

Town of Belmont
DRAFT FY2006-2010 Consolidated Plan and Strategy

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INTRODUCTION

Purpose of Consolidated Plan and Strategy

The U.S. Department of Housing and Urban Development (HUD) requires communities approved to receive certain federal housing grants to develop a five-year plan called a Consolidated Plan and Strategy before they can receive the funds. Large cities automatically qualify to receive these grants. Smaller communities must join together in a consortium in order to qualify.

Belmont joined a pre-existing consortium of eight communities (the West Metro HOME Consortium) and began receiving HOME funds in federal fiscal year 2003 (starting July 1, 2002). The communities participating in the West Metro HOME Consortium include Bedford, Belmont, Brookline, Framingham, Lincoln, Natick, Needham, Newton, Waltham, Wellesley and Watertown.

The HOME program provides annual block grants to communities that can be used to carry out four types of housing programs: rental housing development, first time homebuyer programs, housing rehabilitation and tenant-based rental assistance. It is up to Belmont to decide how it will spend its HOME funds but its spending plans must be consistent with its local housing needs and priorities as described in its Consolidated Plan and Strategy. As required by HUD, Belmont's Consolidated Plan and Strategy has four components:

- a Housing Needs Assessment that analyzes the needs of current residents, including specific income groups and populations
- a Housing Market Analysis and description of current barriers to affordable housing development.
- a Strategic Plan that assigns priorities (high, medium or low) to the housing needs identified in the assessment and lists the strategies Belmont will use to address them over the next five years.
- an Annual Action Plan describing how Belmont will use its FY2006 HOME funds.

Citizen Participation and Consultation

The Town began its planning process in 2000, when it received a State grant to hire a consultant (Karen Sunnarborg) to assess Belmont's housing needs and to develop a strategy for addressing these needs over two and five years. As part of her research, Ms. Sunnarborg interviewed a wide range of residents and town officials about local housing needs and priorities and how Belmont should address them. This research shaped the final report, An Affordable Housing Strategy for the Town of Belmont, completed in June 2000 and available on the Town web site. The report was discussed at two community forums and accepted by the Board of Selectmen in Fall 2000. It included a recommendation that Belmont join a HOME consortium.

In developing this draft Consolidated Plan and Strategy, the Belmont Office of Community Development used the information from the 2000 report and consulted with representatives of many local agencies, including representatives of the Belmont Housing Authority, the Belmont Planning Board, the Belmont Housing Trust, the Board of Health, the Council on Aging, and local realtors.

The Town invites all interested parties to comment on this Draft Plan. A public hearing will be held for this purpose on October 21, 2004 and the Town will accept written comments through November 1, 2004. The Town will prepare a final plan, incorporating all public comments, and send it to the Board of Selectmen for approval. In each of the subsequent years (FY2006-FY2010) of this Consolidated Plan cycle, the Office of Community Development will review the needs, projects and

strategies through a similar process before making funding recommendations for that year to the Board of Selectmen.

I. EXECUTIVE SUMMARY

Belmont is a primarily residential suburb seven (7) miles northwest of Boston with very little developable land. It is home to 24,194 people, down 526 (2%) since 1990 and down 16% since the mid-1960s, due to a drop in average household size. It is a relatively wealthy community. In 1999, it ranked 17th in the state in per capita income, but 27% of its households were low income (incomes at or below 80% of median income).

Housing Market. Belmont's overall housing supply, at 9,732 units, has contracted by 238 units since 1990. Most of its housing is in 1-4 unit homes. In 1999, 85% of its units were one- (50%) or 2-unit (35%) properties and only 6% were in buildings of five or more units. It's housing stock is old – with 92% of units built before 1970 - but generally in good condition, except for lead paint hazards. Its homeownership rate in 2000 was 61%, up from 60% in 1990, primarily as a result of the conversion of rental units to condominiums. It lost 82 rental units between 1990-2000.

Belmont's housing costs are high and rising. Median sale prices for single family homes and condominiums have more than doubled since 1990, rising in 2003 to \$644,500 for a single family house and \$343,000 for a condominium. By contrast, median household income rose only 50% from 1989 to 1999 (from \$53,488 to \$80,295). Only 2.69% of Belmont's housing (262 units) is subsidized.

Housing Needs. Many low and moderate income Belmont residents face serious housing cost burdens or other problems. In 2000, 1,600 low-income households paid over 30% of their income for housing (including 976 who paid over half their income for housing). They included:

- 1,015 elderly households (656 owners and 359 renters)
- 334 non-elderly renter households
- 77 non-elderly homeowners (primarily families of 2-4 persons)

Another 172 non-low-income renter households, primarily families, paid over 30% of their income for housing, including many who would like to become homeowners.

Five-Year Strategic Plan Starting in federal fiscal year (FFY) 2003, Belmont began receiving about \$100,000 a year federal block grant funds under the HOME program. HOME funds can be used for affordable housing development, first time homebuyer assistance, homeowner rehabilitation assistance, and rent subsidies. Belmont will also continue to apply for other private, state and federal funds, as well as look toward Town-owned property, to help address its housing needs. Over the next five years (7/1/2005 through 6/30/2010), it intends to undertake the following strategies:

- Develop new affordable small scale rental housing for non-elderly households, including families and persons with disabilities;
- Create affordable homeownership opportunities through housing development, rehabilitation and downpayment assistance;
- Create new affordable supportive housing for the elderly at the McLean Hospital site;
- Increase the supply of affordable units through the possible legalization of accessory apartments;
- Make low cost loans and/or grants available for deleading and housing rehabilitation to low and moderate income homeowners and properties rented to low income tenants;

- Work with developers pursuant to the Town's Inclusionary Housing zoning by-law to ensure compliance with affordable housing requirements in the production of new housing units; and
- Increase education and outreach on the importance and value of providing affordable housing to build support for zoning revisions and other Town activities to support affordable housing.

II. HOUSING NEEDS ASSESSMENT

Overview -The Need for Affordable Housing

Belmont rents and housing prices are very high, posing serious problems for lower income residents or people who may wish to live in Belmont. While the most current data on housing needs by income level is from the 2000 census, trends over the last decade suggest affordability problems remain high.

The median sales prices for a home in Belmont increased by more than 150% between 1990 and 2003. By 2003, the average assessed value for a single-family home in Belmont was \$484,000 (12th highest in the state).

The median sales price in 2003 in Belmont was \$644,500 for a single family home and \$343,000 for a condominium with an overall median of \$565,000. For Fiscal Year 2002, the average assessed value of a single family home in Belmont was \$559,730. In contrast, in 1990, the median sales price for a single family home was \$255,000; the median sale price for a condo was \$150,000; and the overall median sale price was \$240,000. This increase has far outpaced the estimated 50% increase in median household incomes between 1990 and 2000.

In 2004, a first time homebuyer with a 5% downpayment would require an annual income of between \$153,000 and \$175,000 to buy a home at the overall median price of \$565,000, assuming a 30 year/7% mortgage, and an annual income of between \$98,000 and \$112,000 to buy a condominium at median price. Of the 251 residential sales between January 1 2004 and August 23, 204, only three sold at a cost less than \$200,000.

Rent increases have also outpaced household incomes. Annual HUD “fair market rent” surveys on rents paid under recent leases indicate that rents for modest apartments in the metropolitan Boston area, including utility costs, rose by 75% between 1990 and 2002. In Belmont, asking rents for 2-BR apartments range about \$1,200- \$2,300 excluding utilities and \$1,600 to \$2,500+ for 3-BR units. The Housing Authority’s Section 8 program currently uses a payment standard (the estimated monthly cost, including utility costs, for a modest apartment) for its Section 8 program of \$1,181 for a one-bedroom unit, \$1,477 for a two-bedroom unit, and \$1,848 for a three-bedroom unit. As a result, the Housing Authority farms out Section 8 vouchers to communities where tenants can afford the rents.

High rents require many lower income Belmont renters to pay 30% or even much higher percentages of their income for housing, leaving them insufficient funds for other basic needs and making it very difficult to save funds to purchase a home. Similarly, high home values result in high tax rates for lower income homeowners, creating affordability problems especially for those on fixed incomes. In addition, high housing costs force some households to live in overcrowded conditions (defined by HUD as having more than one person per room) or in substandard housing (defined by HUD as lacking complete plumbing and/or complete kitchen facilities).

Estimated Housing Needs by Categories of People Affected

- As part of the Consolidated Plan Housing Needs Assessment, HUD requires communities to examine the housing needs of specific categories of households and individuals including:
- Extremely low income households (0-30% of the area median family income or MFI)
- Very low income households (31-50% of MFI)

- Low Income households (51%-80% of MFI)
- Small Related Households (2-4 persons with at least one person related to the householder)
- Large Related Households (5 or more persons with at least one person related to householder)
- Elderly Households (1 or 2 person households in which the head or spouse is at least 62)
- Persons with Disabilities
- Renters
- Owners

The needs assessment must specifically look at four types of housing problems:

- cost burden problem (defined by HUD as paying more than 30% of their income for housing)
- severe cost burden problems (paying more than 50% of income for housing)
- overcrowding (living in a unit with more than one person per room)
- inadequate housing (incomplete plumbing and/or kitchen facilities)

The most common housing problem among Belmont households is affordability and this problem is severest among households in the lowest income brackets. Almost all households in the very lowest income brackets have a “cost burden” problem and most have a “severe cost burden” problem (defined by HUD as paying 50% or more of their income for housing). Generally, only those who already receive some form of housing assistance do not have a severe cost burden.

Extremely Low Income Household Needs

The U.S. Department of Housing and Urban Development (HUD) defines “extremely low income households” as households with incomes *at or below 30% of the metropolitan area median income* adjusted for household size. Using HUD’s standard definition that housing is affordable if it consumes no more than 30% of household income, a Belmont household of 3 persons in this income bracket today could afford to pay no more than \$559 a month (including utilities) and many could afford less. The data by household size is presented in Table xx below.

Table 1 2004 HUD Income Limits 0-30% of Median Area Income								
People in Household	1	2	3	4	5	6	7	8
Annual income at or below:	\$17,350	\$19,850	\$22,350	\$24,800	\$26,800	\$28,800	\$30,750	\$32,750
Monthly income at or below:	\$1,446	\$1,654	\$1,863	\$2,067	\$2,233	\$2,400	\$2,563	\$2,729
Maximum monthly housing costs can afford at 30% of income /a/	\$434	\$496	\$559	\$620	\$670	\$720	\$769	\$819
NOTES: /a/ Includes utilities.								

While households in this income brackets are eligible for state and federal housing assistance, many do not receive it because demand exceeds supply. According to the most recent data from the U.S. Department of Housing and Urban Development’s (HUD) State of the City Data System (SOCDS) (2000),¹ 751 Belmont households (7.8% of all Belmont households) were “extremely low income” in 2000. Of these 751 households, 535 (71.2%) paid more than 30% of their income for housing, while 459 (61.1%) paid more than 50% of their income for housing. The 539 households with housing problems of any nature included almost somewhat more homeowners (295) than renters (244). Moreover, 68.3% (513 of 751) were elderly.

¹ This data was made available in April 2004.

Table 2
Housing Problems of Extremely Low Income Households
(at or below 30% Median Income)

	Total House- holds	# with Housing Problems	% with Housing Problems	% Pay>30% of Income for Housing	% Pay≥ 50% of Income for Housing
Renters	460	295	64.1%	64.1%	55.9%
Elderly (1-2 persons)	223	128	57.4%	57.4%	48.9%
Small Families (2-4 person)	133	108	81.2%	81.2%	78.2%
Large families (5+ persons)	4	4	100%	100%	100%
All other households	100	40	40.0%	55.0%	40.0%
Owners	291	209	71.8%	82.5%	69.4%
Elderly (1-2 persons)	174	149	85.6%	85.6%	68.4%
Small Families (2-4 person)	33	23	69.7%	69.7%	57.6%
Large families (5+ persons)	18	14	77.8%	77.8%	55.6%
All other households	66	58	87.9%	81.8%	81.8%
Total	751	539	71.8%	71.2%	61.1%

Very Low Income Household Needs

In 2000, Belmont had 705 households (7.3% of all households) with incomes between 31% and 50% of the area median family income adjusted for household size. Households in this income range qualify for most state and federal housing assistance programs. In 2004, Belmont households fall in this income bracket if their incomes are between the following amounts.

