

# 3

## Housing

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### Introduction

As a significant percentage of the Town's land area, housing is the most prevalent land use in Sturbridge; its cost and availability are critical components in the range of elements that together define the character of the community. While the housing stock (supply) today serves the needs of many of its citizens, market changes have made it difficult for certain segments of the community to afford housing costs. The housing goal is to provide choices for people and therefore, diversity in housing type and price is a significant aspect of this Plan.

The first section of this chapter provides an overview of the population and household changes that have been occurring in Sturbridge. It also looks at how the Town's demographics compare to those of the region, which includes neighboring Massachusetts cities and towns.

The following section discusses the type of housing that is available in Sturbridge as well as key housing issues that have been identified by members of the community and in the Town's Housing Needs Assessment Housing Production Concepts completed in 2008 for the Sturbridge Housing Partnership. Elements of this latter study have been included and updated in throughout this chapter.

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### Housing Goals

Housing in Sturbridge should be available to households of all kinds and residents of all income levels. Sturbridge should strive to:

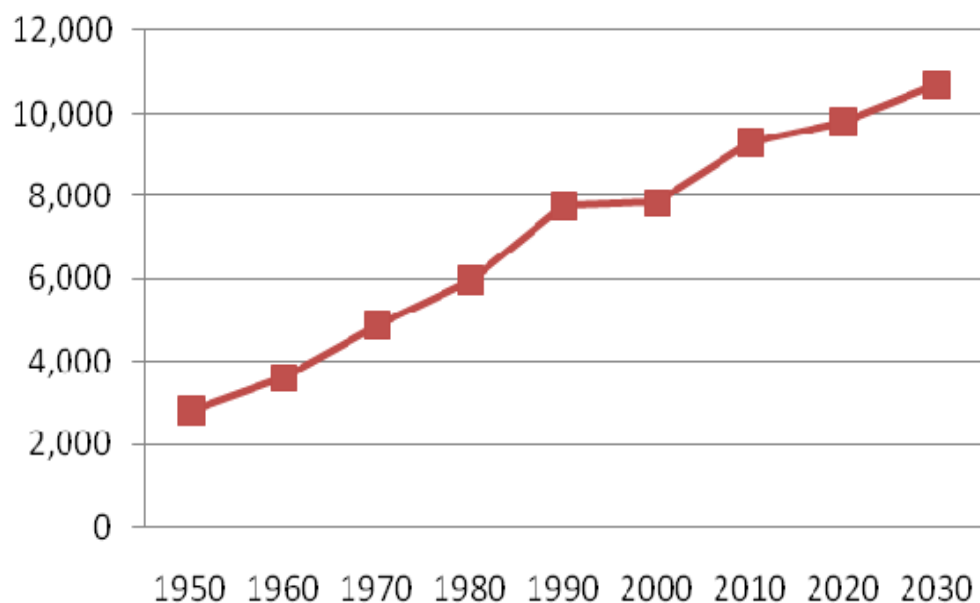
- Provide high-quality affordable housing in attractive neighborhoods through development of flexible zoning bylaws, regulations and programs.
- Develop a plan designed to guide the Town toward meeting the 10% goal for housing affordability under Chapter 40B.

- Provide opportunities for existing Sturbridge residents to make improvements and repairs to their existing homes, while at the same time, increasing the affordable housing stock in the community.
- Ensure that housing choices are available to meet the needs of current and future generations Sturbridge.

## Population and Demographic Profile

Sturbridge's population has steadily grown over the last six decades and is expected to continue growing through 2030, as shown in Figure 3.1. The population increased by an average of 29 percent between 1950 and 1990.<sup>1</sup> That rate of growth slowed between 1990 and 2000 (1 percent increase) but picked up again in the last decade. Specifically, the population was projected to grow by 19 percent in the last 10 years, but it actually jumped by 26 percent to 9,876 people this year.<sup>2</sup>

**Figure 3.1 Population Over Time**



Source: US Census 1990 and 2000; Central Massachusetts Regional Planning Commission [www.cmrpc.org](http://www.cmrpc.org) (projections)

With a total land mass of 37.41 square miles, Sturbridge's current population density is 262 people per square mile.<sup>3</sup> This is an increase in density of about 25 percent since 1990 (208 people per square mile) and 2000 (210 people per square mile).<sup>4</sup>



<sup>1</sup> US Census 1990 and 2000

<sup>2</sup> Central Massachusetts Regional Planning Commission [www.cmrpc.org](http://www.cmrpc.org) (projections), Sturbridge Town Clerk's office. [http://www.town.sturbridge.ma.us/Public\\_Documents/SturbridgeMA\\_Depts/clerk](http://www.town.sturbridge.ma.us/Public_Documents/SturbridgeMA_Depts/clerk) (actual)

<sup>3</sup> US Census 2000; density based on population figures from Sturbridge Town Clerk's office

<sup>4</sup> US Census 1990 and 2000

Sturbridge's growth in recent years may be attributed in part to the availability of a large number of new housing units. Since 2000, at least eight new subdivisions have been approved by the Town. (See Housing section below for more details). The Town's schools and accessibility to major highways for commuting purposes also make the Town an attractive community.

Compared to its neighbors on average as well as Worcester County and the state, Sturbridge grew more rapidly in the 1970s and 1980s but more slowly in the 1990s, as shown in Table 3.1. Between 2000 and 2008, Sturbridge's growth rate (16.2 percent) far outpaced that of its neighbors (3.5 percent on average), Worcester County (7 percent) and the state (3.9 percent).

