



Anne Sullivan/Helen Keller Memorial, Source: Wikipedia

# TOWN OF TEWKSBURY HOUSING PRODUCTION PLAN AFFORDABLE HOUSING WORKSHOP

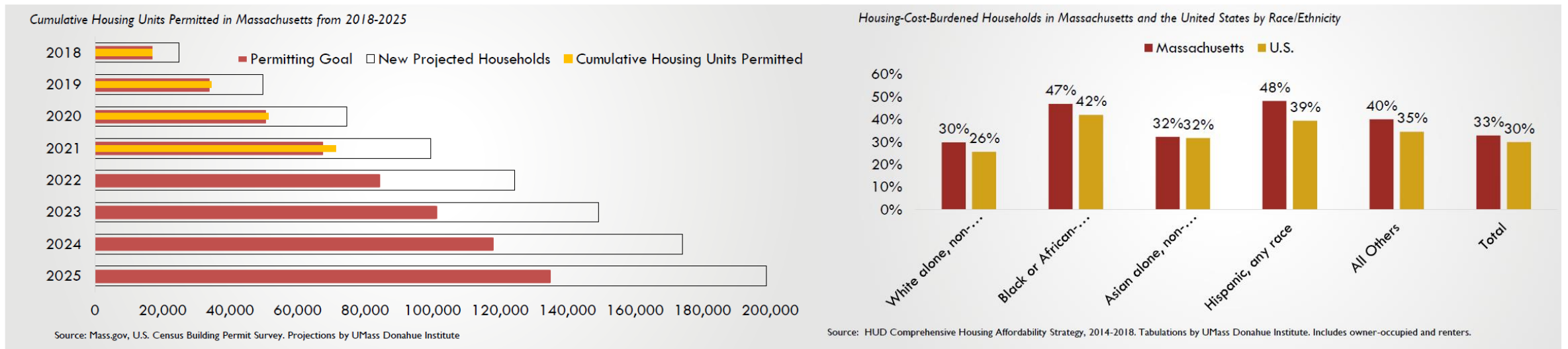
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NMCOG Presentation, November 9, 2022



# WHY PLAN FOR HOUSING?

## OUR STATE HAS AN AFFORDABILITY CRISIS.

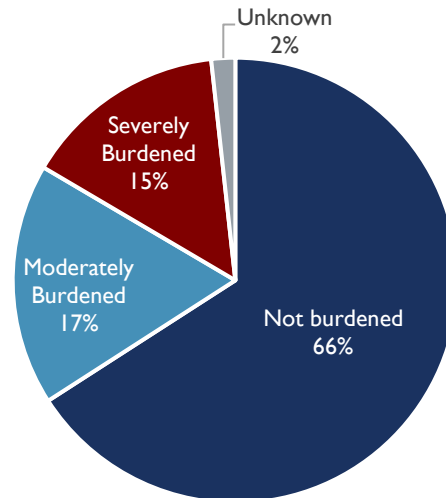


According to the UMass Donahue Institute, the number of new units being permitted is not keeping up with projected new households. This has resulted in families “doubling” or “tripling up” in units in some communities and pushing costs higher than wages. The burden has disproportionately fallen on Black or African American and Hispanic or Latino/a populations.

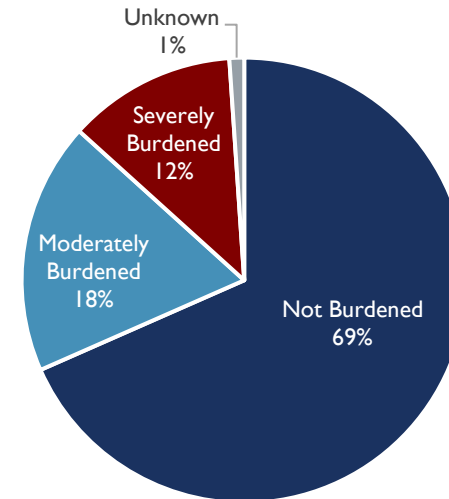
# WHY PLAN FOR HOUSING?

## THIS CRISIS EXTENDS TO TEWKSBURY!

GREATER LOWELL HOUSEHOLDS, 2016-2020



TEWKSBURY HOUSEHOLDS, 2016-2020



2016-2020 American Community Survey Data indicates that 30% of Tewksbury households are housing cost burdened, paying more than 30% of their annual income on housing. 12% are severely cost burdened, paying more than half their income on housing.

# WHY PLAN FOR HOUSING?

- ➔ Framework for discussing 40B Comprehensive Permit projects, zoning changes, Community Preservation Act (CPA) fund expenditures, Affordable Housing Trust Fund (AHTF) expenditures, and other actions the Town and its partners can undertake to increase the supply of affordable housing.
- ➔ A current HPP can provide preference in One Stop funding applications and has other regulatory functions.
- ➔ Opportunity for community to come together with a pro-active vision of how to meet housing needs as communities grow and change.
- ➔ The HPP can identify the barriers preventing building affordable housing and recommend mitigation for these barriers.



# WHAT IS “AFFORDABLE” IN OUR REGION?

***A standard metric for affordability is that a household should spend 30% or less of its annual income on housing costs like rent or mortgage and utilities. A median family earns \$126,500 in our region, and 30% of that is ~\$3,162.50 monthly.***

## HUD Area Median Family Income (HAMFI)

HAMFI is the median family income calculated by the US Department of Housing and Urban Development (HUD) in order to determine Fair Market Rents (FMRs) and income limits for HUD programs. HAMFI isn't the same as other median income numbers due to adjustments that are made.

2021 & 2022 HAMFIs for Lowell, MA HUD Metro FMR Area

Year	HAMFI	80% Adjusted for a Family of 3
FY 2022	\$126,500	\$80,500
FY 2021	\$112,900	\$79,900
Change	12.0%	1.0%

## HUD Fair Market Rent (FMR)

FMRs are estimates of 40th percentile gross rents for standard quality units within a metropolitan area. They are used to determine standard payment amounts or rent amounts for a number of HUD programs.