Table 3
2004 HUD Income Limits 50% of Median Area Income

People in Household	1	2	3	4	5	6	7	8
Annual income at or below:	\$21,650	\$24,700	\$27,800	\$30,900	\$33,350	\$35,850	\$38,300	\$40,800
Monthly income at or below:	\$1,804	\$2,058	\$2,317	\$2,575	\$2,779	\$2,988	\$3,192	\$3,400
Maximum monthly housing costs can afford at 30% of income /a/	\$541	\$618	\$695	\$773	\$834	\$896	\$958	\$1,020

NOTES:

/a/ Includes utilities.

Of these 705 households, 523 (74.2%) had housing affordability problems, including 71.7% of the renters and 76.7% of the owner households. Of the 523 paying more than 30% of their income for housing, 298 paid half or more of their income for housing (179 renters and 119 owners). Over half of these 523 households, 63% were elderly (332 including 119 renters and 213 homeowners).

Table 4
Housing Problems of Very Low Income Households
(between 31% and 50% Median Income)

	Total House- holds	# with Housing Problems	% with Housing Problems	% Pay>30% of Income for Housing	% Pay≥ 50% of Income for Housing
Renters	361	263	72.9%	71.7%	49.6%
Elderly (1-2 persons)	168	119	70.8%	70.8%	44.0%
Small Families (2-4 person)	110	80	72.7%	72.7%	40.9%
Large families (5+ persons)	8	4	50.0%	0.0%	0.0%
All other households	75	60	80.0%	80.0%	80.0%
Owners	344	264	76.7%	76.7%	34.6%
Elderly (1-2 persons)	278	213	76.6%	76.6%	28.8%
Small Families (2-4 person)	38	23	60.5%	60.5%	39.5%
Large families (5+ persons)	4	4	100%	100.0%	100%
All other households	24	24	100%	100.0%	83.3%
Total	705	541	76.7%	74.2%	42.3%

Low Income Household Needs

In 2000, Belmont had 844 households (8.7% of all Belmont households) with incomes between 51% and 80% of area median family income adjusted for household size. Households in this income range qualify for most, but not all, housing assistance programs. Today, Belmont households would be in this income bracket if their incomes were between the following amounts.

Table 5
2004 HUD Income Limits 80% of Median Area Income

People in Household	1	2	3	4	5	6	7	8
Annual income at or below:	\$46,300	\$52,950	\$59,550	\$66,150	\$71,450	\$76,750	\$82,050	\$87,350
Monthly income at or below:	\$3,858	\$4,413	\$4,963	\$5,513	\$5,954	\$6,396	\$6,838	\$7,279
Maximum monthly housing costs can afford at 30% of income /a/	\$1,158	\$1,324	\$1,489	\$1,654	\$1,786	\$1,919	\$2,051	\$2,184

NOTES:

/a/ Includes utilities.

Of these, 570 (67.5%) had housing problems, including 74% of the renters and 59.8% of the owners. Nearly all (64.2% vs. 67.5%) paid over 30% of their income for housing and 25.9% paid half or more of their income for housing.

Table 6
Housing Problems of Low Income Households
(between 51% and 80% Median Income)

	Total House- holds	# with Housing Problems	% with Housing Problems	% Pay>30% of Income for Housing	% Pay≥ 50% of Income for Housing
Renters	461	341	74.0%	67.9%	22.1%
Elderly (1-2 persons)	142	112	78.9%	78.9%	19.7%
Small Families (2-4 person)	146	96	65.8%	60.3%	13.7%
Large families (5+ persons)	35	35	100.0%	42.9%	0.0%
All other households	138	98	71.0%	72.0%	39.1%
Owners	383	229	59.8%	59.8%	30.5%
Elderly (1-2 persons)	206	77	37.4%	37.4%	3.9%
Small Families (2-4 person)	115	90	78.3%	78.3%	47.8%
Large families (5+ persons)	24	24	100.0%	100.0%	83.3%
All other households	38	38	100.0%	100.0%	89.5%
Total	844	570	67.5%	64.2%	25.9%

Small Related Household Needs

In 2000, non-elderly small family households (2-4 persons) comprised 33% of all Belmont households. Some 420 extremely-, very- and low-income small families reported housing problems in 2000, including 284 renters and 136 owners. Affordability problems were most severe among the families with incomes at or below 50% of median, with 131 renters and 36 owners paying more than half their income for housing.

Table 7
Housing Problems of Small Related Households (2-4 persons)

	Total House- holds	# with Housing Problems	% with Housing Problems	% Paying > 30% Income for Housing	% Paying ≥ 50% Income for Housing
Renters	1,503	373	24.8%	23.0%	11.5%
Extremely Low Income (0-30% MFI)	133	108	81.2%	81.2%	78.2%
Very Low Income (31-50% MFI)	110	80	72.7%	72.7%	40.9%
Low Income (51-80% MFI)	146	96	65.8%	60.3%	13.7%
Owners	2,945	660	22.4%	22.4%	6.9%
Extremely Low Income	33	23	69.7%	69.7%	57.6%
Very Low Income	38	23	60.5%	60.5%	39.5%
Low Income (51-80% MFI)	115	90	78.3%	78.3%	47.8%
Total Small Families	4,448	1,033	23.2%	22.6%	8.5%

Large Related Household Needs

While large related households (5 or more persons) comprised only 6.8% of all Belmont households in 2000, they had a high incidence of housing problems, particularly the 93 families 47 renters and 46 homeowners) with incomes at or below 80% of median. Of these, 34 had incomes at or below 50% of median, including 12 renters and 22 owners. Almost all were paying over 30%

of their income for housing and 10 of the homeowners were paying more than half their income for housing. In addition, 5 homeowners and 11 renters lived in overcrowded housing.

Table 8
Housing Problems of Large Related Households (5+ persons)

	Total Households	# with Housing Problems	% with Housing Problems	% Paying >30% of Income for Housing	% Paying ≥ 50% of Income for Housing
Renters	100	51	51.0%	19.0%	4.0%
Extremely low-income	4	4	100%	100%	100%
Very low-income	8	4	50.0%	0.0%	0.0%
Low-income	35	35	100%	42.9%	0.0%
Owners	558	209	37.5%	36.0%	13.3%
Extremely low-income	18	14	77.8%	77.8%	55.6%
Very low-income	4	4	100%	100%	100%
Low-income	24	24	100%	100%	83.3%
Total	658	260	39.5%	33.4%	11.9%

Elderly Needs

In 2000, there were 2,608 elderly one- and two-person households in Belmont. Of these, 72% were homeowners. In 2000, 904 elderly households had affordability problems (34.6% of all aging one- and two-person Belmont households). The vast majority (88.3%) of these elderly households with affordability problems were low income (0-80% of median).

Of Belmont's 904 low-income elderly households with affordability problems, 439 were homeowners and 359 were renters. All 904 paid over 30% of their income for housing and more than half of all renters (211 of 359) paid over half of their income for housing, as did 207 owners. Most were eligible for state public housing.²

These statistics suggest a need for affordable housing for the elderly, though it may involve fewer households in today than even ten years ago, since Belmont's elderly population is decreasing. Discussions with the Housing Authority, however, suggest the demand for affordable elderly rental housing is largely being met. As of July 2004, there were 254 Belmont households on the waiting list for elderly public housing units in Belmont and the Housing Authority reported an average wait of 6-12 months (10-15 units turn over each year on average).

The Council on Aging director reports that many elderly homeowners feel financially squeezed and that some would like to downsize but have not done so because there are few alternatives if they want to stay in Belmont. She also reported that many elderly residents who do want to stay in place have trouble paying for home care services. In addition, regulatory limits on the number of hours of home care assistance present problems. This, combined with the growth in the population over age 85, suggests a need for affordable supportive housing for the elderly, including assisted living. The Town has, however, approved a proposal to develop a 482 unit Continuing Care

² In determining eligibility for state public housing, there is no asset limitation. Instead, the annual investment income earned from assets such as cash realized on the sale of a home is imputed and treated as part of the applicant's annual income. The upper income limit for state public housing is 80% of median.

Retirement Community, of which 30 units are to be affordable to households with incomes at or below 120% of median, including some units for households with incomes in the 50-80% of median range. This may help address some of the elderly housing needs identified.

Table 9
Housing Problems of Elderly (2000) (1 and 2-person households)

	Total Households	# with Housing Problems	% with Housing Problems	% Paying >30% of Income for Housing	% Paying ≥ 50% of Income for Housing
Renters	727	378	52.0%	52.0%	29.0%
Extremely low-income	223	128	57.4%	57.4%	48.9%
Very low-income	168	119	70.8%	70.8%	44.0%
Low-income	142	112	78.9%	78.9%	19.7%
Owners	1881	527	28.0%	28.0%	6.9%
Extremely low-income	174	149	85.6%	85.6%	68.4%
Very low-income	278	213	76.6%	76.6%	28.8%
Low-income	206	77	37.4%	37.4%	3.9%
Total Elderly Households	2,608	1,703	44.8%	44.8%	20.0%

Needs of Persons with Disabilities

The housing needs of people with disabilities vary. Many need help with affordability. Others need accessible housing to accommodate wheelchairs and mobility or sensory impairments and yet others need supportive services to enable them to live in the community, including some persons with developmental disabilities or chronic mental illness. In 2000, 2,192 Belmont residents age 16 or older had mobility and/or self-care limitations. An estimated 192 Belmont adults suffer from serious and severe persistent mental illness and severe dysfunction, based on state estimates that 0.98% of Massachusetts adults have such needs. Because there were no requirements that subsidized housing developments built before 1974 be handicapped accessible, there are very few affordable accessible units in Belmont's housing stock, including its two elderly/disabled public housing developments. Currently, 21 Belmont residents are on the waiting list for Belmont Housing Authority's 21 units of housing for the non-elderly disabled.

Needs of Persons with HIV/AIDS

As of January 2004, nineteen (19) Belmont residents were either HIV positive (14) or had AIDS (5), according to Massachusetts Department of Public Health AIDS Surveillance Report. This gives Belmont a prevalence rate (live cases per 100,000 population) of 78.5, compared to a statewide prevalence of 230.7 cases per 100,000 people. Currently, there are only two facilities for persons with HIV/AIDS serving the five consortium communities – Hurley House and Graduate House – both located in Waltham. These two facilities are able to assist 20 individuals at a time, while the total number of individuals with AIDS in the five communities is 193 and another 185 people are HIV positive. These statistics suggest there may be a gap between the housing needs of this population and the resources available. Information on the housing needs of these 19 Belmont residents with HIV/AIDS does not exist.

Racial or Ethnic Group Needs

In 2000, Hispanic and Asian renters were more likely to experience housing problems – primarily cost burden problems - than other racial and ethnic groups, primarily because they were more likely to have incomes below 80% of median. The percentage of extremely low-income Asian and Hispanic renters who had problems was 71% and 92% respectively, compared to 62% for white non-Hispanic renters in the same income bracket, but the number of Hispanic renter households in this income group is very small (10). The percentage of low-income Asian and Hispanic renters who had problems was 100% respectively, compared to 72% for white non-Hispanic renters in the same income bracket (but there are only four Hispanic renter households in this income group). The percentage of homeowners who experienced housing problems did not significantly vary by race or ethnicity. A disproportionate need exists if the incidence of housing needs (measured in percentage) of a particular racial or ethnic group is 10% higher than the overall incidence.

Table 10
Belmont Housing Needs by Race and Ethnic Group

	White (Non- Hispanic)	Black (Non- Hispanic)	Hispanic (all races)	Asian, other (Non- Hips.)	All House- holds
Renter Households	3,425	33	76	216	3,810
Owner Households	5,560	24	88	188	5,925
Homeownership rate	62%	42%	54%	47%	61%
Median Household Income 1999	\$80,922	\$74,792	\$80,682	\$69,792	\$80,295
% of Renters w/ Housing Problems					
Extremely Low (0-30% MFI)	62%	*	71%	92%	65%
Very Low (31-50% MFI)	74%	*	100%	86%	73%
Low (51-80% MFI)	72%	100%	100%	100%	75%
Moderate (81-95% MFI)	33%	0%	0%	29%	33%
Middle/Upper (>95% MFI)	3%	40%	0%	4%	4%
All renters	28%	42%	24%	50%	30%

*No renters in this income bracket

III. HOUSING MARKET ANALYSIS

General Characteristics Of Belmont

Belmont is an economically developed suburb located seven miles northwest of downtown Boston and abutting the city of Cambridge. It has a total land area of 4.59 square miles with a population density of 5,271 persons per square mile (8.2 per acre). In 1985, open space – including parks and cemeteries - comprised 13% of its total land area. It is a largely residential community, deriving only 5.6% of its property taxes from non-residential uses, and has little developable land.

