable housing restriction that establishes maximum sales prices and resale requirements and limit monthly rents to amounts affordable for the target population.

DHCD imposes some state-level requirements on eligibility for HOME funds, notably a prohibition against combining HOME with other state subsidy programs. There are some exceptions, however, for HOME can be combined with LIHTC, the Housing Innovations Fund (HIF), and MHP's Soft Second™ Program. In addition, DHCD does not allow HOME funds to be used for some purposes that are otherwise permitted under federal law, e.g., tenant-based rental assistance similar to the HUD Section 8 Program.

Homeownership Development. DHCD will award HOME funds to eligible developers for the acquisition or rehabilitation of existing buildings for sale to income-eligible first-time homebuyers or for new construction of homeownership units. Eligible projects must include a minimum of three HOME-assisted units, the sites for which must be secured with a signed purchase and sale agreement at the time of application. First-time homebuyers purchasing HOME-assisted units must have a household income that does not exceed 80 percent AMI. In addition, the appraised value of each HOME-assisted unit cannot exceed 95 percent of the regional median price, as determined by the Federal Housing Administration's (FHA) Single Family Mortgage Limits under Section 203(b) of the National Housing Act. For Lincoln, the current Single Family Mortgage Limit is \$523,750. Any HOME-assisted rental unit in an owner-occupied multi-family property must be leased to households earning no more than 60 percent AMI.

The developer receiving a HOME-funded loan from DHCD has two years within which to sell HOME-assisted units to income-eligible homebuyers. As each unit is sold in accordance with the terms of the loan and execution of an affordable housing restriction (deed rider) by the homebuyer, DHCD reduces the principal amount due under the loan by the amount of HOME funds awarded

for the unit. The deed rider must be recorded with the Registry of Deeds and run for at least fifteen years. Recapture provisions apply if a homebuyer decides to sell the property prior to the end of the fifteen-year period.

### LOW INCOME HOUSING TAX CREDITS (LIHTC)

Congress created the Low Income Housing Tax Credits program in 1986 as a means of attracting private investment in rental projects that include low-income units. LIHTC can be used to support the acquisition or rehabilitation of existing buildings for rental use, new construction of rental housing, and preservation of affordable housing. In Massachusetts, DHCD administers this program and awards tax credits in accordance with a Qualified Allocation Plan (QAP), as required by federal law. Published each year, the QAP outlines program requirements, project selection criteria, and priority housing needs. Under the current (2011) QAP, LIHTC-eligible projects must have at least twelve tax credit-assisted units. The minimum term of affordability is thirty years.

Under LIHTC, tax credits are awarded to developers of qualified projects. The developers sell these credits to investors to raise capital (equity) for their projects, which reduces the debt they would otherwise have to borrow. Lowering the debt allows a tax credit property to provide more affordable rents. In turn, investors receive a dollar-for-dollar credit against their federal tax liability each year for ten years. The amount of the annual credit is based on the amount invested in the affordable housing. LIHTC tax credits are awarded for 4 percent or 9 percent of the development or rehab costs for each affordable unit for a ten-year period. Different eligibility rules apply to 4 percent and 9 percent tax credits. The 4 percent rate applies to acquisition of eligible, existing buildings and to federally subsidized new construction or rehabilitation. It also applies to all eligible basis (eligible project costs) in projects financed through the issuance of volume-cap multi-family tax-exempt bonds, i.e., projects financed with tax-exempt bonds issued by MassHousing or MassDevelopment. The 9 percent rate applies to new construction and substantial rehabilitation projects that are not otherwise subsidized with federal funds. These projects earn credits at a rate of approximately 9 percent of qualified basis each year for a ten-year period. ("Qualified basis" means the dollar amount eligible for tax credits.)

