

Section 3

Housing

Goal: To promote the provision of fair, decent, safe, affordable housing which meets the needs of present and future Hanover residents.

INTRODUCTION

The Town of Hanover recognizes that varied housing types are needed to accommodate its population, and is committed to addressing the housing needs of all residents. The purpose of this section is to investigate and discuss innovative strategies to address these housing needs, and ultimately, offer recommendations on appropriate strategies to meet these needs.

The *Hanover Community Survey* contained questions related to issues of housing and perceived housing needs. According to the survey results, the greatest housing need in Hanover was for young families, and families in need of starter (more affordable) housing. This was followed by the need for housing for the elderly, which might include smaller housing requiring limited care and/or services and assistance in up keep. Respondents were fairly evenly divided as to the need for rental properties, accessory/in-law apartments, and/or residential cluster. Planned unit or condominium and multi-family housing were not considered a significant need.

INVENTORY

Hanover is a residential community consisting of primarily single-family homes. The median value of these homes, according to the 1990 U. S. Census, was \$195,100, which is significantly higher than the median sales prices of homes in Hanover for 1995¹. According to the 1990 U.S. Census, the median rent in Hanover was \$441; however, according to the Metropolitan Area Planning Council (MAPC)² and based on the current rental market, this median has increased significantly. Most homes in Hanover contain three (3) or four (4) bedrooms, and are serviced by individual on-site sewage disposal systems, as there is no municipal sewer system. The Hanover Water Department provides water service to ninety-nine percent (99%) of homes in Town.

According to the U.S. Census, Hanover had a total of 3,837 housing units in 1990. Through July of 1996, an additional 333 housing units have been erected according to the Hanover Building

¹\$160,000 for 1995, according to Banker & Tradesman.

²June 1996 Hanover Community Profile, Metropolitan Area Planning Council (MAPC), \$1,200 for single-family houses, and \$600 to \$850 for apartments, although few rental or condominium housing units exist.

Department. Thus, it can be assumed that approximately 4,170 housing units exist as of August 1996.

Although Hanover's population increased by only 554 persons or five percent (5%) between 1980 and 1990 (11,358 to 11,912), the number of housing units increased by 619 or nineteen percent (19%) during that same period (3,218 to 3,837), averaging an additional sixty-two (62) housing units per year. This disparity is better understood if compared with the decrease of eleven percent (11%) in the number of persons per household during that same period, from 3.51 in 1980 to 3.14 in 1990. This reflects a national decrease in family size (number of children per household), an increase in single-parent households, and an aging population³.

**Table 3-1: Housing Unit Type Comparisons
1980 and 1990**

Housing Unit Type	1980		1990	
	Number	Percent of Total Units	Number	Percent of Total Units
Total Units	3,218	100%	3,837	100%
Owner-Occupied Units	2,904	90%	3,223	84%
Rental-Occupied Units	256	8%	519	14%
Vacant Units and/or for sale/rent	58	2%	95	2%
Subsidized Housing Units ⁴	not available		207*	7%
Public Housing Units	0	0%	0	0%
Studios (No bedrooms)	18	<1%	6	<1%
1 Bedroom	76	2%	310	8%
2 Bedrooms	436	14%	308	8%
3 Bedrooms	1,559	48%	1,726	45%
4 Bedrooms	884	27%	1,216	32%
5 or more Bedrooms	245	8%	217	6%
Persons per household	3.51	100%	3.14	100%

Sources: 1980 and 1990 U.S. Census, and the Subsidized Housing Inventory, July 1, 1993, EOCD *plus Section 8 subsidized housing units

Owner occupancy in Hanover has decreased over the past decade, from ninety percent (90%) in 1980 to eighty-four percent (84%) in 1990 (the most recent available data). Conversely, rental occupancy has increased significantly, from eight percent (8%) of the total housing units in Hanover in 1980 to fourteen percent (14%) in 1990. This increase can be attributed to a limited number of rental units constructed during that period (62), higher than average interest rates and an overall increase in housing costs for the region during the 1980's, and people moving but retaining household ownership.

³According to the Metropolitan Area Planning Council (MAPC), Hanover will experience a decrease in house-hold size over the next fifteen years, from 3.14 in 1990, to 3.06 in 2000, to 3.08 in 2010.

⁴The number of housing units that count toward the Commonwealth's requirement that ten percent (10%) of all housing be set aside for low and moderate income housing.

The greatest number of houses built since 1980 contain four (4) bedrooms. The disparity in other house size figures between 1980 and 1990 can be attributed to the way information was reported to the Census Bureau, and perhaps a change in the way people are using the rooms in their homes.