Final FY 2022 & Final FY 2021 FMRs By Unit Bedrooms

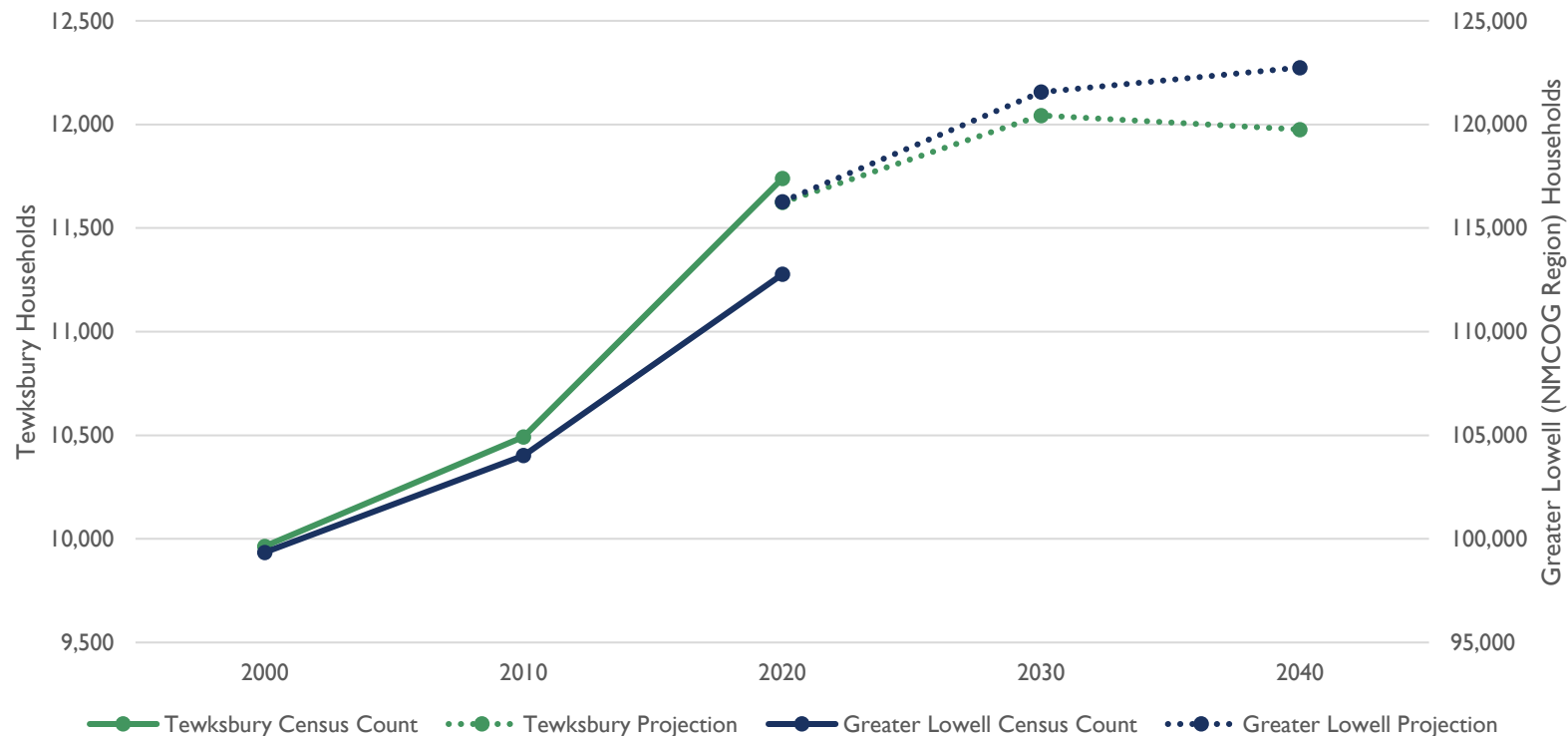
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2022	\$1,237	\$1,359	\$1,773	\$2,192	\$2,404
FY 2021	\$1,067	\$1,193	\$1,547	\$1,924	\$2,098
Change	15.9%	13.9%	14.6%	13.9%	14.6%

# TEWKSBURY SUBSIDIZED HOUSING INVENTORY

- **2010 Census SHI Goal:**  
1,080 Affordable Units (10% of 10,803 year-round units in 2010 Census)
- **Current Number:**  
1,087 Affordable Units (10.1% of 10,803)
- **Possible Goal after 2020 Census is Tabulated:**  
1,174 to 1,214 Units (10% of 11,739 to 12,139, depending on # of seasonal units in 2020 Census)

# TEWKSBURY EXCEEDED ITS PROJECTIONS, GROWING 11.9% IN HOUSEHOLDS BETWEEN 2010-2020.

NUMBER OF HOUSEHOLDS, 2000-2040 (PROJECTED)  
TEWKSBURY AND GREATER LOWELL

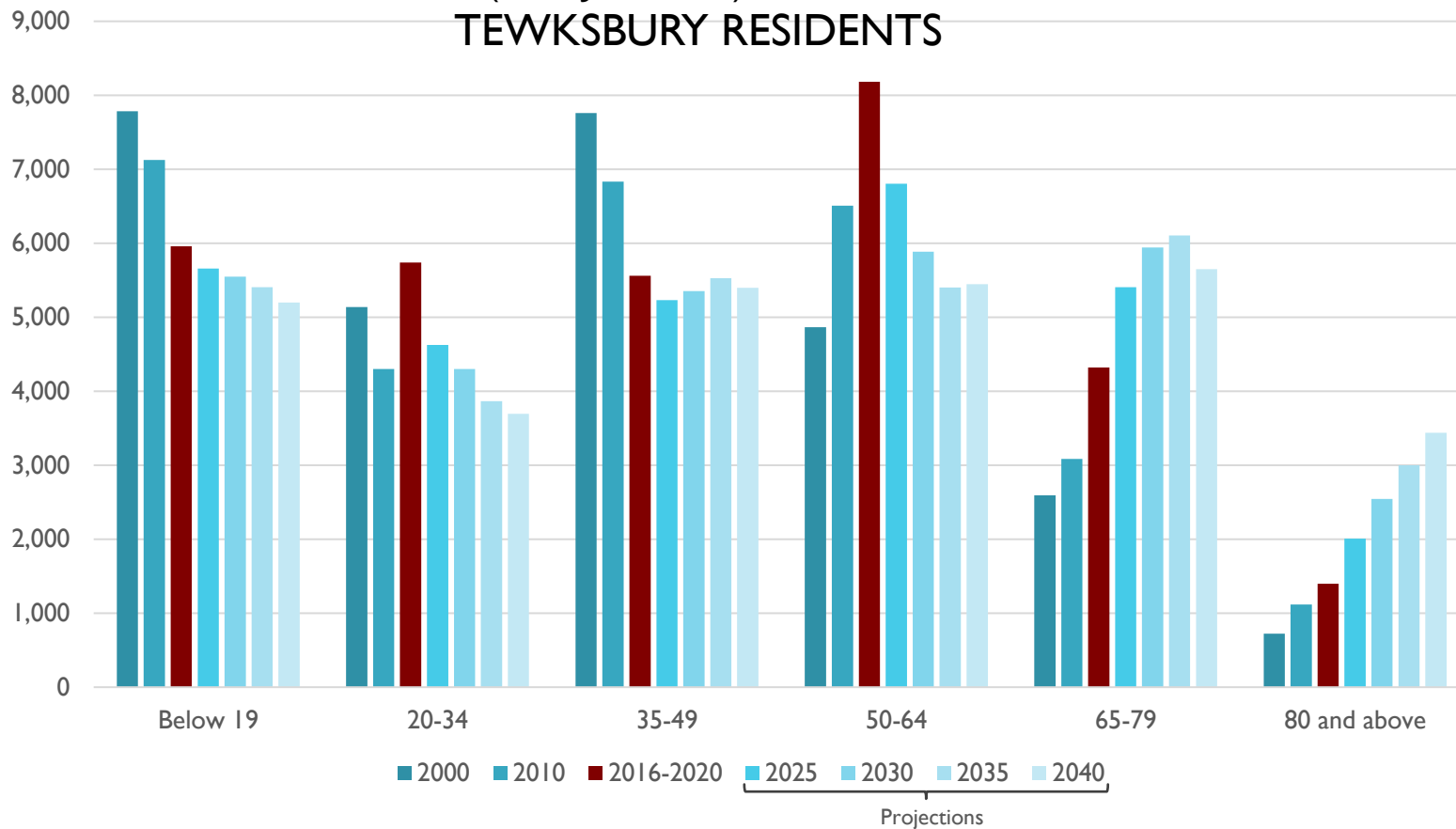


## TEWKSBURY'S PROJECTED HOUSEHOLD GROWTH

- Defying projections, Tewksbury grew by 11.9% in households (or 1,247 households) and 8.2% in population (or 2,381 people) between 2010 and 2020
- The NMCOG region did not grow as much in households as projected, but still grew by 8.1% in population and 8.4% in households.
- That said, many towns in the region were estimated to have lost population between 2020 and 2021