More stringent rules apply to 9 percent tax credits, notably the limitation on use of other federal funds to finance a project. In addition, the 9 percent tax credit projects have to provide more affordable housing units. Still, it is possible to pair HOME and LIHTC, and many developers have done so. In fact, most LIHTC-assisted rental projects in Massachusetts also include HOME funds as a loan or grant, with HOME funds leveraging a larger percentage of affordable units for very-low-income people. For example, federal regulations require that in LIHTC-assisted projects, 20 percent or more of the units must be affordable to very-low-income households (incomes below 50 percent AMI) or at least 40 percent the units must be affordable to households with incomes below 60 percent AMI. However, the inclusion of HOME funds can increase the percentage of very-low-income units to 40 percent AMI. In addition, DHCD requires at least ten percent of the units in a project to be affordable and reserved for households with income under 30 percent AMI.

Under G.L. c. 62, § 61I, Massachusetts has a state tax credit program similar to the federal tax credit program, also administered by DHCD. It provides tax credits for up to five years for eligible projects (meaning LIHTC-eligible projects), and affordability must be preserved for at least fifteen years.

## HOUSING INNOVATIONS FUND (HIF)

The Community Economic Development Assistance Corporation (CEDAC) administers the Housing Innovations Fund (HIF), created by the state legislature in 1987. HIF provides a 5 percent DPL to non-profit organizations for up to \$500,000 per project or up to 30 percent of the costs associated with developing limited equity cooperatives, mutual housing, single-room occupancy housing, special needs housing, transitional housing, domestic violence shelters, and congregate housing. At least 25 percent of the units must be reserved for households with incomes at or below 80 percent AMI and another 25 percent very-low-income households. HIF can be paired with HOME, LIHTC, and the Housing Stabilization Fund (HSF).

## HOUSING STABILIZATION FUND (HSF)

Established in 1993, the Housing Stabilization Fund is a state-funded bond program that supports the production and preservation of affordable housing - mainly rental housing - for low- and moderate-income people. It is often used in conjunction with HOME and LIHTC, and as a result the rules that apply to HSF-assisted projects are very similar. However, a noteworthy difference is that HSF requires a longer term of affordability: fifty years. In addition, HSF requires developers to submit a final cost certification prepared by a certified public accountant.

DHCD will award HSF funds to for-profit and non-profit developers, cities and towns working in cooperation with them, and local housing authorities. HSF can be used for the acquisition or rehabilitation of existing structures for rental use or for new construction of rental projects. Eligible projects must have at least five HSF-assisted units (and preferably not more than fifty units), and all HSF-assisted units must be occupied by households with incomes at or below 80 percent AMI for a minimum of forty years. For the remaining ten years of the affordability restriction, the rents for HIF-assisted units can increase as long as the units are affordable to households with incomes at or below 100% AMI. In general, DHCD provides HSF funding as a 50-year deferred payment loan at 0 percent interest. However, the agency may award HSF funding as a loan with a higher interest rate, e.g., to comply with LIHTC requirements. MHP acts as the financial intermediary for these loans.

HSF funds can also be used as an additional subsidy for a HUD 202 development (see below). To qualify for HSF subsidies, these projects must reserve at least 50 percent of the units for extremely low-income households (at or below 30 percent AMI).

## HUD 202 PROGRAM

HUD provides interest-free capital advances to private non-profit organizations for the construction, rehabilitation, or acquisition (with or without rehabilitation) of buildings that will serve as supportive housing for very low-income elderly people (62 years or older), including frail elders, and rent subsidies for the projects to help make them affordable. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for forty years.

The HUD 202 program helps to expand the supply of deeply subsidized housing for seniors who can live independently but in an environment that provides support activities such as cleaning, cooking, transportation, and so forth. Project-based rental assistance is provided to cover the difference between the HUD-approved operating cost for the project and tenant contributions toward rent. HUD awards an initial three-year rental assistance contract and approves renewals based on the availability of funds.

Private nonprofit organizations can apply to develop a Section 202 project if they will provide a minimum capital investment equal to 0.5 percent of the HUD-approved capital advance, up to a maximum of \$25,000 for national sponsors or \$10,000 for other sponsors. Applicants must submit an application for a capital advance in response to a NOFA published in the Federal Register each year. Applications must be submitted to HUD's Boston field office. Organizations selected for funding have to meet a series of program requirements, e.g., documentation of nonprofit status, financial commitment, acceptable form of site control of an approvable site, feasible project that meets program goals, minimum cash advance, and others. HUD typically announces Section 202 awards in September.

