

The State of Housing Chatham

Presentation to the Chatham Men's Club

March 22, 2024

Gloria McPherson, Housing and Sustainability Director



What does “AMI” mean?

- Area Median Income — often referred to simply as AMI — is a key metric in affordable housing.
- AMI is defined as the midpoint of a county’s income distribution and is used as the basis for eligibility for most state and federal housing assistance programs.
- AMI is calculated annually by the Department of Housing and Urban Development (HUD) and is adjusted for different family sizes.
- 2023 AMI in Barnstable County for a 4-person household is \$115,063, for 1 person \$80,562

Affordable Housing

-
- Often referred to as “Capital A” Affordable Housing
 - Affordable Housing is available to a household earning no more than 80% of AMI, at a cost that is **NO MORE** than 30% of total household income
 - Affordable Housing is **DEED RESTRICTED** and **INCOME RESTRICTED**
 - Any Affordable Housing built or converted counts towards the Town of Chatham’s Subsidized Housing Inventory (SHI)
 - Funding is available from various sources at the state and federal level

Attainable Housing

- Often referred to as “lower case a” affordable housing, which can cause confusion.
- Attainable Housing has been defined by the Town of Chatham to be available to a household earning between 80% and 200% of AMI, so it is NOT “Affordable Housing” by state and federal definition.
- Does not count towards the Town’s Subsidized Housing Inventory (SHI)
- Funding is not readily available for Attainable Housing. Towns often provide subsidies and incentives to help produce this type of housing.

2023 Barnstable County Income and Rent Limits

% of Area Median Income	1 person household	2 person household	3 person household	4 person household
Affordable Housing				
50 % Max Monthly Rent*	40,300 1,008	46,050 1,151	51,800 1,288	57,550 1,439
60 %	48,360 1,209	55,260 1,382	61,160 1,529	69,060 1,727
80 %	64,450 1,611	73,650 1,841	82,850 2,071	92,050 2,301
Attainable Housing				
100%	80,562 2,014	92,063 2,302	103,563 2,589	115,063 2,877
120%	96,674 2,417	110,476 2,762	124,276 3,107	138,076 3,452
150%	120,843 3,021	138,095 3,452	155,345 3,884	172,595 4,315
180%	145,012 3,625	165,713 4,143	186,413 4,660	207,113 5,178
200%	161,124 4,028	184,126 4,603	207,126 5,178	230,126 5,753

*Maximum monthly rent is equal to 30% of gross income, including utilities

Other Key Housing Terms

Workforce Housing – no accepted definition, but state funding available for “workforce housing” up to 120% AMI

Subsidized Housing Inventory (SHI) – the number of homes in a town that are affordable

*Chatham’s SHI includes 180 affordable housing units, representing **4.86%** of the total year-round housing stock of 3,700 units

Local Preference – With application and justification, up to 70% of affordable units in a project can be reserved for people who live or work in Chatham or have children in Chatham schools.

Chapter 40B - The commonwealth’s regional planning law to address regional affordable housing disparities

- assumes communities have met their regional “fair share” if at least **10%** of their housing stock is affordable and included in the SHI
- allows developers to override local zoning (density, height, etc.) if:
 - ✓ less than 10% of year-round housing stock is included in the SHI; and
 - ✓ at least 25% of the total units developed are affordable

*If Chatham meets this 10% requirement, the Town can reject 40B applications we don’t like, but the Town itself can also use 40B to develop the housing we want, with **ALL** the units deed restricted affordable and attainable

