



Meeting Notes

Small Town Housing Working Group

Date: Thursday, September 21, 2023

Time: 5:30-7:00 p.m.

Location: Remote

Staff Contact: Andrea Donlon, adonlon@frcog.org (413)774-3167 (ext. 127)

Working Group Webpage: <https://frcog.org/boards-committees/small-town-housing-workgroup/>

Upcoming meeting: Thursday, November 16 (all Thursdays 5:30-7 PM)

Attendees:

Andrea Donlon (FRCOG, Buckland PB)

Megan Rhodes (FRCOG)

Judy Atkins (Franklin County Community Land Trust)

Star Atkinson (Charlemont Boards Clerk)

Marybeth Chichester (Colrain PB)

Lynn DiTullio (Colrain)

David Greenberg (Colrain PB, FCCLT)

Monica Keel (CHAPA)

Alyssa Larose (HRA/RDI staff)

Jerry Lund (Leyden, FRPB)

Megan McDonough (PV Habitat for Humanity)

Chris Nolan (Deerfield Assistant Town Administrator)

Susan Worgaftik (Housing Greenfield, Greenfield CPC)

1. Regional Housing Plan discussion

Megan Rhodes from FRCOG explained that FRCOG is conducting a regional housing plan for Franklin County using funds from the District Local Technical Assistance (DLTA). This regional housing plan will be an update from the last version that was done in 2014, which was more of a snapshot of what was going on in housing at the time. Much has changed since 2014, but we still have an affordability gap. The plan will focus on identifying barriers to housing production, and identify solutions and strategies for moving things forward. The effort involves an analysis, and also several meetings with a regional group that has included Chamber of Commerce, developers, and social service organizations. Megan has also been holding meetings with focus groups to dig into certain issues, like septic and permitting, or real estate.

Megan said the plan will be developed by the end of December. The next stage will involve outreach to the public about regional housing issues to help people understand what is needed and why; FRCOG applied for a separate grant in order to do the outreach.

One interesting statistic from the consultant's data analysis (part of the regional housing plan): the population in Franklin County is decreasing at a rate of 1 person every 8 days, but the number of households is increasing at a rate of one household every 5 days. So, the county's population is decreasing while at the same time we need more housing, which is a tough concept to explain. In Franklin County, there is a deficit of 3,000 housing units

that are affordable for low to moderate income residents. If we don't increase the amount of housing, the affordability gap is going to get worse. Vacancy rates are very low. Single family and multifamily affordable rental housing has the biggest gap.

Megan then led the discussion with a series of questions. Bullets below the next set of questions represent the discussion points that meeting participants raised.

1. What are the biggest obstacles to all housing production?

- Where we are in the state – there is more state funding for large buildings, which don't fit well with the needs we have here. Yes, there is a huge need in cities, but the need is large here too and it's at a different scale.
- The cost of building a new single family home is so high. Homeownership, rather than renting, is what helps build personal wealth.
- Our incomes here are low which means we need lower rents or lower mortgage amounts. There is a gap between what it costs to build and what people here can afford to pay. If housing is going to be built by developers, the state needs to understand that we need more subsidy than they give to affluent areas.
- In small towns, there is hidden poverty and substandard housing. We need to find ways to bring housing up to code. We should make it easier to reconfigure houses to accommodate multiple apartments. A homeowner could then earn rental income in their home.
- The cost of building in Franklin County is just as high here as in affluent areas, so we are coming at it from a disadvantage. We need more subsidy per unit, which is a hard sell at the state level (less bang for the buck).
- There is a lack of funding programs geared to rural areas.
- We have to include everybody in this basket of need, including homeless. We don't have the macro investment at the state and federal level, and we need to think about how to push for that.

2. What practical, simple solutions should we be looking at?

- There should be a way for towns to pool money in Regional Housing Trusts. There is a piece of legislation in the works. Common trust would allow us to develop a system where a building built in one town would give credit for 40B for many towns. We need a way to group funds to build housing locally. Greenfield is above the 10% affordable housing guideline, and more will be built. We need to look beyond the borders of Greenfield. Every other town is one large landowner away from having a major development built in a way that the community may not want. The governance structure would be important so that it represents the region. Even if we have that, we don't have leverage with many other sources of funding.
- Providing technical support and education for folks who have older homes that are too large for them. Can they be re-designed to be a condominium? Then you have 4 people with housing instead of just one. That's where zoning and septic come in. Alternatively, we need more modest-sized homes that people can downsize to.