**BREAKING DOWN THAT GROWTH, THE NUMBER OF PEOPLE AGED 20-34 YEARS OLD GREW AS MUCH AS THE NUMBER OF PEOPLE AGED 65-79 YEARS OLD.**

**2000 – 2040 (PROJECTED) AGE DISTRIBUTION  
TEWKSBURY RESIDENTS**



**TEWKSBURY'S PROJECTED AGE DISTRIBUTION**

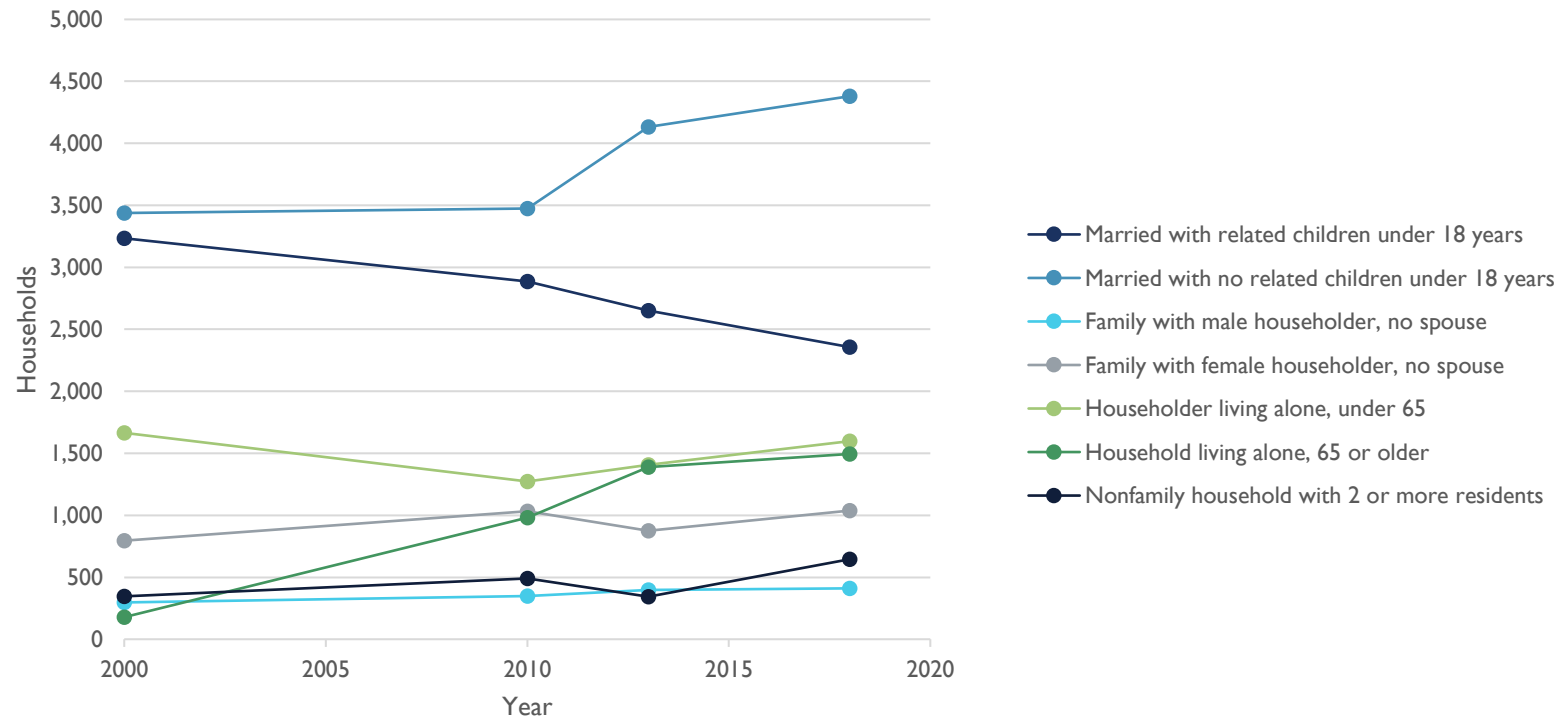
- Tewksbury's 65-79 year old cohort has grown substantially in the last 20 years.
- Surprisingly, the 20-34 year old age category grew substantially between 2010 and 2016-20. They aren't becoming heads of households, meaning many may not be able to afford homes of their own due to a potential lack of housing options.
- A large number in the 50-64 cohort is anticipated to age into retirement by 2025 without as many in the 35-49 cohort replacing them.
- Tewksbury's 75 and above is projected to grow the most after 2030, as other cohorts level off.

Source: U.S. Census Bureau, 2000 and 2010 Decennial Census, 2016-2020 American Community Survey, MassDOT/Donahue Institute Population Projections