The Town is governed by an elected three-member board of selectmen, representative town meeting (266 elected members representing 8 precincts) and an elected school committee. It also has a Town Administrator.

Population

Belmont grew rapidly between 1910-1945, as its population grew from just over 5,500 to a peak of almost 28,900. Its population has slowly declined since the 1970s. In 2000, Belmont had a population of 24,194, down 526 (2.1%) from 1990 and down 16% from its peak. Despite the population drop, total households increased slightly (0.7%) to 9,732, up 68 from 1990. The average household size in 2000 was 2.45 persons, down from 2.51 in 1990.

Table 11
Belmont Population by Year

Year	Population	Households
1980	26,100	9,724
1990	24,720	9,664
2000	24,194	9,732

Age

Belmont's age composition also shifted in the past decade. The number of households with children under 18 rose by 21%, while the number of households with members age 65 or above fell by 10% (though there was a slight increase in residents age 85 and older). In 2000, households with children comprised 32% of all households, up from 27% in 1990, while households with members 65 or older comprised 29% of all households, down from 33% in 1990.

Table 12
Total Households: 1990 vs. 2000

	1980	1990	2000	1990- 2000 Change	% change	% of 1990 Total	% of 2000 Total
With children under 18	2,900	2,569	3,121	+552	+21.5%	26.6%	32.1%
With members 65+	3,420	3,183	2,860	-323	-10.1%	32.9%	29.4%
All other households	3,404	3,912	3,751	-161	-4.1%	40.5%	38.5%
Total Households	9,724	9,664	9,732	68	+0.7%		

Table 13
Changes in Age Groups: 1990 and 2000

	1980	1990	2000	1990-2000 Change	% Change	% of 1990 Total Pop	% of 2000 Total Pop
Age of Persons							
Under 5	1,088	1,350	1,415	65	+5%	5.5%	5.8%
5-17	5,100	3,241	4,072	831	+26%	13.1%	16.9%
Total under 18	6,188	4,591	5,487	896	+20%	18.6%	22.7%
18-24	1,973	2,056	1,204	-852	-41%	8.3%	5.0%
25-34	4,305	4,534	3,249	-1,285	-28%	15.4%	13.4%
35-44	2,915	3,811	4,249	438	+11%	15.4%	17.6%
45-54	2,852	2,751	3,681	930	+34%	11.1%	15.2%
55-64	3,018	2,467	2,392	-75	-3%	10.0%	9.9%
65 or older	4,849	4,510	4,049	-461	-10%	18.2%	16.7%
65-74	2,895	2,226	1,897	-329	-15%	9.0%	7.8%
75-84	1,553	1,684	1,503	-181	-11%	6.8%	6.2%
85+	401	600	649	49	+8%	2.4%	2.7%
Total Population	26,100	24,720	24,194	-526	-2.1%		

Race and Ethnicity

Although Belmont is still less diverse than Middlesex County or the state overall, its minority population (non-white non-Hispanic) was 10.2% in 2000, an increase of about 1,100 persons.* The racial and ethnic groups with the highest growth rates were Asians at 71% (578 persons), Hispanics at 36% (116 persons) and non-Hispanic blacks and African Americans at 29% (60 persons).

* In 2000, the Census Bureau revised the way it collects data on race and ethnicity. Starting in 2000, respondents could indicate more than one racial or ethnic category. In Belmont, 340 residents listed themselves as belonging to two (315) or more (25) racial or ethnic categories. As a result, changes between 1990 and 2000 categories are not strictly comparable. The 2000 totals shown in the above table break out the total by race or ethnicity for residents reporting themselves as one race or ethnicity. Of the 315 residents reporting exactly two races, 282 reported themselves as white plus another race (most frequently Asian).

Belmont Housing Market Analysis

Table 14
Change in Population by Race/Ethnicity

Racial or ethnic group	1980	1990	2000	1990 %	2000%		
					Belmont	County	State
White	25,261	23,615	22,062	95.5%	91.2%	85.9%	84.5%
Black or African American	94	206	266	0.8%	1.1%	3.4%	5.4%
American Indian, Alaska Native	8	24	31	0.1%	0.1%	0.2%	0.2%
Asian	455	815	1,393	3.3%	5.8%	6.3%	3.8%
Native Hawaiian, other Pacific Islander	0	4	2	0.0%	0.0%	0.0%	0.0%
Other		56	100	0.2%	0.4%	2.1%	3.7%
Two or more races	*	*	340	*	1.4%	2.2%	2.3%
Total Population	26,100	24,720	24,194	100.0%	100.0%	100.0%	100.0%
Hispanic Origin (any race)	251	324	440	1.3%	1.8%	4.6%	6.8%
Total minority population		1,362	2,468	5.5%	10.2%	16.4%	18.1%

Income

Belmont is a relatively wealthy community but has a significant number of residents with modest incomes. In 1999, town residents had a per capita income of \$42,485. The median household income was \$80,295 (ranking it 40th statewide out of 351 cities and towns) and the median family income was \$95,057 (ranking it 35th statewide). Nearly 70% (69.4%) of Belmont households had incomes over \$50,000 and nearly 20% (18.7%) had incomes above \$150,000.

Table 15
Household Income in 1999
(Belmont MA)

	Number	Percent	Cumulative Percent
Total:	9,717		
Less than \$10,000	425	4.4%	4.4%
\$10,000 to \$14,999	318	3.3%	7.6%
\$15,000 to \$19,999	314	3.2%	10.9%
\$20,000 to \$24,999	295	3.0%	13.9%
\$25,000 to \$29,999	322	3.3%	17.2%
\$30,000 to \$34,999	295	3.0%	20.3%
\$35,000 to \$39,999	297	3.1%	23.3%
\$40,000 to \$44,999	280	2.9%	26.2%
\$45,000 to \$49,999	423	4.4%	30.6%
\$50,000 to \$59,999	609	6.3%	36.8%
\$60,000 to \$74,999	963	9.9%	46.7%
\$75,000 to \$99,999	1,470	15.1%	61.9%
\$100,000 to \$124,999	1,124	11.6%	73.4%
\$125,000 to \$149,999	763	7.9%	81.3%
\$150,000 to \$199,999	772	7.9%	89.2%
\$200,000 or more	1,047	10.8%	100.0%

Almost a quarter of Belmont households were low or very low income however, according to the 2000 Census. Just under 15% of Belmont households (1,456) had incomes at or below 50% of the area median adjusted for household size, and another 8.7% (844) had incomes between 51% and 80% of median income, for a total low-income population of 23.7% (2,300 households). A total of 1,058 residents had incomes below the federal poverty level (4.4% of the household population) and, including these 1,058 residents, a total of 2,314 residents (9.7%) had incomes below 200% of the federal poverty level. Poverty rates among Belmont's eight census tracts in 1989 ranged from 1.1% to 5.4% and the percentage of residents with incomes below 200% of the federal poverty limit ranged from 4.4% to 18.5%.

**Table 16
Income Levels and Poverty Rates by Census Tract -- 2000**

Tract	<u>3571</u>	<u>3572</u>	<u>3573</u>	<u>3574</u>	<u>3575</u>	<u>3576</u>	<u>3577</u>	<u>3578</u>	<u>Total</u>
2000 pop	4,148	3,204	2,866	2,222	2,182	2,420	3,283	3,869	24,194
Population change since 1990	0.7%	0.3%	-3.5%	-4.1%	-5.1%	-1.1%	-8.1%	1.8%	-2.1%
Total households	1,675	1,121	1,242	883	910	1,063	1,414	1,409	9,717
Average household size	2.48	2.86	2.31	2.52	2.40	2.28	2.32	2.75	2.49
Median household income	\$85,829	\$88,684	\$74,306	\$102,843	\$85,845	\$63,277	\$60,549	\$120,107	\$80,295
Ratio to town median	1.07	1.10	0.93	1.28	1.07	0.79	0.75	1.50	1.00
# persons below 100% poverty	138	113	144	117	105	152	165	124	1,058
% persons below 100% poverty	3.3%	3.5%	5.0%	5.3%	4.9%	6.3%	5.4%	3.2%	4.4%
# persons below 200% poverty	268	304	264	213	202	281	414	368	2,314
% persons below 200% poverty	6.46%	9.52%	9.23%	9.59%	9.47%	11.61%	13.60%	9.51%	9.69%

Land Use and Development

Belmont is a largely residential community, with little developable land. In 1985, 63% of its land area was devoted to residential uses and 0.4% was occupied by commercial (2.5%) and industrial (1.6%) uses. Other major land uses include urban open land (7%), recreation land (6%) and "other" (16%). This primacy of residential uses is reflected in Belmont's tax base: 94.6% of the town's property tax assessments derived from residential uses in FY2004.

Business and Employment

In 2000, Belmont was home to 639 establishments with 6,315 employees, compared to 606 establishments with almost 6,900 employees in 1990. Its largest employment sectors are services (50% of jobs), wholesale and retail trade (21% of jobs) and government (15% of jobs). The business establishments are located primarily in three town squares. The largest single employer in Belmont is McLean Hospital with approximately 1,000 employees. Belmont's unemployment rate has generally been below state and national rates. The difference has been increasing. In 2001, the average annual unemployment rate in Belmont was 2.8%, compared to a statewide rate of 3.7% (difference of 0.9%). By 2002, the difference had increased to 1.4% (3.9% vs. 5.3%); in 2003, the difference was 1.7% (4.1% vs. 5.8%); and in July 2004, the difference was 2.1% (3.3% vs. 5.4%).

Table 17
Changes in Belmont Employment (Percent) (1990 – 2000)

Sector	1990 employees	2000 employees	Change	% Change
Services	3,385	3,127	(258)	(7.6%)
Trade	1,409	1,305	(104)	(7.4%)
Government	805	949	144	17.9%
Construction	507	351	(156)	(30.8%)
Finance, Insurance, Real Estate	472	225	(247)	(52.3%)
Manufacturing	140	154	14	10.0%
Ag/Forest/Fish	75	153	78	104.0%
Transp, Communication, Public Utils	84	51	(33)	(39.3%)
Total	6,877	6,315	(562)	(8.2%)

Housing

With little developable land, Belmont's total housing supply has remained almost static over the past two decades. In 2000, the town had a total of 9,980 housing units, up only 12 units from the 1990 Census and up only 88 units (0.9%) between 1980 and 2000. While new units have been built during this period, they have largely replaced existing units. Demand for housing is high. In 2000, the vacancy rate was 0.5% for homeownership units and 1.7% for rental units.³

Over the next decade however, major increases in the town's housing supply are likely, as a result of Town approval of a rezoning of the McLean Hospital Campus. The rezoning permits the construction of almost 600 housing units (121 large townhouses plus a 482 units Continuing Care Retirement Community) plus an office building. The hospital has selected developers and the Town has completed site plan review approvals. The developer of the townhouse units began seeking building permits in 2004.

Belmont's housing supply consists primarily of 1-4 unit homes. In 2000, just under half of the units were in 1-unit detached (46.6%) and attached (2.8%) structures. Another 35% were in two-family and 3-4 family homes (9.3%). Only 6.2% were in structures of 5 or more units. This stock is relatively old. As of 2000, more than 60% of Belmont's housing units were built before 1940 and only 7.8% had been built since 1970.

Of the 9,732 occupied units in 2000, 60.7% were owner-occupied and 39.3% were renter – occupied. Belmont's homeownership rate rose slightly from 1990, when it was 59.6%, primarily as a result of the loss of rental units in the 2-4 unit stock due to conversion to condominiums. Total rental units (vacant and occupied) dropped by 174 units (4%) during the past decade, while ownership units (vacant and occupied) rose by 169. The number of condominiums rose from 172 in 1990 to 703 in 2000. Belmont's stock includes 262 units of affordable subsidized housing (representing 2.6% of the year-round units).