### **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)**

The HUD CDBG Program is one of the most flexible federal grant programs available. Established under Title I of the Housing and Community Development Act of 1974, as amended, CDBG can be used for a wide range of community development assistance: housing rehabilitation; acquisition and redevelopment of existing buildings for low- or moderate-income housing; first-time homebuyer assistance; acquisition and rehabilitation of existing buildings or new construction of facilities for the homeless or permanent supportive housing for people with special needs; and social services relating to housing needs. By law, at least 70 percent of each year's CDBG allocation must be used for programs and services that benefit low- or moderate-income people. Activities that meet other purposes authorized by Congress are also eligible. In practice, however, the low- or moderate-income benefit mandate of the CDBG Program means that most funded activities directly or indirectly address the housing and community development needs of the nation's poorest populations.

Cities with populations over 50,000 (and in some cases smaller cities) and all fifty states receive an annual allocation of CDBG funds from HUD. Smaller communities like Lincoln must apply to a highly competitive program administered by DHCD, which serves as the administering agency for CDBG funds allocated to Massachusetts. The state program is known as the Community Development Fund, and it runs on an annual application and award cycle. The submission deadline varies from year to year, but typically occurs between late fall and early spring. DHCD issues a NOFA with application information and provides application workshop sessions for interested communities.

### **AFFORDABLE HOUSING TRUST FUND**

The Affordable Housing Trust Fund (AHTF) was established more than a decade ago when the legislature enacted G.L. c. 121D. AHTF provides funding to local governments, community development corporations, public housing authorities, community action agencies, community-based or neighborhood-based non-profit housing organizations, other non-profit organizations, for-profit entities, and private employers. Though overseen at a policy level by DHCD, the AHTF is administered by MassHousing with guidance from an Advisory Committee of housing advocates. The AHTF's purpose is to support the creation and preservation of affordable housing for people with incomes up to 110 percent AMI. It can be used to build new affordable housing, preserve the affordability of subsidized housing with expiring use restrictions, and renovate public housing. Although the AHTF has the flexibility to serve households with incomes just over the regional median, MassHousing gives preference to projects that produce new affordable units for families earning below 80 percent AMI, people with disabilities, homeless populations, and very-low-income households. It also gives preference to non-profit developers.

### FEDERAL HOME LOAN BANK AFFORDABLE HOUSING PROGRAM (AHP)

The Federal Home Loan Bank (FHLB) of Boston Affordable Housing Program (AHP) provides a subsidy of up to \$300,000 for projects serving households with incomes between 50 and 80 percent AMI. The funds are directed to fill financial gaps in low- and moderate-income affordable housing projects. FHLB/Boston funds the program from a portion of its net earnings and makes loans and grants available to eligible projects through its member lending institutions. The Cambridge Trust is an example of the FHLB/Boston members with branch banks in Lincoln.

### FEDERAL HOME LOAN BANK COMMUNITY DEVELOPMENT ADVANCE (CDA EXTRA)

FHLB/Boston provides member institutions (see above) with advances for eligible housing and mixed-use development projects. The annual per-member cap is \$15 million. CDA Extra is a deeply discounted advance that supports affordable housing serving households at or below 115 percent AMI and economic development or mixed-use initiatives serving households at or below 80 percent AMI. Eligible housing developments includes single-family and multifamily owner-occupied units, and rental, cooperative, and manufactured housing parks. Economic development and public or private infrastructure projects are eligible as well. Working with private for-profit and non-profit developers, FHLB/Boston's member banks submit an application for CDA Extra funds and if approved, the funds must be disbursed within six months of receiving a commitment. The advance from FHLB/Boston matures in one year or longer, depending on the terms and conditions of the approval. (Note: FHLB/Boston offers another Community Development Advance program that is limited to economic development projects. CDA/Extra supports projects that include affordable housing.)