**Table 3.1 Population Comparisons by Region**

Region	1970	1980	1990	2000	2008
Sturbridge	4878 (-)	5,976 (22.5%)	7,775 (30.1%)	7,837 (0.8%)	9,103 (16.2%)
Neighbors	27,481 (-)	30,054 (9.4%)	37,580 (25.0%)	39,371 (4.8%)	40,738 (3.5%)
Worcester County	637,037 (-)	646,352 (1.5%)	709,705 (9.8%)	750,963 (5.8%)	803,701 (7.0%)
Massachusetts	5,689,000 (-)	5,737,000 (0.8%)	6,016,425 (4.9%)	6,349,097 (5.5%)	6,593,587 (3.9%)

\* Worcester County data is from 2009.

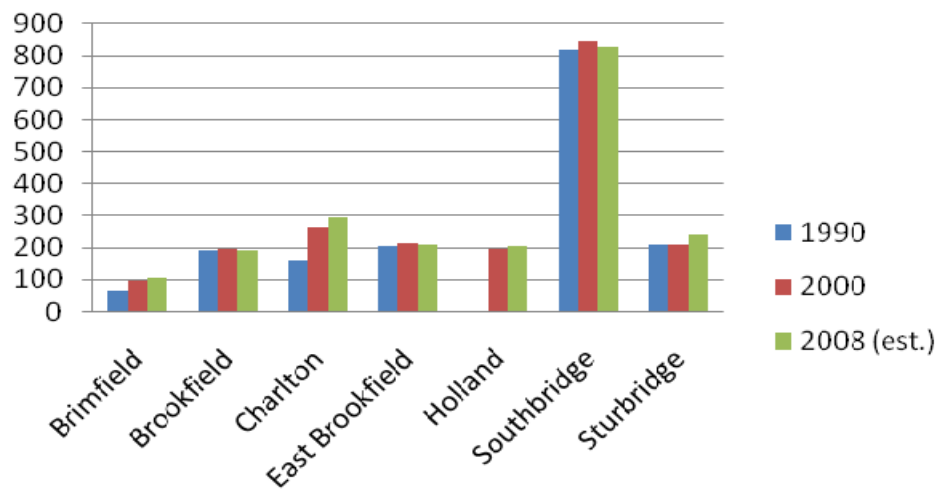
Source: Central Massachusetts Regional Planning Agency, US Census 1990 and 2000, 2008 Population Estimates

Among its neighbors, Sturbridge has the third highest population, behind only Southbridge (16,852) and Charlton (12,585).<sup>5</sup> It also has the third highest population density, again behind Southbridge and Charlton. Figure 3. 2 shows that Sturbridge experienced the largest increase in population density (16 percent) in the region between 2000 and 2008.

The Town's oldest cohort – people 85 years old and up – are the fastest growing segment of the population, having increased more than 100 percent in the 1990s. The Population Program at Massachusetts Institute for Social and Economic Research (MISER) projected that the 85 and older cohort would increase another 74 percent in the 2000s. (It is important to note that this cohort only included 87 people in 2000. MISER projected that it would include 151 people in 2010.) Among the other, more populous cohorts, the 55 to 64 age group grew most rapidly in the 1990s, jumping 32 percent to 812 people in 2000. It was projected to increase by 54 percent – or 440 people – between 2000 and 2010. That cohort is followed by the 35 to 54 age group, which saw a 15 percent increase in the 1990s. This information suggests that Sturbridge's population is getting older, which will affect the type of housing the Town will need.

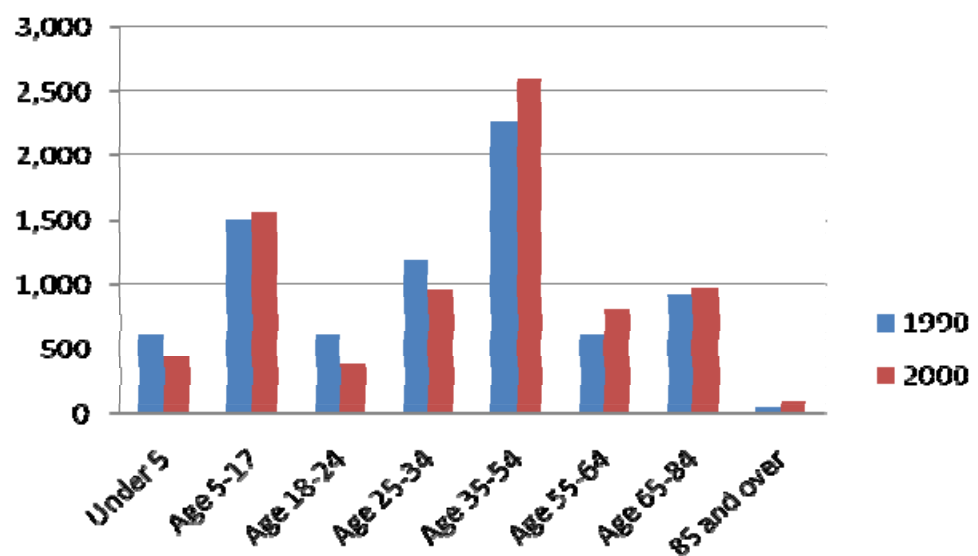


5 US Census 2008 population estimates

**Figure 3.2 Population Density Comparisons by Region**

Source: US Census 1990 and 2000, 2008 Population Estimates

In contrast, the younger population in Sturbridge has been declining as shown in Figure 3.3. The 18 to 24 age cohort and 25 to 35 age cohort both declined in the 1990s by 37 percent and 19 percent, respectively. This indicates that young adults appear to be leaving town once they graduate from high school. High school seniors have stated that they think they will need to leave the area in order to be able to afford housing, either rental or homeownership units. They cited a lack of apartments and entertainment opportunities as other related issues.