From 1990 through 1995, approximately three hundred (300) additional houses were built in Hanover, for an average of fifty (50) additional housing units per year during that period. The majority of these new homes had at least three (3) bedrooms, and according to local realtors, most new homeowners are couples with young children, and/or those of child-bearing age.

Table 3-2: Housing Units Starts Since 1989	
Through 1989	3,837
1990	22
1991	41
1992	52
1993	59
1994	65
1995	56
1996	38*

Sources: 1990 U.S. Census and the Hanover Building Department

* January through August 1, 1996

Affordable Housing

According to the Executive Office of Communities and Development (EOCD), seven percent (7%) of the housing units in Hanover are subsidized housing, as defined by Massachusetts General Laws, Chapter 40B. This Chapter was enacted to encourage the development of affordable housing in the Commonwealth, and established a ten percent (10%) requirement of the community's housing stock to be affordable for low and moderate income households. In accordance with the recommendations of EOCD, affordable housing units must remain affordable for a period greater than fifteen (15) years through the use of re-sale deed restrictions and/or rental restrictions. Additionally, affordable housing units within market rate developments should be integrated with the rest of the development and must be compatible in design, appearance, construction and quality of materials, with other units. Based on the estimated August 1996 housing unit stock of 4,170, this requirement would translate to a need for approximately 417 affordable housing units. Because only 207 units currently qualify as affordable, an additional 210 units are required to meet this threshold, or a more than doubling of those units considered affordable by EOCD. If the 1990 census figures are applied, it can be determined that the need is primarily for rental units. There are no public housing units provided for Town residents; however, as noted, a small amount of State and Federal rental assistance is provided.

Affordable housing can be provided through the use of zoning incentives, and/or through the Comprehensive Permit process, as with the 1989 Hanover Woods housing development. Built

under a Comprehensive Permit, Hanover Woods contains sixty-two (62) units, of which twenty-one (21) are considered affordable under State guidelines.

The Hanover Housing Authority administers approximately forty-five (45) Federal or State rental assistance certificates⁵ for households of low or moderate income. Hanover residents are not assured rental assistance from these programs, and the Housing Authority does not own or operate any housing.

Hanover Affordable Housing Partnership

In 1987, Hanover prepared a *Strategic Planning Program for Affordable Housing*⁶ which proposed affordable housing strategies and included draft bylaws for Cluster Residential Development, Affordable Housing Conditional Density Bonus, and an Accessory Dwelling Unit Bylaw. A density bonus for affordable housing and accessory housing were subsequently adopted at Town Meeting. The Plan did not provide for multi-family structures in Town, such as apartments and/or condominiums. A housing needs study indicated that at least half of Hanover's households had low and moderate income at that time.

The Plan did recommend the establishment of a Housing Partnership to develop and implement local housing policies and plans consistent with the Massachusetts Housing Partnership programs and other statutes that address the need for affordable housing. Hanover's Affordable Housing Partnership (HAHP) was subsequently appointed by the Board of Selectmen in 1989, with the intention of supporting and encouraging the development of affordable housing in Hanover. The HAHP prepared Development Guidelines and Considerations in January of 1991, including standards for developers, to assist those proposing affordable housing developments in Town. A summary of HAHP's *Guidelines for Development of Affordable Housing*⁷ is shown below.

Affordability: Provide home ownership opportunities for household incomes between sixty and eighty percent (60% - 80%) of the area median income; and rental opportunities for households with incomes between forty and eighty percent (40% - 80%) of the areas median income. Preference will be given to projects providing units in the lower end of the income range.

Design: First priority is for single-family homes with an overall density of up to four (4) units per acre, or one (1) unit per 10,000 square feet. Higher densities and multi-family structures may be considered in appropriate locations. At least fifty percent (50%) of the units should have three (3) bedrooms; with the rest being two (2) and four (4) bedroom units.

⁵As of 1995, twenty-five (25) federal Section 8 Housing Assistance Certificates and Vouchers, nine (9) Massachusetts Rental Voucher Program Certificates, and eleven (11) federal Section 8 Certificates and vouchers.

⁶*Strategic Planning Program for Affordable Housing, Town of Hanover, MA*, December 1987, IEP, Inc., funded by the Commonwealth of Massachusetts Executive Office of Communities and Development (EOCD).

⁷*Guidelines for Development of Affordable Housing*, Hanover Affordable Housing Partnership, January 1991.