# THE MOST COMMON TYPES OF FAMILY LIVING IN TEWKSBURY ARE GROWING SMALLER, BUT ITS HOUSING IS STAYING THE SAME.

## HOUSEHOLD CHARACTERISTICS, (2000, 2010, 2011-15, AND 2016-20) TEWKSBURY HOUSEHOLDS

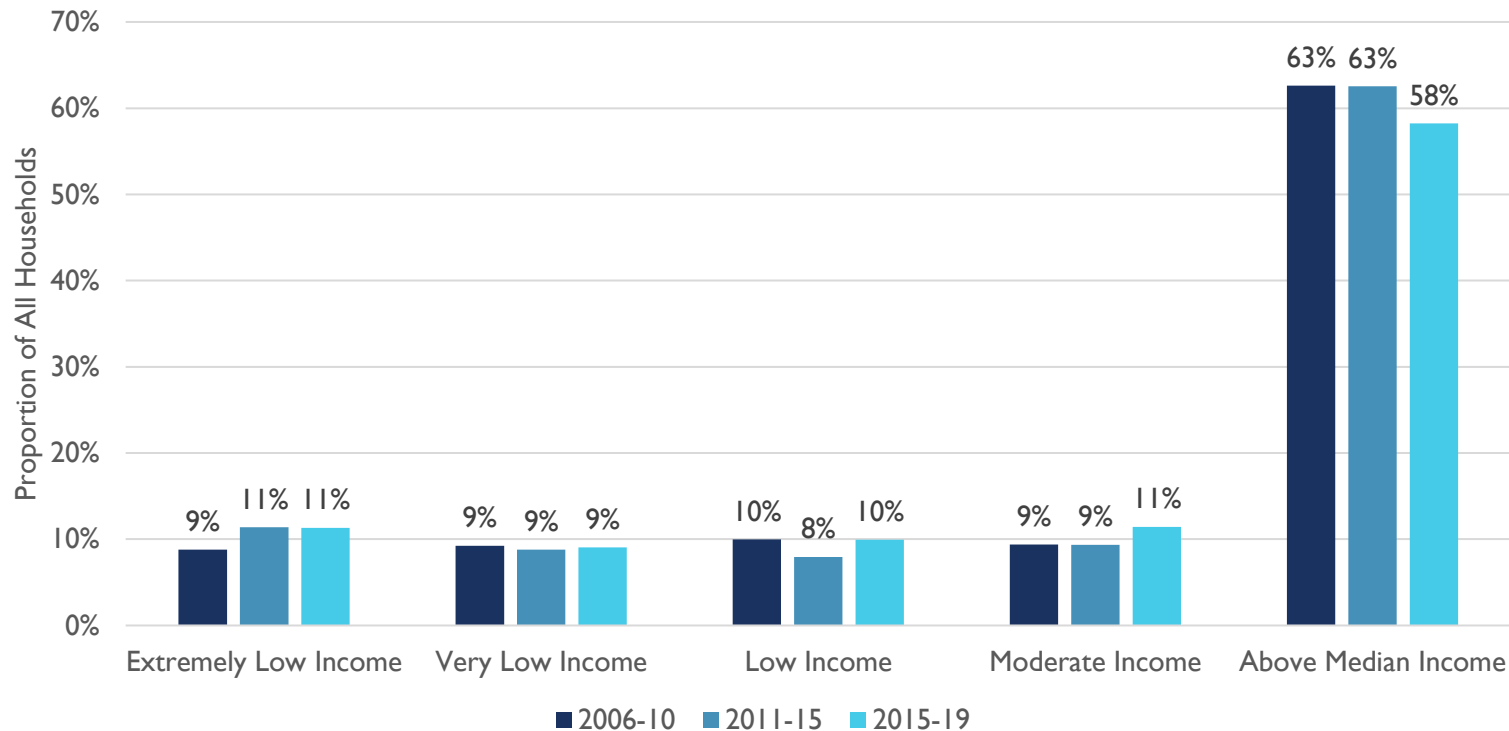


## TEWKSBURY'S PROJECTED AGE DISTRIBUTION

- The largest change is the increase in households that are married couples living with no related children under 18 years.
- 2-member households have been the most common household size for 20 years and are becoming even more common, representing both new families and empty nesters.
- The number of Tewksbury households consisting of a person 65 years old living alone has grown from 179 in 2000 to 1,495 in 2016-20.

# ALTHOUGH A SMALLER PORTION OF THE TOWN EARNS ABOVE MEDIAN INCOME, A RAPIDLY GROWING NUMBER EARN OVER \$200,000 ANNUALLY

## INCOME CATEGORIES, 2006-10, 2011-15, AND 2015-19 TEWKSBURY HOUSEHOLDS



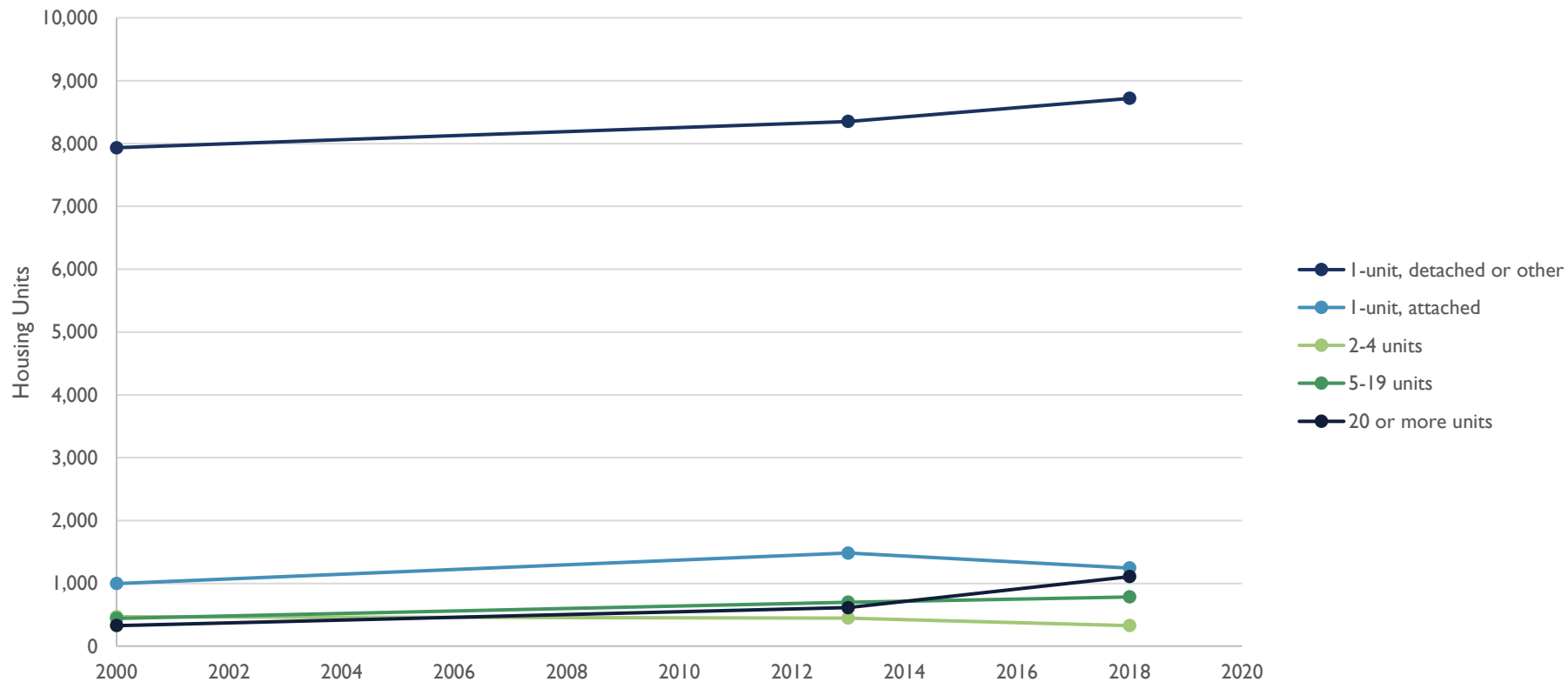
Source: U.S. Department of Housing and Urban Development 2006-2010, 2011-2015, and 2015-2019 CHAS Data, and U.S. Census Bureau  
\* U.S. Census Bureau, 2011-2015 and 2016-2020 American Community Survey

## TEWKSBURY'S INCOME DISTRIBUTION

- Tewksbury's inflation-adjusted median household income stayed mostly steady between 1999 and 2016-20.
- Despite inflation reducing the buying power of a dollar, the number of households that earned less than \$35,000 in 2016-20 has nearly doubled over the past 20 years.
- The latest CHAS data (2015-2019) showed that fewer households make above the Area Median Income and a growing number make low or moderate incomes. The 58% of households were above median income, compared to 63% a year prior.
- Despite this, the largest income category is \$200,000 or more, growing by 619 households or 69% in the last five years.\*

