

SELECT BOARD

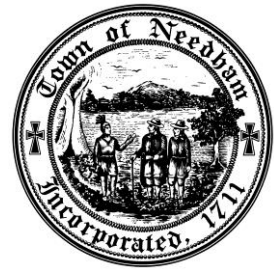
Meeting Agenda

6:00 p.m. January 24, 2023

NEEDHAM TOWN HALL

Select Board Chambers & Zoom

REVISED



Pursuant to Chapter 22 of the Acts of 2022, meetings of public bodies may be conducted virtually provided that adequate access is provided to the public.

To listen and view this virtual meeting on a phone, computer, laptop, or tablet, download the “Zoom Cloud Meeting” app in any app store or at www.zoom.us. At the above date and time, click on “Join a Meeting” and enter the meeting or click the link below to join the webinar: <https://us02web.zoom.us/j/89097265273?pwd=WGNlNDlWZ3Nuc1FlQXp6bUsoU3VQdz09>

Passcode: 582516

One tap mobile: +16469313860,,89097265273#

Webinar ID: 890 9726 5273

	6:00	Public Comment Period Citizens are encouraged to inform the Office of the Town Manager in advance via email (OTM@needhamma.gov), telephone (781) 455-7500 extension 204, or in person by the end of the business day prior to the meeting of their intent to participate in the public comment period. The Chair will first recognize those who have communicated in advance their desire to speak for up to three minutes. If time allows, others wishing to speak will be recognized in an order determined by the Chair for up to three minutes. The Board’s policy on public participation in meetings can be found here.
1.	6:00	Public Hearing Continued 12/06/22: Alteration of Premises – Needham Food and Beverage, LLC d/b/a The Heights • Brian Hughes, Applicant Counsel • Jennifer Hartley, Manager
2.	6:00	Public Hearing: Removal of three (3) Public Shade trees at St. Sebastian’s Country Day School, 1191 Greendale Ave. • Edward Olsen, Tree Warden, Parks & Forestry Superintendent
3.	6:00	Public Hearing: ABCC Amendment Application for Change of Officers and Change of Stock Interest – Gordon’s Fine Wines of Needham, Inc. d/b/a Gordon’s Fine Wines • Thomas Miller, Applicant Counsel
4.	6:20	HRC Complaint Resolution • Tina Burgos, Chair, Human Rights Committee • Marlene Schultz, Member, Human Rights Committee

5.	6:40	Castle Farm/484 Charles River Street Project Jack Dawley, President, Northland Residential
6.	7:30	Town Manager - Housing Plan Approval - Determination of Unique Status - Budget Presentation - Town Manager Report
7.	8:00	Board Discussion - Liberty Tree Vote - FY2023 – FY2024 Goal Statement Revision - Committee Reports

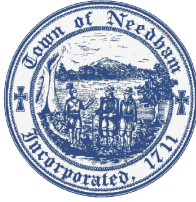
APPOINTMENTS

1.	Shane Mark, Assistant Director of Public Works	PPBC User Representative, DPW Feasibility Study: Indefinite term
2.	Barry Dulong, Director of Building Maintenance	PPBC User Representative, DPW Feasibility Study: Indefinite term

CONSENT AGENDA *=Backup attached

1.	Accept the following donations made to the Needham Community Revitalization Trust Fund: \$100 from Marcus Hughes, \$400 from Edward & Carol De Lemos, and \$3500 from Sullivan and Company, Inc.
2.*	Approve 20B Exemptions for the following individual to engage in work with the Needham Public Health Department; Carol Oberle.
3.*	Approve a One Day Special License for Steve Volante of Volante Farms for Saturday, February 11, 2023, 12:00-4:00PM for a Grand Wine & Cheese Tasting event. The event will be held at Volante Farms, 292 Forest Street, Needham. All documents are in order. Police Department approved the events.
4.*	Approve a One Day Special License for Steve Volante of Volante Farms for Saturday, March 4, 2023, 12:00-4:00PM for a Grand Beer Tasting event. The event will be held at Volante Farms, 292 Forest Street, Needham. All documents are in order. Police Department approved the events.
5.*	Approve a request from Patrick DeMaio race coordinator from the Needham Athletic Booster Club, NHS Boosters Club Rocket Run to hold a race in Needham. The event is scheduled for Sunday, March 19, 2023, 8:00am. The event and route have been approved by the following departments: Fire, Police, DPW, Park & Recreation
6.*	Approve a request from Jessica Rice race coordinator from the Jog Your Memory 5K Run to hold a race in Needham. The event is scheduled for Sunday, September 10, 2023. The event and route have been approved by the following departments: Fire, Police, DPW, Park 7 Recreation.
7.	Accept the following donations from The Needham Free Public Library; Fifteen Spanish language children's books (estimated value \$201), from Danielle Rodriguez on behalf of Lucas and Mateo Pacheco; \$100 from Susan Kaplan; \$500 from Heather & Andrew Marsh; and <i>Magic Menorah</i> , by Jane Breskin Zalben, <i>Bronze Bow</i> , by Elizabeth George Speare, <i>Redfield Farm</i> , by Judith Redline

	Coopey, and <i>Hershel and the Hanukkah Goblins</i> , by Eric Kimmel (total estimated value \$44), from Linda and Bob Asher.
8.	Accept the following donations made to the Needham Public Health's Gift of Warmth Program; \$100 from Ann MacFate, \$750 from Michael Campanella (PEX Health & Fitness), \$50 from Carol & Michael Abedon, \$50 from Monica Granucci.
9.	Accept the following donations made to the Needham Public Health's Domestic Violence Action Committee; \$100 from Ann MacFate, \$100 from the Blum Family.
10.	Accept the following donation made to the Needham Public Health's Traveling Meals Program; \$300 from Ann MacFate.
11.	Accept the following donation made to The Needham Aging Services Division; \$100 from the Professional Musicians Club, Inc.
12.	Upon the resignation of Walter F. McDonough, the Needham Select Board votes to direct the Town Clerk to place the position of Assessor on the April 11, 2023 Annual Town Election ballot for the unexpired term ending April 15, 2025.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 01/24/2023

Agenda Item	Public Hearing Continued 12/06/2022 – Alteration of Premises in an All-Alcoholic License in a Hotel – Needham Food and Beverage, LLC d/b/a The Heights – 200 First Street
Presenter(s)	Brian Hughes, Applicant Counsel Jennifer Harley, Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
Needham Food and Beverage, LLC holds the hotel liquor license for The Heights located at 200 First Street, which currently includes as licensed premises approximately 1,568 sq. ft. on the first floor of the hotel consisting of bar and dining seating for approximately 86 patrons. Mr. Hughes has submitted a license amendment to increase the licensed premises to include the first-floor buffet and dining seating area, small market area, front desk, lobby, meeting space and 9 guest rooms, floors 2 through 6 each feature a total of 134 guest rooms. A legal notice was advertised in the Hometown Weekly on November 24, 2022 and abutters were notified, as required by the ABCC.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested Motion: That the Board vote to (approve / deny) amendment for alteration of premises received from Needham Food and Beverage LLC, d/b/a The Heights. If approved, vote to forward the approved Alcohol License application to the ABCC for its review and final approval.</i>	
3.	BACK UP INFORMATION ATTACHED
a. Amendment Application b. Floorplans c. Corporate Vote d. Legal Notice e. Abutter Listing	



The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3, Chelsea, MA 02150-2358
www.mass.gov/abcc

RETAIL ALCOHOLIC BEVERAGES LICENSE APPLICATION
MONETARY TRANSMITTAL FORM

AMENDMENT-Change or Alteration of Premises Information

APPLICATION SHOULD BE COMPLETED ON-LINE, PRINTED, SIGNED, AND SUBMITTED TO THE LOCAL
LICENSING AUTHORITY.

ECRT CODE: RETA

Please make \$200.00 payment here: [ABCC PAYMENT WEBSITE](#)

PAYMENT MUST DENOTE THE NAME OF THE LICENSEE CORPORATION, LLC, PARTNERSHIP, OR INDIVIDUAL AND INCLUDE THE
PAYMENT RECEIPT

ABCC LICENSE NUMBER (IF AN EXISTING LICENSEE, CAN BE OBTAINED FROM THE CITY)

ENTITY/ LICENSEE NAME **NEEDHAM FOOD AND BEVERAGE, LLC**

ADDRESS **2 LAKESHORE CENTER**

CITY/TOWN **BRIDGEWATER**

STATE **MA**

ZIP CODE **02324**

For the following transactions (Check all that apply):

- | | | | |
|---|---|---|---|
| ☐ New License | ☐ Change Corporate Name | ☐ Change of Class (i.e. Annual / Seasonal) | ☐ Change Corporate Structure (i.e. Corp / LLC) |
| ☐ Transfer of License | ☐ Change of DBA | ☐ Change of License Type (i.e. club / restaurant) | ☐ Change of Hours |
| ☐ Change of Manager | ☒ Alteration of Licensed Premises | ☐ Change of Category (i.e. All Alcohol/Wine, Malt) | ☐ Pledge of Collateral (i.e. License/Stock) |
| ☐ Change of Officers/Directors | ☐ Change of Location | ☐ Issuance/Transfer of Stock/New Stockholder | ☐ Management/Operating Agreement |
| ☐ Change of Ownership Interest | ☐ Other | | |

THE LOCAL LICENSING AUTHORITY MUST SUBMIT THIS
APPLICATION ONCE APPROVED VIA THE ePLACE PORTAL

Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3
Chelsea, MA 02150-2358

Payment Confirmation

YOUR PAYMENT HAS PROCESSED AND THIS IS YOUR RECEIPT

Your account has been billed for the following transaction. You will receive a receipt via email.



Transaction Processed Successfully.

INVOICE #: 5d8f07e1-c68f-45b4-ab3a-f4566c0b60e4

Description	Applicant, License or Registration Number	Amount
FILING FEES-RETAIL	03799-RS-0770	\$200.00
		\$200.00

Total Convenience Fee: \$4.70

Date Paid: 10/20/2022 2:52:10 PM EDT

Total Amount Paid: \$204.70

Payment On Behalf Of

License Number or Business Name:
03799-RS-0770

Fee Type:
FILING FEES-RETAIL

Billing Information

First Name:
Edmund

Last Name:
Brennan

Address:
174 Dean St., Unit B

City:
Taunton

State:
MA

Zip Code:
02780

Email Address:
bhughes@brasm.com



The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3, Chelsea, MA 02150-2358
www.mass.gov/abcc

AMENDMENT-Change or Alteration of Premises Information

☐ **Change of Location**

- Payment Receipt
- Monetary Transmittal Form
- Chg of Location/Alteration of Premises Application
- Financial Statement
- Vote of the Entity
- Supporting financial records
- Legal Right to Occupy
- Floor Plan
- Abutter's Notification
- Advertisement

☒ **Alteration of Premises**

- Payment Receipt
- Monetary Transmittal Form
- Chg of Location/Alteration of Premises Application
- Financial Statement
- Vote of the Entity
- Supporting financial records
- Legal Right to Occupy
- Floor Plan
- Abutter's Notification
- Advertisement

1. BUSINESS ENTITY INFORMATION

Entity Name	Municipality	ABCC License Number
NEEDHAM FOOD AND BEVERAGE, LLC	NEEDHAM	03799-RS-0770

Please provide a narrative overview of the transaction(s) being applied for. Attach additional pages, if necessary.

We are applying for the ability to sell alcoholic beverage (liquor, beer & wine) to all areas within the hotel. We are not applying to make any physical alterations to the premises.

APPLICATION CONTACT

The application contact is the person who should be contacted with any questions regarding this application.

Name	Title	Email	Phone
BRIAN J. HUGHES	Attorney	[REDACTED]	508-822-0178

2. ALTERATION OF PREMISES

2A. DESCRIPTION OF ALTERATIONS

Please summarize the details of the alterations and highlight any specific changes from the last-approved premises.

No physical alterations would take place. We would expand alcohol sales to all areas of the hotel.

2B. PROPOSED DESCRIPTION OF PREMISES

Please provide a complete description of the proposed premises, including the number of floors, number of rooms on each floor, any outdoor areas to be included in the licensed area, and total square footage. You must also submit a floor plan.

The hotel has of 6 floors. The currently licensed premises are on the first floor. The proposed new area would include the first floor buffet and dining seating area, small market area, front desk, lobby, meeting space and 9 guest rooms. Floors 2 through 6 each feature a total of 134 guest rooms.

Total Sq. Footage	107,776	Seating Capacity	36	Occupancy Number	72 (plus guest room)
Number of Entrances	4	Number of Exits	4	Number of Floors	6

AMENDMENT-Change or Alteration of Premises Information

3. CHANGE OF LOCATION

3A. PREMISES LOCATION

Last-Approved Street Address

Proposed Street Address

3B. DESCRIPTION OF PREMISES

Please provide a complete description of the premises to be licensed, including the number of floors, number of rooms on each floor, any outdoor areas to be included in the licensed area, and total square footage. You must also submit a floor plan.

Total Sq. Footage

Seating Capacity

Occupancy Number

Number of Entrances

Number of Exits

Number of Floors

3C. OCCUPANCY OF PREMISES

Please complete all fields in this section. Please provide proof of legal occupancy of the premises. (E.g. Deed, lease, letter of intent)

Please indicate by what means the applicant has to occupy the premises

Landlord Name

Landlord Phone

Landlord Email

Landlord Address

Lease Beginning Date

Rent per Month

Lease Ending Date

Rent per Year

Will the Landlord receive revenue based on percentage of alcohol sales?

☐ Yes ☐ No

4. FINANCIAL DISCLOSURE

Associated Cost(s): (i.e. Costs associated with License Transaction including but not limited to: Property price, Business Assets, Renovations costs, Construction costs, Initial Start-up costs, Inventory costs, or specify other costs):

Associated Cost(s):

\$0.00 for renovations. Premises are as existing and no physical alterations are proposed.

SOURCE OF CASH CONTRIBUTION

Please provide documentation of available funds. (E.g. Bank or other Financial Institution Statements, Bank Letter, etc.)

Name of Contributor	Amount of Contribution
Total	

SOURCE OF FINANCING

Please provide signed financing documentation.

Name of Lender	Amount	Type of Financing	Is the lender a licensee pursuant to M.G.L. Ch. 138.
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No

APPLICANT'S STATEMENT

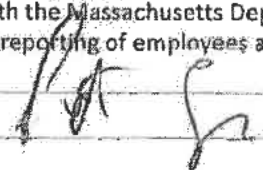
I, Patrick Carney, Jr. the: ☐ sole proprietor; ☐ partner; ☐ corporate principal; ☒ LLC/LLP manager
Authorized Signatory

of Needham Food and Beverage, LLC
Name of the Entity/Corporation

hereby submit this application (hereinafter the "Application"), to the local licensing authority (the "LLA") and the Alcoholic Beverages Control Commission (the "ABCC" and together with the LLA collectively the "Licensing Authorities") for approval.

I do hereby declare under the pains and penalties of perjury that I have personal knowledge of the information submitted in the Application, and as such affirm that all statements and representations therein are true to the best of my knowledge and belief. I further submit the following to be true and accurate:

- (1) I understand that each representation in this Application is material to the Licensing Authorities' decision on the Application and that the Licensing Authorities will rely on each and every answer in the Application and accompanying documents in reaching its decision;
- (2) I state that the location and description of the proposed licensed premises are in compliance with state and local laws and regulations;
- (3) I understand that while the Application is pending, I must notify the Licensing Authorities of any change in the information submitted therein. I understand that failure to give such notice to the Licensing Authorities may result in disapproval of the Application;
- (4) I understand that upon approval of the Application, I must notify the Licensing Authorities of any change in the ownership as approved by the Licensing Authorities. I understand that failure to give such notice to the Licensing Authorities may result in sanctions including revocation of any license for which this Application is submitted;
- (5) I understand that the licensee will be bound by the statements and representations made in the Application, including, but not limited to the identity of persons with an ownership or financial interest in the license;
- (6) I understand that all statements and representations made become conditions of the license;
- (7) I understand that any physical alterations to or changes to the size of the area used for the sale, delivery, storage, or consumption of alcoholic beverages, must be reported to the Licensing Authorities and may require the prior approval of the Licensing Authorities;
- (8) I understand that the licensee's failure to operate the licensed premises in accordance with the statements and representations made in the Application may result in sanctions, including the revocation of any license for which the Application was submitted; and
- (9) I understand that any false statement or misrepresentation will constitute cause for disapproval of the Application or sanctions including revocation of any license for which this Application is submitted.
- (10) I confirm that the applicant corporation and each individual listed in the ownership section of the application is in good standing with the Massachusetts Department of Revenue and has complied with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting of child support.

Signature: 

Date: 9/28/22

Title: Manager

ADDITIONAL INFORMATION

Please utilize this space to provide any additional information that will support your application or to clarify any answers provided above.

We are asking that the currently licensed premises be expanded to include the whole hotel. If allowed, beer, wine and liquor would continue to be sold from the bar/lounge area, and, from the small retail market area located near the front desk. The market has no street facing windows. The proposed premises expansion is purely as an amenity for hotel guests. All staff members who would be authorized to sell alcohol would be TIPS certified.

ENTITY VOTE

The Board of Directors or LLC Managers of

Needham Food and Beverage, LLC

Entity Name

duly voted to apply to the Licensing Authority of

Needham

City/Town

and the

Commonwealth of Massachusetts Alcoholic Beverages Control Commission on

09/28/2022

Date of Meeting

For the following transactions (Check all that apply):

☒ Alteration of Licensed Premises

☐ Change of Location

☐ Other

"VOTED: To authorize

Patrick Carney, Jr.

Name of Person

to sign the application submitted and to execute on the Entity's behalf, any necessary papers and do all things required to have the application granted."

A true copy attest,



Corporate Officer / LLC Manager Signature

Patrick Carney, Jr.

(Print Name)

For Corporations ONLY

A true copy attest,

Corporation Clerk's Signature

(Print Name)



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

Charles D. Baker
GOVERNOR

Karyn E. Polito
LT. GOVERNOR



405140436

Rosalin Acosta
SECRETARY

Connie C. Carter
INTERIM DIRECTOR

CLAREMONT COMPANIES LLC
2 Lakeshore Ctr
Bridgewater, MA 02324-1060

EAN: 22130419
October 11, 2022

Certificate Id:63338

The Department of Unemployment Assistance certifies that as of 10/11/2022 ,CLAREMONT COMPANIES LLC is current in all its obligations relating to contributions, payments in lieu of contributions, and the employer medical assistance contribution established in G.L.c.149,§189.

This certificate expires in 30 days from the date of issuance.

Connie C. Carter, Interim Director

Department of Unemployment Assistance



Commonwealth of Massachusetts
Department of Revenue
Geoffrey E. Snyder, Commissioner

mass.gov/dor

Letter ID: L0799669184
Notice Date: October 7, 2022
Case ID: 0-001-717-994



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



NEEDHAM FOOD AND BEVERAGE LLC
200 1ST AVE
NEEDHAM MA 02494-2805

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, NEEDHAM FOOD AND BEVERAGE LLC is in compliance with its tax obligations under Chapter 62C of the Massachusetts General Laws.

This certificate doesn't certify that the taxpayer is compliant in taxes such as unemployment insurance administered by agencies other than the Department of Revenue, or taxes under any other provisions of law.

This is not a waiver of lien issued under Chapter 62C, section 52 of the Massachusetts General Laws.

What if I have questions?

If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 9:00 a.m. to 4:00 p.m..

Visit us online!

Visit mass.gov/dor to learn more about Massachusetts tax laws and DOR policies and procedures, including your Taxpayer Bill of Rights, and MassTaxConnect for easy access to your account:

- Review or update your account
- Contact us using e-message
- Sign up for e-billing to save paper
- Make payments or set up autopay

Edward W. Coyle, Jr., Chief
Collections Bureau



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$500.00

Secretary of the Commonwealth, Corporations Division
 One Ashburton Place, 17th floor
 Boston, MA 02108-1512
 Telephone: (617) 727-9640

Certificate of Organization

(General Laws, Chapter)

Identification Number: 001285931

1. The exact name of the limited liability company is: NEEDHAM FOOD AND BEVERAGE, LLC

2a. Location of its principal office:

No. and Street: 1 LAKESHORE CENTER
 City or Town: BRIDGEWATER State: MA Zip: 02324 Country: USA

2b. Street address of the office in the Commonwealth at which the records will be maintained:

No. and Street: 1 LAKESHORE CENTER
 City or Town: BRIDGEWATER State: MA Zip: 02324 Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:

OWNING AND OPERATING A BAR AND RESTAURANT AND ALL OTHER LAWFUL BUSINESS.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: ELIAS PATOUCHEAS
 No. and Street: 1 LAKESHORE CENTER
 City or Town: BRIDGEWATER State: MA Zip: 02324 Country: USA

I, ELIAS PATOUCHEAS resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.

6. The name and business address of each manager, if any:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	ELIAS PATOUCHEAS	1 LAKESHORE CENTER BRIDGEWATER, MA 02324 USA

7. The name and business address of the person(s) in addition to the manager(s), authorized to execute documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code

8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	ELIAS PATOUCHEAS	1 LAKESHORE CENTER BRIDGEWATER, MA 02324 USA

9. Additional matters:

SIGNED UNDER THE PENALTIES OF PERJURY, this 9 Day of August, 2017,
ELIAS PATOUCHEAS

(The certificate must be signed by the person forming the LLC.)

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

August 09, 2017 02:14 PM

A handwritten signature in cursive script, reading "William Francis Galvin". The signature is written in dark ink and is centered on the page.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: \$500.00

Secretary of the Commonwealth, Corporations Division
 One Ashburton Place, 17th floor
 Boston, MA 02108-1512
 Telephone: (617) 727-9640

Annual Report

(General Laws, Chapter)

Identification Number: 001285931

Annual Report Filing Year: 2022

1.a. Exact name of the limited liability company: NEEDHAM FOOD AND BEVERAGE, LLC

1.b. The exact name of the limited liability company as amended, is: NEEDHAM FOOD AND BEVERAGE, LLC

2a. Location of its principal office:

No. and Street: TWO LAKESHORE CENTER
 City or Town: BRIDGEWATER State: MA Zip: 02324 Country: USA

2b. Street address of the office in the Commonwealth at which the records will be maintained:

No. and Street: TWO LAKESHORE CENTER
 City or Town: BRIDGEWATER State: MA Zip: 02324 Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:

OWNING AND OPERATING A BAR AND RESTAURANT AND ALL OTHER LAWFUL BUSINESS.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: PATRICK CARNEY, JR.
 No. and Street: TWO LAKESHORE CENTER
 City or Town: BRIDGEWATER State: MA Zip: 02324 Country: USA

6. The name and business address of each manager, if any:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	PATRICK CARNEY JR	TWO LAKESHORE CENTER BRIDGEWATER, MA 02324 USA
MANAGER	FRANCIS XJ LYNCH	605 NORTH OLIVE AVENUE, 2ND FLOOR WEST PALM BEACH, FL 33401 USA

7. The name and business address of the person(s) in addition to the manager(s), authorized to execute documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code

8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	PATRICK CARNEY JR	TWO LAKESHORE CENTER BRIDGEWATER, MA 02324 USA
REAL PROPERTY	FRANCIS XJ LYNCH	605 NORTH OLIVE AVENUE, 2ND FLOOR WEST PALM BEACH, FL 33401 USA

9. Additional matters:

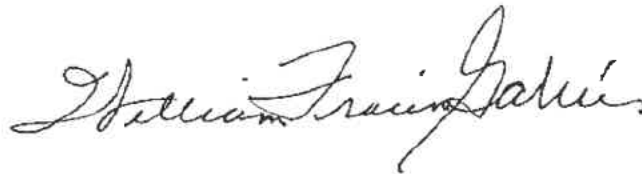
**SIGNED UNDER THE PENALTIES OF PERJURY, this 5 Day of October, 2022,
PATRICK CARNEY, JR. , Signature of Authorized Signatory.**

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are

deemed to have been filed with me on:

October 05, 2022 11:13 AM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive style with a large, stylized "G" at the end.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth



December 2, 2022

Needham Select Board
Needham Town Hall
1471 Highland St.
Needham, MA 02492

Re: Application for Liquor License Amendment for Needham Food and Beverage, LLC d/b/a
"The Heights" 200 First Avenue, Needham

Dear Select Board Members:

Please find enclosed herewith a copy of the Lease with regard to the above-referenced premises. This was approved by the Board in 2017, when the original application for licensure was filed. An executed copy cannot be found but one would be provided upon approval of the current application.

Feel free to call if you have any questions or concerns. Thank you.

Very truly yours,

/s/ Brian J. Hughes
Brian J. Hughes

COMMERCIAL LEASE

This LEASE entered into this _____ day of August 2016, by and between **CLAREMONT NEEDHAM SUITES, LLC**, a Delaware limited liability company with a principal place of business of 1 Lakeshore Center C/O The Claremont Company, Inc. Bridgewater, MA 02324 ("**Landlord**"), and **NEEDHAM FOOD AND BEVERAGE, LLC**, having a business address of 1 Lakeshore Center C/O The Claremont Company, Inc. Bridgewater, MA 02324 USA ("**Tenant**").

ARTICLE 1 - Grant and Description of Premises Landlord, for and in consideration of the covenants and agreements hereinafter set forth to be kept and performed by both parties hereto, demises and leases to Tenant, bar/restaurant space (the "**Premises**") in the building located at and known as 200 First Avenue, Needham, Massachusetts 02494 (hereinafter the "**Building**"), together with the right to use in common with others entitled thereto, the areas designated for the common use of all Tenants of the Building.

ARTICLE 2 - Commencement and Length of Term: The Lease shall be for a term commencing on the date that the Tenant takes possession of the Premises (the "**Commencement Date**") and terminating ten (10) years from said Commencement Date, unless sooner terminated or extended as hereinafter expressly provided (said period is referred to as "**Initial Term**" and said Initial Term together with any renewal periods is referred to as "**Term**"). Tenant and Landlord covenant and agree that the Commencement Date shall occur on January 1, 2018 and Terminating on December 31, 2027.

ARTICLE 3 - Renewal Options: Provided Tenant is not in default of any of its obligations hereunder which have not been cured prior to the renewal period, Tenant is hereby granted the right to renew this Lease for two (2) successive five (5) year renewal periods (the "**Renewal Period**"). To exercise such options, Tenant shall give to Landlord written notice at least six (6) months prior to the expiration of the Initial Term or any renewal period of the Term, which notice shall be delivered by first class mail.

ARTICLE 4 – Rent: Tenant shall pay a minimum rent ("**Basic Rent**") as follows: during the Initial Term, the Basic Rent shall be paid at a rate of Twelve-Thousand (\$12,000.00) annually, prepaid in monthly installments of One-Thousand (\$1,000.00) Dollars:

ARTICLE 5 - Taxes, Utilities and Other Charges: Landlord agrees to pay its pro rata share of all general and special taxes, including existing and future assessments of any kind or nature, lawfully imposed by any governmental authority upon the Building and all operating expenses assessed to the Building (the taxes and operating expenses are collectively referred to as "Taxes"). Tenant shall pay when due all general and special taxes imposed upon all fixtures, equipment and personal property of every type which Tenant maintains in the Premises directly to the taxing authority. Commencing on the Commencement Date, charges for all utility services to the Premises, including, but not limited to, gas, steam, electricity, water, sewer and telephone charges (collectively "Utilities") shall be included in the amount for Basic Rent.

ARTICLE 6 - Landlord's Right To Cure: If Tenant shall at any time fail to pay any amounts required in this Lease or to take out, pay for, maintain, or deliver any of the insurance policies provided for in this Lease, or shall fail to perform any other act on its part to be made or performed under this Lease, then Landlord, without waiving or releasing Tenant from any obligation of Tenant contained in this Lease, may (but shall be under no obligation to): (1) pay any tax or assessment so payable by Tenant, or (2) take out, pay for and maintain any of the insurance policies provided for in this Lease, or (3) after ten (10) days' written notice to Tenant (or immediately and without notice in situations involving potential danger to the health or safety of persons in, on or about the Premises or a threat of deterioration of, or damage to, the Premises), make any other payments or perform or cause to be performed any act on Tenant's part to be made or performed as in this Lease provided, and may enter upon the Premises for any such purpose and take all such action thereon as may be necessary therefor. All sums so paid by Landlord and costs and expenses incurred by Landlord in connection with the performance of any such act shall be paid by Tenant to Landlord on demand as if the same were additional rent hereunder (and nonpayment of which shall have the same consequences as nonpayment of rent).

ARTICLE 7 – INTENTIONALLY OMITTED

ARTICLE 8 - Use of Premises: Subject to the restrictions hereinbelow, Tenant shall have the right to use the Premises solely for the purpose of operating a bar/restaurant business (the foregoing use is hereinafter referred to as "Permitted Use"). Any expansion or alteration of the Permitted Use of the Premises shall be subject to Landlord's prior written consent and subject to all applicable laws, ordinances and regulations. Any knowing and willing use of the Premises by Tenant or Tenant's employees, or agents for any illegal activity, which results in a criminal conviction, shall be grounds for immediate termination of the Lease by the Landlord. Tenant shall adhere to all of the following in its Permitted Use of the Premises:

(a) Tenant agrees promptly to comply with all laws, ordinances, orders and regulations affecting the Premises and the cleanliness, safety, operation and use thereof. Tenant also agrees to comply with the requirements and reasonable recommendations of any insurance company, inspection bureau or similar agency providing services to Landlord with respect to the Premises. Tenant agrees not to permit any use that overloads the applicable utility lines servicing the Premises.

(b) Tenant agrees not to: (i) make any use of or allow the Premises to be used in any manner or for any purpose that might invalidate or increase the rate of the Landlord's insurance thereof; (ii) use the Premises for any purpose whatsoever which might create a public nuisance; (iii) cause structural damage; (iv) commit or suffer any waste; (v) discharge any hazardous waste, oil or toxic substances on the Premises; (vi) permit offensive odors; (vii) use the Premises or operate Tenant's business in violation of any law, ordinance, rule, by-law, code or regulation of any governmental authority; or (viii) permit any nude entertainment to be conducted on the Premises.

Failure of Tenant to strictly adhere to the provisions of this Article 8 shall be deemed a Default Event by Tenant under Article 18 hereof and Landlord shall be entitled to pursue all remedies provided in this Lease resulting from such Default Event.

ARTICLE 9 – Utilities: Landlord shall have no obligation to provide Utilities other than the Utilities and equipment within the Premises as of the Commencement Date. In the event Tenant requires additional Utilities or equipment, the installation and maintenance thereof shall be the Tenant's sole obligation, provided that such installation shall be subject to the prior written consent of the Landlord, which consent shall not be unreasonably withheld and/or delayed. No interruption or discontinuance of any Utility, or inability to obtain same, regardless of the nature of the cause shall be deemed an eviction or disturbance of Tenant, relieve Tenant from any obligation under this Lease, or create any liability on the part of Landlord. Tenant agrees to indemnify Landlord against any damage caused by overloading of any Utility system on the Premises or connected with same.

ARTICLE 10 - Condition, Improvements, Repairs and Maintenance:

10.1 **Walk-thru of the Premise.** Tenant shall conduct a walk-thru of the Premises within 3 – 5 business days of the Commencement Date of this Lease. Premises shall be in the same condition as of the date of this Agreement, reasonable wear and tear expected.

10.2 **Condition of Premises.** Tenant accepts the Premises "as is" in the condition in which it is on the date of the execution of this Lease. Except as otherwise provided in Section 10.6 below, Tenant acknowledges that Tenant shall be responsible, at its sole cost and expense, for making all necessary leasehold improvements required to make the Premises suitable for the Permitted Use and for bringing the Premises into full compliance with all applicable laws for Tenant's Permitted Use of the Premises ("**Tenant's Work**").

10.3 **Improvements to the Premises.** Provided that no emergency exists (such as bursting pipes and the like), Tenant shall not commence any Tenant's Work nor make any alterations, improvements and/or additions to the Premises (collectively "**Improvements**") without first providing Landlord with detailed plans for any Tenant's Work and obtaining, in each instance, the written consent of Landlord, such consent not to be unreasonably withheld or delayed. Any Tenant's Work and any such Improvements by Tenant shall be made in accordance with all applicable laws and shall be in a good and workmanlike manner and in accordance with the provisions of this Lease. Any Tenant's Work and any Improvements made by Tenant upon the Premises and which in any manner are attached to the floors, walls or ceilings (including, without limitation, any linoleum or other floor covering of similar character which may be cemented or otherwise adhesively affixed to the floor and any electrical, plumbing, heating, ventilating and/or air-conditioning systems and equipment) shall remain upon the Premises, and at the termination of this Lease shall be surrendered with the Premises as part thereof without disturbance, molestation or injury. However, the usual trade fixtures, furniture and equipment not currently located in the Premises, which may be installed in the Premises during the Term hereof at the cost of Tenant shall be removed by Tenant from the Premises upon termination of this Lease. Further, Tenant covenants and agrees, at its sole cost and expense, to repair any and all damage to the Premises resulting from or caused by such removal. In any event, any trade fixtures, equipment, furniture and other personal property which remain in the Premises following the expiration or earlier termination of the Term hereof, at Landlord's option, may thereafter be removed and stored at the cost of Tenant, or retained as the property of Landlord or sold or otherwise disposed of by Landlord, in any such case without any liability to or recourse by Tenant or anyone claiming by, through or under Tenant. All Tenant's Work and Improvements shall conform to all

applicable statutes, ordinances, regulations, codes and requirements of Landlord's and Tenant's underwriters. Landlord's approval of plans and specifications shall not constitute an acknowledgment that work done in conformity therewith will so conform, and Tenant shall be solely responsible for corrections in Tenant's Work and Improvements required by any governmental agency or insurance underwriters. Tenant shall obtain and convey to Landlord approvals from all agencies with jurisdiction over matters relative to electrical, gas, water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. Landlord reserves the right to require changes in Tenant's Work and Improvements when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the Premises.

10.3 Insurance Related to Improvements. Prior to commencement of any Tenant's Work and/or Improvements and until completion thereof, Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form covering Landlord, Landlord's agents, servants or employees, Tenant and Tenant's contractors, as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all Tenant's Work and/or Improvements, and all materials stored at the site of Tenant's Work and/or Improvements. In addition, Tenant agrees to require all contractors and subcontractors engaged in the performance of Tenant's Work and/or Improvements to effect and maintain, and deliver to Tenant and Landlord, certificates evidencing the existence of, prior to commencement of any Tenant's Work and/or Improvements and until completion thereof, the following insurance coverages:

(a) Worker's Compensation Insurance - In accordance with the laws of The Commonwealth of Massachusetts, including Employer's Liability Insurance, with limits as required by law.

(b) Comprehensive public liability insurance in the same form and limits as Tenant is required under Article 13.1 of this Lease to carry or in such greater amounts as the Landlord may reasonably determine and hereafter from time to time advise Tenant in writing.

Prior to commencement of any Tenant's Work and/or Improvements, Tenant shall deliver to Landlord certificates of all required insurance, and evidence of the payment of premiums thereon (and certificates of renewal, and evidence of premium payments with reference thereto, where appropriate). All such certificates shall state that the same is non-cancellable and non-amendable without thirty (30) days' prior written notice to Landlord.

10.4 Mechanic's Liens. Tenant shall promptly pay all contractors and materialmen hired by Tenant to furnish any labor or materials for such Tenant Work and/or Improvements. Should any lien be made or filed, Tenant shall bond against or discharge same within ten (10) days after the lien is made or filed. If Tenant shall fail to cause such lien forthwith to be so discharged or bonded after being notified of the filing thereof, then, in addition to any other right or remedy of Landlord, Landlord may discharge the same by paying the amount claimed to be due, and the amount so paid by Landlord and all costs and expenses, including reasonable attorneys' fees, incurred by Landlord in procuring the discharge of such lien, shall be due and payable by Tenant to Landlord as additional rent on the first day of the next month following receipt of a bill from Landlord itemizing its costs. Tenant agrees to save and hold Landlord harmless from any loss, cost or suit brought by any person for injuries sustained, or property damage arising out of Tenant's Work and/or Improvements to the Premises.

10.5 Tenant Repairs and Maintenance. Tenant covenants throughout the Term, at its sole cost and expense, to keep the Premises, inside and outside, and all leasehold improvements, fixtures

and equipment therein, and all signs of Tenant erected thereon, in good repair and condition, making all repairs thereto in a timely fashion or as Landlord may reasonably request from time to time in furtherance of this Article. All repairs are to be in a good and workmanlike manner. Tenant's responsibility hereunder, at its sole cost and expense, shall include, without limitation, repair and replacement in a workmanlike manner all of the following property: all mechanical equipment required for operation of the Premises, all fixtures and equipment within the Premises. The provisions of this Article shall not require Tenant to make capital improvements to the structural parts of the Building, including the foundation, bearing walls and columns, roof or utility lines outside the Building, unless the condition necessitating such capital improvements to the structural parts have been caused by Tenant, its agents, servants or invitees. Tenant shall, at its sole cost and expense, arrange for rubbish removal and for janitorial services with respect to the Premises. If Tenant refuses or neglects to make such repairs or to maintain the Premises as provided herein in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant reasonable written notice, except in situations deemed to be emergency situations by Landlord, to make such repairs or perform such maintenance on behalf of and for the account of Tenant, and Tenant shall pay Landlord's costs and expenses of such work as additional rent on the first day of the month following receipt of a bill from Landlord therefore.

10.6 Landlord Maintenance and Repairs. Landlord shall, within a reasonable period after receipt of notice from Tenant, make or cause to be made necessary structural repairs to the exterior walls (but excluding plate glass and signs) and shall keep in good order, condition and repair the exterior foundations of the Premises and the plumbing located within the common areas and/or outside of the Building. Landlord shall not be required to make any such repairs or installations where the need for same are necessitated, caused or occasioned by (i) any act or omission or negligence of Tenant or its employees, agents, invitees, licensees, visitors or contractors, or (ii) fire or other casualty or condemnation, except as provided in Article 14. Landlord agrees to provide the following improvements to the premises:

- (a) None

10.7 Intentionally omitted.

10.8 Landlord's Access. Upon reasonable notice to Tenant and at reasonable times, Landlord may enter upon the Premises to inspect, maintain and repair the Premises if Landlord reasonably believes that Tenant has not adequately done so, and to charge to Tenant the cost thereof. Tenant agrees to pay said charges when and if such charges are presented for payment.

ARTICLE 11 - Additional Covenants of Tenant: Tenant also agrees and covenants with Landlord throughout the Term of the Lease:

- (a) To pay all Basic Rent and additional rent at the times and in the manner set forth herein.
- (b) To provide Landlord upon reasonable written request with evidence that it has paid all taxes and assessments required hereunder, including without limitation, all state and federal sales taxes.
- (c) To comply promptly with all applicable laws, rules, regulations, by-laws, ordinances, requirements and orders of governmental authorities, boards of fire underwriters, Massachusetts Department of Revenue, Massachusetts Alcohol Beverage Control Commission and similar organizations.

(d) To make all structural and non-structural repairs, alterations, additions or replacements to the Premises required under the terms of this Lease, or as shall become required during the Term, by the terms of this Lease or by any law, rule, order, regulation or requirement of any public authority (or the fire insurance rating association having jurisdiction).

ARTICLE 12 - Quiet Enjoyment: Provided Tenant is not in default, Tenant shall have the peaceable and quiet enjoyment and possession of the Premises during the Term hereof without any hindrance or molestation from Landlord, its agents, servants or employees.

ARTICLE 13 - Insurance and Indemnification:

13.1 Landlord's Insurance. At all times during the Term of this Lease, Landlord will maintain, in commercially reasonable amounts, (a) fire and extended coverage insurance on the Building, and (b) public liability and property damage insurance.

13.2 Tenant's Insurance. Tenant, at its own cost and expense, shall obtain and maintain in full force and effect during the Term of this Lease, policies of insurance covering the following risks:

(a) Fire and extended coverage insuring the Premises and all leasehold improvements and equipment (exclusive of the Tenant's own equipment) in the Premises in an amount equivalent to the "full replacement cost" of the thereof (excluding foundation and excavation costs) and all of Tenant's equipment, trade fixtures, appliances, furniture, and personal property from time to time, on or upon the Premises. Landlord may demand that the "full replacement cost" shall be determined from time to time during the Term hereof at the request of Landlord by an appraiser, engineer, architect or contractor designated by Landlord, paid for by Tenant and approved in writing by Landlord. No omission on the part of Landlord to request any such determination shall relieve Tenant of any of its obligations under this Article 13.

(b) Comprehensive public liability insurance including product liability insurance, property damage insurance and personal property insurance in amounts not less than \$1,000,000 with respect to injuries to one person and \$1,000,000 with respect to injuries suffered in any one accident, or such higher limits as may be reasonably required by Landlord from time to time.

(c) Business interruption insurance in amounts sufficient to prevent Tenant from becoming a co-insurer thereof, and to assure the continuance of the operating income and profit of Tenant's business at the Premises during any period in which Tenant is unable to conduct such business in the Premises, or any part thereof, by reason of loss or damage due to fire or other casualty, the elements, civil commotion or riot, or any other cause, whether insured or uninsured.

Such policies shall name Landlord, any other parties in interest designated by Landlord, and Tenant as the insured party, and shall contain a clause that the insurer shall not cancel such policies without thirty (30) days prior written notice to Landlord and shall be issued by insurers licensed to sell casualty and property insurance in The Commonwealth of Massachusetts. On or before the Commencement Date and at least thirty (30) days before any such policy shall expire, Tenant shall deliver a certificate of such insurance coverage to Landlord.

13.3 Compliance. Tenant shall not violate or permit violation of any of the conditions and provisions contained in the insurance policies provided for hereunder. Tenant shall perform and satisfy the requirements of the insurance company writing any such policy, so that at all times insurance companies of good standing shall be willing to write or to continue such insurance policies.

13.4 Waivers of Subrogation. Landlord and Tenant each hereby release the other, to the extent of their insurance coverage, from any and all liability for any loss or damage caused by fire or any of the extended coverage casualties or any other casualty insured against, even if such fire or other casualty shall be brought about by the fault or negligence of the other or its agents, provided however, this release shall be in force and effect only with respect to loss or damage occurring during such time as the policies covering such loss or damage shall contain a clause to the effect that this release shall not affect said policies or the right to recover thereunder. Landlord and Tenant agree that their fire and other casualty insurance policies will include such a clause so long as the same is includable without extra cost, or if an extra cost is chargeable therefor, so long as the other pays such extra cost. If an extra cost is chargeable therefor, the insured will advise the other party of the cost. The other party at its election may pay the same, but shall not be obligated to do so.

13.5 Indemnification. Notwithstanding its insurance obligations, Tenant shall indemnify and save harmless Landlord and its officers, directors, shareholders, managers, employees and agents against and from (a) all claims of any kind or nature by or on behalf of any person arising out of (i) any condition of the Premises, or (ii) the construction, reconstruction, improvement, use, occupancy, conduct or management of or from any work or anything done or omitted to be done in or about the Premises, or (iii) any accident, injury or damage to any person or property occurring in or about the Premises resulting from the operation of Tenant's business at the Premises or for any other reason whatsoever, or (iv) any breach or default by Tenant of any of its obligations hereunder, or (v) any act or omission of Tenant or any of its agents, contractors, servants, employees, or licensees, and (b) all costs, counsel fees, expenses or liability reasonably incurred in connection with any such claim or action or proceeding brought thereon. If any action or proceeding is brought against Landlord or any such member, manager, officer, employee or agent by reason of any indemnified claim, Landlord shall give Tenant notice of the action or proceeding and Tenant shall defend such action or proceeding. Subject to the foregoing, Landlord shall cooperate and join with Tenant as may be required in connection with any action taken or defended by Tenant.

ARTICLE 14 - Fire or Other Casualty:

14.1 Partial Damage. In the event that during the Term hereof the Premises shall be partially damaged (as distinguished from "substantially damaged", as that term is hereinafter defined) by fire or other casualty, Landlord shall forthwith proceed to repair such damage and restore the Premises to substantially their condition at the time of such damage. Notwithstanding anything in the prior sentence to the contrary, Landlord shall not be responsible for any delay which may result from any cause beyond Landlord's reasonable control and Landlord shall not be obligated to spend for such repairs and restoration an amount in excess of any insurance proceeds paid to Landlord for such damage or destruction.

14.2 Substantial Damage. In the event that during the Term hereof the Premises shall be substantially damaged or destroyed by fire or other casualty, the risk of which is covered by insurance payable to Landlord, this Lease shall remain in full force and effect so long as the net insurance proceeds payable to Landlord for such damage is sufficient in Landlord's determination to restore the Premises to substantially the same condition as prior to the fire or other casualty. The Landlord shall promptly, after the determination and receipt of the net amount of insurance proceeds available to Landlord, expend so much as may be necessary of such net amount of insurance to restore the Premises to substantially the same condition, but Landlord shall not be responsible for any delay which may result from any cause beyond the reasonable control of

Landlord. Should the net amount of insurance proceeds available to Landlord be insufficient to cover the cost of restoring the Premises in the sole and absolute estimate of Landlord, Landlord may, but shall have no obligation to, supply the amount of such insufficiency and restore the Premises with all reasonable diligence or Landlord may terminate this Lease by giving written notice to Tenant not later than thirty (30) days after Landlord has determined the estimated net amount of insurance proceeds available to Landlord and the estimated cost of such restoration. In case of substantial damage or destruction, as a result of a risk which is not covered by insurance available to Landlord, Landlord shall be entitled to rebuild the Premises, all as aforesaid, unless Landlord, within sixty (60) days after the occurrence of such event, gives written notice to Tenant of Landlord's election to terminate this Lease. If Landlord shall elect to terminate this Lease, as aforesaid, this Lease and the Term hereof shall cease and come to an end as of the date of said damage or destruction. Notwithstanding anything in this Article 14 to the contrary, if Landlord sends notice of termination to Tenant pursuant to the terms of this Paragraph and Tenant notifies Landlord within fourteen (14) days after receipt of Landlord's notice that Tenant desires to continue the Lease, the Lease shall not terminate but Tenant shall be responsible for paying to Landlord for all costs required to restore the Premises to the condition the Premises were in prior to the fire or casualty which are not covered by insurance available to Landlord ("Excess Uninsured Costs"). Landlord shall be entitled to require the Excess Uninsured Costs be paid in advance by Tenant as a condition to reinstating the Lease. Notwithstanding anything in this Article 14 to the contrary, if the Premises are substantially damaged Tenant shall have the option to terminate this Lease by written notice to Landlord if (i) Landlord fails to give notice within sixty (60) days of the casualty of its intention to restore the Premises; or (ii) Landlord fails to proceed to restore the Premises to a condition substantially suitable for their intended use within one hundred twenty (120) days of the date of such casualty.

14.3 Tenant's Obligations. Unless this Lease is terminated as provided in Article 14.2, if the Premises shall be damaged or destroyed by fire or other casualty, then Tenant shall: (i) repair and restore all portions of the Premises not required to be restored by Landlord pursuant to this Article 14 to substantially the condition which such portions of the Premises were in at the time of such casualty; (ii) equip the Premises with trade fixtures and all personal property necessary or proper for the operation of Tenant's business; and (iii) open for business in the Premises as soon thereafter as possible.

14.4 Basic Rent and additional rent Abated. In the event that the provisions of Article 14.1 or Article 14.2 of this Lease shall become applicable, the Basic Rent and additional rent shall be abated or reduced during any period in which, by reason of such damage or destruction, there is substantial interference with the operation of the business of Tenant in the Premises.

14.5 Damage Definition. The terms "substantially damaged" and "substantial damage", as used in this Article, shall have reference to damage of such a character as cannot be reasonably expected to be repaired or the Premises restored within sixty (60) days from the time that such repair or restoration work would be commenced.

14.6 Termination. Notwithstanding anything herein to the contrary, in the event that the entire Premises, or a substantial portion thereof such that the remainder is rendered unsuitable for the Permitted Uses, or access to the Premises shall be taken by any public authority or for any public use or shall be destroyed or damaged by fire or casualty or by the action of any public authority, then this Lease may be terminated at the election of either of the parties. Such election is to be made by either party by giving written notice to the other party within thirty (30) days after the date of such damage or taking first accrued.

ARTICLE 15 – Condemnation: If the whole of the Premises shall be acquired or condemned under eminent domain proceedings, then the Term of this Lease shall cease and terminate when the Premises are taken. All payment obligations of Tenant hereunder shall cease on said termination date. In the event of a taking of a portion of the Premises and as a result of said taking the total floor area remaining in the Premises shall be reduced to less than seventy-five percent (75%) of the total floor area in the Premises at the commencement of the Term hereof, then at the election of Tenant, this Lease may be terminated as of the date when Tenant is required to vacate the portion of the Premises so taken. In the event Tenant remains in operation, all rent shall be reduced pro rata and Landlord shall, within six (6) months after said condemnation, rebuild the Premises on the space available, unless delayed through causes beyond its control, including the attainment of taking or insurance proceeds for the same; in which case Landlord shall rebuild the Premises in as diligent a manner as possible. Notwithstanding anything in the prior sentence to the contrary, Landlord shall not be responsible for any delay which may result from any cause beyond Landlord's reasonable control and Landlord shall not be obligated to spend for such repairs and restoration an amount in excess of any insurance or taking proceeds paid to Landlord for such taking.

In any event, Tenant shall have no claim against Landlord by reason of such taking or termination and shall not have any claim or right to any portion of the amount that may be awarded or paid to Landlord as a result of any such taking; provided, however, nothing contained herein shall prevent Tenant from applying for reimbursement from the condemning authority (if permitted by law) for moving expenses, or removal of trade fixtures, or reimbursement for the undepreciated costs of the leasehold improvements made by the Tenant to the Premises or loss of business goodwill. Except as aforesaid, the entire compensation awarded in or by reason of said eminent domain proceedings shall belong to Landlord without any deduction therefrom for any present or future estate or interest of Tenant and Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all such compensation together with any and all rights, estate and interest of Tenant now existing or hereafter arising in and to the same or any part thereof.

ARTICLE 16 - Assignment-Subletting: Tenant shall not assign, mortgage, pledge or encumber this Lease nor sublet all or any part of the Premises nor allow any other party to occupy all or any portion of the Premises without the prior written consent of Landlord, such consent not to be unreasonably withheld or delayed. No assignment of this Lease or sublet of the Premises shall release Tenant or any guarantor from their obligations hereunder or under any previously executed guaranty. Notwithstanding anything in this Lease to the contrary, Tenant shall have no right to assign or sublet all or any portion of the Premises if Tenant is in default of its obligations under the Lease at the time that Tenant desires to assign or sublet all or any portion of the Premises. Tenant shall reimburse Landlord on demand for all costs incurred by Landlord (including without limitation legal fees and expenses) in reviewing and/or approving Tenant's request for an assignment of this Lease or sublet of the Premises including the preparation and/or review of all documentation in connection therewith.

As used herein, the term "assign" or "assignment" shall be deemed to include, without limitation: (a) any transfer of Tenant's interest in the Lease by operation of law; (b) any transfer of Tenant's interest in the Lease by merger or consolidation of Tenant with or into any other firm, corporation or other entity; (c) the transfer or sale of a controlling interest in Tenant by sale or other transfer of its stock from the stockholders as of the date hereof to any outside party; (d) a sale of all or substantially all of the Tenant's assets, including this Lease; or (e) any such other similar transaction entered into by Tenant or its stockholders as Landlord shall determine in its sole discretion. Tenant's request for Landlord's consent to subletting or assignment shall be submitted in writing and Landlord's consent, which consent shall not be unreasonably withheld and/or

delayed, shall be granted at Landlord's sole discretion provided the prospective assignee or sublessee shall agree to pay Landlord the greater of all amounts reserved in this Lease or that agreed upon between Tenant and the prospective assignee or sublessee. Tenant shall have no right to collect such greater amount, if any, from the proposed assignee or sublessee, but rather the same shall belong to Landlord. If this Lease is assigned, or if the Premises or any part thereof are sublet or occupied by anybody other than Tenant, Landlord may collect all amounts due hereunder from the assignee, sublessee or occupant, and apply the net amount collected to all amounts due hereunder, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or the acceptance of the assignee, sublessee or occupant as a tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. The consent by Landlord to an assignment or subletting shall not in any way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or subletting.

ARTICLE 17 - Subordination and Estoppel: This Lease shall at all times be subject and subordinate to the lien of any mortgage, trust deed or any ground lease now or hereafter placed upon the Building or the Premises, and Tenant covenants and agrees to execute and deliver, upon reasonable notice, such further instruments subordinating this Lease to the lien of any such instruments as shall be desired by Landlord, or any mortgagee or trustees under trust deeds. The provisions of this paragraph shall be self-operative and no further instrument shall be required; provided, however, in confirmation thereof, Tenant shall execute such further assurance as may be requested. Tenant further, to the extent not prohibited by law, waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event any such foreclosure proceeding is brought, prosecuted or completed. Within ten (10) days after request by Landlord, Tenant agrees to deliver an estoppel certificate to any proposed mortgagee or purchaser, or to Landlord, certifying (if such be the case) that this Lease is in full force and effect and that there are not defenses or offsets thereto, or stating those claimed by Tenant.

ARTICLE 18 – Default: Tenant shall be in default under this Lease upon the happening of any of the following events ("**Default Event**"):

- (a) Tenant fails to pay Basic Rent, additional rent or any other amounts due from Tenant throughout this Lease within ten (10) days after notice from Landlord provided, that Landlord shall not be required to give notice more than two (2) times in any consecutive twelve (12) month period;
- (b) Tenant violates any of the other terms, conditions or covenants herein contained if Tenant fails to cure the same within thirty (30) days from the date of written notice of such default, or such longer period of time as is reasonably necessary to cure if such violation cannot be cured within thirty (30) days provided Tenant has expeditiously commenced curing such default within said thirty (30) day period and is diligently, in Landlord's judgment, pursuing said cure;
- (c) Tenant becomes insolvent or makes any assignment for the benefit of creditors;
- (d) Tenant files, or has filed against it/him, any petition under any bankruptcy or similar laws which is not discharged within sixty (60) days of said filing;
- (e) Tenant's assets are levied upon in anticipation of a sheriff's or constable's sale thereof, which levy is not satisfied prior to the proposed sale date;

- (f) a receiver is appointed for Tenant's business;
- (g) Tenant fails to pay any taxes due which shall become a lien on any of Tenant's assets, which lien is not discharged within sixty (60) days;
- (h) Tenant admits in writing its/his inability to pay its/his debts generally as they become due; or
- (i) Tenant fails to notify Landlord as specified in Article 11(c) hereinabove.

Upon the happening of a Default Event, Landlord may declare the Term of this Lease terminated, and pursue all legal and equitable remedies available to it under the laws of the Commonwealth of Massachusetts resulting from Tenant's breach, including, but not limited to, re-entering the Premises by summary proceedings or otherwise, expelling Tenant and removing all of Tenant's property therefrom or bringing an action to recover all rents and other charges due hereunder from Tenant for the remaining Term of the Lease. In addition, Landlord shall be entitled to all costs incurred as a result of Tenant's breach, including, but not limited to, all reasonable attorneys' fees incurred to correct such default and/or to pursue all remedies available to Landlord. Any assessment of legal fees will be extended to remedies available to the tenant also.

Upon and after entry into possession without terminating this Lease, Landlord may, but shall not be obligated to, relet all or any part of the Premises for the account of Tenant for such rent and upon such terms and to such person, firm or corporation and for such period or periods as Landlord in Landlord's sole discretion shall determine. Landlord shall not be required to accept any prospective lessee offered by Tenant, or to observe any instruction given by Tenant about such reletting. For the purpose of such reletting, Landlord may decorate or make repairs, changes, alterations or additions in or to the Premises to the extent deemed by Landlord desirable or convenient and charge Tenant for such costs. All consideration received by Landlord for reletting the Premises shall be the sole property of Landlord. If the consideration collected by Landlord upon any such reletting for Tenant's account is not sufficient to pay the rental and Tenant's other obligations reserved in this Lease and all of Landlord's other costs and expenses of any kind or nature related to the reletting of the Premises, Tenant agrees to pay to Landlord the deficiency upon demand.

The failure of Landlord to insist in any one or more instances upon the performance of any of the covenants or conditions of this Lease or to exercise any right or privilege herein conferred shall not be construed as thereafter waiving or relinquishing Landlord's right to the performance of any such covenants, conditions, rights or privileges, and the same shall continue and remain in full force and effect, and the waiver of any default or right shall not constitute waiver of any other default, and the receipt of any rent by Landlord from Tenant or any assignee of Tenant, or of any portion thereof, shall not operate as a waiver therein contained, of any of Landlord's rights hereunder unless evidenced by Landlord's written waiver thereof. Landlord shall in no event be in default in the performance of any of its obligations hereunder unless and until Landlord shall have failed to perform such obligations within thirty (30) days, or such additional time as may be reasonable under the circumstances to correct any such default, after written notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation.

ARTICLE 19 - Expiration of Term: Tenant, at the expiration of the Term hereof or any prior termination as herein provided, shall remove its goods and effects and peaceably yield up the Premises in the same condition and repair as the Premises were in at the commencement of the

Term hereof or as may have been put in thereafter, loss by or ordinary wear and tear and eminent domain excepted, but in any event clean and tenantable and free of occupants and subject, in any event, to Tenant's obligations under Articles 10.2, 10.4 and 11(e), provided that if any such removal of its goods and effects causes any damage to the Premises, Tenant shall promptly repair the same at its sole cost and expense. Any property, fixtures or equipment of Tenant remaining on the Premises after termination hereof shall be deemed to be abandoned and may be removed and disposed of by Landlord as Landlord shall determine, and Landlord shall charge the cost of such removal and any repairs or replacements to the Premises necessitated thereby to Tenant.

ARTICLE 20 – Notices: All notices required to be sent under the provisions of this Lease to Landlord and Tenant by one another shall be in writing and sent by U.S. mail, certified, return receipt requested, or by hand delivery or overnight mail to the parties at the address listed above.

Either party may, at any time, in the manner set forth for giving notices to the other, set forth a different address to which notice to it may be sent.

ARTICLE 21 – Recording: This Lease shall not be recorded, but a short form notice of this Lease shall be recorded upon the request of either party. The parties hereto agree that upon such request by the party, the other party will execute whatever instruments may be necessary for the recording of said short form.

ARTICLE 22 - Successors and Assigns: This Lease shall be binding upon and shall inure unto the benefit of the parties hereto and their respective legal representatives, heirs, successors and permitted assigns, including all permitted subtenants. Each subtenant or assignee shall, as a pre-condition to Landlord's approval of Tenant's sub-letting the Premises or assigning this Lease, execute such written instruments as Landlord shall reasonably require evidencing its agreement to be bound by every term of this Lease, provided that such an agreement shall not operate to release Tenant from its obligations hereunder.

ARTICLE 23 - No Personal Liability: No officers, directors, shareholders, trustees, employees, and agents of Landlord shall be personally liable for any obligation of Landlord hereunder and all parties hereto and all other persons shall look solely to the assets of Landlord for the satisfaction of any obligation of Landlord hereunder. Tenant specifically agrees to look solely to Landlord's interest in the Building for the recovery of any judgments from Landlord, it being agreed that Landlord (and its members, venturers, and partners, and all of their officers, directors, and employees) will never be personally liable for any such judgments.

ARTICLE 24 – Intentionally Omitted.

ARTICLE 25 - Governing Law, Jurisdiction and Interpretation: The laws of The Commonwealth of Massachusetts shall govern the validity, performance and enforcement of this Lease. The parties agree that any actions brought under this Lease shall be brought only in the State or Federal Courts located in Boston, Massachusetts. If any provision of this Lease is held to be invalid, such invalid provision shall be deemed to be severable from and shall not affect the validity of the remainder of this Lease.

