

Town of Medway Housing Production Plan



March 2010

Adopted by:

Affordable Housing Committee 11/11/2009

Board of Selectmen 3/15/2010

Planning and Economic Development Board 3/23/2010


PGC Associates
CITY/TOWN/REGIONAL PLANNING, POLICY ANALYSIS, PROJECT MANAGEMENT INC

Table of Contents

Introduction	1
I. Comprehensive Needs Assessment	2
A. Demographic Profile	2
Population	2
Income	3
B. Growth Projections	6
Age Cohorts	6
Regional Growth	8
C. Housing Stock	9
Types of Housing	9
Age of Housing	9
Household Size	11
Housing Occupancy	12
Current Development Trends	12
Affordable Housing Stock – Chapter 40B	15
Home Values and Rent Levels	16
Supply-Demand Housing Gap	18
D. Developmental Constraints	22
Chapter 21E Sites	22
Natural Wildlife Habitats	23
Zone II Areas	23
E. Capacity of Infrastructure	25
Water and Sewer	25
Roads	26
Public Transit	27
Schools	27
II. Affordable Housing Goals	28
A. Review of 1999 Master Plan Goals and Objectives	28
1999 Master Plan Goals	28
Medway’s Actions Since Adoption of 1999 Master Plan	28
B. Current Goals and Objectives	31
2009 Master Plan	31
III. Implementation Strategies	34
A. Locations	34
B. Strategies	36
C. Numerical Targets and Schedule	39

List of Tables

1. Population Characteristics	2
2. Income Characteristics	3
3. Median Family Income	4
4. Population Projections to 2010, 2020, 2030 by Age Cohort	6
5. Population Growth in SWAP Sub-region, 1990-2007	8
6. Types of Housing Units in Medway and in Massachusetts, 2000	10
7. Age of Housing Units in Medway and in Massachusetts, 2000	10
8. Number of Rooms in Medway and in Massachusetts, 2000	11
9. Average Household Size in Medway and in Massachusetts, 2000	11
10. Building Permits in Medway and Abutting Towns, 2000-2007	13
11. Median Housing Unit Values and Rents, Medway and Surrounding Towns, 1990 and 2000	16
12. Medway Values and Percentage of Income Needed for Housing for Owner-Occupied Units, 2000	17
13. Medway Rents and Percentage of Income Needed for Rents, 2000	17
14. Median Sales Price, 1998 – 2008	19
15. Medway Housing Supply-Demand Gap	21
16. Chapter 21E Sites	23
17. Numerical Targets and Schedule	40

List of Figures

1. Median Family Income in Medway, SWAP region and Massachusetts	5
2. Population Projections by Age Cohort	7
3. Building Permits, 2000 – 2007	14
4. Median Sales Price, 1998 – 2008	20
5. Developmental Constraints Map	24
6. Housing Development Targets	35

Introduction

This Housing Production Plan is intended to serve as an update to the housing element of the 2004 Community Development Plan. It is written in compliance with the guidelines and requirements for Housing Production Plans adopted by the Massachusetts Department of Housing and Community Development according to 760 CMR 56.03. Approval of this plan is valid for a period of five years.

The first section of the plan is a **Comprehensive Housing Needs Assessment**, which provides an analysis of current and future projected housing-related statistics. First, local and regional population and income statistics related to housing are presented. Next, growth projections on both a local and regional level are discussed. Then, the housing stock currently available in Medway is summarized by type, age, size and affordability. Finally, developmental constraints and the capability of the existing infrastructure to support additional growth are analyzed.

The second section presents **Affordable Housing Goals**. It begins with a review of the goals of the 1999 Master Plan, and the town's actions since adopting the plan. Next, it discusses current goals and objectives such as managing the rate of residential growth, targeting housing needs, and maintaining and enhancing local character. Included in current goals is a review of the housing goals presented in the recently released 2009 Master Plan.

The final section, **Implementation Strategies** discusses a variety of options available for accomplishing the goals and objectives of the Affordable Housing Goals section. Such strategies include encouraging the use of the ARCPUD and open space subdivision bylaws, monitoring the accessory apartment and inclusionary zoning bylaws, and developing additional public housing as well as criteria for local initiative program projects.

Section I:

Comprehensive Housing Needs Assessment

A. Demographic Profile

Population

Medway's population characteristics as of Census 2000 are presented in Table 1. The total population was 12,448. The age distribution indicates a family-oriented community with the most populous cohorts falling between ages 0-14 and 25-54. The least populous cohorts were between ages 15 to 24 and over 55.

Table 1:
Population Characteristics

Subject	Number	Percent
Total population	12,448	100
SEX AND AGE		
Male	6,032	48.5
Female	6,416	51.5
Under 5 years	1,067	8.6
5 to 9 years	1,236	9.9
10 to 14 years	1,119	9.0
15 to 19 years	718	5.8
20 to 24 years	357	2.9
25 to 34 years	1,445	11.6
35 to 44 years	2,707	21.7
45 to 54 years	1,820	14.6
55 to 59 years	501	4.0
60 to 64 years	341	2.7
65 to 74 years	636	5.1
75 to 84 years	358	2.9
85 years and over	143	1.1
Median age (years)	36	NA
18 years and over	8,483	68.1
21 years and over	8,231	66.1
62 years and over	1,334	10.7
65 years and over	1,137	9.1

Source: U.S. Census 2000

Income

Income characteristics in Medway as of Census 2000 are presented in Table 2. Whether measured by household or by family, a large majority of households (61.9%) and families (70.6%) earned between \$50,000 and \$150,000 annually. The medium household income was \$75,135 while the medium family income was \$85,627. Only 2.4 percent of families in Medway earned under \$15,000 per year.

**Table 2:
Income Characteristics**

Income In 1999	Number	Percent
Households	4,160	100
Less than \$10,000	130	3.1
\$10,000 to \$14,999	139	3.3
\$15,000 to \$24,999	288	6.9
\$25,000 to \$34,999	234	5.6
\$35,000 to \$49,999	390	9.4
\$50,000 to \$74,999	895	21.5
\$75,000 to \$99,999	815	19.6
\$100,000 to \$149,999	865	20.8
\$150,000 to \$199,999	263	6.3
\$200,000 or more	141	3.4
Median household income (dollars)	75,135	

Families	3,337	100
Less than \$10,000	52	1.6
\$10,000 to \$14,999	27	0.8
\$15,000 to \$24,999	149	4.5
\$25,000 to \$34,999	130	3.9
\$35,000 to \$49,999	251	7.5
\$50,000 to \$74,999	708	21.2
\$75,000 to \$99,999	793	23.8
\$100,000 to \$149,999	854	25.6
\$150,000 to \$199,999	232	7
\$200,000 or more	141	4.2
Median family income (dollars)	85,627	

Source: U.S. Census 2000

Table 3 presents Medway's 1999 and estimated 2009 median family incomes compared to abutting communities, the region, and the state as a whole. Medway compares favorably in this measure as only Norfolk averages a higher median family income. Medway's median family income is compared to that of the region and the state graphically in Figure 2.

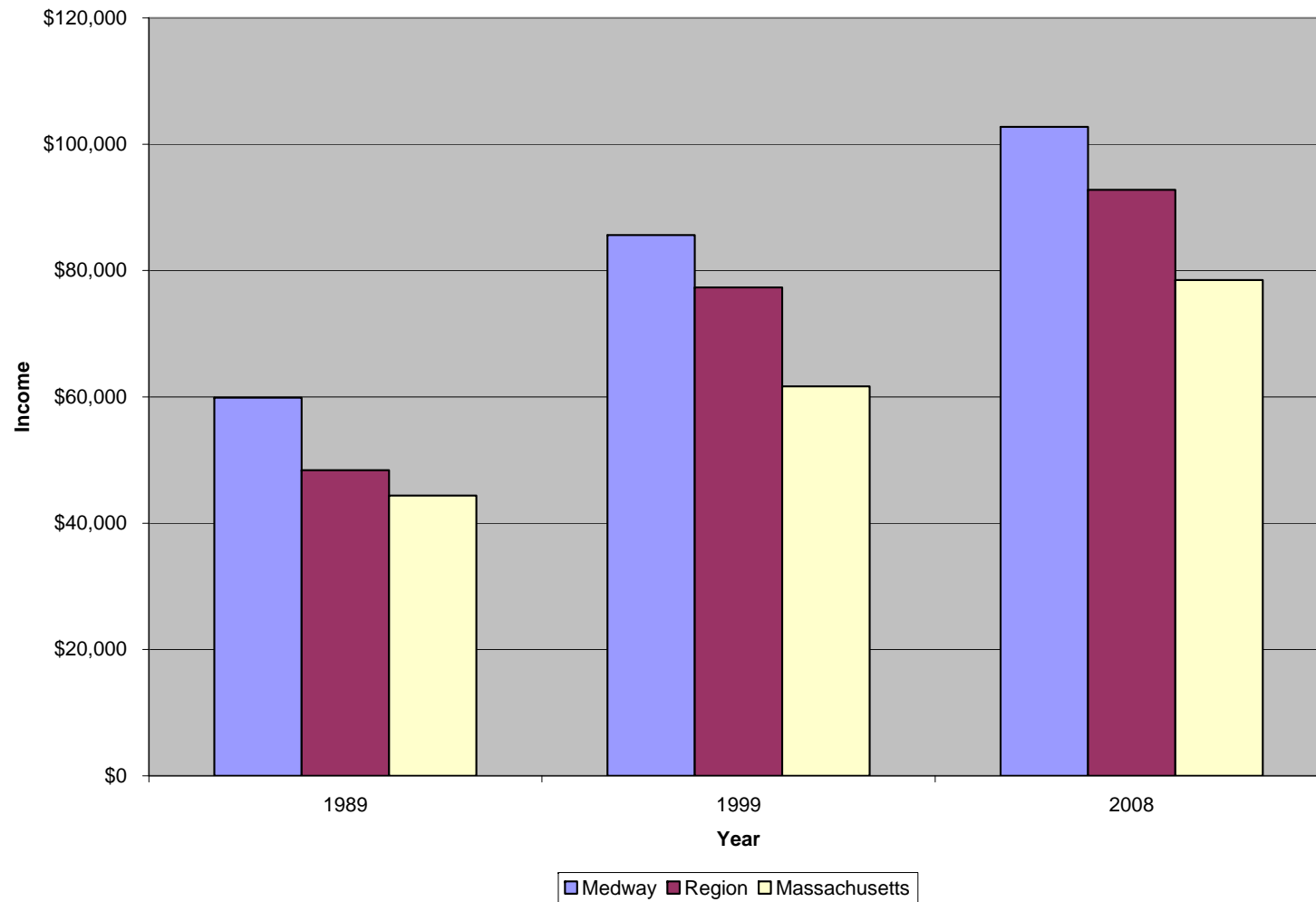
**Table 3:
Median Family Income**

	1989	1999	2009¹
Medway	\$59,859	\$85,627	\$113,028
Franklin	\$48,713	\$81,826	\$108,010
Milford	\$44,118	\$61,029	\$80,558
Holliston	N/A	\$84,878	\$112,039
Norfolk	N/A	\$92,001	\$121,441
Bellingham	\$46,458	\$72,074	\$95,138
Millis	\$54,260	\$72,171	\$95,266
Boston PMSA	\$49,266	\$68,341	\$90,200
Massachusetts	\$44,367	\$61,664	\$82,000

Source: U.S. Census 1990, 2000

¹The U.S. Department of Housing and Urban Development (HUD) has estimated that median family income increased in the Boston, MA-NH Primary Metropolitan Statistical Area by a factor of 1.32 between 1999 and 2009. Applying this factor to 1999 median family incomes of the individual towns produces the estimates for 2009. The Massachusetts figure is a direct estimate by HUD.

