

# Town of Truro

## HOUSING PRODUCTION PLAN



DHCD Submission

March 2018

# Truro Affordable Housing

## Housing Production Plan - 760 CMR 56.03(4)

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### What is a Housing Production Plan?

A Housing Production Plan (HPP), as defined in 760 CMR 56.03(4), is a proactive strategy for planning and developing affordable housing. It is developed with opportunities for community residents and stakeholders to become informed of the planning process and the plan, and to provide input. The HPP identifies the housing needs of a community and the strategies the community will use to make progress in facilitating the development of affordable housing.

An HPP is adopted by the Planning Board and the Board of Selectmen, and reviewed and approved by the Department of Housing and Community Development.

### Why?

A Housing Production Plan provides a blueprint for action. It assists housing advocates in focusing efforts, and also promotes communication on housing issues. In addition, once Truro has an HPP approved by the State, if Truro meets certain affordable housing production goals and is making measured progress, Truro could gain more local control over comprehensive permit applications for a specified period of time.

### Elements of a HPP

A Housing Production Plan includes a Comprehensive Housing Needs Assessment, Affordable Housing Goals and Implementation Strategies. Needs include demographics and housing stock, projections of future population and future housing needs, descriptions of development constraints and a municipality's plans to address these constraints, and an analysis of infrastructure. Affordable housing goals include detailing goals by housing type, style and affordability, and include numeric goals. Strategies, when possible, include identification of zoning districts or geographic areas for focus, identification of specific sites, characteristics of preferred housing, as well as regional strategies.

### Truro's HPP

In September of 2015 Truro completed a Community Housing Needs Assessment with the assistance of John Ryan of Development Cycles (report attached). This Assessment thoroughly reviews demographic data, housing stock, housing need, and key trends. This Assessment also comprehensively details housing goals and some of the challenges to meeting these goals. The 2015 Community Housing Needs Assessment provides the Assessment and Goal components of an HPP. The follow pages augment the Assessment and provide the specific strategies Truro can use to produce housing in the form of action items.

ACTION ITEMS, TIMEFRAME and LEAD ENTITY	Timeframe	lead
<b>Capacity – What can THA do to work efficiently and effectively?</b>		
1. Review available organization entities - Partnership, Trust, Housing Authority	✓	THA
2. Review THA by-laws and approve amendments if needed	✓	THA
3. Hire housing consultant	✓	THA
4. Prepare for increase in housing monitoring role	ongoing	THA
5. Create structure so collected local and regional housing data is usable/accessible	ongoing	THA
<b>Collaboration – How can THA help Truro work together on housing issues?</b>		
6. Continue to support and partner with Highland Affordable Housing	ongoing	THA/HAH
7. Work with Town to support AADU and ADU programs	ongoing	THA/Town
8. Seek out opportunities to work with open space groups, National Seashore	ongoing	THA/Others
9. Seek out opportunities to work with local private developers	ongoing	THA/Others
<b>Planning – How can Truro create incentives for affordable housing? How can Truro be ready for affordable housing opportunities?</b>		
10. Review inventory of municipally owned land	Year 1	THA
11. Identify/inventory private land with potential for affordable housing (larger tracts)	Year 1	THA
12. Identify/ parcels that would trigger Cape Cod Commission Review	Year 1	THA
13. Adopt Affordable Housing Guidelines	Year 1	THA/BoS
14. Work with Town Planner/Planning Board to explore affordable housing incentives for zoning by-laws (inclusionary zoning, second dwellings, zoning waivers for affordable units, affordable on non-conforming lots, condo-conversion, shop-top housing, etc.)	Years 1-3	THA/PB/Town
15. Explore possibility of allowing IA septic systems for affordable housing and/or relief from DEP regulations regarding septic systems in multi-family units	Years 2-3	THA/BoH
16. Explore moderate and middle income housing needs and housing programs	Years 2-3	THA
17. Identify/inventory parcels with owners unknown or in arrears on taxes	Years 2-3	THA/Town
<b>Outreach and Education – Let's make sure people know about the issues, the community efforts, and the housing resources</b>		
18. Advocacy through continued community education/information & engagement campaign	ongoing	THA/HAH
19. Work to enhance regional communication/collaboration	ongoing	THA/HAH
20. Focus on defining and communicating need for affordable housing, including need for work force and middle income housing	ongoing	THA/HAH
21. Housing advocacy and info website, continue with success of housing summit	ongoing	THA/HAH
22. Help qualifying homeowners access housing assistance and programs (Community Development Partnership, Lower Cape Outreach Council, Housing Assistance Corp)	ongoing	THA/Others
<b>Funding – How will we pay for it?</b>		
23. Lobby for dedicated housing funds	ongoing	THA
24. Watch for state and federal funding opportunities	ongoing	Town
25. Explore CPC bonding for specific affordable housing projects	Years 3-5	THA
<b>Production and Preservation – What affordable housing will we build? How will we ensure affordable units remain affordable?</b>		
A. Development of housing on town owned land – Cloverleaf Property	Years 1-4	THA/Developer
B. Development of housing on town owned land – Town Hall Hill	Years 2-5	THA/Developer
C. Small Scattered Sites – non profits such as Highland Affordable Housing, Habitat for Humanity, as well as private developers	Years 1-3	HAH/HHCC
D. Preserve existing affordability – monitor resales to ensure affordability remains	ongoing	THA
E. Continue with CDBG housing rehabilitation and other CDBG housing programs	ongoing	Town
F. Units created through affordable zoning provisions and local incentives	ongoing	Town
G. Encourage private fundraising campaign, including planned giving (wills/bequests)	Years 3-5	THA/HAH

