

# Final Report

Scituate Housing Needs Analysis

April 2005

## Scituate Housing Needs Study:

Community Survey  
Consultation Process  
Policy Recommendations



- Project Design

- Random-sample survey process
- Statistical analysis of survey results
- Focus groups on a selection of issues identified in the survey, with people who could offer additional insights
- Comments on policy implications

- About Us

- Community Opportunities Group, Inc.
- Planning & community development firm
- Master plans, neighborhood & downtown plans, zoning, housing
- Community development and grants consulting

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- Why a housing needs study?
  - Housing problems do exist in middle-class suburbs
    - Some people live in a house or an apartment they can't afford
    - Some people work in a town they can't afford to live in
    - Some people with long-standing ties to a community have to live elsewhere, or rent because they can't afford to buy a home
  - CPA is a unique opportunity for affordable housing; the challenge is finding out what people really need
  - Housing resources are scarce, so funds need to be targeted.
  - Public consultation is a learning experience for everyone

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- What is affordability?
  - For lower- and middle-income households, housing costs that do not exceed 30% of gross income
    - Renters: Rent and utilities
    - Homeowners: Mortgage principal & interest, taxes and insurance
  - Affordability is not measured by whether a community meets the 10% statutory minimum under Chapter 40B

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- Survey Process

- Survey questionnaire designed, produced & distributed to random sample of Scituate households in August-September 2004
- 1,000 distributed by mail, target response rate: 350
- 354 surveys received
- Compared to Census 2000 statistical profile of Scituate households, respondents generally similar

## Scituate Housing Needs Study:

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- Who responded to the survey?
  - 82% householders between 31-64 years of age
  - “Most typical” respondent was white, non-Hispanic male, 41-54 years of age, in a two-person household with income over 80% of area median income (AMI)
  - Over half of all respondents in age groupings over 55
  - 88% live in single family homes
  - About half in homes built 1940-1979, 16% since 1980
  - 58% in homes with 7-9 rooms, 82% with 3+ bedrooms
  - One-third are couples with dependent children
  - 94% rated their homes in good-excellent condition.

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- Who Responded to the Survey? (cont'd)
  - 77% with incomes over 80% AMI
  - Main sources of income: wage and salary, retirement benefits, investment income
  - Household incomes clearly correlate with age of respondent
  - Responses geographically distributed by precinct

- Under-representation relative to U.S. Census
  - Renters
  - Recent move-ins
  - Single parents with children
  - Non-family households
  - Households in small housing units
  - Households with lower incomes
  - Under-40 households

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- About the Focus Groups

- Conducted with three groups, February 2005
- Consultation
  - With people who serve the Town...
  - With people who know about local & regional housing needs
  - With people who know about housing development

- Municipal & School Employees

- *3 participants were town employees...All live in Scituate. They are not homeowners; two live with family members. The third rents a seasonal cottage converted to year-round use, for \$1,400/month. She used to own a home in Scituate, but could not afford it after her divorce. All three are single parents, two with school-age children...*

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- Important Questions

- What kinds of affordable units does Scituate need and/or want?
- Are residents willing to support alternative ways to make housing more affordable or create ways for the developer and town to work together?
- What prevents Scituate renters from buying homes?
- For residents considering a move out of Scituate, why?
- Why do local workers live outside of Scituate?

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- Key Findings

- Housing Issues

- Cost barriers
    - Shortage of choices
    - Some support for modest policies to encourage affordable housing development

- Policy Implications

- Use local regulations to create affordable housing
    - Maximize value of CPA revenue
    - Provide public information, debunk myths
    - Pay attention to the market

## Scituate Housing Needs Study:

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- **Cost of Housing**

- Too expensive for most first-time homebuyers
- Many homeowners who want to buy up or downsize cannot afford to move to another home in Scituate

- **Survey Statistics**

- 34% respondents spend 30% or more of their annual household income on housing expenses
- 13% spend at least 40% or more of their income on housing costs
- 15% percent described their ability to meet their monthly housing costs as difficult

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- Cost of Housing, cont'd

- 38% know a family member who wants to live in Scituate but cannot afford to do so
- 10% have considered sharing their home in order to manage housing costs

- Renters

- Twenty out of 22 Scituate renters said they had not bought a home because either they:
  - Cannot afford the monthly mortgage payments, or
  - Cannot save enough money for a down payment

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- Shortage of Choices

- Focus group participants said more housing options would be an asset to the Town
- Current market production limited almost exclusively to high-end housing, mainly single-family homes

- Survey Statistics

- 12% considering a move for one or more of the following reasons:
  - Housing too expensive
  - Cannot afford to maintain their current home
  - Want to downsize
  - Want to move to a retirement community

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- **Housing Development**

- Land costs, zoning, and local, state or federal environmental regulations make it difficult for the private market to develop affordable or “less expensive” housing in Scituate today

- **Survey Statistics**

- 75% of respondents support building townhouses
- One-third support two-family homes
- One-third support: zoning & permitting changes, reducing taxes for landlords who provide affordable housing, using CPA for affordable housing

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- Housing Development, cont'd

- Preferences

- Single-family homes
    - Townhouses a close second
    - More support for homeownership than rental housing

- Concerns

- Fairly strong dislike for developments of large multi-family buildings
    - Impacts on town services, water supply, environmental resources and open space

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- Policy Implications

- Local regulations could encourage or require affordable housing. Some options identified by the focus groups:
  - Map the E District; don't require connection to public sewers
  - Allow small affordable housing units on nonconforming lots
- Other possibilities
  - Make it easier to develop multi-family housing in established areas, subject to a strong design review process
  - Mixed-use development that includes affordable units
- Issue: inclusion (requirement) v. incentives

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- Policy Implications, cont'd
  - Use CPA revenue for purposes such as:
    - Purchase land with affordable housing development potential
    - Supplement other grants or loans to affordable housing developments – buy more affordability, longer term of affordability, fill gaps that enable developers to obtain financing
    - Preserve existing affordable housing
    - Buy down purchase prices and rents
    - Support small comprehensive permits

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- Policy Implications, cont'd
  - Leadership in public information
    - Web site repository of information about affordable housing
    - Periodic discussion forums sponsored by Board of Selectmen, Planning Board, Housing Partnership
    - Participate actively in affordable housing lotteries
  - Pay attention to the market
    - Capitalize on Town's anticipated future development to increase the supply of affordable housing
    - Maintain open lines of communication with developers