

## Introduction

This explores Truro's requirements for affordable<sup>1</sup> rental housing as required by state law.

It does not present solutions or recommendations. Rather, it provides information that is pertinent and that should be sought in order to make solid and informed recommendations and decisions.

## Truro's Subsidized Housing Inventory

Each of the 351 cities and towns in the Commonwealth is required to have 10% of its year-round housing stock be affordable. The intent of the law is to provide a fair-share distribution of affordable housing throughout the Commonwealth. The state publishes criteria about the meaning of "Affordable" and compiles a list of all communities and how they measure up against this goal.

Think of it that **a minimum of 10% of the housing stock should be affordable to middle- and lower- income households**. To count toward this 10%, affordable housing units must have a permanent or long-term restriction requiring the unit to be sold or rented to households earning less than 80% of the median income in the local area (Area Median Income or AMI).<sup>2</sup>

The "Subsidized Housing Inventory" or SHI is published annually and is used to measure a community's stock of low-or moderate-income housing<sup>3</sup>.

Generally, and in Truro's present case, a unit counts toward the SHI if:

1. it is part of an affordable housing project, and
2. that project has at least 25% units that are deemed affordable by the state

In other words, once a project has 25% of its units with rents that are affordable by a tenant making 80% or less than median income, all the units in that project then count toward the SHI. Affordable generally means the rent doesn't exceed 30% of the tenant's income. And that's true of most housing.

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<sup>1</sup> "Affordable" is an adjective that is used to describe the general concept of housing being affordable to the occupant, and a typical metric is that the rent or monthly ownership costs do not exceed 30% of income. It is also used in a capital A, Affordable sense to mean that a unit meets the guidelines for subsidized affordable housing.

<sup>2</sup> <https://www.doverma.gov/595/Affordable-Housing-Information>

<sup>3</sup> <https://www.mass.gov/service-details/subsidized-housing-inventory-shi>

"The SHI has not yet been updated to reflect 2020 Census figures. The SHI will therefore continue to reflect the 2010 Census Year-Round Housing unit figures until such data is released. As of April 27, 2022, the Census Bureau has provided a release schedule for future data sets that will include this data in May of 2023."

The figure below is a snapshot of the SHI, showing just a few of the towns, plus Truro.

Department of Housing and Community Development  
Chapter 40B Subsidized Housing Inventory (SHI)  
as of December 21, 2020\*

<b>Community</b>	<b>2010 Census Year Round Housing Units</b>	<b>Total Development Units</b>	<b>SHI Units</b>	<b>%</b>
Abington	6,364	662	629	9.9%
Acton	8,475	1,440	894	10.5%
Acushnet	4,097	125	95	2.3%
Adams	4,337	324	324	7.5%
Agawam	12,090	618	618	5.1%
Alford	231	0	0	0.0%
Amsbury	7,041	787	706	10.0%
Townsend	3,356	184	145	4.3%
Truro	1,090	25	25	2.3%
Tyngsborough	4,166	847	469	11.3%

The most recent SHI (as of 12/21/2020) listed Truro as having 1,090 year-round housing units, and 25 affordable units. With the permitting of the 39 units of Cloverleaf<sup>4</sup>, that raises the year-round housing units to  $1090 + 39 = 1129$ , and the number of affordable units to  $25 + 39 = 64$ .

That then brings Truro's index (SHI) up to  $64 / 1129 = 5.7\%$ .

## Truro's Numbers

## How does Truro compare to other communities in the region?

The table below lists the results as of the end of 2020 for Outer and Lower Cape communities. These eight towns can be considered the *region* as they are within 45 minutes' drive time, which is a feasible commute.

<sup>4</sup> Includes Cloverleaf's 39 units in process.

<https://www.chapa.org/sites/default/files/40%20B%20fact%20sheet%200.pdf>

“Changes to the law allow towns to count units as soon as a comprehensive permit is issued rather than waiting until a building or occupancy permit is issued.”

Community	2010 Census Year Round Housing Units	Total Development Units	SHI Units	%	Drive Mins
<b>Outer Cape</b>					
Truro <sup>4</sup>	1129	64	64	5.7%	
Provincetown	2122	254	206	9.7%	11
Wellfleet	1550	38	38	2.5%	12
Eastham	2632	128	119	4.5%	22
<b>Lower Cape</b>					
Orleans	3290	326	296	9.0%	27
Brewster	4803	368	268	5.6%	36
Harwich	6121	333	333	5.4%	43
Chatham	3460	182	176	5.1%	44
<b>TOTAL</b>	<b>25107</b>	<b>1693</b>	<b>1500</b>	<b>6.0%</b>	

Truro is 3rd out of 8 in SHI percent achievement.

How many year-round affordable units does Truro still need to *meet* its 10% goal?

**If Truro were to add 55 qualifying units<sup>5</sup>, it would then be at 10.1%.  
Of those units, 14 (25%) would have to be Affordable.**

This would then make Truro the leader on the Outer and Lower Cape. It would also rank Truro at #77 on the state-wide list of 351 communities, or in the 78th percentile state-wide -- the upper quartile of cities and towns.

And Truro will then have met its regional fair share obligations under the statute<sup>6</sup>.

<sup>5</sup> Total year-round units would then be 1184, and SHI units of 119 = 10.1%

In rental developments meeting certain thresholds of affordability, the SHI includes the market-rate units as well as the affordable units.

<sup>6</sup> <https://www.mass.gov/doc/chapter-40b-handbook-for-zoning-boards-of-appeal-march-2017/download>

### What about growth in other year-round housing in Truro?

If Truro were to instead add 66 affordable units, we could allow for approximately 20% growth, and still meet our 10% goal. Of those units, 17 (25%) would have to be Affordable, and up to 49 could be for workforce (market-rate) housing.

### How much land is required for those units?

Land requirements for 66 units depends on the type of units and their design, and their density. Density is closely tied to Truro's values and rural and coastal character, and the need to protect the sole source aquifer upon which Truro and Provincetown rely for drinking water. A thoughtful design that pays attention to these considerations would play a role in determining the ultimate density of any development.

If these were built in accordance with the Truro bylaws, 66 units would require  $\frac{1}{4}$  acre per bedroom. This Board of Health regulation is designed to insure that Truro's density does not produce more nitrogen than the aquifer can tolerate and still provide a safe level of drinking water.

If these units averaged 2 bedrooms, that would be 132 bedrooms, which would require 33 acres.

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