# THE NUMBER OF SINGLE FAMILY AND LARGE MULTIFAMILY STRUCTURES HAVE GROWN, WHILE OTHER BUILDING TYPES HAVE RECEDED.

NUMBER OF HOUSING UNITS BY TYPE OF STRUCTURE, 2000, 2011-15, AND 2016-20, TEWKSBURY



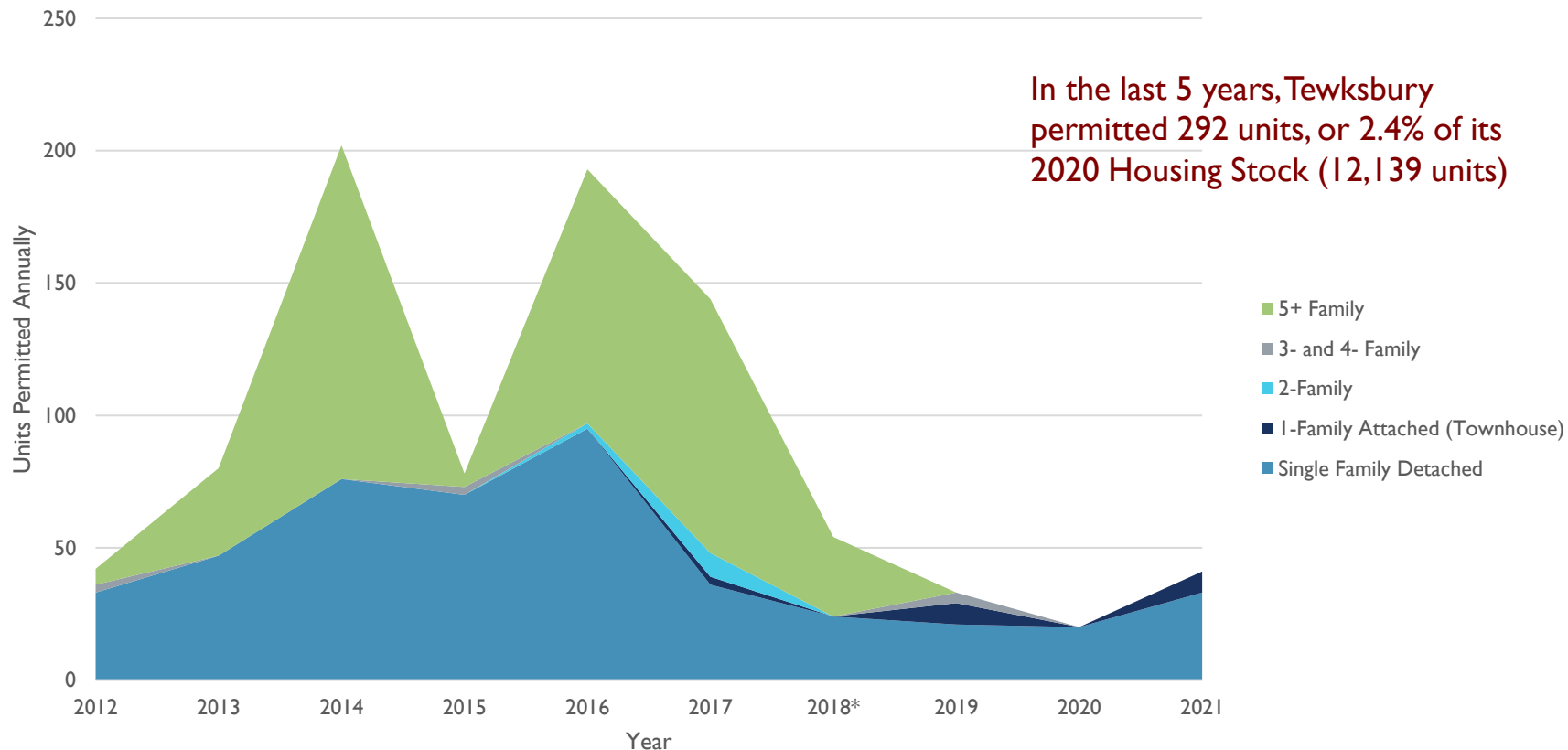
Source: U.S. Census Bureau, 2000 Decennial Census and 2011-2015 and 2016-2020 American Community Survey, Table B25024.

## HOUSING UNITS BY TYPE

- According to the U.S. Census, the number of Tewksbury housing units grew by nearly 20% between 2000 and 2020.
- The largest gains were in single family detached (824 units) and units in buildings with 20 or more units (781 units).
- According to American Community Survey estimates, 128 duplex units (55%) were lost during this time period.

# FOCUSING ON MORE RECENT TRENDS, PERMITTING HAS SLOWED SINCE 2017.

## UNITS PERMITTED, 2012-2021, TEWKSBURY



## TEWKSBURY PERMITTING

- In the last 5 years, Tewksbury permitted 292 units, or 2.4% of its 2020 Housing Stock (12,139 units).
- This included large multifamily projects permitted in 2014 and 2016-17.
- Assuming the five-year average of 62 units permitted per year continue, 310 housing units would be built over the five-year life of this plan (including both market rate and affordable). Assuming instead that growth reverts to the ten-year average recorded by the U.S. Census, 625 units would be built.

IN 2012, THE TEWKSBURY MEDIAN HOME PRICE STARTED GROWING FASTER THAN THE MASSACHUSETTS MEDIAN HOME PRICE, AND MORE RECENTLY BOTH HAVE JUMPED SIGNIFICANTLY.

### TEWKSBURY MEDIAN HOME SALES PRICE, 2012-2022



### TEWKSBURY'S MEDIAN HOME SALES PRICE

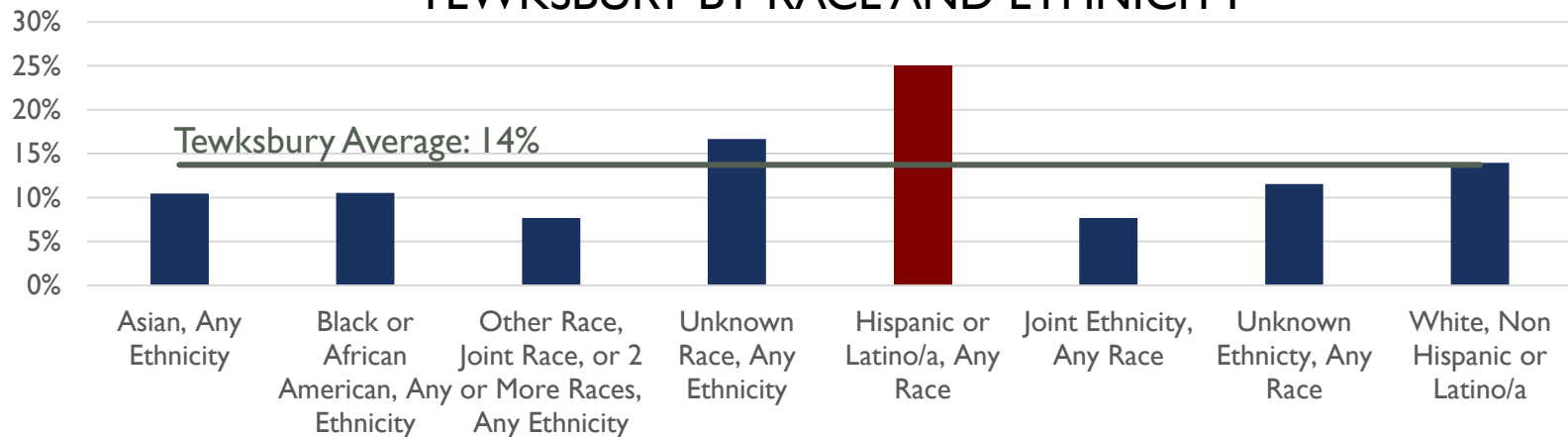
- Since 2012, the median detached home price in Tewksbury rose faster than the Massachusetts median, reaching \$560,000 in 2021.
- Housing sales numbers (turnover) have been more-or-less steady since 2016, even through the 2020-21 COVID-19 pandemic.
- According to permit data, the average construction value in 2021 was \$329,049, nearly \$100,000 more than in 2020.