- Community Land Trusts should be part of the picture, and there may be some money in the state budget to help community land trusts to expand here. Franklin County Community Land Trust is realizing how difficult it is to get going. Sees themselves as taking on rehabbing existing housing and turning them over to affordable.
- Zoning approaches like Open Space Development/Cluster zoning and backlot development are important, but haven't led to housing being built. These techniques would help generate a sense of community and neighborhood if they were built. The Housing Choice change in zoning law now allows for housing-related zoning changes to be passed by a simple majority vote rather than 2/3 majority.
- In the communities that do have water and sewer, use Housing Choice to pass bylaw changes that decrease minimum lot sizes. Zoning is not the only barrier, but they take a lot of work to change.
- Technical assistance needed – Community Development Block Grant (CDBG)-funded repair programs should have technical assistance for accessory dwelling units (ADUs) or duplexing. Many homeowners don't know what would be good. There are so many decrepit houses in the region that could be improved with updates.

3. *What are some more complex, less currently feasible solutions should we be doing?*

- Simplify the number of funding sources needed to put together affordable housing. A speaker at a recent Massachusetts Housing Partnership seminar said that the average number of funding source is 11. In eastern MA towns, contributing half a million dollars is typical, but not possible here.
- People mentioned looking to southern VT, Groundworks. VT is different than MA, but they have made amazing strides. Resource base is small, and they have done something right. In MA, the Green Bank will be happening and oriented towards sustainable housing. Invite Paul Mark to upcoming meeting? We should be ready when this funding comes ready. In MA, we need a rural-set aside program that works. There has to be a way for us to compete.

4. *Who else should we be talking to?*

- CSO – supportive housing model, need in other parts of the county.
- Have wanted to create community septic, but one problem we have run into is banks. Can't get loans. Megan – yes, we want to do a focus group with people doing financing. Only community land trust financing is 5 College Credit Union.

2. Update on Housing Bond Bill

Andrea Donlon from FRCOG went through recommendations on the Housing Bond Bill that have been advanced by [RPAC](#) (the Rural Policy Advisory Commission) and the [Western MA Housing Coalition](#). FRCOG's Executive Director, Linda Dunlavy, represents FRCOG on both of these committees. These recommendations were sent to Housing Secretary Edward Augustus. The Healey Administration expects to have a Housing Bond Bill draft ready to send to the legislature by the end of September, 2023. From there it may be changed in various committees. It will allocate funding for housing programs for five years.

The two documents are attached to these meeting notes.

Discussion afterward:

- One participant cautioned against emphasizing senior housing as a way to get affordable housing done. Even though populations of seniors is increasing, senior housing will not solve the problem. If we don't invest in family housing, the towns will disappear.
- One thing not mentioned is modular housing. Right after World War II, there was such a demand for housing that there was a lot of innovation. For example, there is one mass-produced metal house in Greenfield that is a Lustron house. These days, there is a stigma against prefab and manufactured housing.

Updates from around Franklin County and Massachusetts

- Colrain – A group has an upcoming meeting with the Select Board to create a Community Preservation Act (CPA) committee.
- Greenfield – They are looking at the Hope Street lot, working with the community to find out what folks want. It's moving.
- Habitat for Humanity – They are in the planning stages for the 6-unit project on First Street in Turners Falls. Neighborhood meeting September 30, to get neighbors up to speed before apply for zoning permit. Site work will be expensive, set up budget for digging parking lot, water and sewer lines, there may be lead in the soil. May need remediation of lead if that is an issue.
- Rural Development Inc. (RDI) -- Received a grant from Mass CEC to work on rural homes program, to renovate abandoned homes and then sell them as affordable homes. Grant will support staffing for 3 years. First project on Cleveland Street in Greenfield. Purchase and sale on house that was abandoned for approximately 10 years. Have pulled together 6 sources of funding, will cost over half a million dollars to renovate. Has to meet stretch code. [Group discussion: Paying new construction prices for renovation – very different cost profile than funding an existing homeowner to repair a home.] It's relevant to tie those numbers back to previous discussion – RDI will need to sell the house for under \$200,000 to make it affordable, so there is a huge gap between what they will put into the renovation and what they will get for it. It will be challenging to make this program sustainable.
- FRCOG: Planning Director Peggy Sloan is retiring in early October, and long-time Economic Development planner Jessica Atwood will replace Peggy. Peggy worked with Buckland Planning Board on [short term rental bylaw](#). There will be a public information session for this bylaw on October 17. The short term rental bylaw is heading in the direction of requiring them to be owner-occupied except in commercial districts.
- Colrain's [proposed short term rental bylaw](#) had a public hearing in June. Nobody attended, and it will go to town meeting. Is going through legal review.
- Orange is contemplating an STR bylaw. [Survey on town website](#).

Next meeting and meetings in 2024

Our next meeting will be on Thursday, November 16 from 5:30 to 7:00 PM.

Please fill out this [survey](#) to help determine the meeting schedule for 2024.