Figure 1: Median Family Income in Medway, Region and Massachusetts



B. Growth Projections

Age Cohorts

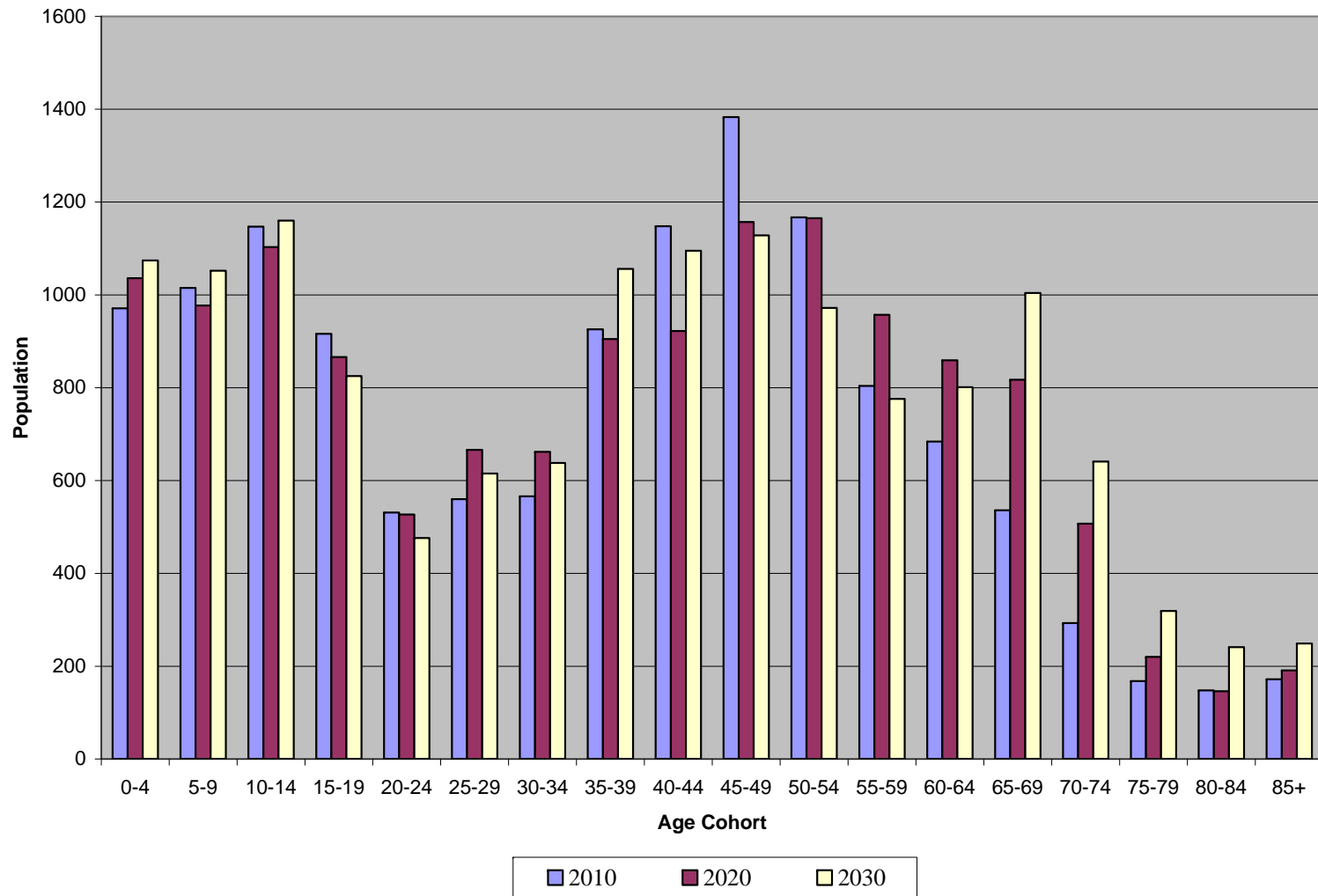
Table 4 presents projected population by age cohort according to a 2006 Metropolitan Area Planning Commission (MAPC) study. The projections for the years 2010, 2020 and 2030 indicate a shift in age distribution as current residents grow older and move into new cohorts. By far the largest projected growth is predicted for residents of ages 65 and older. The population of residents of ages 65-69 is projected to increase from 536 to 1,004 between 2010 and 2030, accounting for nearly fifty percent of total population growth over that same period. Figure 2 provides a visual depiction of this trend.

Table 4:
Population Projections to 2010, 2020, 2030 by Age Cohort

Age Group	2010	2020	2030
0-4	971	1036	1074
5-9	1015	977	1052
10-14	1147	1103	1160
15-19	916	866	825
20-24	531	527	476
25-29	560	666	615
30-34	566	662	638
35-39	926	905	1056
40-44	1148	922	1095
45-49	1383	1157	1128
50-54	1167	1165	972
55-59	804	957	776
60-64	684	859	801
65-69	536	817	1004
70-74	293	507	641
75-79	168	220	319
80-84	148	146	241
85+	172	191	249
TOTAL	13,134	13,684	14,122

Source: Metropolitan Area Planning Commission projection,
January 31, 2006

Figure 2: Population Projections by Age Cohort



Regional Growth

Table 5 presents population growth in the Southwest Area Planning (SWAP) sub-region from 1990 to 2008. Between 2000 and 2008, Medway's population grew from 12,448 to 12,785, an increase of 2.71%. This was the sixth-highest percentage increase in the 11-town sub-region of the MAPC area, putting Medway directly in the middle of the pack. During the same period, the population in the state as a whole grew 2.34%, and the SWAP area grew 4.20%

Table 5:
Population Growth in SWAP Sub-region, 1990-2008

Rank	Town	1990	2000	2008¹	Percent Change (2000-present)	Absolute Change (2000 - present)
1	Franklin	22,095	29,560	32,148	8.76%	2,588
2	Hopkinton	9,191	13,346	14,338	7.43%	992
3	Norfolk	9,270	10,460	11,029	5.44%	569
4	Wrentham	9006	10,554	11,084	5.02%	530
5	Bellingham	14,877	15,314	15,900	3.83%	586
6	Medway	9,931	12,448	12,785	2.71%	337
7	Milford	25,355	26,799	27,246	1.67%	447
8	Dover	4,915	5,558	5,644	1.55%	86
9	Holliston	12,926	13,801	13,901	0.72%	100
10	Millis	7,613	7,902	7,957	0.70%	55
11	Sherborn	3,989	4,200	4,204	0.10%	4
	SWAP	129,168	149,942	156,236	4.20%	6,294
	Massachusetts	6,016,425	6,349,105	6,497,957	2.34%	148,852

Sources: U.S. Census 1990, 2000, Population Estimates Program 2008

¹As of July 1, 2008

C. Housing Stock

Types of Housing

Table 6 presents the types of housing units in Medway and in Massachusetts as a whole. In 2000, there were a total of 4,248 housing units in Medway. As the table indicates, the vast majority of Medway housing units (80.9%) were detached single-family homes. Another 2.4% were attached single-family homes and 5.4% were duplex units. Eleven percent of Medway's housing units are in buildings with three or more units. This is a typical mix for a suburban community.

It should also be noted that, according to the 2000 U.S. Census, 84.1% of the housing units in Medway were owner-occupied and 15.9% were renter-occupied. By contrast, in the state as a whole, only 52.4% of housing units were single-family detached units. Thirty-one percent of housing units in the state were in structures with three or more units. In Massachusetts, 61.7% of housing units were owner-occupied while 38.3% were renter-occupied.

Age of Housing

The age of Medway's housing stock is presented in Table 7. As would be expected for a community that has experienced rapid growth in recent years, 20.4% of Medway's housing units were constructed from 1990 through March 2000. During this same period, only 8.3% of the state housing stock was constructed. Furthermore, while 55.6% of the state's housing stock was constructed prior to 1960, only 37.2% of Medway's housing was constructed before that year. Again, this is to be expected as Medway's first large growth spurt occurred in the 1960's, then after a decline during the 1970's, picked up steam in the 1980's and 1990's.

Table 6:
Types of Housing Units in Medway and in Massachusetts, 2000

Unit Type	Medway		Massachusetts	
	Number	Percentage	Number	Percentage
Single Family - Detached	3,438	80.9	1,374,479	52.4
Single Family - Attached	100	2.4	104,129	4.0
Duplex	242	5.7	304,501	11.6
3 or 4 Units	127	3.0	299,416	11.4
5 to 9 Units	53	1.2	156,135	6.0
10 to 19 Units	106	2.5	113,697	4.3
20 or More Units	175	4.1	244,892	9.3
Mobile Homes	7	0.2	24,117	0.9
Boat, RV, Van, etc.	--	--	623	--
Total	4,248	100.0	2,621,989	100.0

Source: U.S. Census 2000

Table 7:
Age of Housing Units in Medway and in Massachusetts, 2000

Year Built	Medway		Massachusetts	
	Number	Percentage	Number	Percentage
1999-March 2000	75	1.8	24,461	0.9
1995-1998	310	7.3	87,730	3.3
1990-1994	482	11.3	106,216	4.1
1980-1989	813	19.1	292,701	11.2
1970-1979	431	10.1	336,814	12.8
1960-1969	559	13.2	314,855	12.0
1940-1959	542	12.8	553,514	21.1
1939 or before	1036	24.4	905,698	34.5
Total	4,248	100.0	2,621,989	100.0

Source: U.S. Census 2000

Household Size

Table 8 presents the number of rooms in housing units in Medway and in Massachusetts. Only 38.1% of units in Medway had 6 or fewer rooms compared to 68.7% of units in all of Massachusetts. Conversely, 61.8% of housing units in Medway had 7 or more rooms versus only 31.4% in Massachusetts as a whole. The 2000 U.S. Census indicates that the median number of rooms was 7.2 in Medway while it was 5.5 in Massachusetts.

Table 9 presents the average household size in Medway and in Massachusetts in 2000. The average household size in Medway was 2.96 compared to 2.51 in Massachusetts as a whole. It is interesting to note, however, that the average household size of owner-occupied units in Medway was 3.14 compared to 2.72 for owner-occupied units in Massachusetts. However, for renter-occupied units, the average household size was 1.96 in Medway, while for Massachusetts it was 2.17.