**Figure 3.3 Distribution of Population by Age\***

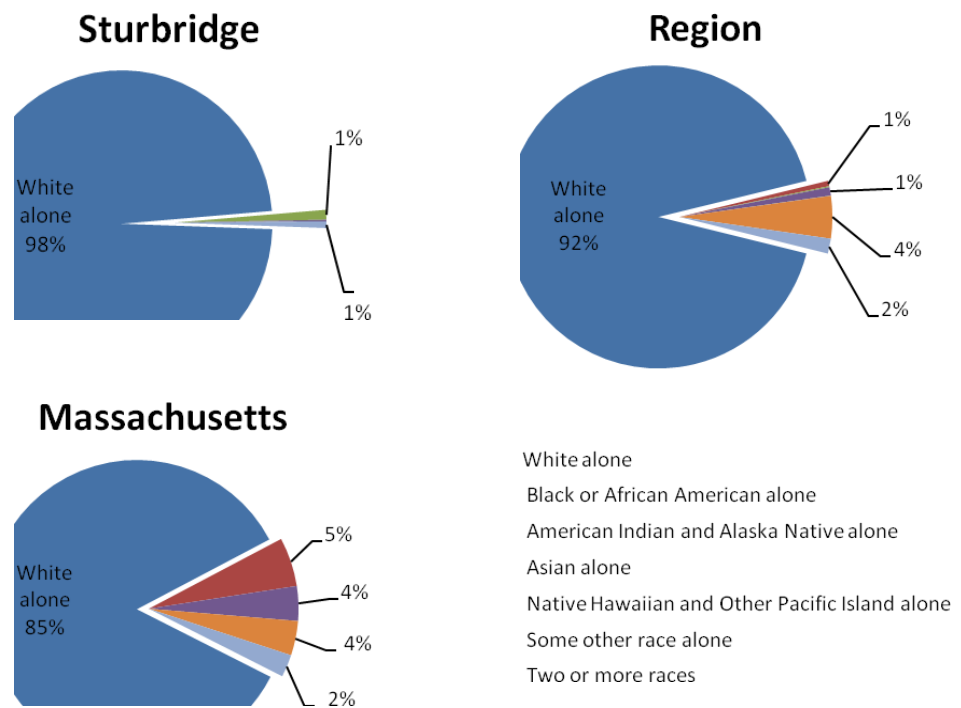
\* Note that the MISER projections are not included in this chart since MISER uses different age groupings than the US Census Bureau

Source: US Census 1990 and 2000

The Town's 2008 Housing Needs Assessment compared the age distribution in Sturbridge to that of Worcester County and the state. Using 2000 Census data, it found that the number of Sturbridge residents in the different age cohorts largely resembled the patterns in the county and state.<sup>6</sup> The only cohort where Sturbridge varied more than 3 percent from either Worcester County or the state was the 20 to 29 age cohort; Sturbridge had smaller percentage of people in this cohort than the other geographic areas.

In terms of gender, Sturbridge's population is evenly distributed between men (49 percent) and women (51 percent).<sup>7</sup> The Town is also largely homogeneous, with approximately 98 percent of the population identifying as White alone as shown in Figure 3.4.<sup>8</sup> Approximately 1 percent of the population is American Indian or Alaska native, with the remaining 1 percent being two or more races. In comparison, the region (neighboring communities) and the state are much more racially diverse. In particular, 8 percent of the region and 15 percent of the state are not White.

**Figure 3.4 Population Comparison by Race**



Source: 2000 US Census

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 6 Sturbridge Housing Needs Assessment Housing Production Concepts 2008.  
 7 2000 US Census  
 8 2000 US Census

## Households

Sturbridge had 3,066 households in 2000, which was an 11 percent increase from 1990, as shown in Table 3.2. Compared to its neighbors, this rate of growth was in the middle of the pack: higher than three communities (Brookfield, East Brookfield and Southbridge) and lower than three communities (Brimfield, Charlton and Holland). This comparison is shown in Table 3.3. Sturbridge's rate of household growth contrasts with its much slower rate of population growth (1 percent) over the same period, indicating that the size of households has decreased.

**Table 3.2 Household Changes by Type**

	1990	2000	Percent Change 1990-2000
<b>Total Households</b>	<b>2,759</b>	<b>3,066</b>	<b>11%</b>
<b>Family Households</b>	<b>2,158</b>	<b>2,247</b>	<b>4%</b>
Married couple family	1,904	1,956	3%
Households with <18	1,129	1,039	-8%
Householder >64	384	381	-1%
<b>Nonfamily households</b>	<b>601</b>	<b>819</b>	<b>36%</b>
One-person households	537	722	34%
Age 65+	227	256	13%

Source: US Census 1990 and 2000

**Table 3.3 Regional Household Growth**

Year	Sturbridge	Brimfield	Brookfield	Charlton	East Brookfield	Holland	Southbridge
<b>1990</b>	2,759	1,104	1,098	3,159	726	795	6,851
<b>2000</b>	3,066	1,252	1,212	3,786	775	900	7,097
<b>% Change</b>	11%	13%	10%	20%	7%	13%	4%

Source: US Census 1990 and 2000

Census data confirms this decrease (9 percent), showing that Sturbridge's average household size was 2.55 in 2000, as shown in Table 3.4. Households in town were larger in 1990 (2.8 persons per household). The decrease between 1990 and 2000 follows state and national trends, though the Town's rate of decrease was larger than that of the region on average (-4 percent), state (-3 percent) and country (-2 percent).