- Location:** Higher density projects should be located near major roads such as Route 53. Efforts should be made to distribute multi-family housing throughout Hanover.
- Infrastructure:** On-site wastewater disposal systems or package treatment plans are necessary. Projects of a size to affect local traffic may require improvements to the street serving the site.
- Other:** Hanover residents and Town employees will be given priority in a lottery for affordable units, whenever possible.

Several municipal sites were reviewed by the Hanover Affordable Housing Partnership; however, none proved adequate, in terms of both size and soils compatibility to accommodate a significant housing undertaking. No private sites were reviewed by the HAHP. Unfortunately, the HAHP has not been active since the early 1990's.

Elderly Housing

Housing for the elderly, a need identified in the *Community Survey*, is currently provided at both the Hanover Legion Elderly Apartments and at the Cardinal Cushing Housing development. Hanover Legion Elderly Apartments, built in 1981, is a sixty (60) unit apartment complex, and is run by the American Legion Housing Corporation. Hanover Legion has a waiting list of approximately eighty (80) persons. Cardinal Cushing Housing, also built in 1981, provides one-hundred and fifty (150) housing units, and has a waiting list of approximately one hundred (100) persons. Both Hanover Legion Elderly Apartments and Cardinal Cushing Housing provide housing to those who meet certain income restrictions and are handicapped, disabled, and/or are at least sixty-two (62) years in age. Ninety-five percent (95%) of these housing units are one-bedroom in size. In addition, thirty-six (36) beds are provided at the Mill Pond Rest Home, a private facility.

ANALYSIS

A decreasing number of Hanover's residents own their home, consequently more houses are being converted to rental units. This can be attributed to the cost of housing in Hanover, and an aging population. This aging population is being seen both nationally and in Hanover, when older people no longer wishes (or are able) to care for their homes. Affordable housing is needed for all age groups, but as indicated in the *Hanover Community Survey*, especially for the young, elderly, and single parent households in Town.

It is difficult to predict whether Hanover will ever meet the Commonwealth's goal of ten percent (10%) of its housing stock set aside as affordable housing; however, there are many alternative means to a similar end. Given that no affordable housing projects are currently proposed, housing affordability will continue to be a major hindrance for low and moderate households in Hanover. Therefore, the recommendations and actions regarding housing should guide Hanover

in its efforts to meet the needs of residents seeking 'affordable' and other housing in Town, by providing a variety of housing types, including planned areas, cluster for the elderly, and Town House/condominium housing.

Although respondents from the *Community Survey* overwhelmingly did not support municipally financed affordable housing, the Town must look at appropriate housing strategies that will satisfy the housing goal and related needs. Housing strategies appropriate to Hanover are shown on the following page. Some of these strategies provide (affordable) housing opportunities for the Town, while most provide for a mix of housing types, which can include smaller units for affordable housing.

The *Zoning Bylaw for the Town of Hanover* has one residential district (Residence A), which allows single-family housing on lots of 30,000 square foot or more. There are provisions for some home occupations as of right, and for professional offices and other uses by special permit. Conversion to create a second dwelling within the primary dwelling structure is allowed by special permit if the structure is at least ten (10) years old. Additionally, multiple-use buildings in the Business District may contain one dwelling unit. Elderly housing requires approval by two-thirds of the Town at Town Meeting, and there are limited provision for cluster zoning. There are no provisions for assisted living and planned development in Hanover.

Housing Strategies

Following is a list of housing strategies selected which provide mechanisms to increase housing opportunities and provide for a variety of housing types and needs. These strategies have been selected for further evaluation.

**HOUSING STRATEGIES
SELECTED FOR FURTHER EVALUATION ⁸**

Strategy	Advantages	Disadvantages
Permit Assisted Living and/or Shared/Congregate Housing.	No municipal expenditure.	Increases activity in area.
Encourage non-profit and/or limited dividend corporations.	No municipal expenditure. Housing may be less expensive.	None
Provide for Cluster/Open Space Residential Zoning.	Provides for alternative styles. Allows for a village-design concept.	Not appropriate in all areas.
Provide for Planned Unit Development.	Provides for alternative styles.	Not appropriate in all areas.
Secure existing units with	Utilizes existing stock and does not	High municipal expenditures.

⁸Extracted from a list of strategies evaluated for their effectiveness to encourage housing in the Appendix.

deed restrictions to ensure
affordable housing.

alter the community character.

Increased administration time.