Table 8:
Number of Rooms in Medway and in Massachusetts, 2000

Rooms	Medway		Massachusetts	
	Number	Percentage	Number	Percentage
1	6	0.1	52,726	2.0
2	39	0.9	124,481	4.7
3	292	6.9	254,740	9.7
4	280	6.6	388,408	14.8
5	421	9.9	502,111	19.2
6	583	13.7	479,951	18.3
7	745	17.5	334,349	12.8
8	987	23.2	240,039	9.2
9 or more	895	21.1	245,184	9.4
Median	7.2	--	5.5	--

Source: U.S. Census 2000

Table 9:
Average Household Size in Medway and in Massachusetts, 2000

Average Household Size	Medway	Massachusetts
Overall	2.96	2.51
Owner-occupied units	3.14	2.72
Renter-occupied units	1.96	2.17

Source: U.S. Census 2000

Housing Occupancy

As would be expected in a community with a rapid increase in number of housing units, 33% of households moved into their current unit between 1995 and March 2000¹. The vast majority (3,336 or 79.8%) of the 4,182 households in Medway were families. Of these families, 1,912 (45.7%) had children under 18, and 2,921 were married couples. There were 846 non-family households, of which 720 were individuals living alone. The homeowner vacancy rate was 0.1% (Statewide rate was 0.7%). The rental vacancy rate was 3.1% (Statewide rate was 3.5%).

Current Development Trends

The number of building permits for new housing units in Medway and its six abutting towns during the period 2000-2008 is presented in Table 10. As the table indicates, Medway issued a total of 264 building permits for single-family houses, an annual average of 29 over the nine year period. It also issued 39 permits for multiple family units, an annual average of approximately 5. This trend is graphically demonstrated in Figure 3. With 10.7% of the total 2000 population of the 7 towns, Medway accounted for 9.64% of the building permits for single-family homes and 4.37% of the multiple family units during the previous eight years. However, disregarding Franklin's 786 multiple family unit building permits, Medway accounted for 26.90% of such permits in the 6 other towns.

Furthermore, between 1990 and 2000, Medway had the seventh-largest percentage increase in housing units (25.3%) among the MAPC's 101 cities and towns². The top six towns and their percentage increase in housing units were Hopkinton (37.6%, Bolton (34.5%), Franklin (34.3%), Boxborough (28.4%), Southborough (26.9%) and Wilmington (26.3%). As might be expected, six of the seven towns with the highest percentage increase in housing units are located near I-495.

¹U.S. Census 2000

²MAPC, 2001

**Table 10:
Building Permits in Medway and Abutting Towns, 2000-2007**

Single Family

	Year										
Town	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total	Average
Medway	57	65	38	22	22	30	11	11	8	264	29
Bellingham	44	44	61	71	71	84	43	15	9	442	49
Franklin	86	68	65	68	67	64	75	87	53	633	70
Holliston	51	27	31	35	26	50	21	19	25	285	32
Milford	64	61	76	96	123	105	41	72	24	662	74
Millis	28	20	26	15	19	25	5	14	2	154	17
Norfolk	35	31	38	24	31	57	40	33	10	299	33
Total	365	316	335	331	359	415	236	251	131	2739	326

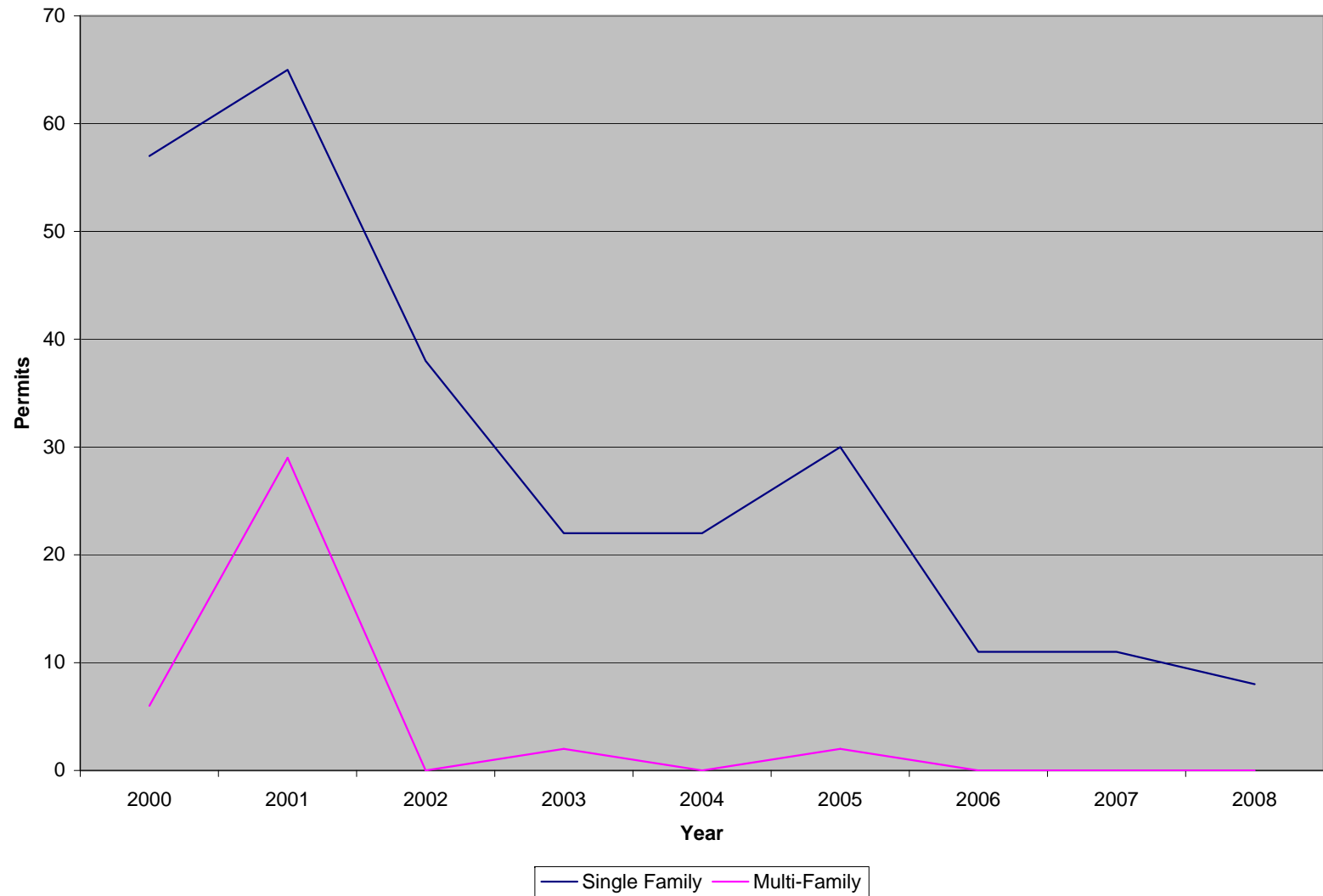
Multiple Family¹

	Year										
Town	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total	Average
Medway	6	29	0	2	0	2	0	0	0	39	4
Bellingham	12	8	23	0	2	0	10	0	2	57	6
Franklin	2	8	98	0	302	146	53	14	163	786	87
Holliston	0	0	0	0	0	0	0	0	0	0	0
Milford	8	0	4	0	0	0	0	0	0	12	1
Millis	0	0	0	0	2	0	2	0	4	8	1
Norfolk	0	0	0	11	0	0	0	0	0	11	1
Total	28	45	125	13	306	148	65	14	169	913	101

Source: U.S. Census

¹Includes duplexes, 3-4 unit structures and 5+ unit structures.

Figure 3: Medway Building Permits, 2000 - 2008



Affordable Housing Stock - Chapter 40B

Medway currently has 227 units of affordable housing according to the Chapter 40B Subsidized Housing Inventory published by the Massachusetts Department of Housing and Community Development (DHCD) in September, 2008. This housing consists of units managed by the Medway Housing Authority, including the following:

Location	Housing
Mahan Circle	<ul style="list-style-type: none">• 70 apartments for elderly, handicapped and disabled
Lovering Heights	<ul style="list-style-type: none">• 60 apartments for elderly
Kenny Drive	<ul style="list-style-type: none">• 34 apartments for elderly
Maple Lane	<ul style="list-style-type: none">• 30 apartments for families
284 Village Street	<ul style="list-style-type: none">• 2 apartments for handicapped
5 County Lane	<ul style="list-style-type: none">• 6 apartments for handicapped
Scattered Site	<ul style="list-style-type: none">• 1 home for 3 handicapped individuals• 4 apartments for families
Subtotal	207

Chapter 40B of the Massachusetts General Laws is a good measure of affordability. Under this statute, towns whose housing stock includes less than 10% of affordable housing have little control over housing developments that do not conform to the Town's Zoning Bylaw if such projects provide that at least 25% of the units are affordable as defined by the state.

The Chapter 40B inventory maintained by DCHD classifies 227 housing units in Medway as subsidized out of a total of 4,248, or 5.3%. Medway would need a total of 445 subsidized housing units (an additional 218 units) to reach 10% if no more market rate units were developed.

If the previous nine-year average of 33 new housing units per year were to continue for the next five years (165 total), at least 4 of those units per year (20 total) would need to be affordable units in order to avoid falling further behind the effort to reach 10%. Since 303 building permits were issued since 2000, the total number of units by 2013 (five years from 2008) would be 4711.

If this were to occur, then in order to reach the 10% goal in five years, an average of 51 new affordable units would need to be built each year (in addition to the 33 units). This would bring the total number of units to 4961 and the total number of affordable units to 497. This would, of course, be very difficult to achieve. Other options are discussed in the Affordable Housing Goals section.

House Values and Rent Levels

Table 11 presents the median housing unit value and median rent for Medway and its abutting towns in 1990 and 2000, as reported in the U.S. Census. The table indicates that Medway had the third highest median housing unit value among its neighbors and the second highest rate of increase from 1990 to 2000. It also had the fourth highest median rent, but the highest rate of increase from 1990 to 2000.

Table 11:
Median Housing Unit Values and Rents, Medway and Surrounding
Towns, 1990 and 2000

Town	Median Housing Unit Value			Median Rent Values		
	1990	2000	Percent Change	1990	2000	Percent Change
Medway	\$175,300	\$233,000	32.92%	\$518	\$720	39.00%
Bellingham	\$142,200	\$158,000	11.11%	\$557	\$643	15.44%
Franklin	\$167,800	\$227,100	35.34%	\$562	\$677	20.46%
Holliston	\$187,400	\$237,100	26.52%	\$684	\$738	7.89%
Milford	\$161,600	\$175,600	8.66%	\$553	\$680	22.97%
Millis	\$178,700	\$204,200	14.27%	\$781	\$822	5.25%
Norfolk	\$225,000	\$271,700	20.76%	\$545	\$752	37.98%

Source: U.S. Census 1990, 2000

Table 12 presents a breakdown of the values of owner-occupied units in Medway in 2000, as well as the percentage of income necessary for monthly mortgage payments and other selected monthly costs. Table 13 presents the same information for renters. Housing is generally considered affordable when it requires less than 30% of its occupants' income. These tables indicate that 7.5% of homeowners devoted between 30% and 35% of their income to housing and another 15.7% devoted at least 35% of their income for a total of 23.2% of homeowners spending more than 30% of their income for housing. For renters, it was a total of 16.2% (2.3% spending between 30% and 35% and 13.9% spending at least 35%) devoting 30% or more of their income to housing in 2000.