**Table 3.4 Household Size**

	1990	2000	% change
Sturbridge	2.80	2.55	-9%
Region	2.75	2.65	-4%
Massachusetts	2.58	2.51	-3%
US	2.63	2.59	-2%

Source: US Census 1990 and 2000

The household size decrease in Sturbridge is reflected in the changing makeup of households. As shown in Table 3.2, family households have generally increased at a much slower rate (4 percent) than nonfamily households (36 percent). In particular, the number of family households with children under 18 dropped by 8 percent between 1990 and 2000, while the number of single-person nonfamily households jumped by 34 percent. Of those single-person households, more than 35 percent are older than 65 years of age.

## Housing Conditions

Household growth is a major driver of housing demand in a community. As the number of households in Sturbridge increased between 1990 and 2000 (11 percent), so has the number of housing units, though at a slower rate (5 percent). As shown in Table 3.5, there were 3,335 housing units in Sturbridge in 2000, with 92 percent (3,066 units) being occupied.

**Table 3.5 Change in Housing Units (1990-2000)**

Housing Units	1990	2000	# Change	% Change
Occupied	2,793	3,066	273	10%
Vacant	385	269	(116)	-30%
Total	3,178	3,335	157	5%

Source: US Census 1990 and 2000

The vacancy rate declined from 12 percent in 1990 to 8 percent in 2000, as shown in Table 3.6. Sturbridge's 2008 Housing Needs Assessment noted that this 8 percent vacancy rate is higher than those of Worcester County and the state. A greater percentage of Sturbridge's vacant housing stock, however, is used as seasonal.

**Table 3.6 Housing Vacancy**

	1990	2000
Vacant units	385	269
Total housing units	3178	3,335
Vacancy rate	12%	8%

Source: US Census 1990 and 2000

The needs assessment also noted that Sturbridge had a small amount of rent vacancy — 17 units listed on the 2000 Census — particularly when compared to Worcester County and the state. Despite this low vacancy rate, the needs assessment stated that there appears to be “significant enough turnover so that rental availability is not usually an issue.”

Of the 3,066 occupied housing units in Sturbridge, approximately 78 percent were owner-occupied in 2000. This equals 2,380 units, which is a 12 percent increase from 1990, as shown in Table 3. 7. The number of renter-occupied units increased at a slower rate (3 percent) during the same 10-year period.

**Table 3.7 Housing Tenure**

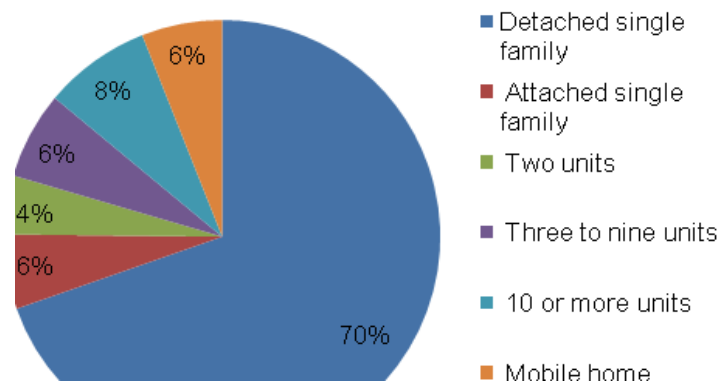
Occupied Housing Units	1999	2000	% change
Owner Occupied	2,129	2,380	12%
Renter occupied	665	686	3%

Source: US Census 1990 and 2000

Also, while the number of renter-occupied units increased by 22 in the 1990s, rental units represented a smaller percentage of the overall occupied housing stock in 2000 (22 percent versus 24 percent in 1990). This suggests that homeownership is on the rise in Sturbridge. In addition, the 2008 Housing Needs Assessment found that Sturbridge had a higher portion of owner-occupied housing compared to Worcester County and the state as of the 2000 Census.

In terms of housing type, Sturbridge is predominantly home to single-family dwellings (70 percent as of the 2000 Census), as shown in Figure 3.5. The 2008 Housing Needs Assessment found that Sturbridge had a larger percentage of single-family homes than Worcester County (61 percent) and the state (56 percent). The Town also had a smaller percentage of duplexes compared to the region and state.

**Figure 3.5 Housing by Units in Structure**

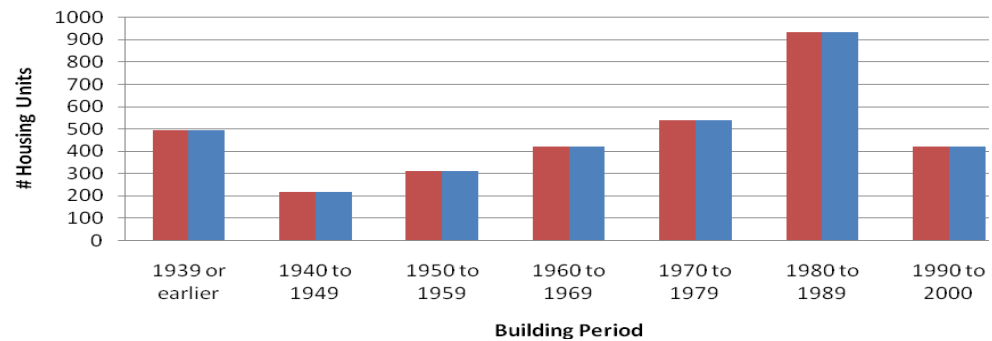


Source: 2000 US Census



The housing stock in Sturbridge is relatively new compared to Worcester County and the state, according to the 2008 Housing Needs Assessment. A large portion of both the county and state's housing stock was built before 1940. In comparison, Sturbridge saw its largest building boom in the 1980s, as shown in Figure 3.6. This increase in housing construction is in line with the significant jump in population (30 percent increase) that occurred in the 1980s, as shown in Figure 3.1.