ARTICLE 26 – Signs. The Landlord shall be responsible for supplying and installing all signage to tenant at its own cost and expense. Tenant shall submit to Landlord, for Landlord's prior written approval (such approval not to be unreasonably withheld or delayed), the design and specifications for any sign identifying the name and business of Tenant to be erected at the Premises during the Term. Such sign shall conform to the rules and regulations of the Town of Needham and any other applicable law, rule, ordinance or code as may be enacted and binding upon the Premises during the Term of the Lease.

ARTICLE 27 – Entire Agreement. This Lease and the exhibits attached hereto and forming a part hereof, set forth all of the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the Premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as herein set forth.

ARTICLE 28 – Amendments. No amendments, modifications of or supplements to this Lease shall be effective unless in writing, executed and delivered by Landlord and Tenant.

ARTICLE 29 – No Waiver. The waiver by Landlord of any agreement, condition, or provision contained in this Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Lease, nor will any custom or practice that may grow up between the parties in the administration of the terms of this Lease be construed to waive or lessen the right of Landlord to insist upon the performance by Tenant in strict accordance with the terms of this Lease. The subsequent acceptance of rent by Landlord will not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition, or provision of this lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

ARTICLE 30 – Landlord's Fees and Expenses. If the Landlord makes any expenditures or incurs any obligations for the payment of money in connection therewith, arising out of or resulting from any act or omission by the Tenant with respect to this Lease or the Premises, including but not limited to, reasonable attorney's fees in instituting, prosecuting or defending any action or proceeding, such sums paid or obligations incurred, with interest at the rate of fifteen (15%) per cent per annum and costs, shall be paid to the Landlord by the Tenant as additional rent.

ARTICLE 31 – Notice of Landlord's Default. In the event of any alleged default in the obligation of Landlord under this Lease, Tenant will deliver to Landlord written notice and Landlord will have thirty (30) days following receipt of such notice to cure such alleged default or, in the event the alleged default cannot reasonably be cured within a thirty (30) day period, to commence action to cure such alleged default within such thirty (30) day period.

ARTICLE 32 – Holding Over. Tenant will have no right to remain in possession of all or any part of the Premises after the expiration of the Term. If Tenant remains in possession of all or any part of the Premises after the expiration of the Term, with the express or implied consent of Landlord: (i) such tenancy will be deemed to be a periodic tenancy from month-to-month only; (ii) such tenancy will not constitute a renewal or extension of this Lease for any further term; and (iii) such tenancy may be terminated by Landlord upon the earlier of thirty (30) days prior written notice or the earliest date permitted by law. In such event, monthly Basic Rent will be increased to an amount equal to two hundred percent (200%) of the monthly Basic Rent payable during the last month of the Term, and any other sums due under this Lease will be payable in the amount

and at the times specified in this Lease. Such month-to-month tenancy will be subject to every other term, condition, and covenant contained in this Lease.

[SIGNATURE PAGES TO FOLLOW]

[THE REMAINDER OF THE PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Lease on the date first above written.

LANDLORD:

CLAREMONT NEEDHAM SUITES, LLC

By: _____
Elias Patoucheas, Manager

TENANT:

NEEDHAM FOOD AND BEVERAGE, LLC

By: _____
Elias Patoucheas, Manager

ISSUED FOR SPECIAL PERMIT PROPOSED HOMEWOOD SUITES HOTEL 200 FIRST AVENUE NEEDHAM, MA

OWNER:
CLAREMONT NEEDHAM SUITES, LLC
ONE LAKESHORE CENTER
BRIDGEWATER, MA 02324

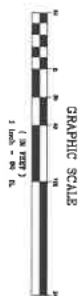
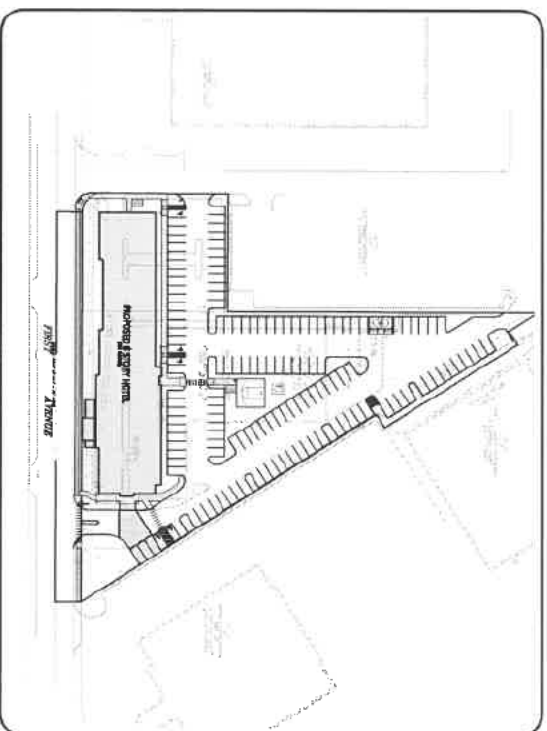
DESIGN/BUILD FIRM / ARCHITECT /
AUTHORIZED AGENT
OPECHEE CONSTRUCTION CORPORATION
11 CORPORATE DRIVE
BELMONT, NH 03220
(603)-527-9090

CIVIL ENGINEER
ALLEN & MAJOR ASSOCIATES, INC.
10 MAIN STREET
LAKEVILLE, MA 02347-1674
(508)-923-1010

GEOTECHNICAL ENGINEER
JOHN TURNER CONSULTING, INC.
66 SOUTHGATE STREET
WORCESTER, MA 01603

TRAFFIC ENGINEER
McMAHON ASSOCIATES
45 BROMFIELD STREET, 6TH FLOOR
BOSTON, MA 02108
(617)-556-0020

LANDSCAPE ARCHITECT
ELM GROVE PROPERTY SOLUTIONS, LLC
1910 ELM STREET
MANCHESTER, NH 03104



AM

ALLEN & MAJOR
ASSOCIATES, INC.
10 MAIN STREET
LAKEVILLE, MA 02347-1674
(508)-923-1010
www.allenmajor.com
LANDSCAPE ARCHITECT
MANCHESTER, NH 03108
EXHIBITION 000000

LIST OF DRAWINGS			
DRAWING TITLE	SHEET NO.	ISSUED	REVISED
ALTMACHSI LAND TITLE SURVEY	1	12-11-2015	
ABBREVIATIONS & NOTES	ABB-1 & ABB-2	5-9-2016	
EXISTING CONDITIONS PLAN	C-0	5-9-2016	
SITE PREPARATION PLAN	C-1	5-9-2016	
LAYOUT & MATERIALS PLAN	C-2	5-9-2016	
GRADING & DRAINAGE PLAN	C-3A - C-3B	5-9-2016	
UTILITIES PLAN	C-4	5-9-2016	
DETAILS	DET-1 TO DET-3	5-9-2016	
FIRST & SECOND FLOOR PLANS	A1.01	5-9-2016	
THIRD & FOURTH FLOOR PLANS	A1.02	5-9-2016	
FIFTH & SIXTH FLOOR PLANS	A1.03	5-9-2016	
SOUTH & WEST ELEV. BUILDING ELEV.	A2.01	5-9-2016	
NORTH & EAST ELEV. BUILDING ELEV.	A2.02	5-9-2016	
SITE LAYOUT LONGITUDINAL CROSS VIEWS	A3.01	5-9-2016	
LANDSCAPE PLANTING PLAN	L1.01	5-9-2016	
LANDSCAPE PLANTING & HARDSCAPE DETAILS	L1.02	5-9-2016	
LIGHTING PHOTO-METRIC PLAN & DETAILS	L1.03	5-9-2016	

ISSUED FOR SPECIAL PERMIT

MADE 9, 2016

PROFESSIONAL ENGINEER FOR
ALLEN & MAJOR ASSOCIATES, INC.

MADE 9, 2016

PLAN NORTH
1 FIRST FLOOR PLAN
3/27 - 1/17



ROOM MATRIX

Room	Area	Count	Notes
Office	1000	10	
Meeting Room	1000	10	
Conference Room	1000	10	
Lounge	1000	10	
Kitchen	1000	10	
Dining Area	1000	10	
Restroom	1000	10	
Storage Room	1000	10	
Central Corridor	1000	10	

2 SECOND FLOOR PLAN
3/27 - 1/17



Homewood Suites

1st Avenue
Needham, Massachusetts



FIRST & SECOND FLOOR PLANS
A1.01

ISSUED:
05-09-16 PLANNING BOARD SUBMISSION

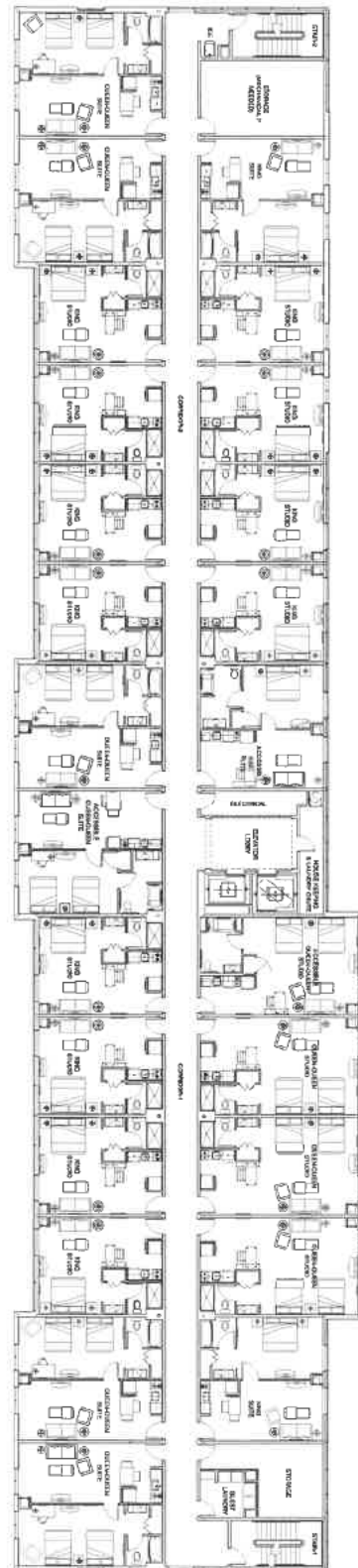
REVISION:

PROJECT: 1st Avenue
KAC
JLD

PLAN
NORTH
1
THIRD FLOOR PLAN
3/8" = 1' = 0"



2
FOURTH FLOOR PLAN
3/8" = 1' = 0"



THIRD & FOURTH FLOOR PLANS Issue: 05/12/16 A1.02	ISSUED: 05-09-16 PLANNING BOARD SUBMISSION PROJECT: Homewood Suites ARCHITECT: K&K LTD	REVISION: 1. 05/12/16	Homewood Suites 1st Avenue Needham, Massachusetts	HOPECHIE ARCHITECTS 1000 WASHINGTON STREET, SUITE 200 BOSTON, MA 02111 617.552.1000
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LEGAL NOTICE



Town of Needham
Application for Alteration of
Premises for an All-Alcohol License

Notice is hereby given pursuant to Massachusetts General Laws, Chapter 138, that Needham Food and Beverage, LLC d/b/a The Heights, Jennifer Hartley, Manager, has applied for an alteration of licensed premises of the following kind: to expand the liquor license to be expanded to the whole hotel; from the bar lounge area and to expand to the small retail market area near the front desk, located at 200 First Avenue, Needham, MA.

IT IS ORDERED that a public hearing be held for said application on December 6, 2022, at 6:00 p.m. The Select Board invites all residents and interested parties to provide input at this meeting that will be held in person, Select Board Chambers, Town Hall, and via Zoom.

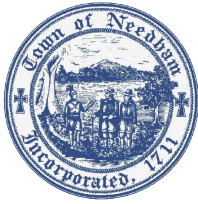
2x3 Town of Needham - Alteration of Premises 11-24-22

(11-24-22 HTW)

**200 FIRST AVENUE
300 FEET**

PARCEL ID	OWNER NAME 1	OWNER NAME 2	MAILING ADDRESS	CITY	ST	ZIP
199/300.0-0031-0000.0	NEEDHAM DEVELOPMENT CORP TR		116 HUNTINGTON AVE STE 6 BOSTON	MA	MA	02116-
199/300.0-0032-0000.0	FORTY A LIMITED PARTNERSHIP		P.O. BOX 95	WESTWOOD	MA	02090-
199/300.0-0053-0000.0	JMDH REAL ESTATE OF NEEDHAM, LLC		15-24 132 ST	COLLEGE POINT	NY	11356-
199/300.0-0074-0002.0	NBCBOSTON REAL ESTATE LLC	ATTN: PROPERTY TAX	ONE COMCAST CENTER 32ND PHILADELPHIA		PA	19103-
199/300.0-0028-0002.0	NEEDHAM TRAVEL PROPERTY LLC	400 FIRST AVE	ATTN: NORMANDY REAL EST, NEEDHAM		MA	02494-
199/300.0-0028-0003.0	NORMANDY GAP-V DEVELOPMENT	NEEDHAM, LLC	53 MAPLE AVE	MORRISTOWN	NJ	07960-5219
199/300.0-0033-0001.0	DIGITAL 128 FIRST AVENUE, LLC		128 FIRST AVE	NEEDHAM	MA	02494-
199/300.0-0048-0000.0	NICOLAZZO, CHARLES G.& NICOLAZZO, GIA A.,	BIGELOW REALTY TRUST	50 TOWER RD	NEWTON	MA	02464-
199/300.0-0073-0000.0	DIGITAL CABOT LLC		128 FIRST AVE	NEEDHAM	MA	02494-
199/300.0-0030-0000.0	300 FIRST AVE REALTY LLC		180 WELLS AVE STE 100	NEWTON	MA	02459-
199/300.0-0033-0002.0	PARTNERS HEALTHCARE SYSTEM, INC	PRUDENTIAL TOWER 800 BOYLSTON ST.	SUITE 1150	BOSTON	MA	02119-
199/300.0-0047-0000.0	CLAREMONT NEEDHAM SUITES LLC		ONE LAKESHORE CT	BRIDGEWATER	MA	02324-
199/300.0-0033-0000.0	DIGITAL FIRST AVENUE, LLC		128 FIRST AVENUE	NEEDHAM	MA	02494-
199/300.0-0054-0000.0	MCMANUS, JAMES H. III, TRUSTEE	ONE FIRST AVENUE REALTY TRUST	86 WASHINGTON STREET UN HOLLISTON		MA	01746-
199/300.0-0074-0001.0	MCPF-NEEDHAM LLC		1 MET LIFE WAY ATTN: GENE WHIPPANY		NJ	07981-
199/300.0-0028-0004.0	NORMANDY GAP-V DEVELOPMENT	NEEDHAM, LLC	53 MAPLE AVE	MORRISTOWN	NJ	07960-5219
199/300.0-0074-0003.0	NEEDHAM NINE OWNER LLC		53 MAPLE AVE	MORRISTOWN	NJ	07960-

Certified as list of parties in interest under Mass. General Laws and Needham Zoning By-Law, to the Best of our knowledge
for the Needham Board of Assessors..... *W. W. W. W. W.*



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 01 /24 /2023

Agenda Item	Public Hearing for the removal of three (3) Public Shade trees at St. Sebastian's Country Day School, 1191 Greendale Ave.
Presenter(s)	Edward Olsen, Tree Warden, Parks & Forestry Superintendent

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
David Riedell on behalf of St. Sebastian's Country Day School has respectfully requested to remove three Public Shade Trees. He has expressed concerns for the street trees located along the Field edge of Greendale Ave.. He is formally seeking approval from the Town to remove and replace these trees with more suitable species. These trees will be negatively impacted by the proposed new construction work. The Tree Warden does not object to the removal of these trees based on these reasons. I would also recommend a donation to the Town of Needham Tree Gift fund for future tree plantings in Town.	
2.	VOTE REQUIRED BY SELECT BOARD
Under M.G.L. Chapter 87, Requires a Vote by the Select Board Suggested Motions: 1. "That the Board vote to approve and sign the Public Shade Tree Hearing form for the removal of three, Red Oak trees in the front berm of 1191 Greendale Ave.	
3.	BACK UP INFORMATION ATTACHED
1. Tree hearing request email from David Riedell dated 11/15/22 2. Legal Ad published in the Hometown Weekly, issues 1/13/23, 1/20/23 3. List of notified abutters 4. Aerial Maps/Plot plans 5. Public Shade Tree Hearing Notice 6. Photos of tree under consideration 7. Approval letter from Tree Warden, E. Olsen to Select Board 01/18/23 8. Public Shade Tree Approval form	

Edward Olsen

From: David Riedell <David_Riedell@stsebs.org>
Sent: Tuesday, November 15, 2022 2:53 PM
To: Edward Olsen
Cc: Joseph Ficociello; Robert Uhlig; Eric Ludwig
Subject: Re: St. Sebastian's School - Tighe & Bond - Shade Tree Removal and Replanting Request
Attachments: 22.11.08_St Sebastians Concept_B_Amphitheater_SM.pdf

Hi Ed,

It was good speaking with you yesterday. Thank you for your time and insight.

As per our discussion, we are working with Tighe and Bond in the design phase of a landscape improvement project adjacent to our football/lacrosse field that will improve safety and accessibility for spectators through the installation of terraced seating against an existing slope. No permanent improvements would occur within the right of way, however, the project will require regrading that would impact the street trees. Attached is a PDF file of the proposed improvements to help better understand what impacts the project will have on trees.

There are three public shade trees that sit close to the proposed construction. Based on an assessment of the site by Tighe and Bond, and the proximity of the trees to the construction site, it is felt that the construction is likely more than the trees and their root systems can absorb. We respectfully propose to remove and replant the three public shade trees along Greendale Avenue.

Please let me know if there is any additional information that you need, or if there is a day and time that would work for a site review.

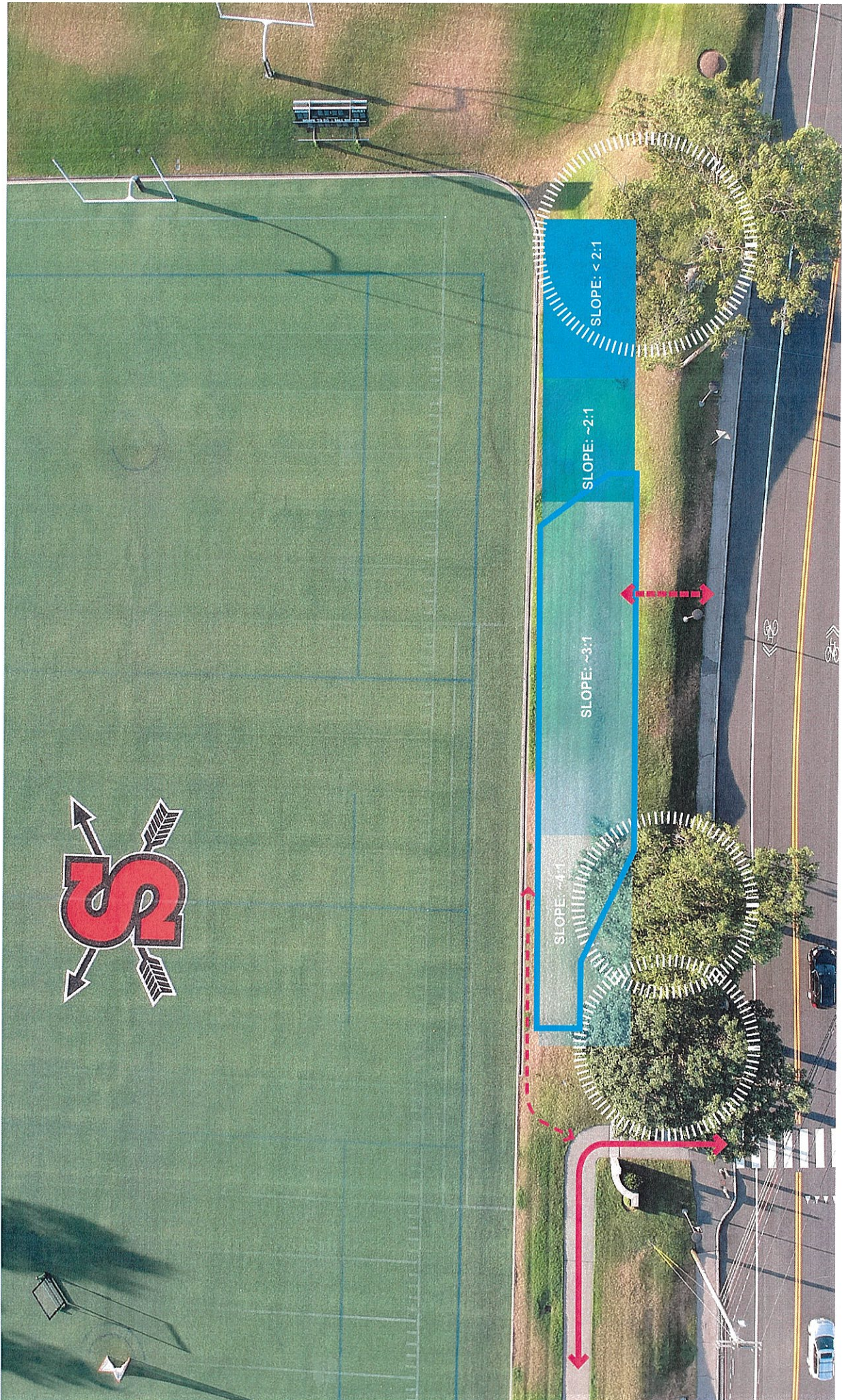
Thank you,
David Riedell

G. David Riedell
Director of Finance and Operations
St. Sebastian's School
781-247-0163
www.stsebs.org

ST. SEBASTIAN'S SCHOOL
ATHLETIC FIELD AMPHITHEATER

November 8, 2022

HALVORSON
Tighe & Bond STUDIO





PLACE TO TEACH

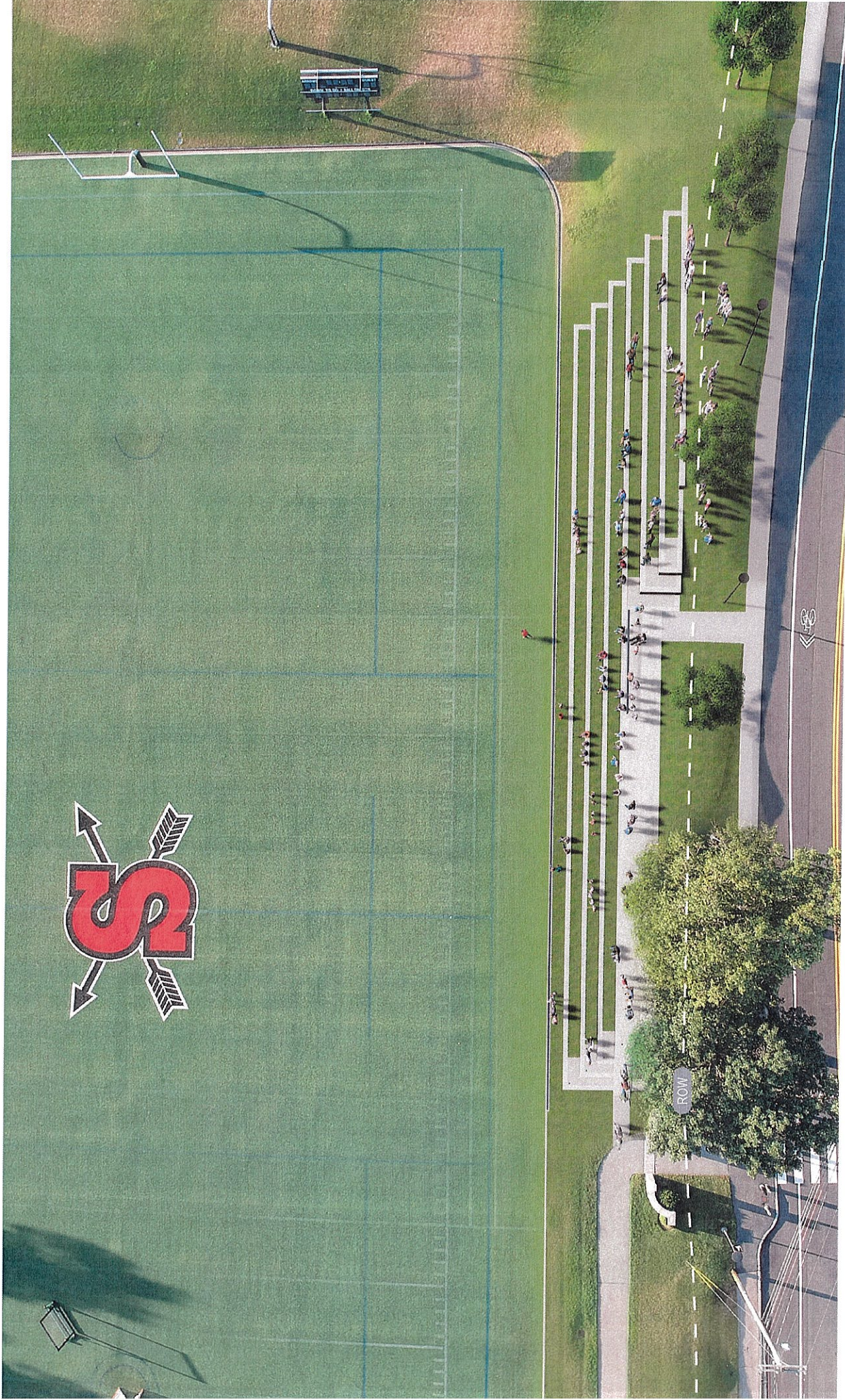


PLACE TO GATHER

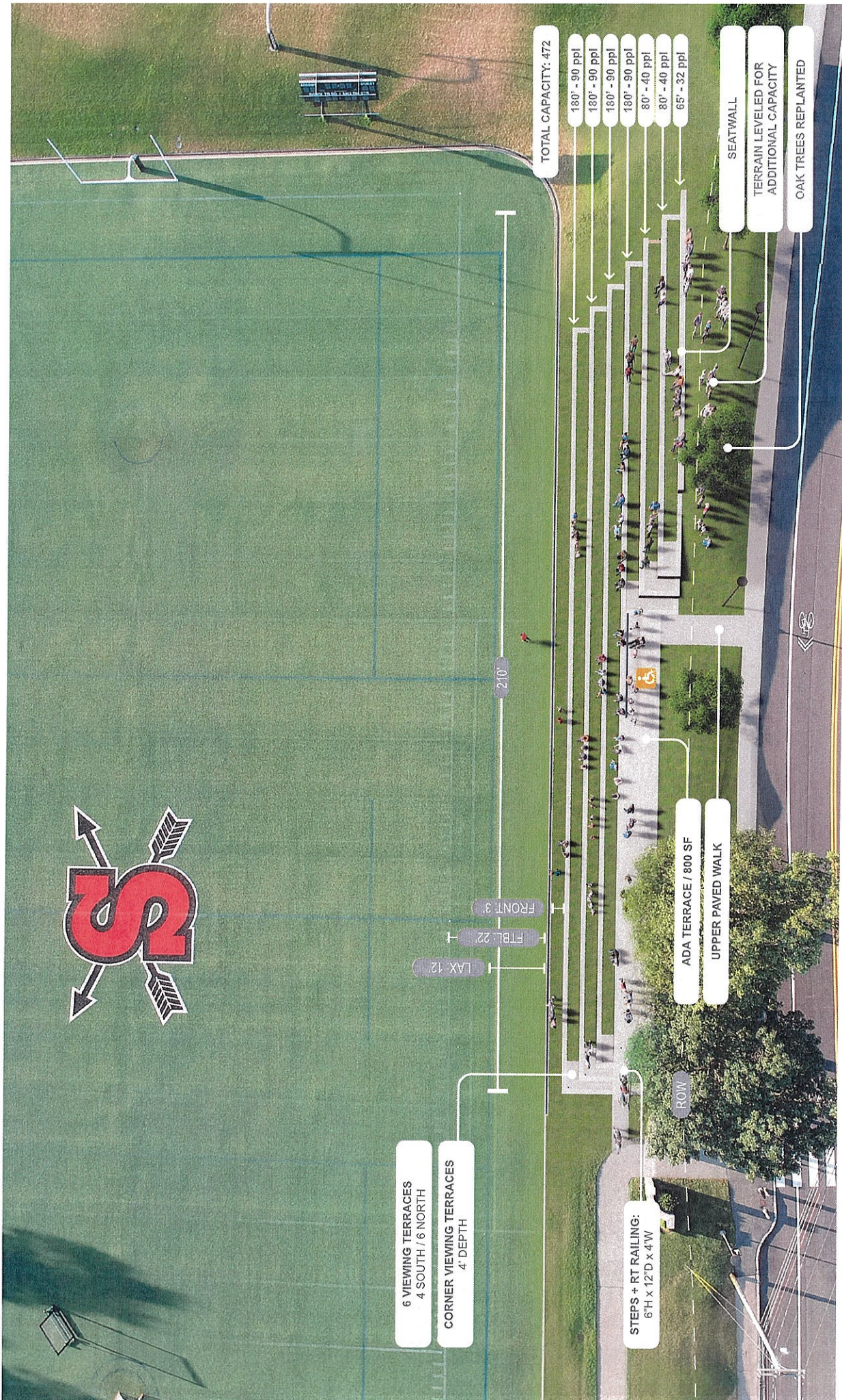


PLACE TO WATCH

PROGRAMMING



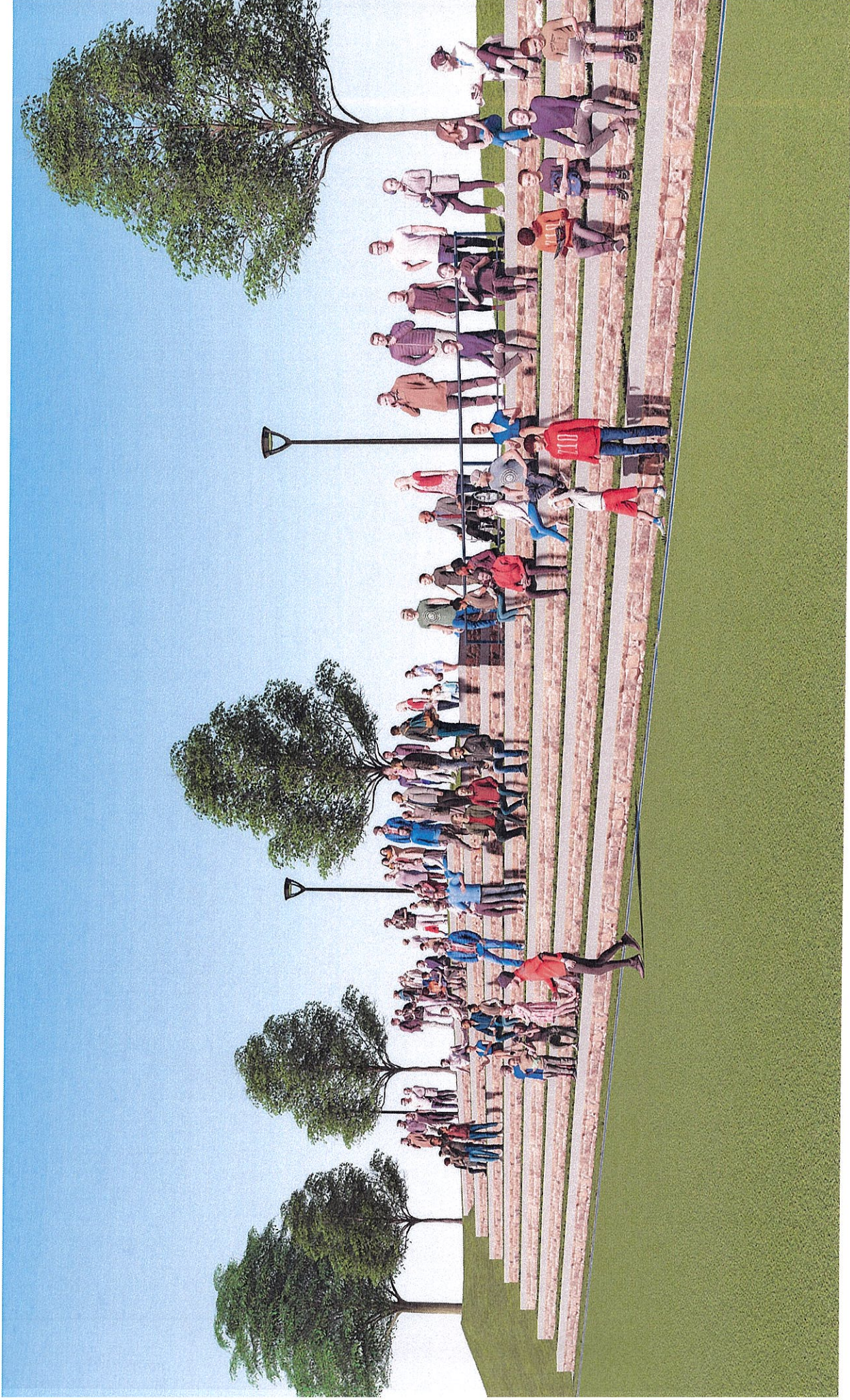
DESIGN CONCEPT B



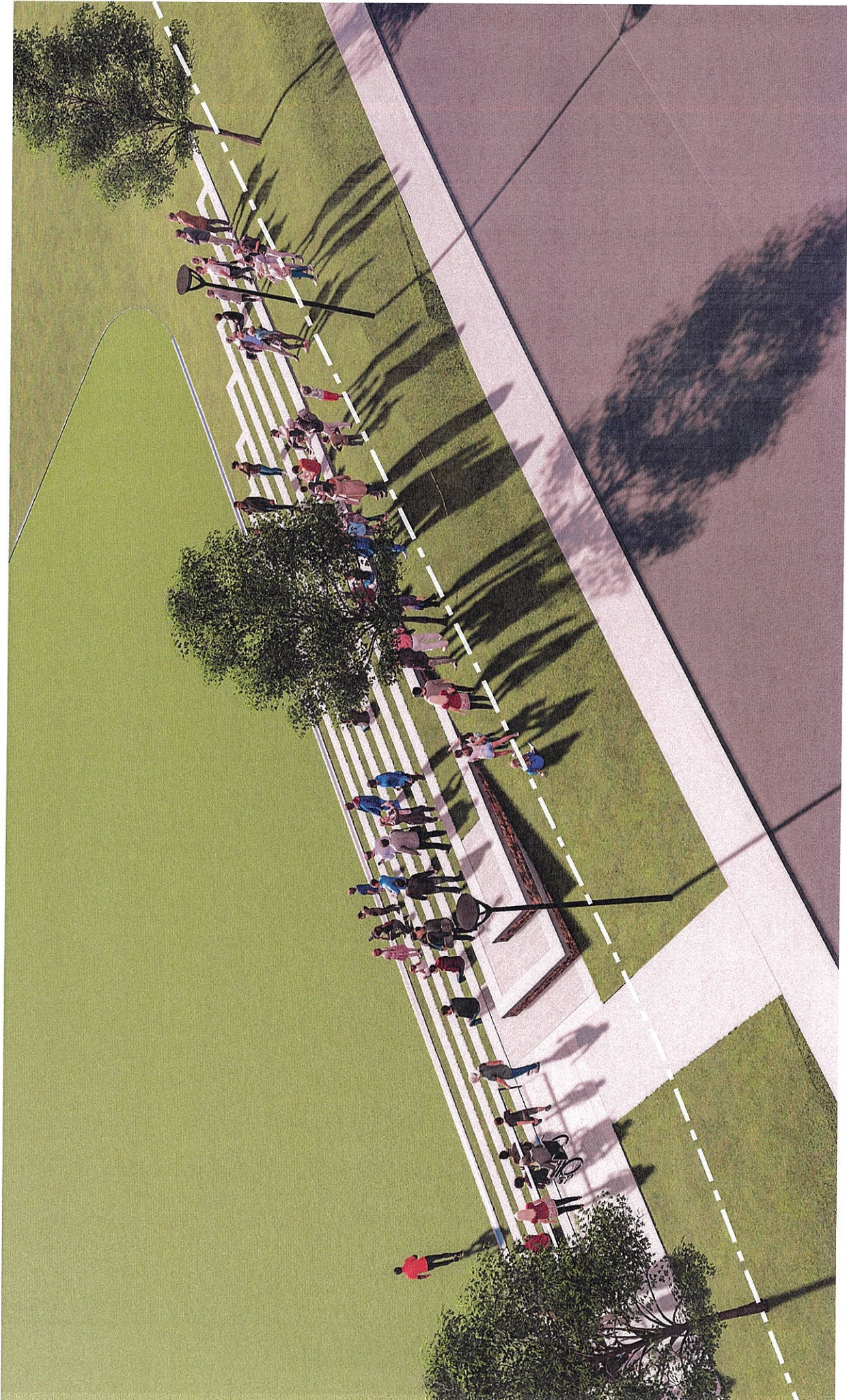
DETAILS - CONCEPT B



PERSPECTIVE - CONCEPT B



PERSPECTIVE - CONCEPT B



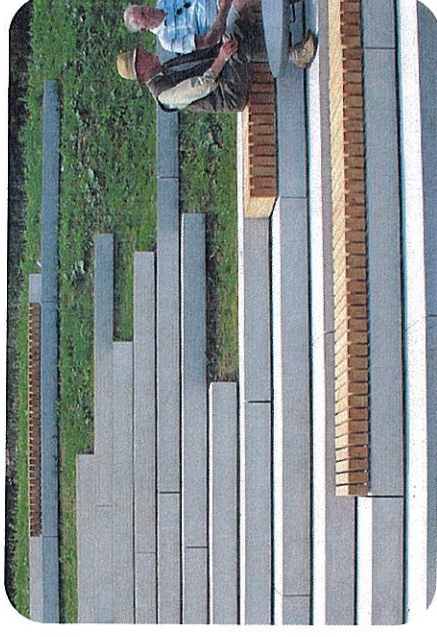
PERSPECTIVE - CONCEPT B



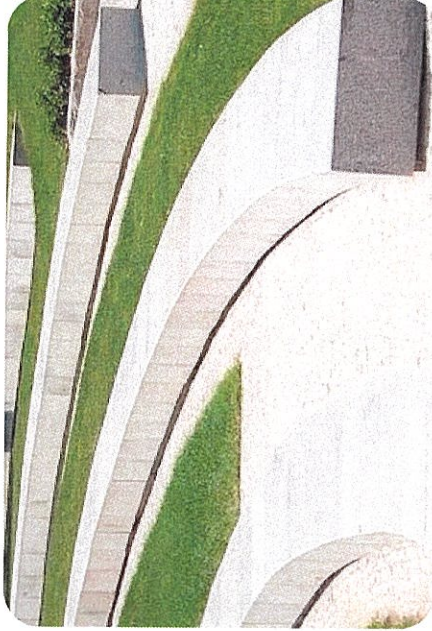
PERSPECTIVE - B



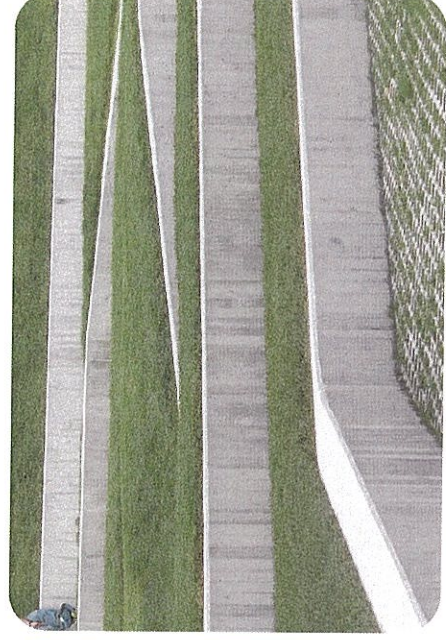
SECTION



WOOD INSERT AT KEY LOCATIONS



DIMENSIONAL STONE



CAST IN PLACE CONCRETE



STONE VENEER WITH PRECAST CAP

MATERIALS

NOTICE

TOWN OF NEEDHAM PUBLIC WORKS DEPARTMENT

NOTICE is hereby given that David Riedell, on Behalf of St. Sebastian's Country Day School has petitioned for the removal of three (3)

PUBLIC SHADE TREES

As follows: At Greendale Ave., on the Football field edge of the property

<u>SPECIES</u>	<u>DIAMETER</u>	<u>CONDITION</u>
<u>Red Oak</u>	<u>26 inches</u>	<u>Good</u>
<u>Red Oak</u>	<u>24 inches</u>	<u>Good</u>
<u>Red Oak</u>	<u>34 inches</u>	<u>Good/Fair</u>

Permission is respectfully requested to remove three (3) Public Shade Trees.

A PUBLIC HEARING will be held in the Office of the Board of Selectmen, Town Hall, 1471 Highland Ave., Needham, Massachusetts at **6:00P.M., Tuesday the 24th day of January, 2023,** at which time and place all interested persons may appear and be heard.

Needham Select Board



**Town of Needham-DPW
Parks and Forestry Division**

500 Dedham Ave.
Needham, MA 02492
781-455-7550, ext. 316

ABUTTER'S NOTICE

TOWN OF NEEDHAM
PUBLIC WORKS DEPARTMENT

NOTICE is hereby given that David Riedell on behalf of St. Sebastian's School has petitioned
for the removal of one (3)

PUBLIC SHADE TREES

as follows: At Greendale Ave. along Football field edge of the property

<u>SPECIES</u>	<u>DIAMETER</u>	<u>CONDITION</u>
Red Oak	26 inches	Good
Red Oak	24 inches	Good
Red Oak	34 inches	Fair/Good

Permission is respectfully requested to remove three (3) Public Shade Trees.

A PUBLIC HEARING will be held in the Office of the Board of Selectmen, Town Hall,
Needham, Massachusetts at 6:00 P.M., Tuesday the 24th day of January 2023 ,
at which time and place all interested persons may appear and be heard.

If you have any questions, please call Edward Olsen at 781-455-7550 ext 316.

parcelid	own1
199/008.0-0029-0000.0	FANEUIL, STACEY &
199/200.0-0004-0000.0	ST. SEBASTIAN'S COUNTRY DAY SCHOOL, INC
199/200.0-0007-0000.0	ST. SEBASTIANS SCHOOL FUND INC
199/008.0-0027-0000.0	NEWMAN, PHILIP H. +
199/200.0-0006-0000.0	ST SEBASTIANS SCHOOL FUND INC
199/200.0-0014-0001.0	ST. SEBASTIAN'S SCHOOL FUND, INC
199/200.0-0017-0001.0	KOLBE, A. LAWRENCE +
199/008.0-0018-0000.0	CUMMINGS, LAWRENCE R +
199/008.0-0028-0000.0	ST SEBASTIAN'S COUNTRY DAY SCHOOL
199/200.0-0003-0000.0	ST. SEBASTIAN'S COUNTRY DAY SCHOOL
199/200.0-0012-0000.0	KEITH, ROBERT R
199/008.0-0045-0000.0	WEINSTEIN, BRIAN M &
199/200.0-0015-0000.0	ST SEBASTIAN'S SCHOOL FUND, INC
199/200.0-0016-0000.0	ST SEBASTIAN'S COUNTRY DAY SCHOOL
199/008.0-0019-0000.0	SHENTON, MARTHA E. TR.
199/008.0-0046-0000.0	GILLIS, RONALD J. JR. &
199/200.0-0014-0002.0	ST. SEBASTIAN'S SCHOOL FUND, INC
199/200.0-0017-0003.0	ST SEBASTIAN'S SCHOOL FUND, INC

own2	careof	addr1	addr2	cityname
MANN, SIMON B		10 LONGACRE RD		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
NEWMAN, BARBARA J		45 SOUTH ST		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
		34 SOUTH ST		NEEDHAM
KOLBE, RUTH C		94 SOUTH ST		NEEDHAM
CUMMINGS, MARGARET L		27 SOUTH ST		NEEDHAM
		57 SOUTH ST		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
		24 SOUTH ST		NEEDHAM
WEINSTEIN, JANE M		79 SOUTH ST		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
SHENTON-SANTICCIOLI TRUST -2002		35 SOUTH ST		NEEDHAM
GILLIS, KARI A		89 SOUTH ST		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM
		1191 GREENDALE AVE		NEEDHAM

statecode zip

MA 02494-

MA 02492-

MA 02492-

MA 02492-

MA 02492-

MA 02492-

MA 02492-

MA 02492-

MA 02492-

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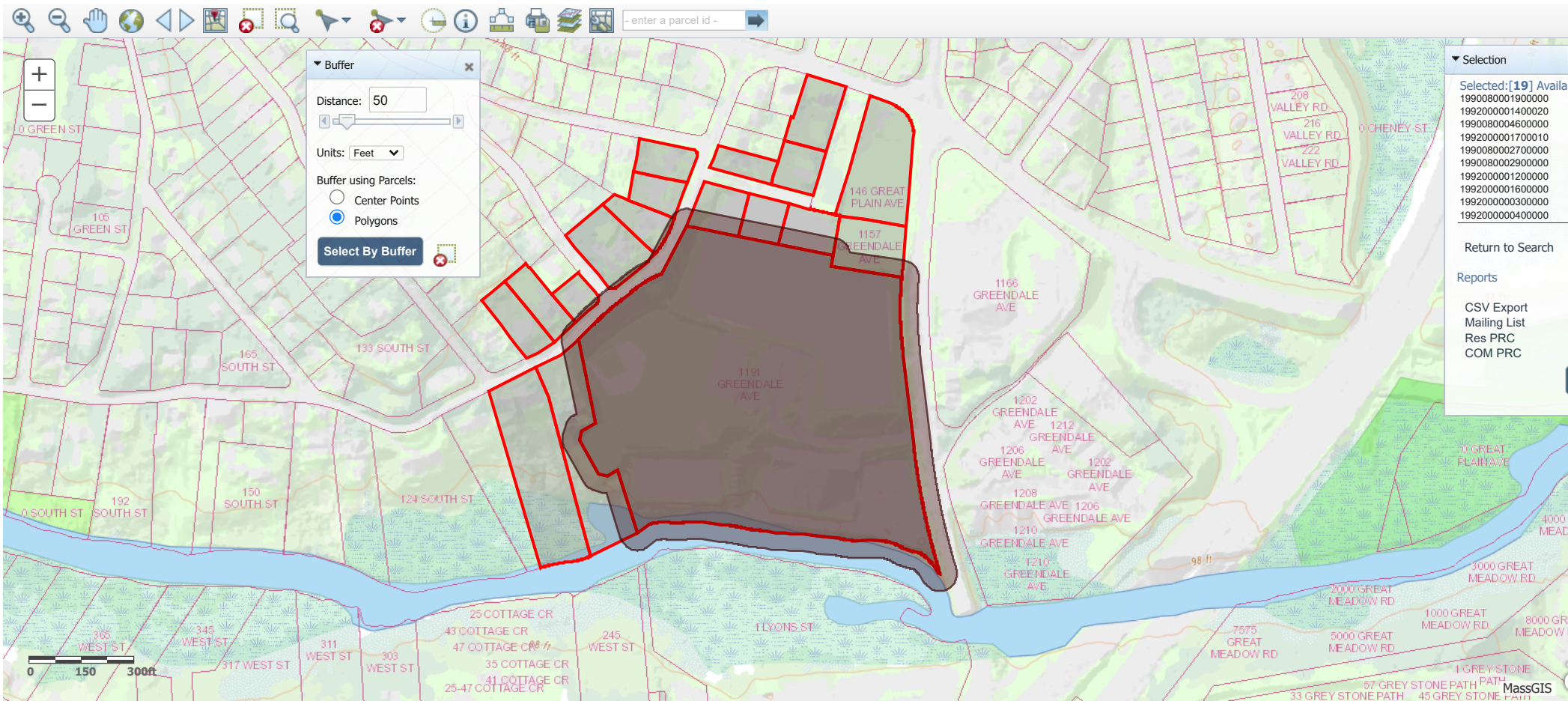
MA 02492-

MA 02492-

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MA 02492





#1

Red Oak
26" DBH



#2

Red Oak
24" DBH



3

**Red Oak
34" DBH**



Town of Needham-DPW

Parks and Forestry Division

500 Dedham Ave.
Needham, MA 02492
781-455-7550, ext. 316

January 18, 2023

Select Board
Town Hall
Needham, MA 02492

RE: TREE REMOVAL AT Greendale Ave., St. Sebastian School

Dear Members of the Board:

David Riedell has petitioned for the removal of three Public Shade trees located on Town Property. Mr. Riedell and the St. Sebastian School are working with Tighe & Bond Engineering and have been in ongoing discussions with the Town Tree Warden as well as the Town Engineer regarding the design and future construction of an Amphitheatre style stadium, seating project for the School's Football field. This field is located along the edge of the school property along Greendale Ave. The construction of this new stadium seating would impact these trees on Town property. These trees are located within the Town layout. Since I found these trees in good condition, not being a hazard to the public, a Public Shade Tree Hearing is required.

I feel the school is justified in their request seeking permission to remove these 3 Red Oak trees. I also appreciate their willingness and openness to work with the Town. I have met on site to look at these trees and how their position relates to the proposed new seating project. I truly see no way that these trees could survive this proposed construction work. Most of these tree's critical root systems will be disturbed through the course of the earth work needed to accomplish this vision. This construction work would negatively impact these tree's critical roots and thus significantly decrease the likelihood of its survival following this work.

In keeping with previous Town policy on the removal of live trees, and in accordance with Massachusetts General Laws Chapter 87 Section 3, and after a public hearing, I recommend granting permission for the removal of three Public Shade trees. I further recommend that these trees are removed at the school's expense.

There is adequate space for future tree replacements in the berm in near proximity to this property. If this request is approved, the Town will work with the applicant to replant accordingly following these construction activities.

Sincerely,

Edward J. Olsen Tree Warden / Superintendent, Parks and Forestry Division

NOTICE

TOWN OF NEEDHAM PUBLIC WORKS DEPARTMENT

NOTICE is hereby given that David Riedell, on behalf of St. Sebastian's Country Day School, has petitioned for the removal of three (3)

PUBLIC SHADE TREES

As follows: At Greendale Ave. along the Football field edge of the property

<u>SPECIES</u>	<u>DIAMETER</u>	<u>CONDITION</u>
<u>Red Oak</u>	<u>26 inches</u>	<u>Good</u>
<u>Red Oak</u>	<u>24 inches</u>	<u>Good</u>
<u>Red Oak</u>	<u>34 inches</u>	<u>Good/Fair</u>

Permission is respectfully requested to remove three (3) Public Shade Trees, which will be impacted negatively during the proposed construction of a Football stadium Amphitheatre style seating project.

A PUBLIC HEARING will be held in the Office of the Select Board, Town Hall, Needham, Massachusetts at 6:00 P.M., Tuesday the 24th day of January, 2023
At which time and place all interested persons may appear and be heard.

☐

APPROVED

☐

NOT APPROVED

Needham Select Board



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2023

Agenda Item	Public Hearing: ABCC Amendment Application for Change of Officers and Change of Stock Interest – Gordon’s Fine Wines of Needham, Inc. d/b/a Gordon’s Fine Wines
Presenter(s)	Thomas Miller, Applicant Counsel

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
Gordon’s Fine Wines of Needham, Inc. d/b/a Gordon’s Fine Wines, 150 Gould Street, has submitted an application for a Change of Officers and Change of Stock Interest. The requisite filing materials appear to be in order.	
2.	VOTE REQUIRED BY BOARD OF SELECTMEN
Suggested Motion: <i>Move that the Select Board, as Liquor Licensing Authority, approve and sign an application for a Change of Officers and Change in Stock Interest for Gordon’s Fine Wines of Needham, Inc. d/b/a Gordon’s Fine Wines, 150 Gould Street and to forward this application to the ABCC for approval.</i>	
3.	BACK UP INFORMATION ATTACHED
1. Amendment Application 2. Corporate Vote 3. Corporate Documents 4. Legal Advertisement 5. Licensing Authority Certification All other documents related to these transactions are on file in the Office of the Town Manager.	



The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3, Chelsea, MA 02150-2358
www.mass.gov/abcc

APPLICATION FOR AMENDMENT

-Change of Officers, Stock or Ownership Interest

☒ **Change of Officers/ Directors/LLC Managers** ☒ **Change of Stock Interest**

- Payment Receipt
- Monetary Transmittal Form
- DOR Certificate of Good Standing
- DUA Certificate of Compliance
- Change of Officer/Directors Application
- Vote of the Entity
- CORI Authorization
- Business Structure Documents
 - If Sole Proprietor, **Business Certificate**
 - If partnership, **Partnership Agreement**
 - If corporation or LLC, **Articles of Organization** from the Secretary of the Commonwealth

(e.g. New Stockholders or Transfer or Issuance of Stock)

- Payment Receipt
- Monetary Transmittal Form
- DOR Certificate of Good Standing
- DUA Certificate of Compliance
- Change of Stock Application
- Financial Statement
- Vote of the Entity
- CORI Authorization
- Purchase & Sale Agreement
- Supporting Financial Records
- Advertisement
- Business Structure Documents
 - If Sole Proprietor, **Business Certificate**
 - If partnership, **Partnership Agreement**
 - If corporation or LLC, **Articles of Organization** from the Secretary of the Commonwealth

☐ **Change of Ownership Interest**

(e.g. LLC Members, LLP Partners, Trustees etc.)

- Payment Receipt
- Monetary Transmittal
- DOR Certificate of Good Standing
- DUA Certificate of Compliance
- Change of Stock Application
- Financial Statement
- Vote of the Entity
- CORI Authorization
- Business Structure Documents
- Purchase & Sale Agreement
- Supporting Financial Records
- Advertisement
 - If Sole Proprietor, **Business Certificate**
 - If partnership, **Partnership Agreement**
 - If corporation or LLC, **Articles of Organization** from the Secretary of the Commonwealth

☐ **Non-Profit Club Change of Officers/ Directors**

- Payment Receipt
- Monetary Transmittal Form
- DOR Certificate of Good Standing
- DUA Certificate of Compliance
- Change of Officer/Directors Application
- Vote of the club signed by an approved officer
- Business Structure Documents - **Articles of Organization** from the Secretary of the Commonwealth

☐ **Management Agreement**

- Payment Receipt
- Monetary Transmittal Form
- DOR Certificate of Good Standing
- DUA Certificate of Compliance
- Vote of Entity
- Management Agreement

**If abutter notification and advertisement are required for transaction, please see the local licensing authority.*

1. BUSINESS ENTITY INFORMATION

Entity Name

Municipality

ABCC License Number

Gordon's Fine Wines of Needham, Inc.

Needham

90196-PK-0770

Please provide a narrative overview of the transaction(s) being applied for. Attach additional pages, if necessary.

This application is to transfer the beneficial interest in the Licensee from father, Richard Gordon, to his sons, David and Kenneth Gordon. Accordingly the Officers and directors is being changed to reflect the change in beneficial interest. The beneficial interest in the Licensee will be held via two trusts, one for the benefit of David Gordon and one for the benefit of Kenneth Gordon.

APPLICATION CONTACT

The application contact is the person who should be contacted with any questions regarding this application.

Name

Title

Email

Phone

Thomas P. Miller, Esq.

Attorney

APPLICATION FOR AMENDMENT-Change of Officers, Stock or Ownership Interest

2. PROPOSED OFFICERS, STOCK OR OWNERSHIP INTEREST

List all individuals or entities that will have a direct or indirect, beneficial or financial interest in this license (E.g. Stockholders, Officers, Directors, LLC Managers, LLP Partners, Trustees etc.). Attach additional page(s) provided, if necessary, utilizing Addendum A.

- The individuals and titles listed in this section must be identical to those filed with the Massachusetts Secretary of State.
- The individuals identified in this section, as well as the proposed Manager of Record, must complete a CORI Release Form.
- Please note the following statutory requirements for Directors and LLC Managers:
On Premises (E.g. Restaurant/ Club/Hotel) Directors or LLC Managers - At least 50% must be US citizens;
Off Premises (Liquor Store) Directors or LLC Managers - All must be US citizens and a majority must be Massachusetts residents.
- If you are a Multi-Tiered Organization, please attach a flow chart identifying each corporate interest and the individual owners of each entity as well as the Articles of Organization for each corporate entity. Every individual must be identified in Addendum A.

Name of Principal	Residential Address	SSN	DOB
Gordo GFWL Irrevocable Trust		n/a	n/a

Title and or Position	Percentage of Ownership	Director/ LLC Manager	US Citizen	MA Resident
Director	50%	☐ Yes ☒ No	☐ Yes ☐ No	☐ Yes ☐ No

Name of Principal	Residential Address	SSN	DOB
Kenneth I. Gordon GFWL Irrevocable Trust		n/a	n/a

Title and or Position	Percentage of Ownership	Director/ LLC Manager	US Citizen	MA Resident
Director	50%	☐ Yes ☒ No	☐ Yes ☐ No	☐ Yes ☐ No

Name of Principal	Residential Address	SSN	DOB
David Gordon			

Title and or Position	Percentage of Ownership	Director/ LLC Manager	US Citizen	MA Resident
Pres., Treas., Dir., Trustee	0%	☒ Yes ☐ No	☒ Yes ☐ No	☒ Yes ☐ No

Name of Principal	Residential Address	SSN	DOB
Kenneth Gordon			

Title and or Position	Percentage of Ownership	Director/ LLC Manager	US Citizen	MA Resident
Vice Pres., Asst. Treas., Dir., Trustee	0%	☒ Yes ☐ No	☒ Yes ☐ No	☒ Yes ☐ No

Name of Principal	Residential Address	SSN	DOB

Title and or Position	Percentage of Ownership	Director/ LLC Manager	US Citizen	MA Resident
		☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No

Name of Principal	Residential Address	SSN	DOB

Title and or Position	Percentage of Ownership	Director/ LLC Manager	US Citizen	MA Resident
		☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No

Additional pages attached? ☐ Yes ☒ No

CRIMINAL HISTORY

Has any individual listed in question 2, and applicable attachments, ever been convicted of a State, Federal or Military Crime? If yes, attach an affidavit providing the details of any and all convictions.

☐ Yes ☒ No

MANAGEMENT AGREEMENT

Are you requesting approval to utilize a management company through a management agreement?
Please provide a copy of the management agreement.

☐ Yes ☒ No

APPLICATION FOR AMENDMENT-Change of Officers, Stock or Ownership Interest

3. CURRENT OFFICERS, STOCK OR OWNERSHIP INTEREST

List the individuals and entities of the current ownership. Attach additional pages if necessary utilizing the format below.

Name of Principal	Title/Position	Percentage of Ownership
Richard Gordon	President, Treasurer, Secretary, Director	100%
Name of Principal	Title/Position	Percentage of Ownership
Name of Principal	Title/Position	Percentage of Ownership
Name of Principal	Title/Position	Percentage of Ownership
Name of Principal	Title/Position	Percentage of Ownership
Name of Principal	Title/Position	Percentage of Ownership

4. INTEREST IN AN ALCOHOLIC BEVERAGES LICENSE

Does any individual or entity identified in question 2, and applicable attachments, have any direct or indirect, beneficial or financial interest in any other license to sell alcoholic beverages? Yes ☐ No ☒ If yes, list in table below. Attach additional pages, if necessary, utilizing the table format below.

Name	License Type	License Name	Municipality

5. PREVIOUSLY HELD INTEREST IN AN ALCOHOLIC BEVERAGES LICENSE

Has any individual or entity identified identified in question 2, and applicable attachments, ever held a direct or indirect, beneficial or financial interest in a license to sell alcoholic beverages, which is not presently held? Yes ☐ No ☒ If yes, list in table below. Attach additional pages, if necessary, utilizing the table format below.