Table 12:
Medway Values and Percentage of Income Needed for Housing for
Owner-Occupied Units, 2000

2000 Value			Percentage of Income		
Range	Number	Percent	Range	Number	Percent
Less than \$50,000	20	0.6%	Less than 15%	880	27.6%
\$50,000-\$99,999	71	2.2%	15-19.9%	662	20.8%
\$100,000-\$149,999	295	9.3%	20-24.9%	555	17.4%
\$150,000-\$199,999	717	22.5%	25-29.9%	340	10.7%
\$200,000-\$299,999	1402	44.0%	30-34.9%	240	7.5%
\$300,000-\$499,999	655	20.6%	35% or more	501	15.7%
\$500,000-\$999,999	24	0.8%			
\$1,000,000+	--	--	Median monthly cost		
Median	\$233,000			\$1568	

Source: U.S. Census 2000

Table 13:
Medway Rents and Percentage of Income Needed for Rents, 2000

2000 Rent			Percentage of Income		
Range	Number	Percent	Range	Number	Percent
Less than \$200	34	5.1%	Less than 15%	82	12.4%
\$200-\$299	82	12.4%	15-19.9%	130	19.6%
\$300-\$499	104	15.7%	20-24.9%	144	21.8%
\$500-\$749	145	21.9%	25-29.9%	155	23.4%
\$750-\$999	152	23.0%	30-34.9%	15	2.3%
\$1000-\$1499	93	14.0%	35% or more	92	13.9%
\$1500+	230	4.5%			
No cash rent	22	3.3%			
Median	\$720				

Source: U.S. Census 2000

The Supply-Demand Housing Gap

As Table 14 indicates, the median sales price of homes in Medway approximately doubled in all categories between 1990 and 2001, and continued to increase to a peak of \$418,950 in 2005 before declining to \$352,000 in 2008. Table 3 indicates the increase in median family income between 1989, and an estimate for 2009. As the table illustrates, median family income in Medway rose from \$59,859 in 1989 to \$85,627 in 1999, to an estimated \$113,028 in 2009. Thus, while the gap has narrowed somewhat in recent years, between 1990 and 2008, housing prices increased 133% while incomes increased by 88.9% during that period.

The difference continued in recent years. While HUD estimates that median family income rose 32.0% from 1999 to 2009, the median sales price of single-family homes increased 36.1%. The increase in median sales price of condominiums increased by 218.3%, and the increase in median sales price for all housing units was 54.4%. It should be noted that the small sample size of condominium sales in 2008 may attribute to an exaggerated result. Using data from 2007, the median sales price of condominiums still increased by 96.9%.

Nevertheless, a Medway family with the estimated 2009 median family income of \$113,028 can afford the median sales price of a single-family home of \$339,000. Assuming 5% down (\$16,950) and a mortgage of \$322,050 at 7% interest over 30 years results in a monthly payment of \$2,142.61. This equals an annual cost of \$25,711.32, well within 30% of the median family income of \$113,028 (\$33,908). However, the median family income and median sales price mask the impacts of housing costs on households at the low and high ends of the income scale.

Low income households are defined as those whose income is 50% or less of the region's median income. For the Boston metropolitan area, that means households with incomes of \$45,100 or less (50% of the 2009 median income of \$90,200). Moderate-income households are those with incomes between \$45,100 and \$72,160 (80% of median). Middle-income households have incomes between \$72,160 and \$135,300 (150% of the median). Thus, Medway's median income falls in the middle income category. However, as the following tables demonstrate, there are housing needs in all three groups, but especially the low and moderate income categories.

Table 15 presents a more detailed analysis of housing affordability by income categories. It illustrates the number of housing units available to households at various income levels, using data from the 2000 U.S. Census. The median household income in Medway in 1999 was \$75,135 (compared to \$55,183 to in the Boston, MA-NH PMSA).

As Table 15 illustrates, there were 791 households (19% of total households) in Medway that could afford a house costing as much as \$137,500 in 2000. Only 165 houses were valued at that level or below. The gap is partially made up by the 441 rental units affordable to these income levels. However, that still means that only 606 housing units (14.5% of total housing units) were affordable to this group.

Table 14
Median Sales Price, 1990 – 2008

	Single Family Houses		Condominiums		All Sales	
Year	Number	Price	Number	Price	Number	Price
2008¹	55	\$339,000	6	\$407,450	70	\$352,000
2007	128	\$385,000	17	\$252,000	169	\$375,000
2006	100	\$401,000	18	\$253,950	151	\$372,000
2005	159	\$436,570	29	\$247,000	224	\$418,950
2004	171	\$406,000	30	\$242,250	248	\$380,500
2003	205	\$360,000	28	\$203,500	279	\$335,000
2002	152	\$337,500	54	\$198,000	287	\$317,500
2001	180	\$316,250	49	\$224,000	315	\$300,000
2000	186	\$291,000	31	\$131,000	278	\$248,200
1999	209	\$249,000	31	\$128,000	272	\$228,000
1998	170	\$227,500	19	\$102,000	282	\$218,400
1997	199	\$200,000	30	\$92,250	267	\$185,900
1996	196	\$194,950	21	\$93,500	245	\$185,000
1995	187	\$187,500	21	\$91,500	255	\$179,000
1994	232	\$178,500	10	\$83,250	295	\$168,500
1993	220	\$175,000	8	\$88,000	299	\$161,000
1992	194	\$167,699	3	\$103,000	245	\$162,900
1991	123	\$167,500	16	\$99,250	172	\$160,750
1990	158	\$180,000	44	\$104,400	248	\$151,000

Source: The Warren Group, 2008

¹January through June only

Figure 4: Median Sales Price, 1998 - 2008

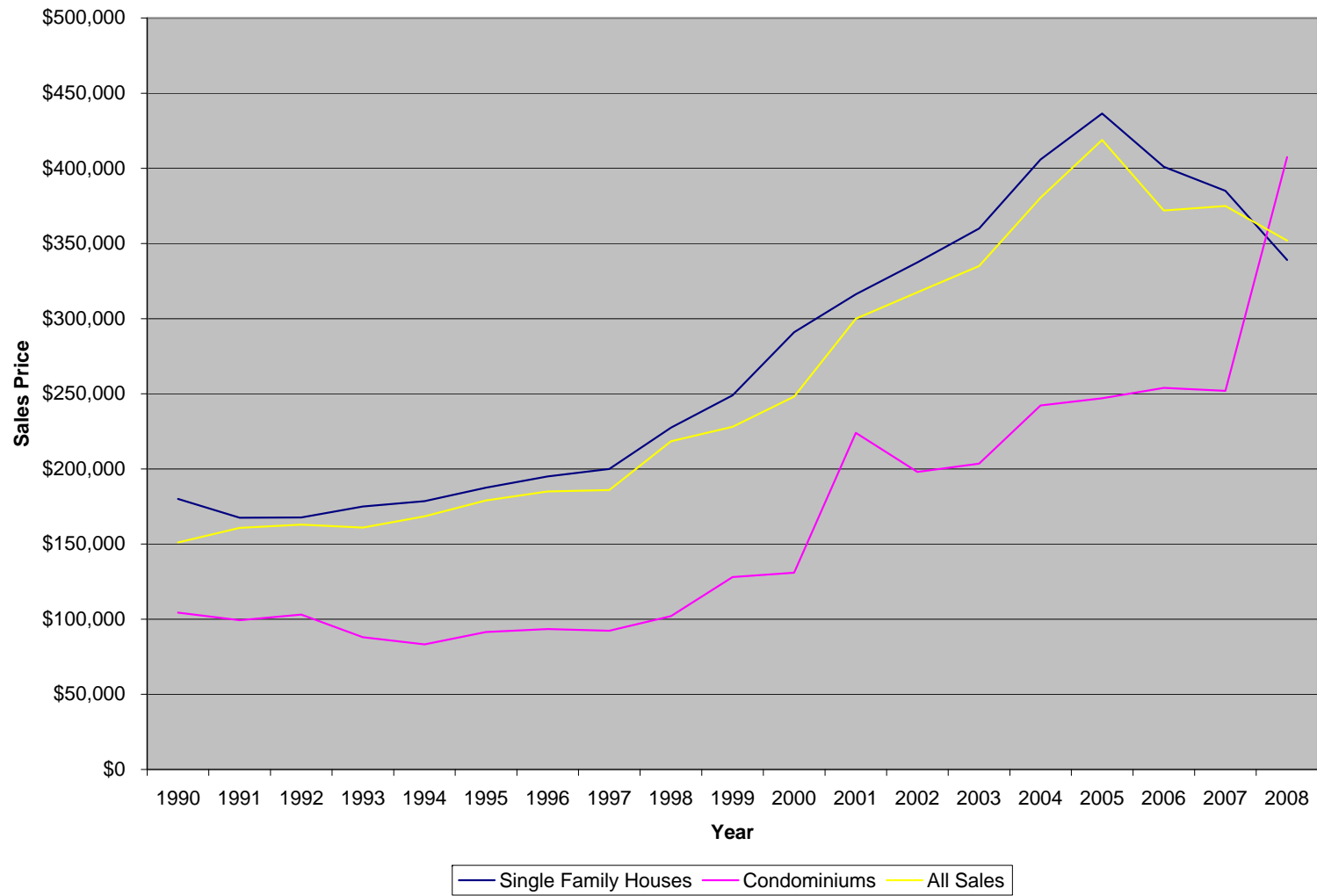


Table 15
Medway Housing Supply-Demand Gap

HOUSEHOLD INCOME LEVEL	PERCENT OF HOUSEHOLDS	NUMBER OF HOUSEHOLDS	AFFORDABLE PURCHASE PRICE¹	NUMBER OF HOMES AT AFFORDABLE PRICE²	AFFORDABLE RENTAL LEVEL³	NUMBER OF AFFORDABLE RENTAL UNITS²	TOTAL UNITS
Less than \$10,000	3.1%	130	\$38,850	--	\$250	75	75
\$10,000 to \$14,999	3.3%	139	\$58,800	32	\$375	80	112
\$15,000 to \$24,999	6.9%	288	\$98,700	59	\$625	138	197
\$25,000 to \$34,999	5.6%	234	\$137,500	74	\$875	148	222
\$35,000 to \$49,999	9.4%	390	\$195,300	871	\$1250	123	994
\$50,000 to \$74,999	21.5%	895	\$294,000	1385	\$1875	76	1461
\$75,000 to \$99,999	19.6%	815	\$393,750	391	\$2500	--	391
\$100,000 to \$149,999	20.8%	865	\$592,200	352	\$3750	--	352
\$150,000 or more	9.7%	404	\$592,200+	20	\$3750+	--	20
TOTALS	100%	4160	--	3184		662⁴	3846⁴

Source: U.S. Bureau of the Census and derived by author

¹Based on 30% of income, 5% down payment and a 30-year loan at 7% interest

²Figures have been interpolated based on 2000 U.S. Census figures

³Based on 30% of income

⁴Including 22 units for which no rent was paid. U.S. Census reported a total of 4182 occupied housing units in 2000, so these figures slightly understate actual numbers.