³ This figure exclude properties not available for rent or sale, including properties held off the market, used seasonally or already rented or sold but not yet occupied.

History of Affordable Housing Development in Belmont to Date

Public Housing Belmont currently has 262 units of affordable subsidized housing, all state-funded public housing developed by the Belmont Housing Authority (BHA) between 1949 and 1988. This inventory includes Belmont Village, a 100-unit development of two- and three-bedroom apartments for returning veterans and their families, built in 1949, and two developments of all one-bedroom units for the elderly and disabled: Sherman Gardens, built in 1971 (80 units) and Waverly Oaks Apartments, built in 1976 (74 units). In 1988, the BHA developed a residence for 8 developmentally disabled individuals.

In the mid –1980s, the Housing Authority proposed building a third elderly development on the site of a former elementary school (Kendall School) that had been declared surplus in 1981. The project did not go forward however, because state policy required the creation of family units as well as elderly units and the Kendall site was too close (less than 1/8 mile) to another family public housing development (Belmont Village). The Town organized a Family Housing Site Committee to search for alternative sites for the required 12 units of family housing, but was unable to garner sufficient public support for the sites it identified.

Development by the BHA since the late 1980s has been stymied by the limited amount of developable land in Belmont, limited public support for family housing and the end of state and federal funding for new public housing. As a result, in recent decades, the Housing Authority's primary focus has been on maintaining and improving its existing developments.

Rental Assistance Vouchers In addition to managing its public housing inventory, the BHA also administers rent subsidies for 49 individuals and families under the federal Section 8 program (45 vouchers) and two small state-funded rent subsidy programs (4 vouchers).

Other Subsidized Housing Currently, there is no privately owned subsidized housing in Belmont. Prior to the early 1990s, there was only one private effort to develop such housing in Belmont. In 1988, a private developer filed a comprehensive permit application to build 10 units of affordable housing on a half-acre site under the state-funded Homeownership Opportunity Program (HOP). The ZBA ultimately approved a revised proposal for 6 units with a number of design conditions in 1992, but the developer chose not to proceed.

Recent Town Initiatives The Town has begun a number of initiatives that may yield affordable units over the next five years. In late 1980s, the Town began taking steps to address affordable housing needs.

- In 1989, it established a Fair Housing Committee and Housing Partnership to promote equal housing opportunity and investigating affordable housing strategies. It also applied, without success, for housing rehab funds under the state's Small Cities CDBG program.
- In 1993, it began working with the State on a re-use plan for a former state mental hospital (Metropolitan State) sited on land belonging to three communities (Belmont, Waltham and Lexington) and ultimately developed a plan to that included some affordable housing. In 2004, the town of Lexington approved a rezoning to allow housing development to proceed at the former hospital site. While the affordable units to be included at the Met State hospital site will not "count" toward Belmont's affordable housing inventory, under an agreement between Waltham, Belmont and Lexington, one-third of the affordable units will be made available to Belmont residents.
- In 1997, McLean Hospital announced its intention to sell 240 acres of its site for private development in an effort to resolve some of its financial problems. After two years of

negotiation, Town Meeting approved rezoning of the site to allow the development of a 150,000 square foot office development, 121 high-end townhouses (projected selling prices of \$750,000) and a 486 unit Continuing Care Retirement Community (CCRC). The rezoning required that 30 of the CCRC units be affordable to households with incomes of up to 120% of median. The Town negotiated a requirement that some of the 30 units be affordable to households with incomes of 50-80% of median income. The designated developer has appealed the proposed income distribution.

- McLean also agreed to donate 1.34 acres of land to the Town for the development of affordable housing. Using Massachusetts Housing Partnership (MHP) technical assistance funding, the Town and Belmont Housing Authority have developed an agreement in principle (approved by the Board of Selectmen) to place 24 units of mixed-income housing on this property.
- In 1999, Town Meeting members approved a resolution authorizing the creation of a nonprofit Housing Trust to serve as a vehicle for applying for state and federal housing funds and for developing affordable housing. State legislation was obtained authorizing the creation of this Trust.
- In 2000, Belmont received a \$25,000 state grant to develop an affordable housing strategy. The study was completed in June 2000 and the Town has since taken several of the steps outlined in the strategy. It joined the Newton HOME Consortium (now West Metro HOME Consortium) and began receiving annual federal HOME grants in 2002.
- In 2002, Belmont applied for and was authorized to receive funds through the State's Soft Second Mortgage (SSM) program. While no loans have yet been originated using this program—the price of Belmont housing generally exceeds the limits of the program—as affordable housing begins to be developed pursuant to the Town's Inclusionary Housing zoning by-law and other programs, the use of this funding opportunity is expected to increase substantially.
- In 2002, the Belmont Fair Housing Committee, in collaboration with the town's faith-based community, created the Belmont Affordable Shelter Fund (BASF). The BASF receives individual contributions, and makes grants to address crisis situations threatening the ability of local residents to stay in their homes. Grants are primarily made for energy-related service disconnection problems, but have been made in support of rent and mortgage payments as well.
- In the spring of 2003, Town Meeting approved an Inclusionary Housing zoning by-law. This Zoning By-law applies to any development that produces seven or more units of new housing in Town. The affordable housing requirement is set forth by formula, but, in essence, requires that 25% of all new housing be “affordable” as defined by the By-law.
- In November of 2003, Town Meeting approved the donation of two parcels of vacant Town-owned land for affordable housing development. On one parcel (the B Street parcel), the Town will produce four units of housing, three of which will be affordable. The Town will use its HOME dollars (and other state subsidies) to support this development. On the second parcel (Brighton Street), the Town has agreed to dispose of the property to Habitat for Humanity for the production of one unit of housing, affordable to families at or below 50% of median income (and meeting other Habitat eligibility requirements).

- In 2003, a developer announced his proposal to construct 250 units of homeownership housing at the Belmont Uplands. When convinced that Town Meeting would not vote to rezone that property to permit that proposal to proceed, the developer announced in May 2004 his filing of a Comprehensive Development project eligibility application (i.e., a “40B” project eligibility application) for a 300 unit rental development.
- In 2004, the Archdiocese announced the closing of a variety of local parishes, including Belmont's' Our Lady of Mercy parish. The Belmont Housing Trust is working with local nonprofit community development corporations seeking to ensure that any housing developed at the site will include a fair share of affordable housing. If a development produces seven or more units of housing, the requirements of the Town's Inclusionary Housing zoning by-law will apply.
- In 2004, the Belmont Housing Trust, in collaboration with local nonprofit agencies in Watertown and Waltham, received a \$50,000 grant from the Local Initiatives Support Corporation (LISC) to support community education on affordable housing issues along with an exploration of joint development opportunities.

Impediments to Affordable Housing in Belmont

The largest impediments to the development of affordable housing in Belmont are the lack of developable sites, the high cost of acquiring existing land and units, extremely low vacancy rates and lead paint hazards that add to housing rehabilitation costs.

State and federal housing programs are difficult to use in Belmont because of limits on per unit development and subsidy costs. For example, the Massachusetts Housing Finance Agency's first time homebuyer mortgage program can only be used for single family and condominium units costing no more than \$256,000 and for two-family homes costing no more than \$288,200. On the rental side, the State tries to limit development costs for family rental housing to \$150,000 per unit, while few two-family homes in Belmont are available for acquisition at less than \$400,000.

Other obstacles include density and other zoning restrictions and the limited resources within Town government and its nonprofit housing trust in terms of funding and staffing.

Public and Assisted Housing

Belmont currently has 262 units of affordable subsidized housing, all state-funded public housing, and an allocation of 45 Section 8 vouchers.

Public Housing Belmont currently has 262 units of state-funded public housing developed by the Belmont Housing Authority (BHA) between 1949 and 1988. These include:

Table 18
Affordable Housing Production in Belmont by Decade

	1940s	1950s	1960s	1970s	1980s	1990s	Total
Belmont Village (1949)	100	0	0	0	0	0	100
Family Housing							
100 two and three bedroom units							
Sherman Gardens (1971)	0	0	0	154	0	0	154
80 one bedroom units							
Waverly Oaks (1976)							
Elderly/Disabled Housing							
74 one bedroom units							
Special Needs Public Housing (1988)	0	0	0	0	8	0	8
residence for 8 individuals							
Total	100	0	0	154	8	0	262

With the end of state funding for new public housing, the Housing Authority's primary focus in recent years has been on maintaining and improving its 262 units. In 1997, it implemented a \$2 million modernization program at Belmont Village, including deleading all units, and it continues to submit funding requests for other improvements for all its developments. Its ability to make these improvements is constrained however by the limited State funding available each year.

In 2004, the Belmont Housing Authority began a process to implement energy efficiency improvements to reduce heating fuel and electric consumption in BHA-owned units. The BHA expects to move forward with this process of reducing energy usage in collaboration with the Watertown Housing Authority. This initiative is expected to begin in calendar year 2005.

Under state law, admission to state-funded public housing is limited to households with incomes at or below 80% of median and households with emergencies, such as homelessness or displacement due to a fire, receiving first priority for admission. The BHA gives Belmont residents preference for admission over non-residents with similar priority.

As of July 2004, there were 2,857 families on the waiting list for the 100 units at Belmont Village, including 21 current Belmont residents.⁴ Of these, 1,942 were on the waiting list for 2-bedroom units, 8 of whom were Belmont residents, and 915 were on the waiting list for 3-bedroom units. Turnover averages 10 - 15 units a year at Belmont Village. Current Belmont residents face an average wait of 3 - 5 years for a unit; non-residents face an average wait of 10 years.

There were also 583 elderly applicants, including 52 Belmont residents, on the waiting list for the elderly-only units at Sherman Gardens and Waverly Oaks and 146 applicants on the waiting list for the units for non-elderly disabled households.⁵ Turnover averages 10-15 units a year for the elderly units and about 1 unit every 3 years for the non-elderly units. The average wait for an elderly applicant is currently 6 months to a year. The average wait for a non-elderly disabled applicant is 10-20 years.

Rental Assistance Vouchers The Belmont Housing Authority also provides rental subsidies under three federal and state programs. Rent subsidies help low-income households pay the cost of

⁴ In July 2004, BHA mailed nearly 3,500 letters to persons on the BHA waiting list asking if they wished to remain on the waiting list. As of September 2004, the responses to that inquiry are still being processed.

⁵ Under a state law enacted in the mid-1990s, 13.5% of the units at elderly/disabled developments are to be reserved for non-elderly disabled households and 86.5% are reserved for elderly households. Belmont had a higher percentage of non-elderly disabled tenants at the time the law went into effect and is now reducing the number to the 13.5% level required under law as current non-elderly tenants leave. When it reaches that level, there will be 133 elderly only units and 21 non-elderly disabled units.

renting units on the private market. Participants pay 30%-40% of their income, depending on the program, toward their rent and utilities, and the Housing Authority pays the landlord the difference between the tenant share and the total rent using federal or state funds. It is up to the tenant to find a unit that meets program housing quality standards and rents for an amount not exceeding program guidelines. Federal rent subsidies can be used anywhere in the U.S.

The BHA's largest rental assistance program is the federally funded Section 8 program. The BHA has an allocation of 47 Section 8 vouchers, all currently under lease. About 4-6 of these vouchers turn over each year. Currently, about half of the 45 households using BHA vouchers are renting units in Belmont.

In 2000, BHA joined the Massachusetts NAHRO⁶ centralized waiting list. This centralized waiting list keeps the waiting list open all the time. An application to any one of the 45 housing authorities participating in the waiting list constitutes an application to all of the participating housing authorities.

In addition, starting in late 2001, the BHA joined a number of other smaller housing authorities in contracting out day to day administration of its Section 8 program to the Dedham Housing Authority. This has enabled the BHA to administer the program more cost-effectively and take advantage of regulatory changes. In 2001, it was able to increase its payment standard to 110% of FMR. This change enabled households to rent higher cost units and made it easier to locate units in Belmont. The BHA also currently administers 4 state-funded rent vouchers, down from 26 in the late 1980s as a result of state funding cutbacks. These include 2 vouchers under the Massachusetts Rental Voucher Program (MRVP) and 2 vouchers for non-elderly individuals with disabilities under the Alternative Housing Voucher Program (AHVP).