THA = Truro Housing Authority

BoS= Board of Selectmen

HAH = Highland Affordable Housing

PB = Planning Board

BoH=Board of Health

Town = Town Administration/Staff

# Housing Production Goals

## Town of Truro

Department of Housing and Community Development DHCD), Subsidized Housing Inventory (SHI), December 5, 2014

1,090 year-round housing units – 10% goal is 109 affordable units

Currently on SHI: 27 units; 2.5% Planned Production Goals – 0.5% and 1.0% Goals: 5 and 11 units per year

See September 2015 Community Housing Needs Assessment for details on need by housing type.

Production – Subsidized Housing Inventory (SHI) Unit Creation/Preservation					
	year one	year two	year three	year four	year five
Development of housing on town owned land – Cloverleaf Property – Rental				12	
Development of housing on town owned land – Town Hall Hill – Rental					8
Small Scattered Site – non profits such as Highland Affordable Housing, Habitat for Humanity, as well as private developers – Rental and/or Ownership					
Habitat For Humanity of Cape Cod – 143 Rt 6 and 181 Rt 6	3		3		
Highland Affordable Housing	2				
Preserve existing affordability – monitor resales to ensure affordability remains/continue with CDBG rehabilitation programs – Rental and/or Ownership					
Units created through affordable zoning provisions and local incentives – Rental and/or Ownership		5	3		
<b>YEARLY TOTALS:</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>12</b>	<b>6</b>

Production – Units Not Eligible for Subsidized Housing Inventory					
	year one	year two	year three	year four	year five
AADUs and ADUs – Rental	3	2	2	2	2

## Infrastructure and Development Constraints

As noted in the Community Housing Needs Assessment, Truro's small town identity is key to its appeal, but also part its housing challenge. There is virtually no multi-family rental housing, and the absence of municipal water and sewer impacts the ability to create housing. Production strategies have taken these limitations into account.

The following pages include a brief description of the action items outlined in the initial grid. For more information, please reach out to a member of the Truro Housing Authority.

## Housing Action Items (numbers correlate to Action Grid)

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### **1. Review available organization entities – Partnership, Trust, Housing Authority**

There are a variety of municipal entities that focus specifically on affordable housing. There are town committees and partnerships, trusts and housing authorities. Depending on the specific entity, there can be different organizational abilities, especially concerning funds, real property and process. Truro has determined that the existing structure of the Truro Housing Authority is accepted in the community and functions well for the needed affordable housing work.

### **2. Review THA by-laws and approve amendments as needed**

The Truro Housing Authority by-laws had been structured for a more traditional housing authority that manages affordable housing units and has staff that the Commissioners oversee. THA has reviewed their by-laws and amended so that the Authority can work effectively without employees.

### **3. Hire housing consultant**

Acknowledging that the field of affordable housing is specialized and detailed, and understanding that professional time and expertise is key to implementing successful projects, THA sought and received funding from the Community Preservation Committee to hire a housing consultant. THA, working with Town Administration, issued a Request for Housing Specialist Consulting Services in the fall of 2017 and hired an experienced housing specialist.