MEDIAN HOME SALES PRICE IN CHATHAM

2019 — 2022

\$725K



2019

\$826.5K



+14%

2020

\$1.14M



+38%

2021

\$1.20M

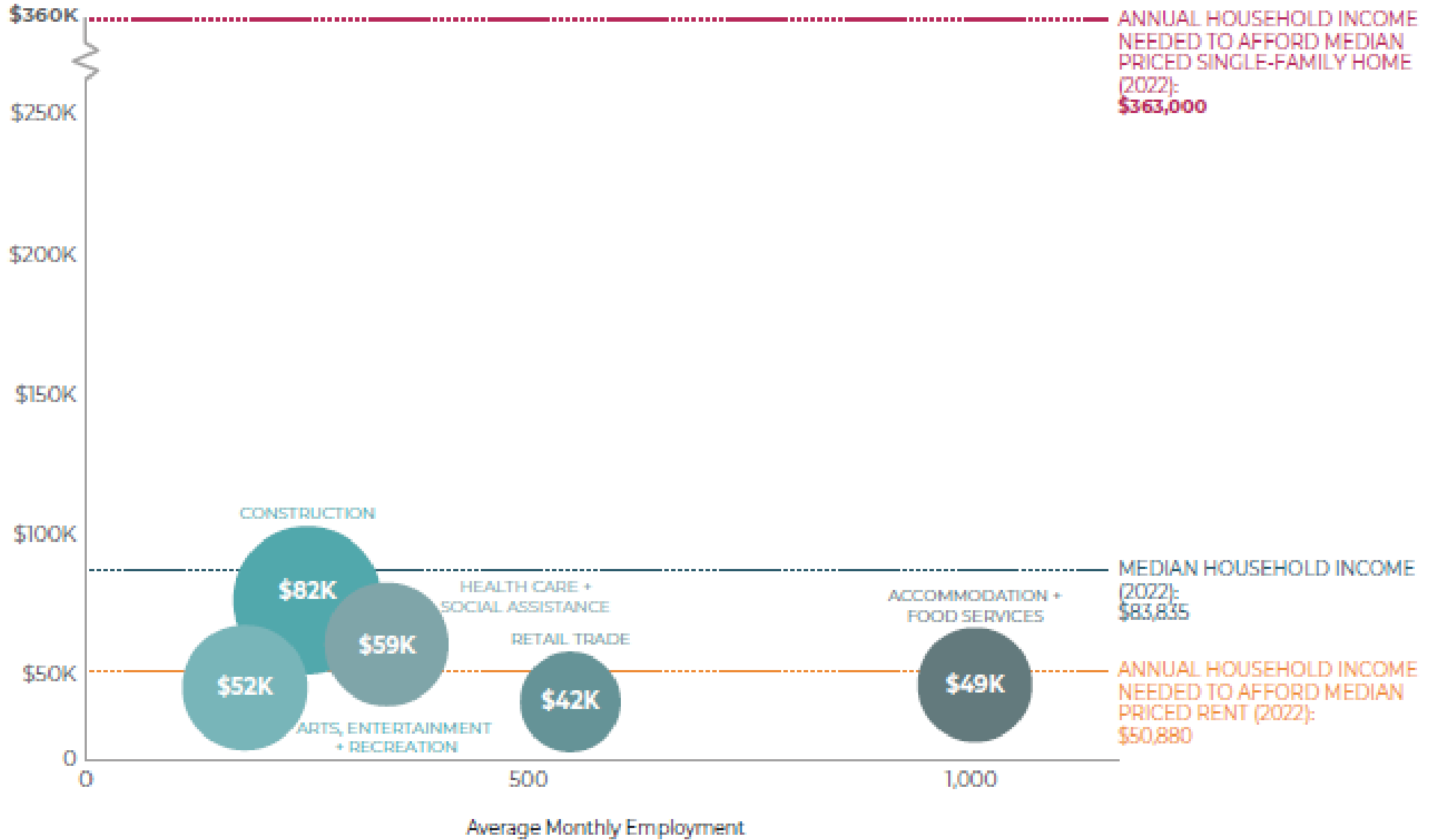


+5%

2022



Housing Affordability



POPULATION	HOUSEHOLDS	HOUSEHOLD SIZE	HOUSING UNITS	MEDIAN HOME SALES PRICE (2022)	MEDIAN HOUSEHOLD INCOME (2022)	RESIDENTIAL PROPERTY TAX RATE
6,607	3,289	1.96	7,529	\$1,200,000	\$83,835	\$3.57 (FY24)

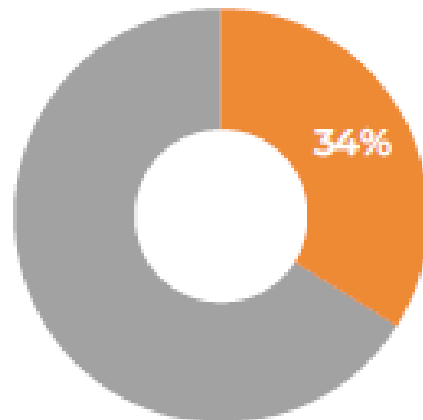
SUBSIDIZED HOUSING INVENTORY UNITS



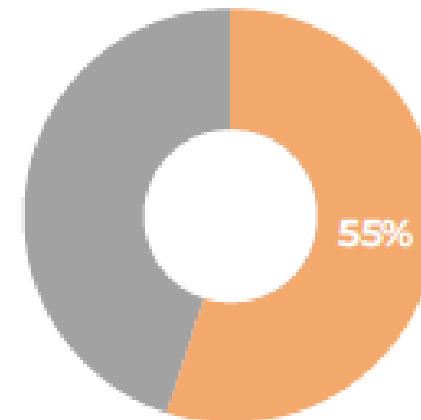
4.8% of housing units

Housing Cost Burdened

A household is considered cost burdened when housing costs exceed more than 30% of monthly income. (ACS 2022 5-year Estimates)



... of owner households in Chatham spend 30% or more of income on housing costs



...of renter households in Chatham spend 30% or more of income on housing costs



Current Housing Strategies

- Housing Needs Assessment and Housing Production Plan Update
- Zoning Changes
- Deed Restrictions
- Home Rule Petitions
- Transfer of Use of Town-owned Land for Housing Purposes: Stepping Stones Rd and 127 Old Harbor Rd
- Acquisition of Land for Housing Purposes: Main Street and Meetinghouse Road

Main Street and Meetinghouse Rd Properties

What we've done

- 14-month Community Engagement process
- Request for Information (RFI) issued to developers
- Grant award for design and engineering of access drive
- Purchase of additional ½ acre parcel on Main Street

Where we are

Request for Proposals (RFPs) issued for:

- Affordable Housing on Meetinghouse Road
- Affordable and Attainable Housing on Main Street
- Site walk and briefing with potential proposers Mar 14

Next steps

- Proposals due April 25
- Proposal Presentations, if requested by AHT May 1/15
- Selection of Proposals anticipated by June 5

Long Term Implementation

Developers Seek Necessary Permits from Town

- Comprehensive Permit under Ch 40B from ZBA
- Town applies to State for Local Preference w/in 3 months of Comp Permit issuance
- Town and developer negotiate Land Disposition Agreement

Developers Apply for and Receive Funding

- Low Income Housing Tax Credits (State and Federal)
- Other State subsidies through EOHLC and MassHousing
- County HOME funds
- Local subsidies (CPA, AHTF, General Fund)

Construction Begins

THANK YOU!

Visit the Chatham Housing Office webpage at

<https://chatham-ma.gov/687/Chatham-Housing-Office> to learn more.

For further questions, email:

Gloria McPherson, Housing & Sustainability Director

gmcpherson@chatham-ma.gov