# THE TYPICAL TEWKSBURY HOME SOLD IN 2021 WOULD NOT BE AFFORDABLE TO AT LEAST 70% OF TEWKSBURY HOUSEHOLDS.

- For a \$560,000 home, the median home sales price in 2021, monthly payments would be approximately \$3,550 assuming:
  - 30-year fixed mortgage
  - 5% interest rate
  - 10% down
  - 1.2% property tax
  - \$800/year home insurance
- A standard metric for affordability is that a household should spend 30% or less of its annual income on housing costs like rent or mortgage and utilities.
- A median family earns \$126,500 in our region, and 30% of that is ~\$3,162.50 monthly.
- A household would need to earn approximately **\$142,000** per year for a single-family mortgage with the above assumptions to be affordable (30% of annual income).
- As of 2016-20, an estimated 70.2% of total Tewksbury owner households (7,124 households), made less than \$150,000 per year.

# THE COST OF HOUSING MAY ALSO IMPACT FAIR HOUSING IN TEWKSBURY.

## RESULT OF MORTGAGE APPLICATIONS FOR PURCHASE OF HOME IN TEWKSBURY BY RACE AND ETHNICITY



Race and Ethnicity	Sample Size	Median Assessed Value	Median Loan Amount	Median Loan-to-Value Ratio
Asian, Any Ethnicity	67	\$625,000	\$505,000	80%
Black or African American, Any Ethnicity	19	\$515,000	\$445,000	95%
Joint Race, Any Ethnicity	11	\$565,000	\$505,000	95%
Race Not Available, Any Ethnicity	169	\$555,000	\$465,000	85%
Hispanic or Latino, Any Race	52	\$525,000	\$490,000	95%
White, Not Hispanic or Latino	365	\$535,000	\$425,000	84%
<b>Total</b>	<b>699</b>	<b>\$545,000</b>	<b>\$445,000</b>	<b>85%</b>

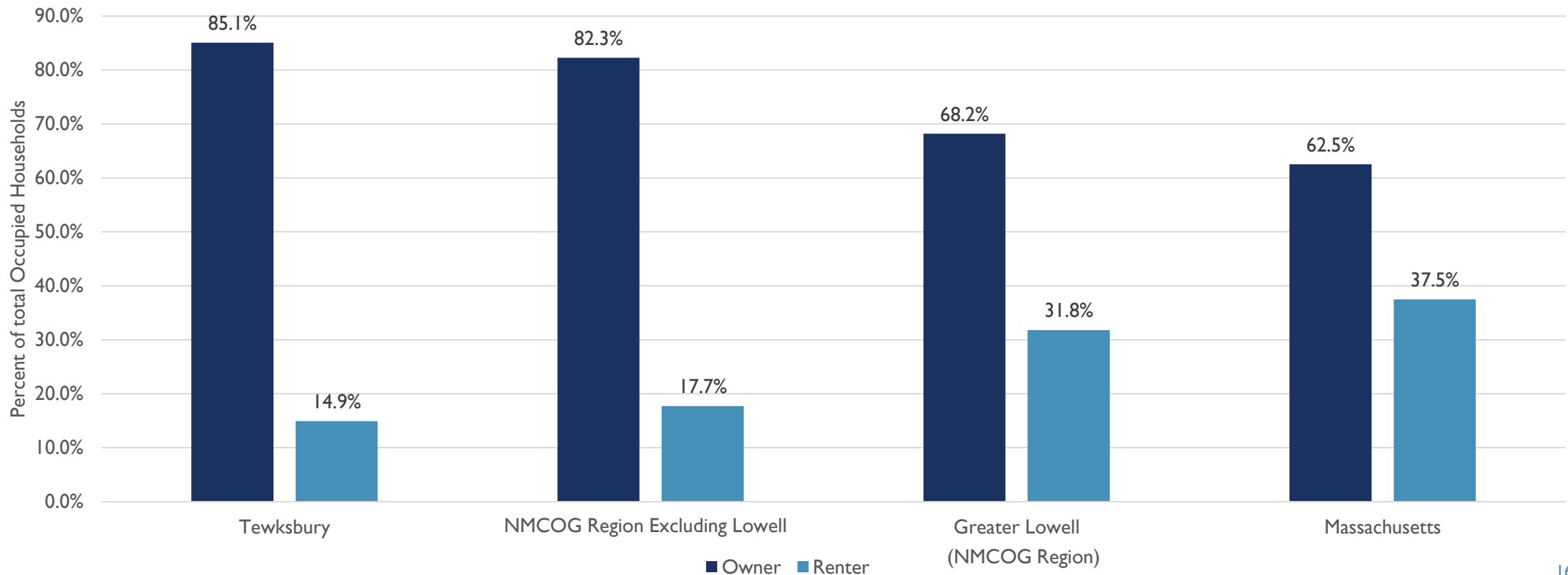
Source: Home Mortgage Disclosure Act Data, 2021

## MORTGAGE APPLICATIONS IN TEWKSBURY

- 25% of Hispanic or Latino/a applicants for a mortgage of purchase of home were denied or withdrew their application, nearly double the average in Tewksbury.
- On average, White, Not Hispanic or Latino/a applicants were buying more affordable properties, took out smaller loans, and may have had more available capital for a down payment.
- Black or African American applicants and Hispanic or Latino/a applicants tended to apply for properties assessed for lower than the median, but apply for higher loans potentially pointing to a lack of available capital for a down payment.

# TEWKSBURY HAS AN UNDERSUPPLY OF RENTAL UNITS WHEN COMPARED TO OTHER SUBURBS OF LOWELL.

## HOUSEHOLDS BY TENURE IN SELECTED AREAS, 2016-2020





# THIS RESULTS IN TEWKSBURY HAVING THE SECOND-HIGHEST MEDIAN RENT IN THE REGION

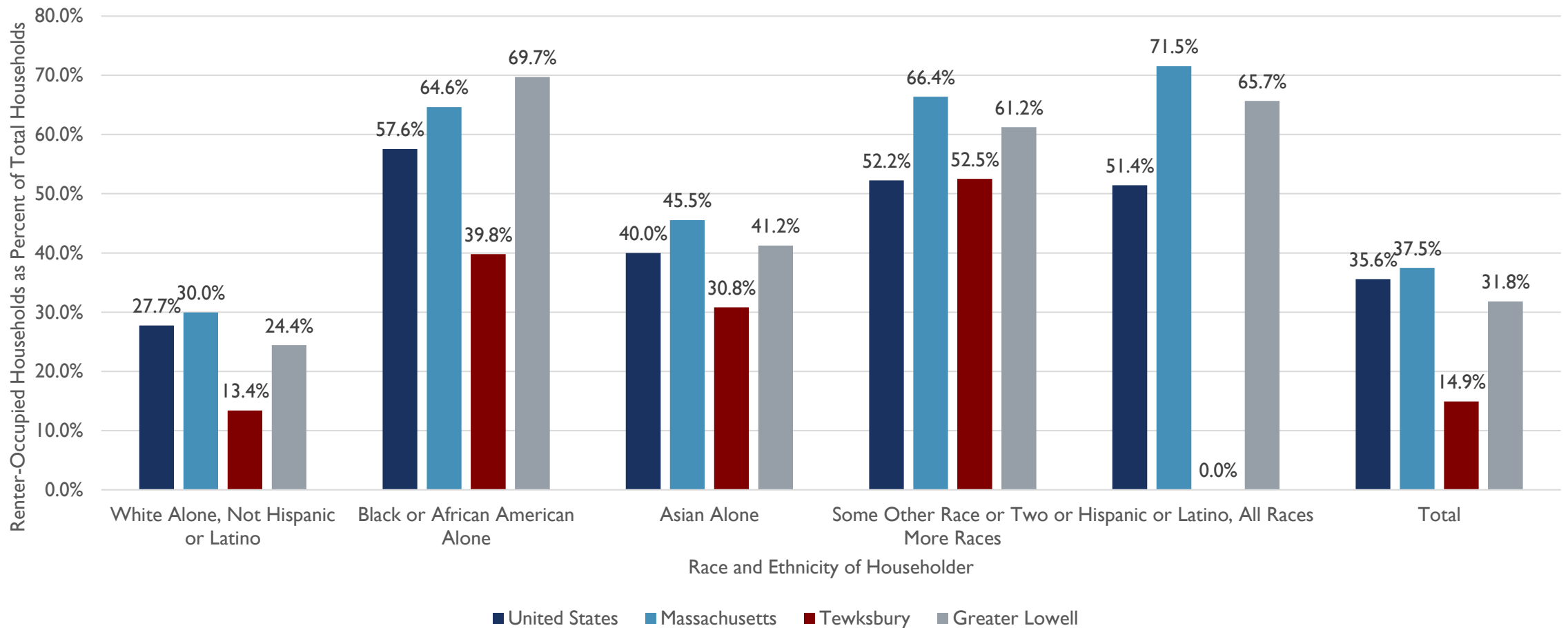
## MEDIAN GROSS RENT IN THE GREATER LOWELL REGION (2011-2015 AND 2016-2020)