**Figure 3.6 Age of Housing Stock**

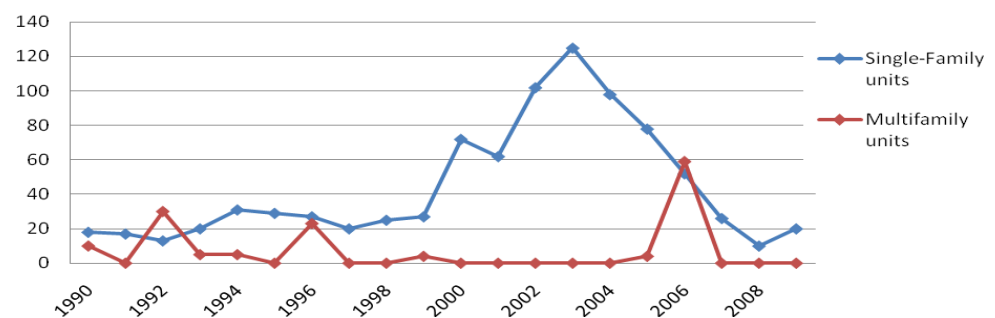


Source: 2000 US Census

## Housing Market

In addition to the housing boom in the 1980s, Sturbridge has experienced a surge of housing construction since 2000, as shown in Figure 3.7. A total of 708 building permits were pulled between 2000 and 2009. This is more than double the number issued in the 1990s (304 total). In both decades, the vast majority of permits have been for single-family units. Multifamily units have not been produced in any year since 2000 except in 2005 and 2006.

**Figure 3.7 New Housing Starts: 1990 to 2009**



Source: US Department of Housing and Urban Development

As mentioned above, Sturbridge has approved eight subdivisions since 2000, which could have driven the population growth in the last decade. Many of the new homes that have been built are now occupied by families, particularly young families.<sup>9</sup>

Table 3.8 from the 2008 Housing Needs Assessment – which has been updated – provides information about recent subdivisions in Sturbridge. It shows that many of the approved subdivisions have not been completed. The Town has been trying to encourage developers to finish the roadways and other infrastructure, but there has been little incentive – due to the slow housing market and economy – to complete the subdivisions.

**Table 3.8 Recent Sturbridge Subdivisions**

<b>Project name</b>	<b>Year Approved</b>	<b>Number of Lots Built</b>	<b>Street/Intersection</b>	<b>Number of Lots Remaining</b>
Allen Homestead	2001	42	Colette Road	7
Brook Hill	2002	10	Brookfield Road	0
The Preserve	2002	72	New Boston Road	2
The Sanctuary	2002	24	Arnold Road	0
Draper Woods	2003	46	Brookfield Road	20
The Highlands	2004	29	Arnold Street	2
Laurel Woods	2005	9	Cedar Street	9
Estates at Sturbridge Farms	2007	6	Farquhar Road	3

Source: 2008 Housing Needs Assessment, updated with information from Sturbridge Planning Department

Similar to the decrease in housing starts, the number of home sales in Sturbridge has declined since the early 2000s. As shown in Table 3.9, the number of home sales in the last decade peaked in 2004 (315 sales) and has steadily decreased since then.

**Table 3.9 Number of Home Sales**

<b>Year</b>	<b>Single-family</b>	<b>Condominium</b>	<b>All</b>
2010*	27	1	38
2009	87	12	121
2008	86	21	132
2007	117	35	205
2006	134	52	255
2005	158	19	279
2004	136	28	315
2003	135	22	282
2002	124	27	249
2001	96	22	200
2000	139	28	228

\* Number of sales in 2010 are for the months January through April

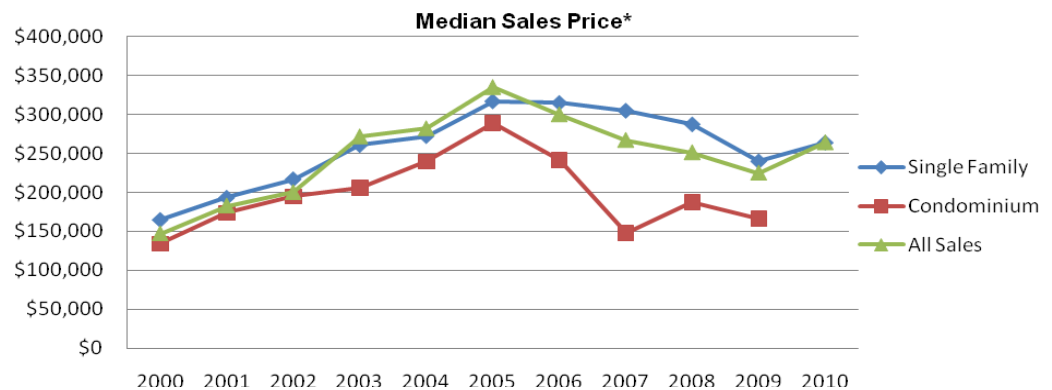


9 Based on conversations with Sturbridge Town Planner Jean Bubon

Source: The Warren Group

This drop in home sales is nearly mirrored by the decline in median sales prices. As shown in Figure 3.8, housing prices in Sturbridge peaked at \$335,000 in 2005 and fell to \$225,000 in 2009. This housing stabilization has occurred throughout most of the region and state. Recently, though, prices have started to become more stable, even increasing in some areas. In Sturbridge, the median sales price as of April 2010 increased to \$264,000, which is near the 2007 levels.