Table 15 seems to indicate that there is surplus of housing serving the next two income categories. While there are 390 households in the income range of \$35,000 to \$49,999, there are 871 homes and 123 rental units (994 total housing units) affordable to this group. Similarly, there are 895 households with incomes from \$50,000 to \$74,999, while 1385 houses and 76 apartments are affordable to this group. This phenomenon in these income categories can be partially explained by the fact that 23.2% of homeowners (741 household) and 16.2% of renters (107 households) are spending more than 30% of their income on housing. Thus, they are living in these middle-income units, but spending more than what is considered an “affordable” percentage of their income on housing.

Another portion of the phenomenon can be explained by the fact that there are 2084 households with incomes (\$75,000 and above) sufficient to afford houses costing \$393,750 and up. However, there are only 763 such units. Therefore, the rest of the households live in lower cost housing and can spend lower percentages of their income on housing. As illustrated in Tables 12 and 13, 1,754 households (1,542 homeowners and 212 renters) spend less than 20% of their income on housing.

Furthermore, It should be noted that housing is a regional issue. As noted above, the median household income of the Boston, MA-NH PMSA is only 80% of Medway’s.

D. Developmental Constraints

Chapter 21E Sites

Under the Massachusetts General Laws, Chapter 21E sites are contaminated by oil or other hazardous material and are subject to special restrictions for redevelopment. Such sites are classified by tiers based on their level of contamination and their owner’s compliance with regulations. The Massachusetts Department of Environmental Protection (Mass DEP) has a searchable database (<http://db.state.ma.us/dep/cleanup/sites/SearchResults.asp>) that lists 34 reportable spills of oil and/or hazardous materials in Medway from 1987 through January 2010. Most of those sites, including some former gas station sites, are classified in a status that poses no significant risk.

Table 16 and Figure 5 present five Tier II and Tier 1D Chapter 21E sites in Medway. Three gas stations on Main Street are classified as Tier II, meaning that permits from the Massachusetts Department of Environmental Protection (Mass DEP) are not required and response action may be performed under the supervision of a Licensed Site Professional, without prior Departmental approval. All three stations are in cleanup phase. All three are also located within the proposed Chapter 40R overlay district on Main Street. The district is currently being targeted for mixed-use redevelopment.

The Medway Oil Facility and 8 Populatic Street are located in the C-III and AR-II zoning districts respectively and are designated as Tier 1D sites. Tier 1D includes any site where the responsible party fails to provide a required submittal to Mass DEP by a specified deadline. A site is categorically classified as Tier 1D on the date of its applicable transition deadline and is assessed annual compliance fees should the responsible party fail to submit certain paperwork to the department by the applicable

Medway Housing Production Plan 2010 - 22 -

deadline¹. Both Tier 1D sites are unlikely to be targeted for housing-related redevelopment in the foreseeable future.

Table 16:
Chapter 21E Sites

Site Name	Address	Zoning	Tier
Medway Mobil Station	107 Main Street	C-I	II
Aoude Gas Station	73 Main Street	C-I	II
Texaco Station	71 Main Street	C-I	II
Medway Oil Facility	37 Broad Street	C-III	1D
NA	8 Populatic Street	AR-II	1D

Source: MassGIS

Natural Wildlife Habitats

Figure 5 includes the Natural Heritage and Endangered Species Program's (NHESP) BioMap Core Habitat and Supporting Natural Landscape. The Core Habitat is an area designated by NHESP scientists as a most viable habitat for rare and endangered species. The Supporting Natural Landscape Habitat is a buffer around Core Habitats and provides connections between Core Habitats. According to NHESP, the designation of SNL zones was based on four characteristics:

- Natural vegetation patch characteristics;
- Size of relatively road-less areas;
- Subwatershed integrity;
- Contribution to buffering BioMap Core Habitat polygons for plants and exemplary communities.

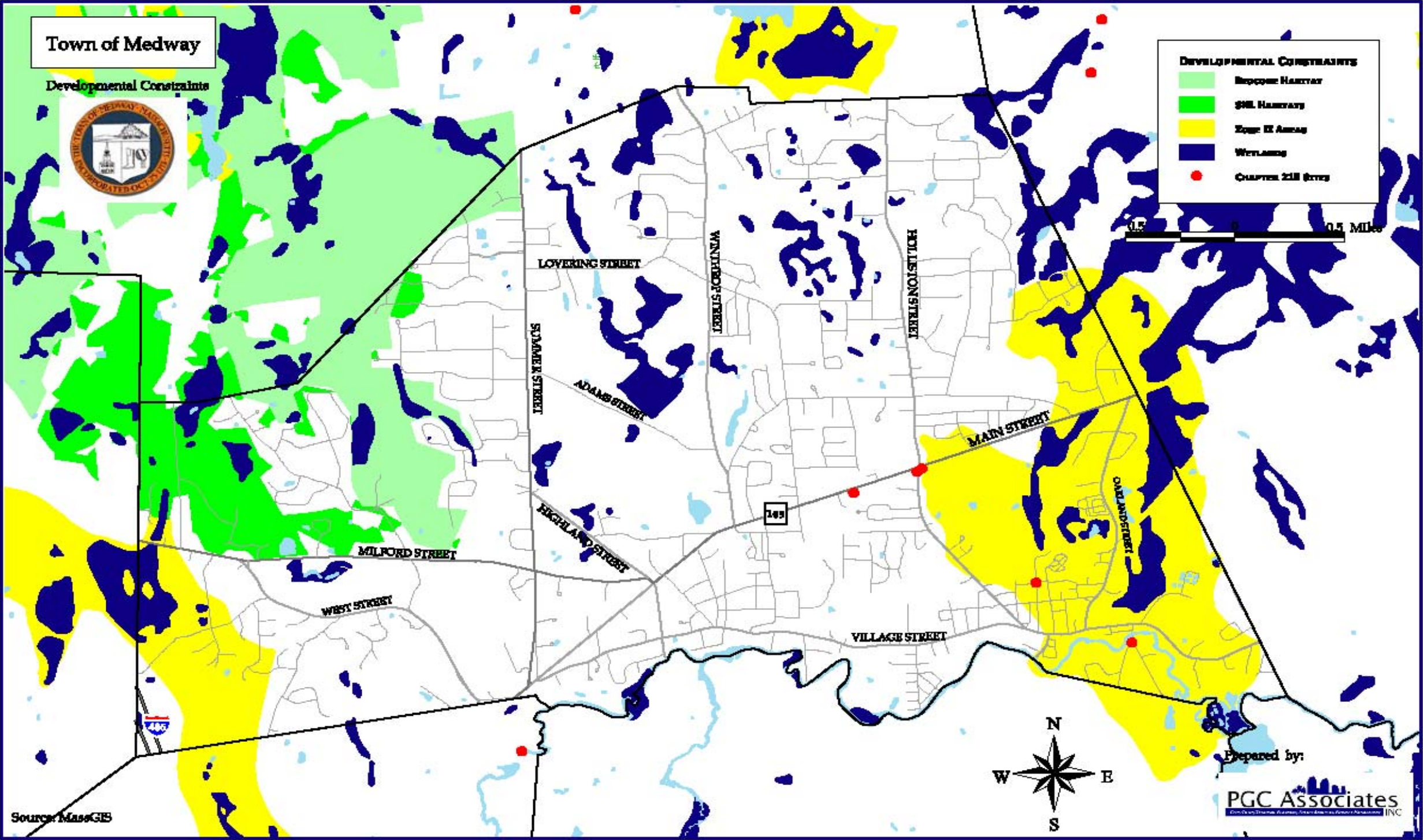
Medway's Core Habitat and SNL habitats are located in the Northwest Corner of town between Routes 109 and 126. The BioCore Habitat extends into Holliston and is adjacent to a SNL habitat connecting it to BioCore Habitats in Holliston and Milford. There are no existing plans to target new affordable housing developments in or near these habitats.

Zone II Areas

Zone II areas are protected areas of an aquifer that contribute to severe pumping and recharge conditions. Medway has four Zone II areas, including three that overlap. One area is in the Southwest corner of town extending from the Bellingham town line to Route 109. The other three are overlapping in the Southeast corner of town covering the Great Black Swamp and most of the area south of Main Street from Holliston Street to the Norfolk town line.

Housing developments in Zone II areas are generally restricted to a maximum of 15% coverage of impervious surfaces per lot, unless a special permit for greater coverage is granted. This restriction can significantly inhibit the density of a housing development, especially a multi-unit development. However, mitigating measures can be included in such developments, which would help in obtaining the necessary special permit.

Figure 5: Developmental Constraints Map



E. Capacity of Infrastructure¹

This section analyses the existing infrastructure in Medway and its ability to support the current housing supply. It also discusses the ability of the infrastructure to accommodate future growth and current initiatives involving expansion or improvements to Medway's infrastructure. In preparation for writing the 2009 Master Plan, the committee conducted a survey of Medway residents to gather their opinion on the most important concerns regarding the town's infrastructure. The results of that survey indicate that the most important issues were the quality of drinking water, the maintenance of public buildings and the quality of the schools.

Water and Sewer

Medway has three public wells to support the town water supply. They are located on Populatic Street, Oakland Street and Village Street. A fourth well is under construction off Industrial Park Road. There are also two water tanks and 71.1 miles of water mains. The water supply is currently insufficient and measures have been taken to maintain its adequacy. A 2008 water restriction currently limits lawn watering to handheld water dispersal. These measures are necessary to support the existing and future housing supply and more expansion is likely necessary to support any substantial future growth.

Recently, the Village Street well has failed and the Oakland Street well has been over-pumped to compensate for low supply. Poor maintenance of the 100-year-old Highland Street water tank led to the initiation of chlorination to the water supply. The Water Advisory Board has conducted an analysis and concluded that the maintenance of existing wells in addition to implementing the new well on Industrial Park Road and constructing a new well (#5) on Adams Street will be sufficient to meet foreseeable future demand. According to the Executive Office of Environmental Affairs, buildout in Medway would increase water demand from 1,148,397 gallons per day in 2000 to 1,883,430 gallons per day. However, water conservation efforts have been effective enough to decrease Medway's daily pumping rate to 876,200 gallons per day in 2007. Nevertheless, Medway has often approached and exceeded its DEP-mandated limit on water usage per day. In order to address the pressing concerns about water in Medway, the Board of Selectmen has issued a request for proposals for a new Water Master Plan to address both short term and long term concerns.

Medway is within the Charles River Water Pollution Control District and falls under its oversight for management, treatment and disposal of wastewater. There is a treatment facility on Village Street that discharges its treated effluent into the Charles River.