Community	Median Gross Rent 2011-15	Median Gross Rent 2016-20	Change	% Change
Billerica	\$1,306	\$1,674	\$368.00	28.2%
Chelmsford	\$1,113	\$1,656	\$543.00	48.8%
Dracut	\$1,181	\$1,398	\$217.00	18.4%
Dunstable	\$1,250	\$1,750	\$500.00	40.0%
Lowell	\$1,005	\$1,229	\$224.00	22.3%
Pepperell	\$1,153	\$1,071	(\$82.00)	-7.1%
<b>Tewksbury</b>	<b>\$1,498</b>	<b>\$1,938</b>	<b>\$440.00</b>	<b>29.4%</b>
Tyngsborough	\$1,048	\$1,266	\$218.00	20.8%
Westford	\$1,413	\$2,064	\$651.00	46.1%

### TEWKSBURY'S HOUSING COST BURDEN

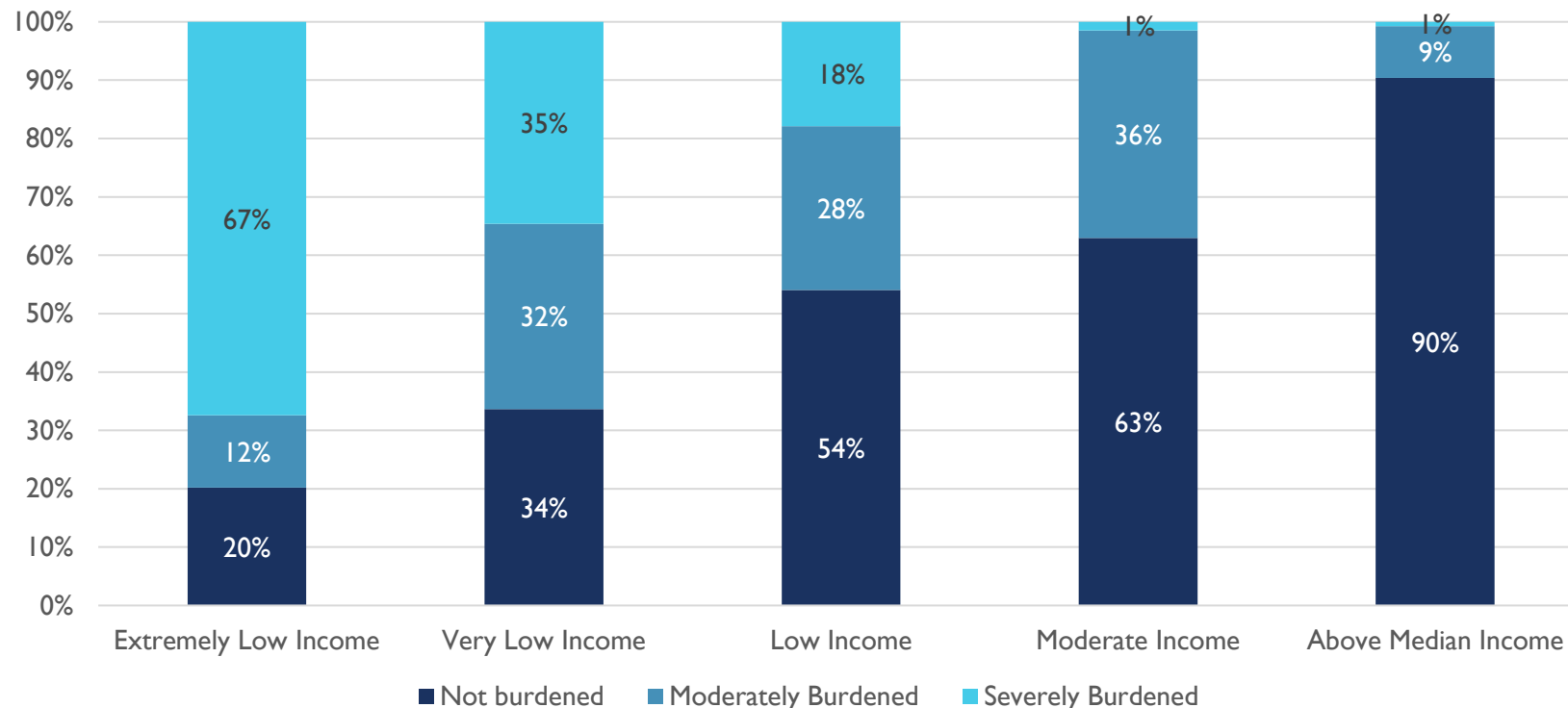
- In 2014-18, a household would have to have worked 106 hours per week at Massachusetts minimum wage to afford a median 2-bedroom apartment.

**THIS RENT BURDEN HAS DISPROPORTIONATE IMPACTS ON FAIR HOUSING, AS NONWHITE OR HISPANIC OR LATINO/A GROUPS MORE OFTEN ARE RENTERS.**