Homeless Facilities and Services

It appears that few Belmont residents become homeless. However, because Belmont has no emergency shelters, transitional housing or other permanent housing specifically for homeless families and individuals, it is possible that residents experiencing homelessness go elsewhere.

Preliminary investigations suggest homelessness is a relatively small problem in Belmont. The 2000 Census reported zero homeless individuals in Belmont (people living outdoors or in shelters). The Belmont Police Department reports that officers have picked up an average of four individuals a year in recent years who report themselves as homeless. The Belmont Housing Authority reports that they admit only one homeless family (if that) a year (homeless low-income families and individuals receive first priority for admission), including nonresidents. These admissions include people who have become homeless through fires and other disasters, domestic violence, condemnation and eviction for nonpayment of rent. Less than one household is admitted each year to Belmont's public housing due to a housing emergency, including homelessness.

There are limited housing resources for homeless individuals and families within the other West Metro HOME consortium communities (Bedford, Brookline, Framingham, Lincoln, Natick, Needham, Newton, Waltham, Watertown and Wellesley). Three of these communities (Newton, Brookline and Watertown) have formed a Continuum of Care Consortium. Additional shelter and transitional housing programs exist in Cambridge as well. Bristol Lodge and Mary's House are the major providers of shelter assistance within the consortium communities. Sandra's Lodge provides emergency shelter for families, mothers and children in Waltham.

⁶ National Association of Housing and Redevelopment Officials.

While Belmont residents may go to any shelter throughout the Commonwealth, according to the Belmont Department of Health, emergency and transitional shelters that are particularly available to Belmont residents include St. Patrick's Shelter (Somerville), Somerville Family Shelter, Somerville Homeless Coalition Adult Shelter, and Crittenton Hastings House (Brighton).

Finally, the Belmont Department of Health cites the Metropolitan Housing Partnership (Boston) as an agency providing homeless prevention services to Belmont residents. The Metropolitan Housing Partnership administers RAFT (Residential Assistance to Families in Transition), a program that provides up to \$3,000 in flexible funds to families with incomes at or below 130% of the Federal Poverty Level who are homeless or at risk of homelessness to help maintain their housing or to secure new housing. The Town of Belmont is not aware of any households taking advantage of this program.

Supportive Housing for People with Special Needs

It is generally recognized that low income persons with special needs face extra difficulties in obtaining affordable housing because of the shortage of transitional housing and permanent housing with supportive services for such diverse populations as the frail elderly, persons with mental illness, persons with substance abuse problems, persons with HIV/AIDS, persons with mobility impairments, persons with developmental disabilities or mental retardation and women and children leaving domestic abuse situations. Many of these populations have extremely low incomes. Some need accessible housing or other accommodations because of their disabilities.

As detailed in the Housing Needs section, there are few affordable housing units for people with disabilities in Belmont. Non-elderly individuals with long-term disabilities face the greatest quantifiable need at present. The 21 Belmont residents on the waiting list for the 21 units of public housing in Belmont available to this population face an average wait of 10-20 years.

Wild Acre Inns, Protestant Guild for Human Resources, Concord-Assabet Family Services, Beaver Brook Step Inc., and McLean Hospital maintain housing facilities in Belmont for both persons with developmental and mental disabilities. Though because of confidentiality issues surrounding these properties it is difficult to accurately determine how many clients are housed in these facilities and what type of disability they have, it can be assumed that at least 40 disabled individuals are housed through these agencies in Belmont (5 agencies, controlling 2 facilities each with 4 clients per facility).

The Belmont Housing Trust is currently constructing four units of housing (three of which will be affordable). One of those affordable units will be completely handicapped accessible. In addition, O'Neill properties has proposed a 300-unit Comprehensive Permit development at the Belmont Uplands, 75 units of which would be affordable. The developer has proposed that five percent (5%) of all units be handicapped accessible. The Belmont Housing Trust has recommended, and sought state direction, that 15% of those units be handicapped accessible.

The Town's Inclusionary Housing zoning by-law provides that for housing developments producing seven or more units of housing in Belmont, "The Zoning Board of Appeals, in its discretion, may require the provision of an accessible unit(s) in any project, not to exceed 15% of the total number of units, and may designate when the unit(s) shall be provided during the construction process." The by-law defines "accessible" as follows: "When used with respect to the design, construction, or alteration of an individual dwelling unit, [accessible] means that the unit is located on an accessible route and when designed, constructed, altered or adapted can be approached, entered, and used by individuals with physical handicaps."

The need for wheelchair accessible units is unclear. The Council on Aging has cited it as a problem, though not quantified. The Housing Authority, however, reports that while only three of its public housing units are accessible, all at its Waverly Oaks elderly/disabled development, it has no waiting list for those units and has not received requests for accessible units at its family development.

Many wheelchair-bound individuals in Belmont are fortunate in that they have the financial and familial support to keep them within their own homes and thus are not dependent upon publicly assisted affordable housing units.

Lead Based Paint Hazards

Housing units build prior to 1978 have a high probability of having lead paint. Given the age of Belmont's housing stock, it is likely that lead-based paint (LBP) hazards exist in a significant number of units. According to the 2000 Census, 74% of Belmont units were built before 1950 when lead based paint was most commonly used. Using HUD estimates of the incidence of lead based paint by year of construction⁷, we estimate that 57% of all Belmont units have LBP hazards (peeling paint, lead dust or lead in the soil) and that deteriorated lead based paint exists in 43% of all Belmont housing units. We estimate that about 627 households with incomes at or below 50% of median income lived in units with deteriorated lead paint hazards in 2000, including about 581 such households with children age 6 or less.

In recent years, the number of Belmont children found to have elevated levels of lead in their blood as been small and no cases of poisoning were reported between FY1998 and FY2003. According to the Massachusetts Department of Public Health, 60% of all Belmont children under age 4 and 44% of all children under age 6 were screened for lead in FY2003; of these, one child had a moderately elevated level of lead in their blood and none had lead poisoning. However, realtors have told us anecdotally that many landlords will not rent to households with young children because of fear of liability.

Table 21
Age of Housing Stock and Estimated Lead Based Paint (LBP) Incidence (1990)

Year Built	% of all units	Total Units	Est. % of units with LBP (HUD)	Est. # units w/ LBP	Est. % w/ deteriorated LBP (HUD)	Est. # units w/ deteriorated LBP
Pre-1940	62.33%	6,221	73%	4,541	56%	3,484
1940-1949	11.52%	1,150	45%	518	32%	368
1950-1959	11.92%	1,190	45%	536	32%	381
1960-1969	6.42%	641	9%	58	3%	19
1970-1979	5.65%	564	9%	51	3%	17
1980-1989	1.23%	123	4%	5	0%	0
1990-1999	0.91%	91	0%	0	0%	0
Total units		9,980		5,703		4,269
% of Total		100%		57%		43%

⁷ HUD National Survey of Lead and Allergens in Housing, Final Report, Volume I, page 4-7 and A-8. (2000)

Substandard Housing

Despite the age of Belmont's housing stock, relatively few units are substandard. According to the 2000 census, defining a substandard unit as one lacking complete plumbing or lacking complete kitchen facilities, Belmont had 37 substandard units (15 of which were owner-occupied and 22 of which were renter occupied). In 1990, Belmont had 12 substandard units, all of which were occupied by elderly homeowners. The Board of Health receives about 18-25 complaints a year from renters, including about 3 a year involving lead paint. However, given the tight rental market, tenants are reluctant to complain about conditions, especially tenants with relatively low rents, for fear that their rent will be increased or their lease not renewed and thus most complaints come from tenants nearing the end of their stay. Aside from lead paint, the biggest problem appears to be deferred maintenance.

The Impact of Energy on Affordable Housing

One direct threat to the affordability of housing in Belmont involves the spiraling price of home heating fuels today. Certainly high energy prices increase the risk of default on home mortgages.⁸ In addition, a 2004 study in Missouri for the National Low-Income Energy Consortium (NLIEC),⁹ as well as an earlier nationwide study,¹⁰ documented that high energy prices not only increase the likelihood of nonpayment shutoffs by low- and moderate-income households, but contribute substantially to hunger, inadequate housing, educational underachievement, health and safety dangers, and the inability to retain employment as well.

Belmont has seen a substantial fly-up in home heating prices in the past five years. Table 22 shows the increase in natural gas prices for the Boston area in which the Bureau of Labor Statistics collects fuel data for the Consumer Price Index. Since the year 2000, January natural gas prices have increased by 50% (\$93.02 for 100 therms of natural gas in 2000 vs. \$139.57 for 100 therms in 2004). While gas price increases in 2000/2001 were expected to come down (and did, in fact, do so), current natural gas prices are expected to remain high for the foreseeable future.

These gas price increases represent a real threat to affordable housing in Belmont. Assuming an average annual consumption of 1,000 therms, of which 80% is consumed during the winter heating months, these natural gas price increases will impose an increased *heating cost* of nearly \$370 on residents of affordable housing units in Belmont. The annual natural gas bill increase will be more than \$460. For a household with an annual income of \$20,000, just the annual increase in natural gas costs, standing alone, will represent 2.3% of their annual income. An "affordable" natural gas bill is generally considered to be between two percent and three percent of income.

⁸ One study for the Federal Energy Administration found that in 1974 and 1975, 2.5 percent of HUD mortgages failed because of high energy prices. Metrostudy Corporation (1976). *An Analysis of the Contribution of Energy Price Changes to HUD-Insured Mortgage Failures*. Federal Energy Administration: Washington D.C.

⁹ Roger Colton (June 2004). *Paid but Unaffordable: The Consequences of Energy Poverty in Missouri*, National Low-Income Energy Consortium: Washington D.C.

¹⁰ Apprise, Inc. (April 2004). *National Energy Assistance Survey: Final Report*, National Energy Assistance Directors Association: Washington D.C.

Table 22
Natural Gas Prices (per 100 therms)
Boston/Brockton/Nashua (MA-NH-ME-CT)

	January	February	March	October	November	December
2000	\$93.021	\$93.021	\$93.021	\$90.009	\$116.065	\$116.065
2001	\$116.055	\$149.938	\$147.463	\$112.867	\$109.817	\$109.817
2002	\$100.752	\$99.771	\$94.606	\$80.353	\$109.785	\$113.382
2003	\$122.238	\$122.238	\$137.319	\$107.016	\$129.410	\$129.476
2004	\$139.047	\$138.749	\$139.922	---	---	---

SOURCE: Bureau of Labor Statistics, Average Price Data, Consumer Price Index (October 2004).

These changes do not reflect *bill* changes due to severe weather. They merely reflect *price* changes.

Quite aside from the impact that increasing energy prices/bills/burdens have on low-income households in Belmont is the impact that those increasing energy prices/bills have on the affordable housing programs supported by Belmont's HOME funds. The increase in prices not only makes "affordable housing" less affordable, but it makes it less possible to produce affordable housing units with which to begin.

The increasing energy prices faced by residential consumers today, however, represent a direct threat to the Belmont's ability to produce affordable housing. Consider how one developer described the impacts of energy price increases in California:

Because publicly funded low-income housing operates with legal affordability restrictions, the combination of past and anticipated utility rate hikes is dramatically limiting borrowing capacity.* * *[W]ith increasing utility rates, either tenants can pay less rent or property owners have to pay higher energy costs. Either way, net operating income declines. As a consequence, developments can afford to support less debt financing, creating a gap in the development budget . * * [O]n a statewide level [in California], this situation is increasing the amount of scarce public funding required per project, thereby reducing the total number of affordable units that can be built.¹¹

The statement made by Mr. Herald and Mr. Shoemaker is a truism, which is equally applicable to Iowa. "[W]ith increasing utility rates, either tenants can pay less rent or property owners have to pay higher energy costs. Either way, net operating income declines." Accordingly, the total number of affordable units that can be built decreases. Addressing energy issues in Belmont's affordable housing units are a necessary response by Belmont, acting in its capacity as producers of affordable housing units. The Energy Star proposal set forth below, in other words, is in the enlightened self-interest of Belmont's affordable housing community.

¹¹ Mike Herald and Doug Shoemaker, "How the Energy Crisis Affects Affordable Housing: An Overview of the Problem," Property Compliance Report (July 2001).