Name	License Type	License Name	Municipality

6. DISCLOSURE OF LICENSE DISCIPLINARY ACTION

Have any of the disclosed licenses listed in question 4 or 5 ever been suspended, revoked or cancelled?

Yes ☐ No ☒ If yes, list in table below. Attach additional pages, if necessary, utilizing the table format below.

Date of Action	Name of License	City	Reason for suspension, revocation or cancellation

7. FINANCIAL DISCLOSURE

Associated Cost(s): (E.g. Costs associated with License Transaction including but not limited to: Property price, Business Assets, Renovations costs, Construction costs, Initial Start-up costs, Inventory costs, or specify other costs):"

Associated Cost(s):

This application is to transfer the interest in the Licensee from father to his sons via trusts for nominal consideration.

SOURCE OF CASH CONTRIBUTION

Please provide documentation of available funds. (E.g. Bank or other Financial institution Statements, Bank Letter, etc.)

Name of Contributor	Amount of Contribution
Gordo GFWL Irrevocable Trust	\$5.00
Kenneth I. Gordon GFWL Irrevocable Trust	\$5.00
Total:	\$10.00

SOURCE OF FINANCING

Please provide signed financing documentation.

Name of Lender	Amount	Type of Financing	Is the lender a licensee pursuant to M.G.L. Ch. 138.
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No
			☐ Yes ☐ No

FINANCIAL INFORMATION

Provide a detailed explanation of the form(s) and source(s) of funding for the cost identified above.

This transfer of interest in the Licensee from father to sons is being done for nominal fee. The beneficial interest in the Licensee will be held in two (2) different trusts for the benefit of David and Kenneth Gordon separately.

APPLICANT'S STATEMENT

I, David Gordon the: ☐ sole proprietor; ☐ partner; ☒ corporate principal; ☐ LLC/LLP manager
Authorized Signatory
of Gordon's Fine Wines Of Needham, Inc.
Name of the Entity/Corporation

hereby submit this application (hereinafter the "Application"), to the local licensing authority (the "LLA") and the Alcoholic Beverages Control Commission (the "ABCC" and together with the LLA collectively the "Licensing Authorities") for approval.

I do hereby declare under the pains and penalties of perjury that I have personal knowledge of the information submitted in the Application, and as such affirm that all statements and representations therein are true to the best of my knowledge and belief. I further submit the following to be true and accurate:

- (1) I understand that each representation in this Application is material to the Licensing Authorities' decision on the Application and that the Licensing Authorities will rely on each and every answer in the Application and accompanying documents in reaching its decision;
- (2) I state that the location and description of the proposed licensed premises are in compliance with state and local laws and regulations;
- (3) I understand that while the Application is pending, I must notify the Licensing Authorities of any change in the information submitted therein. I understand that failure to give such notice to the Licensing Authorities may result in disapproval of the Application;
- (4) I understand that upon approval of the Application, I must notify the Licensing Authorities of any change in the ownership as approved by the Licensing Authorities. I understand that failure to give such notice to the Licensing Authorities may result in sanctions including revocation of any license for which this Application is submitted;
- (5) I understand that the licensee will be bound by the statements and representations made in the Application, including, but not limited to the identity of persons with an ownership or financial interest in the license;
- (6) I understand that all statements and representations made become conditions of the license;
- (7) I understand that any physical alterations to or changes to the size of the area used for the sale, delivery, storage, or consumption of alcoholic beverages, must be reported to the Licensing Authorities and may require the prior approval of the Licensing Authorities;
- (8) I understand that the licensee's failure to operate the licensed premises in accordance with the statements and representations made in the Application may result in sanctions, including the revocation of any license for which the Application was submitted; and
- (9) I understand that any false statement or misrepresentation will constitute cause for disapproval of the Application or sanctions including revocation of any license for which this Application is submitted.
- (10) I confirm that the applicant corporation and each individual listed in the ownership section of the application is in good standing with the Massachusetts Department of Revenue and has complied with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting of child support.

Signature



Date: Nov 11, 2022

Title:

President

ENTITY VOTE

The Board of Directors or LLC Managers of

Gordon's Fine Wines of Needham, Inc.

Entity Name

duly voted to apply to the Licensing Authority of

Needham

City/Town

and the

Commonwealth of Massachusetts Alcoholic Beverages Control Commission on

Nov 11, 2022

Date of Meeting

For the following transactions (Check all that apply):

☒ Change of Officers/Directors/LLC Manager

☐ Change of Ownership Interest (LLC Members, LLP Partners, Trustees)

☒ Issuance/Transfer of Stock/New Stockholder

☐ Management/Operating Agreement

☐ Other

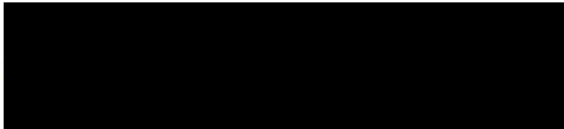
"VOTED: To authorize

David Gordon

Name of Person

to sign the application submitted and to execute on the Entity's behalf, any necessary papers and do all things required to have the application granted."

A true copy attest,



David Gordon

(Print Name)

For Corporations ONLY

A true copy attest,

Corporation Clerk's Signature

(Print Name)

Corporations Division

Business Entity Summary

ID Number: 001347163

[Request certificate](#)[New search](#)

Summary for: GORDONS FINE WINES OF NEEDHAM, INC.

The exact name of the Domestic Profit Corporation: GORDONS FINE WINES OF NEEDHAM, INC.

Entity type: Domestic Profit Corporation

Identification Number: 001347163

Date of Organization in Massachusetts:
09-24-2018

Last date certain:

Current Fiscal Month/Day: 09/30

Previous Fiscal Month/Day: 09/30

The location of the Principal Office:

Address: 894 MAIN STREET

City or town, State, Zip code, WALTHAM, MA 02451 USA
Country:

The name and address of the Registered Agent:

Name: RICHARD GORDON

A
C
C

The Officers and Directors of the Corporation:

Title	Individual Name	Address
PRESIDENT	DAVID GORDON	894 MAIN STREET WALTHAM, MA 02451 USA
TREASURER	DAVID GORDON	894 MAIN STREET WALTHAM, MA 02451 USA
SECRETARY	KENNETH GORDON	894 MAIN STREET WALTHAM, MA 02451 USA
ASSISTANT TREASURER	KENNETH GORDON	894 MAIN STREET WALTHAM, MA 02451 USA
VICE PRESIDENT	KENNETH GORDON	894 MAIN STREET WALTHAM, MA 02451 USA
DIRECTOR	DAVID GORDON	894 MAIN STREET WALTHAM, MA 02451 USA
DIRECTOR	KENNETH GORDON	894 MAIN STREET WALTHAM, MA 02451 USA

Business entity stock is publicly traded: ☐

The total number of shares and the par value, if any, of each class of stock which this business entity is authorized to issue:

Class of Stock	Par value per share	Total Authorized		Total issued and outstanding
		No. of shares	Total par value	No. of shares
CNP	\$ 0.00	275,000	\$ 0.00	100

☐ **Consent**
☐ **Confidential Data**
☐ **Merger Allowed**
☐ **Manufacturing**

View filings for this business entity:

ALL FILINGS
 Administrative Dissolution
 Annual Report
 Application For Revival
 Articles of Amendment

[View filings](#)

Comments or notes associated with this business entity:

[New search](#)



Commonwealth of Massachusetts
Department of Revenue
Geoffrey E. Snyder, Commissioner

mass.gov/dor

Letter ID: L1462211616
Notice Date: November 23, 2022
Case ID: 0-001-775-829



CERTIFICATE OF GOOD STANDING AND/OR TAX COMPLIANCE



GORDON'S FINE WINES OF NEEDHAM IN
PO BOS 310
WALTHAM MA 02454

000048

Why did I receive this notice?

The Commissioner of Revenue certifies that, as of the date of this certificate, GORDON'S FINE WINES OF NEEDHAM INC is in compliance with its tax obligations under Chapter 62C of the Massachusetts General Laws.

This certificate doesn't certify that the taxpayer is compliant in taxes such as unemployment insurance administered by agencies other than the Department of Revenue, or taxes under any other provisions of law.

This is not a waiver of lien issued under Chapter 62C, section 52 of the Massachusetts General Laws.

What if I have questions?

If you have questions, call us at (617) 887-6400 or toll-free in Massachusetts at (800) 392-6089, Monday through Friday, 9:00 a.m. to 4:00 p.m..

Visit us online!

Visit mass.gov/dor to learn more about Massachusetts tax laws and DOR policies and procedures, including your Taxpayer Bill of Rights, and MassTaxConnect for easy access to your account:

- Review or update your account
- Contact us using e-message
- Sign up for e-billing to save paper
- Make payments or set up autopay

Edward W. Coyle, Jr., Chief
Collections Bureau

Since its Issuance Gordon's Fine Wines of Needham, Inc. does not have any employees and has not yet opened. As such it does not yet have a DUA Certificate of Compliance.

LEGAL NOTICE



Town of Needham **Application for Change of Officers** **and Change in Stock Interest** **for an All-Alcohol License**

Notice is hereby given pursuant to Massachusetts General Laws, Chapter 138, that Gordon's Fine Wines of Needham, Inc. d/b/a Gordon's Fine Wines, David Gordon, Manager, has applied for a Change of Corporate Officers and Change in Stock Interest.

IT IS ORDERED that a public hearing be held for said application on January 24, 2023 at 6:00 p.m. The Select Board invites all residents and interested parties to provide input at this meeting that will be held in person, Select Board Chambers, Town Hall and via Zoom.

Zoom Information: <https://us02web.zoom.us/j/89097265273?pwd=WGNINDIWZ3Nuc1FIQXp6bUs0U3VQdz09> **Passcode:** 582516 **Webinar ID:** 890 9726 5273

This legal notice is also posted on the Massachusetts Newspaper Publishers Association's (MNPA) website at [http:// masspublicnotices.org/](http://masspublicnotices.org/)

Select Board
Licensing Board for the Town of Needham



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 01/24/2023

Agenda Item	Human Rights Committee Discrimination Complaint Process
Presenter(s)	Tina Burgos, Chair, Human Rights Committee Marlene Schultz, Member, Human Rights Committee

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
Members of the Human Rights Committee will present a recommendation to establish a discrimination complaint process for members of the Needham community who believe their human or civil rights have been violated and are looking for resources or support. Human Rights Committee Membership: Tina Burgos, Nathaniel Hyman, Cynthia Ganung, Jennifer Howard Schroeder, Kerry Hurwitch, Amelia Klein, Finn McKeon, Rinaz Mala Mohamed, Lisa Mesicek, Albert "Bud" Schram, Marlene Schultz, Emerson Ward, Lt. Belinda Carroll (police liaison), Katie King (staff liaison).	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested vote:</i> That the Board vote to approve the Human Rights Committee's proposed discrimination complaint process.	
3.	BACK UP INFORMATION ATTACHED
a. Discrimination Complaint Process Overview b. Flow Chart c. Intake Form	

Needham Human Rights Committee focuses on eliminating prejudice, intolerance, bigotry, unlawful discrimination, threats, coercion, and intimidation on the basis of an individual's race, ethnicity, color, religious views, national origin, sex, gender identity or expression, citizenship, age, ancestry, family/marital status, sexual orientation, disability, source of income, and military status.

The committee strives to reach these goals by: educating the Needham community through programs that celebrate diversity; working with Town government, the school department, town commissions and boards to promote tolerance, mutual respect, and the peaceful enjoyment of life in our community; responding to complaints by those work, live and pass through our town and who believe that their human rights have been violated; initiating investigations where unlawful discrimination may have occurred; and offering resolutions to conflicts.

Protected classes are: race, color, religious views, national origin, sex, gender identity and expression, citizenship, age, ancestry, family/marital status, sexual orientation, disability, source of income, and military status.

.

Needham Human Rights Committee's Discrimination Complaint Process

Goal: To provide a place to lodge complaints by persons in the Town who believe that their human or civil rights, as defined in local, state, or federal laws, have been violated in the Town.

Guiding Principles (from Arlington HRC)

- Be responsive
- Show empathy
- Respect what complainants want (for outcomes and degree of privacy)
- Connect to resources and professional help (public safety, health and wellness, legal, etc.)
- Track incidents and outcomes

Under this discrimination complaint process the HRC will:

- Be a place for people to be heard
- Facilitate discussions between an aggrieved person and the other party
- Increase understanding between people of different perspectives
- Work with community members involved in an incident to understand the intent versus the impact of their actions
- Provide resources
- Identify opportunities for increased education (individual level or community-wide)
- Identify and monitor trends over time to better understand the community's lived experiences
- Recommend changes to the Select Board for Town policies or programs

What might a resolution look like?

- A listening ear
- A facilitated conversation between two parties
- An apology
- A referral to other resources/agencies
- A letter of recommendation on Town policies or programs to the Select Board

Which types of cases will HRC process?

HRC will hand-off (and to whom)	HRC will process with consult (and with whom)	HRC will process and can utilize other resources, as needed (ex. NRN, MCAD)
Criminal activity complaint (Needham Police Department)	Complaint about a Town policy or system (Town Management)	Business-related complaint
Complaint about a specific Town Employee (Town Management)	Complaint about a School policy or system (Superintendent's office)	Neighbor to neighbor complaint
Complaint about a specific School Employee (Superintendent's office)		Housing complaint

When will HRC refer someone elsewhere?

- When criminal activity may be involved.
- When there is a concern about someone's safety.
- When someone is seeking legal recourse or advice.
- When there is a complaint about a specific Town or School employee.

HRC will NOT:

- Provide legal advice
- Sanction any individual or organization

Resources for Referrals

Legal

- Massachusetts Commission Against Discrimination
- MassAGO
- Mediation services?

Safety

- NPD

Health

- Needham Public Health
- -

Housing

Needham Housing Authority

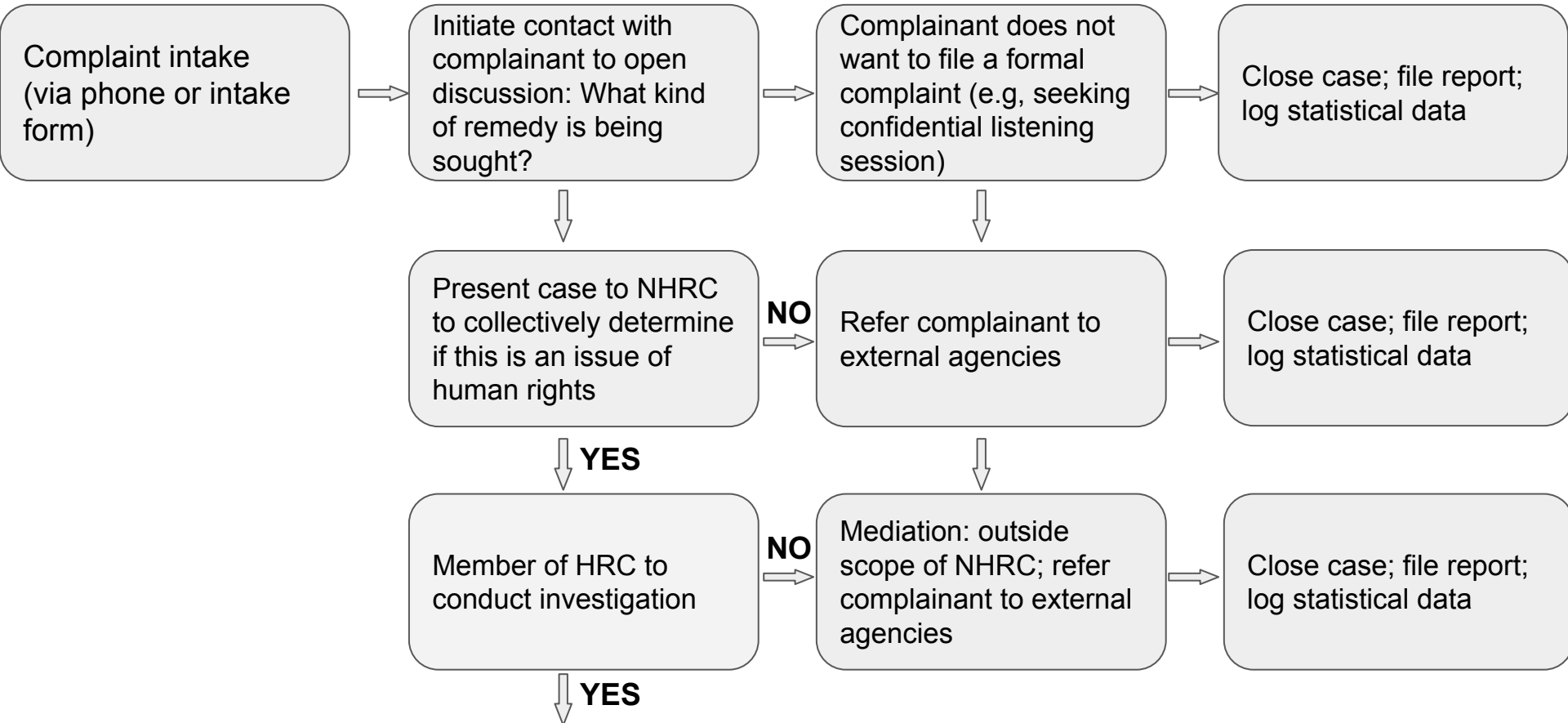
Employment

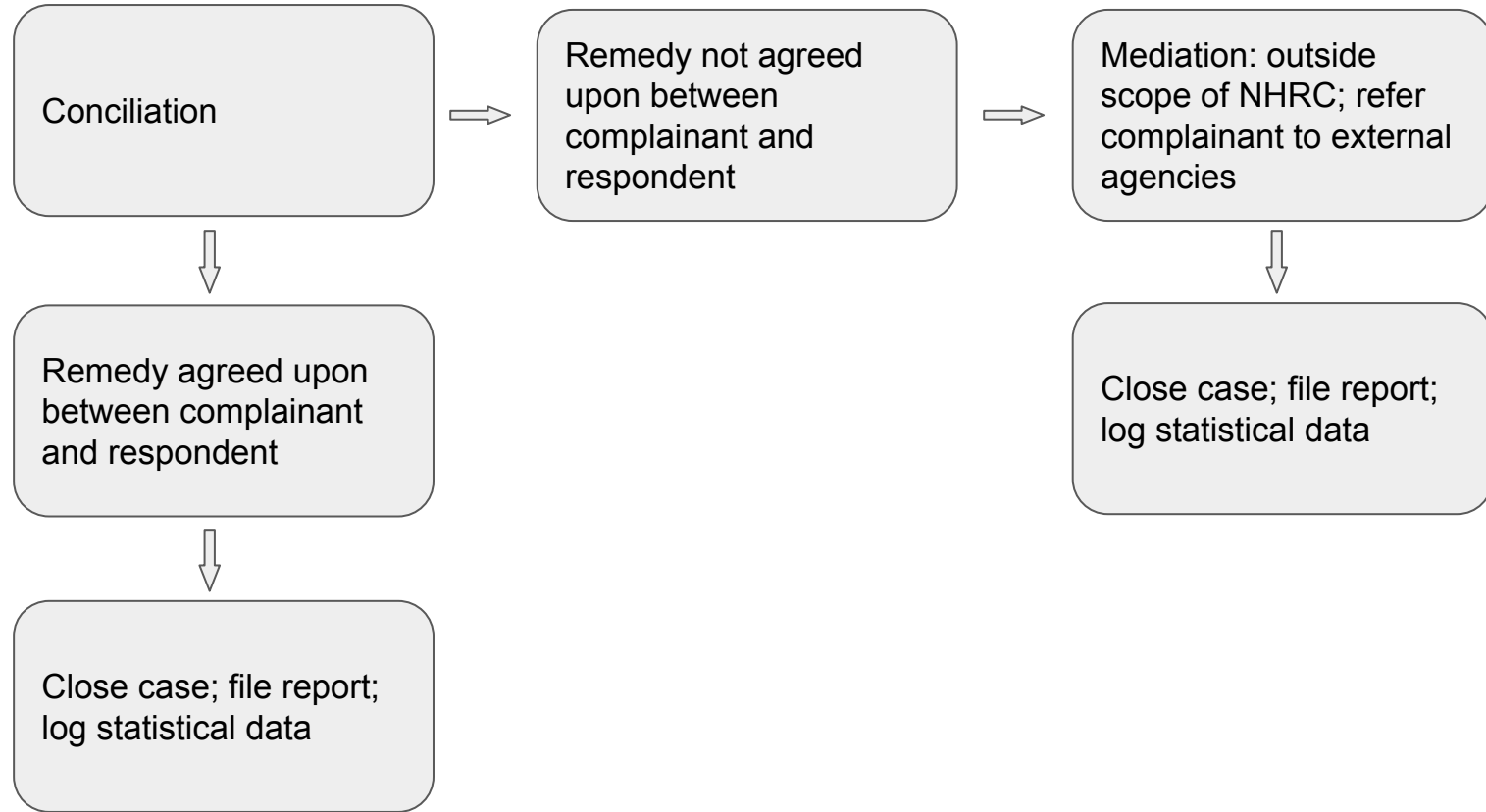
- Equal Employment Opportunity Commission

Needham Human Rights Committee

Discrimination Complaint Process

Process Flowchart







DRAFT

Needham Human Rights Committee Discrimination Complaint Form

This form is for intake purposes and does not indicate that the Needham Human Rights Committee has started investigating the case. Please note that once this form is submitted it will become a matter of public record. To get more detailed information about the process, including areas of confidentiality, please email needham.hrc@gmail.com with a contact phone number.

Once the form is submitted, you should expect a response from a member of the Committee within 48 hours. Please note that the Needham Human Rights Committee can only investigate alleged discriminatory acts that occurred within 180 days of the date that the complaint is delivered.

Complainant (Your) Information

First Name:

Last Name:

Primary Number:

Secondary Number:

Email:

Address:

Respondent (The person you think violated your rights) Information

Please fill in as much as you know.

Name of Individual:

Name of Business (if applicable):

Address:



Phone Number:

Email:

In what area do you believe your rights were violated?
Examples could include (but are not limited to) employment,
education, housing, and public area.

Why do you believe your rights were violated?

____ Race ____ Citizenship ____ Disability ____ Sex
____ Ethnicity ____ Color ____ Age ____ Ancestry ____ Military status
____ Sexual orientation ____ Religious views ____ National origin
____ Family/marital status ____ Source of income ____ Gender identity or
expression

Other (please specify) _____

Date of incident: _____

Please summarize the incident.



What remedy are you seeking?

Have any other agencies been contacted in regards to this incident? _____

Your Demographic Information (Optional)

Age _____

Racial/Ethnic Identity _____

Gender Identity _____

Sign below to show that you have read and agree with the following statement:

I declare that I have read this foregoing, and I subscribe to it, and the allegations are true to the best of my knowledge and belief. I understand that once submitted, this form becomes a matter of public record in accordance with the regulations of the Town of Needham.

Signature: _____ (Complainant)

Today's date: _____



If you have any questions in completing this form, please reach out to needham.hrc@gmail.com.

This form can be submitted via email to needham.hrc@gmail.com or by mail to:

Needham Town Hall
ATTN: Needham Human Rights Committee
1471 Highland Ave.
Needham, MA 02492

Or, the form can be delivered to the Town Manager's office at Needham Town Hall, ATTN: Needham Human Rights Committee.



This form was adopted on mm/dd/yyyy.

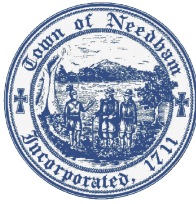


**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2023

Agenda Item	Castle Farm/484 Charles River Street Project
Presenter(s)	Jack Dawley, President, Northland Residential

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
Mr. Dawley will provide the Board with an update on the status of the Castle Farm – 484 Charles River Street project and will discuss a draft Development Agreement and Draft Purchase & Sale Agreement.	
2.	VOTE REQUIRED BY SELECT BOARD
Discussion Only.	
3.	BACK UP INFORMATION ATTACHED
a. Castle Farm – 484 Charles River Street, Neighborhood Meeting, January 18, 2023 PPT b. Draft Development Agreement & Draft Purchase & Sale Agreement to be provided under separate cover.	



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2023

Agenda Item	Housing Plan Approval
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Housing Plan Working Group was established by the Planning Board in October 2021 and consisted of 12 members: Planning Board (2), the Select Board (2), the Board of Health (1), the Council on Aging (1), the Finance Committee (1), the Housing Authority (1), the School Committee (1) and citizens at large (3). The HPWG met monthly and created three subgroups: Zoning, Housing Development and Preservation, and Capacity Building, each of which had several meetings to consider strategies to address affordable housing in Needham. The Working group is transmitting the plan to the Select Board and the Planning Board and is requesting the approval of each Board so that the adoption of the Housing Plan can be reported to the Department of Housing and Community Development when the Town submits its action plan by the end of January 2023.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested Motion:</i> That the Board vote to approve the Town of Needham Housing Plan dated December 2022.	
3.	BACK UP INFORMATION ATTACHED
a. Transmittal Letter to the Select Board and the Planning Board from the Housing Plan Working Group dated January 5, 2023 b. The Town of Needham Housing Plan dated December 2022	



PLANNING & COMMUNITY
DEVELOPMENT

January 5, 2023

Marianne B. Cooley, Needham Select Board Chair
Adam Block, Needham Planning Board Chair
Needham Town Hall
1471 Highland Ave
Needham, MA 02492

Re: Housing Plan Working Group (HPWG)

Dear Chair Cooley and Chair Block:

The Housing Plan Working Group, established by the Planning Board in October 2021, consisted of 12 members; nine HPWG members were chosen from members of the Planning Board (2 members), the Select Board (2 members), the Board of Health, the Council on Aging, the Finance Committee, the Housing Authority & the School Committee; three HPWG members were citizens at large. The HPWG met monthly and created three subgroups: Zoning, Housing Development and Preservation, and Capacity Building, each of which had several meetings to consider strategies to address the affordable housing crisis in Needham.

The Housing Plan of December 2022 is hereby transmitted to the Select Board and the Planning Board. The HPWG requests each board's approval so that the adoption of this Housing Plan can be reported to the MA Department of Housing and Community Development when the Town submits its action plan to DHCD, which is due by the end of January, 2023. This Housing Plan documents housing needs and sets goals for addressing both the needs of households at or below 80% of area median income and the needs of those at or above median income who experience housing-cost burdens. These goals are presented in Section III. D LONG TERM HOUSING PRODUCTION GOALS (pp 24-29). The Plan presents several recommendations that Town Boards, Committees and Departments should pursue to address the Town's housing challenges over the next ten years. These strategies are presented in Section IV HOUSING STRATEGIES (pp 30-79) and summarized in Appendix 1 Implementation Roadmap (pp 80-82). Numerical targets are not specified for market-rate housing, although targets are set for housing to meet the needs of low-income households and zoning strategies are recommended to comply with the numerical targets of the MBTA Communities law and Guidelines, but the hope is that progress will be monitored both for subsidized and for market-rate housing as the strategies are implemented by the lead entities listed in the Roadmap for each strategy.

At the HPWG's last meeting, on December 22, 2022, when the HPWG approved the Housing Plan with certain changes that have now been included in the Plan, concern was expressed that no committee or department of the Town has been designated to further develop the Housing Plan's vision and goals and monitor implementation. The Housing Plan recommends that the Town's Affordable Housing Trust should have a role in implementing and monitoring the Housing Plan strategies see Section IV. C. CAPACITY BUILDING STRATEGIES (pp 70-75).

In transmitting this Plan to you, the HPWG asks that attention be given to identifying and supporting Town staff, committee volunteers and possible planning consultants who will work to further coordinate and develop planning goals and implement and monitor performance of this Plan over the next 10 years.

Sincerely,

Jeanne S. McKnight, Housing Plan Working Group, Co-Chair
Natasha Espada, Housing Plan Working Group, Co-Chair

TOWN OF NEEDHAM HOUSING PLAN DECEMBER 2022



Needham Place



Rosemary Ridge



Craftsman Village



High Rock Estates

Prepared by the Needham Housing Plan Working Group

Jeanne McKnight, Co-Chair	Planning Board
Natasha Espada, Co-Chair	Planning Board
Rhonda Spector	Citizen At Large
Oscar Mertz	Citizen At Large
Emily Cooper	Citizen At Large
Ed Cosgrove	Board of Health
Helen Gregory	Council on Aging
Carol Fachetti	Finance Committee
Ed Scheideler	Housing Authority
Heidi Frail	Select Board
Marcus Nelson	Select Board
Michael O'Brien	School Committee

Needham Department of Planning and Community Development

Lee Newman, Director of Planning and Community Development
Alexandra Clee, Assistant Town Planner Karen Sunnarborg, Housing Specialist

TOWN OF NEEDHAM HOUSING PLAN

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Acknowledgements

The Needham Planning Board and Housing Plan Working Group would like to acknowledge the following organizations and individuals for their contributions to this planning effort:

- Marie Celeste, Needham Housing Authority
- Chip Davis, Needham Town Assessor
- Reginald C. Foster, Needham Housing Authority
- Cynthia Roy Gonzalez, Needham Public Information Officer
- Lyn Heintz, Needham Building Department
- Aicha Kelly, The Center at the Heights/Council on Aging
- Tim McDonald, Needham Department of Health and Human Services
- Angie Medeiros, Needham Housing Authority
- Steven Merritt, Needham Housing Authority
- Jessica Moss, Needham Center at the Heights/Council on Aging
- Melissa Motta, Needham Town Assessor
- Nayda Sanchez, Needham Housing Authority
- Lynn Schoeff, Needham Department of Health and Human Services
- Tiffany Zike, Needham Department of Health and Human Services

TOWN OF NEEDHAM

HOUSING PLAN

I. EXECUTIVE SUMMARY

The Housing Plan Working Group is publishing this Housing Plan to provide a pathway for creating housing opportunities in the Town of Needham. After 15 months of work together, the Working Group has concluded that the Town needs to pursue opportunities to provide housing that is affordable to residents of different income levels. We believe the implementation of this Housing Plan to preserve, and hopefully increase, both moderate-income and affordable housing is critical to maintaining the diversity and economic prosperity of Needham.

This Plan presents recommendations that Town Boards, Committees, Departments, and other entities are asked to pursue to take advantage of the community's housing opportunities. These strategies, presented in Section IV and summarized in Appendix 1, consist of the following 17 major recommendations in three categories:

This Housing Plan stresses the need to develop a more holistic or comprehensive orientation towards zoning to avoid having to be reactive on a project-by-project basis. Zoning strategies are meant to help the Town be more intentional in its permitting, looking at Town-wide opportunities for directing future development.

Zoning Strategies

1. *Comply with MBTA Communities Guidelines* under Section 3A of the State Zoning Act that mandates a certain level of by-right multi-family housing zoning in each community within or adjacent to the Massachusetts Bay Transportation Authority (MBTA) service area. The level for Needham is 15% of its housing stock, and recommendations include expanding the A-1 zoning requirements of up to 18 units per acre in areas located primarily along the Highland Avenue and Chestnut Street corridor.
2. *Adopt town-wide inclusionary zoning* that wherever possible will require at least 12.5% of units in projects of six or more units be eligible for inclusion in the SHI with some provision of payments in-lieu of units for subdivisions of less than six units.
3. *Broaden requirements for Accessory Dwelling Units (ADUs)* to eliminate the requirement of occupancy by family members and caregivers and enable owners to obtain additional income, among other benefits, which is particularly helpful to older owners on fixed incomes. Approval of units within single-family units will be by-right, however, some units in detached structures may be allowed under special permit.
4. *Promote greater energy efficiencies in housing* that is being explored as part of the recently-appointed Climate Action Plan Committee's work to guide the Town in developing a plan that meets or exceeds the State's climate mitigation and resilience goals.
5. *Consider options for promoting development in appropriate locations* by incentivizing new housing development in areas that address smart growth principles by calling for more efficient land use, compact development patterns, less dependence on the automobile, a range of housing opportunities and choices, and improved jobs/housing balance.
6. *Consider options to better control teardown activity* to discourage the demolition of more modest homes and replacement by much larger and newer homes that many residents feel do not fit into

neighborhoods. Such considerations could include further amendments of the dimensional thresholds for lot coverage, FAR, setbacks, and height restrictions for new homes as well as a potential tree removal by-law, changes to the demolition delay by-law, and additional historic districts.

Housing Development and Preservation Strategies

1. *Support Needham Housing Authority's Preservation and Redevelopment Initiative (PRI)* to enable NHA to make essential improvements to its property inventory while also potentially yielding buildable lot areas for additional deeply affordable or more diverse income affordable housing.
2. *Continue local programs that address health and safety issues* including the Small Repair Grant Program that provides grants of up to \$5,000 for health and safety repairs to qualifying local homeowners. Also consider reintroducing the Safety at Home Program that provided assessments of home hazards, especially regarding potential trips and falls, as well as a discussion of other fall risk factors.
3. *Strategically invest and leverage local resources* to access other important resources, both financial and technical, to finance new projects and programs.
4. *Promote housing for special needs populations* to ensure that Needham's residents with disabilities, both young and old, have opportunities to secure not only affordable but also accessible housing in the community.
5. *Renovate/replace the Stephen Palmer Property* as the lease will expire in a few years, in May 2027, and it is time for the Town to revisit its options for redeveloping the property. As in the past, the Select Board should consider appointing a special Committee or Working Group to examine the property's potential for maximizing its reuse for affordable and/or moderate-rate housing when the lease expires with consideration of the needs of existing tenants.
6. *Prepare an inventory of potential public and privately-owned development opportunities* through the appointment of a Working Group of representatives from various Town boards and committees to revisit the feasibility of properties that were identified for potential housing development in the past and to determine the suitability and availability for developing affordable housing on additional publicly-owned property. Similarly, this Working Group could also be tasked with identifying privately-owned parcels that hold some development potential.
7. *Consider waiving application fees for affordable housing* on any development that includes affordable units or as an additional incentive for projects that are directed to below market units in accordance with the Guiding Principles and Priority Housing Needs identified in this Housing Plan.

Capacity Building Strategies

1. *Continue to provide community outreach and education on housing* to engage the community in discussions related to affordable housing and to present information on the issue to dispel misinformation and help galvanize local support, political and financial, for new affordable housing production.
2. *Monitor targeted housing goals and the SHI* by annually monitoring progress with respect to the implementation of this Plan, including targeted production goals, with staff support from the Department of Planning and Community Development.
3. *Identify impacts of housing proposals* through impact analyses of housing initiatives on a project-by-project basis with further consideration of greater proactive instead of reactive studies to guide new development.
4. *Build local and regional support and collaboration for housing* by revisiting the Affordable Housing Trust's roles, responsibilities and membership vis a vis the implementation of this Housing Plan

with potential Planning Board/Planning and Community Development Department roles in guiding housing vision and Plan implementation. Also consider participation in CHAPA's Municipal Engagement Initiative (MEI) to support efforts at local and regional coalition building around housing production and preservation.

The Plan also present eight additional strategies that merit further study over the next few years:

Zoning

- Consider allowing 2-family homes by-right in single-family zones.
- Evaluate the feasibility of mixed-use development with affordable housing on the municipal parking lot in Needham Center.
- Explore options to establish a Chapter 40R "Smart Growth" Overlay District(s) in Needham.

Housing Development and Preservation

- Make enhanced homebuyer assistance available.
- Support state legislation or consider a Home Rule petition for a transfer tax or impact fees on high-value home sales.
- Consider further property tax reductions or deferrals for qualifying older residents with high cost burdens.

Capacity Building

- Conduct a racial impact study.
- Explore potential reductions in local preference in affordable housing lotteries.

BACKGROUND

Needham is a desirable place to live, work, and raise children with an excellent school system, proximity to jobs, public transportation into Boston, and community amenities. However, housing in town has become very expensive. To address this issue, the Needham Planning Board is sponsoring this Housing Plan to obtain updated information on housing conditions and identify local housing needs and priorities to guide decision-making on the Town's future housing agenda.

To undertake this work, the Planning Board appointed a Working Group composed of representatives of various local boards and committees as well as at-large members of the community. The active engagement of local leaders, housing stakeholders, and residents is a key component of the process of preparing this Housing Plan and has included several community meetings and a community housing survey.

The Town of Needham has not had an approved Housing Plan in place since 2007, although it has made considerable progress in producing affordable housing since then, adding 894 new state-approved units¹ to its Subsidized Housing Inventory (SHI) and surpassing the state Chapter 40B affordability goal of 10%. Despite reaching this threshold, the Town recognizes that significant unmet housing needs remain.

The Town of Needham has approximately 11,800 total housing units with a median single-family house price of \$1.29 million in 2021 (\$885,000 for condominium units), up from \$1,065,000 (+21%) and \$805,000

¹ A total of 894 units were added to the Massachusetts Department of Housing and Community Development ("DHCD") Subsidized Housing Inventory (SHI) maintained under MGL Chapter 40B, although 238 were actually affordable to those with incomes at or below 80% of area median income and 656 were market-rate rental units.

(+10%), respectively, as of the end of 2019. Housing prices are high and rising, up to \$1.45 million and \$850,000 for single-family homes and condos, respectively, as of September 2022. Further evidence of tight market conditions includes vacancy rates for rental and homeownership units of only 2.6% and 1.0%, respectively. Few homes in the private housing stock are affordable to low- and moderate-income residents. These conditions are exacerbated by substantial teardown activity where contractors replace modest older homes with larger very expensive ones, further driving up housing prices and eroding housing options.

The pandemic and higher interest rates do not appear to be making a large dent in the prices of homes in town. Income loss during the pandemic, rising property taxes due to escalating housing values, and other higher housing-related costs have contributed to a widening affordability gap with some residents struggling to remain in the community.

Fundamental to the rise in housing prices is the imbalance between housing supply and demand. This is not just a local problem but one that is occurring throughout much of the Commonwealth, the Greater Boston area in particular. Regional solutions to boosting housing production are needed, albeit challenging given the discretion provided to municipalities in adopting their own zoning by-laws and ordinances under the home rule amendment to the Massachusetts Constitution which authorizes local by-law enactment.

The Housing Plan Working Group, along with community members who attended meetings on January 27th and March 24th and filled out the Community Housing Survey, have identified maintaining a very diverse and welcoming community as our highest priority for the Town of Needham. To achieve this priority, it is imperative that our housing stock provides options for residents of all ages, races, ethnicities, gender identification, sexual orientation, religion, abilities, and stages of life.

It is the premise of this Housing Plan to create housing opportunities that will not only be affordable to low- and moderate-income households but will remain so for as long a period as possible, striving to remain above the state's Chapter 40B 10% affordability goal. Staying above this threshold offers the Town a strong negotiating position with developers to ensure that new units are created in the context of the Town's needs and preferences. It is also the intention of the Housing Plan to address the wide range of housing needs in the community to the greatest extent possible based on diverse target populations, including those who might have incomes above state limits but are still priced out of the housing market.

Through a range of strategies including zoning changes, partnerships with developers and service providers on housing development and preservation efforts, and approaches to boosting local and regional capacity to promote greater housing diversity and affordability, the Town can continue to play a meaningful role in promoting housing options that match people to appropriately priced and sized units – producing housing that reflects the guiding principles included in Section II.C and the following **community housing priorities**:

- *Households with Limited Incomes – Need affordable rental housing*

There still remains a population living in Needham with very limited financial means. Given the high costs of rental housing, including sizable up-front costs (first and last months' rent, a security deposit, and moving expenses), more subsidized rental housing is necessary, particularly for the community's most vulnerable residents and its workforce. Additionally, almost all state subsidies are targeted to rental development which enables the Town to leverage local investments and build at some higher scale.

- *Gaps in Affordability and Access to Affordable Housing – Need affordable homeownership opportunities*

Housing in Needham is expensive with large gaps between what housing costs and what many residents can afford. There are also substantial cost burdens for owners with incomes at or below 100% AMI. Even though Needham has a very high level of homeownership, at 84%, there would be a public benefit for the Town to promote opportunities for younger households to purchase a starter home and establish roots in the community. A wider range of affordable homeownership options is also needed for municipal employees, other local employees, and older residents looking to downsize. Many older adults are living in homes that are larger than they need, costly to maintain, and potentially isolating; but there are limited alternatives that better address their current lifestyles, resources, and potential special needs.

- *Special Needs Housing – Need handicapped accessible units and supportive services*

An estimated 2,262 residents, or 7.4% of all civilian, noninstitutionalized residents, identified themselves as having a disability.² Given this level as well as the aging of the population, greater emphasis should be placed on housing that is linked to appropriate supportive services and promotes increased conformance with universal design guidelines for handicapped accessibility, adaptability and “visitability”. Beyond the increasing needs of older adults, this planning process attracted input from parents who find it difficult to secure suitable housing for their children with disabilities when they turn age 22.

A summary of recommended housing strategies is included as Appendix 1 which provides information on the proposed action, entity primarily responsible for implementation, whether Town Meeting approval is required, the level of complexity, prerequisites or resources required, as well as the timeframe for implementation.

² The U.S. Census defines disability as a long-term physical, mental, or emotional condition that can make it difficult to do basic activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Many residents with one or more disabilities face housing challenges due to a lack of housing that is affordable and physically accessible.

II. INTRODUCTION

A. PURPOSE OF THE PROJECT

This Housing Plan represents an effort to update and augment information that was included in an Affordable Housing Plan, completed in 2007. The 2007 Plan was the culmination of a lengthy process on the part of the Town of Needham to better understand and address unmet community housing needs. In the fall of 2002, the Needham Select Board created the Comprehensive Community Housing Study Committee, made up of both Town officials and local residents, to coordinate, research and make recommendations to the Town about ways to maintain and increase housing options for individuals and families with low- and moderate-incomes. With assistance from Needham's Planning Department, consultants and state funding under Executive Order 418, the Committee undertook a vigorous program of research and public workshops for more than a year that culminated in a completed Community Housing Plan.

In June of 2006, the Select Board appointed a special Affordable Housing Plan Task Force to work with the Town Planner and selected consultants on updating the above-mentioned Executive Order 418 Community Housing Plan to make sure it reflected current market conditions, the status of housing initiatives, and the updated HUD Consolidated Plan,³ setting production goals over the next decade to get to the Chapter 40B 10% state affordable housing goal.

More than 15 years have passed since then and significant progress has been made with respect to boosting housing production and building local capacity for promoting additional housing opportunities including the following important accomplishments:⁴

- Since 2006, the Town's Chapter 40B Subsidized Housing Inventory increased from 498 to 1,410 units or from 4.61% to 11.86% of its year-round housing stock for a net increase of 912 state-approved units.
- The Needham Housing Authority (NHA) coordinated a \$2 million modernization project that expanded the living areas and renovated the kitchens of units in its High Rock Estates project. Additionally, they redeveloped 20 single-family houses into 20 duplexes with a net gain of 20 units. Ten of these duplexes were redeveloped into 20 condominium units with a separate Homeowners Association but also receiving NHA support in maintaining and managing the units. The remaining units are rentals owned and managed by NHA. Since then, NHA prepared a Facilities Master Plan and has brought on consultants to guide it in the next phases of modernization and redevelopment work.
- The Town approved new zoning that created special districts to promote housing for older adults and mixed-use development with mandates for the inclusion of affordable units. It also approved a bylaw to allow the creation of Accessory Dwelling Units (ADUs) for family members or caregivers.
- Significant funding has been committed in support of affordable housing including almost \$1.5 million in Community Preservation Act (CPA) funding and \$280,000 in federal HOME Program funds.
- The Town prepared a permitting guide that clarifies what qualities Needham seeks in housing development, focused primarily on Chapter 40B comprehensive permit projects.

³ Such plans are required by HUD for receipt of HOME Program funding and updated every five years.

⁴ A more detailed report of zoning and housing production accomplishments is included as Appendix 3.

- The Needham Housing Authority completed its Facilities Master Plan in 2019, and in mid-2021 it launched its Preservation and Redevelopment Initiative focused on upgrading its 316 existing deeply affordable units and the development of ~200 new units.
- The Town launched new programs, one to support qualifying tenants in paying their rent during the pandemic and another to help eligible homeowners undertake important health and safety improvements to their homes.

This Housing Plan provides an opportunity to obtain updated information on local demographic and housing changes and reflect on the ramifications of these changes on current housing needs. In order to move forward on a proactive housing agenda, the Town recognizes that it needs a more current understanding of the local housing dynamic to identify and prioritize unmet housing needs in the community and prepare a plan of action to address them. This planning effort will enable the Town to document the extent of local need in terms of affordability, accessibility, sustainability, and suitability that will provide input into decision-making on future regulatory and development prospects.

The Needham Planning Board has appointed a Working Group of representatives of various Town boards and committees as well as three at-large community members to coordinate the planning process. Fundamental to this planning effort is a robust community engagement process of public forums, interviews, and a survey to ensure that residents have opportunities to express their thoughts about local housing issues and an action plan.

B. TOWN OVERVIEW

Originally incorporated in 1711, after 200+ years as a rural community, Needham has become a largely residential town located on rocky uplands within a loop of the Charles River in the eastern part of Norfolk County and about ten miles southwest of Downtown Boston. The town includes almost 13 square miles and is home to about 32,000 residents. Neighboring communities are some of the most affluent in the Boston Region and the state including Wellesley on the west and northwest, Newton on the north and northeast, the West Roxbury section of Boston on the east, Dedham on the southeast and south, and Westwood and Dover on the south.

Needham also has the great advantage of being well positioned with respect to transportation with four stops on the Massachusetts Bay Transit Authority's (MBTA) commuter rail system, a bus route connecting Needham with the MBTA's Green Line in Newton, and tremendous highway accessibility that includes Routes 9 and 90 to the north and Route 95/128 that run through town with three exits in Needham and one adjacent to Needham in Dedham.

Needham is also made up of richly diverse environments, ranging from a compact Town Center, outlying areas that are more rural in character, a variety of smaller village centers and residential neighborhoods, as well as substantial and well-planned business areas. While Town government remains under significant fiscal pressures, like virtually all others in Massachusetts, the level of services it strains to maintain is one that many communities would envy. Moreover, Needham has a well-recognized school system that has been ranked highly among others in the state. All of these amenities have resulted in Needham being a desirable place to live, work and raise a family.

Nevertheless, the Town faces some very real challenges that need to be addressed, and housing is among them. High housing costs coupled with limited state and federal resources present substantial challenges to meeting local housing needs. For example, young adult children of Needham families typically find it impossible to afford housing here, particularly if they have a disability. Many households, especially older

adults with fixed incomes, find that remaining here imposes increasingly unbearable cost burdens. Mobility within Needham is limited as “empty nesters,” even those with good incomes and substantial home equity, find downsizing to housing with accessibility and services a choice that is largely unavailable at reasonable cost.



Moreover, Needham is categorized by the regional planning agency, the Metropolitan Area Planning Council (MAPC), as a “mature suburban town” characterized by mid-20th century neighborhoods of owner-occupied, single-family homes on small lots, interspersed with commercial districts and high-density residential developments. Such “maturity” reflects fewer future housing development opportunities. While there are some remaining scattered parcels of vacant developable land, most new development will have to occur through

the redevelopment of existing buildings. This will likely be in areas where some greater density is welcome, such as near commuter rail stations and along commercial corridors. Moreover, almost all new single-family homes now involve the demolition of more modest homes in the community with replacement of much larger and expensive ones.

Bringing affordability to existing units is made more daunting by Needham’s extraordinary market values with a median single-family home price of almost \$1.3 million.

Within this context of housing challenges is the virtual mandate from Chapter 40B and the Commonwealth that at least 10% of all housing should be affordable based on specific requirements, regardless of market changes. As Needham has surpassed this 10% affordability threshold, it is in a position to better control new development of affordable housing as the Chapter 40B comprehensive permit process can only be used if the Town agrees to basic project terms and conditions.

C. GUIDING PRINCIPLES

This Housing Plan adopts the following guiding principles as core values in driving the Town’s future housing agenda. These become the context for the housing strategies that are proposed to address local and regional housing needs.

- Build a more diverse and welcoming community that includes residents of all ages, races, ethnicities, gender identification, sexual orientation, religion, abilities, and stages of life.
- Be a community with broad economic diversity.
- Be an engaged community that actively shapes a vision for its housing future that is sensitive to regional considerations.
- Ensure that new housing is appropriate to its location and context.
- Provide opportunity for different housing types of a broad range of size and price.
- Enhance the vitality of our commercial areas to encourage walkability, commuting, shopping, services, socializing, and health.

D. DEFINITION OF AFFORDABLE HOUSING⁵

The federal government identifies units as affordable if gross rent (including costs of utilities borne by the tenant) is no more than 30% of a household's net or adjusted income (with a small deduction per dependent, for child care, extraordinary medical expenses, etc.) or if the carrying costs of purchasing a home (mortgage, property taxes and insurance) is not more than 30% of gross income. The state's Chapter 40B comprehensive permit regulations and Local Initiative Program (LIP) guidelines define affordability if the household is not paying more than 30% of income on housing costs. If households are paying more than these thresholds, they are described as experiencing housing affordability problems or cost burdens; and if they are paying 50% or more for housing, they have severe housing cost burdens.

Affordable housing is also defined according to percentages of median income for the area, and most housing subsidy programs are targeted to particular income ranges depending upon programmatic goals. Extremely low-income housing is directed to those with incomes at or below 30% of area median income (AMI) as defined annually by the U.S. Department of Housing and Urban Development. Housing that targets this income group is often referred to as "deeply affordable". Very low-income is defined as households with incomes between 31% and 50% of area median income. **Low-income** generally refers to the range between 51% and 80% AMI. These income levels are summarized in Table II-1, comparing 2021 and 2022 income limits. The median area income, for a household with four persons, increased by 16% between these years, from \$120,800 to \$140,200.

Table II-1: INCOME LIMITS FOR THE BOSTON-CAMBRIDGE-QUINCY MA-NH METRO AREA, 2021/2022

# Household	30% AMI	50% AMI	80% AMI	100% AMI
1 person	\$28,200/\$29,450	\$47,000/\$49,100	\$70,750/\$78,300	\$84,560/\$98,140
2 persons	\$32,200/\$33,650	\$53,700/\$56,100	\$80,850/\$89,500	\$96,640/\$112,160
3 persons	\$36,250/\$37,850	\$60,400/\$63,100	\$90,950/\$100,700	\$108,720/\$126,180
4 persons	\$40,250/\$42,050	\$67,100/\$70,100	\$101,050/\$111,850	\$120,800/\$140,200
5 persons	\$43,500/\$45,450	\$72,500/\$75,750	\$109,150/\$120,800	\$130,464/\$151,416
6 persons	\$46,700/\$48,800	\$77,850/\$81,350	\$117,250/\$129,750	\$140,128/\$162,632
7 persons	\$49,950/\$52,150	\$83,250/\$86,950	\$125,350/\$138,700	\$149,792/\$173,848
8 persons	\$53,150/\$55,550	\$88,600/\$92,550	\$133,400/\$147,650	\$159,456/\$185,064

Source: U.S. Department of Housing and Urban Development (HUD) and Community Preservation Coalition for 100% AMI figures.

Most state-supported housing assistance programs are targeted to households earning at or below 80% AMI, as well as some at lower income thresholds. The Community Preservation Act (CPA) allows resources to be directed to those at a somewhat higher income threshold – up to 100% of area median income – now typically referred to as "community housing". It should be noted, however, that units in this income range cannot be counted as part of the SHI. In general, programs that subsidize rental units are targeted to households earning less than 60% AMI with some financing reaching those with incomes below 30% AMI. First-time homebuyer programs typically apply income limits of 80% AMI.

In counting a community's progress toward the Chapter 40B 10% threshold, the state counts a housing unit as affordable if it meets a number of requirements under Chapter 40B as summarized in Figure II-1. These units are often referred to as "A" affordable. It is worth noting that there are moderately-priced units available on the open market that do not qualify for the SHI and referred to as Market Affordable Housing.

⁵ Definitions of other terms are included in a Glossary of Terms in Appendix 4.

Figure II-1: CHAPTER 40B: WHAT IS AFFORDABLE HOUSING?

1. Must be part of a “subsidized” development built by a public non-profit, or limited dividend corporation or approved Through a state subsidizing agency.
2. At least 25% of the units in the development must be income restricted to households at or below 80% of area median income (or 20% for those earning at or below 50% AMI) and have rents or sales prices restricted to affordable levels. Restrictions must run at least 15 years for rehab and in perpetuity for new homeownership units.⁶
3. Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
4. Project sponsors must meet affirmative marketing requirements.

State policies also enable municipalities to possibly reserve up to 70% of the affordable units created in state subsidized developments, including comprehensive permit projects, for those who live, work or attend school in the community, referred to as “local preference” units. State approval is required, and thus far Needham has obtained local preference approval at the 70% level for all of its eligible projects.

⁶ The state has allowed some flexibility on the level of affordability in homeownership projects.

III. HOUSING NEEDS ASSESSMENT

It is important to closely examine demographic and economic data and trends, particularly past and future trends, in order to understand the composition of the population and how it relates to current and future housing needs. A summary of key demographic, economic and housing conditions is provided below that is further distilled into indicators of housing needs by rental vs. homeownership as well as target populations to identify priority housing needs. **Detailed demographic, economic, and housing profiles are included in Appendix 2 with substantial analyses of housing conditions, including affordability.**⁷

A. SUMMARY OF DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS AND TRENDS

Recent spurt in population growth, increasing racial diversity, and shifts towards more older adults

The 2020 U.S. decennial census identified continued population growth in Needham between 2010 and 2020, up to 32,091 residents, representing a gain of 3,205 new residents or 11%. Some of this growth is due to new multi-family rental development that included 526 additional residential units in The Kendrick and Modera Needham 40B developments. Population projections forecasted a total population of less than 30,000 residents by 2020 and 31,000 by 2030, significantly less than the 32,091 residents reported in the 2020 census.

The population has remained predominantly White, with growth in the number of Black and other residents of color as a percentage of the total population, from 5% in 2000, 9% in 2010, and up to 15% according to the 2020 census.

The 2020 decennial census data identified 8,439 residents as being under age 18, representing a 3.4% increase in growth since 2010 compared to an 11% increase in total population. The number of children decreased from 28.3% to 26.3% of all residents between 2010 and 2020. There were also losses in young and middle-aged adults during this period with those age 25 to 54 declining by 23% during this period.

Those 65 years of age or older increased from 4,700 residents in 2010 to 6,068 in 2020 or by 29% and from 16.3% to 19.5% of the population. This age group is projected to increase to 24% of residents by 2030. While many older adults want to downsize in the community, many remain in their homes because there are few appropriate and affordable options for them in Needham.

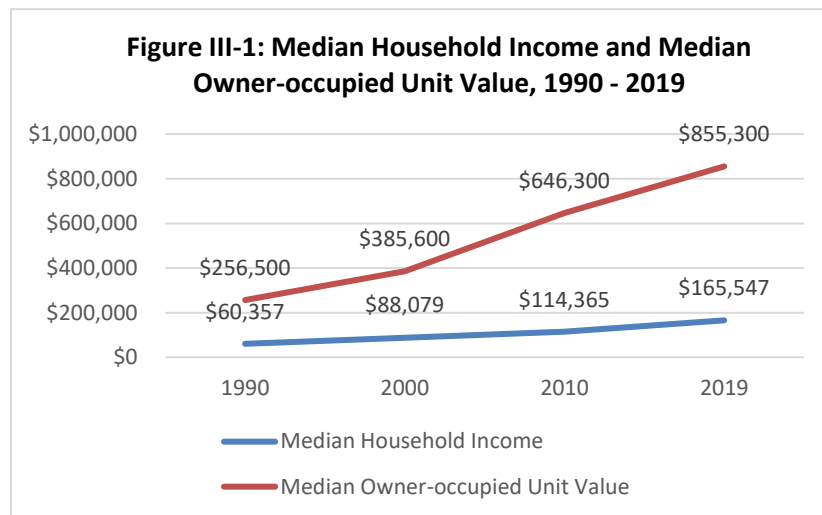
Population projections generally forecast declines in the numbers of children. The Needham Public Schools reported a student enrollment of 5,483 in the 2020-2021 school year, down from 5,645 for 2018-2019, and up considerably from 4,330 students during the 1999-2000 school year. These projections predict that student enrollments will grow to a peak of 5,946 students in the 2025-26 school year and then decline to 5,777 in 2033-2034.⁸

While the population increased by 11% between 2010 and 2020, the number of households increased by 4%, from 10,341 to 10,765 households. This suggests that households are becoming larger which is further demonstrated by the increase in average household size from 2.72 persons in 2010 to 2.82 by 2020.

⁷ As the U.S. census decennial data is limited, much of the analysis of demographic, economic and housing characteristics and trends sourced in the census as part of this Housing Plan will necessarily be based on the census estimates in the American Community Survey (ACS).

⁸ McKibbin Demographic Associates, Enrollment Projections for FY 2019/2020 to 2033/34 to the Needham Public Schools, January 2, 2019.

Smaller homes being torn down and replaced by larger ones has contributed to the increasing numbers of larger households.



Housing costs have risen faster than incomes over the decades.

The median household income grew by 30% between 1999 and 2010 to \$114,365 and then by another 53% to \$174,707 by 2020. This is more than twice the rate of inflation between 2010 and 2020 of 18.7%. As shown in Figure III-1, housing values have risen more than income, resulting in greater affordability gaps.

There were decreases in the numbers and percentages of

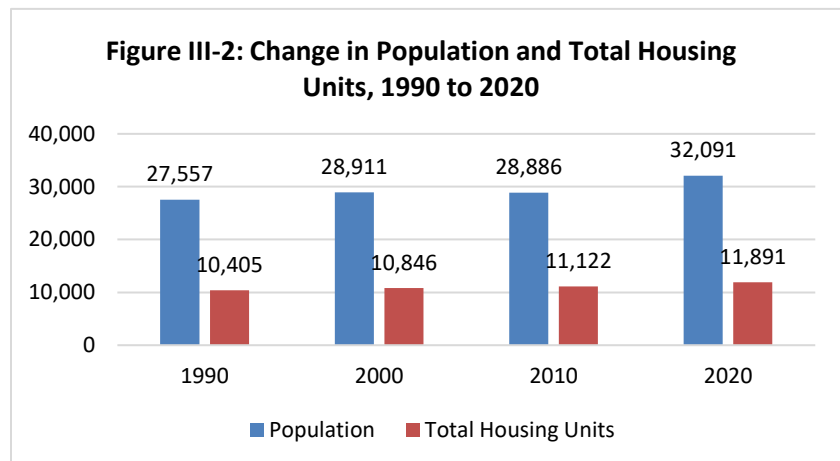
households in all income ranges of less than \$100,000 between 2000 and 2020, with 42% of all households earning less than \$100,000 in 2010 compared to 30% by 2020. Correspondingly, 58% of all households earned more than \$100,000 in 2010, increasing to 70% by 2020. Moreover, **44% of all households had incomes of more than \$200,000 in 2020.**

Despite generally growing prosperity, there remains a vulnerable population living in Needham with very limited financial means as 1,157 households or 10.8% of all households were estimated to have incomes of less than \$35,000, including 625 or 5.8% earning less than \$25,000. Another sign of income disparities relates to tenure. While the median household income of homeowners almost doubled between 2000 and 2020, from \$100,732 to \$203,690, the median income of renters stayed about the same, going from \$44,226 to \$44,361.

B. SUMMARY OF HOUSING CHARACTERISTICS AND TRENDS

Slower housing growth than population growth in tandem with substantial teardown activity

Population growth increased by 4,534 residents or 16.4% between 1990 and 2020 to 32,091 residents compared to housing growth of 1,486 units or 14.3% to 11,891 units as shown in Figure III-2. This higher



population growth reflects higher average persons per unit which largely occurred in the owner-occupied housing stock between 1990 and 2020, from 2.83 to 3.03 persons. Average household size in rentals decreased, however, from 2.01 to 1.69 persons during this same period.