**Figure 3.8 Median Sales Price\***



\* Median sales prices for 2010 are for the months January through April

Source: The Warren Group

Despite the fluctuation in home prices over the last decade, Sturbridge has largely remained one of the more expensive places to buy a single-family home compared to its neighbors. As shown in Table 3.10, the Town had the second highest median sales price in 2009, behind only Charlton by approximately \$4,000.

**Table 3.10 2009 Median Sales Prices in the Region**

	Single-family	All
Sturbridge	\$240,000	\$225,000
Brookfield	\$182,000	\$166,500
East Brookfield	\$169,000	\$168,000
Charlton	\$235,250	\$229,250
Southbridge	\$154,500	\$130,000
Holland	\$167,700	\$151,825
Brimfield	\$199,000	\$170,000

Source: The Warren Group

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## Residential Projects in the Pipeline<sup>10</sup>

There are no large residential projects planned or under construction in Sturbridge. The only housing project in the works is a single-family home that is expected to be built on Fairview Park Road in 2010 by Habitat for Humanity. The Town acquired the property and gifted it to Habitat.

Another project that received approval from the Town, a 71-unit active adult community off Hall Road, is not moving forward. The developers, Blue & Gold Development, did not start construction on this market-rate project due to the slow economy and the potential inability for potential purchasers to sell their existing homes. The Sturbridge Zoning Board of Appeals and Planning Board granted extensions to the permits for the development, but those permits have expired.

In 2009, the owner of 271 Cedar Street submitted a preliminary plan that showed 48 potential residential lots. The application was withdrawn after engineering problems were identified. The owner has not resubmitted plans, but efforts to restart the project could occur as the economy improves.

Conceptual plans have been drawn up for a property off of New Boston, Allen and Gay Roads in Sturbridge and East Brookfield. Those plans show the potential development of 126 single-family home lots. The 329-acre property is owned by Plimpton Meadows Trust and has had an Abbreviated Notice of Resource Area Delineation.

In addition, there has been talk about a potential Chapter 40B project on 30 Main Street. (See page 3-14 for an explanation of Chapter 40B.) The project Fiske Hill Commons calls for 200 townhouse condominium units on roughly 42.5 acres of land. The owner has received a written determination of Project Eligibility from MassHousing but is not sure as to whether to pursue the proposed 40B or a smaller-scale, market-rate proposal. The same land is part of a larger proposal for a four-lot, mixed-use subdivision that could contain retail space, professional offices and an assisted living facility. The Conservation Commission has approved an application for the subdivision roadway, and an application for Definitive Subdivision approval will likely be filed with the Planning Board in the near future.

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## Affordable Housing

Sturbridge's Housing Needs Assessment was prepared by Bailey Boyd Associates for the Sturbridge Housing Partnership in 2008. The goal of the study was to "assist the Sturbridge Housing Partnership and the community as a whole to gain a clearer



<sup>10</sup> Based on conversations with and emails from Sturbridge Town Planner Jean Bubon

understanding of community housing and its availability in Sturbridge, as well as a clearer understanding of the housing needs in Sturbridge.”<sup>11</sup>

The needs assessment found that it was debatable whether the Town had reached a “crisis level in terms of affordable housing,” but it stated there was a clear housing need in Sturbridge. Given this need, it laid out a series of priorities for the Town to follow in the short term. These priorities as well as a summary of the assessment and its goals for Sturbridge will be summarized in the following sections.

## Housing Needs Assessment

The needs assessment included several major findings related to Sturbridge’s population and housing needs. These findings, listed in the assessment’s executive summary, have been updated and are listed here:

- The state goal for affordable housing is that 10% of a community’s year-round housing stock be affordable. Sturbridge has 3,141 year-round housing units (2000 Census), so the goal is 314 affordable units. As of May 2010, Sturbridge had 211 affordable units (6.59%), leaving a gap of 103 units. This gap is projected to increase at the next decennial Census count, when, based on estimates of population and building, the number of year-round housing units will increase, and therefore the affordability needs and goals will also increase.
- Sturbridge median family income for 2010 was \$79,900. For housing to be affordable (as defined by the state), it must be affordable to households earning at or below 80% of area median income, as adjusted for family size. This means a family of four can afford monthly housing costs – either mortgage or rent – of approximately \$1,398.
- As the median sales price for a single family Sturbridge home hovers around \$264,000, there is a substantial affordability gap – approximately \$94,000. There is virtually no housing stock (traditional homes or condominiums) available priced below \$200,000.
- On the rental side, it appears that the open market is providing some affordable rentals.
- Demographically, Sturbridge is a small but growing community. As is true for many Commonwealth communities, the growth is more heavily weighted towards the older population segments. Sturbridge is also a community of predominantly family households, and Sturbridge’s housing stock is predominantly single-family dwellings. Sturbridge has infrastructure issues that present a challenge to denser development (sewer and water), but also has areas of town where both town sewer and water are available.