# THE BURDEN OF HIGH COSTS (RENTAL AND OWNERSHIP) FALLS DISPROPORTIONATELY ON LOWER INCOMES.

TEWKSBURY COST-BURDENED HOUSEHOLDS BY CATEGORIES OF HAMFI, 2015-2019  
HAMFI: HUD AREA MEDIAN FAMILY INCOME, SEE PAGE 5



## TEWKSBURY'S HOUSING COST BURDEN

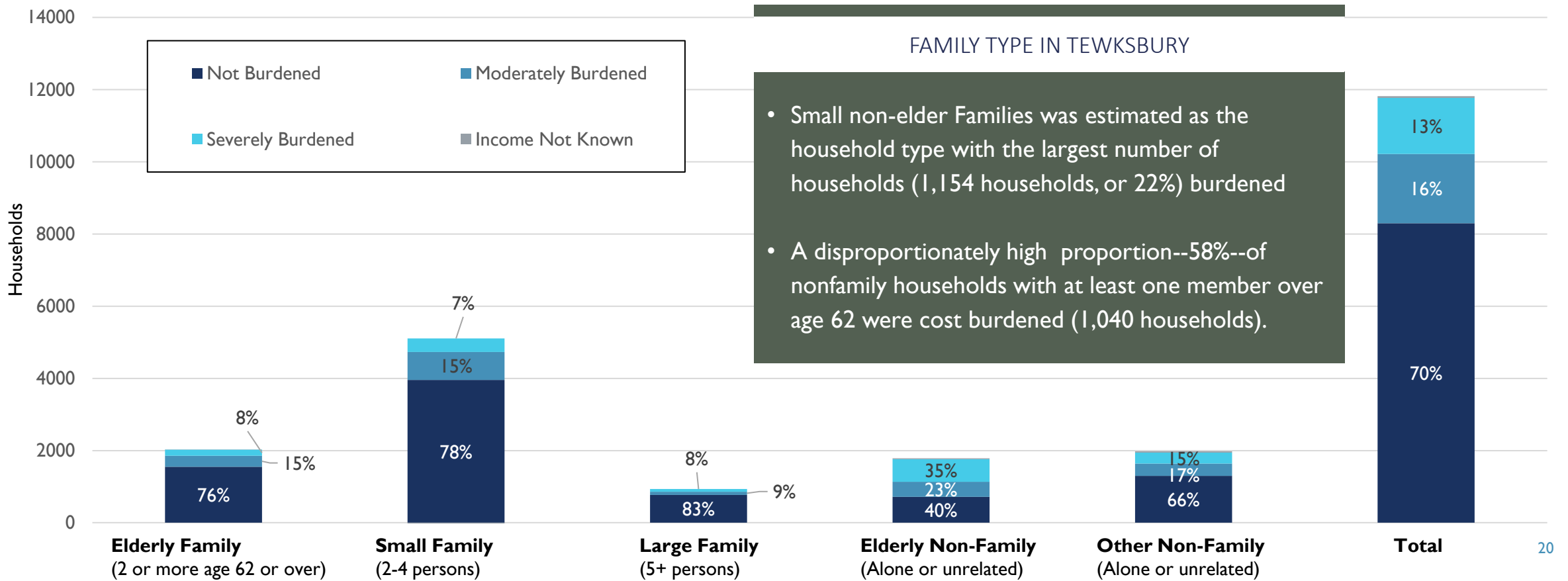
- In 2015-2019, an estimated 900 out of 1,335 Extremely Low Income (Below 30% HAMFI) households, or 67% of Extremely Low Income households, paid more than half their income on housing.
- An estimated 370 out of 1,070 Very Low Income (30% to 50% HAMFI) households, or 35%, paid more than half their income on housing.
- The proportion of renter households in particular that were moderately burdened (20.2%) and severely burdened (23.1%) has worsened in the last five years.\*

Source: U.S. Department of Housing and Urban Development 2015-2019 CHAS Data, <https://www.huduser.gov>

\* U.S. Census Bureau, 2011-2015 and 2016-2020 American Community Survey

# THE BURDEN FALLS ON SMALL FAMILIES AND ELDERS LIVING ALONE – THE FAMILY TYPES THAT ARE GROWING IN TEWKSBURY.

Tewksbury Cost-burdened householders by Family Type, 2015-19



Source: U.S. Department of Housing and Urban Development 2015-2019 CHAS Data, <https://www.huduser.gov>

# RESOURCES AVAILABLE FOR HOUSING PRODUCTION

- **Tewksbury Housing Authority**
  - The THA currently owns and manages 190 units of housing for the elderly and disabled, 18 units of family rental housing, and 24 units of housing for people with special needs.
  - An additional 110 family units are administered in partnership with local landlords, as well as 32 units of HUD subsidized 202 supportive housing owned by AgeSpan (formerly known as Elder Services of Merrimack Valley and the North Shore).
- **Affordable Housing Trust Fund**
  - Authorized by Chapter 105 of the Acts of 2003 to be under the control of the Select Board.
  - As of 2022, the AHTF had a balance of \$5,315,555 and had expended or obligated \$570,000 in the last five years for three projects.
- **Community Preservation Committee**
  - Tewksbury residents pay a 1.5% property tax surcharge to finance these community preservation projects. This resulted in roughly \$1.3 million raised in 2021
  - 10% of the estimated revenue each year is allocated toward Affordable Housing initiatives.
  - The current reserve from allocations in the last five years is \$557,254.
- **Habitat for Humanity of Greater Lowell**
- **Tewksbury Home Build**
- **Tewksbury Department of Community Development**

# TEWKSBURY SUBSIDIZED HOUSING “IN THE PIPELINE”

- **34 Affordable Units in the Pipeline (Received Permits):**
  - 3 affordable units as part of an 18-unit development at the former Tewksbury Police Department Site
  - 2 affordable units as part of a 8-unit mixed use project at 940-960 Main Street
  - 3 affordable condo units at 1037 North Street
  - 5 affordable units at the mixed-use developments at 2122 and 2131 Main Street
  - 21 affordable units for homeless veterans supported by Solider On
- **Other Proposals (Not Yet Received Permits):**
  - Hanover Ames Pond: A concept for 300 units, 25% affordable, at 300 Ames Pond Way
  - Former Residence Inn: A concept for 130 units, 25% affordable, at 1775 Andover Street

# BARRIERS TO HOUSING PRODUCTION

- The zoning is a constraint on housing production insofar as two-family and multi-family developments are largely limited to the Route 38/Main Street corridor with a few exceptions. These districts cover approximately 3.2% of the town.
- Infrastructure is not currently a barrier overall, but different areas of Tewksbury have different capacities.
  - Although the town has not met its limit on the amount of flow sent to the Lowell Regional Wastewater Utility, some pump stations are operating at their maximum capacity. The ability for the system to handle additional flow from new households would depend on the location of the new home(s) within the system.
  - Tewksbury is currently permitted for a withdrawal of 1,157.1 million gallons per year but generally stays between 800 and 1,000 million gallons per year. That said, pipe infrastructure from the plant to the neighborhoods limit capacity in certain areas.
  - During P.M. peak hour, Route 38/Main Street is considered “somewhat congested” travelling away from Town Center and “congested” traveling toward Town Center. The segment of Route 495 in Tewksbury is considered “not congested” during A.M. peak hour and “somewhat congested” during P.M. peak hour. NMCOG also identified congested intersections along Route 38 and South Street, Shawsheen Street, Chandler Street, Pleasant Street, and the ramps of I-495.
  - This congestion does not suggest the transportation system has no capacity for additional units. Rather, it points toward a need to encourage new and existing housing units to use alternative transportation such as walking, transit, or carpooling whenever possible.

# COMPREHENSIVE NEEDS ASSESSMENT CONCLUSIONS

- There are a significant number of residents who make very low incomes and extremely low incomes, and their housing needs aren't being met.
- Homeownership is increasingly out of reach for the median income earner, creating concerns about fair access to housing.
- Renters fare significantly worse than owners on access to and cost of housing.
- Higher income levels often pay less than 20% of their income on housing and occupy housing that might be affordable to those who earn less.
- Tewksbury has a growing population that will need accessible housing, especially seniors in non-family households.
- Tewksbury also has a growing need for smaller units suitable for individuals or small but growing families.
- Infrastructure capacity isn't a barrier overall, but capacity does vary across the town.



# CONTACT

- **Chris Hayes, Housing and Economic Development Planner**  
[chayes@nmcog.org](mailto:chayes@nmcog.org)  
(978) 454-8021 ext. 122

(Photos Google Earth unless otherwise noted)