Building permit data indicates that between 2010 and 2020 there was a net gain of 720

housing units with a net increase of only 19 single-family homes. This represents a teardown level of almost 98% of all building permits issued for single-family construction during this period.

Building permit data also shows that 666 units were built in multi-family buildings of three units or more between 2010 and 2020, representing 92.5% of new unit production. Most of these units were part of the 526 units built as part of The Kendrick and Modera Needham Chapter 40B developments. Despite this significant amount of new multi-family construction, Needham's housing stock remains dominated by single-family detached residences at 77.6% of all units with an owner-occupancy level (all owner-occupied units) of 84.5% based on 2020 census estimates.

Housing costs at unprecedentedly high levels for homeownership and rentals

Needham joined the "million-dollar club" several years ago as the median sales price of a single-family home climbed to \$1,102,000 as of January 2019 from \$976,250 as of the end of 2018. It subsequently increased to \$1.29 million in 2021. The median price for all types of condominium units was \$885,000 in 2021, up from \$805,000 in 2019.

The rental market has also changed substantially as the median rent doubled between 1990 and 2020, from \$798 per month to \$1,604. The 2020 census estimates further indicated that 65.8% of the town's rental units were renting for more than \$1,000, 50.8% above \$1,500, and 11.4% at over \$3,000. *It is also important to note that the census figures include subsidized units, which represents about 37% of all rental units in Needham, and thus median values make the rental market look more affordable than it actually is.* A more typical rent for a two-bedroom apartment is at least \$1,900 in older dwellings and over \$3,200 in newer multi-family developments.

There is very little affordability remaining in Needham's private housing stock as there was only one unit, a Habitat for Humanity house, valued below \$200,000 and just one other single-family home assessed between \$200,000 and \$300,000 that were still relatively affordable to those with incomes at or below the area median income (see Table II-1 for income levels). While almost half of the homes were assessed between \$500,000 and \$700,000 in Fiscal Year 2014, homes in this range declined to 18.7% in Fiscal Year 2022. In fact, all properties assessed for less than \$700,000 decreased from 4,987 homes, or 60% of all single-family units in FY14, to 1,684 units representing 20% of these units by Fiscal Year 2022.

A particularly important component of Needham's housing stock includes the 316 units owned and managed by the Needham Housing Authority (NHA), representing 22% of all units that the state counts as part of the Subsidized Housing Inventory (SHI) and 43% of the actual affordable units. Most of these units are antiquated, without handicapped accessibility and energy efficiencies, and will require a major investment of capital to make improvements and potentially expand the number of units. This will be a major focus on the Town's housing agenda.

Growing affordability gaps and cost burdens

The affordability gap for single-family homes is estimated to have been \$482,000 in 2021, the difference between \$808,000, based on what a median income Needham household could afford (for an average household of three and 80% financing) and the median house price of \$1.29 million.⁹ This gap is up

⁹ Figures based on interest rate of 4.0%, 30-year term, annual property tax rate of \$13.03 per thousand, insurance costs of \$6 per thousand for single and two-family homes and \$4 per thousand for condominium units, and private mortgage insurance (PMI) estimated at 0.3125% of loan amount for 95% financing, and estimated monthly condo fees of \$300. Figures do not include underwriting for PMI in calculations with a 20% down payment and for the 80% AMI level at 95% financing that would assume that the purchaser qualified for the ONE Mortgage Program,

considerably from \$211,500 as of April 2014. The upfront cash requirements for the down payment and closing costs in effect add more than another \$265,000 to this affordability gap in the case of 80% financing with a 20% down payment, an amount most first-time homebuyers lack.

When looking at the affordability gap for those with incomes at the 80% AMI limit, the gap is at an estimated \$918,500, the difference between the median priced single-family home and what a three-person household earning at this income limit can afford or \$371,500 based on the ability to secure financing with no more than a 5% down payment, such as through some state subsidized mortgage programs.

In regard to rentals, because the median household income for Needham is so high, there is no affordability gap for households earning at the median income level who could likely afford a monthly rent of almost \$4,000. However, a household with income at the 80% AMI level would encounter an affordability gap of about \$650, the difference between an estimated median rent of \$2,500 and what such a two-person household could afford of about \$1,846 based on spending no more than 30% of income on housing costs and monthly average utility bills of \$175.

Given rising housing costs and widening affordability gaps, it is not surprising that more households are spending more than they should for housing. Special tabulations of census data for HUD indicated that of the total 10,765 estimated households in Needham, 1,425 or 13.2% were spending between 30% and 50% of their income on housing with another 1,163 or 10.8% spending more than half their income on housing costs. This analysis suggests that 2,588 or 24% of all households were spending too much on their housing, commonly defined as spending more than 30% of income on housing cost and also referred to as having cost burdens.

There were 1,030 renter households and 1,060 owner households with incomes at or below 80% AMI, which included 57% or of all renter households and 11.8% of owner households.¹⁰ Of the 1,810 reported renter households, 620 or 34.2% were experiencing cost burdens compared to 708 or 7.9% of owners. Consequently, renters were proportionately experiencing greater cost burdens although the total number of cost-burdened owners was a bit higher.

Of the 1,030 renter households with incomes at or below 80% AMI, 60.2% were experiencing cost burdens including 38.4% with severe cost burdens. In comparison, 66.8% of the 1,060 owner households were overspending including 46.0% with severe cost burdens. It is likely that many of these cost-burdened owner households are “cash poor but equity rich” in that their incomes might have qualified them for purchasing an affordable unit (that would qualify for the SHI) but their financial assets, particularly the equity in their homes, would render them ineligible for such housing.¹¹

The convergence of these trends – an aging population, high housing prices, lower housing production, limited housing diversity, challenges in obtaining subsidies, and large up-front cash requirements for homeownership and rentals – all point to widening affordability gaps and increasing cost burdens. Consequently, without major interventions at all levels of government, Needham and many other

MassHousing, or other government mortgage offerings for example. Assumptions also include the purchaser spending no more than 30% of income on housing costs.

¹⁰ HUD uses Median Family Income (MFI) in this report which is the equivalent of Area Median Income (AMI).

¹¹ State asset limits are \$75,000 plus a maximum of \$200,000 in net equity from a former home for those purchasing a unit in age-restricted housing, a maximum of \$75,000 for all other households.

communities in the Greater Boston area will continue to lose ground on their ability to be a place where individuals and families across a range of economic and social strata can call home.

C. CONCLUSIONS – PRIORITY HOUSING NEEDS

Given the high numbers of residents who are paying too much for their housing (see Table 41 in Appendix 2) and growing affordability gaps, there is a pressing need to produce more housing that is affordable in Needham, not only for the most financially-vulnerable residents, but also for those who may not meet all affordable housing requirements but are still struggling to remain in the community. Needham's Council on Aging and Public Health Department prepared an Assessment of Housing and Transit Options for Needham Seniors in August 2016 that suggested that the affordable housing problem is greatest for moderate-income people who do not qualify for subsidized housing but cannot afford market rate housing. Nevertheless, it is important to note that even if a household qualifies for subsidized housing, there are not nearly enough units to meet all of the need nor demand.

The major obstacle to meeting underserved needs is the gap between these needs and the resources available, including real property, which has been exacerbated by unprecedentedly high housing prices. Constraining regulations, low interest rates, and the pandemic have also contributed to rising housing prices.

Fundamental to the rise in housing prices is the imbalance between housing supply and demand. This is not just a local problem but one that is occurring throughout much of the Commonwealth, the Greater Boston area in particular. Regional solutions to boosting housing production are needed, albeit challenging given home rule which authorizes local bylaw enactment in compliance with state oversight.

This Housing Plan provides a road map for devising and implementing strategies to preserve and produce additional community housing options, directing development to appropriate locations and target populations.

Based on input from a wide variety of sources including updated census data, market information, input from local stakeholders, and community meetings; the following priority housing needs have been identified.

Priority #1: Rental housing

Both rental and ownership housing are necessary to encourage a mix of housing types in response to diverse populations and household needs. There is, however, a more compelling case for rental unit creation based on the following considerations:

- Target the needs of the community's most vulnerable residents with very limited financial means as rental housing is typically more affordable and requires less up-front cash.
- Promote greater housing diversity as 84.5% of Needham's housing stock is owner-occupied and 82.7% involves single-family homes. More housing options are necessary to meet the needs of local workers and younger individuals and families who are priced out of the housing market, people who grew up in Needham and want to remain in the community, and empty nesters, for example.
- Better leverage other funds, as state and federal resources are almost exclusively directed to rental housing development, family rentals in particular, unless the municipality has been

designated as a Gateway City or has qualified low- and moderate-income census tracts (Needham does not).

- Invest locally-available subsidy funds (e.g., CPA, Needham Affordable Housing Trust Funds, HOME Program funds) in support of greater numbers of households/occupants over time as rentals turnover more regularly than ownership units.
- Respond to new state guidelines for MBTA communities in creating new transit-oriented zoning districts with by-right permitting for a minimum land area of 50-120 acres (depending on density), minimum gross density of 15 units per acre, and minimum multi-family unit count of 15% of the Town's total housing units or 1,784 units.
- Provide opportunities for some older residents who are "over-housed" and spending far too much on their housing to relocate to more affordable and less isolated settings, opening up their homes to families requiring more space. Create new income opportunities (e.g., through Accessory Dwelling Units or conversions to two-family homes) that could also address high cost burdens.
- Enhance the ability to qualify occupants for housing subsidies as state requirements for including units on the SHI make it very difficult for long-term homeowners to be eligible for subsidized or assisted housing given asset limits.
- Provide opportunities for mixed-income housing where several different income tiers can be accommodated within the same project.

Indicators of Need for More Rental Housing

As detailed throughout this Housing Needs Assessment, the following considerations suggest a pressing need for more affordable rental housing:

- *Limited incomes* – About 21% of all renter households had incomes of less than \$25,000 based on 2020 census estimates. Additionally, there was an increase in the number and percentage of renter households with incomes at or below 80% AMI between 2015 and 2018, from 53% to 57%. The median income earning renter, with \$44,361 in annual income, could afford a rent of no more than about \$934 given spending of no more than 30% of income on housing costs including an estimated \$175 in monthly utility bills. This makes it extremely difficult for lower income households to find affordable market rentals without spending far too much on housing.
- *High cost burdens* – Needham's renters are spending too much for their housing with 41% of all renter households overspending including 25% with severe cost burdens as they were spending more than half their income on rent and utilities.

Of the renters with incomes at or below 80% AMI, 60% were experiencing cost burdens, 38% with severe cost burdens. Of particular concern were the 450 renter households with incomes at or below 30% AMI, referred to as extremely low-income households by HUD. Of these, 54% were experiencing cost burdens, 48% with severe cost burdens. Additionally, of the 580 renter households earning between 30% and 80% AMI, about half were overspending including 31% with incomes in the 30% to 50% AMI range that had severe cost burdens. None of the households in the 50% to 80% AMI income category were reported to have had severe cost burdens. *The focus of rental housing production should be on those earning at or below 80% AMI to the greatest extent possible, and at lower incomes where feasible.*

- *High rents* – The 2020 census estimates indicated a gross median rent of \$1,604 which would require an income of about \$77,160, assuming \$175 per month in utility bills and housing

expenses of no more than 30% of the household's income. Not only is the median income of renter households much lower at \$44,361, but market rents are typically much higher and tend to be beyond the reach of lower wage earners (see Table 34 in Appendix 2). *Moreover, it is also important to note that the census figures include subsidized units, which represents about 37% of all rental units in Needham, and thus the U.S. Census reported median gross rent makes the rental market look more affordable than it actually is.*

Market rents are typically much higher and a relatively low-priced listing for a two-bedroom unit of about \$2,500 would require an income of about \$107,000 based on \$175 in average monthly utilities costs without cost burdens.

- *High up-front move-in expenses* – Many apartments require first and last months' rent plus a security deposit. For a \$2,500 apartment, that totals as much as \$7,500, an amount that many prospective tenants do not have available. Additionally, because many of Needham's rental opportunities in smaller properties are not advertised, those who do not have a special connection to the community are often out of luck.
- *Deficit of affordable rentals* – Calculations in Table 40 of Appendix 2 suggest that there is a shortage of 620 rental units for those with incomes at or below 80% AMI. Since this data was reported in 2018, it is likely that some of this need was subsequently addressed by The Kendrick or Modera Needham Chapter 40B developments for those in the 50% to 80% AMI range but not for those with incomes below which comprise the greatest need of 500 units. Given rising housing costs, it is likely that the deficits have grown and more units will be out of the range of low-income households.
- *Low vacancy rate* – The 2020 census estimates identify the rental vacancy rate as 2.6%, lower than county and state levels of 3.1% and 3.3%, respectively. As any rate below 5% is largely recognized to reflect extremely tight housing market conditions, this information confirms a very robust rental market.

Rental Needs of Older Adults

Rental housing needs of older adults are growing and cost burdens remain high as noted below. Clearly housing alternatives to accommodate the increasing population of older residents such as more handicapped accessibility, housing with supportive services, and units without substantial maintenance demands should be considered in housing planning efforts.

- *Recent population growth* – The number of those 65 years of age and older increased to 6,068 residents and 19.5% of the population according to 2020 census estimates, from 4,700 residents and 16.3% in 2010. This increase was largely driven by those age 65 to 74.
- *Significant projected growth* – As the community's Baby Boomers continue to enter the 65 years and over age range, the numbers of older adults is forecasted to increase over the next decade or so to about one-quarter of all residents. The housing challenges of this expanding population of older adults will need to be addressed in the Town's housing agenda.
- *Significant population of renters* – The highest number and proportion of renters included those 62 years of age or older, representing 895 households or about half of all renter households.

- *High cost burdens* – About 60% of the 570 older renter households with incomes at or below 80% AMI were overspending on their housing, including 255 or about 45% with severe cost burdens. Those remaining 230 older adults earning below 80% AMI and not overspending were likely living in Needham’s subsidized housing reserved for older residents (265 units) or other subsidized or 40B developments.
- *Insufficient income* – Most older adults living on fixed incomes and relying substantially on Social Security find that their income may not be sufficient to afford their current housing and other expenses, particularly when they lose their spouse. As their homes increase in value, so do their property taxes unless they qualify for special tax exemption or deferral programs. Moreover, many Needham households likely could be termed as “over-housed” given the disparity between the average-sized, owner household of three persons and the median-sized, owner-occupied unit of 7.5 rooms with three to four bedrooms.

Older adults relying primarily on Social Security are likely to have monthly incomes that fall far below what is needed to afford market rents.

Need for Deeply Affordable Housing and Support Services

- *Long waits for subsidized housing* – The Needham Housing Authority focuses on “deeply” affordable housing for those with incomes at or below 50% AMI and no tenant pays more than 30% of annual income for rent. Waitlists are very long. In regard to the NHA’s units for older adults and those with disabilities, there were 227 on the waitlist with waits of approximately six months to a year.

Moreover, the Needham Department of Health and Human Services conducted an Assessment of Needham Housing Authority Residents in 2019 in an effort to understand the needs of these residents and to increase their access to a range of Town services. Through interviews, focus groups, and a survey; assets and challenges emerged from the study that suggested the need for strong partnerships among the Needham Housing Authority, Town of Needham, community organizations, and residents to address unmet tenant needs including:

- Improvement of the physical environment including greater handicapped accessibility.
- Greater connections to other residents and the community.
- Better access to services including mental health and transportation.

NHA has addressed most of the findings and recommendations in this report including improved communication protocols, the hiring of a new resident services coordinator staff, restarting the Cooks Bridge After School Program, restoration of resident services that were interrupted by the Covid pandemic, increased staff focus on property maintenance, and new onsite activities among other important improvements.

Rental Needs of Families

Given the level of cost burdens, there are many low- and moderate-income families in Needham that have been struggling to pay their bills, with housing expenses likely chief among them. Given an impending crisis, a family may become at risk of homelessness, some forced to double-up with friends or family and/or live in substandard conditions while waiting for subsidized housing or a Section 8 Housing Choice Voucher. The pandemic exacerbated the housing instability of some of these families.

- *High cost burdens* – A total of 80 or 37% of the 215 small families (2 to 4 household members) with incomes at or below 80% AMI were paying too much for their housing. It is likely that many of those without cost burdens were living in affordable housing. Additionally, the number of small family renter households has grown from 109 in 2011, which may be a result of the opportunities offered as part of the larger Chapter 40B developments.

The data identifies only 25 large families (5 or more members) that were renting in Needham, 10 with cost burdens. The number of such households is down from 65 in 2011, all of which were experiencing severe cost burdens. This reduction of large family renters likely reflects some erosion of relatively affordable larger units for rent in the private market.

- *Fewer subsidized housing opportunities and long waits* – NHA has 559 applicants on its wait list for their 90 family units (30 at Captain Robert Cook Drive, 60 at High Rock, and 20 at High Rock Homes) including 359 applicants for two-bedroom units, 167 for three-bedrooms, and 33 for four-bedroom units. Waits for these units extend to three to five years. None of the units are handicapped accessible. NHA also administers 120 Section 8 Housing Choice Vouchers that subsidize the difference between HUD Fair Market Rents (FMRs) for the Boston area and a percentage of household income, with long waitlists as well.

Rental Needs of Non-family, Older Individuals

There are also considerable numbers of lower income non-family households, involving those under age 62, in Needham, mostly single individuals. Considerable numbers are experiencing cost burdens and long waits for subsidized housing that make finding appropriate affordable housing a challenge. Some of these individuals have disabilities that further complicate their housing problems as many who are reliant on Social Security tend to be among the most financially vulnerable residents in a community. Not only do they have to face the challenge of finding housing that they can afford, but they may require units that accommodate their special needs as well. It is no wonder that some find themselves at risk of homelessness and forced to move to another community with more affordable and accessible housing options.

- *Significant but declining population of these renters* -- Non-family households, with members under age 62, comprised 21% of all renter households, down from almost 30% in 2015. A total of 235 or 63% of these renters had incomes at or below 80% AMI. The remaining 140 such renters had incomes of at least 100% AMI and may include single professionals that were attracted to the market units as part of the larger Chapter 40B developments.
- Adult children who were raised in Needham and want to remain in the community are back living with their parents as they cannot find places they can afford.
- *High cost burdens* - There were also 235 non-family households with at least one member under age 62 (largely single individuals) with incomes at or below 80% AMI, of which 81% were overspending on their housing, including 55% with severe cost burdens. This is up from 31% and 35% with severe cost burdens in 2011 and 2015, respectively. These individuals may be good targets for new Accessory Dwelling Units (ADUs) should the Town change zoning to allow occupancy by those without family ties or performing the role of caregiver.

- *Long waits for subsidized housing* – 13.5% of NHA’s units in age-restricted developments are targeted to younger individuals (age 18 to 61) who have a disability with 14 applicants on the waitlist.

Priority #2: New ownership opportunities

Efforts to provide starter homes for first-time homebuyers and better housing alternatives for empty nesters should be promoted to address several objectives including:

- Provide opportunities for families who want to invest in Needham but are shut-out of the current housing market.
- Create first-time homeownership opportunities for those with incomes in the 50% to 80% of area median income range, including those who work in the community.
- Potentially develop units for those with incomes in the 80% to 100% AMI range that would be eligible for Community Preservation Act (CPA) assistance and are challenged to afford market rate units.
- Offer more affordable housing alternatives to empty nesters who want to downsize, thus opening their existing homes to families and enabling them to stay in Needham. The need for elevator access in multi-family properties is particularly important for this population. Condominium unit ownership offers the security of ownership at a lower price than single-family home ownership, with significantly less maintenance, utility, insurance and tax burden.
- Lend additional stability to neighborhoods as homeowners are perceived as more rooted and invested in the community with less unit turnover.
- Enable children who were raised in the community to return to raise their own families locally.
- Provide housing options for municipal employees and other local workers who want to invest in the community in which they are working.

Because state and federal subsidy programs are almost exclusively targeted to rental housing, there are limited opportunities to leverage local investments such as CPA funding or public property sites.¹² Consequently, most homeownership developments that include affordable units are permitted through Chapter 40B, where market units cross-subsidize affordable units, or are very small in scale and heavily reliant on CPA funds. Additionally, due to the high land costs in Needham and limited opportunities to leverage local funds, the subsidy needed to fill the affordability gap would typically be extremely high on a per unit basis, perhaps as much as \$500,000 to target those at the 80% AMI level unless the property was donated and some density could be incorporated.

Indicators of Need:

The rising cost of housing is shutting increasing numbers of residents out of the private housing market, particularly the ownership market. In fact, Needham joined the “million-dollar club” several years ago as the median sales price of a single-family home climbed to \$1,102,000 as of January 2019 from \$976,250 as of the end of 2018. It subsequently grew to \$1.29 million in 2021. High upfront costs also challenge first-time purchasers. More affordable options are necessary that can support a range of incomes based on the following indicators of need:

¹² MassHousing administers the Commonwealth Builders Program to help subsidize homeownership development but funding is limited to Gateway Cities or qualifying census tracts (Needham does not have).

- *Few subsidized ownership units* – Only 17 units or 1.2% of the Town’s SHI involve ownership. All of these units were permitted through the Chapter 40B comprehensive permit process.
- *Deficit of affordable units* – Table 39 in Appendix 2 demonstrates a substantial need for more affordable homeownership opportunities for those with incomes at or below 80% AMI with even a deficit in units for those with incomes in the 80% to 100% AMI range. These calculations suggest that of the 1,060 owner households who were estimated to have earned at or below 80% AMI in 2018, there were only eight single-family homes and 147 condominium units that would have potentially been affordable to them based on FY22 assessed values and other assumptions listed in Table 36 in Appendix 2, including spending no more than 30% of income on housing costs. It is likely that many of these owner households are “cash poor but equity rich” in that their incomes might have qualified them for an affordable unit, such as those permitted under Chapter 40B or mandated by inclusionary zoning for example, but their financial assets, particularly the equity in their homes, would render them ineligible for such housing.¹³
- *High affordability gaps* – When looking at the affordability gap for those with incomes at the HUD 80% AMI limit, the gap is an estimated \$918,500, the difference between the median priced single-family home of \$1.29 million and what a three-person household earning at this income level could likely afford, or \$371,500 based on 95% financing. This gap is up substantially from \$556,500 in 2014. In the case of 80% financing, the gap would decrease to \$869,500.

As to condominium units, the affordability gap for those with incomes at the 80% AMI limit is about \$553,500, up from \$281,750 in 2014. This is based on 95% financing and assumes the purchaser would qualify for the state’s ONE Mortgage Loan Program, MassHousing mortgage, or other government assisted financing.

- *High cost burdens* – Special HUD data indicated that of the 8,955 owner households, 12.8% were overspending on their housing, including 7.8% with severe cost burdens. This is down from 24% with cost burdens and 8.7% encountering severe cost burdens in 2015. Of the 1,060 owner households with incomes at or below 80% AMI, two-thirds had cost burdens with 46% experiencing severe cost burdens. Such cost burdens make it extremely difficult for many owners to afford the costs of maintaining their homes, thus likely forced to defer necessary home improvements.

Almost all owners with incomes at or below 30% AMI were overspending including 92.4% with severe cost burdens. This suggests that the Town continue to explore options for reducing housing costs for these extremely low-income households, most of whom are older adults. Efforts such as the Small Repair Grant Program, additional funding for the Town’s tax assistance program, and additional tax deferrals could provide much needed relief. ADUs may become another source of income for these households with zoning changes.

- *Maintain population diversity and attract young families* - Young adults in the family formation stage of their lives, in the 25 to 34-age range, decreased between 1990 and 2020, dropping to 4.9% of the population from 13.7% in 1990. An increasing number of young adults who were

¹³ State asset limits are \$75,000 plus a maximum of \$200,000 in net equity from a former home for those purchasing a unit in age-restricted housing, a maximum of \$75,000 for all other households.

raised in Needham have been choosing to live elsewhere, and the high cost of housing is likely a contributing factor in addition to general preferences for living in more urban areas.

Additionally, those age 35 to 44 decreased significantly since 2000, from 17% to 6.7% of all residents by 2020. While many in this age range would likely be attracted to Needham given the high quality of its school system and other community amenities for young families, it is also likely that many have been priced out of the town's housing market.

- *Financing challenges* - Without a subsidized mortgage, households have to come up with a substantial amount of cash, potentially as much as 20% of the purchase price, thus blocking many who seek to own a home. Credit problems also pose barriers to homeownership.

Prior generations had the advantage of GI loans and other favorable mortgage lending options with reasonable down payments. Also, in prior years the median home price to income ratio was much lower than it is today (see Figure 1-1 on growing gaps between incomes and home prices), making homeownership more accessible. Given current economic conditions, the ability to obtain financing is more challenging for today's first-time homebuyers without subsidized ownership. State-supported mortgage programs, such as the ONE Mortgage Program and MassHousing offerings, can offer important financial assistance to first-time purchasers. More rigorous underwriting criteria, including more stringent credit requirements, still present challenges to obtaining mortgage financing however.

- *Extremely low vacancy rates* - The vacancy rate for homeownership units was 1% based on 2020 census estimates, reflecting very tight market conditions.

It should be noted that it is difficult for existing homeowners to qualify for new affordable housing opportunities as there are limits on financial assets and current ownership and programs typically target first-time homebuyers. Nevertheless, there are still opportunities to assist low- and moderate-income owners as further described in Section IV.

Priority #3: More service-enriched units with supportive services and greater handicapped accessibility¹⁴

Assistance modifying a home to meet one's needs and programs that help repair and maintain a person's home, such as offered by the Small Repair Grant Program and Council on Aging's previous Safety at Home Program, should be continued, modified, and expanded as needed. New service-enriched housing for older adults, such as assisted living or independent living units with available services onsite, should be explored and encouraged. Models of housing for people with disabilities should be further explored and expanded.

Indicators of Need for Additional Units with Onsite Services for Those with Disabilities:

- *Sizable local population of people with disabilities* – A total of 2,262 residents, or 7.4% of all civilian, noninstitutionalized residents, identified themselves as having a disability.¹⁵ These levels

¹⁴ The term supportive services generally refers to help with Activities of Daily Living or Instrumental Activities of Daily Living that can be provided in an assisted living or nursing facility or brought into a person's apartment or home.

¹⁵ The U.S. Census defines disability as a long-term physical, mental, or emotional condition that can make it difficult to do basic activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Many residents

of disability are largely less than county and statewide figures, but still represent meaningful special needs within the Needham community. They further suggest that the Town make a concerted effort to produce housing units that are handicapped accessible and/or have supportive services as well promote home modifications in support of those with disabilities.

- *Few options for younger residents with disabilities* – The SHI includes six special needs housing facilities that altogether total 26 affordable housing units as well as another 84 units in group homes for state Department of Developmental Services (DDS) clients scattered throughout town. As noted in the January 27, 2022 Public Education and Listening Session, these facilities are insufficient to address local needs including those of young adults with disabilities who were

A SEPAC parent stated, “They say it takes a village to raise a child, and in many cases, Needham has been that village – and for our kids the need for that village extends their whole lives.” Another added, “So many of our kids have grown up supported by this town that sees itself as an inclusive community, but when it’s time for them to move out of their parents’ houses, there needs to be somewhere in town for them to live.”

raised in Needham but have few options for living independently with appropriate supportive services in the community.

The Needham Special Education Parent Advisory Council (SEPAC) developed a short survey for their members to obtain input on the affordable/supported housing needs of Needham’s children with disabilities when they reach adulthood.¹⁶ SEPAC emphasized that many of these children fall into a grey area of being unlikely to qualify for and/or be a good fit for traditional state-licensed group homes but unlikely be able to live and support themselves

independently. Needs vary but the largest subgroups appear to be those with Autism Spectrum Disorder (ASD), Down Syndrome and other developmental disabilities. There is also a subgroup with more complex medical needs who would require accessibility accommodations and 24/7 onsite trained medical staff.

SEPAC estimates that, on average, approximately three to five current Needham residents annually will need some sort of adult housing support when they turn 22. It is also important to consider that there is pent-up demand from individuals who have already turned age 22. SEPAC further indicated that, through their sample, it is expected that about half would be looking to move into adult housing upon turning age 22, the remaining half in their mid to late 20’s/early 30’s.

Indicators of Need for People who Need Accessible Housing

- *Very limited inventory of handicapped-accessible units* – Only the NHA’s federal project, Seabed’s Way, has subsidized handicapped-accessible units. Of particular concern have been the second-floor units in NHA’s senior housing at Chambers Street that can only be accessed by stairs and hopefully can be resolved at some point as part of NHA’s modernization plans.

with one or more disabilities face housing challenges due to a lack of housing that is affordable and physically accessible.

¹⁶ SEPAC membership includes students ages 3-22 under the umbrella of the Needham Public Schools, including out of district students and some who have recently aged out of the system (i.e., turned age 22).

The 2022 Annual Town Meeting provided CPA funding for NHA's Linden/Chambers Architectural and Engineering Designer Phase project to prepare a redevelopment plan that will also tackle the issue of residents with disabilities, including redeveloping a specified number of the existing 152 units to be much more disability friendly. New development plans also include additional units specifically designed for persons with disabilities. NHA is also considering significant upgrades to its provision of services with continued participation of the non-profit service provider, Springwell, in supporting resident needs.

- *Growing senior population* - As the number of older residents continues to increase with the aging of the Baby Boomers and longer life expectancies, growing numbers of residents will need better access to housing that includes on-site services and/or accessibility. Local assisted living units are also typically expensive. The assisted living and independent living units as part of Needham Residences at Wingate and the Residences at Carter Mill (may not include independent living units) will help address some of these needs.
- *Barriers to aging in place* – The Assessment of Housing and Transit Options for Needham Seniors, prepared by the Council on Aging and Public Health Department in 2016, identified specific barriers to aging in place. In addition to the high cost of housing, these barriers include the scarcity of accessible housing; the high cost of upkeep; costliness of modifying existing homes to increase accessibility; and zoning regulations that at the time prohibited Accessory Dwelling Units, also known as, in-law apartments.

The report defined an age-friendly home as one with universal design elements that make living comfortable, safe, and accessible for all people regardless of ability. Key elements include: at least one no-step entry; single-floor living; wide hallways and doors; lever-style door and faucet handles; storage within easy reach; and bathrooms with walk-in showers and higher toilets. Although minor modifications can make a home safer for older adults (installing banisters on both sides of stairways, grab bars in bathrooms, slip-proof floors, etc.), many changes are significant and costly (such as adding full bathrooms, laundry facilities, and master bedrooms to the first floor of a house, etc.). Stairlifts can provide important assistance to those who are challenged by stairs.

D. LONG-TERM HOUSING PRODUCTION GOALS

The prior sections illustrate the expanse and depth of the housing challenge in Needham. Relative to need, there are significant shortages of all types of affordable housing -- rental and ownership -- and for individuals and families at a wide range of income levels. In the next section, this report documents a number of strategies which could be used to address the shortfalls and promote the development of new units over the next decade and longer. These strategies require the mobilization and focus of all Needham entities that will need to work together to make a significant difference.

In pursuing the strategies in Section IV and to measure progress, it will be useful to establish specific housing production goals that can be annually monitored. From the data reviewed and presented in the Housing Needs Assessment (also see Appendix 2), it is possible to tease out and quantify the degree of need and the amount of the shortfall. This can be translated into a set of specific housing production targets to be achieved, ideally over the next 10 years.

Calculation of Unmet Housing Needs – Analyzing Cost Burdens¹⁷

Tables III-1 and III-2 illustrate one way to determine housing production targets for Needham – by cost burdens. They provide summaries of unmet housing needs according to income level and rental versus ownership. The data is derived from special tabulations of 2014-2018 American Community Survey data commissioned by HUD, focusing on households that are paying too much of their income on housing costs. While there are many more owner-occupied units than rentals in Needham, the number of unmet housing needs is proportionately considerably higher for rentals. For example, 41% of renters had cost burdens which is double the percentage of owners. In regard to severe cost burdens, more than one-quarter of renters were experiencing such affordability challenges compared to 8% of owners.

Table III-1: Unmet Housing Needs -- Needham Households by Income Level and Tenure (Rental vs. Ownership)

Household Income Levels	# Existing Households in Needham	# Households Without Cost Burdens	Cost Burdened Spending = >30% to <50% of Income	SEVERELY Cost Burdened Spending = >50% of Income*	% Households Cost Burdened + SEVERELY Cost Burdened
Rental Units					
Extremely Low Income (Within 30% AMI)	450	205	30	215	54.4%
Very Low Income (30% to 50% AMI)	405	150	75	180	62.9%
Low to Moderate Income (50% to 80% AMI)	175	55	120	0	68.6%
Subtotal >80% AMI	1,030	410	225	395	60.2%
80% to 100% AMI	205	145	25	35	29.3%
Above 100% AMI	575	515	30	30	10.4%
Total – Rental	1,810	1,070	280	460	40.9%
Ownership Units					
Extremely Low Income (Within 30% AMI)	330	10	15	305	97.0%
Very Low Income (30% to 50% AMI)	220	37	125	58	83.2%
Low to Moderate Income (50% to 80% AMI)	510	305	80	125	40.2%
Subtotal >80% AMI	1,060	352	220	488	66.8%
80% to 100% AMI	375	195	80	100	48.0%
Above 100% AMI	7,520	5,560	845	115	12.8%
Total - Ownership	8,955	6,107	1,145	703	20.6%
TOTAL - Rental & Ownership	10,765	7,177	1,425	1,163	24.0%

Source: U.S. Department of Housing and Urban Development (HUD), SOCHS CHAS Data, 2018. (See Table 41 in Appendix 2) *Includes all those spending more than 30% of income on housing per Table 41 in

¹⁷ It should be noted that the distribution of cost burdens will change over time as data is updated.

Appendix 2. Severe cost burdens income those households spending 50% or more of their income on housing costs.

Nevertheless, the level of cost burdens among owners is considerable, particularly for those with incomes at or below 80% AMI. For example, almost all extremely low-income owners were spending more than half their income on housing costs. An estimated 46% of owners with incomes at or below 80% AMI had severe cost burdens compared to 38.4% of renters. This data also suggests a need for housing that would be targeted to those in the 80% to 100% AMI range, sometimes referred to as community housing, as there were 180 owners with cost burdens that included 100 with severe cost burdens. As noted earlier, there are greater challenges in developing owner-occupied housing as opposed to rentals, however, some attention to the development of new affordable condominiums is certainly warranted.

Table III-2 presents the same 2014-2018 HUD survey data, broken out by the unmet housing needs of types of households including older adults, families, and single individuals under age 62. In regards to older adults with unmet housing needs, there were more such households which involved owners rather than renters, at 715 and 570, respectively. Additionally, 68.4% of owners had unmet housing needs compared to 59.6% of renters.

Older adults comprised the greatest number of households with incomes at or below 80% AMI, including renters and homeowners, compared to families and single individuals under age 62. This is not surprising given the number of older residents who are retired and living on fixed incomes, also reflected in lower median household incomes.

In regard to families in this income range, there were also more owners with incomes at or below 80% AMI, at 300 owners compared to 215 renter households. Owner households also were experiencing a higher proportion of unmet housing needs at 63.3% compared to 40.0% for renters.

There were many more non-family households involving members under age 62, mainly single individuals, who were renting as opposed to owning their home, at 235 to 45 households, respectively. Renters also had a higher level of unmet housing need at 80.8% versus 64.4% for owners or 29 owner households

Table III-2: Unmet Housing Needs -- Needham Households by Income Level and Type of Household

Target Population in Need	All Units Occupied By Those Earning ≤ 80% AMI	Housing Available That is Affordable to Those Earning ≤ 80% AMI	All Those with Cost Burdens/Unmet Needs Occupied by Those Earning ≤ 80% AMI
Older Residents (62 and over)	570 Renters 715 Owners	230 Renters 226 Owners	340 Renters (59.6%) 489 Owners (68.4%)
Families	225 Renters 300 Owners	140 Renters 110 Owners	90 Renters (40.0%) 190 Owners (63.3%)
Individuals under age 62)	235 Renters 45 Owners	45 Renters 16 Owners	190 Renters (80.8%) 29 Owners (64.4%)

Source: U.S. Department of Housing and Urban Development (HUD), SOCDS CHAS Data, 2018. (See Table 41 in Appendix 2) *Includes all those spending more than 30% of income on housing per Table 41 in Appendix 2. Severe cost burdens income those households spending 50% or more of their income on housing costs.

What is compelling about this documentation is the very high level of unmet housing need for those with incomes at or below the 80% AMI level. For this group of older adults, families and individuals, the data

at the bottom of Table III-3 documents that Needham has a shortfall of 1,328 affordable units, 620 rentals and 708 ownership units. Within these limited incomes, many residents are struggling to remain in the community, some likely having to decide whether they pay their rent or mortgage versus utility bills, medical prescriptions, or food.

Calculation of Unmet Housing Needs – Setting a 10% Goal for Actual Affordability

Another way to project the shortage of affordable housing in Needham is by applying the 10% affordability standard established under Chapter 40B. As has been detailed in other sections of this Housing Plan, although Needham exceeded the 10% state affordability threshold several years ago, it did so through a quirk of the Chapter 40B calculation formula that enabled the Town to include 668 market rate units in the SHI. If the Town was to meet the 10% goal based on having all units be actually affordable, it would currently have a shortfall of about 436 affordable units.

Given the indicators of need that are included in this Housing Needs Assessment, even if the Town were to reach the 10% level of affordability without the inclusion of market rate units in the Chapter 40B rental developments, now at 6.24%, it will likely still have unmet housing needs in the community. Another 436 affordable units would be required to surpass the 10% threshold if the market units were not taken into consideration, **a worthy long-term development goal on which to base progress in housing production.**

Table III-3 presents targeted affordable housing development goals based on priority housing needs over the short and longer term, ideally the next decade, based on this 436-unit shortfall. The table also projects a distribution of production goals by type of household, with further breakdowns by income and tenure. The distribution of housing goals suggests that there be an 80% to 20% split between rental and ownership, largely in response to the considerations included in the Section III.C – Priority Housing Needs.

These calculations also address another priority housing need related to providing barrier-free units and supportive services where feasible, representing at least 20% of the one-bedroom units and 10% of the two- and three-bedroom units. The calculations in Table III-3 suggest that Needham adopt a housing production goal 436 units for individuals and families with household income of < 80% AMI as follows:

- 162 one-bedroom units
- 218 two-bedroom units
- 56 three+ bedroom units¹⁸

¹⁸ It should be noted that the state’s housing agencies have entered into an Interagency Agreement that provides more guidance to localities concerning housing opportunities for families with children and are requiring that at least 10% of the units in affordable production developments that are funded, assisted or approved by a state housing agency have three or more bedrooms with some exceptions (e.g., age-restricted housing, assisted living, supportive housing for individuals, SRO’s. etc.).

**Table III-3: Summary of Priority Housing Needs and Estimated Development Goals
Based on 436-Unit Long-term Goal**

Tenure	Single Persons*/ One Bedroom Units	Small Families**/2 Bedrooms	Large Families/3+ Bedrooms	Total Housing Production Goals
Rental Units @ 30% AMI or less	10%/35 Units	10%/34 Units	2%/7 Units	76 Units
Rental Units @ 31-60% AMI	15%/53 Units	20%/70 Units	4%/14 Units	137 Units
Rental Units @ 61-80% AMI	15%/ 52 Units	20%/70 Units	4%/13 Units	135 Units
<i>Rental Subtotal @ 80% of units to be produced</i>	<i>40%/140 Units</i>	<i>50%/174 Units</i>	<i>10%/34 Units</i>	<i>348 Units</i>
Ownership Units @ < 80% AMI	12.5%/11 Units	25%/22 Units	12.5%/11 Units	44 units
Ownership Units @ > 80% AMI	12.5%/11 Units	25%/22 Units	12.5%/11 Units	44 Units
<i>Ownership Subtotal of 20% of new units to be produced</i>	<i>25%/22 Units</i>	<i>50%/44 Units</i>	<i>25%/22 Units</i>	<i>88 Units</i>
TOTAL	162 Units	218 Units	56 Units	436 Units
Special Needs* (% of <u>total</u> units to be produced)	(20%)/32 Units	(10%)/22 Units	(10%)/6 Units	60 Units

Source: Largely based on Table III-1 and rationale for a greater focus on rental housing based on the considerations cited in this section. * Includes older adults age 62 and over. **Includes couples with at least one member 62 years of age and over.

Calculation of Unmet Housing Needs – NHA Goals for Deeply Affordable Housing Preservation and Development

NHA provides deeply affordable housing to individuals and families with incomes at or below 60% AMI. The majority of NHA residents have incomes that are less than 30% AMI, referred to by HUD as extremely low income. Almost one-third (31%) of NHA residents are non-White.

As detailed in other sections, in 2021 NHA launched their Preservation and Redevelopment Initiative (PRI) to focus on its entire portfolio of 316 bricks-and-mortar deeply affordable units. The PRI provides an opportunity to adopt another housing production goal for Needham, one that provides opportunities to live in Needham for those who would otherwise be unable to afford it.

As summarized in the NHA Facilities Master Plan, the PRI is a 5-10 year program and funding strategy with the following objectives:

- *Seabeds Way and Captain Robert Cook Drive Properties* -- Make a major investment to renovate and preserve the units, extending their useful lifetimes for another 40-50 years.
 - 46 one-bedroom senior apartments
 - 30 two, three & four-bedroom townhouse apartments for families

- *Linden Street and Chambers Street Properties*
 - 152 senior units -- Tear down aging studio apartments and replace with one-bedroom apartments.
 - ~75 senior units -- Develop additional units on the property, predominantly with one-bedroom.
- *High Rock Estates Property* -- Tear down aging 60 two and three-bedroom bungalows and replace them with:
 - 120 family units -- Two, three and four-bedroom units in duplex buildings
- *Seabeds Way and Captain Robert Cook Drive Properties* -- Add a new apartment building with:
 - ~61 senior units – predominantly with one bedroom
- An appropriate percentage of the above units will be available to those with disabilities.

In summary, the NHA Preservation and Redevelopment Initiative plans to:

- 76 units -- Preserve and repair
 - 212 units -- Redevelop
 - 196 units -- Develop net new units
- 484 Total Units (44% net increase)

In conclusion, there is a need to provide support to all these types of households along a wide range of incomes. Everyone should have a right to safe and affordable housing which is so fundamental to stabilizing both individuals and families who may be living in substandard conditions and/or spending far too much for their housing. The whole community benefits when all residents have a decent and affordable place to call home.

IV. HOUSING STRATEGIES

As noted earlier, the Needham Planning Board appointed a Housing Plan Working Group to coordinate the preparation of this Housing Plan, including representatives from various boards and committees and the community at large. The Working Group met largely on a monthly basis since October 2021. In addition to these monthly meetings, the Working Group sponsored a number of important community outreach activities to attract a wide range of voices and ideas from Needham residents and leadership. Fundamental to these activities were the premises of better informing the public on basic housing requirements and conditions as well as ensuring a robust inquiry into community perspectives on the Town's future housing agenda, most importantly on the priority housing strategies that should be included in this Housing Plan. These outreach activities included:

- *Dedicated Webpages*
The Housing Plan Working Group maintained a special website dedicated to the preparation of the Housing Plan at www.needhamma.gov/housingplan2021. The Working Group also encouraged written comments from the community throughout the planning process.
- *Public Education and Listening Session*
This meeting was held virtually on January 27, 2022 to offer an early opportunity for community leaders and residents to provide their viewpoints on housing concerns, needs, and strategies for the Working Group to consider as part of its preparation of the Housing Plan. A summary of basic housing-related information was also presented.
- *Community Housing Workshop*
On March 24, 2022, the Working Group held another community-wide meeting, also held virtually, to once again present basic information on housing issues and then facilitate small breakout group discussions. Facilitated by Working Group members, these discussions involved obtaining feedback on a range of specific questions such as what affordable housing meant to each participant, aspirational goals that the Town should pursue, challenges to producing housing, best locations for new housing, and priority actions for addressing housing needs.

All attendees reconvened after the breakout group discussions when each group presented their top six priority actions. In follow-up to this meeting, attendees received a poll that listed all the top recommended priority actions and were asked to identify their top six preferences. The poll was sent to 73 people with 32 respondents. The top six actions that were selected as a result of this polling included:

1. Participate in the MBTA Communities Initiative to promote by-right, multi-family housing development in proximity to transit and change zoning as needed to participate. (69%)
2. Support the Needham Housing Authority (NHA) plans to renovate and expand its housing units. (59%)
3. Review and change zoning to allow for different types of housing in different parts of town (from modest single-family homes to multi-family developments). (41%)
4. Broaden Accessory Dwelling Unit (ADU) zoning to allow occupancy beyond those who are caregivers or related to the owner. (38%)

5. Inventory Town-owned land and identify parcels that could be used to build more housing (including those that might need regulatory/zoning changes to make housing possible) and identify owners who would be interested in developing them. (31%)
 6. Incentivize the development of higher-density, multi-family housing. (31%)
- *Community Housing Survey¹⁹*
The Working Group also issued a Community Housing Survey to obtain further input from the broad Needham community on housing issues, priority housing needs, goals, and actions in particular, especially from those who were less able or interested in attending meetings. The intent was to still be open-ended in the inquiry as opposed to narrowing in on what some might view as preconceived Town priorities.

In addition to this community outreach, the housing strategies that are included in this Housing Plan were informed by the following other important considerations:

- *Previous Housing Plan*
The Working Group recognized that the previous Housing Plan, prepared in 2007, was out of step with the significant demographic shifts, state regulatory changes, and changing housing market conditions that occurred in the 15 or so years since. Nevertheless, it was useful to refer to the actions that were recommended in the 2007 Plan, identifying not only the progress that has been made but also those actions that are still relevant for consideration in this planning process.
- *Previous Progress*
The Needham Planning and Community Development Department prepared a report on the progress that had been made through housing production efforts and zoning changes to address housing needs. This report enabled the Working Group to gain an historical understanding of existing zoning and what prior initiatives had been most effective in addressing housing needs and boosting the Subsidized Housing Inventory (SHI). See Appendix 3 HOUSING AND ZONING ANALYSIS for this report.
- *Guiding Principles*
During its May meeting, the Working Group established a set of six guiding principles as core values in driving the Town's future housing agenda. These principles are listed in Section II.C of this Housing Plan and serve as an aspirational context to further inform the housing strategies that are included in this Housing Plan.
- *Regulatory Requirements*
Regulations and other governmental requirements are also important considerations in the actions that are proposed as part of this Housing Plan. Foremost among these requirements is the existing Zoning Bylaw, particularly bylaws related to promoting affordable housing or smart growth development; the Local Initiative Program (LIP), also referred to as the "friendly 40B Program"; and the MBTA Communities Guidelines which will require significant zoning changes related to by-right, multi-family and mixed-use development for the Town to be in compliance with the new initiative.

¹⁹ The survey results can be accessed through this link: https://www.surveymonkey.com/results/SM-e8YNblqnvGJNxjKb1dSt_2BA_3D_3D/

- *Housing Needs Assessment*

This Housing Plan includes a comprehensive and detailed analysis of updated demographic, economic, and housing characteristics and trends, including housing market conditions and affordability calculations. Through this analysis and other compelling considerations, the Housing Needs Assessment identified priority housing needs to be addressed in the package of actions proposed in this Housing Plan. These priority needs are detailed in Section III.C.7.

- *Subgroups*

During the Working Group's February meeting, it was recognized that the Working Group had a great deal of talent among its members and some had expressed an interest in being more involved in preparing the Housing Plan. Consequently, it was recommended that interested members break into Subgroups to focus on particular categories of housing strategies. Subgroups related to Zoning, Housing Development and Preservation, and Capacity Building were subsequently organized. The Subgroups have met and produced reports that recommended specific actions for inclusion in the Housing Plan.

The housing strategies that are included in this Housing Plan are summarized in a spreadsheet, referred to as the Implementation Roadmap in Appendix 1. The strategies are categorized according to Subgroup topic and then by timeframe, whether in the near-term (1-2 years),²⁰ medium term (3-5 years) or longer-term (more than 5 years). There is also a category of actions that will likely require further study. The Roadmap also includes the lead entity responsible for implementation, whether Town Meeting approval is required, level of complexity, and identified resources or approvals that will be required.

A. ZONING STRATEGIES

Housing production is contingent not only on actual development projects but on the planning and

The State Economic Development Bill and Housing Choice legislation enacted in 2021 changed zoning approval requirements for housing-related amendments from a supermajority to a simple majority, making the passage of such new zoning somewhat less daunting.

regulatory tools that enable localities to make well informed decisions to strategically invest limited public and private resources. To most effectively and efficiently execute the strategies included in this Plan, greater flexibility will be needed in the Town's Zoning Bylaw. Compliance with recent state Guidelines for communities to rezone for by-right, multi-family housing near transit is also a significant component of this Housing Plan.

The Town has nevertheless made significant progress in reforming local zoning through the passage of a number of bylaws or regulatory policies including permitting requiring

the inclusion of affordable housing in some areas and allowing the creation of Accessory Dwelling Units (ADUs) for example. These reforms are detailed in Appendix 3.

It is also important to note that this Housing Plan stresses the need to develop a more holistic or comprehensive orientation towards zoning to avoid having to be reactive on a project-by-project basis. Zoning strategies are meant to help the Town be more intentional in its permitting, looking at more Town-wide opportunities for directing future development.

²⁰ Must be approved by December 31, 2024 for compliance with MBTA Communities Guidelines.

This subsection includes the following six recommended zoning strategies which have significant potential for addressing Needham’s housing challenges:

1. *Comply with MBTA Communities Guidelines.* A newly enacted State law requires towns with MBTA services in or proximate to their boundaries to create zoning districts which facilitate the construction of more multi-family housing.
2. *Adopt Town-wide Inclusionary Zoning.* Needham zoning requires the inclusion of affordable units in some districts, but recommendations call for a town-wide approach to such mandates to increase the supply of affordable housing.
3. *Broaden Requirements for Accessory Dwelling Units (ADUs).* New zoning requirements are proposed to better encourage the creation of ADUs.
4. *Create greater energy efficiencies in housing.* The recently-appointed Climate Action Plan Committee is spearheading a town-wide effort to develop a plan that meets or exceeds the State’s climate mitigation and resilience goals, including approaches for addressing housing sustainability.
5. *Consider Options for Promoting Development in Appropriate Locations.* This Plan recommends that the Town consider options to incentivize new housing development that is in alignment with the Guiding Principles that are a key component of this Plan.
6. *Consider Options to Better Control Teardown Activity.* The Town should consider further regulatory changes to discourage the teardown of more modest homes and replacement by much larger new homes that many residents consider do not fit into neighborhoods.

Another three strategies are recommended for further study including allowing two-family homes in all residential districts, evaluating the feasibility of mixed-use development with affordable housing on the municipal parking lot that abuts the MBTA station platform in Needham Center, and exploring Chapter 40R Smart Growth Overlay District zoning.

1. Comply with MBTA Communities Guidelines

Lead Entity: Planning Board

Timeframe: Near Term

Requires Town Meeting Approval: Yes (Simple Majority)

Level of Complexity: High

Background: Chapter 358 of the Acts of 2020 amended Massachusetts General Laws Chapter 40A (the “Zoning Act”) to add Section 3A mandating a certain level of multi-family housing zoning in each community within or adjacent to the Massachusetts Bay Transportation Authority (MBTA) service area (an MBTA community). The State, through the Department of Housing and Community Development (DHCD), issued Draft Guidelines on December 15, 2021 to determine if an MBTA community is in compliance with Section 3A, to determine if an MBTA community is in compliance with Section 3A, and comments were due by March 31, 2022. The Needham Select Board submitted a number of questions and comments regarding the Draft Guidelines with some of the recommendations being integrated into the final requirements.

A principle of DHCD’s Guidelines is that MBTA communities benefit from having transit stations and should provide the opportunity for multi-family housing development around these assets. The required “unit

capacity” is a percentage of the total existing housing units in the municipality, determined by the type of MBTA community. Section 3A identifies Needham as a commuter rail community with the requirement that the district(s) minimum unit capacity be at least 15% of the town’s total housing units or 1,784 units.

The final MBTA Communities Guidelines (Section 3A Guidelines) were released on August 10, 2022. The purpose of Section 3A is to encourage the production of multi-family housing by requiring MBTA communities²¹ to adopt zoning districts where multi-family housing is allowed as of right, and then meet other requirements set forth in the statute. These Guidelines require that an MBTA community have at least one zoning district of reasonable size and also includes:

- Amend existing zoning within ½ mile of MBTA transit stations to accommodate multi-family housing at an average minimum density of 15 units per acre, which must be allowed by-right, not by special permit, though site plan review may be required.
- Zoning target areas are to be a minimum of 50 acres with at least one site of 25 contiguous acres within ½ mile of a transit station. Needham will have to identify and rezone approximately 120 acres,²² however, to comply with Guidelines at an average minimum density of 15 units per acre, including the requirement that 90% of the acres be within ½ mile of transit. Analyses that were conducted as part of this planning process indicate that such rezoning is strategically possible.
- Zoning districts may allow mixed-use buildings that include both commercial and residential uses provided that stand-alone multi-family housing is also allowed in the district, the density for such housing units is at least 15 units per acre, and the stand-alone housing is allowed by-right.
- Zoning affordable housing mandates cannot exceed 10% with a cap on income not less than 80% of Area Median Income unless the community can demonstrate to DHCD through a third-party feasibility study that a reasonable variety of multi-family housing types can be feasibly developed at the higher percentage, not to exceed 20%, or lower income cap. The Guidelines give communities the option of requiring a percentage of affordable “workforce housing” units occupied by households with incomes capped at more than 80% AMI, once again with DHCD review of feasibility.
- Zoning districts cannot restrict the size of the units, number of bedrooms, size of the bedrooms, the number of occupants or the age of occupants.
- As noted above, at least 90% of Needham’s zoning district(s) must be located within ½ mile of transit based on its total developable area of 1,223 acres near transit stations, as calculated by DHCD. This translates into Needham’s multi-family zoning districts including at least 108 acres at a density of at least 15 units/acre, which would allow for 1,606 units within ½ mile of a commuter rail station. The additional 178 units that Needham must zone for (minimum multi-family unit capacity of 1,784 units minus 1,606) could be in areas outside of the ½ mile limit.

These Guidelines, requiring by-right approval, represent a significant departure from Needham’s current permitting of multi-family and mixed-use housing which relies largely on the special permit process. The Planning Board’s site plan review process can still be part of the project review process as long as it does

²¹ There are 175 identified MBTA communities including Needham.

²² Needham’s existing Apartment A-1 zoning complies with 3A Guidelines; 22 acres within ½ mile of Needham’s commuter rail stations are already zoned A-1 and 6 acres beyond ½ mile of these stations are so zoned.

not unreasonably delay a project nor impose conditions that make it infeasible or impractical to proceed with a project that is allowed as of right and complies with applicable dimensional regulations.²³

The 3A Guidelines allow an MBTA community to obtain "interim compliance" before it adopts a compliant zoning district by submitting an Action Plan that establishes an achievable path to zoning adoption. The Action Plan process provides guidance to MBTA communities and establishes communication between DHCD and MBTA communities that are developing strategies for compliance and is due by January 31, 2023. DHCD staff will then be available to provide technical assistance and respond to inquiries about whether a proposed district complies, prior to submitting a zoning article to Town Meeting (likely in May 2024). Inquiries must be submitted to DHCD at least 90 days prior to any vote. Needham must adopt the zoning no later than December 31, 2024 to be in final compliance with Section 3A.

An MBTA community that fails to comply with Section 3A will not be eligible for funds from a number of sources including the state's Housing Choice Initiative (the Town has been designated a Housing Choice community and is therefore eligible for certain types of funding and technical assistance), the Local Capital Projects Fund and the MassWorks infrastructure program. The final 3A Guidelines reference that determinations of compliance may also inform other state funding decisions regarding discretionary grant programs.

Recommendations: Many of the recommendations for complying with the MBTA Communities Guidelines involve rezoning additional areas to allow multi-family housing by right at existing Apartment A-1 dimensional limits. The major dimensional requirements of Apartment A-1 zones include:

- Minimum lot area of 20,000 square feet.
- Minimum frontage of 120 feet.
- Maximum dwelling units per acre of 18 units.
- Maximum floor area ratio (FAR) of 0.5, meaning on a 20,000 square foot lot the maximum square footage that can be built is 10,000 square feet.
- Minimum setback (front/side/rear) of 20/20/20 feet.
- Maximum height of 3 stories or 40 feet.

Recommendations are focused largely in the areas along the Highland Avenue to Chestnut Street corridor that are not only near transit but also where higher density development already exists. The recommendations involve rezoning some areas to Apartment A-1, changing zoning to A-1 provisions in business areas that already allow multi-family housing as well as introducing this use in some business and industrial districts that do not currently permit multi-family residential uses. In these business and industrial districts, the minimum lot area would be 10,000 square feet rather than 20,000 square feet, but other dimensional limits for A-1 would apply. Moreover, this Plan's recommendations provide guidance for the Town to consider some zoning changes in areas that are unlikely to qualify as part of the Town's compliance with the 3A Guidelines, but would create opportunities for promoting more appropriate zoning to better direct growth and redevelopment (see strategy IV.A.5).

²³ Site plan review means a process established by local ordinance or by-law by which a local board review, and potentially imposes conditions on, the appearance and layout of a specific project prior to the issuance of a building permit.

Recommendations for specific zoning by-law changes to be considered are listed below. Many of these proposed changes are related to the requirements for the new MBTA / MA G.L. c.40A, s.3A Guidelines and further study will be required to confirm that the final dimensional limits controlling district density will be able to deliver the gross density (units/acre) required by 3A Guidelines. **(Please see the annotated zoning maps in Appendix 7 for further review of proposed zoning changes):**

Needham Heights District (Group 1):

Implement **Apartment A-1** zoning in certain areas now zoned **SRB**, or **GR**, including locations of non-conforming existing multi-family (MF) uses.

Apartment A-1 – rezone parcels within ½ mile of Needham Heights station, now zoned SRB:

- 1a.** From Hamilton Highlands (Apartment A-1) along Highland Avenue south to Hunnewell Street;
- 1b.** Avery Park Condominium and farther south along Highland Avenue to Hunnewell Street and including the Methodist Church at Hunnewell and Highland;
- 1c.** Extend existing Apartment A-1 zoning across Hillside Avenue and along the northerly side of Rosemary Street adjacent to the Industrial District and up to the MBTA right-of-way (see item 1g. below) and beyond the ROW to Highland Avenue to include Needham Library (see item 1g. below and Christ Episcopal Church (see item 1J. and 6b. below);

Apartment A-1 – rezone parcels within ½ mile of Needham Heights station, now zoned GR:

- 1d.** Convert Hillside School and the rear portions of 5 lots of the Industrial district on Crescent Road that abut the Hillside School to Apartment A-1;
- 1e.** Convert Brookline Rug parcel to Apartment A-1, but the current use may remain as a prior non-conforming use. It has connection to both Hunnewell and Crescent Road and can be part of a consolidated MF district with the rest of new Apartment A-1 and the Industrial District that is to be rezoned to allow MF by-right as a use (see item 1f. below);

Amend current **Industrial** Districts within ½ mile of Needham Heights transit station to allow MF as an additional allowed use with **Apartment A-1** dimensional limits with a minimum 10,000 sf lot size.

- 1f.** Add Multi-family housing, at A-1 dimensions, to the uses allowed by right in the Industrial District along Crescent Road;
- 1g.** Add Multi-family housing, at A-1 dimensions, to the uses allowed by right in the Industrial District between Hillside Avenue and the MBTA right-of-way and between West and Rosemary Streets;

Amend current **Hillside Avenue Business** District within ½ mile of transit station to allow MF by-right and use **Apartment A-1** dimensional limits with a minimum 10,000 sf lot size. Allow mixed-use option by Special Permit.