¹Substantial information for this section was obtained from the 2009 Medway Master Plan.

Wastewater in Medway is disposed primarily through its sewer lines, and sometimes through private septic tanks. In 1973, the Charles River Water Pollution Control District (CRPCD) was established to manage and oversee regional treatment and disposal of wastewater. The treatment facility is jointly owned by Medway (20%) and Franklin (80%). Excess capacity has been purchased by Millis, Bellingham, Norfolk, Dover and Sherborn.

Medway's sewer system includes 49.9 miles of sewer mains serving 2,324 locations. The town's current usage requires only 15.7% of the treatment plant's total capacity. Therefore, additional capacity currently sold to neighboring communities may be available as Medway's demand increases.

A \$5.3 million dollar expansion of the sewer system is under construction (and expected to be completed in December 2009) in the western part of town including the Medway 495 Business Park. Additional capital improvements have been suggested, including replacing the Highland Street water tank, replacing meters to increase accuracy in measurements, reconstructing the Populatic Street well, removing radon at contaminated sites, and initiating plans for the Adams Street well #5.

Finally, the Master Plan recommends four goals for improving the quality of water and sewer services:

1. Improve and protect water quality and quantity
2. Protect existing and potential water supply sources through local land use mechanisms, such as by-laws
3. Implement comprehensive water conservation measures
4. Take an active role in maintaining and/or increasing Medway's effective capacity at CRPCD.

Roads

Medway has 74 miles of roadway including an interstate (495) as well as state Routes 126 and 109. This includes twenty-five scenic roadways. Currently, Cottage Street and Summer Street are being reconstructed to accommodate additional traffic, and handicap ramps are being installed throughout town to improve pedestrian accessibility. Future road demand can be limited through the promotion and expansion of the new Greater Attleboro-Taunton Regional Transit Authority (GATRA) bus service.

Route 126 has recently been reconstructed to increase capacity to a recent increase in through-town traffic. Route 109 remains inadequate in traffic and safety. However, design work has begun on a reconstruction project of Route 109 from the Millis to the Milford town lines.

The network of sidewalks in Medway is inadequate, as sidewalks are mostly not interconnecting. Commercial areas in town are not easily accessible by pedestrians from residential areas. Efforts are underway to improve the sidewalk network.

Public Transit

With the recent volatility in the price of gasoline, the MBTA has reported significant increases in ridership on its public transit services. Medway has access to the MBTA commuter rail line through three stations in the abutting towns of Norfolk and Franklin. The commuter rail line provides access to Boston as well as neighboring suburbs. In September 2007, GATRA bus service began a route with several stops in Medway to the Norfolk train station. The GATRA bus offers stops at the West Medway Fire Station, Dry Bridge Crossing, Medway Middle School and the Village Street Post Office. After a slow start, ridership has increased significantly.

Schools

Medway has five public schools serving 2,879 students. There are three public elementary schools: Burke, McGovern and Memorial which combine to serve students from Pre-Kindergarten through grade four. The Francis J Burke Elementary school on Cassidy Lane opened in 1953 and offers pre-kindergarten and kindergarten. The John D McGovern Elementary School on Lovering Street opened in 1965 and offers grades 1 and 2, while the Memorial Elementary School on Cassidy Lane opened in 1997 and offers grades 3 and 4. The Medway Middle School on Holliston Street offers grades 5-8. Grades 5 and 6 are housed in the former high school section of the building, which opened in 1960 while grades 7 and 8 are housed in the annex which opened in 1971. Medway High School opened in 2004 and is located on Summer Street.

Since school buildings are expected to have a life span of 50-75 years, the district is facing a need for renovations and improvements immediately and in the foreseeable future. Three of the five buildings are at least 43 years old. The Burke School has sufficient classroom space, but lacks space for adequate restrooms or technology facilities. The McGovern School has insufficient classroom space and consequently houses all art, music and computer classes in open spaces and in the cafeteria. The small gymnasium at this school has no windows, and administrative, guidance and health offices are located in inadequate spaces throughout the school. It also lacks in computer technology. The Middle School has sufficient space, but is in need of updating. The library is inadequate and lacks technological resources. There are two gymnasiums, each with floors, windows and lights in need of replacement. Many other specialized rooms lack sufficient space to house their necessary educational equipment. Also, the fire alarm, communications and HVAC systems are inadequate. The High School is projected to have adequate capacity for the next five to ten years. Its facilities are all up-to-date, with the exception of wireless internet access.

The Master Plan Committee recommends a study of the school buildings that will take into account long-term enrollment projections, educational needs including technology, evaluation of existing building conditions and the use of school buildings and sites to meet community needs. The school district has been investigating a major capital improvement project funded through energy savings in the infrastructure.

II. Affordable Housing Goals

A. Review of 1999 Master Plan Goals and Objectives

1999 Master Plan Goals

The 1999 Master Plan included four major housing goals as follows:

- Manage the Rate of Residential Growth
- Develop an Affordable Housing Plan
- Target Housing Needs
- Maintain Current Character

The goal of managing the rate of growth reflects the concern that was driven by Medway's rapid rate of growth in during the 1990's, which resulted in the third largest percentage increase in population among the 11 towns in the SWAP region and the seventh largest percentage increase in the number of housing units among the 101 cities and towns in the MAPC region. This growth led to a significant increase in services and new infrastructure (including new and expanded schools, new police and fire stations, expanded library, expanded sewer treatment plant, planning for a new municipal well, etc.). It also resulted in a substantial loss of open space, which is reflected in the goal of maintaining current character.

While under the strain of rapid growth, the Town also recognized the regional need to provide affordable housing and to address the specific needs of a diverse population as reflected in the goals to develop an affordable housing plan and to target housing needs. The needs of senior citizens as well as young adults were cited as examples of particular housing needs that should be addressed.

Among the objectives (or "Implementing Actions") of the Master Plan were recommendations to reactivate the Affordable Housing Committee, balance the housing inventory to both meet community needs and to address state mandates, encouraging open space development plans, providing for Planned Unit Developments, encouraging housing for senior citizens, rezoning some of the residential land to increase economic development opportunities to provide a fiscal base for achieving the other goals and encouraging neighborhood preservation .

The goals and objectives of the Master Plan recognize that maintaining community character and providing for housing needs are not mutually exclusive. On the contrary, it promoted a set of actions that help address both.

Town Actions since Adoption of 1999 Master Plan

Medway has taken several actions addressing the issue of housing since adoption of the 1999 Master Plan.

Management of the rate of residential growth has been addressed through a major revision to the Site Plan section of the Zoning bylaw. With this change, the process of the Planning and Economic Development Board's site plan review has been reduced from a two-step process to a one-step in order to achieve a consistent and comprehensive process. Additionally, portions of AR-I and the AR-II district have been rezoned to create a new Commercial V zoning district at the intersection of Routes 109 and 126 to encourage economic development.

The development of an affordable housing plan was accomplished in 2004 as part of the Community Development Plan. This update as a Housing Production Plan in 2009 will bring Medway up to date with DHCD's new regulations for a period of five years.

The targeting of housing needs was addressed when an Adult Retirement Community Planned Unit Development (ARCPUD) option was passed by Town Meeting in October of 2000. In 2004, Town Meeting also approved provisions for accessory dwelling units through a ZBA special permit. Additionally, Town Meeting approved a new Open Space Residential Development (OSRD) Option within the Zoning Bylaw in 2005 to allow clustered housing by special permit with open space conservation. That bylaw allows multi-family developments in an OSRD.

Several actions have addressed the goal of maintaining of current character. First, a 2001 Town Meeting approved an updated demolition delay bylaw. Then, a 2004 Town Meeting approved an Adaptive Use Overlay District on Route 109, which allows limited mixed-use development while preserving existing historic houses. Also, a new Zoning Bylaw has been passed to require a special permit from the ZBA to convert any single family home into a two family home in the AR-II district.

Additional actions include adoption of the Community Preservation Act; approval of two ARCPUD projects, two OSRD projects, and four Chapter 40B comprehensive permit projects; and approval of conveying a Town-owned lot to Habitat for Humanity, which is building an affordable house on the property. Other regulatory measures include adoption of an inclusionary zoning bylaw and creation of an affordable housing trust in 2008, and adoption of an infill development bylaw for affordable housing in 2009. Each of these is discussed below:

Adult Retirement Community Overlay District

This zoning bylaw provides for the creation of overlay districts within the two residential zoning districts. The overlay districts allow greater density (up to 3 units per acre) for housing units restricted to persons 55 years of age or older. The bylaw also requires that at least 40% of the parcel be set aside as open space, and it encourages affordable housing and mixed uses (including limited commercial development). Such overlay districts are authorized through a special permit granted by the Planning Board and known as an Adult Retirement Community Planned Unit Development (ARCPUD).

As a result of the bylaw, two developments of 115 and 80 condominium units (each including 10% affordable units) respectively have been granted special permits by

the Planning Board. Due to market conditions and other factors, neither of these projects has gone forward.

Open Space Residential Development Bylaw

The previous version of an open space residential development bylaw was used only once. In 2005, Medway adopted a new version. The bylaw now allows multifamily housing as well as single family homes as part of a development. One such project of 20 units has been approved and several units have been built and sold. Another project, located on the site of a previously-approved 40B development, has also been approved but not yet built. Due to the inclusionary zoning bylaw (see below), this 18-unit project includes three affordable units.

Community Preservation Act

Medway adopted the Community Preservation Act (CPA) in 2001. The Act imposes a surcharge of 3% on property taxes and qualifies the Town to receive matching funds from a document-recording fee levied at the Registry of Deeds. A minimum of 10% of the revenues (including match) generated from this legislation must be dedicated to producing affordable housing (at least 10% each must also be used for open space and historic preservation respectively, and recreation is an eligible expenditure as well).

Approval of four Chapter 40B Comprehensive Permit Projects

In 2000, the Town Zoning Board of Appeals approved a comprehensive permit under Chapter 40B for Woodside, a condominium development of 53 units. Fourteen of the units (25% as required by law) are affordable. The project is now fully built out. Since then, three additional projects have been granted comprehensive permits. However, none of the three has gone forward thus far.

Inclusionary Zoning Bylaw

In May 2008, the Town adopted an inclusionary Zoning Bylaw that requires that 15% of new housing projects of 3 or more units be affordable. The bylaw allows for the units to be on or off-site and provides for payment into an Affordable Housing Trust Fund to satisfy the requirement. In 2009, the Planning Board approved an 18-unit condominium project that will include 3 affordable units under this bylaw.

Adaptive Use Overlay District

In 2004, the Town adopted an Adaptive Use Overlay District for the area along Route 109 that abuts its primary commercial district. The overlay district allows mixed commercial and 1 or 2 family units within existing structures in the district. In 2007, the bylaw was further amended to allow multifamily housing on the site of the Medway Mill, which is located within the district.