IV. STRATEGIC PLAN

Introduction

This Strategic Plan outlines the strategies that Belmont plans to use between FY2006 and FY2010 to address the housing needs identified in the Housing Needs Assessment within the limits of the resources available to it. It describes the priorities assigned to each need (as summarized in Table 2A) and extent to which Belmont will try to reduce those needs between FY2006 and FY2010.

The priority assigned to each need and the proposed strategies reflect both the Housing Strategy Plan developed in June 2000 after extensive discussion with many members of the community, as well as more recent discussions with the Belmont Housing Authority, the Belmont Housing Trust, the Council on Aging, the Board of Health and the general public.

Belmont has few predictable funding sources to address housing needs. As a result, many of the proposed strategies depend for their success on the ability of Belmont to access additional State housing funds. Given Belmont's relative inexperience in affordable housing development, this Strategic Plan may require amendment in the future. No significant amendments will be made without a prior public hearing.

Funds Available to Carry Out Strategic Plan

The primary financial resources available to address housing needs in Belmont are federal HOME funds that the Town began to receive in 2002. (The Belmont Housing Authority will continue to receive state and federal funds to maintain its current inventory of public housing and Section 8 vouchers but no new funding for housing production.)

HOME Funds In FY2003, Belmont received \$94,408 through the Newton consortium, of which seven percent (\$6,813) was reserved for local administrative costs, leaving \$87,595 for project costs. In both FY2004 and 2005, Belmont received \$118,000 in HOME dollars. For the purpose of this plan, we assume Belmont will continue to receive approximately \$100,000 a year in funding through the HOME Consortium. If so, Belmont will receive \$500,000 over the five-year period of this plan (FY2006-FY2010).

It may be possible for Belmont to accelerate its receipt of HOME funds. It is Consortium policy to allow communities to borrow allocations from other communities within the Consortium who have more funds than they can commit in the near future. In exchange, the borrowing community gives future HOME funds back to the lending community. In addition, the Consortium has the authority to increase Belmont's allocation by decreasing the allocation of other communities within the Consortium. This would require a favorable vote by the other communities in the Consortium. To date, the Consortium has not used this approach, but they have not ruled it out for the future.

State Discretionary Grant Funds The Town expects to apply for additional funds under several competitive housing grant programs funded by the State and HUD during the five year plan period, including the State's HOME program, the Small Cities Community Development Block Grant program, the Low Income Housing Tax Credit program, the Soft Second program and the Affordable Housing Trust program. While the Town of Belmont has successfully accessed state HOME and Soft Second Mortgage funds in past years, it has not succeeded in accessing CDBG dollars.

Affordable Housing Goals And Strategies

1. High Priority – Very Low, Low, And Moderate Income Renters

Rationale.

Almost 40% of Belmont's housing units are renter-occupied (3,776 of 9,667 unit). In 2000, one third (34%) of Belmont's renter households had incomes at or below 80% of median (1,282 of 3,776), including 22% (821 of 3,776) with incomes at or below 50% of median income. Nearly 60% (471) of Belmont's 821 renter households with incomes at or below 50% of median had cost burdens (paying more than 30% of their income for housing) in 2000 and more than half (53% or 436) had severe cost burdens (paying over half their income for housing). An even higher percentage (67.9%) of its 461 renter households with incomes between 51% and 80% of median had cost burdens over 30% of income, including 22% with severe cost burdens (exceeding 50% of income).

These needs are at least as high today, since rents have risen more rapidly than renter incomes. Rental vacancy rates remain low (1.7% in 2000 compared to 1.2% in 1990) and Belmont's rental supply is shrinking. Belmont lost 174 rental units (4% of its supply of rental housing) between 1990 and 2000 due to condominium conversion, and this trend is continuing. Households with incomes at or below 50% of median can only afford to pay about half the current asking rents for apartments in Belmont. Households paying monthly rents of \$1300-1600 have housing costs equivalent to households paying mortgages on properties costing \$170,000-\$200,000, but cannot find homes for sale in that income range in Belmont.

Need.

In 2000, of Belmont's 471 cost-burdened renter households with incomes below 50% of median income:

- 247 (52%) were elderly 1 and 2 person households
- 188 (40%) were non-elderly small families (2-4 persons)
- 19 (4%) were large families (5 or more persons).

Resources. The major resource currently available for low-income renters is the Belmont Housing Authority's public housing units. As of September 2004, 52 Belmont residents were waiting for elderly units, facing an average wait of six months to one year; 21 Belmont families were waiting for family units, facing an average wait of three to five years. Another 2,836 non-resident households on the waiting list for family units face an average wait of 10 years. Small non-elderly disabled households face a wait of 10-20 years for the 1-bedroom units in Belmont's elderly/disabled developments.

Belmont will use six strategies to create additional affordable rental units, maintain existing affordable units and assist renters in purchasing their first home.

Strategy 1 - Develop Affordable Rental Housing

McLean Hospital has agreed to give the Town a 1.34 acre parcel of land at the edge of its site and adjacent to the Belmont Housing Authority's 74 unit Waverly Oaks development for elderly and

disabled households. As part of the rezoning of the McLean property, this site was rezoned for affordable housing. The Town, the Housing Authority and the Belmont Housing Trust have collaboratively developed, with technical assistance provided by the Massachusetts Housing Partnership (MHP), a state quasi-public agency, a development plan for the site that will provide the additional parking needed by current Waverly Oaks residents and will also create approximately 25 units of family rental housing (2- and 3-bedroom units) affordable to households with incomes at or below 60% of median (some units may be made available to households with incomes of up to 80% of median). The Town's Board of Selectmen has agreed to this development proposal in principle.

Timeframe: The timing of the issuance of a Request for Proposals (RFP) to develop the McLean property will depend on the resolution of an unrelated court challenge to the overall rezoning of the McLean site. The Town expects to write a Request for Proposals (RFP) for the project during the next 24 months outlining Town goals regarding affordability, design and other project elements and soliciting developer proposals. Developer selection is expected to be complete within 90 days after release of the RFP. The actual timetable for starting and completing construction will depend on the selected developer's ability to obtain subsidy and other financing.

The Town plans to make the land available to the developer at no cost. It will be up to the developer to obtain the subsidy financing required to meet affordability goals. It is likely that the developer will seek a federal Low Income Housing Tax Credit (LIHTC) allocation from the State, meaning units will be affordable to households with incomes at or below 60% of median. The developer may also seek additional state funding through DHCD's HOME program or Affordable Housing Trust. Some units may be reserved for Section 8 households, possibly using the option to project-base some vouchers.

Estimated Cost: The Town may need to hire a consultant to help it develop the RFP, using either HOME administrative funds or technical assistance funds from the Massachusetts Housing Partnership or the State. The Town hopes developers will be able to finance the project without the use of Belmont HOME funds, though it is possible the some of these funds may be needed for gap financing. The Massachusetts Housing Partnership has indicated the greater availability of funding to support rental housing than is available to support homeownership units.

Goals Achieved: This project is expected to create approximately 25 units of mixed-income rental housing for non-elderly households, including households with children. It will also create additional parking for the residents of the adjacent elderly/disabled public housing development and may provide those residents with improved egress from the site.

Strategy 2 - Using Surplus Town Property for Affordable Housing

In November 2003, Town Meeting voted to donate two parcels of vacant Town-owned property for use as affordable housing. On one parcel (the B Street parcel), the Town will produce four units of housing, three of which will be affordable. The Town will use its HOME dollars (and other state subsidies) to support this development. On the second parcel (Brighton Street), the Town has agreed to dispose of the property to Habitat for Humanity for the production of one unit of housing, affordable to families at or below 50% of median income (and meeting other Habitat eligibility requirements). Other Town-owned properties have been identified (e.g., Harvard Lawn Fire Station), although their availability for affordable housing has not yet been determined.

Timeframe/ Estimated Cost. In the Spring of 2004, the Board of Selectmen approved disposition of the B Street parcel to the Waltham Alliance to Create Housing (WATCH), the developer selected by the Belmont Housing Trust. Groundbreaking is expected in October 2004. In July

2004, the Board of Selectmen approved disposition of the Brighton Street parcel to Habitat for Humanity. Groundbreaking is expected in the Spring of 2005. The B Street units will be developed using the Town's HOME dollars in conjunction with state HOME dollars. The Brighton Street unit will be developed with no Town financial contribution (other than the donation of the property and stafftime).

As a member of the WestMetro HOME Consortium, the Town has access to the American Dream Downpayment Initiative (ADDI) Program. The Consortium has pooled its allocation of ADDI funds for FY 2005 of \$158,445 and anticipates receiving subsequent allocations in future fiscal years. Up to 25% of the total fiscal allocation will be available to any Consortium member on a first come first serve basis. This funding will be used to provide downpayment assistance to enable low income households to purchase housing units in any of the Consortium Member communities at an affordable price. Qualified Applicants are eligible for up to ten thousand dollars (\$10,000) for downpayment assistance, which will be provided in the form of a non-interest bearing loan and must be repaid to the ADDI fund pool at the time of resale of the property by the homebuyer (repayment is to be of principal only.) The funding can be rolled over to subsequent owners providing that they meet the ADDI program eligibility criteria including, the applicant is a first-time homebuyer with an adjusted gross income below 80% of the area median income, and the property to be purchased must be the primary residence of the applicant, located within the Consortium, and be a one to four family residence or condominium. This is a new program becoming available as of October 1, 2004, so the Consortium has not yet funded any projects through this program. The Town will make sure that the homebuyers of the B Street properties are aware that ADDI provides assistance and will encourage their participation, though it cannot guarantee that they will utilize this funding.

Goals Achieved: This process will ultimately increase the supply of affordable homeownership housing. The B Street and Brighton Street developments will create five units of housing, four of which will be affordable at or below 80% of median income. A Belmont preference (as defined by the Town's Inclusionary Housing zoning by-law) will be given to two of the units. The Town's zoning by-law defines a "Belmont resident" as any person who has their primary residence in Belmont; who works for the Town of Belmont; works in the Town of Belmont; has children in the Belmont schools; or has been in, or had children in, the Belmont schools within the past ten years.

Strategy 3 - Implement Inclusionary Housing Zoning By-law

In the Spring of 2003, Belmont's Town Meeting adopted an Inclusionary Housing zoning by-law. The By-law provided that any development producing seven or more units of housing must have a prescribed proportion of those housing units be affordable. The By-law does not distinguish between rental and homeownership housing. The affordable units would be reserved for households with incomes at or below 80% of median household income. The by-law will apply to all future housing developments in Belmont, with the exception of housing units developed at the McLean Hospital property (approval for which was provided prior to adoption of the Inclusionary Housing zoning by-law).

Timeframe: A 150 unit condominium housing development proposed for the Belmont Uplands in the Spring of 2003 would have been the first development to which the Town's Inclusionary Housing zoning by-law would have applied. When it became evident that Town Meeting would not favorably vote on a proposal to rezone the Uplands from commercial to residential, the developer converted the proposal to a 300 unit rental development to be developed through the State's comprehensive permit (Chapter 40B) process. Any housing developed at the Our Lady of Mercy church site (which almost certainly will consist of seven or more units), along with other

potential housing developments in town (e.g., developing the air rights over the Waverley Square railroad tracks) would trigger the Inclusionary Housing zoning by-law.

Estimated Cost: Limited administrative costs associated with ensuring compliance with affordability requirements.

Goals Achieved: The proposed by-law has the potential to create new affordable rental and homeownership units directly. Currently it is difficult to predict the number and type of units the by-law could create.

Strategy 4 – Metropolitan State Hospital Development

In 1993, the Town of Belmont began working with the State on a re-use plan for a former state mental hospital (Metropolitan State) sited on land belonging to three communities (Belmont, Waltham and Lexington) and ultimately developed a plan to that included some affordable housing.

In 2004, the town of Lexington approved a rezoning to allow housing development to proceed at the former hospital site. While the affordable units to be included at the Met State hospital site will not “count” toward Belmont’s affordable housing inventory, under an agreement between Waltham, Belmont and Lexington, one-third of the affordable units will be made available to Belmont residents.

The Town will work with the Met State Hospital developer to ensure that Soft Second Mortgages are available where appropriate.

Timeframe: Discussions with the Met State Hospital developer are expected to continue through 2005 and 2006. The Town will be involved with the marketing of the Belmont affordable housing units and the selection of the households to occupy these units.