- 1h.** Hillside Avenue Business from both sides of the Hunnewell intersection south to the south side of West Street;

Amend current **Avery Square Business** District within 1/2 mile of transit station. Adjust/increase current height and story limits where noted. Changes to limits are to be appropriate to their immediate context within their district.

- 1i. Avery Square Business – increase height from 35 ft. to 38 ft. for mixed-use MF allowed by special permit;

Expand **General Residence** over **SRB** area along the Highland Avenue corridor to allow 2-family and SF conversions to 2-family.

- 1j. Both sides of Highland Avenue from Rosemary Street to Avery Square Business District (but see item 1c. above and 6B. below related to rezoning Christ Church to Apartment A-1).

Needham Center District (Group 2):

Amend and extend current **Business** District within ½ mile of transit to allow MF by-right and use **Apartment A-1** dimensional limits with a minimum 10,000 sf lot size. Allow, by special permit, mixed-use MF to 48 ft. & 4 stories with 4th floor setback.

- 2a. Extend Business District north to Rosemary Street to include portion of Sudbury Farms parcel now zoned SRB;
- 2b. Business District along Highland Avenue from May Street north to Rosemary Street to include all of Sudbury Farms parcel;

Implement **Apartment A-1** zoning in certain areas now zoned **SRB**, **GR** or **Industrial** or in locations of non-conforming existing multi-family (MF) uses.

Apartment A-1 – rezone parcels within ½ mile of Needham Center station, now zoned SRB:

- 2c. St. Joseph School strip along May Street;
- 2d. Stephen Palmer former school leased by Town for multi-family housing;
- 2f. YMCA site on Great Plain Avenue next to Greene’s Field;
- 2g. 888 Great Plain Avenue (former nursery/garden center);
- 2h. Baptist and Christian Science Church parcels on Great Plain Avenue, near corner of Warren Street;

Apartment A-1 – rezone parcels within ½ mile of Needham Center station, now zoned GR:

- 2e. Lots on Pickering Place together with a portion of St. Joseph School parcel;
- 2i. Consolidate a portion of the Denmark Lane MF housing south of the Needham Center Overlay District, currently zoned GR, and combine it with the small Industrial district along the MBTA right-of-way proposed for rezoning to Apartment A-1 that is also part of the Denmark Lane MF project area (see item 2j. below);

Apartment A-1 – rezone parcels within ½ mile of Needham Center station, now zoned Industrial:

- 2j. Convert the small Industrial district along the MBTA right-of-way to be combined with the front portion of the parcel being rezoned from GR (see item 2i. above) that is also part of the Denmark Lane housing project area.

Amend current **Center Business** and **Overlay District B** and **Garden Street Overlay** District within ½ mile of transit. Adjust/increase current height and story limits where noted. Changes to limits are to be appropriate to their immediate context within their district.

2k. Increase height limits in Needham Center Overlay District B for mixed-use MF to 48 ft. & 4 stories with 4th floor setback. No stand-alone MF is allowed in the district;

2m. Rezone Garden Street Overlay District by changing stand-alone MF to be allowed by right, rather than special permit, using the existing dimensional limits.

Needham Junction District Group 3):

Amend current **Chestnut Street Business** District and **Lower Chestnut Street Overlay** District within ½ mile of transit to allow stand-alone MF by-right, and mixed-use with MF by special permit. Adjust/increase current height and story limits where noted. Changes to limits are to be appropriate to their immediate context within their district.

3a. Chestnut Street Business and Lower Chestnut Street Overlay District changed to allow stand-alone MF using Apartment A-1 dimensional limits with a minimum 10,000 sf lot size, with 4-story/48 ft. limits allowed by special permit for mixed-use MF in the Lower Chestnut Street Overlay District;

3b. Extend Chestnut Street Business and Lower Chestnut Street Overlay Districts to include Skilled Nursing Facility (SNF) property on Lincoln Street;

Implement **Apartment A-1** zoning in certain areas now zoned **SRB**, or **Chestnut Street Business** Districts or in locations of non-conforming existing non single-family (SF) uses. Use **Apartment A-1** dimensional limits.

Apartment A-1 – rezone parcels within ½ mile of Needham Junction station, now zoned Chestnut Street Business, Lower Chestnut Street Overlay District and SRB:

3c. Rezone the Hartney Greymont site (now partly Chestnut Street Business/Lower Chestnut Street Overlay District and partly SRB) to be Apartment A-1 to allow MF without allowing mixed-use, with the current use allowed to remain as a prior non-conforming use.

Zoning changes will also **reconsider parking ratios for mixed-use and multi-family projects** within the overlay districts that are also within ½ mile of transit stations. These changes will be informed by the Parking Study that has been commissioned by the Select Board as well as the study that is being conducted by the WestMetro HOME Consortium in cooperation with MAPC.

As Needham’s site plan review process is currently based on major site plan review/special permit projects, the Planning Board should revisit these standards to determine appropriate changes given the relevancy of site plan review to projects that will be a result of Section 3A rezoning.

2. Adopt Town-wide Inclusionary Zoning

Lead Entity: Planning Board

Timeframe: Near Term

Requires Town Meeting Approval: Yes (Simple Majority)

Level of Complexity: Medium

Background: While Needham has made strides in passing zoning that mandates the inclusion of affordable housing in more areas,²⁴ the Town's Zoning Bylaw does not currently include town-wide inclusionary zoning provisions. This mechanism has been adopted by more than one-third of the communities in the state to ensure that any new development project over a certain size includes a set-aside in numbers of affordable units or funding from the developer to support the creation of affordable housing. Most of the bylaws include mandated percentages of units that must be affordable, typically 10% to 20% with density bonuses often granted when percentages greater than 10% or 12.5 % are required²⁵. Many also allow the development of affordable units off-site under extraordinary circumstances and/or cash in-lieu of actual units.

Recommendations: This Housing Plan recommends that Needham's Zoning By-law be amended to require zoning at least 12.5% of housing units be affordable for households with incomes at or below 80% of Area Median Income (AMI) for all projects with six or more units in every district where multi-family or mixed-use housing is allowed. The MBTA Communities Guidelines under MA law c.40A, sec 3A initially limited multi-family districts to a 10% affordability level for households earning at or below 80% AMI, unless a designated area had already established a higher inclusionary requirement (not above 20%) that predates January 2021. Recent changes now enable communities to require higher affordability levels, but not more than 20%, provided the community can demonstrate to DHCD that a reasonable variety of multi-family housing types can be feasibly developed at the higher percentage. The Planning Board would have to consider the affordability requirement in the new MBTA Communities rezoning vis a vis a recommended affordability requirement across all districts.

This 12.5% affordability rule should also be considered for application to new single-family subdivisions. For both multi-family developments and subdivisions of fewer than six units, a monetary contribution (referred to as a "cash-out" fee or payment in-lieu of units) to the Needham Affordable Housing Trust Fund should be considered in proportion to the cost of providing an affordable unit as adjusted for the total number of units in the development.

It is essential that the formula for calculating the payments in-lieu of units should provide sufficient proceeds to fully subsidize the required number of affordable units despite changes in market conditions and to ensure that the funding will be dedicated to supporting affordable housing. This fee should be tied in some way to the value of the affordable unit. From a theoretical standpoint that value is commonly considered to be the difference between a unit's market-rate price and the affordable one. This means

²⁴ Affordable units are mandated at 10% of the total number of units in developments of six or more units that are built in the Central Business District, Lower Chestnut and Garden Street areas, and Elder Services District as well as at 12.5% in the Neighborhood Business District/128, Mixed Use Overlay District, and Highland Avenue/Route 128 districts. In its most recently-enacted rezoning initiatives, the Planning Board determined that some modest increase from 10% to 12.5% was warranted.

²⁵ Density bonuses allow increased densities beyond what is allowed under the subdivision requirements in the Zoning Bylaw.

that the value of the fee relates to the losses the developer would suffer by building affordable units. Stronger fees typically match the value of the affordable unit not built, allowing the fee to subsidize the same number of units in a separate project.

A simple formula would be the difference between the market sales price of a homeownership unit and the affordable one with the affordability based on the state's formula for calculating the purchase price through the Local Initiative Program (LIP). The per unit fee would be multiplied by the number of affordable units required under the permitting.

Another consideration that was adopted as part of the changes to the Neighborhood Business District/128 zoning, is adopting the cash-out fee calculation in which the cash payment is equal to the most current Total Development Costs (TDC) as articulated in the MA Department of Housing and Community Development's Qualified Allocation Plan (QAP) for projects using the Low-Income Housing Tax Credit. These costs are divided by whether the units are part of a production or preservation project, are outside or within the Metro Boston area and by the type of housing to be built.

It is also useful to provide sufficient incentives to developers to make sure that the incorporation of affordable units will be financially feasible. Consequently, it may be prudent to add incentives, such as density bonuses, when the inclusionary zoning requires more than 10% of units to be affordable to ensure that the zoning works economically.

3. Broaden Requirements for Accessory Dwelling Units (ADUs)

Lead Entity: Planning Board and Zoning Board of Appeals
Timeframe: Near Term
Requires Town Meeting Approval: Yes (Simple Majority)
Level of Complexity: Medium

Background: The 2019 Special Town Meeting approved the bylaw to permit the creation of accessory dwelling units (ADUs) by Special Permit of the Board of Appeals. The bylaw limits the units to single-family homes that are occupied "by the Owner; Family members related to the Owner by blood, adoption or marriage (spouse, parent, sibling, child, or a spouse of such persons); and Caregivers of Family members who look after an older, chronically ill or disabled Owner who needs assistance with activities of daily living or a Family member who needs such assistance, subject to specified standards and procedures."²⁶ The bylaw also defined the ADU as "an apartment in a single-family detached dwelling that is a second, self-contained dwelling unit and a complete, separate housekeeping unit containing provisions for living, sleeping, cooking and eating. The ADU must be subordinate in size to the principal dwelling unit on a lot, and constructed to maintain the appearance and essential character of the single-family dwelling."²⁷ . A total of eight ADUs were permitted as of August 2022.

While the bylaw limited occupancy to family members or caregivers, it still promotes greater housing diversity in the community by allowing small apartments in existing dwellings, enabling extended family members to live together, and also providing opportunities for live-in support for people with disabilities.

²⁶ Section 3.15 of the Needham Zoning By-law.

²⁷ Ibid.

Major provisions of the current bylaw include the following:

- Available by Special Permit from the Board of Appeals, good for 3 years, renewable by Special Permit. If there is a new owner of the home, they have to go through the Special Permitting process to keep the ADU.
- At least one of the units (the primary residence or the ADU) must be owner-occupied and occupancy of the second residence must be limited to a member of the owner's family or a caregiver and such caregiver's family.
- No more than five persons who are not family members of the owner can live in the primary residence and the ADU combined.
- There can be no more than one ADU on a lot, and it must be located within the single-family detached dwelling and **not** in a separate building.
- To the extent possible, exterior entrances and access ways shall not detract from the single-family appearance of the dwelling. No stairs for access to upper floors of the ADU shall be on the outside. There must be an interior doorway between each living unit for safety purposes in an emergency.
- The size of the ADU is limited to 850 sq. ft., and it can have no more than one bedroom.
- Off-street parking must be provided with at least one parking space per dwelling unit.

It is important to emphasize that ADUs provide a number of important benefits to the community, diversifying the housing stock and allowing Needham to be part of a regional effort to contribute to the urgent need for additional smaller, more affordable housing unit production. As documented in this Housing Plan, Needham's housing is increasingly less affordable without a sufficient range of housing choices that offer smaller unit sizes with more affordable rental costs for employees, new residents or families, or for existing, mostly senior, residents.

If Needham's ADU by-law were to be amended, it could address more local needs:

- ADUs could provide additional, affordable studio and one-bedroom rentals, by expanding the housing opportunities for
 - Older adults and other residents to remain in their homes
 - Young adults who want to stay in or return to Needham
 - Employees of Needham businesses
 - Potential newcomers to the Needham community
- ADUs could allow homeowners to stay in their homes by providing needed rental income to assist with housing costs including taxes, utilities and other housing expenses.
- Homeowners of small homes that cannot easily be enlarged could benefit from ADU income by converting a smaller building on their lot, such as a detached garage, into an ADU.
- ADUs could provide additional housing while maintaining existing single-family neighborhoods.
- ADUs are encouraged by the Massachusetts Executive of Energy and Environmental Affairs and advocated for by the Needham Council on Aging, Board of Health and Department of Public Health and Human Services.
- Owners will be responsible landlords because they must reside in the property and always provide emergency egress freely through the main unit from the ADU.
- ADUs can provide important services for the owner such as snow removal or errands for older adults or babysitting for families for example.

It is important to note that ADUs are not:

- ADUs in Needham are not to be used for short-term rentals (i.e., Airbnbs) **because** rentals must be for at least 6 months.
- ADUs will not likely be built in large numbers throughout the town **because** the data from our Town and others in Massachusetts shows small numbers of ADUs even when regulations are less restrictive.
- ADUs will not change the look of our single-family neighborhoods **because** the appearance maintains that of a single-family dwelling.
- ADUs will not be unattractive **because** they will have to comply with specific building design guidelines that have them in keeping with the architectural design character of the main building.

ADUs are allowed in many Massachusetts communities. For example, of the 100 cities and towns in the Metropolitan Area Planning Council (MAPC) region outside the City of Boston, 37 allow a homeowner to create an accessory apartment and rent it to persons other than family members or caregivers. Moreover, in the last decade, almost half of the 100 Boston-area municipalities have adopted either a master plan or housing production plan that recommends allowing ADUs with fewer restrictions. For example, Belmont and Hudson voted to allow ADUs unrestricted to relatives. Lexington, Newton, Carlisle, and other municipalities voted to allow ADUs in detached structures. Burlington, Bedford, and Acton, among other towns, allow ADUs by-right. Most recently, Wellesley's Town Meeting voted to adopt an ADU by-law without any residency restrictions, allowing both attached and detached ADUs by-right with a maximum unit size of 900 square feet.

Needham homeowners who want to add an ADU to their home under the current by-law must obtain a special permit, which involves considerable and unnecessary time for both the applicant and the Zoning Board of Appeals. Review of proposed building plans for attached or interior ADUs by the Building Commissioner should suffice to ensure compliance with the by-law and whether the ADU is "constructed to maintain the appearance and general character of the single-family dwelling".

Recommendations: This Housing Plan recommends amending the ADU by-law to allow for unrestricted lessee residency requirements (owner must occupy the property and allow as rental property with a 6-month minimum lease), using a by-right process. In addition, the Housing Plan recommends allowing stand-alone (detached) ADUs for existing accessory buildings through the special permit process and current design and building code regulations.

This Housing Plan recommends the following zoning changes to better encourage the creation of ADUs:

- Allow attached ADUs by-right rather than by special permit, eliminating delay and perhaps legal costs for the homeowner, while still requiring that building and design guidelines be met. ADUs must meet all zoning dimensional requirements for a single-family home.
- Eliminate the residency restriction (i.e., the unit can be rented to anyone).
- Allow ADUs in detached dwellings on the property if the detached structure to be renovated and converted already exists. Such detached ADUs would be by the special permit process.
- ADU rentals must be leased for at least 6 months, so that ADUs will be used for rental housing rather than short-term accommodations.
- This Housing Plan also suggests that there be some consideration for allowing the new construction of ADUs in detached structures in the Single Residence A districts under a special permit process and certain conditions.

Specifically, this Housing Plan recommends that the Zoning Bylaw be amended to incorporate the following new ADU definition:

An accessory dwelling unit (ADU) is an apartment on a single-family-zoned lot that is a second, self-contained, complete, separate housekeeping unit containing provisions for living, including 1 bedroom, cooking and eating. ADUs come in three different forms: Existing portions of a home can be converted into a separate apartment; an outward addition could create a new unit within an existing home, or a detached living space, such as a garage or carriage house, can be renovated to create a new unit if the detached structure already exists²⁸ (a detached ADU would require a special permit approval process).

4. Promote Greater Energy Efficiencies in Housing

Lead Entity: Planning Board, Select Board and Climate Action Planning Committee

Timeframe: Near Term

Requires Town Meeting Approval: Yes

Level of Complexity: High

Background: The Select Board recently appointed a Climate Action Plan Committee (CAPC) to guide the Town in developing a plan that meets or exceeds the State’s climate mitigation and resilience goals. The Committee will make recommendations to the Select Board as part of a Climate Action Plan (CAP), and may be asked to continue to serve as an advisory committee to oversee the implementation of the CAP.

The Committee is seeking \$55,000 to hire a consultant to prepare the plan and has established working groups to focus on various elements of the plan. The Committee has also referenced the Metropolitan Area Planning Council (MAPC) Climate Action Plan (CAP) toolkit that identifies major actions and provides a starting point for the working groups. It was suggested that each working group put together a similar chart and pick the top three priority actions that are achievable and will achieve the greatest reduction in Greenhouse Gas (GHG).

Recommendations: The Climate Action Plan should include actions that might ease zoning and permitting requirements to incentivize energy-efficient and environmentally-sustainable housing development. A zoning working group has been established to explore such actions. One action under early discussion is as of right zoning for solar installations.

Similarly, the zoning working group might explore potential regulatory changes requiring affordable housing to be built at a zero, or nearly net zero, energy standard under certain conditions. While such requirements will significantly add to construction costs, they will also substantially reduce operating costs, an important consideration not only with respect to the climate change issue but to keeping housing more affordable over time. Martha’s Vineyard Island Housing Trust has successfully integrated these energy-efficient measures into their housing developments and have good models for consideration.

It is important to note, however, that DHCD Guidelines for districts proposed for compliance with Section 3A prohibit requirements that would be deemed to be inconsistent with “as of right” use, noting

²⁸ There might be some consideration to allowing an ADU in a newly-constructed detached structure by special permit as well or even allowing ADUs in any detached structure by-right.

particularly any requirement that multi-family housing must meet higher energy efficiency standards than other uses or achieve a third-party certification that is not required for other uses in the district.

5. Consider Options for Promoting Development in Appropriate Locations

Lead Entity: Planning Board

Timeframe: Medium Term

Requires Town Meeting Approval: Yes (Simple Majority)

Level of Complexity: High

Background: This Housing Plan includes Guiding Principles (Section II.C) that stress the need for the Town to implement strategies that will promote a more socially and economically diverse community which welcomes residents of all ages, races, ethnicities, gender identification, sexual orientation, religion, abilities, and stages of life. These Guiding Principles also emphasize the need to further diversify the types of units that are created while ensuring that new housing is appropriate to its location and context.

In the framework of sound planning and smart growth principles,²⁹ this Housing Plan places a high priority on developments that will involve a more efficient use of land and less dependence on the automobile to promote more walkable and pedestrian-friendly neighborhoods. Consequently, the following types of housing development will be encouraged:

1. The redevelopment of existing structures.
2. Infill site development that can address the missing middle concept of housing types. Missing middle housing might include two- to four-unit properties or small-scale pocket neighborhoods or co-housing units for example.³⁰
3. Mixed-use and multi-family development near transportation, in business areas, or along commercial corridors.
4. Increased the percentage of affordable housing in exchange for density bonuses.

The MBTA Communities Guidelines, discussed in strategy IV.A.1 above, help promote such smart growth development. This Housing Plan also recommends some zoning changes that are unlikely to be included in the MBTA Communities rezoning proposal as there are other areas of the community where development might also be promoted to address a wide range of incomes and target populations, not just affordable housing that meets state requirements for inclusion in the Subsidized Housing Inventory (SHI), but more moderate-income households whose incomes might be higher than 80% AMI but who are still

²⁹ Smart growth principles call for more efficient land use, compact development patterns, less dependence on the automobile, a range of housing opportunities and choices, and improved jobs/housing balance.

³⁰ As reported by the Lincoln Institute of Land Policy, “Urban planners and public officials are focused on developing housing types that restore the ‘missing middle’ – row houses, duplexes, apartment courts, and other small to midsize housing designed at a scale and density compatible with single-family residential neighborhoods.” The “missing middle” concept grew out of the New Urbanism movement “to inject more moderately-priced housing into residential neighborhoods, from shrinking or subdividing lots to adding accessory dwelling units (ADUs), to expanding legal occupancy in homes.” It recommends housing types that “typically have small to medium-size footprints with a body width, depth, and height no larger than a single-family homes. These can blend into a neighborhood as compatible infill, encouraging a mix of socioeconomic households and making more effective use of transit and services.”

challenged to find housing that they can afford in Needham. Additionally, once development plans are determined, new zoning or Local Initiative Program (LIP) permitting will be necessary for the NHA's Preservation and Redevelopment Initiative and the Charles River Center's East Militia Heights project.

Recommendations: This Plan recommends that the Town consider the following options to incentivize new housing development that is in alignment with the Guiding Principles that are a key component of this Plan, potentially establishing a special Working Groups:

It should be noted that the state's Local Initiative Program (LIP), also known as the "Friendly 40B Program", can also be an effective permitting tool for projects that have at least 25% of the units designated for households with incomes at or below 80% AMI. Such projects can still include more affordable units including several income tiers for those with incomes at or below 60%, 50% or even 30% AMI given multiple layers of subsidies such as Low Income Housing Tax Credits and the HOME Program for example. Homeownership options can include higher income tiers such as 100%, 110% or even up to 150% AMI with the availability of internal subsidies and perhaps CPA.

- In areas not designated for rezoning under MBTA Communities Guidelines but still in general proximity to transportation, **adjust dimensional and parking limits and add density bonuses** to make the inclusion of some level of affordability or other public benefit more economically viable.
- **Improve development opportunities for mixed-use and multi-family development along major corridors** (e.g., Chestnut Street, Highland Avenue, Great Plain Avenue) and incorporate density bonuses for increased affordability. Consider incentives for consolidating parcels to promote larger developable sites for mixed-use and multi-family projects.
- **Consider options for incentivizing higher-density, smaller unit, multi-family housing choices as part of zoning reforms in other districts** (not related to MBTA Communities Law requirements). Besides zoning relief, the investment of CPA, Affordable Housing Trust, or HOME Program funding would be examples of additional incentives for consideration. There are communities that have issued Requests for Proposals (RFPs) for developers or property homeowners to apply for CPA or Affordable Housing Trust

funds to create affordable units based on the Town's specific priorities.³¹ Manchester-by-the-Sea issued an RFP several years ago that welcomed such proposals on a rolling basis. Yarmouth's Affordable Housing Trust recently issued an RFP with a CPA allocation of \$520,000 to attract development proposals. It received two responses, one from the non-profit, Habitat for Humanity of Cape Cod, to create six to eight new homes for first-time homebuyers and another from a private developer to build 42 rental units with 12 affordable ones.

³¹ Funds were made available through a Notice of Funding Availability (NOFA) on a rolling basis to offer financial support for qualified proposals from developers, property owners, and individuals for the creation of affordable homeownership and rental housing. Priority activities include gap funding of the shortfall of private and public sources of financing to make a homeownership or rental development feasible or buydown assistance in exchange for a commitment to rent or sell one or more dwelling units to an income-qualified tenant(s) at a reduced rate.

- At the appropriate time, **work with the Needham Housing Authority to rezone its properties.** Several NHA properties are in the early planning and design phases for renovation and redevelopment, and final recommendations for appropriate zoning changes regarding dimensional and density limits will be addressed when the design and planning goals are more defined. The Linden-Chambers and High Rock Homes developments are within a ½ mile of the Needham Junction transit station, and density of at least 15 units/acre is assumed. Though the projects may have age limits for occupancy, the zoning need not impose such limits. Seabeds Way and Captain Robert Cook Drive developments are beyond ½ mile from transit stations but could still be counted as part of the 10% of the area of multi-family districts that can be beyond the ½ limit.
- Also at the appropriate time, **rezone East Militia Heights property.** This property is currently in negotiation to be sold by the U.S. Army to the Charles River Center. As with NHA properties, it is not clear at this time what dimensional and density provisions will work for Militia Heights redevelopment.
- **Rezone designated residential areas currently zoned SRA to SRB.** These specific SRA areas are adjacent to SRB and currently have parcel sizes that are closer to SRB 10,000 SF lots. This would allow for the use of dimensional controls for setbacks and coverages that are more appropriate for these smaller lots (refer to maps in Appendix 7 for the following):
 - 4a. East side of Hunting Road on both sides of Kendrick Street down to Cheney Street;
 - 4b. East side of Greendale Avenue across from Meadow Road and Kenney Street;
 - 4c. Brookside Road near Wellesley town line;
 - 4d. Clarke Road / Rolling Lane / Forest Street neighborhood.
- **Amend two Neighborhood Business Districts** – these districts are within 1/2 mile of transit, including 59 bus route, and are proposed to be amended to allow MF by-right using Apartment A-1 dimensional limits with a minimum 10,000 square foot lot size. Allow mixed-use option by Special Permit if not presently allowed by-right.
 - 5a. Neighborhood Business District along Reservoir and Central area along 128;
 - 5b. Neighborhood Business District along Great Plain near the Hersey MBTA station.
- Zoning changes will also **reconsider parking ratios for mixed-use and multi-family projects.** In regard to any rezoning. These changes will be informed by the Parking Study that has been commissioned by the Select Board.
- **Temples, churches and in general, houses of worship** are located throughout Needham, often on prominent parcels at major intersections. Although most are vibrant and thriving communities, these sites may, someday in the future, be re-imagined, potentially as multi-family housing opportunities. With this proactive outlook, some consideration can be given for rezoning these parcels as Apartment A-1, with those dimensional limits, or if they should remain as currently zoned in SRB or GR. Another approach for redevelopment could be through the Local Initiative Program (LIP), or “friendly 40B”, process. A sampling of sites is listed below:
 - 6a. Congregational Church on Great Plain Avenue and Linden Street;
 - 6b. Christ Episcopal Church at Rosemary Street and Highland Avenue;

- 6c. Temple Beth Shalom at Webster Street and Highland Avenue;
- 6d. Presbyterian Church at Central and Great Plain Avenues.

6. Consider Options to Better Control Teardown Activity

Lead Entity: Planning Board, Conservation Commission and Historical Commission
Timeframe: Medium Term
Requires Town Meeting Approval: Yes (Simple Majority)
Level of Complexity: High

Background: The Housing Plan Working Group received ongoing feedback throughout the course of this planning process regarding resident concerns about the level and effects of teardown activity. Residents not only expressed concerns about neighborhood impacts when very large houses are constructed on small lots, but also about the erosion of smaller, more affordable homes that historically could serve the needs of first-time homebuyers. Others voiced their concerns that additional regulation would constrain housing values and thus the equity that many owners anticipate from selling their homes and supporting their retirement.

Needham's housing stock has historically comprised mostly single-family homes of varying sizes, from modest 1950s and 1960s era Cape and ranch homes, to larger farmhouses, stately Victorians, and large new modern homes. These various options, along with NHA affordable housing and Chapter 40B developments, provide housing across a wide range of incomes. Such options are critical to the Town goal of having a community with broad socio-economic diversity and housing for residents of all ages, races, ethnicities, sexual orientation, religion, abilities, and stages of life.

Needham's current limited regulations with respect to the demolition or renovation of historic or older structures combined with modest zoning restrictions on the size of new homes have led to the significant loss of many modestly-sized homes that could be affordable to people with incomes between 85% and 140% of area median income. Of the 943 new single-family homes built between 2010 and 2021, only 25 did not involve demolition and replacement activity.

This reduction in modest single-family homes is impacting the ability of young families, local workers, Town employees to purchase or rent in Needham. Given that historically minorities and LGBTQ people have had fewer opportunities to establish wealth in most communities and that many older residents also have limited funds, it is imperative that the Town work to maintain moderately-sized and priced homes to support a more diverse community.

The median sales price for a home in Needham in April 2022 was \$1.4 million. To purchase that home would require a 20% down payment of \$280,000, which would leave a mortgage of \$1,120,000. A mortgage for that amount at the current rate of 5.875% for a 30-year mortgage will require a monthly payment of \$6,635 or \$79,620 annually. That would require a minimum annual gross income of \$238,860 to have the mortgage be equal to one-third of gross income, as most banks require, and assumes the buyer has a \$280,000 down payment. A home sold at even \$800,000, while not inexpensive, could be afforded by someone with an income of \$136,260 or 82% of the \$140,200 Boston area median income limit (AMI) for a household of four in 2022 (\$160,000 down payment, 30-year mortgage at 5.875%, monthly payment of \$3,785, annual payment of \$45,000). The loss of housing at or below this price point

is reducing housing opportunities for that middle income tier, which includes teachers, police and firefighters.

This is not a new issue for Needham as the Town has sponsored previous efforts to review this demolition and replacement activity. Most recently, the Planning Board formed a Large House Review Study Committee with representatives of Town boards including Planning Board, Select Board, and Design Review Committee as well as industry professionals including builders, architects, realtors, and town residents. The first formal Committee meeting occurred on May 22, 2014, starting with a review of the Committee's purpose and goals including:

- Review past reports, plans and maps prepared by Town committees and officials, state agencies and consultants including the previous Large House Review Study Committee in 1999.
- Seek the input of neighborhood residents, builders, contractors, real estate agents, property owners and others, as required, including holding citizen information meetings to elicit general public comments and input.
- Review and analyze the current Zoning By-law and Planning Board regulations and consider amendments to each.
- Analyze the impact of recent planned and potential new housing constructed in the past 5 years in the Residence B and General Residence Districts.
- Review and analyze alternative zoning dimensions, restrictions, or limitations that may address neighborhood concerns.
- Prepare recommendations to amend the Zoning By-law or propose other regulatory strategies that will protect the characteristics valued by residents in the Single Residence B and General Residence Districts.
- Identify key issues and needs, analyze alternative solutions, and make recommendations to the Planning Board, both short and long-term, within the overall purpose of the Large House Review Study Committee.

Committee members then started to identify the regulatory options they wanted to explore and conducted a detailed analysis and mapping of recent teardown activity. Another important component of the Committee's research involved learning how other communities were regulating the demolition/replacement issue through a detailed review of zoning that was adopted in Wellesley, Newton and Weston. Other meetings involved a review of tree regulations in Newton and Wellesley; as well as the building height, retaining wall and setback provisions in Wellesley, Newton and Brookline for example. The Committee determined that it was unnecessary for it to focus on tree and stormwater regulations at the time as there were plans to take on these issues by separate entities in the future. Research also included site visits and a community survey.

The Committee reviewed potential zoning articles for the spring 2015 Town Meeting including new zoning related to retaining walls; how height is measured; half story and dormers; exceptions for front-yard setback; grading and drainage review; and minimum side and rear line setbacks as well as height limits for accessory structures. Ultimately, the Committee decided to only request approval for a zoning article revising the definition of half-story and a complementary dormer definition, similar to Newton's, approved by Town Meeting in May 2015.

With additional analysis, discussion, and community input, a designated Working Group of the Committee drafted zoning articles for further review, modification and approval by the Committee. These articles

reflected recommendations as to front, side and rear setback, lot coverage, Floor Area Ratio (FAR), and building height with the following general directions:

- Increase and encourage architectural variety by allowing various elements to be built within the front and side setbacks.
- Change setbacks to reduce some negative effects of massing.
- Increase lot coverage to 28%.
- Add Floor Area Ratio (FAR) calculations to the regulations defined as gross finished habitable area on the first and second floors with an additional 600 square foot allowance for garage space.
- Change the measurement for establishing maximum building height by providing 2 options from which the applicant can choose.
- Require that alterations and extensions of existing structures would be governed by the same regulatory provisions afforded new construction with a couple of exceptions that would require a special permit.

Town Meeting approved the articles in May 2017.

Recommendations: This Housing Plan recommends that the Town consider further regulatory changes to discourage the teardown of more modest homes and replacement by much larger new homes that many residents consider do not fit into neighborhoods. Such considerations could include further amendments of the dimensional thresholds for lot coverage, FAR, setbacks and height restrictions for new homes.

In addition, the Town should revisit the zoning requirements of neighboring towns to ensure that Needham is not experiencing greater demolition of older homes than surrounding areas due to more relaxed zoning standards. Zoning should minimize the impact of too large homes being built on small lots to maintain the character of neighborhoods as well as to avoid incentivizing the demolition of older homes simply because developers can make huge profits by replacing them with much larger new homes.

Additionally, an evaluation of existing regulations might be warranted to ensure that there are no barriers that inhibit basic improvements to existing homes (i.e., replacing a single-car garage with a two-car garage). With basic improvements, some of the existing smaller home inventory might be preserved rather than demolished.

Recommended zoning changes should be addressed within an understanding of homeowner concerns regarding their ability to maximize the sale price of their home as such property is frequently their largest asset. However, initial demolition reviews, if required, can likely be completed quickly so that homes that cannot or should not be saved can be conveyed relatively swiftly. The Town should consider working with local real estate brokers and lenders to find ways to streamline the sales of older homes that should be made available to middle-income purchasers so that homeowners can maximize the value of their home just as easily as selling it to a contractor.

As was the case with the Large House Review Study Committee noted above, the Planning Board might consider appointing a new Working Group to analyze the impacts of the 2017 zoning changes, review additional options, and potentially recommend additional zoning changes. This work might incorporate the following related suggestions that were raised as part of this planning process:

- *Tree Removal Bylaw*

A group of staff and a couple of members of the Planning Board met in 2018 to analyze the feasibility of adopting a Tree Removal bylaw. This work included a review of such bylaws in other communities, meetings with a tree arborist, and the preparation of a draft bylaw for review that was largely informed by Wellesley's zoning provisions. The Select Board reviewed the draft bylaw, but other competing issues put work on the Tree Removal Bylaw on hold. It makes sense for the Working Group mentioned above, and ultimately the Select Board and Planning Board, to review the previous draft bylaw and consider next steps towards refining and adopting it.

- *Demolition Delay Bylaw*

Needham currently has a demolition delay bylaw (Section 2.11.5 of the General Bylaws) involving delays of six months for buildings that are listed on the Needham Historical Commission Inventory and that the Historic Commission determines are historically-significant. Demolition delay bylaws represent a preservation tool that have been adopted in over 150 cities and towns in Massachusetts.³² Such zoning offers the community a window of opportunity to find an alternative to the demolition of significant buildings. The delay is typically 6, 12 or 18 months. Most of the demolition delay bylaws and ordinances in Massachusetts are based on the age of the building, such as buildings that are older than 50 years or 75 years. Conducting a regional survey of demolition restrictions in other communities that involve homes over 50 years old would be a good starting point for revisiting Needham's provisions with some consideration for a longer period of delay and additional criteria for considering historic significance.

- *Additional Historic District(s)*

Consideration should be given to working with the Town's Historical Commission to explore additional opportunities for the establishment of Historic Districts to save homes or manage renovations to historic homes in town.³³ Needham currently has one designated Historic District, referred to as the Needham Town Hall Historic District, that includes the area on Great Plain Avenue between Highland Avenue and Chapel Street. The district encompasses Needham Town Hall, a Georgian Revival structure built in 1902 and designed by Winslow & Bigelow, as well as the grassy public park in front of it, which was established in 1884.

Local Historic Districts offer one of the best methods of protecting historic buildings and structures from demolition and inappropriate alterations. In a local historic district, certain changes to exterior architectural features visible from a public way are reviewed by a locally

³² Examples of Towns with demolition delays of 12 months included Watertown, Winchester, Wellesley, North Andover, Scituate, Lexington, Concord, Lincoln, Bedford, Belmont, Andover and Arlington for example. Such bylaws with 18-month delays included Medfield, Chatham and Acton with Milton adopting a 24-month delay.

³³ The Needham Historical Commission was created to ensure the preservation, protection, and development of the historical assets that are the visible evidence of the Town of Needham's history. The Commission conducts research to identify places of historic or archeological value and seeks to coordinate the activities of unofficial bodies organized for similar purposes. The Commission communicates with the Select Board about recommendations as to the whether an asset should be certified as an historical or archeological landmark. The functions of the Historical Commission include:

- Assisting residents in obtaining historical information about the town
- Reviewing proposed demolition projects in accordance with the demolition delay by-law (2.11.5)
- Working with the Town in the evaluation of the future use of historic buildings

appointed Historic District Commission. This includes additions, demolitions and major alterations. Most of the communities in the Metro West area of Boston have such districts.

Zoning Strategies for Further Study/Future Consideration

This planning process also raised other zoning and regulatory approaches for promoting greater housing affordability and diversity in Needham, including the following which were identified as requiring further study and consideration:

- **Consider allowing two-family homes by-right in single-family zones** (SRA and SRB) in the context of considerations for limiting teardowns and potential other conditions. Two-family dwellings help address the “missing middle” issue of available housing, units that can be easily incorporated into neighborhoods that fall between the single-family home and apartment buildings. The occupancy of such properties can vary, from the owner-occupied dwelling with a rental unit to both units being owner-occupied, as is typically the case with townhouse condominium units, to even two rental units with an investor owner. All help diversify the housing stock.

The owner-occupied, two-family house, that includes a rental unit, deserves particular support as it is an exceptionally affordable form of housing, providing owners with a stream of rental income that is calculated as part of mortgage underwriting criteria (lenders generally consider about 75% of projected rental proceeds in mortgage calculations) and thus makes the home more affordable. The rental unit also helps further **diversify** the housing stock. Two-family dwellings are currently allowed by-right in the General Residence District, the Hillside Avenue Business District and the Avery Square Business District. It should be noted that communities such as Amherst, Erving, Great Barrington, Groton, and Greenfield have approved by-right zoning for two-family dwellings across all residential zoning districts or town-wide.

- **Evaluate the feasibility of mixed-use development with affordable housing on the municipal parking lot in Needham Center** that abuts the MBTA station platform.
- **Explore options to establish a Chapter 40R "Smart Growth" Overlay District(s)** in Needham. The key components of 40R include:
 - Allows local option to adopt Overlay Districts near transit, areas of concentrated development, commercial districts, rural village districts, and other suitable locations.
 - Allows “as-of-right” residential development of minimum allowable densities.
 - Provides that 20% of the units be affordable although most bylaws require at least 25% of the units be affordable in rental developments to enable all units to be counted as part of the SHI.
 - Allows mixed-use and infill development.
 - Provides two types of payments to municipalities (incentive payments based on the number of projected housing units) and density bonus payments of \$3,000 for each residential unit issued a building permit).
 - Encourages open space and protects historic districts.

B. HOUSING DEVELOPMENT AND PRESERVATION STRATEGIES

The following actions were informed by the Plan's Guiding Principles (Section II.C), Priority Housing Needs (Section III.C.7), input from community outreach efforts, and the deliberations of the Housing Plan Working Group, particularly the work of the Housing Development and Preservation Subgroup:

1. *Support Needham Housing Authority's Preservation and Redevelopment Initiative.* This program will enable NHA to obtain the necessary financial and technical resources to undertake substantial property improvements and potential new development as well as to reposition the agency operationally and financially.
2. *Continue Local Programs that Address Health and Safety Issues:* Continue funding for the Small Repair Grant Program and reintroduce the Safety at Home Program, modifying program requirements as appropriate.
3. *Strategically Invest and Leverage Local Resources.* To the greatest extent possible, private and public resources will be pursued to make projects that include affordable housing financially feasible, augmenting local investments.
4. *Promote Housing for Special Needs Populations:* Promote development to ensure that Needham's special needs residents have opportunities to secure not only affordable but also accessible housing.
5. *Renovate/Replace the Stephen Palmer Property:* As the current lease on the property is due to expire in 2027, it is important to plan for the future of the site, including the continued integration of affordable housing.
6. *Prepare an Inventory of Potential Public and Privately-owned Development Opportunities:* It will be useful to revisit the feasibility of properties that were identified for potential housing development in the past and determine the suitability and availability for developing affordable housing on additional publicly-owned or privately-owned properties.
7. *Consider Waiving Permit Fees for Affordable Housing:* As an additional incentive to incorporate affordable housing in new development, the Town's permitting entities should consider waiving permit fees.

This subsection also includes three recommendations for further study/future consideration including making enhanced assistance available to first-time homebuyers, supporting state legislation or a home rule petition for transfer tax fees on high-priced home sales that can be invested in affordable housing, and considering further property tax reductions or deferrals for qualifying individuals with high cost burdens.

1. Support Needham Housing Authority's Preservation and Redevelopment Initiative

Lead Entity: Needham Housing Authority and Select Board with support from the Community Preservation Committee

Timeframe: Near Term

Requires Town Meeting Approval: Yes

Level of Complexity: High

Background: The Needham Housing Authority (NHA) and Town of Needham have engaged in long-standing discussions regarding plans to upgrade NHA's aging and antiquated properties. The Town recognizes the great importance of NHA units to the community, providing deeply affordable housing to some of Needham's most vulnerable residents as well as some first-time homebuyer opportunities at High

Rock Homes. In addition to the 316 units owned and managed by NHA (plus 20 units as part of the High Rock Homes LLC rental development), it also provides 123 Section 8 Housing Choice Vouchers and maintains a group home that serves eight individuals with special needs. NHA is the largest provider of low-income affordable housing in the Town of Needham, providing almost half of the 754 actually affordable housing units in Needham (household income <80% AMI).

While the NHA Board of Commissioners considers that its primary mission is to effectively and efficiently manage its existing housing developments, help residents access support services, and be an excellent landlord; it has also sought solutions for improving its existing developments and creating new affordable housing via the following activities:

- **In 2007 and 2008**, NHA replaced 20 small single-family homes with duplexes at its High Rock Homes development, creating half the units for first-time homebuyers at incomes between 80% AMI and 110% AMI, and the other half as rentals for those earning between 60% AMI and 110% AMI. This redevelopment project was partially funded with \$529,500 of Needham CPA dollars and has subsequently been deemed a significant success by all parties involved.
- **Starting in 2010 and continuing to 2020**, NHA Commissioners and staff discussed problems with its existing developments due to antiquated and inaccessible design issues and potential construction deficiencies. The Commissioners held several offsite retreats to focus on the challenges of financing and modernizing and/or redeveloping properties. NHA also sent a representative to the 2017 Massachusetts Housing Partnership Annual Housing Institute Workshop, assessing current strategies for modernization and/or redevelopment. It also made site visits to other successful redevelopment projects by other PHA's in the Commonwealth. Additionally, NHA has met several times with DHCD, MHP and HUD on this subject.
- **In 2010**, NHA received \$50,000 in Community Preservation funding from the Town to explore the feasibility of redeveloping its Linden/Chambers development. Completed in 2013, this work included the preparation of a Housing Needs Assessment, a financial feasibility analysis, an "existing conditions" plan to assess site problems, and a high-level redevelopment concept. This work provided general indications that such a redevelopment effort with an expanded number of units was potentially feasible, but also identified significant constraints due to bordering wetlands.
- **During the harsh winter of 2015**, the Seabeds Way complex experienced substantial damage because of defects in the building's membrane due to the way it was originally constructed. NHA repaired the defects at a cost of \$1.8 million with three sources of funding: insurance proceeds, two HUD emergency grants, and funds from NHA management reserves.

Because the Captain Robert Cook complex, adjacent to Seabeds Way, was built about the same time and by the same contractor, NHA engaged an engineering firm to assess whether the Cook buildings had similar construction defects. The assessment confirmed that the defects existed and projected that the cost of repairs was close to \$1.1 million.

- **In the Fall of 2017**, the NHA commissioned the development of a Facilities Master Plan (FMP) by consultants. After extensive analysis and community input, the final product was **approved in**

February 2019. The FMP identified opportunities for the preservation and redevelopment of NHA's existing properties and presented high-level strategies for funding this work.³⁴

- **In May 2019,** Town Meeting approved \$150,000 in Community Preservation funding for NHA to hire development consultants to implement the FMP recommendations. The CPA award was matched with an additional \$150,000 from NHA management reserves for a total initial predevelopment budget of \$300,000.

This Plan recognizes the importance of producing housing opportunities across a wide range of incomes, acknowledging NHA's essential role in supporting a substantial portion of units for the lowest income and most vulnerable

- After a COVID-19 pandemic hiatus, **in April 2021,** the NHA Board voted unanimously to launch the Preservation and Redevelopment Initiative (PRI). NHA issued a Request for Proposals (RFP) to hire a consulting firm to help it review preservation and redevelopment options for each of its properties and recommend development and financing strategies with potential sources of funds (e.g., RAD, Section 202, Section 18, Low Income Housing Tax Credits, CDBG, HOME). This work was meant to not only enable NHA to

undertake substantial property improvements and potential new development, but to also reposition the agency operationally and financially.

- **In July 2021,** NHA selected the Cambridge Housing Authority (CHA) as its development consultant through a Chapter 30B-compliant RFP process. CHA has a proven track record in upgrading its own properties through refinancing and repositioning efforts, including consultant work with other housing authorities on similar projects. Table V-1 provides preliminary estimates on the number of units and costs related to its Preservation and Redevelopment Initiative (PRI).
- NHA has been moving forward with the PRI **from mid-2021 through the present,** recently approving three new work orders with the Cambridge Housing Authority and an updated PRI predevelopment budget totaling about \$4.2 million that will focus on the following major components through 2025: Seabeds/Cook – repairing and preserving the 76 deeply affordable units; Linden/Chambers – designing and gaining approvals of a Linden/Chambers Master Redevelopment Plan; and raising the construction funding and proceeding with a Linden/Chambers Phase 1 construction project to redevelop 32 old studio units on the north side of the property into approximately twice as many new one- bedroom units.
- **In October 2022,** NHA awarded the contract for Architecture/Engineering Designer Services for Linden/Chambers to Bargmann Hendrie + Archetype, Inc. in the amount of \$2,274,250. Needham CPA funding is paying for \$1,384,000 of the contracted amount with the balance coming from State ARPA funding procured by Representative Denise Garlick.
- **In January 2023,** NHA plans to submit repositioning applications to HUD for the Seabeds Way and Capt. Robert Cook housing developments.

³⁴ A copy of the FMP can be downloaded via this link: <http://www.needhamhousing.org/facilitiesmasterplan.html>.

- **In the period of 2024 to 2030**, NHA envisions the following focus of the PRI, subject to funding availability³⁵:
 - Linden/Chambers Construction Phase 2 - redevelopment of the remaining 120 old studio units to approximately 200 new one-bedroom units.
 - Redevelopment of the 60 High Rock Estates single-family homes into 60 deeply affordable duplexes or triplexes.
 - Development of 61 units of new deeply affordable housing on available land on the Seabeds/Cook property.

Table V-1: Summary of NHA Preservation and Redevelopment Initiative Estimates³⁶

Project*	Project Type*	BEFORE # of Units*	AFTER # of Units*	TOTAL EST. COST*	Potential Funding Sources*	
					Non-Needham*	Needham (CPA)*
1. Seabeds/Cook	Modernize/Preserve	46 Sr./30 Family	46 Sr./30 Family	\$16.5m	\$16.18m	\$0.32m
2. High Rock I	Redevelop	30 Family	60 Family	\$22.7m	\$21.95m	\$0.75m
3. High Rock II	Redevelop	30 Family	60 Family	\$23.0m	\$22.25m	\$0.75m
4. Linden/Chambers	Redevelop	152 Sr.	152 Sr.	\$47.2m	\$45.20m	\$2.00m
5. Seabeds/Cook	New	-	61 Sr.	\$21.2m	\$20.25m	\$0.95m
[Units not Involved]		[8 with disabilities/40 fam.]	[8 with Disabilities/40 Fam.]			
TOTALS		206 Sr./130 Family 336 units	267 Sr./190 Family 457 units	\$130.6m	\$125.83m	\$4.77m

+ 36%

* Estimates as of February 2022

Recommendations: The Town will continue to support the NHA including its PRI that will enable NHA to make essential improvements to its property inventory while also potentially yielding buildable lot areas for additional deeply affordable or more diverse income affordable housing. In support of these efforts, the Town should consider creating a Working Group to help with project coordination and advocacy of the following measures:

- Ensure that NHA efforts include the creation of a formal process for soliciting input from existing residents over and above the Town's existing process for gaining community and citizen input. Such tenant input is a major component of the Preservation and Redevelopment Initiative and has been occurring since the beginning of the process. Significant tenant participation is also required by state and federal regulations.

³⁵ NHA units are largely targeted to households with incomes at or below 60% AMI with the exception of the 20 condos as part of High Rock Homes that have a mix of 60% and 110% AMI limits.

³⁶ NHA units are largely targeted to households with incomes at or below 50% AMI with the exception of the 20 condos as part of High Rock Homes that have a mix of 80% and 110% AMI limits.

- Ensure that any housing created through PRI is affordable to people with incomes at or below 60% AMI to the greatest extent feasible. The NHA has commented that while it prefers an income target of at or below 50% AMI, their consultants have informed them that they may have to include 60% AMI, 80% AMI or even market rate units to make the financing work.
- Promote redevelopment activities within the existing public housing properties that are targeted to older residents and those with disabilities to create new housing units at an equal proportion to the current ratio at the existing property to the greatest extent feasible. For example, of the current total of 152 housing units at Linden/Chambers, including 13% (or 20 units) for younger people with disabilities, if an additional 32 units were added to the property through redevelopment, 13% of these 32 units (or 4 units) would be designated for younger people with disabilities, while the remaining 83% (or 28 units) would be designated for older adults.
- Support the development of the 61 planned units of new housing to be created in the future on the Seabeds/Captain Robert Cook site with the following considerations:
 - Designate the housing as age-restricted for older adults as there is a demonstrated need for housing for older adults.
 - Leverage federal/state/local resources to ensure that the housing is affordable to older adults with incomes at or below 60% AMI.
- Leverage expertise of existing housing development agencies that have worked closely with housing authorities to redevelop public housing, building a partnership with an experienced developer. Such partnerships are a common approach to redevelopment projects.³⁷ Encourage close collaborations with community agencies that provide services to older adults to create formal partnerships resulting in service-enriched housing; this recommendation also applies to the redevelopment of the Linden/Chambers properties.
- Work in lockstep with the NHA to ensure capacity concerns are addressed in advance of any development activities.
- Support project permitting either through rezoning³⁸ or the application of the Local Initiative Program (LIP), also known as the “Friendly 40B” Program, which is an effective permitting tool.
- Reduce or waive permit fees (see strategy IV.B.7).
- Provide CPA funding to not only help make any redevelopment work financially feasible, but to also demonstrate to funding sources that the Town is committed and invested in the project.

³⁷ For example, Harborlight Community Partners Inc. (a nonprofit housing development agency) and the Ipswich Housing Authority have entered into a joint venture agreement to substantially rehabilitate a 94-unit public housing property.

Examples of models of housing-service partnerships for older adults include:

- Harborlight House in Beverly (Harborlight Community Partners and Element Care PACE)
- JJ Carrol in Brighton (2Life Communities and Element Care PACE)
- Clarence Durkin Housing in Fitchburg (Fitchburg Housing Authority, Summit PACE and Aging Services of North Central MA)
- Jack Satter House in Revere (Hebrew Senior Life)
- St. **Therese's** in Everett (The Neighborhood Developers, Mystic Valley Elder Services, and Neighborhood PACE)

³⁸ Potential zoning relief might include (1) Linden-Chambers redevelopment; (2) possible greater density at the High Rock Homes redevelopment; and/or (3) designating Linden-Chambers/High Rock for rezoning to Apartment A-1 to add to the area so zoned within ½ mile of the Needham Junction transit station if the density of 18 units/acre is high enough to support the proposed redevelopment.

2. Continue Local Programs that Address Health and Safety Issues

Lead Entity: Affordable Housing Trust with support from the Council on Aging

Timeframe: Near Term

Requires Town Meeting Approval: Yes

Level of Complexity: Low

Background: The Town of Needham, through its Affordable Housing Trust, has been operating the **Small Repair Grant Program** since 2019 which provides limited financial assistance to income-eligible homeowners age 60 or over as well as those with a disability to help repair and rehabilitate existing owner-occupied housing units in Needham. The purpose of the Program is not only to help fund needed home repairs, but to also help owners live more safely in their homes. The confidential application and grant process is designed to be simple. The process requires an application, cost estimate(s) for the proposed work, and copies of required documents including recent Federal tax returns or other verifiable documentation of income.

Grants, currently up to \$5,000, are awarded twice per year. These grants are provided on an unsecured basis as there is no repayment required unless the grant recipient does not comply with the Grant Agreement or sells or transfers the home within one year. Applications are evaluated and prioritized based on program funding, health and safety considerations, and the financial need of the applicant.

Applicants must meet the following eligibility requirements:

- The property is located in Needham, is owned by the applicant, is the primary residence of the applicant, and the applicant intends to remain in the home for at least the next 12 months.
- At least one household member is age 60 or older and/or has a disability.
- Household income is not higher than 80% AMI. Also, 2% of the difference between the home's assessed value and any mortgage or other outstanding liens is added to income to determine eligibility.
- The property assessment is below the Town of Needham average assessed valued for a single-family home.
- The applicant agrees to sign the Grant Agreement and to notify the Needham Affordable Housing Trust prior to selling or listing the home for sale.
- There is a cap of no more than \$7,000 over the lifetime of the Program for a household at a given property address. A one-year waiting period is required from the date the last payment was issued before an applicant may re-apply to the Program.

Town Meeting has approved three allocations from its General Budget of \$50,000 each, which have thus far involved 30 participants with another funding round planned for November 2022. Because of the age and general vulnerability of participants during COVID-19, most of the improvements have tended towards exterior repairs as well as home modifications for safety purposes.

Through the Needham Department of Public Health (DPH) and the Center at the Heights (CATH), the Town of Needham also offered the **Safety at Home Program** to help Needham's older adults age in place and continue to live independently. Through the Program, the Town conducted home assessments (performed by a Social Worker or a Public Health Nurse) for Needham residents age 60 or older. Home assessments included a thorough assessment of home hazards, especially regarding potential trips and falls, as well as a discussion of other fall risk factors such as exercise and nutrition. Education and

recommendations were provided throughout the visit, and free supplies (such as night lights, pill boxes, etc.) were distributed. Referrals were made as needed, and participants were encouraged to attend the evidence-based fall prevention class, Matter of Balance, offered for free at Needham's Center at the Heights. All participants received a follow-up call to monitor the actions that were taken and to provide additional resources as needed.

The Program supported 35 participants during 2017 based on a \$20,000 Healthy Aging Grant but ceased operations at the end of the grant period in January 2018.

Recommendations: The Town should continue to monitor the progress of the Small Repair Grant Program and make modifications to requirements as appropriate to ensure the Program remains responsive to community needs. The Needham Affordable Housing Trust should request additional funding when necessary to maintain operations.

In regard to the Safety at Home Program, while operations were discontinued, the Town should consider reintroducing the Program, working with both the Department of Public Health and Center at the Heights to rework Program benefits, requirements, and operations as deemed appropriate. If additional grant funding is unavailable, the Town might consider reaching out for private donations and/or providing some funding from another source such as the General Budget.

Recommendations through this planning process also include the need to promote assisted living options. It should be noted that assisted living units are typically among the most expensive housing units in any community and, because of the integration of services, they are hard to make affordable and include on the SHI. Despite this, some communities have managed to create new assisted living with some affordable units that could be counted in the SHI.³⁹

3. Strategically Invest and Leverage Local Resources

Lead Entity: Select Board and Community Preservation Committee

Timeframe: Near Term

Requires Town Meeting Approval: Yes

Level of Complexity: Medium

Background: Needham is fortunate to have important local resources to support housing initiatives including Community Preservation Funds, HOME Funds, Affordable Housing Trust Funds (limited at this time), some potential property, as well as potential American Rescue Plan Act (ARPA) funding. Such funding has been instrumental in supporting the Needham Housing Authority and a group home for adults with disabilities on South Street for example. Unlike many other communities, Needham has thus far not had a project that relied on subsidies from the state such as Low Income Housing Tax Credits, Housing Stabilization Fund, Community Based Housing, HOME funding, Housing Innovations Fund, Project-based Section 8 or MRVP subsidies, etc. that help finance rental developments targeted to households with incomes at or below 60% AMI, with some in the less than 50% and 30% AMI ranges as well. The community's greatest housing need involves these lower income households based on their very high level of cost burdens.

³⁹ For example, Inn at Robbins Brook (Acton) and Youville Place (Lexington). Some models rely on Low Income Housing Tax Credits (Christopher Heights in Marlborough, Northampton, and Webster) or use project-based Section 8 vouchers (Neville Place in Cambridge).

As the Town moves forward in the implementation of this Housing Plan, more resources will be required to address housing needs, further diversifying the housing stock. Additionally, due to widening affordability gaps, greater amounts of subsidy will be required to fill the gaps between total development costs and the prices that qualifying renters or first-time homebuyers can afford. Consequently, it will be imperative for the Town to strategically invest its limited resources to leverage other public and private sources of funding to the greatest extent possible.

Recommendations: The Housing Trust will continue to explore resources, both financial and technical, to promote new projects and programs. For example, in order to effectively redevelop NHA properties through its Preservation and Redevelopment Initiative, NHA will need Town support in obtaining financing from a mix of available state and federal programs. Other developments that include below market rate units will also require subsidies, often multiple layers of subsidies. Additionally, this Housing Plan recommends at least a 22% annual commitment of Community Preservation Act (CPA) funds for the creation and retention of affordable housing in Needham. **Of utmost importance, new partnerships with developers that have the expertise to produce affordable housing will be essential to meeting housing goals.**

It is important to note that almost all state housing financing programs are directed to rentals, and thus there is only very limited ability to leverage local funding in the case of homeownership units.

Appendix 5 includes a list of housing financing programs that have been effective in supporting housing development, technical assistance, and home improvement financing. Examples of programs that have been instrumental in financing affordable rental housing and may be helpful in the implementation of this Housing Plan include but are not limited to the following:

- *Low Income Housing Tax Credits*

The Low Income Housing Tax Credit Program was created in 1986 by the Federal Government to offer tax credits to investors in housing development projects that include some low-income units. The tax credit program is often the centerpiece program in any affordable rental project because it brings in valuable equity funds. Tax credits are either for 4% or 9% of the development or rehab costs for each affordable unit for a ten-year period. The 4% credits have a present value of 30% of the development costs, except for the costs of land, and the 9% credit have a present value equal to 70% of the costs of developing the affordable units, with the exception of land. Both the 4% and 9% credits can be sold to investors for close to their present values.

The Federal Government limits the 9% credits and consequently there is some competition for them, nevertheless, most tax credit projects in Massachusetts are financed through the 9% credit. Private investors, such as banks or corporations, purchase the tax credits for about 80 cents on the dollar, and their money serves as equity in a project, reducing the amount of the debt service and consequently the rents. The program mandates that at least 20% of the units must be made affordable to households earning within 50% of median income or 40% of the units must be affordable to households earning up to 60% of median income. Those projects that receive the 9% tax credits must produce much higher percentages of affordable units. Tax Credits work best for projects of a reasonable size, ideally at least 35 to 40 units, and because there is such demand for them, applicants are often faced with submitting applications for multiple funding rounds.

The Massachusetts Legislature has enacted a comparable state tax credit program, modeled after the federal tax credit program. The DHCD One Stop Application is also used to apply for this source of funding.

- *HOME Investment Partnership Program*

HUD created the HOME Program in 1990 to provide grants to states, larger cities and consortia of smaller cities and towns to do the following:

- Produce rental housing;
- Provide rehabilitation loans and grants, including lead paint removal and accessibility modifications, for rental and owner-occupied properties;
- Offer tenant-based rental assistance (two-year subsidies); and/or
- Assist first-time homeowners.

Because Needham is not an entitlement community, meaning that it is not automatically entitled to receive HOME funding based on HUD's funding formula, the Town has joined a consortium of other smaller towns and cities, the West Metro HOME Consortium, to receive funding by a federal formula on an annual basis.