Accessory Apartment Bylaw

In 2004, Medway adopted a provision to allow accessory apartments in the AR-I and AR-II districts. The bylaw limits occupancy to relatives and includes restrictions to ensure that the house retains the character of a single-family dwelling. Since the bylaw was adopted, 19 accessory family dwelling units have been approved.

Infill Development Bylaw

Under this bylaw adopted in 2009, certain undersized lots may be used for affordable housing. Among the requirements are that the lot size and building setbacks be similar to those that already exist in the neighborhood.

Affordable Housing Trust

This was created in 2008. The Trust can accept contributions from CPA funds, cash-in-lieu payments from the inclusionary zoning bylaw and other sources. The funds can then be used to support affordable housing projects. This entity will become active in 2010 as trustees are being appointed and it is being capitalized with a variety of funds.

Amend C1 District to allow Assisted Living Units

In 2009, Town Meeting amended the uses allowed by special permit in the C1 district to include assisted living units. In addition, the C1 district has been expanded by incorporating what had been the C2 and C6 districts into C1.

B. Current Goals and Objectives

2009 Master Plan

The affordable housing section of the 2009 Master Plan includes a new set of housing goals and “implementation actions” as follows:

Goal 1: Identify Housing Needs

Among the objectives (or “Implementing Actions”) of the Master Plan were recommendations to reactivate the Affordable Housing Committee, balance the housing inventory to both meet community needs and to address state mandates, encouraging open space development plans, providing for Planned Unit Developments, encouraging housing for senior citizens, rezoning some of the residential land to increase economic development opportunities to provide a fiscal base for achieving the other goals and encouraging neighborhood preservation . The completion of this Housing Production Plan is an important step in identifying housing needs.

Implementation Actions:

1. Complete a Housing Production Plan per DHCD requirements, a) Identify single and multi-family needs, b) Determine public housing needs.
2. Research and apply for public housing resources (for both new construction and modernization)
3. Encourage private development of market and restricted affordable housing

Goal 2: Establish organizational infrastructure to implement housing plans

The Town needs to have active committees, experienced personnel, and access to funding sources in order to facilitate and implement housing projects that are deemed necessary and desirable. Once this infrastructure is in place, the town will be in a position to aggressively seek out development opportunities, facilitate project commencement and monitor progress towards goals. The Board of Trustees for the Medway Affordable

Housing Trust Fund needs to be appointed and established to move forward on a highly proactive basis. Financial support should be sought from Medway's Community Preservation fund and other revenue opportunities should be pursued.

Implementation Actions:

1. Activate the Affordable Housing Trust Fund (as authorized by Town Meeting)
2. Retain a housing consultant to help manage restricted affordable housing processing and compliance
3. Continue to actively engage the Affordable Housing Committee

Goal 3: Identify Locations, Quantities, and Types of Housing

The established town committees (from Goal 2) should prepare a comprehensive listing and map of undeveloped parcels, both town and privately owned, in order to proactively seek out appropriate sites for affordable housing developments for Medway. The Town should seek opportunities to purchase appropriate land and buildings to reserve for restricted affordable housing. Particular emphasis should be placed on town committees working collaboratively toward reaching mutually beneficial town goals, such as preserving open space and producing affordable housing at the same time. In this manner, the Town can move closer towards the state mandated 10% while helping to preserve town character.

Implementation Actions:

1. Identify appropriate parcels for market and restricted affordable housing
2. Purchase land for open space/restricted affordable housing combination

Goal 4: Identify needed changes in the zoning bylaw to encourage market and restricted-income affordable development

Existing zoning may prohibit projects from being developed or implemented in the most appropriate areas. For example, presently the Medway Zoning Bylaw does not provide for the "by right" construction of market rate apartments anywhere in Medway. This results in a heightened tension between the critical goals of providing for diverse housing needs while preserving character. The Affordable Housing Committee must coordinate and work together with other town boards such as the Open Space Committee, Planning and Economic Development Board, Zoning Board of Appeals, and the Design Review Committee to ensure that affordable housing can be developed in a way that balances the needs and wishes of various populations in the town.

Implementation Actions:

1. Adopt "mixed-use"/"town center" zoning
2. Adopt provisions for Transfer of Development Rights a) Preserve rural character and open space, b) Direct development to areas that are more suitable

3. Allow for “in-fill” development of smaller parcels of land for restricted affordable housing
4. Adopt options for 40R development (higher density)
5. Adopt provisions for the development of duplexes and/or multi-family housing in appropriate locations, including “by-right.”

Goal 5: Explore and utilize creative development opportunities

The Town should coordinate with other organizations and agencies, such as developers, builders, architects, and consultants that specialize in affordable housing. Some examples are Habitat for Humanity and other not-for-profit development and architectural firms. In addition, the Town should work closely with other housing agencies, such as Citizen’s Housing and Planning Association (CHAPA), the Massachusetts Housing Institute, and the Massachusetts Housing Partnership, to guide the committee in its efforts to design and implement its affordable housing plan. Finding creative methods for working with developers and builders to streamline the building or renovation of affordable housing units without sidestepping important bylaws designed to protect Medway should receive special emphasis. The current housing market presents unique challenges, but may also provide to Town with previously unavailable opportunities to provide both market and restricted affordable housing and move towards the 10% goal.

Implementation Actions:

1. Solicit local builders and non-profit organizations to build “friendly 40B” projects
2. Look into “buying down” existing residences and foreclosed properties to transfer them into restricted affordable units
3. Use Affordable Housing Trust/CPC funds to rehabilitate older homes into restricted affordable units
4. Encourage use of ARCPUD and OSRD development options
5. Research and propose ways to use CPC funds to support development of affordable housing

Objectives

The following are objectives that relate to the above goals and implementing actions:

- Encourage a more diverse housing stock that includes a greater mix of apartments, duplexes, townhouses, senior housing, units for the disabled, etc. to serve the diverse and changing needs of Town residents.
- Continue to encourage additional housing for persons over 55 in age.
- Increase the number of housing units affordable to those households with less than 50% and between 50% and 80% of the median family income.
- Encourage compact development to reduce infrastructure and service needs, and protect the environment, while creating a sense of community.

III. Implementation Strategies

This section presents several strategies for addressing the housing needs of Medway. Those strategies with the highest priority are those that are part of an approach to accomplish multiple objectives for community development that are compatible with the goals of the 1999 Master Plan as well as this Community Development Plan. In addition, the overarching goal of these strategies is to result in the Town's achieving and maintaining a level of 10% of its housing stock as affordable in compliance with Chapter 40B.

A. Locations

The preferred locations for new housing (See Figure 6) are generally those areas with existing infrastructure (including primarily transportation, town sewer and town water service) capable of handling new development. Also, encouraging compact development rather than sprawl suggests that new housing should be located near existing or emerging centers or villages. Therefore, the following locations are identified as the primary locations for increased housing:

- Main Street Shopping Center Area (C1 district) as part of a new mixed-use/Town Center zoning district
- The area around such a new mixed-use/Town Center zoning district
- Route 109 /Trotter Drive area (Oak Grove)
- Area between Medway Village and the Medway Commons shopping center.
- Infill lots within existing neighborhoods
- Medway Mill

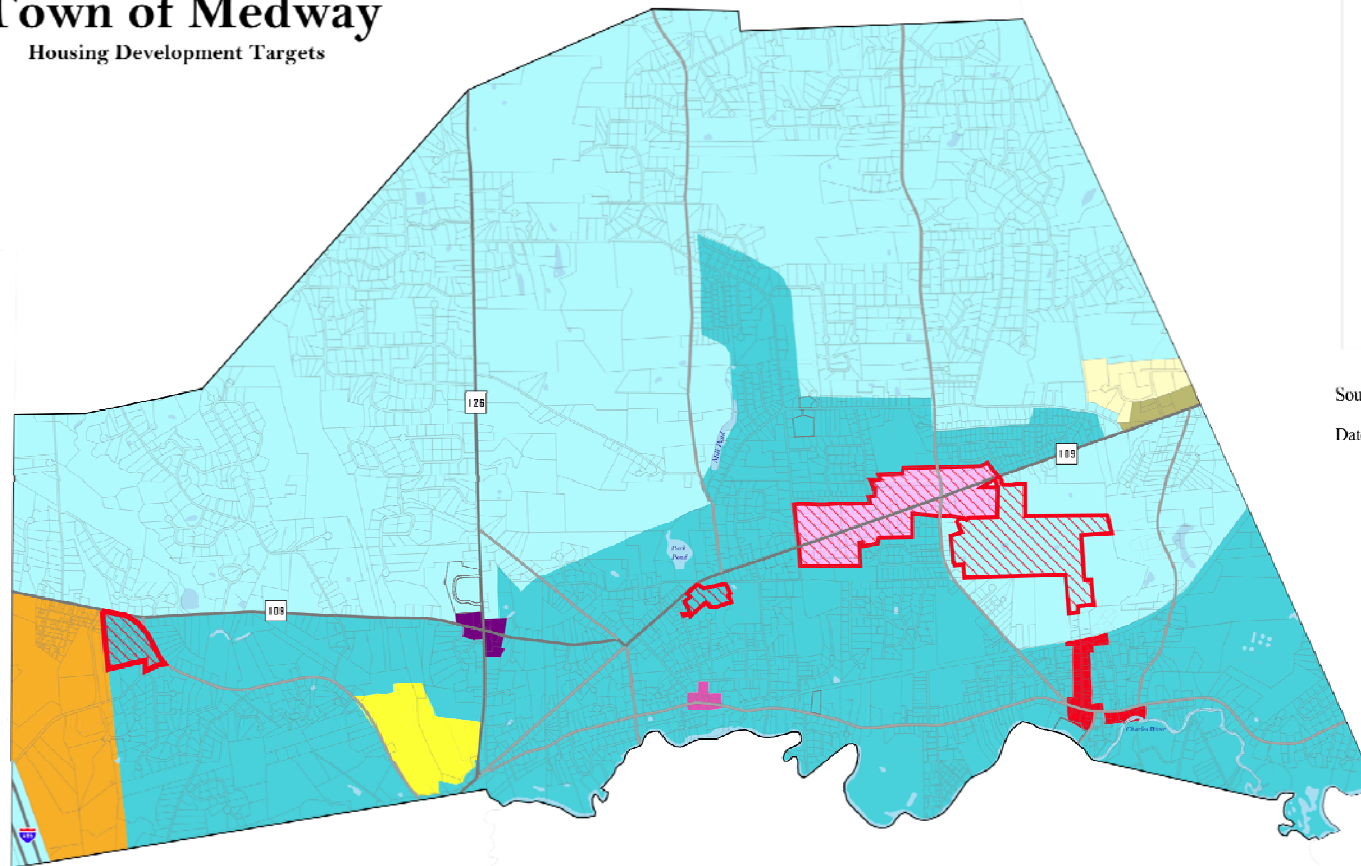
While it is impossible to accurately estimate the number of potential new units in these areas due to the infinite number of possible combinations of unit types and sizes as well as the various options under both current and potentially future zoning provisions, reasonable estimates of ranges based on plausible scenarios have been calculated. A new mixed-use district encompassing the current C1 zoning district that allows apartments on the upper floors of buildings and/or residential condominiums could accommodate at least between 100 or 200 new housing units.