Estimated Costs: The Town expects to use Soft Second Mortgage funds to promote the purchase of affordable homeownership units in the Met State housing developed. No other costs to the Town, other than stafftime, will be incurred.

Goals Achieved: This program will achieve several objectives: (1) it will help renters become owners and secure stable and affordable housing; and (2) it will increase the supply of affordable homes and to the extent the buyers previously occupied subsidized housing units, (3) it will make affordable rental units available more quickly to needy households.

Strategy 5 – Establish First Time Homebuyers Program

The Town has developed a First Time Homebuyers Program using a variety of approaches. The Town received an allocation of \$20,00 from the state’s Soft Second Loan Program (SSLP). The State, however, has indicated that if Belmont needs additional dollars through this program, those funds would be forthcoming. The Soft Second program provides deferred payment second mortgages to first time homebuyers, enabling them to purchase higher cost units than they would qualify to purchase based on income alone. Potential buyers will be required to complete a homebuyer education program.

Affordable rental and homeownership units are most likely to become available through the Town’s Inclusionary Housing zoning by-law. This By-law provides that any development which produces seven or more units of housing must meet prescribed designated affordable housing

goals. The seventh unit in any development must be affordable, along with one of every three units through unit 21. Beginning with Unit 22, one of every four units must be affordable. A variety of housing developments are likely to occur in Belmont in the 2006 through 2010 time frame to which the Inclusionary Housing zoning by-law will apply. These developments include housing developments at the Belmont Uplands, at the Our Lady of Mercy church properties (to be disposed of by the Archdiocese of Boston), and at various public buildings (including vacated fire stations) to be disposed of by the Town of Belmont. The Trust will engage in ongoing discussions with developers at these sites to buy-down the price of units to affordable for units beyond the minimum number of affordable units required by the Inclusionary Housing zoning by-law.

In addition, while finding it difficult to cost-justify the purchase of individual properties to date, the Belmont Housing Trust, in collaboration with a local non-profit housing organization (most likely WATCH, a CHDO in Waltham), will nonetheless continue to consider a program to acquire two-family homes and the creation of condominiums in these properties. To perform this purchase and conversion process, the Town would use HOME funds to write down the acquisition costs for these homes to affordable purchase price levels and/or to provide downpayment and closing cost assistance. Belmont Housing Authority residents will be given priority for purchase. A program directed toward two-family homes would use long-term resale restrictions to ensure that those units remain affordable to future low-income households at a price they can afford (incomes at or below 80% of median). In addition, the Town will promote the ADDI program described above.

Timeframe: Discussions with respect to proposed developments at the Belmont Uplands, the Our Lady of Mercy church, and the vacated fire stations, are expected to continue throughout 2005 and 2006. In addition, Belmont will continue searching for suitable two-family properties for acquisition during the 2006 through 2010 time period.

Estimated Costs: The Town expects to use Soft Second Mortgage funds to promote the purchase of affordable homeownership units in housing developed pursuant to the Town's Inclusionary Housing zoning by-law. The Town expects to use HOME funds to write down the purchase price of two units and to cover costs of a CHDO to oversee the development and sale process.

Goals Achieved: This program will achieve several objectives: (1) it will help renters become owners and secure stable and affordable housing; (2) it will increase the supply of affordable homes and to the extent the buyers previously occupied subsidized housing units, (3) it will make affordable rental units available more quickly to needy households. Between one and three affordable homeownership units are expected to be developed at the Waverley Square Fire Station, a fire station recently vacated by the Town. Additional units will be available through the Our Lady of Mercy church site. The total size of that development has not yet been developed, but will almost certainly be large enough to trigger the Inclusionary Housing zoning by-law.

Strategy 6 – Establish Deleading and Housing Rehab Loan Program

Belmont will develop a lead paint abatement program to make low interest and deferred payment loans to low- and moderate-income homeowners and to landlords with low and moderate-income tenants. It will probably work with a neighboring community, either Watertown or Arlington, or an experienced local nonprofit housing agency that already has a program in place to assist property owners by providing technical and financial assistance. Potential funding sources include the Massachusetts Housing Finance Agency, State (DHCD) CDBG and HOME funds, and Belmont HOME funds.

The Town will determine the type of funding to seek and the exact form(s) of the financial assistance to offer (grants, deferred loans or forgivable loans) based on discussions with the partner

community and with local property owners. Priority will be given to units housing children under 6, especially those with elevated levels of lead in their blood, and landlords will be required to rent the units to low and moderate income households at affordable rents for at least five years.

Timeframe: Belmont will begin negotiations with a local community or housing agency during FY2006 and apply for subsidy funds at the earliest convenient funding round.

Estimated Costs: The Town may need to hire a consultant to identify program partners, negotiate a program plan and prepare funding applications. HOME administrative funds can fund this cost.

Goals Achieved: This program will abate lead paint hazards in units occupied by low and moderate-income households and increase the supply of affordable rental housing for low and moderate-income families with children. The number of deleaded affordable units created will depend on Belmont's success in obtaining other funds. The goal is to delead at least 2 units a year.

Strategy 7 – Promotion of American Dream Downpayment Initiative

The Town anticipates a substantial boom in affordable housing development within the next five years. In addition to the efforts of the Belmont Housing Trust, as new housing is developed under the dictates of the Town's Inclusionary Housing Zoning by-law, roughly 25% of any new development (of seven or more units) will have an affordable housing component. As these new affordable units come on-line, the Town will promote the ADDI program described above.

2. High Priority – Elderly Homeowners

Rationale: Overall, in 2000, 28% of Belmont elderly homeowners (527 of 1,881) had housing problems. Almost all (439 of 527) had incomes at or below 80% of median, and most (69%) had incomes at or below 50% of median. The lower the homeowner's income, the more likely they were to have affordability problems. Only 7% of Belmont's elderly households with incomes above 80% of median (88 of 1,223) reported housing problems involving either affordability, overcrowding or substandard housing.

**Table 22
Housing Problems of Elderly Belmont Homeowners -- 2000**

	Total Elderly Households	# with w/probs	# pay >30%	% pay >30%	# pay >50%	% pay >50%
Total Owners	1,881	448	844	28.0%	257	12.8%
0-30% median	174	149	198	85.6%	119	68.4%
31-50% median	278	213	179	76.6%	80	28.8%
51-80% median	206	77	32	37.4%	8	3.9%
Subtotal	658	527	409	%	207	11.0%
>80% median	1,223	5	0	7.2%	0	4.1%

While the number of Belmont elderly households declined by 10% between 1990 and 2000, a significant number of elderly households still have housing affordability problems. Contributing to this are the facts that the average tax bill for a single-family home rose by 59% between 1990 and 2001, while median household incomes rose by an estimated average of 27% and probably far less for households on fixed incomes.

According to the Council on Aging, many elderly homeowners would like to downsize but have not because there are few smaller units within Belmont. Others cannot afford market rate assisted

living developments or do not want to leave Belmont. Many also have trouble paying for or obtaining sufficient home care assistance. Belmont will use two strategies to address these needs.

Strategy 1 – Develop Affordable Supportive Housing

In 1999, the Town approved a rezoning of the McLean Hospital site to permit the development of 482 units of elderly-only housing. That rezoning required that 30 non-nursing units be affordable to households with incomes not exceeding 120% of median. In 2001, the Planning Board approved site plans for a 482 unit Continuing Care Retirement Community and included a requirement that some of the 30 affordable units be affordable to households with incomes at 50-80% of median.

Timeframe/ Estimated Cost: The designated developer is appealing the low-income affordability requirement, so it is unclear when these units will come on line. Overall, the developer planned to build the senior complex in phases over five years, although the market for such units has recently slowed down. Moreover, there are several pending lawsuits regarding the Planning Board approval that could radically alter the development. The only cost to the Town is staff costs in connection with plan approvals and subsequent monitoring. It is up to the developer to decide whether to seek subsidy funds to ensure the affordability of the units and services (the State's Medicaid program provides subsidy funds for services).

Goals achieved: Creation of 30 units of supportive housing affordable to elderly households between 50% and 120% of median household income. Moreover, the production of these units provides other housing opportunities for aging persons to stay in Belmont.

Strategy 2 – Legalize Existing Accessory Apartments and Explore Allowing More

The Town will explore legalizing existing accessory apartments by developing regulations for inclusion in the zoning ordinance that define acceptable conditions and requirements (e.g. owner-occupancy, size, parking, state Building Code conformance) and by instituting an amnesty period. The amnesty period would offer homeowners with existing accessory apartments two years to apply to the Town for a special permit, required before the Town can issue a building permit for necessary improvements or an occupancy permit. During this time, the Town, in coordination with the Housing Trust should also explore the option of legalizing new accessory apartments.

Timeframe/ Estimated costs: Draft regulations during 2006-2007, establish an amnesty period during 2007 and research options for legalizing accessory apartment units during this time. The only cost will be Town staff time to draft new regulations, process the permits during the amnesty period and explore the option with the Housing Trust of legalizing new accessory units.

Goals achieved: Increase the supply of affordable rental housing for individuals and small households, relieve affordability burdens of low and moderate income homeowners, including elderly homeowners.

3. High Priority – Special Needs (Non-Elderly)

Rationale: Currently, there are few housing resources in Belmont for non-elderly residents with special housing needs, as a result of physical disabilities (mobility or sensory impairments), developmental disabilities and chronic mental illness. (As noted above, waiting lists for public housing for the elderly are relatively short, with an average wait of 6-12 months for current residents. In addition, the Town has approved site plans for a 482 unit Continuing Care

Community in Belmont, with a number of units reserved for low-income households. When these units come on line, they will help meet the needs of the frail elderly.)

The primary resource for this population is the 21 Belmont public housing units reserved for non-elderly disabled households. (The waiting list for the 8-unit residence for individuals with developmental disabilities is administered by the State and there is little turnover.). As of September 2004, the 52 Belmont residents on the waiting list for these 21 units faced an average wait of 10-20 years, since units turn over very infrequently (an estimated one unit every three years). Most non-elderly persons with disabilities tend to have extremely low incomes and thus face serious affordability problems. In addition, a number of Belmont residents with developmental disabilities have aging caregivers and need affordable housing with access to support services.

Encouraging new multifamily residential projects in Belmont will increase the supply of accessible housing. Under federal law, in all new residential developments with four or more units, public entrances, and common spaces must be wheelchair accessible. In addition, at the very least, all ground floor units must be wheelchair accessible and fittings must be adaptable (e.g. bathrooms must be constructed in such a way that grab bars can be added). In elevator buildings, all units must be wheelchair accessible and adaptable. Additional steps will be necessary, however, to make these units affordable.

Strategy 1 – Affordable Rental Housing Development

As noted above, as part of its general strategy to assist low income renters, the Town intends to donate a 1.34 acre piece to land to a developer for the creation of 25 units of affordable 2- and 3-bedroom rental housing. All units will be accessible. If HOME or other federal funds are used, at least one unit will be wheelchair accessible and at least one additional unit will be accessible for persons with sensory impairments (e.g. vision or hearing). Given the Town's involvement, the Housing Trust will have greater influence in creating more accessible units.

Strategy 2 - Inclusionary Zoning

As noted above, Town Meeting approved an Inclusionary Housing zoning by-law that requires developers of new residential projects of seven or more units to include affordable units. This by-law will increase the supply of affordable rental and homeownership units for low-income families and individuals, including those with disabilities.

Strategy 3 - Apply for Subsidy Funds

Throughout the five year period covered by this planning document, the Town, the Housing Trust and the Housing Authority will pursue opportunities to apply for state and/or federal housing funds to help address the housing needs of low and moderate income households including persons with disabilities and supportive housing needs. This strategy may include submitting applications for Section 8 vouchers specifically for the non-elderly disabled under HUD's Mainstream program.

4. Medium Priority – Very Low, Low, Moderate Income Non-elderly Homeowners

Rationale: Overall, in 2000, 28% of Belmont's non-elderly homeowners (1,113 of 4,010) had housing problems. They included 298 households with incomes at or below 80% of median income. All had affordability problems; none reported overcrowding as a problem. Households

paying over 30% or 50% of their income for mortgage, taxes and insurance have little or no money for repairs and maintenance.