The HOME Program funding is targeted to homebuyers or homeowners earning no more than 80% of median income and to rental units where at least 90% of the units must be affordable and occupied by households earning no more than 60% of median income, the balance to those earning within 80% of median. Moreover, for those rental projects with five or more units, at least 20% of the units must be reserved for households earning less than 50% of median income. In addition to income guidelines, the HOME Program specifies the need for deed restrictions, resale requirements, and maximum sales prices or rentals.

The WestMetro HOME Consortium also received about \$5.4 million in funding from the American Rescue Plan Act (ARPA) to support the housing needs of those who are homeless or at risk of homelessness. The Consortium has brought in a consultant to prepare a plan for using this funding.

- *Housing Innovations Fund (HIF)*

The state also administers the Housing Innovations Fund (HIF) that provides a 5% deferred loan to non-profit organizations for no more than \$500,000 per project or up to 30% of the costs associated with developing alternative forms of housing including limited equity coops, mutual housing, single-room occupancy housing, special needs housing, transitional housing, domestic violence shelters and congregate housing. At least 25% of the units must be reserved for households earning at or below 80% AMI and another 25% for those with incomes at or below 50% AMI. HIF can also be used with other state housing development programs including HOME, Housing Stabilization Fund, and Low Income Housing Tax Credits. The Community Economic Development Assistance Corporation (CEDAC) administers this program. Applicants are required to complete the One-Stop Application.

- *Community Based Housing Program*

The Community Based Housing Program provides loans to non-profit agencies for the development or redevelopment of integrated housing for people with disabilities in institutions or nursing facilities or at risk of institutionalization. The Program provides permanent, deferred

payment loans for a term of 30 years, and CBH funds may cover up to 50% of a unit's Total Development Costs up to a maximum of \$750,000 per project.

- *Community Scale Housing Initiative (CSHI)*

The state has developed a small-scale production program to address community needs for smaller-scale housing that responds to local housing needs and density requirements. These projects, because of their small size, are not a good fit for the Low Income Housing Tax Credit program. Generally, projects that can leverage some debt by having a few higher income units and a gap filler like the Community Preservation Act (CPA) funding are in the best position to utilize such a program. This initiative might be a good fit for Needham and includes the following eligibility criteria:

- Community must have a population not to exceed 200,000.
- Program sponsors can be both non-profit and for-profit entities with a demonstrated ability to undertake the project.
- The proposed project must include at least five rental units but no more than 20 rental units.
- Project must involve new construction or adaptive reuse.
- A minimum of 20% of the units must be affordable but it is anticipated that most proposed projects will have a minimum of 50% affordable units.
- The host community must provide a financial commitment in support of the project.
- The CSHI subsidy may not exceed \$200,000 per unit unless the developer intends to seek DHCD project-based rental assistance in which case the subsidy may not exceed \$150,000 per unit.
- The total development cost per unit may not exceed \$350,000.
- Projects will receive no more funding than is necessary to make the project feasible.
- Projects must be financially feasible without state or federal Low Income Housing Tax Credits. Projects are expected to close and proceed to construction within 12 months of the date of the award letter.

A model for consideration is the Herring Brook Hill project in Norwell. In 2015, the Town of Norwell proposed to use the property of the former police station at 40 River Street to create affordable senior housing in support of the community's aging population and veterans. This project not only involved a transfer of Town-owned land but also a major local commitment of \$1.3 million in CPA funding. Other funding sources included \$2.6 million of private debt and state financing through the state's Community Scale Housing Initiative (CSHI).

Herring Brook Hill Unit Distribution			
Type of Unit	# Units	# Bedrooms	Maximum Rent**
80% AMI	10*	1	\$1,425
100% AMI	4	1	\$1,675
100% AMI	4	2	\$2,000
* Four of these units will have access to Project Based Rental Assistance			
** Projected rents at time of occupancy			

Through a Request for Proposals (RFP) process, the Town selected Metro West Collaborative Development, a mission-driven, non-profit community development corporation, as developer and partner with the Town. The project includes a total of 18 units for those age 60 or older based

on the unit distribution summarized below. The project has been completed, however, experienced some early challenges in filling the two-bedroom units.

4. Promote Housing for Special Needs Populations

Lead Entity: Select Board with support of Planning Board and Council on Aging

Timeframe: Medium Term

Requires Town Meeting Approval: Yes

Level of Complexity: High

Background: The Housing Needs Assessment, a major component of this Housing Plan, identified special needs housing with barrier-free units and supportive services as a local priority housing need. It documented an estimated 2,262 residents, or 7.4% of all civilian, noninstitutionalized residents, as having a disability according to 2020 census estimates.⁴⁰ Given this level of disabilities as well as the aging of the population, the Needs Assessment indicated that greater emphasis should be placed on housing that is

The Cape Cod Village (CCV) project in Orleans provides a safe and caring home environment for 15 income-eligible (up to 80% AMI) adults with autism at a site in downtown Orleans. The project involved a comprehensive permit and includes two duplex homes with four residences on each side as well as a common building. There is 24-hour staff support. The project had a \$5,225,000 development budget that included \$950,000 in CPA donations from Brewster, Chatham, Eastham, Provincetown, Truro, and Wellfleet in addition to Orleans.

linked to appropriate supportive services and promotes increased conformance with universal design guidelines for handicapped accessibility, adaptability and “visitability”. Beyond recognizing the increasing needs of older adults, this planning process attracted input from parents who find it difficult to secure suitable housing for their children with disabilities when they turn age 22.

Needham’s SHI includes six special needs housing facilities that altogether total 26 affordable housing units as well as another 84 units in group homes for state Department of Developmental Services (DDS) clients scattered throughout town. A notable Needham project involved the development of a group home on South Street. Working with the Charles River Center, the Town committed \$220,000 in CPA funding and \$280,000 in HOME funds to create a home for five residents who have serious disabilities. This facility resembles the large single-family houses in the area, and received no opposition from neighbors.

Recommendations: As included in the Guiding Principles and Priority Housing Needs that are part of this Housing Plan, the Town is committed to making and maintaining Needham as an inclusive and supportive community for adults with disabilities, its older residents, and other vulnerable subgroups. In order to ensure that Needham’s special needs residents have opportunities to secure not only affordable but also accessible housing, the Town should explore the following recommended actions:

⁴⁰ The U.S. Census defines disability as a long-term physical, mental, or emotional condition that can make it difficult to do basic activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Many residents with one or more disabilities face housing challenges due to a lack of housing that is affordable and physically accessible.

- Review and encourage a variety of housing models that can meet the needs of Needham’s adults with disabilities and Needham’s older residents.
- Sponsor a meeting with agencies that create housing for adults with disabilities to learn more about different model development options, potentially including a panel presentation from special needs developers and service providers.⁴¹
- Investigate models of housing with services for older adults including assisted living and independent senior housing services. Sponsor a meeting with agencies that create senior housing with services to learn more about different options for partnerships between housing and services.
- Explore opportunities for housing models or zoning changes that were recommended by Needham’s Special Education Parents Advisory Council (SEPAC).
- Encourage and support creative solutions for creating affordable and accessible housing from property owners and developers.
- Remove barriers and recommend incentives, including funding, with the goal of establishing additional independent living situations for low-to-moderate older adults and those with disabilities on fixed incomes. Consider making CPA funds available, through an RFP, for projects that support housing for people with disabilities.
- Stay up-to-date on all available state and federal funding opportunities that could be used to create housing for older adults and/or people with disabilities (e.g., HOME ARPA, Section 202, ARPA Supportive Housing) so that the Town is prepared to leverage all resources in future housing development projects.
- Consider zoning that would enable more inclusionary home building for people with disabilities and older residents near the Town Center and Heights.

5. Renovate/Replace the Stephen Palmer Property

Lead Entity: Select Board
Timeframe: Medium Term
Requires Town Meeting Approval: Yes
Level of Complexity: High

Background: In 1977, the Town entered into a 50-year lease arrangement with a management company, Crowninshield, Inc., for the former Stephen Palmer School at 83 Pickering Street. In 2003, the Select Board established a special Committee to explore the redevelopment of the property that had been renovated in the 1980’s into 28 apartments. The terms of the lease required that the apartments be rented to tenants over 55 years old at affordable rates. However, the building has not adequately served as senior housing due to problematic unit configurations and the absence of an elevator. Moreover, affordability was not defined in the lease, however, rents have remained well below market. Even at the time, the Town recognized that the situation was not beneficial to either the management company (because it could not charge sufficient rents to properly maintain the building) or to the Town. Therefore, the Committee worked with the management company for a period of time to develop a plan for redeveloping the property. Progress, however, was hindered by the complexity of changing the existing lease agreement as well as the needs of the Senior Center, which was located in the building at the time, to expand.

⁴¹ Examples include Specialized Housing Inc. in Brookline, Forward at the Rock in Dennis, and South Middlesex Opportunity Council (SMOC) housing.

It was anticipated that a renovated and expanded building could provide up to 50 units of affordable or mixed-income senior housing. This housing could be developed through the rehabilitation of the existing building and the possible construction of an addition on the parking lot side overlooking Green's Field. At the time, this project represented a priority strategy for the Town of Needham given the potential of accomplishing multiple community goals including the conversion of existing below market units into state-defined "affordable" units, the creation of additional "affordable" units, the development of new much needed affordable housing for older residents in the Town Center near transportation and services, and the renovation of a key property in the downtown that was increasingly showing signs of age and neglect.

The Town-appointed special Committee was once again reinvigorated in a further effort to find a feasible solution to the redevelopment of the property in hopes of having a development plan in place by 2007. While it was determined to move the Senior Center to another location, little progress was made on further development plans.

Part of the lease arrangements between the Town of Needham and Crowninshield Management was for the Town to be involved in approving tenant sub-leases and conducting an annual review of the rent rolls. The adoption of a new Town Charter in 2005 effectively assigned the Town's role in the tenant selection process to the Town Manager who subsequently provided Crowninshield with a blanket approval on the sub-leases as long as vacancies were filled by Needham residents age 55 or older. The Town Manager retained approval for any sub-leases involving those who were under age 55 or lived outside of Needham. The Town Manager subsequently delegated this responsibility to the Town's Community Housing Specialist who annually reviews the rent rolls and obtains information on the waitlist, also making referrals of potential occupants. As of April 2022, rents ranged from a low of \$796 to a high of \$1,400 with average rents in the \$1,000 to \$1,200 range, well below market prices.

Recommendations: As the lease will expire in a few years, in May 2027, it is time for the Town to revisit its options for redeveloping the Stephen Palmer Building and site. As in the past, the Select Board should consider appointing a special Committee or Working Group to examine the property's potential for maximizing its reuse for affordable and/or moderate-rate housing when the lease expires, **while considering** the needs of existing tenants. The Permanent Public Building Committee and Department of Public Works would also be instrumental in supporting this project that would likely also involve design and engineering consultants. The assessment of redevelopment options would include the following major components:

- Determine building infrastructure and improvement needs as well as projected costs and design options.
- Assess site infrastructure capacity and ability to support additional density (e.g., additional housing units) including a building addition.
- Determine the feasibility of designating Stephen Palmer as affordable housing (e.g., eligible for SHI) while not requiring existing residents to relocate.
- Identify financing options.
- Consider the pros and cons of bringing on a development consultant for Town development versus conveying the property to a developer through a transfer of title or long-term lease via a Request for Proposals (RFP) process. The latter would avoid the extra costs associated with public projects.

It should be noted that the conversion of these units to those that would be eligible for inclusion in the SHI would take time. The Town would have to work closely with DHCD to prepare an Affirmative Fair Housing Marketing Plan which would be implemented as units turnover, as eligibility for the SHI is not allowed for occupied units. Consequently, conversion to state-defined affordable units could only occur on an incremental basis. These units would be counted as Local Action Units (LAUs) processed through the state Local Initiative Program (LIP). Other affordability requirements would also have to be met such as the execution of a Regulatory Agreement and affirmative marketing.

6. Prepare an Inventory of Potential Public and Privately-owned Development Opportunities

Lead Entity: Select Board and Planning Board

Timeframe: Medium Term

Requires Town Meeting Approval: No

Level of Complexity: Medium

Background: Recurring input throughout the planning process involved the identification of specific sites in which housing development might be suitable, including property that is owned by the Town of Needham as well as some potential privately-owned properties. This is not a new issue in Needham, and prior efforts have been made to identify an inventory of such properties.

For example, the Select Board formed an Open Space Working Group in 2002 to a.) identify all Town-owned parcels; b.) gather information about each parcel including present use, designation and management; and c.) determine whether each parcel should remain under its current designation and use or whether the particular location and/or characteristics suggest a transfer to another use.

The Open Space Working Group was comprised of representatives of the Select Board, Planning Board, Conservation Commission, Park and Recreation Commission, School Committee, Finance Committee and Housing Authority. The Town Administrator also served as a member of the Working Group. The Group reviewed 157 Town-owned parcels and considered a variety of possible new uses including conservation land, affordable housing, recreation and other municipal uses. The Group examined each parcel and arrived at a recommendation based on its particular location, use, and characteristics. Most of the parcels were designated as Category A parcels, meaning that they were either active or planned municipal use parcels (e.g., school building, recreational field, municipal pumping station) and were determined to be unsuitable for any other municipal or private purpose. Other Category A parcels were so designated because they were “protected” by state statute as conservation land (Massachusetts General Laws Chapter 40, Section 8C) or were purchased for certain public purposes under Article 97 (e.g., recreational, park land, water protection and conservation of natural resources), such that the designated use could not be changed without a two-thirds vote by Town Meeting and a two-thirds vote of the State Legislature or were acquired for a particular public purpose such as education so that under G.L. c.40, s.15A, a 2/3 vote of Town Meeting is required to transfer the jurisdiction of the land for a different purpose or for disposition. There was further consensus among Open Space Working Group members that certain “unprotected” parcels ought to be protected by transferring the jurisdiction of those properties to either the Conservation Commission or Park and Recreation Commission.

The Working Group identified 16 parcels that had the potential for redesignation. Of these, the following properties were considered for affordable housing:

- *Parcel 8 (Stephen Palmer Building on Pickering Street).* This parcel should continue to be used for housing, and the Working Group endorsed the efforts of the Select Board to expand the amount of housing the building can accommodate and ensure affordability of some of the units. (This remains a key strategy in this Housing Plan. See strategy IV.B.5 for details.)
- *Parcels 4 (the unimproved lot at the corner of Bancroft and Brookline Streets) and 6.* Parcel 4 was developed as an affordable single-family home by Habitat for Humanity although it was not eligible for inclusion on the SHI. Parcel 6 presently houses the Department of Public Works Water Pumping Station.
- *Parcel 13 (Emery Grover Building).* This property is being renovated for use by the Needham Public Schools.
- *Parcel 14 and a portion of Parcel 26 (undeveloped parcel on Central Avenue adjacent to the RTS).* Combining Parcel 14, an undeveloped parcel of approximately six acres, with unused land on the adjacent transfer station site, known as Parcel 26, should also be considered, with the possibility of a mixed-use project in the future to include housing, conservation and park and recreation purposes provided the parcel is not needed for DPW purposes. Developed as the Jack Cogswell DPW vehicle storage facility.
- *Parcel 2 (undeveloped parcel of approximately two acres located across Mills Field on Gould Street).* The parcel was purchased in 1942 for recreational and educational purposes and would require a vote of the Massachusetts Legislature to change its use. The Housing Authority asserted that the appropriate use was housing while the Conservation Commission suggested that the parcel provides some wildlife habitat that would be lost by development. The Conservation Commission indicated it would consider supporting the redesignation of the parcel to a housing use provided other Needham land that is presently unprotected but of greater value for conservation purposes be redesignated as protected conservation land.

The following additional parcels were identified as bearing some future consideration for some amount of affordable housing:

- *Parcel 3 (undeveloped parcel at the corner of Harris Avenue and Great Plain Street).* Much of this parcel contains wetlands and is undevelopable. Additionally, it was determined that the property was purchased for the Town's water supply and any redesignation would require an Act of the Legislature under the provisions of Article 97 of the Massachusetts Constitution. The Conservation Commission believed strongly that the parcel should remain "as is", however the Housing Authority felt just as strongly that a portion of the site could be developed for housing.
- *Parcel 1 (undeveloped parcel at the corner of Dedham Avenue and South Street).* Developed as the Town's Public Services Administration Building at 500 Dedham Avenue.
- *Parcels 37,49 and 156 (Nehoiden Park).* Large portions of these parcels contain wetlands, however, the Town might explore their possible reuse for a combination of housing and conservation purposes if the Park and Recreation Commission determines that it has no further use for them. Further studies in regard to wetland delineation are necessary before a final determination can be made.
- *Parcel at Broadmeadow Road and Great Plain Road.* This parcel is approximately an acre in size and is located along the commuter rail line in close proximity to the Hersey MBTA station. The parcel has an Article 97 restriction, and the Town would have to secure state legislative approval to allow the development of housing.

Any conveyance of Town-owned property would involve a Request for Proposals (RFP) process that specifies the Town's terms and conditions for the development project.

This analysis occurred two decades ago, and some identified properties are no longer available, as noted above, while others on the list may still be worthy of consideration. Additionally, some properties that were not identified at the time might now be more conducive to housing development, such as the former Hillside School, which is currently used to temporarily house School Department administrative offices while the Emery Grover building is being renovated.

Given that Needham is largely built out with few vacant developable properties available, there is general consensus that most new housing creation will involve the redevelopment of existing properties, particularly near transit. There are, however, specific privately-owned properties where new housing development has previously been proposed including the Hartney Greymont property off of Chestnut Street as well as potential cluster development on a property on Foster Street that is planned to combine housing development and open space preservation. The federal government will also be disposing of its property at East Militia Heights that currently includes a small neighborhood of long vacant single-family homes (formerly U.S. Army housing). Development of the Hillcrest Gardens property at 888 Great Plain Avenue is also a potential possibility in the Town Center.

Recommendations: The Select Board should consider appointing another Working Group of representatives from various Town boards and committees to revisit the feasibility of properties that were identified for potential housing development in the past and to determine the suitability and availability for developing affordable housing on additional publicly-owned property, potentially as Apartment A-1 zoning with its designated dimensional requirements or LIP. Similarly, this Working Group could also be tasked with identifying privately-owned parcels that hold some development potential. One recommendation has been to create a property inventory similar to that created by the City of Newton — see page 85+ of <https://www.newtonma.gov/home/showpublisheddocument/41602/637418380094000000>. Another recommendation was for the inventory to be summarized on a simpler spreadsheet similar to what was produced in the past. Criteria for inclusion in the inventory could include size, ownership, access to services and transportation, proximity to schools, presence of wetlands or environmental constraints, etc.

7. Consider Waiving Permit Fees for Affordable Housing

Lead Entity: Select Board, Zoning Board of Appeals and Planning Board

Timeframe: Medium Term

Requires Town Meeting Approval: ?

Level of Complexity: Low

Background: As noted in the 2007 Affordable Housing Plan, the waiver of application fees has proven to be a help in getting affordable housing efforts underway, both in Needham, where waivers have been granted on a case-by-case basis, and in other communities. Such waivers represent a signal to funding agencies of a Town's commitment to a project and thus have been considered by such agencies in making funding decisions. While fees are not extravagantly costly, they nevertheless help reduce project costs. Building permit fees on a residential development of three or more units involve a rate of \$10.00 per one thousand (\$1,000.00 of the estimated construction cost) with a minimum flat rate for up to \$20,000.00, for example. Mechanical permits and other fees can add to this amount. The fees for a Chapter 40B comprehensive permit are \$2,000.00 plus \$100.00 per unit.

Recommendations: The Town through its Select Board in consultation with its permitting authorities (e.g., Planning Board, Zoning Board of Appeals, Building Department) should consider waiving permit fees on any development that includes affordable units or as an additional incentive for projects that it determines are directed to below market units in accordance with the Guiding Principles and Priority Housing Needs identified in this Housing Plan.

Housing Development and Preservation Strategies for Further Study/Future Consideration

- **Make enhanced homebuyer assistance available** through local funding to increase affordability of ONE Mortgage Program loans or other state mortgage programs such as those offered by Mass Housing. The Massachusetts Housing Partnership Fund, in coordination with the state's Department of Housing and Community Development, administers the ONE Mortgage Program which replaced the highly successful Soft Second Loan Program that operated between 1991 and 2013 and helped over 17,000 families purchase their first home. The ONE Mortgage Program is a simplified version of the Soft Second Program providing low, fixed-rate financing and a state-backed reserve that relieves homebuyers from the costs associated with private mortgage insurance.

Some participating lenders and communities also offer grants to support closing costs and down payments (good models are available such as the program offered by Wellfleet) and slightly reduced interest rates on the first mortgage which Needham might consider, working closely with local lenders. Due to eligibility requirements, with maximum purchase price and homebuyer requirements, such a strategy is likely to work only for the purchase of deed-restricted affordable units, which are limited. It is also worth noting that MassHousing has introduced a program to provide down payments and closing costs assistance of up to \$30,000 through partner lenders.⁴²

- **Support state legislation or consider a Home Rule petition for transfer tax or impact fees on high-value home sales** to help capitalize the Affordable Housing Trust Fund. For example, in an effort to provide some disincentive for transferring property and to secure funding for more affordable housing development, Nantucket was successful in obtaining state legislative approval for a transfer tax fee as part of House Bill 4201. This bill requires that the seller pay ½% of the sales price to the Town of Nantucket or its designee with some exceptions. The fees are deposited in the Affordable Housing Trust Fund.

⁴² While state financing has largely focused on multi-family rental development, particularly for families, the state now offers an expanded program to assist first-time homebuyers with their down payments under the following conditions:

- Increased assistance of up to 5% of the purchase price or \$15,000, whichever is less.
- More property types are eligible for assistance including single-family homes, condominium units and 2-, 3-, and 4-family properties.
- Higher income limits of up to 135% of the area median income (AMI) in Boston and the Commonwealth's 26 Gateway Cities and up to 100% AMI in other communities, including Needham.
- The assistance is in the form of a 15-year, fixed rate loan at 2%. (Example: \$15,000 down payment assistance loan = 180 payments of \$96.53; 2.011% APR)
- Repayment of the down payment assistance is due upon the sale or refinance of the property prior to the end of the 15-year term and otherwise forgiven.

A proposed bill, Senate Bill 868, would enable Massachusetts cities and towns to also impose a fee on certain real estate transfers for use in supporting affordable housing. This bill has been winding its way through the state legislature and would involve a transfer fee of no less than 0.5% and up to 2% on the purchase price of property. The city or town would have the authority to designate whether the fee will be paid by the buyer, the seller, or how it would be allocated between the two. The fee itself was to be paid to the city or town, or its designee. If this bill passes, Needham would have another resource for supporting its affordable housing efforts, and potentially, the fee would serve as a deterrent to some sales.

There should also be some consideration to supporting NHA's advocacy agenda that includes a wide range of possible legislative, regulatory and programmatic opportunities for expediting development and reducing project costs.

- **Consider further property tax reductions for qualifying seniors with high cost burdens.** Needham currently provides the following options to reduce or defer property tax payments for qualifying residents:

- *Senior Corps Program*

Needham's Council on Aging (COA) offers residents who are 60 years of age or older and/or have a disability to contribute up to 100 hours each year at \$14.26 per hour to "work off" a portion of their real estate taxes, become more involved in local government, and support the delivery of local services. The COA appropriately matches qualifying applicants to jobs in municipal departments and schools. Applicants must meet income eligibility requirements including having a maximum income of \$62,000 for a single individual and \$93,000 for two persons. The program operates from July 1st through May 1st of each year and applicants must reapply annually.

- *Property Tax Deferral Program*

Needham's Assessor's Office administers the Property Tax Deferral Program that enables qualifying homeowners to postpone the payment of property taxes until the house is sold or transferred. The maximum deferral is half of the value of the home and every person that has a legal or beneficial interest in the property must provide written approval for the deferral. Each year participants enter into an agreement with the Town to defer all or part of the tax bill. The agreement is similar to a loan with a specified interest rate set at 4% for Fiscal Year 2023. This interest rate increases to 16% upon the demise of the owner or a change in ownership.

- Eligibility requirements include the following:
- The owner and/or spouse must be 65 years of age or older on July 1, 2022 for Fiscal Year 2023.
- Maximum income of \$51,000 for married or single applicants (there is no asset restriction).
- Must have primarily resided in Massachusetts for the past 10 years as of July 1, 2022.
- Must have owned and occupied a home in Massachusetts for the past 5 years as of July 1, 2022.
- Participants may also use any tax exemption for which they are qualified and then defer any portion of the remaining amount.
- Participants have the option to also defer water and sewer bills.

- *Tax Exemption Programs*
The Town of Needham allows a number of property tax exemptions to qualifying homeowners with different requirements based on the owner's age, disability status and other qualifications. For example, a homeowner who is at least 65 years of age and married with an income of no more than \$30,000 and maximum assets of \$55,000 could expect a tax exemption of between \$500 and \$1,000 annually. Those age 70 or older may receive a tax exemption from \$175 to \$350 if their financial assets are less than \$40,000. Veterans also qualify for exemptions based on the type and extent of their service-related disability including an exemption of between \$1,500 and \$3,000 for those living in specially adapted housing. Another example is that a legally blind owner can expect an exemption of between \$500 and \$1,000 without any income or asset requirements.
- *Property Tax Assistance Fund*
Older residents and those with disabilities can apply for additional property tax relief through the Property Tax Assistance Fund that is funded by residents and local businesses. The Fund has supported 421 separate donations over the years with an average grant of \$433.
- *CPA Surcharge Exemptions*
Qualifying residents can also apply to receive an exemption of the CPA surcharge if they qualify as low- or moderate-income homeowners.

While these programs are helpful, given the number of lower income older residents who are spending more than half of their income on housing costs,⁴³ it may be useful for the Town to reconsider some eligibility requirements and benefits to further reduce cost burdens on seniors and help them remain in their homes and community. The Town should explore similar programs that address this issue and are run by other communities, such as in Sudbury⁴⁴ to determine if there are opportunities to enhance, expand, or revise Needham's property tax programs.

C. CAPACITY BUILDING STRATEGIES

It will be important for the Town of Needham to continue to build its capacity to promote affordable housing activities. This capacity includes gaining access to greater resources – financial and technical – as well as building local political support, developing local and regional partnerships with public and private developers and service providers, and augmenting local organizations and systems that will support new housing production and preservation efforts.

This Plan builds on the following organizational structure and resources for the implementation of strategies and continued oversight of housing initiatives in Needham:

- *Needham Affordable Housing Trust*
The Needham Affordable Housing Trust was created in 2017 under Massachusetts General Laws Chapter 44, Section 55C, which simplified the process of establishing dedicated housing funds for supporting affordable housing activities. The law provides guidelines on what trusts can do and

⁴³ HUD data indicates that there were 715 homeowners over age 62 who had incomes at or below 80% AMI, and of these, 489 or 68.4% had cost burdens including 319 or 44.6% with severe cost burdens as they were spending more than half of their incomes on housing costs.

⁴⁴ See <https://sudburyseniorcenter.org/wp-content/uploads/sites/381/2021/08/FY2022-Senior-Means-Exemption-Application.pdf> and <https://patch.com/massachusetts/sudbury/house-votes-continue-sudbury-senior-tax-program-0>

allows communities to collect funds for housing, segregate them out of the general budget into an Affordable Housing Trust Fund, and use these funds without going back to Town Meeting for approval. It also enables Trusts to own and manage real estate, not just receive and disburse funds. As a municipal entity, Trusts are still subject to Chapter 30B procurement rules.

The purpose of the Affordable Housing Trust is “to provide for the preservation and creation of affordable housing in the Town of Needham for the benefit of low- and moderate-income households”. The Town had been receiving fees related to the monitoring of affordable housing units, which had previously gone into the general fund as opposed to revolving back in support of specific housing initiatives. The Housing Trust has provided the means to reserve these funds for housing purposes, which could be supplemented by additional resources to further capitalize the Fund.

The Needham Affordable Housing Trust is composed of all members of the Select Board and one appointed at-large member from the community. In addition to managing the Fund, the Affordable Housing Trust has sponsored the Small Repair Grant Program that provides small grants to qualifying homeowners for health and safety improvements as well as a temporary Emergency Rental Assistance Program that provided funding to help tenants who had lost income due to COVID-19 pay their rent.⁴⁵ The Affordable Housing Trust typically meets twice annually, and also deliberates on housing issues as they arise.

- *Needham Housing Authority*

The Needham Housing Authority (NHA) was established during a special meeting of the Needham Board of Selectmen in May of 1948 under the provisions of Massachusetts General Laws, Chapter 121B, as amended by Chapter 574 of the Acts of 1946 and by Chapter 200 of the Acts of 1948. NHA’s mission is to provide decent, safe and affordable housing for low- to moderate-income families and individuals and to offer programs and resources to improve the quality of life for residents, program participants and the broader Needham community while respecting the rights and privacy of all. NHA owns and manages 316 units of deeply affordable housing, largely for those with incomes at or below 50% AMI, paying no more than 30% of their income on rent.

- *Needham Community Preservation Committee*

Needham approved the Community Preservation Act in November 2004, which has been a very important resource for supporting affordable housing efforts.⁴⁶ Over the years the Town has committed about \$3 million of its CPA funds on housing initiatives including:

- \$120,000 in recent funding to support an Emergency Rental Assistance Program.

⁴⁵ The Emergency Rental Assistance Program was approved by Special Town Meeting in October 2020 to provide financial assistance to help renters who lost income due to Covid-19 remain in their homes. With an allocation of \$120,000 of Community Preservation funding and another \$50,000 from the Massachusetts Covid-19 Relief Fund, secured for Needham by the Foundation for MetroWest, the Program covered 50% of rent up to \$1,500 per month for up to six months. To qualify, applicants must reside in a private rental unit, including affordable Chapter 40B units, and have incomes no more than 80% of Area Median Income (AMI). The Town selected the regional non-profit organization, Metro West Collaborative Development, to administer the program.

⁴⁶ CPA approval was based on a 2% surcharge of residents’ property taxes with exemptions for the first \$100,000 of property value as well as for low- and moderate-income households.

- \$860,500 for four grants to NHA, three for the High Rock Estates project and another for a feasibility study for redeveloping NHA property.
- Another \$150,000 grant to NHA for development consulting services which enabled NHA to bring on the services of the Cambridge Housing Authority to help it determine how best to refinance much needed property improvements and potential new units.
- At its 2022 Annual Town Meeting, almost another \$1,467,000 was approved to fund predevelopment costs for the Linden-Chambers housing project and a property survey for the High Rock Estates site to better position NHA to receive funds from outside sources as part of its Preservation and Redevelopment Initiative. At this Town Meeting, the Community Preservation Committee approved a set-aside of 22% of the Town's estimated CPA revenue for community housing, up from a minimum CPA requirement of 10%.
- \$370,000 for the Charles River Center (formerly the Charles River ARC) for four grants including three grants for existing group homes and another for a new group residence for five people with significant physical and cognitive disabilities.
- \$25,000 for a housing consultant to prepare Chapter 40B guidelines and additional funding towards a portion of the part-time Housing Specialist position over three years.

NHA anticipated that all of the CPA housing reserve funds will be needed to support its Preservation and Redevelopment Initiative (see strategy IV.B.1). It is possible that PRI funding may also be needed from the undesignated CPA general reserve (i.e., funding which can be awarded for any CPA purpose: community housing, historic preservation, open space and recreation). The estimated amounts of funding available in the community housing reserve is about \$2.6 million with another \$1.4 million in the general reserve.

- *WestMetro HOME Consortium*

The Town also joined the Metro West HOME Consortium in 2008, which has enabled it to secure HOME Program funding to address local affordable housing needs. Funding has fluctuated over the years from an allocation of \$57,521 in fiscal year 2009, to \$67,387 by 2011, down to \$36,149 in 2013, and then as low as \$27,455 and \$27,750 in 2020 and 2021, respectively. The Town spent \$280,000 in HOME funds for the Charles River Center's group residence at 1285 South Street in addition to annual operating/administrative funds. Funding also supported two units at High Rock Homes.

- *Local and Regional Advocates and Resources*

Needham is fortunate to have local organizations that have the interest and capacity to serve as local advocates and resources for efforts related to promoting greater housing affordability and diversity. Such organizations include, but are not limited to the following:

This Housing Plan stresses the importance of being alert to new government funding and property that can help leverage local resources to address identified local needs and production goals.

- Center at the Heights
- Charles River Center
- Equal Justice Needham (EJN)
- League of Women Voters (LWV)
- Metropolitan Area Planning Council (MAPC)
- Metro West Collaborative Development (Metro West CD)
- Needham Diversity Initiative (NDI)
- Needham Historical Commission

- Needham Special Education Advisory Council (SEPAC)

- Needham United to Advance Racial Injustice (NUARI)
- Representative Garlick and Senator Rausch's Offices

Because affordable housing policies, regulations, programs and projects rely on local approvals, building local support for new affordable housing initiatives is also essential. New funding streams as well as efforts to make local entities more efficient and effective, such as the Affordable Housing Trust, can better promote housing services and production. Moreover, frequent concerns raised during the planning process involved the need to understand and measure the impacts that any action in this Housing Plan would have on local infrastructure, services, student enrollments, and resulting costs. While the following strategies do not directly create new affordable units, they help build local capacity to do so:

The next subsection includes the following four strategies that will enable the Town to build on the progress that has been made to date in promoting greater housing affordability and diversity:

1. *Continue to Provide Community Outreach and Education on Housing:* It will be important to ensure that there are ample opportunities for community residents and local housing stakeholders to provide input on all proposed housing initiatives, offering important feedback to local leaders and garnering support for approvals.
2. *Monitor Targeted Housing Production Goals and the Subsidized Housing Inventory:* It will also be important to monitor the Town's progress in implementing this Housing Plan and ensure that all eligible units are included and remain on the SHI. This includes the range of housing types discussed in this Housing Plan including "Affordable" housing for lower income levels and "Market affordable" that address the moderate-income levels that help form the "missing middle" of moderately-priced housing choices.
3. *Identify Impacts of Housing Proposals:* It will be necessary to analyze a wide range of impacts of proposed new zoning and development proposals on a project-by-project basis but also undertake some proactive studies to guide future development.
4. *Build Local and Regional Support and Collaboration for Housing:* It will be important to build local and regional partnerships and coalitions with entities that can provide support for ensuring effective and efficient implementation of recommended actions, also determining an expanded role and resources for the Housing Trust vis a vis the implementation process.

This Housing Plan also includes two additional capacity-building strategies for further study and consideration including the preparation of a Racial Impact Study and some potential reduction in local preference for new affordable housing units.

1. Continue to Provide Community Outreach and Education on Housing

Lead Entity: Sponsoring Entities of Housing Initiatives
Timeframe: Near Term and Ongoing
Requires Town Meeting Approval: No
Level of Complexity: Low

Background: As noted above, this planning process has involved a comprehensive community education and public relations effort to provide important information on basic housing issues and current conditions. For example, such information included the need for greater housing diversity as 84% of Needham's housing stock is owner-occupied and 83% are single-family homes.

It was also explained that the affordable units listed on the SHI, while up to 11.86%, are based on Chapter 40B rules that allow the inclusion of market-rate rental units in projects along with the dedicated affordable units. Consequently, the current SHI count of truly affordable housing units is really 6.24% of Needham housing units. This is below the required 10% 40B target goal, but Needham is deemed to have surpassed that goal by counting all rental units.

This planning process also emphasized the need for more housing options to meet identified local needs, as detailed in Section III.C.7, including the needs of local workers who are priced out of the housing market, young people and families looking for starter residences (e.g., single-family homes, condominium units, apartments etc.), people with disabilities, and downsizing empty nesters.

Recommendations: While a major component of the planning process has been an inclusive and robust community outreach and education process, such activities should remain a priority in the years ahead. Additional opportunities to engage the community in discussions related to affordable housing and to present information on the issue are needed to continue to dispel misinformation and help galvanize local support, political and financial, for new affordable housing production. These outreach efforts are mutually beneficial as they provide useful information to community residents and important feedback to local leaders on resident concerns and suggestions.

Each sponsor of a housing initiative should make concerted efforts to work with the Town's Public Information Officer to ensure that residents have ample information on these efforts and opportunities for input. The Town will continue to use its informative website, local cable access television, special articles, community events, and other community meetings to provide information on affordable housing issues and new initiatives. More information should be provided on sustainable/universal design standards and fair housing for example.

Another consideration for bolstering community outreach efforts is the Municipal Engagement Initiative (MEI) that is sponsored by Citizens Housing and Planning Association (CHAPA). (see strategy IV.C.4).

2. Monitor Targeted Housing Goals and the Subsidized Housing Inventory

Lead Entity: Needham Affordable Housing Trust
Timeframe: Near Term and Ongoing
Requires Town Meeting Approval: No
Level of Complexity: Low

Background: This Housing Plan provides targeted Housing Goals (see Section III.C.7) that can be tracked over the next five, ten and twenty years, documenting housing production across housing types. The effects of regulatory reform will take some time to be realized, but ultimately the Town will experience the development of greater housing diversity to address the wide range of local needs.

Recommendations: The Affordable Housing Trust should take the lead on an annual monitoring of progress with respect to the implementation of this Plan, including finetuning and overseeing a full range of housing production goals, with staff support from the Department of Planning and Community Development. This report should be included in the Town's Annual Report.

Moreover, it is important to ensure that all affordable housing units that are part of the Town's Subsidized Housing Inventory (SHI) comply with affordability requirements for as long a period of time as possible. The Town, through its Department of Planning and Community Development, has prepared a database on all affordable housing projects/units in order to better monitor and maintain the affordability of SHI units.⁴⁷ The Department will continue to update and maintain this database to effectively monitor the affordability of not only existing SHI units but to also ensure that any new affordable units meet all requirements and are added to the SHI when eligible.

3. Identify Impacts of Housing Proposals

Lead Entity: Sponsoring Entity and Select Board, School Department/Committee, Town Manager, Town Engineer, and Department of Public Works
Timeframe: Near term for New Initiatives/Medium term for More Proactive Studies
Requires Town Meeting Approval: No
Level of Complexity: High

Background: As new development and rezoning have been proposed in the past, the Town of Needham has made important efforts to assess the impacts on existing resources. Such impacts can include those related to traffic access and congestion, school enrollments, fire and police department services, taxes, etc. In many cases, the Town, largely through the Planning and Community Development Department,

Impacts from housing initiatives will range significantly based on a number of factors including location, number of units, and type of unit as there will be very limited impact from a new Accessory Dwelling Unit but considerably more from a larger development that is not age-restricted such as workforce housing. As the Town needs a wide range of housing types to address the wide range of local needs, community impacts will necessarily occur as a result of the implementation of this Housing Plan.

has brought in consultants to undertake specific transportation, engineering, and fiscal impacts analyses. Public hearings on these proposed initiatives have also involved input from residents, particularly those who reside in close proximity to the proposed project or zoning proposal. These analyses and public participation have helped identify potential problems as well as mitigation measures.

Recommendations: Impact analyses of housing initiatives need to occur on a project-by-project basis, however, comments received as part of this planning process have recommended greater proactive instead of reactive studies to guide new development including:

- Update the School Master Plan to study the impacts of recent housing developments and consider those of proposed rezoning initiatives. This work should also consider needs related to new school construction, including renovations and additions. An updated report on projected changes in school enrollment is due in the fall of 2022. It is

worth noting that actual school enrollments have thus far been lower than the projections of

⁴⁷ The Town, through the Affordable Housing Trust, serves as Monitoring Agent to directly monitor affordability requirements on an annual basis for the older Chapter 40B homeownership projects (e.g., Junction Place, Garden Street/Browne-Whitney, High Cliff Estates) as well as units that were required as affordable as part of zoning provisions (e.g., Needham Place, Wingate Residences) and the affordable unit at Hamilton Highlands. Other monitoring work includes the HOME Program funded group home for adults with serious disabilities at 1285 South Street and support for the Needham Housing Authority's High Rock Homes condos (for refinancing or resales).

school children for the larger Chapter 40B rental developments. It is further noteworthy that the most recent enrollment figures showed a higher than anticipated increase in kindergarten students.⁴⁸

- Examine capacity issues along the entire commercial corridor, focusing on Highland Avenue, Chestnut Street and intersecting streets, and analyze potential impacts related to zoning for an additional 1,784 housing units through compliance with MBTA Communities Guidelines.
- Use results from the parking study that was conducted by the WestMetro HOME Consortium and Metropolitan Area Planning Council (MAPC) to inform changes in parking requirements for housing development. The Town is also working with a consultant to undertake a parking study for the Town Center and Chestnut Street Business District that will inform potential changes to existing parking requirements, and might at some time be expanded to other areas of the community.
- Study public realm (streetscape) improvements and transit alternatives that may be needed to handle traffic that may result from new development while addressing the special needs of older residents and those with disabilities.

Additionally, while not directly related to housing and somewhat outside the purview of this Housing Plan, the following strategies have been recommended to better improve the quality of life for Needham residents and complement new housing development:

- Preserve existing parks and conservation land throughout town and ensure the long-term accessibility to the public for recreational purposes.
- Require new development to consider the importance of creating new public and private open spaces in all new and renovation projects, where feasible. Consideration should be given to how open spaces can connect to, or expand on, the adjacent open spaces and public realm of the immediate surrounding neighborhood context.
- Require the installation or improvement of sidewalks, bike paths, or pedestrian trails to access the nearest park or open space in locations where on-site provision of open space is not feasible.
- Consider providing additional Town-funded internal transportation options to reduce car usage, connect to existing transit, and assist in the mobility of residents, including older residents and those with disabilities, within Needham's core areas and along the Highland Avenue/Chestnut Street commercial corridor.

4. Build Local and Regional Support and Collaboration for Housing

Lead Entity: Needham Affordable Housing Trust, School Department/Committee, Town Manager, Town Engineer, and DPW
Timeframe: Near Term
Requires Town Meeting Approval: No
Level of Complexity: Low

Background: A major component of this planning process has been a robust community outreach and education effort to bring in numerous and diverse voices from the community to inform the content of

⁴⁸ The current Needham Public School projections suggest a decline of 169 students between 2025-2026 and 2033-34, or from 5,946 to 5,777 students. These projections indicate a much higher level of growth in enrollment than is currently occurring with the 2020-2021 enrollment at 5,483 students as opposed to the forecasted 5,813. With average school costs of approximately \$15,000 per student, savings would be significant.

the Housing Plan. Nevertheless, the Working Group is aware that more ongoing community input is required to not only obtain political support for new initiatives but to also build partnerships and coalitions with entities that can provide guidance and advocacy for ensuring effective and efficient implementation of recommended actions.

Recommendations: While the Needham Affordable Housing Trust is the likely entity to pursue such alliances, it was suggested that the Housing Trust revisit its mission and better define its roles and responsibilities vis a vis the implementation of this Housing Plan. It was also suggested that the Housing Trust consider broadening its membership to bring in a wider range of perspectives and expertise. Additionally, recommendations included identifying a role for the Planning Board and Planning and Community Development Department to guide the housing vision and monitor Plan implementation.

The following recommendations have also been offered for consideration to strengthen Town relationships with other housing stakeholders including realtors, lenders, developers, property owners, service providers, and advocates:

- Work with realtors, lenders, and others to explore ways of helping buyers purchase existing smaller homes and save them from demolition.
- Help build a coalition among all the advocacy groups in town to find out how housing impacts their goals and how they might be helpful in implementing actions as part of this Housing Plan. This coalition could be comprised of diversity or faith-based entities as well as other community interest or civic groups. Because housing is such a pressing community issue, it effects the missions of many local organizations and constituencies.

Another consideration for coalition building is the Municipal Engagement Initiative (MEI) that is sponsored by Citizens Housing and Planning Association (CHAPA). Under this program, CHAPA will partner with the Town to build coalitions that work together to address housing production challenges and bolster new development. In other communities, this program has been effective in bringing together local and regional stakeholders representing businesses, civic groups, houses of worship, and other active constituencies in supporting local housing priorities.

Equal Justice Needham's housing group sponsored an initial coalition meeting, and Needham League of Women Voters sponsored a forum, "Affordable Housing in Needham – the Basics", in October 2021. The Town could provide support for additional efforts to convene such entities, perhaps on an annual basis as part of an annual housing summit for housing stakeholders and residents alike. Ongoing communication could also be facilitated through this coalition building.

- Improve communications/collaboration within Town government boards and committees to be more proactive in addressing affordable housing needs, opportunities, and challenges as well as related impacts on infrastructure, Town services, the budget, and the school system. This could be facilitated through participation in CHAPA's Municipal Engagement Initiative.
- In order to bolster local support for this Housing Plan, it has been suggested that the Affordable Housing Trust consider a formal vote on an expanded housing mission statement that supports a diversity of housing opportunities

in Town. The purpose of the Affordable Housing Trust, as included in the Declaration of Trust, is to provide for the preservation and creation of affordable housing for low- and moderate-income

households. Given this Housing Plan's expanded vision of creating housing opportunities to address a wide range of housing needs, not just limited to affordable housing targeted to those with incomes at or below 80% AMI, the Affordable Housing Trust might provide another declaration related to this broader community goal. As part of these deliberations, the Affordable Housing Trust might discuss its specific roles and responsibilities within the context of the Guiding Principles, Priority Housing Needs, and recommended actions as part of this Housing Plan. The Housing Trust might also recommend to the Select Board that it consider another recommendation from this planning process of appointing affordable housing advocates to more Town boards and committees.

A related recommendation was for the Housing Trust to more fully utilize the considerable powers that were provided by the state under Chapter 44, Section 55C and proactively pursue housing development opportunities. Other communities are using their Housing Trusts as vehicles for producing housing. The Housing Trusts in Scituate and Hingham, for example, have acquired property, made improvements, and then sold or rented the units to qualifying occupants. As mentioned earlier, the Housing Trusts in Manchester-by-the-Sea and Yarmouth have issued RFPs for development proposals. Housing Trusts have also been instrumental in shepherding the development of Town-owned property into new affordable or mixed-income housing, working with affordable housing developers, as was the case in Marion for example.

- Sponsor a gathering with developers, property owners, and housing entities to obtain feedback

It should be noted that rental developments that access financing programs, such as Low Income Housing Tax Credits, require a certain size of at least 30 units, but preferably 40 or more to be feasible. Developers of such housing will therefore be looking for sites that will accommodate such density.

on development constraints and what the Town might do to better encourage the development of affordable and moderate-rate housing in town. It has been recommended that the Town look specifically at the Chestnut Street area between the Town Center and the Junction train station for potential sites for such housing, however, input on development opportunities in other areas would also be welcomed. It may be useful for the Town to host a forum with these entities to gather feedback about reasons why they would or would not be interested in working with the Town to create new affordable housing.⁴⁹

⁴⁹ The Town might also reach out to the following organizations that have proven track records with producing affordable or mixed-income housing, mostly involving sizable multi-family rental development:

- PennRose
- The Community Builders
- Caritas Communities
- B'nai B'rith Housing
- Rogerson Communities
- Beacon Communities
- 2Life Communities
- Hebrew Senior Life
- Newton Community Development Foundation
- Winn Development
- Maloney Properties
- Preservation of Affordable Housing (POAH)
- Archdiocese's Planning Office for Urban Affairs (POUA)

Some of this outreach represents a continuation of efforts to work with developers and property owners to promote greater housing diversity and affordability. It has been the Town's experience that the major obstacles to developing affordable housing has been site control and density. For example, the Town has been working with Metro West Collaborative Development (Metro West CD), which is the Community Housing Development Organization (CHDO) for the West Metro HOME Consortium with special set-asides of federal funding, to identify development opportunities. Thus far, it has been outbid by private entities and the density needed to target units to lower income households using government financing programs, such as Low Income Housing Tax Credits, have generated neighborhood concerns about density.

The Town has also assembled owners of properties in the Town Center and along Chestnut Street to ascertain the major barriers to new development. The issues of site assemblage, parking, and the reluctance of owners to embark on any development outside their comfort zones were identified as major contributing factors.

Besides enhanced local collaboration, feedback during the planning process also emphasized the regional nature of the housing crisis and need to explore opportunities to work across our boundaries to promote greater housing diversity and affordability. The MBTA Communities Guidelines represent a state initiative to promote such housing for all MBTA communities in the region that will hopefully result in an expanded housing supply near transit where greater density is more appropriate. Other opportunities to engage regionally on the housing crisis include the Town's continued participation as part of the WestMetro HOME Consortium and the Metropolitan Area Planning Council's (MAPC) Inner Core Subregion meetings. Other potential regional approaches include providing CPA funding for projects located in a nearby community where Needham residents will likely benefit, such as the Cape Cod Village project in Orleans described under strategy IV.B.4.

Capacity Building Strategies for Further Study/Future Consideration

- **Conduct a racial impact study** to determine whether Needham's existing residential zoning has a disproportionate impact on Black, Indigenous and People of Color (BIPOC) and other groups protected under the Federal Fair Housing Act (FFHA). It is likely that the Town would hire a consultant to conduct such a study, working with the Select Board and NUARI.
- **Explore potential reductions in local preference** in affordable housing lotteries. State Guidelines indicate that the Town must obtain approval from DHCD when requesting local preference for those who live and/or work in Needham, or have children attending local schools, as part of the lottery process and initial occupancy. The Town must provide documentation to DHCD on the local need to provide housing for residents to obtain this approval. The Town has obtained the highest level of local preference, at 70%, for each of the Chapter 40B rental developments. It has been suggested during this planning process that such a high level of local preference might negatively affect applicants of color given Needham's relatively limited racial diversity.

Appendix 1

Implementation Roadmap: Summary of Housing Strategies

NEEDHAM HOUSING PLAN: Implementation Roadmap - Summary of Recommended Strategies

Initiative	HPWG/Subgroup	Lead Entity	Town Meeting	Level of Complexity	Prerequisites/Resources Needed	Timeframe	
IV.A Zoning Strategies							
1a	Comply with MBTA Communities Guidelines under new state law G.L.c. 40A and 3A (MBTA Communities Law) by creating zoning districts within 1/2 mile of transit stations with by-right permitting. Districts must include a 25 acre minimum contiguous site area, total minimum land area of 50 acres with minimum average density of 15 units per acre, and minimum multi-family unit count related to the Town's (11,890) total housing units; 15% commuter rail (1,784 units). Needham's total minimum land area is likely to be closer to 120 acres with an average minimum density of 15 units/acre, and Needham's minimum contiguous site area would then be 50% of 120 acres, or 60 acres.	Zoning	PB	Yes	High	Zoning amendments Zoning Map amendments Staff capacity/consultant Public education	Near term
1b	Support and participate in the Select Board's parking study. Consider adjusting required parking ratios for mixed-use and multi-family projects within overlay districts (and apartment developments) that are within 1/2 mile of transit stations.	Zoning	SB PB ZBA	Yes	High	Zoning amendrnents Bldg Comm Public education	Near term
1c	Rezone per maps (see Appendix 7) regarding targeted zoning districts, or parts of zoning districts, within 1/2 mile of transit, including industrial, Business and Hillside Business to allow multi-family dwellings by right with dimensional regulations same as Apartment A-1 (18 units/acre). Extend A-1 zoning to nearby SRB areas even if not readily developable (e.g., a church site).	Zoning	PB	Yes	High	Zoning amendments Zoning Map amendments Staff capacity Public education	Near term
2	Adopt town-wide inclusionary zoning. Consider options for strengthening Needham's inclusionary zoning bylaw, requiring all new housing or mixed-use developments of 6 or more units to provide 12.5% affordable units (some now have 10% or no requirement and limits beyond 10% will require DHCD review and approval in regard to the MBTA Communities Guidelines). Consider implementing a proportionate affordable housing fee payment to the AHIF for projects with fewer than 6 units.	Zoning	PB	Yes	Medium	Zoning amendments Zoning Map amendments Bldg Comm Public education	Near term
3	Broaden requirements for ADUs to remove family member/caretaker restrictions and allow occupancy of ADUs as rental property with at least 6-month minimum lease, keeping 850 sq.ft./1-bedroom limits for ADUs. Consider allowing attached ADUs by right and detached ADUs by special permit, including review by the Design Review Board.	Zoning	PB ZBA	Yes	Medium	Zoning amendments Zoning Map amendments? Bldg Comm Public education	Near term
4	Promote greater energy efficiencies in housing through work with the recently-appointed Climate Action Plan Committee to prepare a Climate Action Plan for the town to meet or exceed the State's climate mitigation and resilience goals. Evaluation and adoption of Net Zero and new stretch building codes are coming in 2023 and are a critical part of Needham addressing GHG reduction strategies through energy and efficiency contributions in our building process. This work will include town-wide actions that will effect all municipal, commercial and residential buildings. Considerations may include easing zoning and streamlining permitting requirements to incentivize energy-efficient and environmentally-sustainable housing development town-wide.	Zoning	SB PB CAPC	Yes	High	Zoning amendments Zoning Map amendments Building code adoption Staff capacity/consultant Public education	Near term
5	Consider options for promoting development in appropriate locations such as Needham's Center Business, Chestnut Street Business, Lower Chestnut Street Overlay, Avery Square Business and Avery Square Overlay districts by adjusting dimensional and parking limits and adding modest density increases to make them more economically viable for development with potential inclusion in MBTA Communities districts. Also consider such zoning changes to improve development opportunities for mixed-use and multi-family housing along major corridors (Chestnut, Highland, Great Plain) and incorporate density bonuses for increased affordability or more moderate-income units. Consider incentives for consolidating parcels to promote larger developable sites for mixed-use and multi-family projects as well as options for incentivizing higher-density, smaller unit, multi-family housing choices as part of zoning reforms in other districts (not related to MBTA Communities Law requirements). Planning Board should establish a working group to study these potential strategies.	Zoning	PB	Yes	High	Zoning amendments	Medium term
6	Consider options to better control teardown activity including amending the dimensional thresholds for coverage, FAR and setbacks and the feasibility of Needham implementing a Tree Removal by-law and revisiting the Town's demolition delay and Historic District concepts requirements. Planning Board should establish a working group to study these potential strategies.	Zoning and Development / Preservation	PB Con Com Hist Com	Yes	High	New by-laws for Demolition Delay & Tree Removal Zoning amendments for refining dimensional controls Bldg Comm	Medium term

Appendix 2

Demographic, Economic and Housing Profiles

A. DEMOGRAPHIC PROFILE

This section examines population growth in terms of changes in the age distribution and household types that predict impacts on local services and the housing market.

1. Population Growth – Recent spurt in population growth

As presented in Table 1 and Figure 1, Needham's population increased substantially after World War II, more than doubling between 1940 and 1960, according to U.S. census data. The population climbed to 29,748 residents by 1970, and then dipped to 27,557 in 1990. It rebounded after that growing to 28,478 residents or by 3.3% in 2000, and then up modestly to 28,886 residents and 1.4% in 2010. The 2020 census identified significant population growth between 2010 and 2020 of up to 32,091 residents or 11%, representing a gain of 3,205 new residents. Some of this growth is due to larger household size and new multi-family rental development. For example, The Kendrick and Modera Needham Chapter 40B developments included 526 additional residential units.

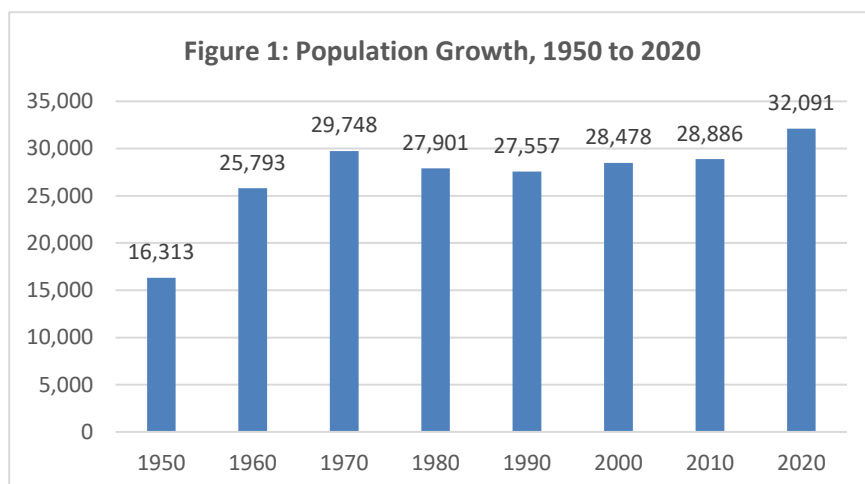
The Town census count was 31,736 residents as of November 2021 with an additional 1,163 inactive voters for a total of 32,899. The Town is required to keep these inactive voters on the census for two biennial state elections if they do not return a confirmation notice. The disparity between the federal and local figures is also typically due to the federal census counting students as living at their colleges and universities while the Town counts students as living at the home of their parents.

Table 1: Population Change, 1930 to 2020

Year	Total Population	Change in Number of Residents	Percentage Change
1930	10,845	--	--
1940	12,445	1,600	14.8%
1950	16,313	3,868	31.1%
1960	25,793	9,480	58.1%
1970	29,748	3,955	15.3%
1980	27,901	-1,847	-6.2%
1990	27,557	-344	-1.2%
2000	28,478	921	3.3%
2010	28,886	408	1.4%
2020	32,091	3,205	11.1%
Town Records As of 11/21	32,899	--	--

Sources: U.S. Census Bureau, 2010 and 2020; University of Massachusetts Donahue Institute State Data Center; Needham Town Clerk's Office.

There are a number of projections that have been calculated to forecast future demographic growth including those provided by the Metropolitan Area Planning Council (MAPC), State Data Center at the University of Massachusetts Donahue Institute, and Needham Public Schools, all of which are summarized below. **All these projections were incorrectly calculated as they showed a total population of less than**



30,000 by 2020 and less than 31,000 by 2030, less than the 32,091 residents reported in the 2020 U.S. census.

The Metropolitan Area Planning Council (MAPC) provided two different sets of projections based on varying assumptions. The first is the Status Quo scenario based on the continuation of existing rates of births, deaths, migration and housing

occupancy. The second is the Stronger Region alternative based on the following assumptions:

- The region will attract more people than it does today, particularly young adults;
- Younger households born after 1980 will be more inclined to live in urban areas with less of an inclination to live in single-family homes; and
- An increasing number of older adults will choose to downsize from their single-family homes to apartments or condominium units.

The projections suggested very limited population growth over the next several decades with a total population of 28,981 and 29,491 by 2020 under the Status Quo and Stronger Region scenarios, respectively. By 2030, MAPC calculated that Needham's total population would be 29,706 or 30,746 residents under the Status Quo and Strong Region scenarios, also respectively.

Projections from the University of Massachusetts State Data Center forecasted declining growth with a total population of 29,610 and 28,539 residents for 2020 and 2030, respectively. The Needham Public Schools forecasted a comparable population to the 2010 level of 28,960 residents for both 2020 and 2030.

The projected changes in the age distribution for all of these population projections are included in Section A.3 below.

2. Race – Gains in resident diversity

Table 2 provides a summary of the racial breakdowns of the population for 2000, 2010, and 2020, showing the increase in population diversity over these decades. The population has remained predominantly White, but Asian, Latinx and Black residents have been steadily growing in number and as a percentage of the total population, from 5% in 2000, 9% in 2010, and up to 15% according to the 2020 census. Asians comprised 3.5% of the population in 2000 and 9.4% by 2020, representing half of all minority residents. Black or African-American residents comprised only 1.4% of the population in 2020. Those claiming Hispanic or Latino heritage added another 1,223 residents in 2020, representing 3.8% of the population.⁵⁰

⁵⁰ There is some overlap of race identification between these minority groups.