### MHP PERMANENT RENTAL FINANCING PROGRAM

MHP administers the Permanent Rental Financing Program, which offers low-interest, fixed-rate permanent financing to for-profit and non-profit affordable housing developers. Under current program policies, loans can range from a minimum of \$250,000 to a maximum of \$15 million, provided the amount does not exceed 85 percent of total development costs or at-completion appraised value, whichever is less. Eligible projects include multi-family and single-room occupancy projects that contain five or more units and meet one of the following affordability thresholds:

- **At least 20 percent of the units must be affordable to households with incomes below 50 percent AMI, or**
- **At least 40 percent of the units must be affordable to households with incomes below 60 percent AMI, or**
- **At least 50 percent of the units must be affordable to households with incomes below 80 percent AMI, or**
- **At least 25 percent of the units must be affordable to households with incomes below 80 percent AMI, provided that the maximum restricted rents are at least 10 percent below comparable market units.**

MHP's financing is a first mortgage. Projects must be able to maintain a minimum debt coverage ratio of 110 percent for the life of the loan, including both the MHP mortgage and all subordinate debt. Mixed-use developments are eligible for this program as long as the commercial space does not exceed 33 percent of the total gross rentable floor space. A 30-year affordable housing restriction is required as a condition of financing.

## **MHP NEIGHBORHOOD RENTAL INITIATIVE (NRI)**

NRI is a relatively new MHP program that offers second mortgage financing at 0 percent interest for affordable rental housing development in suburban and high-opportunity communities: towns with good schools, access to jobs, high housing costs, and a shortage of affordable housing. The list of 225 eligible communities includes Lincoln. Launched in 2009, MHP made its first round of NRI awards to projects in four communities, including affordable rental housing for families on land owned by the Hopkinton Housing Authority.

A second mortgage from the NRI program must be used in combination with at least \$250,000 in MHP first mortgage financing (see above). Thus, eligible developments have to meet all of the requirements of the Permanent Rental Financing Program and may be subject to additional or related DHCD requirements depending on the other financing sources used to develop a project. The overall goal of NRI is to increase affordable housing choices in the Commonwealth's wealthier communities at a scale appropriate for the receiving neighborhood. The program targets family housing, so at least half of the units must offer at least two bedrooms. The NRI commitment is a deferred payment loan for up to \$175,000 per affordable family-size unit and a project maximum of \$750,000.

DHCD will provide Section 8 project-based vouchers to NRI-approved developments. The Section 8 project-based assistance is limited to family-size units, up to a maximum of fifteen per project. CPA funds can also be used in support of NRI-approved developments (this is not always the case due to subsidy program requirements). NRI assistance is not available for LIHTC projects.

## **MATCH**

In collaboration with MassDevelopment and FHLB/Boston, MHP offers permanent tax-exempt financing for rental housing production. Under the Massachusetts Tax-Exempt Credit for Housing (MATCH) Program, MassDevelopment issues bonds that MHP then uses to provide mortgage financing for eligible projects. FHLB/Boston guarantees the bonds with a letter of credit, which in turn leverages an AAA bond rating and very favorable interest rates. Funds can be used to acquire expiring use properties or refinance existing properties, or for permanent financing for new construction. The affordability thresholds and loan term are the same for MATCH and MHP's Permanent Rental Financing Program (above).

## **HOUSING RESERVE ASSURANCE PROGRAM (HOUSING RAP)**

MHP and The Boston Foundation (TBF) recently created a \$6 million program to help strengthen the financial position of non-profit housing development organizations so that they can continue to pursue and develop more affordable housing. Housing RAP helps non-profit housing developers by reducing the need to set aside large cash-funded operating reserves for affordable housing projects developed with federal Low Income Housing Tax Credits (LIHTC). With Housing RAP, non-profit housing developers using LIHTC in combination with first mortgage financing from MHP can obtain a credit facility (similar to a line of credit) that reduces the amount of cash-funded operating reserves by up to 75 percent. To obtain Housing RAP assistance, non-profit housing developers pay MHP a credit facility fee that is about 10 percent of what they would need to contribute if they were setting up a cash-funded operating reserve. In exchange, the project can draw upon the MHP-TBF Housing RAP credit facility if a development experiences cash flow problems such as higher-than-expected

vacancies or utility costs, and delays in Section 8 payments. Any draws on the credit facility become loans to the project sponsor and must be repaid over time.