### **4. Prepare for increase in housing monitoring role**

With increased housing production will come a larger affordable housing inventory. THA has successfully navigated deed-restricted home resales in the past (for example, working to ensure the Old Firehouse Road home remained at an affordable price and that the universal deed rider was included on the re-sale). There can also be monitoring roles in rental developments (depending on permitting and affordability structure). It is important to have an entity capable of performing the local monitoring tasks, to ensure affordability and program parameters remain in place.

### **5. Create structure so collected local and regional housing data is usable/accessible**

Data is an important element in determining program direction. Knowing details on items such as local need, specific program uptake and housing wait lists, as well as keeping up to date with regional information, is also an important element when advocating for housing programs. Creating a process for a volunteer committee so that information can be kept and maintained also means information can be and will be used.

### **6. Continue to support and partner with Highland Affordable Housing**

Truro is fortunate to have a local non-profit housing organization. Highland Affordable Housing is responsible for reinvigorating affordable housing efforts in Truro in the early 2000s and owns 4 of Truro's Subsidized Housing Inventory affordable rental units (before Sally's Way, these four were the only Truro SHI rental units). Highland Affordable Housing was also the key initial force behind the Yellow Brick Road project (which became one Habitat for Humanity home). A non-profit can embark on certain housing initiatives more flexibly than a municipality (specifically building and managing rental units). Non-profit housing organizations can also be adept at fundraising and awareness campaigns.

### **7. Work with the Town to support AADU and ADU programs (Affordable Accessory Dwelling Units and Accessory Dwelling Units)**

With the success of the Accessory Dwelling Unit article on spring 2017 Annual Town Meeting Truro has new avenues for creation of smaller units. THA can help to publicize these opportunities and can work with Town Planning to make the permitting process clear and understandable. THA can also publicize the affordable accessory dwelling unit capability

and tax advantage, and can encourage uptake.

#### **8. Seek out opportunities to work with open space groups and National Seashore**

A significant amount of Truro land is open space. Almost two-thirds of Truro is designated National Seashore, and Truro also has an active and robust conservation community. Working cooperatively and collaboratively with these groups could lead to beneficial opportunities. An example of this would be an open space acquisition project where conservation was able to restrict the environmentally sensitive portions of a parcel and housing was able to build on portions of the land that were already disturbed and of less conservation value.

#### **9. Seek out opportunities to work with private developers**

As THA is not a housing developer, private developers will be crucial to housing unit production. THA needs to understand how to incent private developers to create affordable housing and how to make the process easier and more streamlined for these developers. THA can also assist private developers by being clear and practical with housing goals, and using funds to perform preliminary feasibility work on prospective sites.

#### **10. Review inventory of municipally owned land**

THA can work with existing town data to catalog and inventory town owned land and identify parcels that could be appropriate for either multi-unit development or single unit. Identifying infrastructure resources will also be useful, especially identifying parcels with town water or the ability to have town water.

#### **11. Identify/inventory private land with potential for affordable housing (larger tracts)**

For Truro, available land is the key to creating housing. THA can review potential privately owned parcels, determine which may have interest and benefit for affordable housing, and be prepared to act if the parcels come on the market, or even proactively approach owners.

#### **12. Identify parcels that would trigger Cape Cod Commission review**

By identifying parcels in advance that would be classified as “Developments of Regional Impact” (DRIs) and that would require a Cape Cod Commission Regulatory Review, THA can be prepared to participate actively in the Commission’s Public Hearing process and to advocate on behalf of housing.

#### **13. Adopt Affordable Housing Guidelines**

Affordable Housing Guidelines provide direction to private developers and citizens regarding the type and style of affordable housing that is encouraged within the Town, and even within different areas and neighborhoods. This gives predictability in the permitting and approval process and helps developers and builders provide housing types and styles that are in keeping with the community. The 2012 Housing Plan includes a sample of Affordable Housing Guidelines.

#### **14. Work with Town Planner/Planning Board to explore affordable housing incentives in zoning by-laws (inclusionary zoning, second dwellings, zoning waivers for affordable units, affordable on non-conforming lots, condo-conversion, shop-top housing, etc.)**

There are a variety of zoning provisions that can promote affordable housing by either creating waivers from zoning requirements such as land area, setbacks and frontage; by allowing uses such as multi-family when coupled with an affordability component; or by creating density bonuses for affordable housing. Board of Health restrictions would still remain, so for land that required drinking-water wells and on-site sewage disposal systems (septic systems) there would be a limit of one bedroom for every 10,000 square feet of land area. Truro has an inventory of roughly 500 condominiums that are restricted to seasonal use. Seasonal condominiums should be examined to see if there are ways this existing stock can be leveraged for affordable housing without creating burdens on infrastructure. There are also opportunities with



inclusionary zoning, which could require a developer of larger developments to provide a percentage of units affordable, or potentially offer the option of providing affordable units off-site and/or cash payments in lieu of affordable units.