Need Of the 298 homeowner households with incomes below 80% of median, and with affordability problems in 2000:

- 95 had incomes at or below 30% of median,
- 51 had incomes between 31% and 50% of median
- 152 had incomes between 51-80% of median
- 136 were small related households (2-4 persons), 120 were non-elderly individuals and unrelated households, and 42 were large related households (5 or more persons).

Belmont will use the following strategies to address the affordability problems of low and moderate-income homeowners, especially elderly homeowners.

Strategy 1 – Legalize Accessory Apartments

As detailed on page 34 above, the Town will explore legalizing existing accessory apartments and permitting new accessory apartments. Legalization would begin during 2007 following an amnesty period in 2007.

Goals achieved: In addition to increasing the supply of affordable rental housing in Belmont, this strategy will help low income homeowners with affordability problems increase their income.

Strategy 2 – Participate in a Home Improvement Program

Belmont will seek to establish a Home Improvement Loan Program to make grants and/or low cost loans available to property owners for these purposes. Belmont will need to work in partnership with a neighboring community (probably Watertown) or community development housing organization (CHDO) that already has a program in place and would be willing to serve as the local rehabilitation agency. Generally assistance under these programs is limited to units occupied by income-qualified homeowners and/or low income tenants. Affordability is created or maintained by restrictions on the incomes of all occupant households as well as limits on the rents that can be charged for rental units. The length of the use restriction varies depending on the funding source used but is usually at least five years.

Timeframe: The Town began discussions with a neighboring local nonprofit agency during FY2003 and will apply for State or MHFA subsidy funds at the earliest convenient funding round in FY2006 or FY2007.

Estimated Costs: The Town may have to hire a consultant or community development housing organization (CHDO) to staff the discussions and create a program structure and to prepare applications for funding. This work can be paid for with HOME administrative funds. Matching funds provided by potential abatements on property taxes will be an additional cost of the program.

Goals Achieved This strategy will help low income households to maintain the safety of their homes and to the extent it is used for rental units will preserve or create affordable rental units. Funds used for deleading will increase the supply of housing available to families with children,

including families with Section 8 vouchers. At present it is not possible to estimate how many units will be assisted during FY2006-2010.

5. Low Priority – Homeless

Currently it appears that few households or individuals in Belmont experience homelessness (see page 22). Because of this, we have made strategies to specifically assist the homeless a medium priority.

Strategy 1 – Homelessness Prevention

The Belmont Housing Authority will continue to give applicants in crisis (emergency cases) including those that are homeless due to fire or other events first priority for admission to its housing units. It estimates that approximately one family a year is admitted on this basis. In addition, the Belmont Fair Housing Committee has created a fund, capitalized by contributions made by local religious congregations and administered by local clergy, to assist families and individuals with housing related financial crises. Town department representatives and service providers also meet regularly to collaborate in helping elderly and/or disabled residents who are having trouble maintaining their residences in order to ensure they and their housing is safe.

Strategy 2 – Affordable Housing Development

As discussed above, Belmont is currently working to expand the supply of affordable housing in town through new development and preserving and upgrading existing affordable units. Increasing the supply of affordable units will help low income families and individuals avoid housing crises and the possibility of homelessness. It will also make it easier for homeless households that have received Section 8 emergency vouchers to find housing in Belmont. We expect to add 20 affordable rental units by the end of FY2007 and another 30 affordable elderly units over the next five years.

Barriers to Affordable Housing

As discussed in the Housing Needs Assessment, the primary barriers to the development of affordable housing are the high cost of acquiring existing housing and land, the limited amount of land available for development and the limited amount of time Town staff can devote to affordable housing development and preservation.

Strategy 1 –Zoning By-law Amendments

The Town has adopted an Inclusionary Housing zoning by-law to promote affordable housing production within the community. The new by-law requires all developments producing seven or more units of housing to set aside a designated minimum number as affordable units. The Town will continue to enforce and help implement the Inclusionary Housing zoning by-law. Two pending proposals will be subject to the by-law, including the development of the Belmont Uplands (300 unit rental development) and the redevelopment of the Waverley Square Fire Station (seven homeownership units). In addition, proposals relating to the redevelopment of the Our Lady of Mercy church property (closed by the Boston Archdiocese), and the development of air rights over the Waverley Square railway station, are two proposals that are in an active review stage. As other development proposals arise, the Town will ensure that the affordable housing provisions of the by-law are met.

Finally, as described above, the Town will begin a review of legalizing existing accessory apartments and permits allowing additional accessory apartments (see page 34). The passage of these amendments will require two-thirds approval by Town Meeting. If approved, it is difficult to predict how many units might be created.

Strategy 2 - Give Priority to Using Surplus Town Property for Affordable Housing

As described in detail elsewhere, the Town of Belmont has committed three parcels of property to the development of affordable housing. A small parcel on B Street will be used to develop four units of homeownership housing, three of which will be affordable. A small parcel on Brighton Street will be used to develop a single family home in collaboration with Habitat for Humanity. A 1.34 acre parcel of property will be used to develop between 25 units of mixed-income rental housing.

Strategy 3 – Seek and Utilize Additional Funding Sources

The Town will continue to seek additional funding sources to combat the high cost of housing and land in Belmont. The Town has been authorized to \$20,000 through the Soft Second Load Program and expects that authorization to continue. While no property has qualified for this funding, the Town expects that future developments will be eligible. As a member of the WestMetro HOME Consortium, the Town has access to American Dream Down Payment Assistance funding. The Consortium has agreed to pool this funding and make it available (up to 25% of the total) to any community that can take advantage of it.

Though this is an untested program in Belmont, the soon to be completed development on B Street will be eligible for this funding. The Town will also look to establish a First Time Homebuyers Program, modeling existing programs within the Consortium. This program will also require that the Town seek waivers to the purchase caps established under the HOME program. Since Brookline, Newton, and Watertown have been successful in seeking waivers, Belmont expects to be as well.

The Town will also continue to pursue state grants, though prior history that this might be futile. While none of these programs and funding sources alone will fill the large gap between affordable and market rates, a combination of them will need to be used to make a project affordable.

The Town has also been advised that the State is considering a new program to support the creation of small rental housing developments (8 units or less) in suburban communities with low percentages of affordable housing. Once this program becomes active and assuming that Belmont is eligible, the Town expects to take every opportunity to seek funding through it.

Strategy 4 –Energy Star Housing Standards for New and Substantial Rehab Units

Belmont commits that all homeownership and rental units developed either as new construction or substantial rehab by or on behalf of the Town (including the Housing Trust) will be developed to Energy Star standards. Energy Star is a system for achieving and verifying a certain level of performance with respect to energy efficiency. An Energy Star home is at least 30% more energy efficient than a comparable home built to meet the 1993 Model Energy Code (MEC).¹² These savings will increase as the cost of energy continues to rise.

HUD has recommended that all grantees and participating jurisdictions incorporate the following language into any Request for Proposals (RFP) or procurement process involving HOME and/or CDBG funds: “All new buildings and gut rehab shall be designed to meet the National Energy Five Star efficiency performance standard of 86. All procedures used for this rating (86) shall comply with National Home Energy Rating System guidelines.” Belmont agrees to incorporate this language in any future affordable housing RFP or procurement process.

In addition units developed under the auspices of the Town, Belmont will encourage, or to the maximum extent practicable require, affordable housing units developed pursuant to the Town’s Inclusionary Housing zoning by-law, or Comprehensive Permits, to be built to Energy Star standards as well.

Lead Paint

As detailed on page 24, over half (57%) of Belmont’s housing units were estimated to contain lead based paint in 2000 and approximately 40% of its housing units were estimated to contain deteriorated lead based paint. Lead based paint hazards present serious health risks to children under the age of 6 or 7. State law requires that lead paint hazards in homeowner and rental units occupied by children under 6 be removed. Given the often high cost of lead abatement, a significant number of Belmont landlords instead refuse to rent to families with young children, even though it is illegal to discriminate on that basis.

Strategy – Lead Paint Removal

As detailed on page 32, the Town will partner with a neighboring town or community group that has an established local rehabilitation agency to help Belmont homeowners and landlords locate contractors and obtain low or no-interest loans and deferred payment loans for deleading using a variety of funding sources. It will also work with the Belmont Housing Trust to publicize the

¹² Each five percent increase in efficiency results in one point on the Energy Rating above 80. A home that is built to meet the 1993 MEC, in other words, has a rating of 80. A home that is five percent more efficient has a rating of 81. A home that is 30% more efficient has a rating of 86 and qualifies as an Energy Star home.

availability of this program, noting that the state tax credit for abatement can offset rent lost during the abatement period. It is estimated that at least 2 units will be deleaded per year.

Anti-Poverty Strategy

As reflected in the other sections of this Strategic Plan, all state and federal housing funds will be used for programs that benefit extremely low, very low, low and moderate-income persons. The Section 3 program will be enforced on federally funded construction projects in an effort to promote the hiring of very low, low and moderate income Belmont residents.

Institutional Structure And Coordination

Belmont has a Board of Selectmen and representative Town Meeting form of government. A Town Administrator oversees day to day operations of town government. In late 1999, the Town approved the creation of a non-profit housing trust (Belmont Housing Trust) to facilitate the development of affordable housing as well as to undertake such housing development and rehabilitation directly. Belmont's Board of Selectmen appoints the Trust's Board of Directors. The Board includes members of the community at large, housing professionals, and a representative of the Belmont Housing Authority. When Belmont's first affordable housing units are completed, a resident of one of those units will be invited to sit as a Trustee as well.

The Town's Office of Community Development works closely with the Housing Authority and the Belmont Housing Trust to support the creation of affordable housing in Belmont. It also works with developers seeking zoning relief and can suggest various affordable housing strategies as part of a development package.

The Town and the Housing Authority have a close working relationship. The Housing Authority participates in formulating housing policy and representatives sit on the Belmont Housing Trust. The Housing Trust and Housing Authority schedule joint meetings periodically throughout the year to ensure that joint policy is pursued. The five member Board of the Housing Authority is made up of four members elected by Town election and one member appointed by the Governor. The Town, the Housing Authority and the Belmont Housing Trust are currently collaborating on the development of affordable housing on a 1.34 acre site donated to the Town adjacent to a Housing Authority development for the elderly and disabled (Waverly Oaks). The project will include the creation of up to 40 additional parking spaces, as well as traffic and pedestrian access improvements for Waverly Oaks residents. It will further add 25 affordable rental units to Belmont's affordable housing supply.

The Town will continue to partner with these entities, as well as state and federal agencies, to obtain additional funds to meet the housing needs of low and moderate income persons.

Public Housing Resident Initiatives

The Belmont Housing Authority owns no federal public housing but it does own 262 units of state-funded public housing as well as administering 45 Section 8 vouchers. Its public housing inventory includes 100 units of family public housing (Belmont Village), 154 units for the elderly and disabled at Sycamore Gardens and Waverly Oaks (together, these developments include 21 units for non-elderly disabled) and a residence for 8 developmentally disabled individuals. It has a resident advisory board for its public housing units.

The Belmont Housing Authority does not have a Family Self-Sufficiency (FSS) program, since its Section 8 allocations pre-date FSS. However, it is participating in a state program to help families in its public housing program become homebuyers. Under this state-funded rent escrow program, families put the portion of their rent payment related to work related expenses, including taxes, in an escrow account. Funds in the escrow account can be applied to the cost of purchasing a home or renting a unit in the private market. The State matches the family contribution at a rate of 50 cents in state funds for each \$1.00 deposited by the family. Tenants can accumulate up to \$10,000 in their escrow account. Two families are currently enrolled in the program and another 12 are considering participating. The Town is coordinating its efforts to develop affordable rental and homeownership housing with the Housing Authority so that units can be marketed to eligible public housing residents.

The Housing Authority is also working with the Town to create affordable assisted living units. The Town has approved development plans for a 482 unit Continuing Care Retirement Community at the McLean Hospital site. As part of the site plan approval, it is requiring the developer to make 30 of those units available to low, moderate and middle income households with incomes ranging from 50-120% of area median.

Monitoring

All projects and activities undertaken with HOME funds will be consistent with the priorities and strategies in the Consolidated Plan and Strategy. The Community Development Department will monitor all projects to ensure compliance with applicable federal, state and local regulations.