### **ONESOURCE PROGRAM**

The Massachusetts Housing Investment Corporation (MHIC) and MHP work together to offer the OneSource Program for eligible affordable housing developments. Under OneSource, MHIC provides construction financing and MHP, permanent financing, for projects in which at least 25 percent of the units are affordable to moderate-income households (or 20 percent for low-income households). Eligible projects must have at least six units. Financing can be used for rental and homeownership projects, whether acquisition/rehabilitation or new construction. Through the OneSource Program, approved developers have access to a single loan closing process that expedites and reduces the costs associated with producing affordable housing.

### **SECTION 8 RENTAL ASSISTANCE (HOUSING CHOICE VOUCHER PROGRAM)**

The HUD Section 8 Housing Choice Voucher Program provides rental assistance to help low- and moderate-income households pay their rent. DHCD, public housing authorities, and regional non-profit housing development organizations administer the Section 8 Program in Massachusetts. Section 8 subsidies exist in two forms: assistance to a specific project (known as project-based Section 8) and assistance to tenants, who may use their voucher to rent privately owned housing that meets HUD rental housing cost and housing quality requirements. Most programs require households to pay at least 30 percent of their adjusted gross income for rent and utilities, with the Section 8 assistance making up the gap between the tenant's contribution and the actual rent.

### **URBAN CENTER HOUSING TAX INCREMENT FINANCING (UCH-TIF)**

The Urban Center Housing Tax Increment Financing Program (UCH-TIF) is a tool that cities and towns can use to promote housing development in commercial centers. UCH-TIF is a property tax exemption authorized under G.L. c. 40, § 60, on all or part of the increased value of improved real estate. At least 25 percent of the units in a UCH-TIF project must be affordable housing for households with incomes below 80 percent AMI. The development must be primarily residential, and the program can be used in combination with grants and loans from other local, state, and federal housing programs.

Any Massachusetts community with a designated commercial center is eligible to participate in the UCH-TIF program. In order to participate, the community must adopt a detailed urban center housing tax increment financing plan (UCH-TIF Plan) for a designated commercial area with high business or commercial use (UCH-TIF Zone). The UCH-TIF Plan must include development plans for proposed public and private projects in the Zone, and executed UCH-TIF Agreements with property owners who will undertake new development and receive tax increment exemptions for up to twenty years. The Agreements must provide for creation of affordable housing and a 40-year (or longer) affordable housing restriction. At least three Massachusetts communities - Pittsfield, Framingham, and Easton - have received UCH-TIF approval from DHCD.

### **DISTRICT IMPROVEMENT FINANCING PROGRAM (DIF)**

The Massachusetts Office of Business Development administers the District Improvement Financing Program (DIF), which the legislature established in 2003 (2003 Mass. Acts 46; G.L. c. 40Q). Cities and towns may use DIF as a method of financing infrastructure projects that will spur new

commercial, industrial, residential, or mixed use development within a locally defined area (development district). With DIF approval from MOBD and the Economic Assistance Coordinating Council (EACC), a community can issue bonds for public works projects and pledge future incremental taxes generated by new growth in the development district to meet the debt service obligations. The debt service can also be met with a combination of incremental tax revenue from DIF-triggered development and other revenues. Bonds issued to pay for projects in a DIF development district do not count toward a community's debt limit.

A development district may be as small as one parcel or may comprise up to 25 percent of a community's land area. The district must be in effect for a maximum of thirty years. Several Massachusetts communities have designated development districts (e.g., Quincy, Springfield, Worcester, Medway, and Somerville).