**15. Explore possibility of allowing IA septic systems for affordable housing and/or relief from DEP regulations regarding septic systems in multi-family units**

A current significant constraint on creating housing is the limitation of 4 bedrooms per acre for typical Truro housing lots (lots that require private drinking water wells and on-site sewage disposal systems/septic systems), as well as specific requirements for septic systems for multi-family units. THA can work with the Board of Health to better understand the interplay of septic systems and development, and can advocate for health regulations that will lessen barriers to creating affordable housing.

**16. Explore moderate and middle income housing needs and programs**

While the Department of Housing and Community Development (DHCD) Subsidized Housing Inventory (SHI) only includes affordable housing for households earning at or below 80% of area median income, with high priced housing and low wages, there is often a need for housing for those at 100% of area median, and even up to 150%. THA can review other high-priced communities that have a moderate and middle income housing crisis and see what strategies have been successful, and see if those strategies, or others, might be appropriate for Truro.

**17. Identify/Inventory parcels with owners unknown or in arrears on taxes**

THA can work with the Assessor and/or Tax Collector to determine whether there are beneficial opportunities for municipal land takings.

**18. – 22. Outreach and Education**

These action items are all about communicating what is being done, what needs to be done, and why it is being done. The better housing advocates communicate Truro's efforts, the more understanding there is, the more support there is, and then more initiatives can be accomplished. Education and outreach also creates awareness so people with housing needs know about and can access opportunities and services.

**23. – 25. Funding**

Creating affordable housing is expensive. Housing advocates will need to diligently and aggressively seek housing funds. With a base of effective education and communication, the hope is that a community will come together and support housing financially, whether by voting at town meeting to allocate funds, supporting state and federal grants, approving bond measures, or by private donations. All is needed.

## **PRODUCTION AND PRESERVATION –**

### **What affordable housing will we build?**

#### **How will we ensure affordable units remain affordable?**

##### **A. Development of housing on town owned land – Cloverleaf Property**

This project is already in the works, and involves the Department of Transportation deeding land currently in state ownership to Truro for the purposes of affordable housing (the land is on the north-east corner of Route 6 and Highland Road, and is part of a once-planned cloverleaf highway entrance/exit ramp). THA would perform preliminary feasibility work and issue a Request for Proposal (RFP) seeking an affordable housing developer. Preliminary plans hope for at least twelve rental units.

##### **B. Development of housing on town owned land – Town Hall Hill**

When the DPW is relocated there will be land available on Town Hall Hill. THA has identified this site as appropriate for rental development. THA should continue to advocate for this land to be designated for affordable housing purposes. As with the Cloverleaf property, THA would perform preliminary feasibility work and issue a Request for Proposal (RFP) seeking an affordable housing developer.

##### **C. Small Scattered Sites – non profits such as Highland Affordable Housing, Habitat for Humanity, as well as private developers**

THA can look to help replicate the success Highland Affordable Housing had with their Yellow Brick Road purchase, and the success Habitat for Humanity had with their 143 Route 6 project, and encourage both Highland Affordable Housing and Habitat for Humanity to continue with their small scale scattered site developments. As Habitat for Humanity is a homeownership program, other developers should be encourage to explore rental programs when possible.

##### **D. Preserve existing affordability – monitor resales to ensure affordability remains**

See above item 4; affordable deed riders and regulatory agreements have provisions to ensure affordability

##### **E. Continue with CDBG housing rehabilitation and other CDBG housing programs**

Truro has successfully used Community Development Block Grant (CDBG) funds, administered by CDP, for Housing Rehabilitation grants for income qualified homeowners. The housing rehabilitation program covers needed repairs, weatherization and code compliance. The program does not include a permanent deed rider so while a great source of assistance for homeowners who might otherwise not be able to afford home repairs, the homes are not eligible for the Subsidized Housing Inventory

##### **F. Units created through affordable zoning provisions and local incentives**

See item 14 above