11 Sturbridge Housing Needs Assessment Housing Production Concepts, 2008.

- Although not addressed in the 2008 Needs Assessment, research conducted by the Housing Focus Group indicates that there are extensive waiting lists for affordable units and it is taking approximately five to ten years to be able to qualify for a unit.

## 2008 Housing Needs Assessment Goals and Recommendations

Chapter 40B is a state statute that encourages the development of low- and moderate-income housing by allowing developers to skirt local zoning regulations if certain requirements are met. When 10 percent of a community's housing stock is considered affordable, that community can deny a 40B project without the developer being able to appeal the decision to the Housing Appeals Committee (HAC).

A Housing Production Plan (HPP), formerly "Planned Production," is a community's proactive strategy for developing affordable housing. If a community has a HPP approved by DHCD and is granted certification of compliance with the plan, a decision by the Zoning Board of Appeals (ZBA) relative to a comprehensive permit application will be deemed "consistent with local needs" under MGL Chapter 40B. "Consistent with local needs" means the ZBA's decision will be upheld by the HAC.

The Housing Needs Assessments stated that the overriding goal was to ensure that Sturbridge's Subsidized Housing Inventory (SHI) units – there were 207 such units in 2008 but there are 211 as of May 2010 – remain affordable and to increase the number of affordable units to 314, which would be 10 percent of the Town's year-around housing units. The assessment acknowledged that this 10 percent goal will increase when 2010 Census data is available.

In the meantime, a shorter-term goal was to create 16 units per year, which would equal one-half of one percent of Sturbridge year-round housing stock. This follows the state Department of Housing and Community Development's (DHCD) Housing Production Plan Regulations, which effectively grants cities and towns short-term reprieves from Chapter 40B projects if certain requirements are met. For example, if a community increases its affordable housing stock by 0.5 percent of its year-round housing units in a year, it can effectively deny 40B projects for a year. Sturbridge does not have a Housing Production Plan (HPP).

The needs assessment recommended that Sturbridge focus on producing homeownership opportunities to the greatest extent possible. This was based in part on the fact that only 18 units on the Town's SHI are homeownership units, and all of those units are age restricted. Specific recommendations were as follows:

- The majority of affordable homeownership opportunities should be two-bedroom units.
- Five percent of new affordable homeownership opportunities should be accessible/convertible to those with disabilities.
- All housing production should be open to all ages in the short term.
- Additional focus should be on the creation of middle-income housing (those available to families earning up to 120 percent of area median income).

While affordable housing production was recommended, preservation of existing units was stressed as well. Specifically, the needs assessment stated that it was a critical priority to preserve existing affordability at Heritage Green, a senior and family housing development. The affordability at the 130-unit subsidized apartment community was set to expire in 2011. Rhode Island Homes, LLC,

however, is now purchasing the property with an \$11.1 million loan from MassHousing and extending the affordability for 60 years.<sup>12</sup>

In addition to outlining goals, the 2008 needs assessment identified a range of priorities that not only aim to preserve and promote affordable housing but also help Sturbridge understand its existing resources and move toward implementing Smart Growth techniques. The following list of priorities – which has been summarized – is from the needs assessment. (The priority related to preserving Heritage Green has not been included as it has been achieved.<sup>13</sup>)

- **Primary Priority: Education and Outreach** – Publicize the needs assessment to help the community understand the needs and set the stage for action.
- **Primary Priority: Lobby for Inclusion of Mobile Homes on SHI** – Lobby DHCD to accept mobile homes at the Sturbridge Retirement Cooperative for inclusion on the Subsidized Housing Inventory.
- **Primary Priority: Planning Initiatives** – Work to implement inclusionary zoning and other initiatives while ensuring they address Sturbridge’s housing needs and meet the requirements for inclusion on the Subsidized Housing Inventory.
- **Primary Priority: Town Land Inventory** – Create an inventory of town-owned land that includes current uses, planned use, potential uses, and unique aspects of the land. It should also document current zoning and the number of dwelling units each lot could support under zoning and other infrastructure requirements.
- **Secondary Priority: Sewer Preference for Projects with Affordable Housing** – Institute a process to give projects with affordable housing a priority within the sewer allocation reserved for residential use.
- **Secondary Priority: Affordable Housing Development Guidelines** – Create a set of guidelines for affordable housing development. Guidelines can address issues such as design, location and appropriate density.
- **Secondary Priority: BuyDown Program** – Use existing housing funding to start a pilot buydown program. This would include buying low-to-moderately priced Sturbridge homes, recording deed restrictions and then re-selling them affordably.

The Housing Needs Assessment also provided a chart of foreseeable action items. In addition to the priority items listed above, the chart included action items such as the creation of a housing trust, promotion of friendly 40Bs, and preservation and upgrading of existing SHI stock.



<sup>12</sup> Banker and Tradesman, <http://www.bankerandtradesman.com/news138368.html>.