### *Homeownership Resources*

#### **MHP SOFT SECOND LOAN PROGRAM**

MHP administers the Soft Second™ Loan Program to help first-time homebuyers purchase a home. SoftSecond™ involves two mortgages that are originated by participating lenders. The mortgages are divided between a conventional first mortgage based on 77 percent of the purchase price and the "soft" second mortgage for about 20 percent of the purchase price. Borrowers must provide a downpayment equal to at least 3 percent of the purchase price. Despite the small downpayment, borrowers do not have to purchase private mortgage insurance (PMI), which results in significant savings. They pay interest only on the soft second mortgage for the first ten years, and some eligible buyers may qualify for an interest subsidy on the second mortgage as well. Furthermore, some participating lenders and communities offer grants for down payments, closing costs, and slightly interest rates on the first mortgage. Participating lenders in Lincoln include Bank of America and Cambridge Trust.

#### **HOMEBUYER COUNSELING**

Most loan programs for first-time homebuyers require borrowers to attend homebuyer workshops sponsored by organizations approved by DHCD, MassHousing, Citizens Housing and Planning Association (CHAPA), or HUD. Schedules and locations of programs approved by the Massachusetts Homeownership Collaborative can be found at the following:

- **CHAPA:** <http://www.chapa.org/looking-for-housing/homebuyer-workshops>
- **MassHousing:**  
[https://www.masshousing.com/portal/server.pt/community/home\\_buyers](https://www.masshousing.com/portal/server.pt/community/home_buyers)
- **Massachusetts Affordable Housing Alliance:**  
<http://www.mahahome.org/buyingahome>
- **Southern Middlesex Opportunity Council (SMOC):** <http://www.smoc.org/>

#### **HABITAT FOR HUMANITY**

Habitat for Humanity is a self-help program that provides affordable homeownership units through "sweat equity" contributions from the homebuyer and community volunteers. Many communities have donated lots to Habitat for Humanity to construct affordable single-family homes. The

homeowner receives a 20-year loan at 0 percent interest, and Habitat for Humanity uses the homeowner's loan payments to fund other projects.

### **MASSHOUSING HOME IMPROVEMENT LOAN PROGRAM (HILP)**

The Home Improvement Loan Program (HILP) is designed for moderate rehabilitation of owner-occupied one- to four-unit dwellings. The minimum loan amount is \$7,500 and the maximum, \$50,000. Loan terms range from five to fifteen years based on the loan amount and the borrower's income and debt, and the interest rate on all HILP loans is 5 percent. Eligible borrowers have to meet income, credit, and owner-occupancy requirements. The maximum household income guidelines for HILP are county-based, not tied to economic statistical regions, and they are higher than the limits that apply in most other housing assistance programs. Currently, the maximum income limits for Lincoln are \$100,000 for one- or two-person households and \$104,000 for households of three or more people.

### **GET THE LEAD OUT PROGRAM**

The "Get the Lead Out Program" helps homeowners, non-profit organizations, and investor-owners remove lead paint from older housing units. The maximum loan limits are \$30,000 for single-family homes, \$35,000 for two-family homes, \$40,000 for three-family homes, and \$45,000 for four-family homes. Funding for this program comes from state appropriations and the participating agencies include DHCD and the Massachusetts Department of Public Health. MassHousing is the administering agency. Lead paint abatement projects that exceed the maximum loan from Get the Lead Out can be assisted further with resources such as HOME or CDBG. Loan terms and conditions depend on the type of borrower and, for single-family homes, whether the homeowner is under a court order to remove lead paint.

Application for Get the Lead Out financing must be made through a local housing rehabilitation agency, which is responsible for determining borrower eligibility and helping approved borrowers through the lead abatement process. The financing package is submitted to a participating lender, and MassHousing services the loans. For Lincoln, the closest MassHousing-approved housing rehabilitation agency is the Framingham Community Development Office.

### **HOMEOWNER SEPTIC REPAIR PROGRAM**

In conjunction with the Massachusetts Department of Environmental Protection (DEP) and Department of Revenue, MassHousing offers loans to income-eligible, credit-worthy applicants to repair or replace failed septic systems. Interest rates vary according to the borrower's income, and the income limits are not the same as those governing the Get the Lead Out Program. To apply for a Septic Repair Program loan, homeowners must have a certified letter from the Board of Health indicating that the septic system has failed inspection, as well as design plans, a permit, and a construction contract to install a new septic system. Applications are made to a MassHousing participating lender. If the applicant is income eligible and meets the lender's credit requirements, the loan will generally be approved and the lender receives a fee for handling the loan process on MassHousing's behalf. Once the work is completed and the Board of Health issues a Title V certificate of compliance, payment is made to the contractor from loan proceeds that have been held in escrow since the closing. MassHousing services these loans.