Table 2: Racial Distribution, 2000, 2010, and 2020

Race/Ethnicity	2000		2010		2020	
	#	%	#	%	#	%
Total Population	28,911	100.0	28,886	100.0	32,091	100.0
White*	27,140	93.9	25,730	89.1	26,013	81.1
Black*	187	0.6	275	1.0	452	1.4
Asian*	1,023	3.5	1,753	6.1	3,033	9.4
Native American*	7	0.02	10	0.03	10	0.03
Some Other Race*	34	0.1	64	0.2	195	0.6
Two or More Races*	179	0.6	436	1.5	1,165	3.6
Non-White, Non-Hispanic/ Non-Latino	1,430	5.0	2,538	8.8	4,855	15.1
Hispanic or Latino**	341	1.2	618	2.1	1,223	3.8

Source: U.S. Census Bureau, 2020 * Includes race alone, non-Hispanic. ** Includes all racial groups.

3. Age Distribution – Increasing numbers of children despite proportional declines with losses in younger adults and significant gains in older residents

Census data regarding changes in the age distribution from 1990 to 2020 is provided in Table 3 and visually presented in Figure 2. The 2020 census data identified a total population count of 32,091 residents, including 8,439 residents as being under age 18, close to the 8,496 children indicated in the 2020 census estimates based on survey data. In general, trends show an overall increase in children accompanied by decreases in younger and middle-aged residents and gains in older adults. The aging of the population is also reflected in the median age which climbed from 38.9 years in 1990 to 43.0 by 2010, and then to 43.9 years in 2020, largely reflective of overall increases in the 65 to 74 age range. The 2020 median age of 43.5 years is higher than that of Norfolk County at 40.9 years or the state at 39.6 years.

Table 3: Age Distribution, 1990 to 2020

Age Range	1990		2000		2010		2020	
	#	%	#	%	#	%	#	%
Under 5 Years	1,860	6.7	2,153	7.4	1,869	6.5	1,511	4.8
5 – 17 Years	4,402	16.0	5,423	18.8	6,270	21.7	6,985	22.4
18 – 24 Years	2,088	7.6	1,540	5.3	1,527	5.3	2,054	6.6
25 – 34 Years	3,776	13.7	2,514	8.7	1,694	5.9	1,535	4.9
35 – 44 Years	4,619	16.8	4,939	17.1	4,046	14.0	2,090	6.7
45 – 54 Years	3,223	11.7	4,490	15.5	4,940	17.1	4,624	14.8
55 – 64 Years	2,959	10.7	2,662	9.2	3,840	13.3	4,370	14.0
65 – 74 Years	2,394	8.7	2,265	7.8	2,053	7.1	3,170	10.2
75 – 84 Years	1,556	5.6	1,885	6.5	1,606	5.6	1,579	5.1
85+ Years	680	2.5	1,040	3.6	1,041	3.6	1,319	4.2
Total	27,557	100.0	28,911	100.0	28,886	100.0	31,177	100.0
Under 18	6,262	22.7	7,576	26.2	8,139	28.2	8,496	27.2
Age 65+	4,630	16.8	5,190	18.0	4,700	16.3	6,068	19.5
Median Age	38.9 years		40.8 years		43.0 years		43.9 years	

Sources: U.S. Census Bureau, 1990, 2000 and 2010 and American Community Survey 2016-2020 5-Year Estimates

A further analysis of these demographic shifts is offered below.

- *Increasing population of children that is slowing down with proportional declines*
While many relatively affluent towns have experienced significant decreases in the number of children, this has not been the case in Needham. Those under age 18 increased from 6,262 residents in 1990 to 8,139 by 2010, or from 22.7% to 28.2% of the population. This represented a 21% increase between 1990 and 2000 and a lower 7.4% increase between 2000 and 2010. Census estimates for 2020 suggest continued growth to 8,496 children but proportionally down to 27.2% of the population with a growth rate down to 4.3% since 2010. The 2020 decennial census identified 8,439 residents under age 18, down to 26.3% of all residents and a 3.7% rate of growth since 2010.⁵¹
- *College age residents decreased by 27% between 1990 and 2010 and increased to almost 1990 levels according to 2020 census estimates*
Young residents in the 18 to 24-age range decreased by 27% between 1990 and 2010, going from 2,088 residents to 1,527. The 2020 census estimates indicate some increase in this population to 2,054 residents and 6.6% of the population. It is important to note that many former Needham residents in this age range are boarding at college or living out of town and are not included as part of this count but are still connected to the community.⁵²
- *Young adults declined by 59% since 1990*
Younger adults in the 25 to 34-age range, many in the family formation stage of their lives, also decreased significantly between 1990 and 2010, dropping to 5.9% of the population from 13.7% in 1990, or from 3,776 to 1,694 residents. The 2020 census estimate of 1,535 residents represents another decrease to 4.9%. Overall, an increasing number of Millennials (born 1980-1994) who were raised in Needham have been choosing to live elsewhere, and the high cost of housing is likely a contributing factor in addition to general preferences for living in more urban areas.
- *Recent losses of younger middle-aged residents*
While those age 35 to 44 increased between 1990 and 2000, by 320 residents or 6.9%, there was a fall-off of this population after that, decreasing from 4,619 to 4,046 residents or by 12.4% between 2000 and 2010. The 2020 census estimates suggest a major loss of 1,956 residents or 48% in this age range since 2010 to 2,090 residents. While many in this age range would likely be attracted to Needham given the high quality of its school system and other community amenities for young families, it is also likely that many have been priced out of the town's housing market.
- *Recent decline in middle-aged residents*
There was an upsurge of those in the 45 to 54 age range, growing by 1,717 residents or 53.3% between 1990 and 2010, likely reflective of those further into their work lives being better able to afford to live in Needham. However, the 2020 census estimates indicate a decrease in this age cohort, down to 4,624 residents from 4,940 in 2010. Some in this age range may also have found it challenging to afford the rising housing costs during this period.

⁵¹ Decennial census data is limited and consequently much of the analysis in this Housing Plan must necessarily rely on census estimates from the American Community Survey 5-Year Estimates which involves sample data.

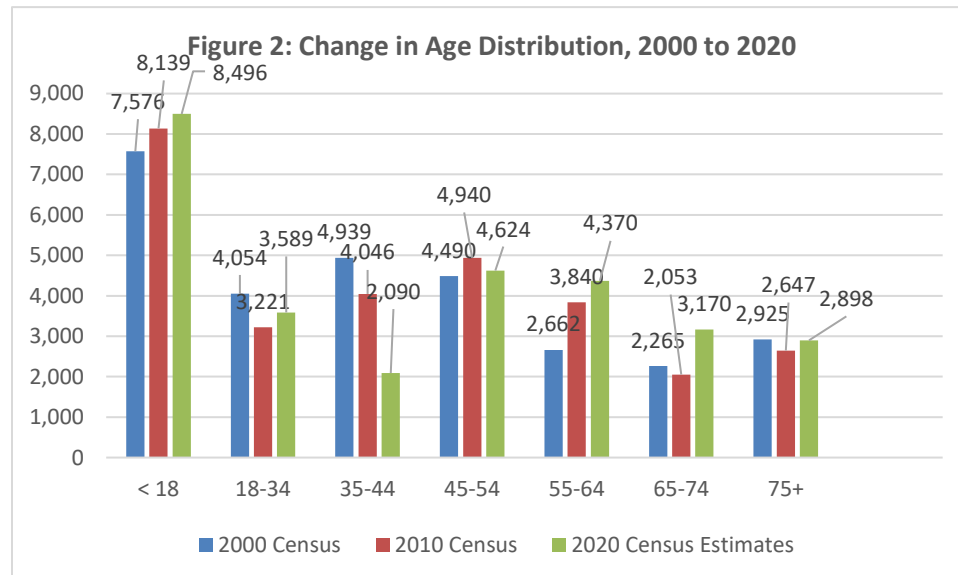
⁵² The federal census counts students attending colleges and universities, or other boarding institutions, as residing in their school community. Those living in dormitories are reported separately as living in group quarters.

- *Increases in older middle-aged residents*

Those in the 55 to 64-age range increased from 10.7% of the population in 1990 to 13.3% by 2010, or from 2,959 to 3,840 residents. Census estimates for 2020 suggest further increases to 4,370 residents, comprising 14.0% of Needham's population. The Town will need to be prepared to accommodate this increasing population of older adults as they enter retirement with more housing with handicapped accessibility, supportive services, and low maintenance demands.

- *Fluctuating population of older residents with recent increases*

The number of those 65 years of age and older has fluctuated somewhat over the decades from 4,630 residents in 1990, up to 5,190 in 2000, and then back down to 4,700 in 2010, close to the 1990 level. The 2020 census estimates indicate a major increase to 6,068 residents and up to 19.5% of the population, largely driven by those age 65 to 74. As the community's Baby Boomers continue to enter this age range, the numbers of older adults will increase over the next decade or so as forecasted in population projections.



Population Projections

There are several different projections of changes in the age distribution including the two scenarios from MAPC, figures from the University of Massachusetts Donahue Institute's State Data Center, and calculations from Needham Public Schools. These estimates are summarized below.

MAPC Projections

A comparative summary of MAPC's Status Quo and Stronger Region projections is provided in Table 4, also comparing 2010 census figures. Total population growth between 2010 and 2030 under the Status Quo scenario is 2.8% with the Stronger Region growth rate at 6.4%. These projections suggest that Needham's population would continue to grow slowly to a total population of 30,746 by 2030 based on their Stronger Region scenario, however, *even the Stronger Region scenario underestimates actual growth of 32,091 residents according to the 2020 U.S. census decennial count.*

Nevertheless, as explained above, it is likely that the Stronger Region scenario will more reliably reflect future growth patterns than the Status Quo projections. Both scenarios, however, indicate an increase in those 65 years of age or older, from about 16% to 24% of the population between 2010 and 2030, with

some fall-off of those under age 20, from 30.1% in 2010 to about 25% by 2030. There were also some gains in younger adults age 20 to 34 and modest projected decreases in those 35 to 64 years of age.

Table 4: MAPC Population Projections for 2030

Age Range	2010 Census		2030 Status Quo Projections		2030 Stronger Region Projections	
	#	%	#	%	#	%
Under 5 Years	1,869	6.5	1,572	5.3	1,650	5.4
5 to 19 Years	6,814	23.6	5,763	19.4	5,935	19.3
20 to 34 Years	2,677	9.3	3,400	11.4	3,680	12.0
35 to 64 Years	12,826	44.4	11,593	39.0	12,002	39.0
65+ Years	4,700	16.3	7,378	24.8	7,479	24.3
Total	28,886	100.0	29,706	100.0	30,746	100.0

Source: Metropolitan Area Planning Council (MAPC), Massachusetts Housing Data Portal, January 2014.

Figure 3 shows the projected percentage change in total population for those under 15 years of age and for those over age 65 for Needham from 2010 and 2030. These changes are compared to other Maturing Suburbs in the Boston region, MAPC's Three Rivers Interlocal Council subregion, and the entire Metro Boston area, once again based on MAPC's Stronger Region scenario. This data indicates that Needham's total projected growth of 3% between 2010 and 2030 is comparable to what is estimated in other Maturing Suburbs and the subregion. The data also identified Needham with the greatest predicted decrease in the number of children although this 19% population loss is about the same as the estimated 18% decline in other Maturing Suburbs. While not as extreme as the other areas, Needham is also projected to experience increases in those over the age of 65, at a 57% gain.

Figure 3: Population Change Comparison, 2010 to 2030⁵³

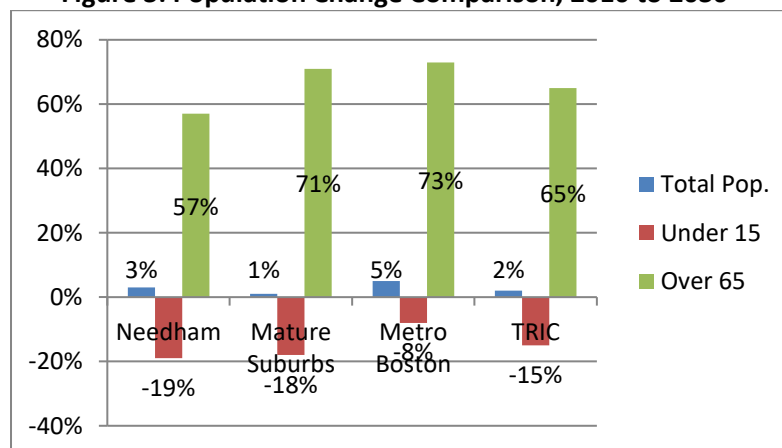


Table 5 and Figure 4 present more detailed MAPC Stronger Region projections for 2020 and 2030 for Needham in comparison to the 2010 U.S. census counts, suggesting the following more specific population trends:

⁵³ Source: Metropolitan Area Planning Council, Metro Boston 2030 Population and Housing Demand Projections. TRIC (Three Rivers Interlocal Council) is the MAPC subregion that includes Needham as well as Canton, Dedham, Dover, Foxborough, Medfield, Milton, Norwood, Randolph, Sharon, Stoughton, Walpole and Westwood.

- *Continuing declines in the number and percentage of children* with those under age 20 decreasing from 30.1% of the population in 2010, to 26.8% by 2020, and down further to 24.7% by 2030, representing a loss of 1,098 young residents during this period. This decline, if realized, would have impacts on school enrollments and costs.
- Gains of those in the 20 to 24 age range with a net increase of 173 such residents. Given such high housing prices, many in this age range and recently out of college may need to live with their family or find rentals that they can share.
- Increases in those age 25 to 34, from 5.9% of all residents in 2010 to 8.2% by 2030 and with a net gain of 830 residents. This group represents a major target market for the new Chapter 40B rental developments or other future multi-family construction, both rentals and ownership.

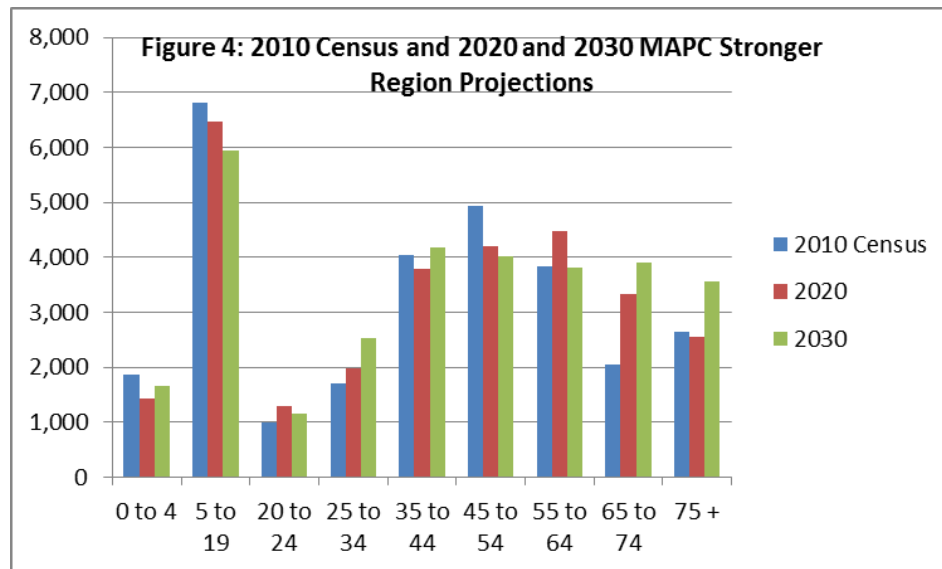
Table 5: 2010 Census and 2020 and 2030 MAPC Population Projections

Age Range	2010 Census		2020 Projections Stronger Region		2030 Projections Stronger Region	
	#	%	#	%	#	%
Under 5 Years	1,869	6.5	1,438	4.9	1,650	5.4
5 – 14 Years	4,952	17.1	4,301	14.6	4,106	13.4
15 – 19 Years	1,862	6.4	2,165	7.3	1,829	5.9
20 – 24 Years	983	3.4	1,295	4.4	1,156	3.8
25 – 34 Years	1,694	5.9	1,968	6.7	2,524	8.2
35 – 44 Years	4,046	14.0	3,780	12.8	4,181	13.6
45 – 54 Years	4,940	17.1	4,192	14.2	4,008	13.0
55 – 64 Years	3,840	13.3	4,480	15.2	3,813	12.4
65 – 74 Years	2,053	7.1	3,326	11.3	3,909	12.7
75 – 84 Years	1,606	5.6	1,528	5.2	2,509	8.2
85 Years and Over	1,041	3.6	1,018	3.5	1,061	3.5
Total	28,886	100.0	29,491	100.0	30,746	100.0
Under 20 Years	8,683	30.1	7,904	26.8	7,585	24.7
65+ Years	4,700	16.3	5,872	19.9	7,479	24.3

Source: 2010 U.S. Census Bureau and Metropolitan Area Planning Council's Population and Housing Demand Projections for Metro Boston, January 2014.

- Relative stability of younger adults age 35 to 44 that are projected to continue to represent about 14% of the population, increasing by an estimated 135 residents.
- A fall-off in middle-aged residents age 45 to 54, from 17.1% of the population in 2010 to 13.0% by 2030 and with a net loss of 932 residents or 18.9%. Some of these residents may choose to leave the community in search of more affordable living conditions and/or because their children have already graduated from local schools.
- Projected fluctuations in those 55 to 64 years old, increasing from 13.3% to 15.2% between 2010 and 2020 and then down to 12.7% by 2030 with a net loss of 27 residents. Some in this age category might be looking for opportunities to downsize which are very limited in Needham.
- *Increases in the population 65 years of age and older*, from 16.3% in 2010 to 24.3% in 2030 and with an estimated gain of 2,779 residents. This increase includes the aging Baby Boomers and suggests that the Town undertake appropriate planning to accommodate an aging population

that is likely to have special needs in the future. The Town can anticipate a greater demand for housing opportunities for downsizing as well as Council on Aging services for example.



State Data Center Projections

Table 6 provides projections of the age distribution in Needham for 2020 and 2030 from the State Data Center at the University of Massachusetts Donahue Institute. The 2020 data suggests rather comparable population figures to the 2020 MAPC Stronger Region estimates with proportional variations of only about 1% or less for each age range with the exception that the State Data Center projects a higher level of those 45 to 54 years of age at 16.4% instead of 14.2%.

Table 6: 2010 Census and 2020 and 2030 State Data Center Population Projections

Age Range	2010 Census		2020 Projections		2030 Projections	
	#	%	#	%	#	%
Under 5 Years	1,869	6.5	1,187	4.0	1,340	4.7
5 – 14 Years	4,952	17.1	4,140	14.0	3,133	11.0
15 – 19 Years	1,862	6.4	2,479	8.4	1,290	4.5
20 – 24 Years	983	3.4	963	3.3	966	3.4
25 – 34 Years	1,694	5.9	1,680	5.7	2,156	7.6
35 – 44 Years	4,046	14.0	3,496	11.8	3,615	12.7
45 – 54 Years	4,940	17.1	4,851	16.4	3,918	13.7
55 – 64 Years	3,840	13.3	4,739	16.0	4,458	15.6
65 – 74 Years	2,053	7.1	3,242	10.9	3,896	13.7
75 – 84 Years	1,606	5.6	1,680	5.7	2,559	9.0
85 Years and Over	1,041	3.6	1,153	3.9	1,208	4.2
Total	28,886	100.0	29,610	100.0	28,539	100.0
Under 20 Years	8,683	30.1	7,806	26.4	5,763	20.2
65+ Years	4,700	16.3	6,075	20.5	7,663	26.9

Sources: 2010 U.S. Census Bureau and University of Massachusetts, Donahue Institute, State Data Center.

Additionally, the State Data Center's 2030 projections indicate a decline in population to 28,539 residents which is below the 28,886 total population count in 2010 and well below the 2020 census population count of 32,091 residents. Nevertheless, these figures still demonstrate general demographic trends

related to decreases in children, gains in younger adults, and increases in those age 65 or older. For example, the State Data Center estimates that those under age 20 will decline by 2,920 residents between 2010 and 2030 while those 65 years of age or older will increase by close to the same amount at 2,963 residents. Younger adults between the ages of 25 and 34 are projected to increase by 462 residents.

Needham Public Schools Projections⁵⁴

Table 7 presents population projections that were prepared by McKibben Demographics for the Needham Public Schools which suggest a 16.3% increase in Needham's population between 2010 and 2025 and 23.9% between 2010 and 2035 to total population levels of 33,590 and 35,780 in 2025 and 2035, respectively. The figures demonstrate the same general demographic shifts as the other projections with net proportional decreases in younger residents between 2020 and 2035, with the exception of Millennials, as well as increases in older residents age 65 and older, triggered largely by the aging of the Baby Boom generation and the continuing residency of empty nesters.

This data is primarily based on birth, death and migration data. In regard to housing, the report suggests that "even if the district continues to have some amount of annual new home construction (particularly if that construction is rental units), the rate, magnitude and price of existing home sales will become the increasingly dominant factor affecting the amount of population and enrollment change".

The report's findings further indicate that the local 18-to-24-year-old population continues to leave the district, going to college or moving to other urbanized areas. The second largest age group to leave the community includes those age 70 or older who are downsizing their homes and moving elsewhere.

The report identifies small increases in student enrollment over the years, from 5,526 students in the 2021-2022 school year to 5,712 in 2036-2037 under its Best Scenario. This represents an increase of 186 students or 3.4%. The primary factors causing the district's enrollment to rise and then stabilize over the next 15 years is the number of empty nest households (homeowners age 70+) "turning over" compared to the number of homes (homeowners aged 50-59) that become empty nest each year.

More specifically, in the Best Scenario, total district enrollment is forecasted to increase by 80 students, or 1.4%, between 2021-22 and 2026-27. Total enrollment is then forecasted to increase by 41 students, or 0.7%, from 2026-27 to 2031-32, followed by an increase of 65 students, or 1.2%, from 2031-32 to 2036-37. In another scenario, the High Scenario, total district enrollment is forecasted to increase by 105 students, or 1.9%, between 2021-22 and 2026-27, then predicted to increase by 93 students, or 1.7%, from 2026-27 to 2031-32, with another increase of 70 students, or 1.2%, from 2031-32 to 2036-37.

⁵⁴ McKibben Demographics, Needham Public Schools, MA Demographic Study, February 2022. These figures reflect the forecaster's "Best Scenario" with all currently platted and approved housing developments built out and completed by 2036-2037.

Table 7: 2010 Census and 2025 and 2035 Needham Public School Projections (Best Scenario)

Age Range	2010 Census		2025 Projections		2035 Projections	
	#	%	#	%	#	%
Under 5 Years	1,869	6.5	1,920	5.7	1,830	5.1
5 – 14 Years	4,952	17.1	4,790	14.3	4,740	13.2
15 – 19 Years	1,862	6.4	2,090	6.2	1,950	5.4
20 – 24 Years	983	3.4	1,160	3.4	1,180	3.3
25 – 34 Years	1,694	5.9	2,320	6.9	2,490	7.0
35 – 44 Years	4,046	14.0	5,110	15.2	5,090	14.2
45 – 54 Years	4,940	17.1	4,320	12.9	5,670	15.8
55 – 64 Years	3,840	13.3	4,580	13.6	4,110	11.5
65 – 74 Years	2,053	7.1	3,920	11.7	4,040	11.3
75 – 84 Years	1,606	5.6	2,320	6.9	3,340	9.3
85 Years and Over	1,041	3.6	1,000	3.0	1,340	3.8
Total	28,886	100.0	33,590	100.0	35,780	100.0
Under 20 Years	8,683	30.1	8,800	26.2	8,520	23.8
65+ Years	4,700	16.3	7,240	21.6	8,720	24.4

Sources: 2010 U.S. Census Bureau and Demographic Study conducted by McKibben Demographics for the Needham Public Schools, February 2022.

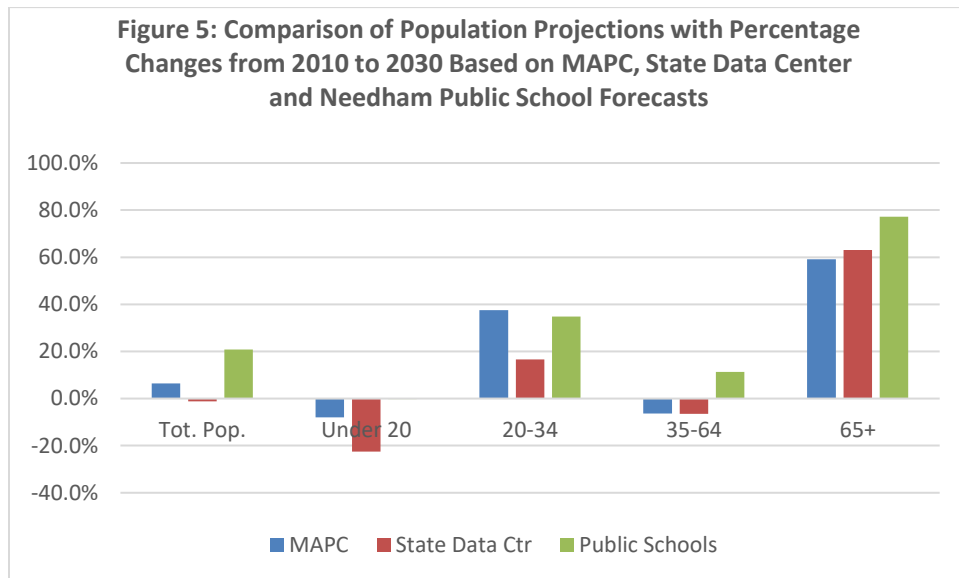
Table 8 and Figure 5 provide a comparison of the 2030 MAPC Stronger Region figures, State Data Center forecasts, and Needham Public School projections. The State Data Center and MAPC projections suggest relatively comparable total population estimates with much higher population estimates included in the Needham Public Schools figures. While the State Data Center and MAPC predict significant declines in children, the Public School projections suggest little change between 2010 and 2030. Projected increases in adults age 65 or older are higher in number but proportionately lower in the Public School District data. Of particular note in these population projections are the following general demographic shifts and resulting implications:

- Relative stability in school enrollments will not unduly tax Needham’s Public School system based on Needham Public School projections. MAPC and State Data Center projections instead suggest declines in children.
- Increases in younger adults who may have sufficient income to afford housing in Needham. These smaller households will likely put less stress on local infrastructure, and many will be attracted to the smaller multi-family units that have been produced as part of the new rental developments or opportunities that might arise out of new zoning such as the Mixed Use Overlay District (MUOD), MBTA Communities multi-family zoning, or accessory dwelling units. Fiscal analyses of the MUOD and recent multi-family developments have indicated that they will likely result in positive annual fiscal benefits to the Town.
- Some increases in middle-age residents who are likely to be homeowners, many with school-age children. This population puts substantial pressure on Town services.
- Increases in older adults 65 years of age or older, many who would prefer to downsize in the community but have tended to remain in their homes given limited housing alternatives. These residents will likely put greater pressure on the Council on Aging and local ambulance services as well as private health services.

Table 8: Comparison of Population Projections for 2030

Age Range	2010 Census		MAPC Stronger Region Projections		State Data Center Projections		Needham Public Schools Projections (Best Scenario)	
	#	%	#	%	#	%	#	%
Under 5 Years	1,869	6.5	1,650	5.4	1,340	4.7	1,840	5.3
5 to 19 Years	6,814	23.6	5,935	19.3	5,389	18.9	6,830	19.6
20 to 34 Years	2,677	9.3	3,680	12.0	3,122	10.9	3,610	10.4
35 to 64 Years	12,826	44.4	12,002	39.0	11,991	42.0	14,280	40.9
65+ Years	4,700	16.3	7,479	24.3	7,663	26.9	8,330	23.9
Total	28,886	100.0	30,746	100.0	28,539	100.0	34,890	100.0

Sources: 2010 U.S. Census Bureau, Metropolitan Area Planning Council's Population and Housing Demand Projections based on the Stronger Region Scenario, January 2014; University of Massachusetts, Donahue Institute, State Data Center; and Demographic Study conducted by McKibben Demographics for the Needham Public Schools, February 2022.



4. Households – More families and recent increases in household size⁵⁵

As shown in Table 9, after an increase in the number of households between 1990 and 2000, the number of households fell by 271 or 2.6% to 10,341 by 2010. It then increased to 10,765 households according to 2020 census estimates. The net number of new households was 605 between 1990 and 2020 representing a 6.0% rate of growth, a bit more than a third of the 16.4% rate of population growth during this period. This suggests that households were becoming larger which was further demonstrated by the increase in average household size from 2.68 persons in 1990 to 2.82 by 2020. Perhaps the teardown activity that has occurred over the past decade, with smaller more modest homes being replaced with larger more expensive ones, is a contributing factor to increasing numbers of larger households as families largely replace empty nesters.

⁵⁵ The U.S. Census Bureau's definition of "family" includes married couples, with or without children, or single heads of households with children.

MAPC Stronger Region projections suggest an increase from 10,310 households in 2010, to 11,084 by 2020, and then 12,026 by 2030, representing a growth rate of 16.6% compared to projected population growth of 6.4%. This indicates an increase in smaller households, which is a reversal of recent trends. While projections have underestimated actual population growth, it is likely that they are overestimating household growth levels.

Unlike many communities, where the number of families is shrinking in comparison to growing numbers of non-family households (includes unrelated household members and those living alone), the number of families has been increasing in Needham. **The percentage of families, 81.0% in 2020, was higher than the 66.6% level for Norfolk County and 63.2% statewide.**

Almost 11% of the households with children under age 18 were headed by one parent and 87% of these, or 428 households, involved single mothers who likely have lower incomes on average than their male counterparts.

Table 9: Household Characteristics, 1990 to 2020

Household Type	1990		2000		2010		2020	
	#	%	#	%	#	%	#	%
Total Households	10,160	100.0	10,612	100.0	10,341	100.0	10,765	100.0
Family Households*	7,565	74.5	7,782	73.3	7,792	75.4	8,718	81.0
Married Couple Families With Children <18*	2,876	28.3	3,528	33.2	3,619	35.0	3,953	36.7
Female Headed Families With Children <18*	331	3.3	337	3.2	386	3.7	428	4.0
Non-family Households*	2,595	25.5	2,830	26.7	2,549	24.6	2,047	19.0
Persons Living Alone*	2,149	21.2	2,470	23.3	2,492	24.0	1,857	17.2
Average Household Size	2.68 persons		2.63 persons		2.72 persons		2.82 persons	

Sources: U.S. Census Bureau, Census 1990, 2000 and 2010 and American Community Survey 5-Year Estimates 2016-2020 *Percent of all households

The 2020 census estimates indicate that there were 1,857 individuals living alone, representing 17.2% of all households. This shows a decrease from 2,470 and 2,492 such households in 2000 and 2010, respectively. Of the single-person households, 1,387 or 75% were 65 years of age or older in 2020.

Table 10 examines the types of households by household size. Single-person households comprised 17.2% of all households in 2020, down from 24% in 2010, including 91% of all non-family households. There was a modest increase in two-person households, from 3,359 in 2000 to 3,457 by 2020, remaining at about 32% all households. On the other hand, households with more than three persons increased from 3,070 in 2000 to 3,775 by 2020, or from 29.0% to 35.1% of all households. This is consistent with increases in average household size from 2.63 to 2.82 persons.

Table 10: Types of Households by Size, 2000, 2010 and 2020

Households by Type and Size	2000		2010		2020	
	#	%	#	%	#	%
Non-family Households	2,795	26.4	2,667	25.7	2,047	19.0
1-person household	2,470	23.3	2,492	24.0	1,857	17.2
2-person household	279	2.6	159	1.5	154	1.4
3-person household	36	0.3	0	0.0	36	0.3
4-person household	10	0.1	16	0.2	0	0.0
5-person household	0	0.0	0	0.0	0	0.0
6-person household	0	0.0	0	0.0	0	0.0
7+ person household	0	0.0	0	0.0	0	0.0
Family Households	7,800	73.6	7,706	74.3	8,718	81.0
2-person household	3,080	29.1	2,864	27.6	3,303	30.7
3-person household	1,660	15.7	1,525	14.7	1,640	15.2
4-person household	2,043	19.3	2,245	21.6	2,733	25.4
5-person household	785	7.4	933	9.0	739	6.9
6-person household	203	1.9	139	1.3	193	1.8
7+ person household	29	0.3	0	0.0	110	1.0
Total	10,595	100.0	10,373	100.0	10,765	100.0

Source: U.S. Census Bureau, 2000 Census, Summary File 3, and 2016-2020 American Community Survey 5-Year Estimates.

Small families with three or four household members comprised 40.6% of all households in 2020, increasing from 35% in 2000. Large families of five or more persons represented 9.7% of all households in 2020, relatively comparable to 9.6% in 2000 and somewhat higher than Norfolk County at 9.1%.

Table 11 provides the distribution of household size as to whether the household was a renter or homeowner. While 86% of renters were in households of only one or two members, this was the case for 43% of owner households (includes those who own houses as well condo units) based on the 2020 census estimates, compared to 80% and 49% of renters vs. owners in 2000, respectively. Also, 14.1% of all renter households included three or more members compared to 57.4% of owner households.

Generally, renter households have been getting smaller while the opposite is true for owner households. These changes are also demonstrated in average household sizes of 1.69 persons for renters in 2020, down from 1.90 in 2010. The average household size for owners increased from 2.88 persons to 3.03 during this same period. Consequently, the rental housing stock has far fewer children, largely dictated by units with more limited numbers of bedrooms. On the other hand, the increasing numbers of larger homes due to teardown activity is likely a factor in the increases in average household size for owners. This also points to the development of rental housing having far less impact on school enrollments.

A high percentage of Needham households are likely what could be termed as “over-housed” given the disparity between the average-sized, owner household of 3 persons and the median-sized, owner-occupied unit of 7.5 rooms and three to four bedrooms.

Table 11: Household Size by Tenure, 2000, 2010 and 2020

Household Size by Tenure	2000		2010		2020	
	#	%	#	%	#	%
Owner-occupied Housing	8,584	80.9	8,607	83.0	9,092	84.5
1-person household	1,431	13.5	1,472	14.2	956	8.9
2-person household	2,765	26.1	2,621	25.3	2,921	27.1
3-person household	1,522	14.3	1,427	13.8	1,567	14.6
4-person household	1,946	18.3	2,089	20.1	2,622	24.4
5-person household	727	6.9	859	8.3	739	6.9
6-person household	174	1.6	139	1.3	193	1.8
7+ person household	19	0.2	0	0.0	94	0.9
Renter-occupied Housing	2,028	19.1	1,766	17.0	1,673	15.5
1-person household	1,051	9.9	1,020	9.8	901	8.4
2-person household	571	5.4	402	3.9	536	5.0
3-person household	193	1.8	98	0.9	109	1.0
4-person household	127	1.2	172	1.7	111	1.0
5-person household	76	0.7	74	0.7	0	0.0
6-person household	0	0.0	0	0.0	0	0.0
7+ person household	10	0.1	0	0.0	16	0.2
Total	10,612	100.0	10,373	100.0	10,765	100.0

Source: U.S. Census Bureau, 2000 Census, Summary File 3, and 2006-2010 and 2016-2020 American Community Survey 5-Year Estimates.

B. ECONOMIC PROFILE

This section focuses on economic issues related to Needham households including changes in incomes and employment over time, also examining changes regarding education and levels of special needs that affect the community.

1. Income – High income levels but growing income disparities

Table 12 and Figure 6 present income data based on census estimates, revealing huge increases in higher-income earners over time. Median incomes have increased substantially, with the median household income increasing from \$60,357 to \$88,079, or by 46% between 1989 and 1999, and growing by 30% between 1999 and 2010 to \$114,365. The 2020 census estimates indicate a 53% growth in median household income since 2010 to \$174,707, more than twice the rate of inflation of 18.7%. Moreover, Needham's median household income was considerably higher than the county and state levels of \$105,320 and \$84,385, respectively.

In 1989, about 40% of all households had incomes of less than \$50,000, decreasing to 15.1% by 2020. There were decreases in the numbers and percentages of households in all income ranges of less than \$100,000 between 1989 and 2020, with 78.4% of all households earning less than \$100,000 in 1989 compared to 30% by 2020. **On the other hand, 21.6% of all households earned more than \$100,000 in 1989, increasing to 70% by 2020.**

Table 12: Household Income Distribution, 1989 to 2020

Income Range	1989		1999		2010		2020	
	#	%	#	%	#	%	#	%
Under \$10,000	647	6.3	464	4.4	298	2.9	196	1.8
\$10,000-24,999	1,112	10.8	739	7.0	884	8.5	429	4.0
\$25,000-34,999	886	8.6	698	6.6	357	3.4	532	4.9
\$35,000-49,999	1,434	14.0	909	8.6	477	4.6	476	4.4
\$50,000-74,999	2,350	22.9	1,668	15.7	1,329	12.8	815	7.6
\$75,000-99,999	1,618	15.8	1,389	13.1	971	9.4	833	7.7
\$100,000-149,999	1,271	12.4	2,158	20.4	2,027	19.5	1,541	14.3
\$150,000 +	948	9.2	2,570	24.3	4,030	38.9	5,943	55.2
Total	10,266	100.0	10,595	100.0	10,373	100.0	10,765	100.0
Median income	\$60,357		\$88,079		\$114,365		\$174,707	

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 3, and American Community Survey 2006-2010 and 2016-2020 5-Year Estimates.

44% of all households earned more than \$200,000 according to 2020 census estimates.

The income distribution of families shows even higher income levels with a median of \$213,438 and 78.2% earning more than \$100,000 including 52.6% with incomes of more than \$200,000, a finding highly correlated with the greater prevalence of two-worker families.

Despite generally growing prosperity, there remains a vulnerable population living in Needham with very limited financial means as 1,157 households or 10.8% of all households were estimated to have incomes of less than \$35,000 in 2020, including 625 or 5.8% earning less than \$25,000.

Some of Needham's lower income households likely live in subsidized housing, while others might be retired and/or have a disability, potentially living on fixed incomes. Others may need to leave the community entirely at some point because of rising housing costs.

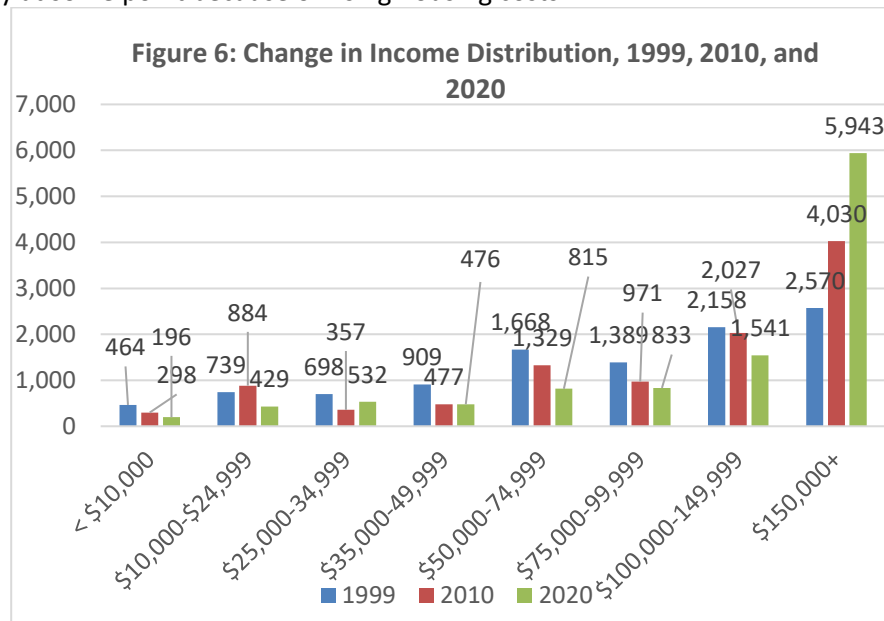


Table 13 provides comparative median income levels for various types of households in 2020. Not surprisingly, incomes were highest for families, households in the prime of their working lives, men, and homeowners. The Town's per capita income was \$57,716 in 2010, increasing to \$80,532 by 2020, considerably higher than the county and state medians of \$55,860 and \$45,555, respectively. The median for non-family households was 35% of median household income and 29% of median family income.

The median income of those 65 years of age or older was \$88,239, less than 40% the median for households with heads in the 25 to 64 age range. It is interesting to note that the median income of households in the 25 to 44 age range, and earlier into their careers, was higher than for those age 45 to 64. It may be that some of these younger households are newer residents who were attracted to the community as a place to raise their families and have incomes that can accommodate Needham's high and rising home values, including the larger homes that are being built through teardown activity.

Table 13: Median Income by Household Type, 2020

Type of Household	Median Income
Individual/Per capita	\$80,532
Households	\$174,707
Families	\$213,438
Non-families	\$61,506
Male full-time workers	\$151,788
Female full-time workers	\$104,449
Renters	\$44,361
Homeowners	\$203,690
Householder age 15 to 25*	Sample size too small.
Householder age 25 to 44	\$242,885
Householder age 45 to 64	\$228,281
Householder age 65 or more	\$88,239

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates for 2016-2020.

*Householder is a member of the household.

Other 2020 census data indicates that 3,512 or 32.6% of households were obtaining Social Security benefits with an average benefit of \$26,019. A total of 2,406 households received some other retirement income, representing an average of \$51,976 in income. There were 205 recipients of public assistance, averaging only \$7,217 in benefits, and 289 households were receiving Food Stamps/SNAP benefits.

As shown in Table 14, median income levels largely increased with growing numbers of household members, from \$56,069 for a single individual living alone to \$239,531 for three-person households. The census data did not calculate the specific medians for both the four- and five-person households as the categories were open-ended over the amount of \$250,000.

Table 14: Median Household Income by Household Size, 2020

Size of Household	Median Household Income
1-person households	\$56,069
2-person households	\$122,566
3-person households	\$239,531
4-person households	\$250,000+*
5-person households	\$250,000+ *
6-person households	\$190,069
7+ person households	\$239,010

Source: U.S. Census Bureau, American Community Survey 2016-2020 5-Year Estimates

* Indicates that median falls in the upper interval of an open-ended distribution.

Another perspective on income levels examines *income by the age of the primary household earner* or householder as summarized in Table 15. Few householders were less than 25 years of age and all had incomes of less than \$25,000 according to 2020 census estimates. Some of these households may have been attending local colleges or working part-time.

Of the 2,524 householders age 25 to 44, only 13.3% had incomes of less than \$50,000 while 70.5% had incomes of more than \$150,000. This age group had the highest median income level of \$242,885.

The largest age group included those in the 45 to 64 age range involving 4,617 households or 43% of all households. As with the 25 to 44 age group, a substantial number of these households had incomes of more than \$150,000, representing 70.1% of these households, while only 7.0% had incomes of less than \$50,000. It is likely that some of these households with more modest means have lived in Needham for many years, entering the community when it still had a fair amount of starter housing available, prior to the huge boom in housing values.

It is also interesting to note that the median incomes and percentages of those earning more than \$100,000 are fairly similar in the 25 to 44 and 45 to 64 age categories, in the 81% to 83% range. More typically, income levels are higher for those in the older age range as they are generally more established in their careers and at the peak of their earning potential. One reason for this comparability may be that more recent homeowners are younger and were particularly attracted to Needham schools and other community amenities, including public transportation. They also were able to afford the high costs associated with housing, particularly the large homes that are a product of demolition and replacement activity.

The incomes of those 65 years or older were not as concentrated in any particular income range but 11.9% had incomes of less than \$25,000 and 41% earned under \$75,000. Nevertheless, more than one-quarter had incomes of more than \$150,000 with another 18% earning in the \$100,000 to \$149,999 range. These income levels also do not reflect a household's financial assets, especially home equity that can be considerable for long-term Needham residents.

Table 15: Household Income by Age, 2020

Income Range	Less than 25 Years		25 to 44 Years		45 to 64 Years		65 Years and Over	
	#	%	#	%	#	%	#	%
Under \$10,000	21	60.0	13	0.5	19	0.4	143	4.0
\$10,000-24,999	14	40.0	38	1.5	94	2.0	283	7.9
\$25,000-34,999	0	0.0	61	2.5	133	2.9	338	9.4
\$35,000-49,999	0	0.0	226	9.0	77	1.7	173	4.8
\$50,000-74,999	0	0.0	32	1.3	253	5.5	530	14.8
\$75,000-99,999	0	0.0	102	4.0	196	4.2	535	14.9
\$100,000-149,999	0	0.0	272	10.8	610	13.2	659	18.4
\$150,000 +	0	0.0	1,780	70.5	3,235	70.1	928	25.9
Total	35	100.0	2,524	100.0	4,617	100.0	3,589	100.0

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates.

While the median household income of homeowners almost doubled, from \$100,732 in 2000 to \$203,690 by 2020, the median income of renters stayed about the same, going from \$44,226 to \$44,361.

Table 16 compares 2000 and 2020 estimated *income levels for owners and renters*. Besides income disparities related to age, there are growing disparities related to tenure. For example, 33% of renters had incomes of less than \$35,000 based on 2020 census estimates, down from 41% in 2000. In comparison, only 5.6% of homeowners had incomes in this range in 2020, down from 12.8% in 2000. On the other end of the income range, 62.5% of homeowners earned more than \$150,000 compared to 15.7% of renters. Most of these higher-income-earning renters were likely renting single-family homes, were staying in other rentals while renovating their existing home, or moved into one of the market rate units in the larger Chapter 40B developments.

An estimated 23% of all households and 60% of all renter households had incomes below \$75,000. These households might qualify to purchase or rent an affordable unit, some even obtaining such assistance based on income alone given that this threshold is generally less than the 80% of the 2021 area median income level.

Table 16: Income Distribution by Owner and Renter Households, 2000 and 2020

Income Range	Homeowners				Renters			
	2000		2020		2000		2020	
	#	%	#	%	#	%	#	%
Under \$10,000	177	2.1	106	1.2	292	14.4	90	5.4
\$10,000-24,999	420	4.9	172	1.9	338	16.7	257	15.4
\$25,000-34,999	501	5.8	235	2.6	201	9.9	297	17.8
\$35,000-49,999	607	7.1	267	2.9	308	15.2	209	12.5
\$50,000-74,999	1,316	15.3	670	7.4	411	20.3	145	8.7
\$75,000-99,999	1,230	14.3	578	6.4	120	5.9	255	15.2
\$100,000-149,999	1,954	22.8	1,383	15.2	193	9.5	158	9.4
\$150,000 +	2,379	27.7	5,681	62.5	165	8.1	262	15.7
Total	8,584	100.0	9,092	100.0	2,028	100.0	1,673	100.0
Median Income	\$100,732		\$203,690		\$44,226		\$44,361	

Source: U.S. Census Bureau, 2000 Census and 2016-2020 American Community Survey 5-Year Estimates.

2. Poverty Status – Low and declining except for those age 65 or older

Table 17 confirms that poverty declined between 1989 and 1999, both in terms of percentages and the numbers of individuals and families living in poverty, from 3.3% to 2.5% of all residents. However, between 1999 and 2010 poverty increased to 3.8%, especially among older adults where poverty increased from 0.7% to 5.3%, likely related to the recession towards the end of the decade. The 2020 census estimates indicate declines in those living in poverty to 2.4% of all residents with a decrease for families as well to 1.9%. Poverty among older adults age 65 or older increased to 5.8% from 5.3% in 2010, and from 249 to 336 individuals.

The level of poverty remains lower than the state where 9.8% of all individuals were estimated to be living in poverty in 2020, including 6.6% of all families and 8.9% of older adults.⁵⁶ The 2020 poverty levels for Norfolk County included 6.0% of all residents, 4.0% of families, and 7.2% of those 65 years of age or older.

Table 17: Poverty Status, 1989 to 2020

Populations	1989		1999		2010		2020	
	#	%	#	%	#	%	#	%
Individuals Below Poverty	896	3.3	705	2.5	1,098	3.8	716	2.4
Families	140	1.8	121	1.6	234	3.0	166	1.9
Individuals 65+	42	0.9	36	0.7	249	5.3	336	5.8

Sources: U.S. Census Bureau, Census 1990 and 2000 Summary File 3 and 2006-2010 and 2016-2020 American Community Survey 5-Year Estimates.

3. Employment – Diverse economic base with high average wages

Needham has a strong and diverse economic base. Early agricultural, grazing, lumbering and tanneries gave way to manufacturing with the extension of the railroad and the removal of the community's relative isolation within the loop of the Charles River. Land speculation, housing development and knitwear became the foundation of the community's economy well into the 20th Century. The construction of

⁵⁶ The federal poverty limits for 2021 were \$12,880 for a single individual and \$21,960 for a family of three (3).

Route 128 enabled the town to become part of the high-tech highway after World War II, further expanding the local economy.

Of those 23,761 Needham residents over the age of 16 in 2020, 15,392 or 64.7% were in the labor market. *Of these, 3,816 or 25% worked in the community.* It should also be noted that 66.7% of workers drove alone to work and another 3.9% carpooled. Almost 13% used public transportation, up from 11.6% in 2012 and 10.6% in 2017. The average commuting time was 32.5 minutes.

The 2020 census estimates also provide information on the concentration of Needham working residents by industry, indicating that more than two-thirds were involved in management or professional occupations (68.3%), 20.5% in sales and office occupations, 6.0% in service occupations, 2.3% in construction or maintenance jobs, and 2.9% in production and transportation work. About 82% were private salaried or wage workers, another 9.9% were government workers, and 8.1% were self-employed.

Detailed labor and workforce data from the state on employment patterns for establishments located in Needham is presented in Table 18. This information shows an average employment of 19,951 workers employed in Needham in 2020, up from 19,212 in 2012, but down from 22,788 in 2017. The data also confirms a mix of employment opportunities with a concentration of higher paying professional jobs that brings the average weekly wage for those working in Needham to a relatively high level of \$2,105, up from \$1,698 in 2012 and \$1,829 in 2017, and almost as high as Boston's average weekly wage of \$2,281. Needham's average weekly wage translates into an annual income of approximately \$109,880, lower than Needham's median household income of \$174,707 but well over the state's median of \$84,385. As another point of comparison, the unemployment level as of August 2021 was 3.7%, up from 2.1% in 2019 prior to the pandemic, but down from 5.7% in 2020. Needham's unemployment rate was in fact lower than Boston's at 5.7% as of August 2021.

Table 18: Average Employment and Wages by Industry, 2012/2017/2020

Industry	# Establishments	Total Wages	Average Employment	Average Weekly Wage
Construction	91/97/93	\$42,622,017/ \$63,363,569/ \$71,658,524	607/737/791	\$1,350/ \$1,653/ \$1,742
Manufacturing	34/30/27	\$63,547,622/ \$58,946,451/ \$57,157,442	905/994/788	\$1,350/ \$1,140/ \$1,395
Wholesale trade	85/91/75	\$71,748,277/ \$83,824,817/ \$168,380,722	704/757/1,378	\$1,960/ \$2,129/ \$2,350
Retail trade	88/91/88	\$44,685,144/ \$47,792,522/ \$54,086,597	1,195/1,166/ 1,071	\$719/ \$788/ \$971
Transportation/warehousing	11/16/13	\$12,314,649/ \$12,903,648/ \$15,605,271	205/215/232	\$1,155/ \$1,154/ \$1,294
Information	51/57/65	\$115,387,213/ \$144,131,188/ \$97,229,775	1,159/1,374/ 877	\$1,915/ \$2,017/ \$2,132
Finance/insurance	101/116/128	\$145,016,408/	1,141/1,256/	\$2,444/

		\$175,911,361/ \$188,385,336	1,119	\$2,693/ \$3,238
Real estate/rental/leasing	52/73/72	\$23,073,500/ \$34,711,522/ \$30,718,057/29 1	282/374	\$1,573/ \$1,785/ \$2,030
Professional/technical services	281/281/308	\$749,042,333/ \$795,475,169/ \$721,177,474	3,607/3,101/ 2,449	\$3,994/ \$4,933/ \$5,663
Management of companies/enterprises	15/16/14	\$34,875,515/ \$52,573,490/ \$55,805,435	519/556/494	\$1,292/ \$1,818/ \$2,172
Administrative and waste Services	79/87/43	\$53,763,933/ \$227,978,705/ \$257,843,051	1,154/2,426/ 2,258	\$896/ \$1,807/ \$2,196/
Health care/social assistance	127/191/194	\$184,236,263/ \$258,298,719/ \$264,507,740/	4,075/5,282/ 4,634	\$869/ \$940/ \$1,098
Educational services	31/40/43	\$69,940,784/ \$103,182,739/ \$110,552,909	1,202/1,720/ 1,624	\$1,119/ \$1,154/ \$1,309
Arts/entertainment/recreation	22/23/23	\$2,942,322/ \$3,797,711/ \$3,307,819	118/188/141	\$480/ \$388/ \$451
Accommodation/food services	53/57/58	\$25,158,353/ \$40,321,432/ \$26,431,704	1,025/1,396/ 742	\$472/ \$555/ \$685
Other services	250/228/256	\$34,798,802/ \$36,726,874/ \$31,421,022	921/837/621	\$727/ \$844/ \$973
Total	1,381/1,503/1,548	\$1,696,831,400/ \$2,166,747,180/ \$2,183,370,050	19,212/ 22,788/ 19,951	\$1,698/ \$1,829/ \$2,105

Source: Massachusetts Executive Office of Labor and Workforce Development, 2012, January 22, 2019, and November 12, 2021

Shaded industries have average employment of more than 1,000 workers.

4. Education – High educational attainment and increasing student enrollment

The educational attainment of Needham residents is very high and has improved over the last couple of decades. In 2020, 97.9% of those 25 years and older had a high school diploma or higher, and 78.1% had a bachelor's degree or higher compared to 54.6% for the county and 44.5% for the state. These attainment levels are up from the 2000 figures of 96.4% with at least a high school degree and 64.9% with a bachelor's degree or higher. Such high education attainment levels are correlated with Needham's generally high incomes.

According to 2020 census estimates, there were 9,330 residents three years of age or older who were enrolled in school (nursery through graduate school) or about 29% of the 2020 population. Those enrolled in kindergarten through high school totaled 7,264 students, representing 22.6% of the total population. The Needham Public Schools reported a student enrollment of 5,483 in the 2020-2021 school year, down from 5,645 for 2018-2019, and up considerably from 4,330 students during the 1999-2000 school year.

This data suggests that about 1,500 school-age children attend schools outside of the Needham Public School system. Needham Public School projections also predict that student enrollments will grow to a peak of 5,946 students in the 2025-26 school year and then decline to 5,777 in 2033-2034.⁵⁷

Figure 7 shows the racial distribution of students enrolled in the Needham Public School system, indicating that about 25% of students were members of minority populations. The White population, at approximately 75% in 2020-2021, was down from previous years, from 84% in 2010-2011 for example.

Figure 7: Student Race and Ethnicity for Needham Public Schools, 2020-2021

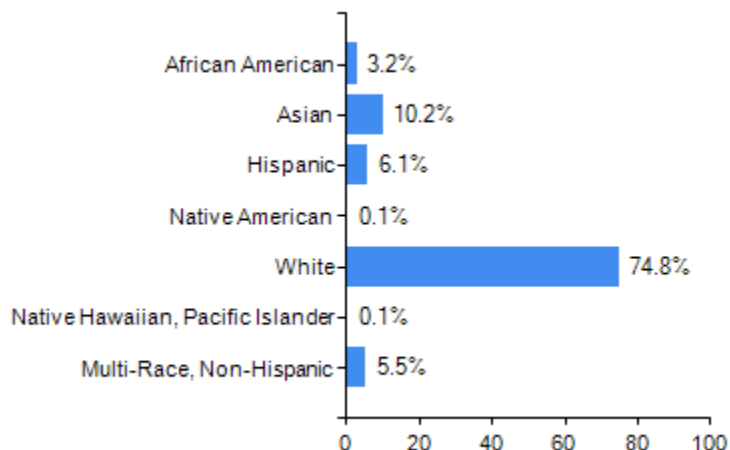
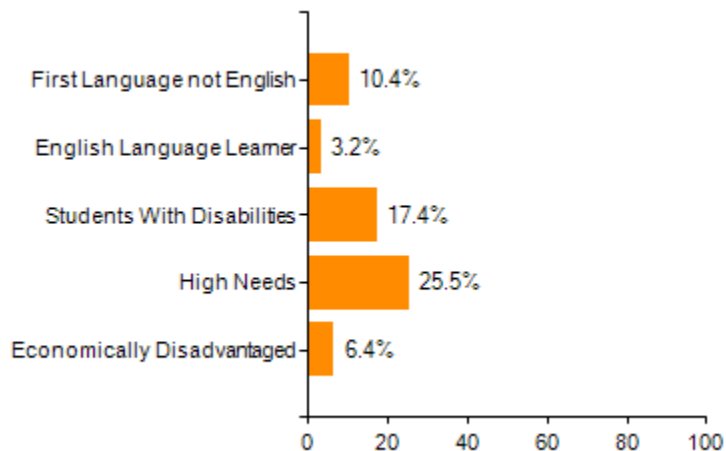


Figure 8 presents the distribution of selected populations for 2020-2021, showing significant special needs and that 6.4% of students were economically disadvantaged and eligible for free or reduced-priced meals from the U.S. Department of Agriculture's school nutrition program. To qualify, the student must be part of a household receiving supplemental nutrition assistance program (SNAP) or temporary assistance for needy families, or homeless, a migrant, or in foster care.

Figure 8: Selected Populations for Needham Public Schools, 2020-2021



⁵⁷ McKibbin Demographic Associates, Enrollment Projections for FY 2019/2020 to 2033/34 to the Needham Public Schools, January 2, 2019.

5. Disability Status – More than 2,200 residents claimed a disability

The 2020 census estimates, as summarized in Table 19, indicate that 2,262 residents, or 7.4% of all civilian, noninstitutionalized residents, identified themselves as having a disability.⁵⁸ Of these, 171 were under the age of 18, 650 between ages 18 and 64, and 1,441 were 65 years or older. These levels of disability are largely less than county and statewide figures, but still represent notable special needs within the Needham community and suggest that the Town make a concerted effort to produce special needs housing units that are handicapped accessible and/or have supportive services.

Table 19: Civilian Noninstitutionalized Population with a Physical Disability, 2020

Age Range	Needham		County	MA
	#	%	%	%
Less than age 5	0	0.0	0.3	0.8
5 to 17 years	171	2.5	4.2	6.1
18 to 34 years	309	8.7	5.7	6.4
35 to 64 years	341	2.6	7.3	10.5
65 years+	1,441	25.0	27.8	31.3
Total	2,262	7.4	9.5	11.7

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2016-2020.

The 2020 census estimates also identify numbers of residents with particular disabilities, as summarized in Table 20. It should be noted that some residents will have multiple challenges but more than half of the 2,262 residents who claimed a disability experienced an ambulatory difficulty with about 37% and 39% with cognitive and/or independent living difficulties, respectively.

Table 20: Types and Distribution of Disabilities, 2020

Type of Disability	# Residents	% with a Disability	% All Residents
Hearing Difficulty	694	30.7	2.3
Vision Difficulty	256	11.3	0.8
Cognitive Difficulty	834	36.9	2.9
Ambulatory Difficulty	1,240	54.8	4.2
Self-care Difficulty	684	30.2	2.3
Independent Living Difficulty	885	39.1	4.0

Source: U.S. Census Bureau, Census American Community Survey 5-Year Estimates for 2016-2020.

6. Resident Mobility – Housing turnover lower than the statewide level

Of the population one year of age or older, 92.6% lived in the same house as they did the year before according to 2020 census estimates. Of those 2,284 residents who had moved into Needham in 2019, 34% came from within Norfolk County, 35% from another county in Massachusetts, with another 30% coming from a different state or abroad. There was more mobility of residents on the statewide level with 12.5% of residents moving in 2019.

⁵⁸ The U.S. Census defines disability as a long-term physical, mental, or emotional condition that can make it difficult to do basic activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Many residents with one or more disabilities face housing challenges due to a lack of housing that is affordable and physically accessible.