<sup>13</sup> Based on conversation with Sturbridge Town Planner Jean Bubon and Manager of Heritage Green Pam Welcome

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## Updates Since the 2008 Housing Needs Assessment

Since receiving the 2008 Housing Needs Assessment, the Town of Sturbridge has completed several of the listed action items. In 2009, Town Meeting approved the creation of both an Accessory Dwelling Unit bylaw (Chapter 18 of the Zoning Bylaws) and Open Space Residential Development bylaw (Chapter 17).<sup>14</sup> The Accessory Dwelling Unit bylaw allows, through a special permit, the creation of smaller accessory dwellings that are contained within single-family dwellings or attached accessory structures but function as separate units. The bylaw has several goals, including providing “a mix of housing that responds to changing family needs and smaller households,” and providing “a broader mix of accessible and more affordable housing.”<sup>15</sup>

The new Open Space Residential Development bylaw encourages denser residential development and the preservation of open space in the Rural Residence, Suburban Residence and Special Use districts with a special permit granted the Planning Board. A minimum of ten acres is required to allow this type of development. It requires that a minimum of 50 percent of a parcel be set aside as open space. The bylaw offers developers several different ways to obtain a density bonus. For example, preserving more than the required amount of open space, preserving historic structures, and creating affordable housing can result in a density bonus. A number of municipalities have allowed this type of development by right while offering the density bonus through the issuance of a special permit.

The Town should also examine whether the Multiple Dwelling Project provisions of the zoning bylaw (Chapter 21) is an effective tool in adding diversity to the Town’s housing stock. It allows multiple dwelling units to be built in the Rural Residence and Suburban Residence districts with a special permit on properties that are at least 15 acres in size as an alternative to typical grid subdivision development. Projects constructed pursuant to this bylaw must adhere to specific siting and design regulations. Given that Open Space Residential Developments are also permitted in these districts, it may be a more useful tool in allowing for a more flexible development pattern while achieving the Town’s goals of preserving open space and diversifying the types of housing available to Sturbridge residents.

In addition, Southern Worcester County Community Development Corporation held a first time home-buying classes in April 2010. While the Town of Sturbridge was not the host, it promoted the classes to encourage Sturbridge residents to attend.

Sturbridge officials have also tried to initiate conversations with DHCD about the inclusion of mobile homes – those at Sturbridge Retirement Cooperative – on the



<sup>14</sup> Based on conversation with Sturbridge Town Planner Jean Bubon and Sturbridge Zoning Bylaws.

<sup>15</sup> Sturbridge Zoning Bylaws



SHI. DHCD officials received the Town's letter in the Spring of 2010 and told the Sturbridge Housing Partnership that it will review the request.

The Town has not moved forward with proposing an Inclusionary Zoning bylaw. A lack of time has been the main reason for the inaction. The Town also decided not to pursue the completion of a HPP. While the goal had been to turn the Housing Needs Assessment into an HPP, the Town realized that it would not be feasible to create the number of affordable housing units required to have the state certify an HPP in Sturbridge. When the 2010 Census data becomes available, the Town will have a better idea as to its housing needs as they relate to the SHI. This may present an opportunity to prepare a HPP to assist the Town in producing new affordable housing units to add to the SHI.

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## Housing Recommendations

- 1. Provide high-quality affordable housing in attractive neighborhoods through development of flexible zoning bylaws, regulations and programs**
  - Adopt an Inclusionary Zoning bylaw and consider including a provision whereby developers can give a cash payment in-lieu of affordable units.
  - Create a buydown program whereby the Town uses Community Preservation Act money or other funds (inclusionary zoning could be a funding source) to buy down market-rate homes, deed restrict them as affordable in perpetuity, and sell them to income-qualified, first-time homebuyers at below-market prices.
  - Consider repealing the Multiple Dwelling Project chapter of the zoning bylaw.
  - Amend the Open Space Residential Development bylaw to allow such projects by right rather than by special permit and eliminate the minimum threshold of ten acres.
- 2. Develop a plan designed to guide the Town toward meeting Chapter 40B goals**
  - Inventory town-owned land and tax title property to identify potential parcels for use as affordable housing sites, which can be developed/rehabilitated by the Town or private developers.
  - Create a policy whereby projects with a certain amount of on-site affordable housing receive priority within the sewer allocation process.
  - Prepare a Planned Production Plan that allows the Town to realistically achieve the creation of new affordable units to meet the needs of current and

future Sturbridge residents. An emphasis should be placed on finding ways to reduce the waiting lists for affordable housing, establishing housing for senior citizens, including assisted living facilities, and creating entry level housing opportunities for younger residents. This effort should be coordinated by the Sturbridge Housing Partnership.

**3. Provide opportunities for existing Sturbridge residents to make improvements and repairs to their existing homes, while at the same time, increasing the affordable housing stock in the community**

- Create a home improvement program whereby the Town provides zero- or low-interest loans to residents. This program could target income-eligible homeowners or owners of multifamily properties.
- Create a downpayment/closing cost assistance program whereby the Town provides grants to income-eligible, first-time homebuyers. Grants could be forgiven over a five-year period provided that the residents remain in the home during that time.

**4. Ensure that housing choices are available to meet the needs of current and future generations Sturbridge**

- Allow (or allow by special permit) mixed-use developments in more zoning districts.
- The Housing Focus Group identified a need for assisted living facilities in Sturbridge since there are none located in the Town. Such uses (listed as a long-term care facility in the zoning bylaw) are only allowed by special permit in the Rural Residence district. The Town should consider allowing this type of use in other districts, perhaps in areas where there is the infrastructure to support this more intensive type of housing.
- Additionally, the Focus Group identified the need for better transportation alternatives for senior citizens and improved walkability. These issues are addressed in Chapter 7 – Transportation. The need for a low impact development bylaw to address stormwater management issues are addressed in Chapter 6 – Natural, Historic and Cultural Resources.

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