## OTHER RESOURCES

### *Technical Assistance*

#### PEER-TO PEER PROGRAM

DHCD makes grants available on a rolling application basis for cities and towns to hire local officials or staff from other communities for short-term technical assistance and capacity building assignments. Eligible activities include technical assistance for affordable housing, e.g., planning, organizational development for housing partnerships and the boards of trustees of affordable housing trusts, or assistance with the comprehensive permit process. DHCD will award Peer-to-Peer grants of up to \$1,000 for thirty hours of technical assistance. Applications must include a description of the problem or issue, the technical assistance needed, and documentation of a vote of the Board of Selectmen in support of the request. Communities may propose to hire a specific local official from another community or request a referral from DHCD. If DHCD approves the request and once the peer is recruited, DHCD will enter into a contract for services with the applicant community. When the work is completed, the community prepares a final report, submits it to DHCD, and requests payment for the peer's services.

#### MHP INTENSIVE COMMUNITY SUPPORT TEAM

MHP's Intensive Community Support Team provides sustained, in-depth assistance to support the development of affordable housing. Focusing on housing production, the Support Team helps local advocates move a project from the conceptual phase through construction, bringing expertise and shared lessons from other parts of the state. The Support Team can also provide guidance on project finance. This program was recently used in Hopkinton for the development of twelve public housing units on land owned by the Hopkinton Housing Authority.

#### MHP CHAPTER 40B TECHNICAL ASSISTANCE PROGRAM

MHP provides technical assistance to communities seeking assistance with reviewing comprehensive permit applications. The Chapter 40B Technical Assistance Program offers up to \$10,000 in third-party technical assistance to enable communities to hire consultants to help them review Chapter 40B applications. Those communities that are interested in this initiative should contact the MHP Fund directly for more information.

### Potential Development Partners

#### NEIGHBORHOOD OF AFFORDABLE HOUSING (NOAH)

143 Border Street

East Boston, MA 02128

Contact: Phil Giffie, Executive Director, at (617) 567-5882 or [philipgiffie@noahcdc.org](mailto:philipgiffie@noahcdc.org)

*Note: NOAH has worked with the Towns of Carlisle and North Andover, and others, to develop small affordable housing projects.*

#### THE COMMUNITY BUILDERS

95 Berkeley Street, Suite 500

Boston, MA 02116-6240

Contact: (617) 695-9595 or [Boston@tcbinc.org](mailto:Boston@tcbinc.org)