There is vacant land adjacent to the current C1 district that could be developed into housing. A Chapter 40B project has been approved in this vicinity (but has not been built). There are wetlands issues on some of the nearby property. However, it is not unreasonable to expect that an additional 50-100 units could be developed.

The Route 109/Trotter Drive area is another appropriate area for additional housing. In a project sponsored by the 495 Metrowest Corridor Partnership, a graduate class from UMass-Amherst completed a study that proposed a mixed use district in this area that would serve as a "gateway" to Medway from the west. Their project proposed about 300 dwelling units for the area.

Town of Medway

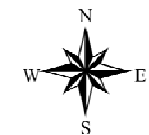
Housing Development Targets



	HOUSING TARGETS
ZONING	
	AR-1
	AR-2
	B-1
	C-1
	C-III
	C-IV
	C-V
	IND-1
	IND-II
	IND-III

Source: MassGIS

Date: November, 2009



0 1 2 Miles

Prepared for:



Town of Medway

Prepared by:



1 Toni Lane
Franklin, MA 02038
508.555.8106

www.pgcassociates.com

The area between Medway Village (off Broad Street) and the Medway Commons shopping center also has potential for substantial housing development. One scenario for development of this area could be an extension of the existing “village” style of development from Broad Street into the parcel. This portion could consist of single-family homes on small lots compatible with the adjacent Medway Village area. Condominiums, perhaps developed as an ARCPUD, could also be added to the mix. Since a stream and wetlands traverse the site, an open space element (perhaps a possible Town Common) could also be a result of development in this area. Development in this scenario could accommodate 50-100 single-family homes and 100-150 condominiums while still maintaining a large area of open space. A recreation component could also be integrated into the mix of uses. Since this area is located within walking distance of the historic Medway Village, as well as the Medway Commons and Route 109/Holliston Street/Medway Shopping Center area and the Medway Middle School, it would be a desirable “receiving” area for development rights if the Town were to adopt a transfer of development rights provision in its Zoning Bylaw.

The infill housing development bylaw would allow affordable housing on undersized infill lots in existing neighborhoods. An estimated 15-25 new units could be developed in these areas.

The owner of the Medway Mill has conceptual plans to add housing to the site. Extending the partial third floor to encompass the entire building footprint and constructing a separate building on the site are both being considered as options. This could result in 20-30 housing units.

In summary, the areas targeted for housing could accommodate an estimated 635 to 905 units of single-family homes, apartments and condominiums. Of course, at the average rate of development of 37 new housing units per year over the past 8 years, it would take at least 16 to 23 years for a build-out of that magnitude, and likely longer since some housing units would also be built in other areas of town.

B. Strategies

Implement and monitor inclusionary zoning bylaw

The inclusionary zoning bylaw requires that 15% of new housing developments be affordable units. Thus, going forward, the Town should maintain and improve its percentage of affordable housing. The bylaw should be monitored to determine whether any adjustments are warranted after it has been used a few times.

Adoption of mixed-use/Town Center zoning district

Medway currently lacks a coherent, traditional New England mixed use Town Center. Developing one would serve multiple objectives. It would encourage additional commercial development. It would provide a place where housing could be accommodated at a higher density while helping to support more business opportunities. Encouraging and concentrating housing in and adjacent to a Town Center would allow more of the open space throughout town to be preserved. Providing housing in close

proximity to commercial areas reduces traffic by accommodating pedestrian activity. Finally, a mixed use, pedestrian-friendly center provides opportunities for social interaction that are missed when virtually all trips are made by automobile.

The most appropriate location for such a mixed use Town Center is Route 109 in the general area of what is currently the C1 zoning district. This could be accomplished by either rezoning the C1 district or adopting a mixed-use overlay district such as a Chapter 40R district that would allow residential as well as retail and office uses. The new district could require features such as a “build-to” line rather than minimum setbacks, a grid street network, sidewalks and other pedestrian amenities, etc. Existing uses and buildings would be grandfathered, but a transition plan to the new zoning may be desirable.

One feature of the mixed-use district would be that housing would be an allowed use at a greater density than that currently allowed in the AR1 and ARII districts. One option could be to allow greater density if open space is provided in other parts of town. However, housing would need to be limited to ensure that it does not displace the commercial development. This could be done by limiting housing to upper floors only or by allowing housing only as a maximum percentage of space within an overall development that includes commercial space.

Considerable work toward this end has already taken place. A “vision” of such a mixed-use center has been produced. Using a Priority Development Fund (PDF) grant, the development potential of each parcel within the proposed mixed use district has been analyzed. The inclusionary zoning bylaw mandates that at least 15% of new housing developments be affordable and 40R requires at least 20%, so if this option provides sufficient incentives and/or if market conditions materialize as expected, this mechanism presents a good opportunity to both increase the affordable housing inventory and transform the commercial heart of the Town into a traditional Town Center.

Encourage use of open space subdivision bylaw

Since the Town’s Open Space Residential Development bylaw was revised, two projects have been approved. The second one was approved after the inclusionary zoning bylaw was adopted so it includes 3 affordable units out of 18 total. In combination with the inclusionary zoning bylaw, this bylaw has the greatest likelihood. The bylaw should be reviewed and revised or replaced. As currently constituted, an open space subdivision would not allow any more housing units than a conventional plan (except for a density bonus provided in the inclusionary zoning bylaw to allow for the affordable units). However, it would advance the Town’s goals by protecting resources while permitting the same number of units as a conventional subdivision. Consideration should be given to adding incentives that would make it more appealing to developers. Such incentives could include more flexibility on design standards, and allowing open space subdivisions by right (subject to certain criteria) rather than by special permit.

Monitor accessory apartments

Two-family dwellings are currently allowed in the AR-I and AR-II districts by special permit. Such apartments are limited in area, design and occupancy. Accessory apartments could provide affordable housing without altering the exterior design of existing houses. Conversely, such apartments could allow existing houses to remain affordable to their current owners by providing rental income. The effectiveness of the bylaw should be monitored to determine whether changes are needed as the Town gains experience with it. It should be noted that accessory apartments will not count toward the Town's 10% Subsidized Housing Inventory unless the unit is subject to DHCD's fair marketing policies (generally meaning a lottery is used to select from interested potential tenants who qualify). However, they would still fill a need.

Encourage use of ARCPUD bylaw

Since its adoption, the ARCPUD has encouraged housing developments that will provide housing tailored to the needs of Medway's rapidly-growing senior citizen population while concurrently making progress toward accomplishing other community goals like preserving open space and providing affordable housing (since 10% of ARCPUD units are required to be affordable). As noted above, one approved ARCPUD includes 115 units of senior housing while preserving more than 26 acres of prime open space along the Charles River. Another approved project would provide about 80 units of senior housing while preserving an important parcel of open space that serves as part of an open space corridor through the center of the Town that the Town is trying to create. Due to market conditions, neither of these projects has been constructed. Nevertheless, this bylaw will continue to be a major tool in advancing multiple community development goals.

Develop additional public housing

As delineated above, the Medway Housing Authority already operates more than 200 units of affordable housing serving families, senior citizens and handicapped individuals. Since the housing supply-demand gap illustrates a significant shortage of housing for those with less than 50% of median household income, additional subsidized affordable rental housing should be considered by the Medway Housing Authority. The combination of CPA, the inclusionary zoning "payment-in-lieu" of constructing affordable units option and the Affordable Housing Trust provide a potential means of constructing additional public housing units.

Develop criteria for Local Initiative Program (LIP) projects

In order to encourage additional private sector development of affordable housing and to maintain additional control of potential Chapter 40B projects, the Town should adopt criteria by which it would evaluate proposed Chapter 40B projects and decide which to support. Such criteria could include location, design, density, amenities, percentage of affordable units, infrastructure issues, etc.

Consider Transfer of Development Rights provision

A transfer of development rights provision would allow development rights to be transferred from areas that are better suited to remain as open space, as agricultural land

or as low density development to other areas more suited for higher density because of the land characteristics, existing infrastructure and proximity to services. It is a way to accommodate new growth while protecting sensitive lands.

Consider More Options for Duplexes and Multi-Family Housing

Identify and evaluate areas where duplexes and/or multi-family housing would be appropriate. Also, adopt zoning amendments to allow and encourage such housing, including possibly allowing it by right.

Identify Land and Existing Housing Units for Purchase for Affordable Housing

Identify vacant land parcels that can be purchased and developed with affordable housing or a combination of affordable housing and open space. Also identify existing housing units that can be purchased and resold with a subsidy and deed restriction as affordable housing units. CPA funds and the Affordable Housing Trust are possible funding sources.

Utilize Affordable Housing Trust (AHT)

This entity has become active in 2010 as trustees have been appointed and it is being capitalized with a variety of funds. As funds become available, this entity will become a key component of implementing this Housing Production Plan. The Community Preservation Committee has approved funds to hire a consultant to produce a 5-year action plan for the organization, including bylaws and operating procedures, program activities, and budgets and capitalization strategies. Among the potential activities envisioned for the AHT are a down payment assistance program; purchasing, renovating and reselling with a deed restriction existing homes; gap financing for developers (including support for approved Chapter 40B projects that have not gone forward); and constructing new homes on vacant land.

C. Numerical Targets and Schedule

While the average number of housing units for which building permits were issued has averaged 33 units per year for the previous 9 years, that statistic is somewhat misleading. The average was 45 for the years 2000-2005, but only 10 for the years 2006-2008. Since the number of housing units in Medway according to the 2000 U.S. Census was 4248, Medway would need to produce at least .5% of that, or 22 units of affordable housing per year to meet DHCD guidelines. Moreover, the 2010 U.S. Census is likely to show that Medway has about 4600 units, so the new benchmark to equal .5% would become 23 units per year.

Due to recent economic conditions, it is not likely any significant housing development will take place due to pure market forces in the near future. However, if the average number of housing units produced returns to the 2000-2005 average of 45 per

year, the inclusionary zoning bylaw would result in 6 or 7 units of affordable housing. Five of those units would offset the market rate units so 1 or 2 would represent progress toward the 10% goal. However, since the base would remain as the 2010 U.S. Census housing count, all of the units would count toward the 23 needed to achieve progress of .5%. Therefore, the target of 23 affordable units per year is projected in Table 17.

Table 17
Numerical Targets and Schedule

YEAR	#UNITS	SOURCE	CUMULATIVE
2010	1	Habitat for Humanity Project on Walker Street	1
2011	36	6 from Inclusionary Zoning Requirement, 30 from Approved 40B apartments on Main Street at Elm	37
2012	10	6 from Inclusionary Zoning Requirement, 4 from Affordable Housing Trust Fund	47
2013	23	6 from Inclusionary Zoning Requirement, 4 from Affordable Housing Trust Fund, 6 in Medway Mill, 9 from friendly 40B	70
2014	23	6 from Inclusionary Zoning Requirement, 4 from Affordable Housing Trust Fund, 13 in 40R Overlay District	93