(Continued)
HOUSING STRATEGIES
SELECTED FOR FURTHER EVALUATION⁹

Strategy	Advantages	Disadvantages
Increase allowable density in selected areas.	No municipal expenditure. May be appropriate in selected areas, e.g., near the Rockland line, where sewers may be available.	Alters population yield, may require wastewater treatment plant and may affect character of Town.
Provide density bonuses.	No municipal expenditure.	Increases density where permitted.
Support the Local Initiative Program (LIP)	Maintains Town input. No financial subsidy.	May increase density and lower development standards.
Provide set-aside areas.	No municipal expenditure.	May increase density.
Modify appropriate regulations, e.g., provide for alternative residential housing types.	Limited expenditure.	Must be prepared so as to not adversely affect municipal services and the environment.

Selected Housing Strategy Definitions

Definitions for each of the selected housing strategies are found below.

Assisted-Living/Continuing-Care Facility. This housing concept offers a supportive environment that maximizes the ability of elders to live independently. Housekeeping, personal care, and meal services are often provided in this type of facility. Continuing care retirement communities (life care facilities) also feature independent living, but usually include a range of recreation and dining services, and always include care when the resident can no longer live independently.

Non-Profit and/or Limited Dividend Corporations. Non-profit and/or limited dividend corporations, build and/or purchase housing, and offer it to potential homeowners at a mortgage rate or price less than might otherwise be offered on the market.

Cluster/Open Space Residential Zoning. Cluster/Open Space Residential Zoning is a provision that permits the density and dimensional requirements for dwellings to be reduced providing that the land gained is preserved as permanent open space.

⁹Ibid.

Planned Residential Development. A subdivision or plan developed under a combination of zoning and other development controls applied to a project often with more than one housing type. The project is planned, constructed, and maintained as a whole.

Securing Existing Units with Deed Restriction. Tax title properties and/or other housing units are purchased by the Town for affordable housing. Such units are guaranteed by provisions that prohibit sale at market rates for a defined period of time, at least fifteen years.

Increased Density. This concept permits more units than is otherwise allowed in the zoning, providing that certain amenities are provided and/or that affordable housing is assured.

Density Bonus. To satisfy the need for smaller, more affordable housing in appropriate areas, a density bonus increases the amount of density (decrease in lot size) on appropriate sites where planned residential developments, cluster, Town House and condominium units can be sited. Measures to deal with circulation, wastewater treatment, and other land use/environmental concerns must be mitigated to obtain the bonus.

Local Initiative Program (LIP). The Local Initiative Plan (LIP) is a State housing program that gives municipalities flexibility in their efforts to provide low and moderate income housing. Housing can be provided through zoning adjustments or incentives and/or through the Comprehensive Permit provided for by M.G.L. Chapter 40B. In the latter case, assistance to local public officials or housing developers provided by the State, qualifies as a subsidy.

Set-Aside Areas. A provision, usually in the zoning may provide, that a percentage of the units will be allocated for the elderly and/or for people of moderate or low income, usually offered with a density incentive.

Modify Regulations. Modifying regulations includes many of the strategies listed above, and others such as the subdivision regulations, which can help the Town achieve its housing goal.

RECOMMENDATIONS

To address the current and future housing needs of Hanover, the following recommendations are suggested:

1. The Hanover Affordable Housing Partnership (HAHP) should be re-organized/established as the Hanover Housing Partnership (HHP) with the charge to develop and implement local housing policies and plans consistent with the Massachusetts Housing Partnership programs and other statutes that address the needs for all housing types, including affordable housing. To help fulfill that charge, the HHP should:

- Evaluate and determine appropriate housing sites, both public and private, which are suitable for housing development, and/or which contain structures suitable to meet Hanover's housing needs, e.g., affordable and/or starter homes.
 - Update Hanover's *Strategic Planning Program for Affordable Housing*, by preparing a housing development action plan, and by evaluating and implementing appropriate affordable housing strategies to be considered by the Town.
 - Work cooperatively with developers looking to meet the housing needs of Hanover's residents and employees.
2. The Town should consider amending the Zoning Bylaw to require applicants to include an affordable housing element within the new subdivisions, e.g., to provide ten (10) percent of their housing sites to be affordable when subdivision plans call for ten (10) lots or more. In lieu of providing such lots on site, an applicant might be allowed to provide a cash contribution of equivalent value to the Hanover Housing Partnership (HHP) and/or to any other non-profit provider of affordable housing that may be designated by the Town at a future date. All affordable housing contributions should be initiated upon the conveyance of any of the subdivision lots or the issuance of a building permit for any of the lots, whichever occurs first.
 3. The Town should consider amending the Zoning Bylaw to permit planned residential, cluster/open space residential, and/or assisted living development in appropriate areas to allow varied housing opportunities.
 4. The Town should consider entering into discussions with the Town of Rockland regarding sewerage opportunities.