## REFERENCES

- Bluestone, Barry, et al. The Kitty and Michael Dukakis Center for Urban and Regional Policy. Northeastern University. Greater Boston Housing Report Card 2010: Taking Stock in an Uncertain Time. October 2010.
- Burchell, Robert and Michael L. Lahr. A National Survey of Local Land Use Regulations: Steps Toward a Beginning. Prepared for U.S. Department of Housing and Urban Development, Office of Policy Development and Research. Edward J. Bloustein School of Planning and Public Policy, Rutgers University. July 2008.
- Chomsisengphet, Souphala and Anthony Pennington-Cross. "The Evolution of the Subprime Mortgage Market." Federal Reserve Bank of St. Louis Review. January/February 2006: 36-40.
- Claritas, Inc. Demographic Trends: Lincoln, Massachusetts. User-Defined Query. 2012, 2013.
- Commission on Affordable Housing and Health Facility Needs of Seniors in the 21st Century. *A Quiet Crisis in America: A Report to Congress*. June 2002.
- Commonwealth of Massachusetts. Department of Environmental Protection. Source Water Assessment and Protection Report: Lincoln Water Department. 2003.
- Commonwealth of Massachusetts. Department of Housing and Community Development. *Massachusetts 2010-2014 Consolidated Plan*. 2010.
- Commonwealth of Massachusetts. Department of Labor and Workforce Development. "Labor Force and Unemployment Rates." Internet.
- Commonwealth of Massachusetts. Department of Transportation. 2010 Massachusetts Road Inventory Year-End Report. February 2011.
- Commonwealth of Massachusetts. Executive Office of Administration and Finance. Massachusetts Geographic Information System (MassGIS). Assorted GIS Databases.
- Commonwealth of Massachusetts. Natural Heritage and Endangered Species Program (NHESP). Massachusetts Natural Heritage Atlas. 13th ed. 2008.
- Community Economic Development Assistance Corporation (CEDAC). "Massachusetts Projects with Subsidized Mortgages or HUD Project-Based Rental Assistance." February 2011.
- Davis, John Emmeus. *Shared Equity Homeownership: The Changing Landscape of Resale-Restricted, Owner-Occupied Housing*. National Housing Institute. 2006.
- Demyanyk, Yulika and Otto Van Hemert. "Understanding the Subprime Mortgage Crisis." [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1020396](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1020396).
- Foote, Christopher L. et al. "Subprime Facts: What (We Think) We Know about the Subprime Crisis and What We Don't," Working Paper 08-02. May 30, 2008. Federal Reserve Bank of Boston, <http://www.bos.frb.org/economic/wp/index.htm>.

Gerardi, Kristopher et al. "Subprime Outcomes: Risky Mortgages, Homeownership Experiences, and Foreclosures." Working Paper 07-15. May 4, 2008. Federal Reserve Bank of Boston, <http://www.bos.frb.org/economic/wp/index.htm>.

Joint Center for Housing Studies of Harvard University. *America's Rental Housing: Meeting Challenges, Building on Opportunities*. 2011.

Knapp, Gerritt, et al. *Zoning as a Barrier to Multifamily Housing Development*. Planning Advisory Service No. 548. American Planning Association. July 2007.

Massachusetts Housing Partnership. *Municipal Affordable Housing Trust Guidebook*. November 2009.

McClure, Kirk. *Housing Choice Voucher Market Opportunity Index: Analysis of Data at the Tract and Block Group Level*. Prepared for U.S. Department of Housing and Urban Development, Office of Policy Development and Research. February 2011.

McClure, Kirk. *Reduction of Worst Case Housing Needs by Assisted Housing*. Prepared for U.S. Department of Housing and Urban Development, Office of Policy Development and Research. February 2011.

The Warren Group. "Town Stats." November 2012.

Town of Lincoln. *Community Health Assessment & Planning Project*. July 2010. Prepared for Lincoln Healthy Community Committee by Community Opportunities Group, Inc.

Town of Lincoln. *Lincoln Comprehensive Plan*. September 2009. Prepared for Lincoln Planning Board by Community Opportunities Group, Inc.,

Town of Lincoln. *At-Risk Properties Study*. November 2005. Prepared for the Town of Lincoln by Vanasse Hangen Brustlin, Inc., and Community Opportunities Group, Inc.

U.S. Department of Commerce. Bureau of the Census. 2011 American Community Survey Five-Year Estimates. Internet.

U.S. Department of Commerce. Bureau of the Census. Building Permits by County or Place (Database). December 2012. Internet.

U.S. Department of Commerce. Bureau of the Census. Decennial Census 1990, 2000, and 2010. Internet.

U.S. Department of Housing and Urban Development. Office of Policy Development and Research. *Worst Case Housing Needs 2009: A Report to Congress*. February 2011.

U.S. Department of Housing and Urban Development. Office of Policy Development and Research. *2009 Worst Case Housing Needs of People with Disabilities: Supplemental Findings of Worst Case Housing Needs 2009: A Report to Congress*. March 2011.

University of Massachusetts-Amherst. Donohue Institute. State Data Center. "Population of Massachusetts Cities, Towns & Counties: Census Counts, 1930-2000, and Census Estimates, 2000-2009." September 2010. Internet.