C. HOUSING PROFILE

This section summarizes housing characteristics and trends, analyzes the Needham housing market from a number of different data sources and perspectives, compares what housing is available to what residents can afford, and identifies what units are defined as affordable by the state. Through indicators of needs, priority housing needs are also identified.

1. Housing Growth – Slower housing growth than population growth and high demolition/replacement activity

The 2020 U.S. census counted 11,891 housing units, involving an increase of 769 units or 6.9% since 2010. This is higher than the 6.5% and 5.0% growth rates of the 1970s and 1990s, respectively, but a bit lower than the 8.9% and 7.9% rates of the 1980s and early 2000s. It should be noted that housing growth between 2010 and 2020, at 6.9%, was lower than the 11.1% population growth during the same period pointing to increases in average household size.

Table 21 provides information from the 2020 census estimates on housing growth over the decades. This information indicates that 22.4% of Needham's housing stock predates World War II. Building activity took off in the 1940s through the 1960s when about 41% of the housing stock was developed according to these figures, greatly affected by the construction of Routes 95 and 128. After that, growth slowed down to below 10% per decade.

It is important to note that there is a disparity between the 2020 decennial census counts and the 2020 census estimates with total housing units of 11,891 and 11,211, respectively. Much of the analysis of housing characteristics and trends in this Housing Plan will be necessarily based on the census estimates as such information is not available in the decennial figures.

The Town will still have a healthy cushion with respect to the 10% affordability threshold under Chapter 40B with a current Subsidized Housing Inventory (SHI) of 1,410 units; however, the percentage of affordability decreased from 12.76% based on the 2010 year-round housing figure to 11.86%.

Table 21: Housing Units by Year Structure Was Built, 2020

Time Period	#	%
2010 or later	913	8.1
2000 to 2009	888	7.9
1990 to 1999	564	5.0
1980 to 1989	998	8.9
1970 to 1979	725	6.5
1960 to 1969	1,188	10.6
1950 to 1959	2,353	21.0
1940 to 1949	1,069	9.5
1939 or earlier	2,513	22.4
Total	11,211	100.0

Source: U.S. Census Bureau, American Community Survey 2016-2020 5-Year Estimates.

Table 22 indicates that between 2010 and 2020 there was a net gain of 720 housing units with a net increase of 19 single-family homes. This represents a teardown level of almost 98% of all new permitting for the construction of single-family homes during this period. On the other hand, 666 units were built in

In 2021, 76 single-family units were permitted as well as three duplexes. During the year, 72 single-family homes and two duplexes involved teardowns for a total net unit gain of only ten units.

multi-family buildings of three units or more, representing 92.5% of new unit production. This level of housing growth is lower than the 913 units built between 2010 and 2020 according to the 2020 census estimates summarized in Table 21. Nevertheless, based on the 2010 and 2020 decennial census counts, the total number of units produced between 2010 and 2020 was 769 as shown in Table 23, 49 units higher than

the building permit count.

Table 22: Net New Residential Units, 2010-2021

Year	New Single-family Units	New 2-Family Units	New Two-family Units/New Multi-family	Demolished or Relocated	Estimated Total Net New Single-family Units	Net New 2-Family	Net New MF and Subdivisions
2010	66	8	0	160*	5	1	
2011	67	10	0	101*	5	1	
2012	75	20	0	108*	6	2	
2013	61	20	1***	68**	-7	2	12
2014	98	68	4****	92**	6	6	40
2015	85	18	0	84**	1	2	
2016	104	12*****	0	96**	8	1	52
2017	92	20	12*****	93**	-1	2	562
2018	80	0	4	79	3	2	
2019	87	0	11	87	2	9	
2020	52	0	11	65	-9	7	
<i>Subtotal = 720 Total Net New Units</i>	<i>867</i>	<i>176</i>	<i>710</i>	<i>1,033</i>	<i>19</i>	<i>356</i>	<i>666</i>
2021	76	0	6	72	6	4	0
Total = 730 Total Net New Units	943	176	716	1,105	25	39	666

Source: Needham Building Department

* All demolition permits

** Indicates only residential building permits. Assume that about 92% of the new single-family and two-family units involved demo/replacement.

*** Includes 12 independent living units at The Residences of Wingate.

**** Includes 10 units at mixed-use property at 50 Dedham Avenue, Greendale Village 40B with 12 single-family units and 4 duplex units for a total of 20 units, and 10 units at Webster Street Green 40B development.

***** Includes 52 independent living units at One Wingate Way.

***** Includes 390 units at 275 Second Avenue (The Kendrick), 136 units at 700 Greendale Avenue (Modera Needham) as well as several subdivisions (Sunrise Terrace – 6 units, Rockwood Lane – 22 units, and Belle Lane – 8 units).

2. Housing Occupancy – High level of owner-occupancy and extremely tight market conditions

Table 23 includes a summary of housing occupancy characteristics from 1990 through 2020. Of the total 11,891 housing units counted as part of the 2020 U.S. decennial census, 11,282 were identified as occupied compared to 609 vacant units with an occupancy rate of 94.9%, up from 93.0% in 2010.⁵⁹

Based on 2020 census estimates, of the occupied units 9,092 or 84.5% were owner-occupied and the remaining 1,673 occupied units, or 15.5%, were rental units. This suggests that there was an increase of 450 owner-occupied units between 2010 and 2020 and a 26-unit loss of rental units. This data is clearly inaccurate as almost all new owner-occupied development involved teardown activity with only 19 net new single-family homes built between 2010 and 2020 as identified in Table 22. Given the construction of 666 new units of multi-family housing as noted in Table 22, the changes in new owner versus rental units are more likely closer to the reverse.

These figures still represent a relatively high level of owner-occupancy. For example, only 69.2% of the occupied units in Norfolk County were owner-occupied with the state at 62.3% in 2010, which changed very little to 68.8% and 62.5%, respectively, by 2020.

The average number of persons per unit increased from 2.83 persons in 1990, to 2.88 persons by 2010, and then up to 3.03 persons in 2020 for owner-occupied units. On the other hand, the average household size decreased from 2.02 to 1.69 persons for rental units during this period. This increase in the average household size of owner-occupied units is consistent with increases in the town-wide average number of persons per household from 2.68 persons in 1990, to 2.72 by 2010, and 2.82 by 2020, and likely at least partially reflects the larger size of new homes. Moreover, new rental development has focused on multi-family projects with smaller unit sizes and thus the decrease in average household size is not surprising.

Table 23: Housing Occupancy, 1990 to 2019/2020

Housing Characteristics	1990		2000		2010		2020 Decennial/ Estimates*	
	#	%	#	%	#	%	%	#
Total # Housing Units	10,405	100.0	10,846	100.0	11,122	100.0	11,891/ 11,211*	100.0/ 100.0
Occupied Units *	10,160	97.6	10,612	97.8	10,341	93.0	11,282/ 10,765*	94.9/ 96.0
Total Vacant Units*	245	2.4	234	2.2	781	7.0	609/ 446*	5.1/ 4.0
Occupied Owner Units **	8,097	79.7	8,587	80.9	8,642	83.6	9,092*	84.5
Occupied Rental Units **	2,063	20.3	2,025	19.1	1,699	16.4	1,673*	15.5
Average Household Size/ Owner-occupied Unit	2.83 persons		2.82 persons		2.88 persons		3.03* persons	
Average Household Size/ Renter-occupied Unit	2.02 persons		1.84 persons		1.90 persons		1.69* persons	

Source: U.S. Census Bureau, Census 1990, 2000, 2010, and 2020 decennial and American Community Survey 5-Year Estimates for 2016-2020 as marked with an asterisk (*).

* Percentage of all housing units ** Percentage of occupied housing units

⁵⁹ The year-round housing figure is the one used under Chapter 40B for determining the 10% affordability goal, calculated by subtracting seasonal units (zero based on 2020 census estimates) from total units (11,891).

The vacancy rate was only 2.2% for homeownership in 2010, up somewhat from 0.3% in 2000 as shown in Table 24. Estimates for 2020 indicate an even tighter market with a 1.0% vacancy rate, which was somewhat higher than the county and state at 0.8% and 0.9%, respectively.

On the other hand, the rental vacancy rate was estimated to be zero in 2010, which does not even reflect normal turnover rates. By 2020 this rate had increased to 2.3%, lower than county and state levels of 3.1% and 3.3%, respectively. As any rate below 5% is considered to reflect extremely tight housing market conditions, this information confirms very strong homeownership and rental markets.

Table 24: Vacancy Rates by Tenure,⁶⁰ 2000 to 2020

Tenure	Needham 2000	Needham 2010	Needham 2020	County 2020	MA 2020
Rental	2.2%	0.0%	2.6%	3.1%	3.3%
Homeowner	0.3%	2.2%	1.0%	0.8%	0.9%

Source: U.S. Census Bureau, 2000 and 2010, Summary File 1; American Community Survey 5-Year Estimates, 2016-2020.

3. Types of Structures and Units – Predominance of single-family homes

Table 25 and Figure 9 demonstrate that Needham’s housing stock is dominated by single-family homes with the following changes in housing types:

- The number of detached and 1-unit attached dwellings (e.g., townhouses) combined continues to comprise about 82% of all units. The census data suggests a gain of 371 single-family detached units between 2010 and 2020 and a loss of 44 attached units. The total number of identified single-family detached units, of 8,700 units, is higher than the 8,412 units included in Assessor’s records although some of multiple units on one lot might be included in the census data. Moreover, Table 22 shows that because teardown activity was so high, only 19 net new single-family homes were built between 2010 and 2020. This once again points to an overestimation of housing growth in the census figures, likely at least somewhat related to counting new building permits instead of net new units given teardown activity.
- There was a loss of 135 units in two to four-unit properties between 2010 and 2020 but a net loss of 408 units since 1990. These losses are of particular concern as such properties are typically among the most affordable in the private housing stock as they can provide rental income to purchasers who choose to occupy them.
- There was a net increase of 57 units in five to nine-unit properties between 1990 and 2020.
- The 2020 census estimates also suggest an increase of 211 units in properties of ten or more units since 2010 which undercounts the units created as part of the large multi-family properties that have been permitted under Chapter 40B. It is clear that the 2020 census overestimates the increase in single-family units while underestimating the growth of units in large rental developments. Table 22 indicates that 666 units were built as part of multi-family development. For example, 526 units were produced as part of The Kendrick and Modera Needham projects alone.

⁶⁰ Vacant units include those offered for rent or sale, units that are rented or sold but unoccupied, seasonal or occasional units, and an “other” category.

- The number of units in the “other” category, which includes mobile homes, RV’s, houseboats, etc., decreased to ten units according to census estimates. This is incorrect as Assessor’s data indicates that there are no such units remaining in Needham.

Table 25: Units by Type of Structure, 1990 to 2020

Type of Structure	1990		2000		2010		2020	
	#	%	#	%	#	%	#	%
1-unit detached	8,185	78.7	8,333	76.8	8,329	77.3	8,700	77.6
1-unit attached	237	2.3	317	2.9	619	5.7	575	5.1
2 to 4 units	800	7.7	813	7.5	527	4.9	392	3.5
5 to 9 units	225	2.2	187	1.7	256	2.4	282	2.5
10+ units	901	8.7	1,177	10.9	1,041	9.7	1,252	11.1
Other	57	0.5	19	0.2	9	0.1	10	0.1
Total	10,405	100.0	10,846	100.0	10,781	100.0	11,211	100.0

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 3 and the American Community Survey 2006-2010 and 2016-2020 5-Year Estimates.

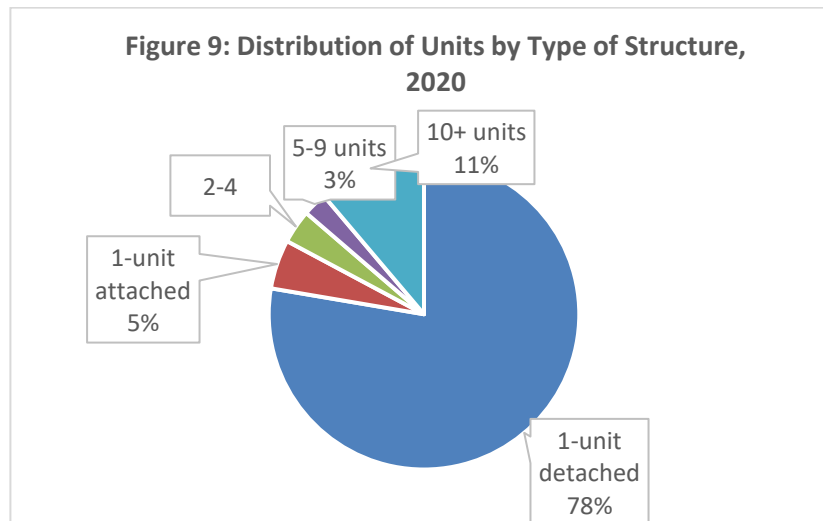


Table 26 provides a breakdown of the estimated 2010 and 2020 distributions of units per structure according to whether the units were occupied by renters or homeowners. About 94% of owners resided in single-family detached or attached homes in both 2010 and 2020. On the other hand, more than 40% of renters lived in multi-family units of ten or more units in 2020, up from one-third in 2010. This is related to new multi-family rental development that has helped diversify the housing stock.

It is interesting to note that 21% of renters lived in single-family homes in 2020, down from almost one-third in 2010. This is higher than the state level of 14.7% in 2020, and not surprising given the prevalence of single-family homes in Needham and once again new rental alternatives in the community. The decline in homeowner units in buildings of 10 or more units, from 323 in 2010 to 298 units in 2020, perhaps indicates that more condominium units are held as investments and rented out.

Table 26: Type of Structure by Tenure, 2010 and 2020

Type of Structure	Homeowner Units				Renter Units			
	2010		2020		2010		2020	
	#	%	#	%	#	%	#	%
1 unit, detached and attached	8,115	94.3	8,634	95.1	577	32.7	357	21.3
2 to 4 units	160	1.9	102	1.1	367	20.8	197	11.8
5 to 9 units	0	0.0	48	0.5	228	12.9	234	14.0
10 or more units	323	3.8	298	3.3	594	33.6	674	40.3
Total	8,607	100.0	9,082*	100.0	1,766	100.0	1,673	100.0

Source: U.S. Census Bureau, 2006-2010 and 2016-2020 American Community Survey 5-Year Estimates.

* The 10 mobile homes that are counted by the 2020 census estimates are not included in this analysis.

It also should be noted that the 2020 decennial census indicates that Needham had 776 people living in group quarters (including licensed group homes). These individuals included 381 institutionalized residents, largely living in skilled nursing facilities, and 395 noninstitutionalized individuals, most living in student housing. These units are not counted as part of the total number of housing units per census data.

Table 27 provides information on the distribution of unit sizes, more specifically the number of rooms per unit. This data indicates that the median sized unit in Needham was large with 7.5 rooms based on 2020 census estimates, likely including four bedrooms, and higher than the county and state medians of 6.0 and 5.5 rooms, respectively. In addition, those units that might be more appropriate for single persons, with five or fewer rooms, involved only 21.5% of all units in Needham, down from 23.0% in 2010 and much lower in comparison to 42.7% and 49.4% for the county and state, respectively.

Given that about half (49.4%) of all households included single individuals or two-persons, a portion of households in Needham are living in housing that is much larger than what they may need; in essence they could be considered “over-housed”. Some residents may even want to downsize but find it challenging to find appropriate alternative housing that better meets their current lifestyles and ability to pay. The new multi-family housing developments have provided some opportunities for downsizing, however, most long-term homeowners would be unlikely to qualify for the affordable units given financial assets, including accrued equity, and market prices require incomes well over \$100,000. The lack of new condominium developments means that those who wish, for the sake of financial security, to reinvest a portion of the proceeds of sale of their single-family homes in a condominium unit that meets their needs, cannot find such housing in Needham.

Table 27 also shows that Needham’s housing stock includes a growing segment of large homes. With the exception of units with one, two and five rooms; the percentages of all units with less than nine rooms decreased between 2010 and 2020 while those units with nine units or more increased by 1,195 units, going from 26.3% to 35.9% of all units. Those units with seven or more rooms involved 65.7% of Needham’s housing stock compared to 41.6% for the county and 33.5% for the state.

The surge in larger homes is also reflected in the median number of rooms per unit increasing from 7.1 to 7.5 rooms as well as increases in the size of the average house in Needham.

Through a sample of Assessor records, including 192 homes from 1975 to 1980 and 213 homes from 2018 to 2020, the average square footage increased from 2,235 to 4,461 square feet. This has occurred while the average household size decreased from 2.99 persons in 1980 to 2.82 based on 2020 census estimates.

Table 27: Number of Rooms per Unit, 2020

Number of Rooms per Unit	Needham 2010/2020		Norfolk County 2020	Massachusetts 2020
	#	%	%	%
1 Room	191/226	1.8/2.0	2.1	2.6
2 Rooms	130/248	1.2/2.2	3.5	3.4
3 Rooms	643/455	6.0/4.1	10.5	10.0
4 Rooms	810/682	7.5/6.1	13.7	15.7
5 Rooms	700/796	6.5/7.1	12.9	17.7
6 Rooms	1,749/1,426	16.2/12.7	15.7	17.1
7 Rooms	1,896/1,720	17.6/15.3	13.4	12.2
8 Rooms	1,827/1,628	16.9/14.5	11.7	9.3
9 or More Rooms	2,835/4,030	26.3/35.9	16.5	12.0
Total	10,781/11,211	100.0	100.0	100.0
Median (Rooms)	7.1/7.5 rooms		6.0 rooms	5.5 rooms

Source: U.S. Census Bureau, American Community Survey 2016-2020 5-Year Estimates.

Certainly, the demolition of smaller homes and replacement with much larger units explains some of these shifts towards larger units although other market dynamics are also at play. The regional, and in many cases national, imbalance between housing supply and demand drives up property values, particularly land costs, and the pandemic has caused increases in construction costs. Such costs in turn compel developers to build larger homes at very high sales prices to cover their investment and deliver a profit when zoning limits the number of units that can be created. Escalating market prices have been further fueled by low mortgage interest rates. Consequently, Needham has experienced a housing market where very large and expensive homes set the bar for real estate expectations.

4. Housing Values – Extremely high and rising housing costs

The following analysis of the housing market examines values of homeownership and rental housing from a number of data sources including:

- The 1990, 2000, 2010 and 2020 Decennial U.S. Census figures
- The U.S. Census Bureau's 2006-2010 and 2016-2020 American Community Survey 5-Year Estimates
- The Warren Group's median sales price statistics and sales volume by year
- Multiple Listing Service data
- Town Assessor's data
- Internet rental listings

Homeownership – Unprecedentedly high housing values

Census data also provides information on housing values, summarized for owner-occupied units (includes single-family and two-family homes as well as condominium units) in Table 28. The 2020 census estimates indicated a median house value of \$900,200, up from the median of \$646,300 in 2010 and more than

triple the median in 1990 of \$256,500. Between 2000 and 2020, the median increased by 133%, considerably more than the rate of inflation of 50% during this period.

In 2020, there were only 81 units valued at less than \$200,000 with another 189 units in the \$200,000 to \$300,000 price range. This demonstrates that very little of the community's owner-occupied housing units were relatively affordable to low- and moderate-income households. On the other end of the price range, 35% of the units were valued at over \$1 million, almost triple the 2010 level.

Table 28: Housing Values of Owner-occupied Units, 1990 to 2020

Price Range	1990		2000		2010		2020	
	#	%	#	%	#	%	#	%
Less than \$200,000	1,126	15.8	250	3.2	148	1.7	81	0.9
\$200,000 to \$299,999	3,988	55.9	1,471	19.1	239	2.8	189	2.1
\$300,000 to \$499,999	1,672	23.4	4,274	55.5	1,551	18.0	304	3.3
\$500,000 to \$999,999	350	4.9	1,577	20.5	5,525	64.2	5,324	58.6
\$1 million or more			126	1.6	1,144	13.3	3,194	35.1
Total	7,136	100.0	7,698	100.0	8,607	100.0	9,092	100.0
Median (dollars)	\$256,500		\$385,600		\$646,300		\$900,200	

Source: U.S. Census Bureau, 1990 and 2000, Summary File 1, and U.S. Census Bureau, 2006-2010 and 2016-2020 American Community Survey 5-Year Estimates.

Table 29 provides The Warren Group data from *Banker & Tradesman* on median sales prices and the number of sales from 2000 through 2021, offering a long-range perspective on sales activity. This data is tracked from Multiple Listing Service information based on actual sales.

Needham joined the “million-dollar club” several years ago as the median sales price of a single-family home climbed to \$1,102,000 as of January 2019 from \$976,250 as of the end of 2018. It subsequently grew to almost \$1.3 million in 2021.

The lowest point of the market occurred in 1992 when the median single-family home was priced at \$225,000, reflective of the economic recession in the early 1990s. After that, single-family home values climbed steadily until 2005 when they fluctuated a bit due to the financial crisis but remained above \$600,000. Since then, the median has grown steadily, almost doubling from the 2005 median to \$1,290,000 in 2021. Figure 10 shows this pattern of increasing housing values. COVID-19 did not have a negative impact on housing values, and much of the increase in housing values is due to the larger homes that are being built through teardown activity.

The number of single-family home sales has also fluctuated, declining from 452 sales in 2004, to a low of 329 sales in 2008 in reaction to the recession, and then up and down after that to 384 and 383 sales in 2018 and 2019, respectively. Sales activity decreased somewhat in 2020, to 366 sales, and was up a bit to 372 sales in 2021.

The condominium unit market has experienced more volatility, both in terms of values and number of sales. Median prices reached a high of \$593,750 in 2005 and then dropped to \$297,750 by 2009, again in response to the recession. The condo market did not surpass pre-recession levels until 2015 when the median reached a high of \$636,000. After a decline in 2016, the median spiked to \$767,000 in 2017 and was at its highest of \$885,000 in 2021. The number of sales ranged from a low of 41 in 2000, to a high of

77 in 2015, then down again to 57 sales in 2016, and once again up to 69 in 2018 and 2019. It has continued to increase, up to 85 sales in 2021.

Table 29: Median Sales Prices and Number of Sales, 2000 to 2021

Year	Months	Single-family		Condominiums		All Sales	
		Median	# Sales	Median	# Sales	Median	# Sales
2021	Jan – Dec	\$1,290,000	372	\$885,000	85	\$1,199,500	494
2020	Jan – Dec	\$1,170,000	366	\$858,000	59	\$1,100,000	455
2019	Jan – Dec	\$1,065,000	383	\$805,000	69	\$1,025,000	483
2018	Jan – Dec	\$976,250	384	\$754,900	69	\$930,000	488
2017	Jan – Dec	\$962,500	396	\$767,000	58	\$910,000	489
2016	Jan – Dec	\$859,000	422	\$580,000	57	\$836,000	513
2015	Jan – Dec	\$848,250	419	\$636,000	77	\$809,000	537
2014	Jan – Dec	\$810,000	385	\$550,000	75	\$789,500	496
2013	Jan – Dec	\$749,500	424	\$485,000	59	\$729,000	529
2012	Jan – Dec	\$672,100	396	\$445,000	47	\$657,000	491
2011	Jan – Dec	\$656,500	356	\$361,000	35	\$636,500	428
2010	Jan – Dec	\$632,500	392	\$402,000	52	\$625,500	468
2009	Jan – Dec	\$650,000	331	\$297,750	54	\$620,000	408
2008	Jan – Dec	\$645,000	329	\$415,000	65	\$625,000	421
2007	Jan – Dec	\$618,000	441	\$428,000	57	\$610,000	527
2006	Jan – Dec	\$655,000	368	\$444,500	44	\$636,000	454
2005	Jan – Dec	\$663,750	364	\$593,750	62	\$650,000	456
2004	Jan – Dec	\$619,500	452	\$379,500	70	\$604,500	569
2003	Jan – Dec	\$560,000	426	\$379,750	42	\$545,000	508
2002	Jan – Dec	\$520,850	422	\$328,000	63	\$500,000	522
2001	Jan – Dec	\$489,950	366	\$279,950	48	\$465,000	449
2000	Jan – Dec	\$436,250	434	\$239,000	41	\$425,000	525

Source: The Warren Group/Banker & Tradesman, April 11, 2022.

Housing prices are high in Needham even relative to neighboring communities that include some of the priciest suburbs in the Boston area and state. Median values for single-family homes are shown in Table 30 for 2000, 2005 (the height of the market for most of these communities prior to the recession), 2010 and 2021, showing the fluctuations in the market over time. The 2021 medians ranged from a low of \$725,750 in Dedham to a high of \$1,650,000 in Wellesley. Needham's median is almost twice the \$636,000 level for Norfolk County. It is also interesting to note, that while Needham's median values have typically lagged well behind those of Dover, the 2021 figures show a growing comparability as Needham's values have recently risen at a faster rate.

Table 30: Median Single-family Home Prices for Needham and Neighboring Communities, 2000 to 2021

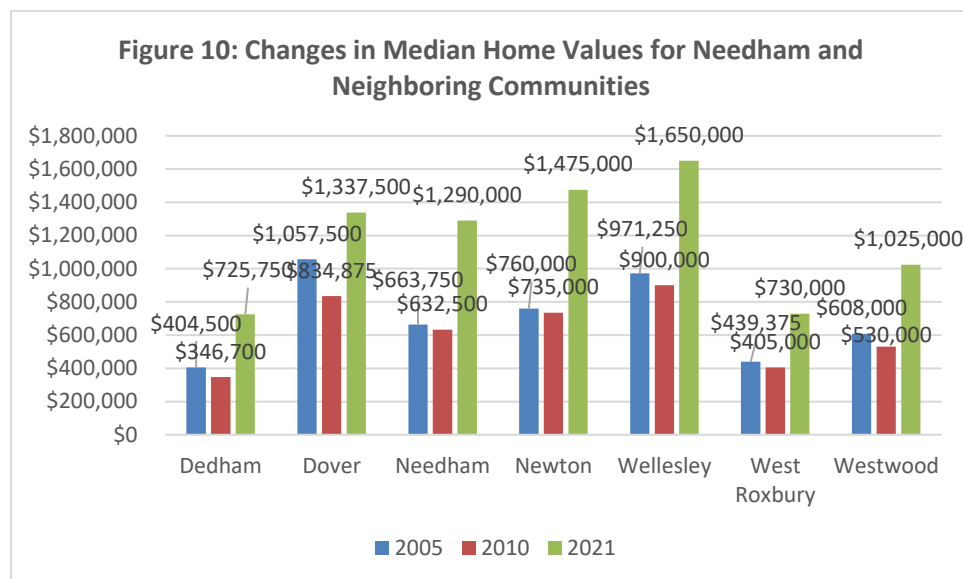
Community	2000	2005	2010	2021
Dedham	\$254,950	\$404,500	\$346,700	\$725,750
Dover	\$700,000	\$1,057,500	\$834,875	\$1,337,500
Needham	\$436,250	\$663,750	\$632,500	\$1,290,000
Newton	\$539,000	\$760,000	\$735,000	\$1,475,000
Wellesley	\$592,750	\$971,250	\$900,000	\$1,650,000
West Roxbury	\$270,000	\$439,375	\$405,000	\$730,000
Westwood	\$392,500	\$608,000	\$530,000	\$1,025,000

Norfolk County	\$275,000	\$425,000	\$378,000	\$636,000
Massachusetts	\$215,000	\$355,000	\$295,000	\$510,000

Source: The Warren Group/Banker & Tradesman, April 11, 2022.

Figure 10 tracks these median single-family home values, demonstrating the trajectory of the housing market since 2005, the height of the housing market in many communities just before the recession. While all of these nearby communities experienced a downturn in the market following the recession, as shown in the 2010 values, they recovered quite well and have since experienced unprecedentedly high housing values. The recovery from the “bursting of the housing bubble” demonstrates the robust and relatively resilient housing markets in these communities as well as a clear signal of the upswing in the overall housing market in the region.

The speculation and bad loans that drove home sales and prices into an artificially inflated, unsustainable bubble during the recession are not factors today. Market prices are instead being driven mainly by limited availability where housing demand exceeds housing supply.



Source: The Warren Group/Banker & Tradesman, April 11, 2022.

There are some signs that the housing market is slowing somewhat. However, economists point to a continuing imbalance of housing supply and demand as even a slower market with escalating interest rates will likely create enough inventory to satisfy demand anytime soon. This is not just a regional problem as for years the country has suffered from a chronically undersupplied housing market. A *New York Times* article stated, “After two years of torrid demand, agents had become accustomed to fielding multiple offers for each listing and setting price records each weekend. That frenzy, brought on by pandemic migrations and the growing centrality of the home as a space where people live and work, is now subsiding...That rising mortgage rates have not had more of an effect shows how difficult it is to tamp down prices and bring demand into balance in an economy where a lack of supply – marked by half-empty car lots, furniture order backlogs and a paucity of homes for sale – is playing a guiding role.”⁶¹

⁶¹ Dougherty, Conor and Smialek, Jeanna, “Hot Market for Housing Beginning to Cool Off”, *New York Times* April 16, 2022.

Town Assessor data on the assessed values of residential properties in Needham is presented in Tables 31 and 32, which provide insights not only into the diversity of the existing housing stock but also the range of values for each dwelling type. This data shows that Needham had 8,413 single-family properties, less than the 2020 census figure of 8,700 single-family detached homes. This again points to the census overestimation of growth in the owner-occupied housing stock.

There was only one unit, a Habitat for Humanity house, valued below \$200,000 and just another assessed between \$200,000 and \$300,000 that were still relatively affordable to low- and moderate-income households. While almost half of the homes were assessed between \$500,000 and \$700,000 in Fiscal Year 2014, homes in this range have declined to 18.7%. In fact, all properties assessed for less than \$700,000 decreased from 4,987 homes, or 60% of all single-family units in Fiscal Year 2014, to 1,684 units representing 20% of such units by Fiscal Year 2022. Note: assessed value typically lags market value for one to two years, so the Assessors' data probably understates the degree of decline in affordable homes.

The bottom line is that there is very little affordability left in Needham's private housing stock for low- and moderate-income households.

The most striking change involves the number of properties assessed for more than \$1 million, increasing from 1,322 homes, or 15.8% of the single-family dwellings in FY14, to 3,062 or 36.4% in Fiscal Year 2022. The highest assessment was \$5,649,600 for a property with 43 acres and 12,400 square feet of living space on South Street.

The loss in lower-valued properties and growth in high-end market units clearly corresponds to the substantial amount of demolition and replacement activity that has been taking place in the community where small, less expensive homes have been replaced by much larger and pricier ones. The dramatic uptick in Needham's housing market, particularly the luxury market, is visually presented in Figure 11.

There were 988 condo units counted in Assessor's records, up from 791 in Fiscal Year 2014, comprising about 8.3% of all housing units and thus representing a relatively small segment of Needham's housing market. The growth in condos has occurred largely by the conversion of two-family dwellings to high-priced condominium units. Nevertheless, condos were assessed generally more affordably than the single-family homes with the median value of \$698,300 compared to \$876,300 for the single-family homes with a range of values from \$111,400 for a deed restricted affordable unit to \$1,690,900 for a condo on Maple Street.⁶²

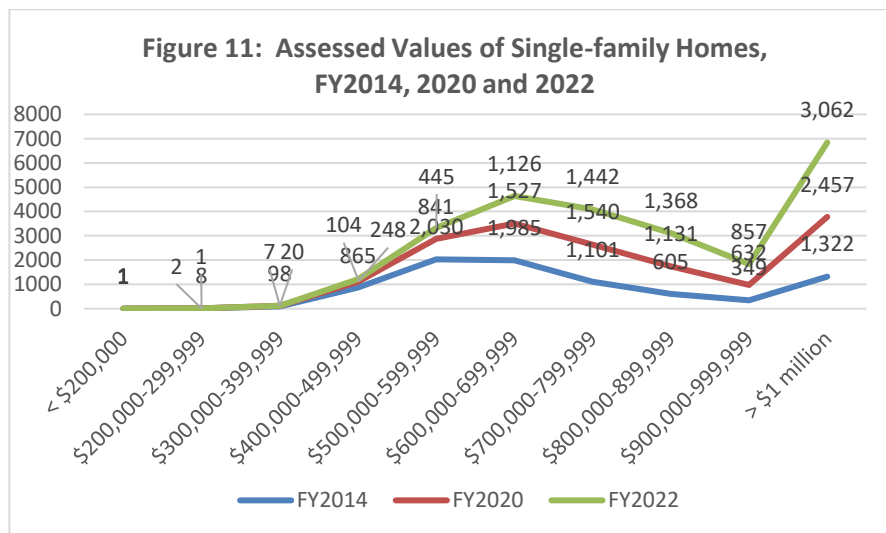
Many of the 22 condos with assessments below \$200,000 were deed restricted and part of the Town's Subsidized Housing Inventory (SHI). Altogether, almost 12% of the condos were assessed below \$300,000, down considerably from 40% in Fiscal Year 2014. Condos with assessments between \$300,000 and \$500,000 increased from 22.7% to 28.7% between Fiscal Year 2014 and Fiscal Year 2022. Those higher end condos valued at more than \$500,000 increased from one-third to 60% of all condos during this period, including 156 condos assessed for more than \$1 million in Fiscal Year 2022 compared to four in Fiscal Year 2014. It is also interesting to note that there was a relatively even distribution of condos among each of the assessment ranges between \$500,000 and \$1 million, each at about 10% of all condos.

⁶² It should be noted that assessed values typically underestimate market levels, particularly in rising housing markets, as they are largely based on sales prices two years before.

Table 31: Assessed Values of Single-family Homes and Condominiums, FY 2022

Assessment	Single-family		Condominiums		Total	
	#	%	#	%	#	%
Less than \$200,000	1	0.01	21	2.1	22	0.2
\$200,000-299,999	1	0.01	96	9.7	97	1.0
\$300,000-399,999	7	0.08	130	13.2	137	1.5
\$400,000-499,999	104	1.2	153	15.5	257	2.7
\$500,000-599,999	445	5.3	73	7.4	518	5.5
\$600,000-699,999	1,126	13.4	83	8.4	1,209	12.7
\$700,000-799,999	1,442	17.1	95	7.6	1,537	16.4
\$800,000-899,999	1,368	16.3	89	9.0	1,457	15.5
\$900,000-999,999	857	10.2	92	9.3	949	10.1
Over \$1 million	3,062	36.4	156	15.8	3,218	34.2
Total	8,413	100.0	988	100.0	9,401	100.0
Median	\$876,300		\$698,300		--	

Source: Needham Assessor, Fiscal Year 2022.



While condo units are on the whole more affordable, they also tend to be more susceptible to wide fluctuations in the housing market. Condominium markets are historically slower to appreciate and faster to decline in value, and condominium unit values tend to rise when the price of single-family homes reaches unprecedented high levels, a trend Needham is currently witnessing.

Assessor's data for multi-family properties, as summarized in Table 32, indicates that there are 197 two-family homes (394 units), down from 254 two-families (508 units) in Fiscal Year 2014, likely related to the conversion of two-family homes to single-family use. The 2020 census estimates are lower than the Assessor's count, at 281 units. The median two-family house price was \$635,900 based on Assessor records. There were also 12 three-family properties, all assessed at more than \$600,000 and with a median of \$822,600.

As to larger multi-family rental properties, there are 31 properties with four units or more that ranged in assessed value from \$482,900 to \$92,289,800. Many of the larger properties were concentrated on

Tillotson and Perrault Roads (off Rosemary Street) but also included Charles River Landing, Chestnut Hollow, Nehoiden Glen, Modera Needham, The Kendrick, and Hamilton Highland developments for example. There were also 26 mixed residential and commercial properties including 13 properties that were primarily residential and 13 that were primarily commercial.

Table 32: Assessed Values of Multi-family Properties, Fiscal Year 2022

Assessment	2/3-unit properties		More than 4-unit properties	
	#	%	#	%
Less than \$200,000	0/0	0.0/0.0	0	0.0
\$200,000-299,999	0/0	0.0/0.0	0	0.0
\$300,000-399,999	10/0	5.1/0.0	0	0.0
\$400,000-499,999	10/0	5.1/0.0	1	3.2
\$500,000-599,999	40/0	20.3/0.0	0	0.0
\$600,000-699,999	81/4	41.1/33.3	3	9.7
\$700,000-799,999	29/1	14.7/8.3	2	6.4
\$800,000-899,999	17/4	8.6/33.3	2	6.4
\$900,000-999,999	4/1	2.0/8.3	4	12.9
Over \$1 million	6/2	3.0/16.7	19	61.3
Total	197/12	100.0/100.0	31	100.0

Source: Needham Assessor, Fiscal Year 2022.

Rental Housing

Table 33 presents information on rental costs from 1990 to 2020 based on the *U.S. Census Bureau* sample data. The rental market has changed over the years as the median rent doubled between 1990 and 2020, going from \$798 per month to \$1,604. In 2020, 65.8% of the town's rental units were renting for more than \$1,000, 50.8% above \$1,500, and 11.4% at over \$3,000. *It is also important to note that the census figures include subsidized units, which represents about 37% of all rental units in Needham, and thus median values make the rental market look more affordable than it actually is.*

Table 33: Rental Costs, 1990 to 2020

Gross Rent	1990		2000		2010		2020	
	#	%	#	%	#	%	#	%
Under \$200	197	9.7	108	5.4	0	0.0	238	14.2
\$200-299	79	3.9	55	2.7	139	7.9		
\$300-499	195	9.6	133	6.6	176	10.0		
\$500-749	350	17.2	160	7.9	74	4.2	189	11.3
\$750-999	540	26.5	243	12.1	98	5.5		
\$1,000-1,499	487	23.9	543	26.9	329	18.6	251	15.0
\$1,500 +			667	33.1	788	44.6	850	50.8
No Cash Rent	190	9.3	106	5.3	162	9.2	145	8.7
Total*	2,038	100.0	2,015	100.0	1,766	100.0	1,673	100.0
Median Rent	\$798		\$1,289		\$1,484		\$1,604	

Sources: U.S. Census Bureau, Census 1990 and 2000 Summary File 3 and 2006-2010 and 2016-2020 American Community Survey 5-Year Estimates.

Updated information on rental offerings in November 2021 is presented in Table 34, which indicates very high rent levels. The lowest advertised rents included a studio apartment, one and two-bedroom units at Rosemary Lake Apartments, an older rental development, and a two-bedroom condo unit, all below \$2,000. More typical market rentals are significantly higher including rents near or above \$4,000 for two

and three-bedroom units in newer multi-family developments that were permitted under Chapter 40B and thus also include some affordable units at 25% of total units. A typical rent for a two-bedroom apartment is at least \$1,900 in older dwellings and over \$3,200 in newer multi-family development.

Table 34: Market Rental Listings, November 2021

Location	# Bedrooms	# Baths	Square Feet	Rent	Property Type
The Kendrick	Studio	1	606	\$2,473	Large Multi-family/40B
	2	2	985-1,292	\$3,411-\$3,755	
Modera Needham	1	1	905	\$2,746	Large Multi-family/40B
	2	2	1,205-1,360	\$3,997-\$4,291	
	2	2.5	1,756	\$5,705	
Charles River Landing	1	1	1,024-1,122	\$2,659-\$3,324	Large Multi-family/40B
	2	1	1,139	\$3,198	
	2	2	1,379	\$3,471	
Rosemary Lake	1	1	441-1,024	\$1,550-\$1,775	Large Multi-family
	2	2	1,047	\$1,925	
	3	1.5	1,774	\$2,850	
	3	2	1,850	\$3,195	
Webster Green	1	1	987	\$2,650	Large Multi-family
	2	1	900-978	\$2,400-\$2,650	
	2	2	1,200	\$2,700	
Oak Street	Studio	1	NA	\$1,575	Top Floor in House
Hamlin Lane	2	1	800	\$1,900	Condo
Marshall Street	2	1	1,000	\$2,300	2 nd Floor of House
Pleasant Street	2	1	NA	\$2,500	Apt. in House
Guild Road	3	1	1,400	\$2,300	Townhouse
Great Plain Ave.	3	1	1,200	\$2,500	Duplex Apt.
Maple Street	3	1	1,200	\$2,800	Townhouse
Hillcrest Road	3	2	1,825	\$4,000	House
Forest Street	3	2	1,604	\$4,000	House
Standish Road	3	2	1,837	\$4,500	House
Greenough St.	4	3	2,606	\$2,500	Duplex Apt.
Carol Road	5	2	1,956	\$3,800	House
Myrtle Street	5	2.5	2,620	\$4,500	House

Source: Internet listings, November 16, 2021.

Most of the apartments also require first and last month rent plus a security deposit equivalent to as much as a month's rent. For a \$2,500 apartment, that totals \$7,500 in up-front cash, an amount that many prospective tenants are hard-pressed to afford. Some listings even added a broker's fee as well.

Table 35 provides HUD Fair Market Rents (FMRs) for the Boston area that are the rent limits that are applied to Section 8 Housing Choice Vouchers and some other rental subsidy programs, adjusted annually by the number of bedrooms. These rents are meant to reflect the cost of modest not luxurious rental

units in the community. Nevertheless, the table provides a sobering illustration of the dramatic rise in average market rate rents over the entire Boston area. Given the market rents listed in Table 34, it becomes clear why Section 8 voucher holders can encounter problems finding rental opportunities in Needham below these caps. The Needham Housing Authority has received permission to permit voucher holders to rent units up to 110% of FMRs given high market prices.

Table 35: HUD Fair Market Rents (FMRs), 2018 to 2023

Year	Efficiency*	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
2023	\$2,025	\$2,198	\$2,635	\$3,207	\$3,540
2022	\$1,803	\$1,986	\$2,399	\$2,966	\$3,253
2021	\$1,742	\$1,924	\$2,336	\$2,906	\$3,168
2020	\$1,715	\$1,900	\$2,311	\$2,880	\$3,131
2019	\$1,394	\$1,561	\$1,902	\$2,383	\$2,571
2018	\$1,253	\$1,421	\$1,740	\$2,182	\$2,370

Source: U.S. Department of Housing and Urban Development (HUD) *An efficiency unit, also known as a studio apartment, does not have separate bedroom.

5. Affordability Analysis⁶³

Affordability Gaps

While it is useful to have a better understanding of past and current housing costs, it is also important to analyze the implications of these costs on affordability. Tables 36 and 37 review affordability from two different perspectives. Table 36 calculates what households earning at various income levels can afford with respect to types of housing. On the other hand, Table 37 examines housing costs summarized above in Section C.4, estimating what households must likely earn to afford these prices *based on spending no more than 30% of their income on housing expenses*, the commonly applied threshold of affordability.

In addition to showing how different types of housing are more or less affordable to households earning at the median household income level for Needham, the 100% of median income for the Boston area, and at the 80% of area median income, Table 36 also indicates that the amount of down payment **to buy a home** has a substantial bearing on what households can afford. Prior to the recession, it had been fairly easy for purchasers to limit their down payments to 5% or even less as long as they paid Private Mortgage Insurance (PMI) or qualified for a subsidized mortgage program such as the state's ONE Mortgage Program,⁶⁴ MassHousing mortgage assistance programs, or other government mortgage insurance programs. Since then, lenders have typically applied more rigid lending criteria, including high down payments and stricter credit standards. These requirements make homeownership, particularly first-time homeownership, much more challenging, and the proportion of first-time homebuyers entering the market has plummeted. As Table 36 demonstrates, a household earning the same level of income can acquire a much higher priced home if the household is able to pay more cash down, as they are borrowing less.

⁶³ It should be noted that this affordability analysis involves pre-inflationary calculations, and affordability gaps would be higher with interest rates upward of 7% as the gap between what households can afford and actual costs widens further. For example, a household with income at \$90,950 could likely afford a single-family home of \$371,500 in 2021 (see Table 36) but would be hard-pressed to afford a home for much more than \$288,000 based on a 7% interest rate and 95% financing (plus other same assumptions included in Table 36). This is in the context of both median household income and single-family home prices rising to \$182,813 (rising by 4.6% from 2020 based on 2021 census estimates) and \$1,425,000 (Banker & Tradesman November 2022 representing a greater increase of 10.5%), respectively, further increasing affordability gaps.

⁶⁴ The Soft Second Program has been replaced by the state's ONE Mortgage Program.

Whether mortgage financing requires Private Mortgage Insurance (PMI) also makes a difference. PMI is not required on mortgages with large down payments or for many publicly insured or subsidized mortgage programs. Assuming that a household earning at 80% AMI can qualify for the state's ONE Mortgage Program or MassHousing mortgage assistance programs for example, this household could potentially afford a single-family home for about \$371,500 without PMI but \$351,500 with this extra cost.

Table 36 also shows that because condo fees are calculated as housing expenses in mortgage underwriting criteria, condo units can be relatively more expensive. Therefore, a three-person household earning at the 80% of area median income limit, for example, can afford a single-family home of \$371,500 with a 5% down payment, but a condo unit for only \$331,500, assuming a condo fee of \$300 per month. Condo units are typically smaller and cost less than single-family homes and the condo fee pays for maintenance of building and grounds.

It should be noted that the same household with income at the 80% AMI limit is estimated to potentially be able to buy a two-family house for \$593,000. This assumes that it can charge \$2,000 per month in rent to a second household. This income is also considered in mortgage underwriting, usually at about 75% of the rent level or \$1,500. A three-family house is even more affordable with two paying tenants, and it is therefore not surprising that the two-family and triple-decker have been so successful as starter housing for those looking to enter into homeownership.⁶⁵

Table 36: Affordability Analysis I
Maximum Affordable Prices Based on Various Income Levels and Housing Types

Type of Property	Income Level	30% of Monthly Income	Estimated Max. Affordable Price 5% Down***	Estimated Max. Affordable Price 20% Down***
Single-family	Needham Median Income = \$174,707*	\$4,367.68	\$686,000	\$808,000
	100% AMI = \$108,720	\$2,718.00	\$427,000	\$503,000
	80% AMI = \$90,950**	\$2,273.75	\$371,500	\$420,500
Condominium	Needham Median Income = \$174,707*	\$4,367.68	\$656,000	\$776,500
	100% AMI = \$108,720	\$2,718.00	\$390,000	\$461,500
	80% AMI = \$90,950**	\$2,273.75	\$331,500	\$377,000
		30% of Monthly Income	Estimated Utility Cost	Affordable Monthly Rental
Rental	Needham Median Income = \$165,547*	\$4,367.68	\$175.00	\$4,192.68
	100% AMI = \$96,640	\$2,416.00	\$175.00	\$2,241.00
	80% AMI = \$80,850**	\$2,021.25	\$175.00	\$1,846.25
	50% AMI = \$53,700**	\$1,342.50	\$175.00	\$1,167.50
	30% AMI = \$32,200**	\$805.00	\$175.00	\$630.00

Source: Calculations provided by Town's Community Housing Specialist.

* Based on the U.S. Census Bureau's American Community Survey (ACS) 5-Year Estimates, 2016-2020.

** HUD 2021 Income Limits for the Boston area for a household of three (3) for homeowners (average household size for homeowners in Needham was 3.03 persons per the ACS 2016-2020 Estimates) and average of two (2) for

⁶⁵ Two-family homes are allowed in Needham's General Residence District.

renters as average household size for renter-occupied units was 1.69 persons based on the 2016-2020 ACS Estimates).

*** Figures based on interest rate of 4.0%, 30-year term, annual property tax rate of \$13.03 per thousand, insurance costs of \$6 per thousand for single and two-family homes and \$4 per thousand for condo units, and private mortgage insurance (PMI) estimated at 0.3125% of loan amount for 95% financing, and estimated monthly condo fees of \$300. Figures do not include underwriting for PMI in calculations with a 20% down payment and for the 80% AMI level at 95% financing that would assume that the purchaser qualified for the ONE Mortgage Program, MassHousing, or other government mortgage offerings for example. Assumptions also include the purchaser spending no more than 30% of income on housing costs.

Because median income levels are so high in Needham, at \$174,707 based on 2020 census estimates, the amount that can be borrowed and ultimately the purchase price are relatively high as well. For example, a median income household may likely be able to afford a single-family home for \$808,000 and a \$776,500 condo based on 80% financing.

Table 36 also looks at what renters can afford at five different income levels. For example, a two-person household (average household size of renters in Needham was 1.69 persons according to 2020 census estimates) earning at the 50% of area median income limit, or \$53,700 annually, could afford an estimated monthly rental of about \$1,168, assuming they were paying no more than 30% of their income on housing including utility bills that average \$175 per month.⁶⁶ An unsubsidized rental this low is virtually impossible to find in Needham where the lowest rental advertised in November 2021 was \$1,550 for a very small one-bedroom apartment in an older multi-family development.

As noted above, rentals also include relatively high upfront cash requirements, often including first and last months' rent plus a security deposit. This means that any household looking to rent in the private housing market must have a considerable amount of cash available, which has an impact on affordability.

It is also important to note that the figures included in Table 36 are for those earning at the 80% AMI limit and are not the same as the purchase prices that are calculated under the state Local Initiative Program (LIP) formula. The state-approved purchase prices for initial occupancy are established at the 70% AMI level with some other slightly different assumptions.

Table 37 examines affordability from another angle, going from specific housing costs to income. Taking median price levels for single-family homes and condominium units into account, the incomes that would be required to afford these prices are calculated, also showing the differences between 95% and 80% financing. For example, using the median single-family home price of \$1.29 million in 2021, a household would have to earn approximately \$328,600 if they were able to access 95% financing and \$278,900 with 80% financing, well above the median household income of \$174,707 and even the median income for homeowners of \$203,690.

The median condominium unit price was \$885,000 in 2021, which required an estimated income of \$231,500 with 5% down and \$197,440 with the 20% down payment.

In regard to rentals, using the prices listed in November 2021, a one-bedroom unit renting for \$1,800 would require an income of \$78,000, assuming \$150 per month in utility bills and housing expenses of no more than 30% of the household's income. This is relatively close to the HUD income limit of \$80,850 for a two-person household earning at the 80% of area median income limit. A relatively low-priced listing

⁶⁶ Based on utility allowances provided annually by the Needham Housing Authority.

for a two-bedroom unit of about \$2,500 would require an income of about \$107,000 based on \$175 in average monthly utilities costs.

In comparison, someone earning the 2022 minimum wage of \$14.25 per hour for 40 hours per week every week during the year would still only earn a gross income of \$29,754. Households with two persons earning the minimum wage would still fall far short of the income needed to afford these minimum advertised rents. While there are rents that fall below this level, particularly subsidized rents, market rents tend to be beyond the reach of those earning at 80% AMI much less lower wage earners.

Table 37: Affordability Analysis II
Income Required to Afford Median Prices and Minimum Market Rent

Type of Property	Median Price *	Estimated Mortgage		Income Required **	
		5% Down	20% Down	5% Down	20% Down
Homeownership					
Single-family	\$1,290,000	\$1,225,500	\$1,032,000	\$328,600	\$278,900
Condominium	\$885,000	\$840,750	\$708,000	\$231,500	\$197,440
	Estimated Market Monthly Rental ****	Estimated Monthly Utility Costs	Income Required		
Rental					
One-bedroom	\$1,800	\$150	\$78,000		
Two-bedroom	\$2,500	\$175	\$107,000		
Three-bedroom	\$2,800	\$200	\$120,000		

Source: Calculations provided by Town's Community Housing Specialist.

* From The Warren Group Town Stats data 2021 for median prices.

** Figures based on interest rate of 4.0%, 30-year term, annual property tax rate of \$13.03 per thousand, insurance costs of \$6 per thousand for single and two-family homes and \$4 per thousand for condo units, and private mortgage insurance (PMI) estimated at 0.3125% of loan amount for 95% financing, and estimated monthly condo fees of \$300. Figures do not include underwriting for PMI in calculations with a 20% down payment. Assumptions also include the purchaser spending no more than 30% of income on housing costs.

Through the combination of information in Tables 36 and 37, it is possible to compute the affordability gap, typically defined as the difference between what a median income household can afford and the median priced unit on the market. The affordability gap would then be \$482,000 as of the end of 2021 for single-family homes, the difference between \$808,000, based on what a median income household could afford (for an average household of three and 80% financing) and the median house price of \$1.29 million. This gap has increased considerably from \$211,500 as of April 2014. The upfront cash requirements for the down payment and closing costs in effect can add more than another \$265,000 to this affordability gap in the case of 80% financing. The gap widens to \$604,000 plus some upfront cash requirements for 95% financing.

When looking at the affordability gap for those with incomes at the HUD 80% of area median income limit, the gap is an estimated \$918,500, the difference between the median priced single-family home and what a three-person household earning at this income level can afford, or \$371,500 based on 95% financing. This gap has increased substantially from \$556,500 in 2014. In the case of 80% financing, the gap would decrease to \$869,500.

As to condominium units, the affordability gap is about \$229,000, the difference between the median priced condo of \$885,000 and what a median income earning household can afford or \$656,000 with 95% financing. The gap drops somewhat to \$108,500 based on 80% financing, assuming the purchaser can afford the upfront cash requirements of close to \$185,000. There was no affordability gap in 2014 as a household earning at the median income level could afford the median priced condo at the time.

For those with incomes at the 80% AMI limit, the condominium unit affordability gap increases to \$553,500, up from \$281,750 in 2014. This is based on 95% financing and assumes the purchaser would qualify for the state's ONE Mortgage Loan Program, a MassHousing mortgage, or other government assisted financing. More rigorous underwriting criteria, including more stringent credit requirements, remain significant challenges in obtaining mortgage financing however.

In regard to rentals, because the median household income for Needham is so high, there is no affordability gap for households earning at the median income level who could likely afford a monthly rent of almost \$4,000. However, a household with income at the 80% AMI limit would encounter an affordability gap of about \$650 per month, the difference between an estimated median rent of \$2,500 and what such a household could afford of about \$1,846.

Housing Demand and Supply Analysis

Table 38 identifies how many single-family homes and condominium units exist in Needham that were potentially affordable within various income categories based on Town Assessor records. Only eight single-family homes, which includes a Habitat for Humanity house, were affordable to households earning at or below 80% AMI as were 147 condominiums that included 17 affordable condominiums as part of Chapter 40B developments. An additional five single-family homes and 92 condominiums would be potentially affordable to those with incomes in the 80% to 100% AMI range. This represents limited affordability in the housing stock. Moreover, assessments typically lag sales prices by a year or two and thus it is likely that there has been a further erosion of affordability in the housing inventory.

Table 38: Affordability Analysis III
Relative Affordability of Single-family and Condo Units in Needham, FY22

Price Range Single-family/ Condo*	Income Range	Single-family Homes Available in Price Range		Condominium Units Available in Price Range	
		Number	%	Number	%
Less than \$371,500/ Less than \$331,500	Less than 80% AMI	8	0.1	147	14.9
\$371,500-\$427,000/ \$331,500-\$390,000	80% to 100% AMI	5	0.6	92	9.3
\$427,001-\$766,000/ \$390,001-\$733,000	100% AMI to Needham's median household income	3,230	38.4	376	38.0
More than \$766,000/ more than \$733,000	More than Needham's median household income	5,170	61.4	373	37.8
Total		8,413	100.0	988	100.0

Source: Needham Assessor's Database for FY22. Figures based on a three-person household.

* Includes estimated condo fee of \$300 per month and figures are based on 80% financing with the exception of the less than 80% AMI category where households could possibly qualify for subsidized mortgage programs where 95%/97% financing is available.

About 38% of the single-family units as well as condos were potentially affordable to those earning between 100% Boston Area AMI (\$108,720) and Needham's median household income level (\$174,707), largely because Needham's median household income level was so high in comparison to the area-wide income levels for the Boston region. **But of most significance, according to the Assessors' records, 61.4% of Needham's existing single-family homes and 37.8% of existing condominium units are not affordable to Needham residents earning the Needham median household income!** And as noted before, Assessors' valuation lag market valuations by one to two years, so the affordability gap is probably even worse.

Table 39 demonstrates a substantial need for more affordable homeownership opportunities in Needham for those earning at or below 80% AMI with even a deficit in units for those with incomes in the 80% to 100% AMI range. These calculations suggest that of the 1,060 owner households who were estimated to have earned at or below 80% AMI in 2018 (latest report available), there were only eight single-family homes and 147 condominium units that would have been affordable to them based on Fiscal Year 2022 assessed values and other assumptions listed in Table 36, including spending no more than 30% of income on housing costs.

Table 39: Homeownership Need Analysis, Fiscal Year 2022

Income Group	Income Range*	Affordable Sales Prices Single-family/Condos**	# Owner Households ***	# Existing Units Single-family/Condos	Deficit -/ Surplus + Single-family + Condos
Less than 80% AMI	Less than \$90,950	Up to \$371,500/\$331,500	1,060	8/147	-905
80% to 100% AMI	\$90,950-\$108,720	\$371,501-\$427,000/\$331,501-\$390,000	375	5/92	-278
Total			1,435	13/239	-1,183

Source: Needham Assessor data for Fiscal Year 2022.

* For a household of three (3) as the average household size for owners (was 2.99 persons per the 2015-2019 ACS 5-Year Estimates) based on 2021 HUD income limits for the Boston area that includes Needham.

** See analysis in Table 36.

*** See Table 41.

It is likely that many of these lower income owner households are “cash poor but equity rich” in that their incomes might have been sufficient to buy a house or condominium unit in Needham a few decades ago, but a household with their current income could not afford a house or even a condo unit in Needham today. Moreover, their income might qualify them to purchase an affordable Chapter 40B unit but their financial assets, particularly the equity in their homes, would render them ineligible for such housing.

Table 40 compares numbers of renters within certain lower income ranges to the numbers of existing units that might be affordable to them, based largely on special tabulations of data summarized in Table 41 that identify households by type, tenure, income, and cost burdens. This information suggests that there is a shortage of 620 rental units for those with incomes at or below 80% of area median income. Since this data was reported in 2018, it is likely that some of this need was subsequently addressed by The Kendrick or Modera Needham Chapter 40B developments for those in the 50% to 80% AMI range but not for those with incomes below this range, which comprise the greatest need of 500 units. Given rising

housing costs, it is likely that the deficits have grown or some of these households have had to relocate to other communities.

Table 40: Rental Unit Need Analysis

Income Group	Income Range*	Affordable Rent**	# Renter Households ***	# Existing Affordable Units ****	Deficit -/ Surplus +
Less than 30% AMI	\$25,900 and less	\$472.50 and less	450	205	-245
Between 30% and 50% AMI	\$25,901 to \$43,150	\$472.51 to \$903.75	405	150	-255
Between 50% and 80% AMI	\$43,151 to \$64,900	\$903.76 to \$1,447.50	175	55	-120
Total			1,030	410	-620

Source: U.S. Department of Housing and Urban Development (HUD), SOCHS CHAS Data, American Community Survey, 2014-2018 5-Year Estimate (latest figures available based on HUD special table data).

* For a household of two (as the average household size for renters was 1.74 per 2015-2019 5-Year ACS Estimates) and based on 2018 HUD income limits for the Boston area that includes Needham.

** Data based on the household spending no more than 30% of income on rent as well as an average monthly utility allowance of \$175 per month.

*** Data from Table 41.

**** Data from Table 41 for those without cost burdens.

The MAPC projections also provide estimates on future housing demand with an estimated net demand of 1,339 housing units between 2010 and 2030, further suggesting that this demand will come primarily from those who were under age 54 in 2010. MAPC figures for the period of 2010 to 2020 indicate that much of the demand will be from those under age 35, split relatively evenly between single-family ownership and multi-family rental options, both at about 500 units each. A large demand of about 1,500 single-family units was estimated for those in the 35 to 54 age range. On the other end of the age range, those age 55 to 64 will demand a small amount of multi-family rental or ownership units while vacating about 500 units of single-family units based on outmigration, mortality, or decreased preference for that housing type. Those 75 years of age or older are expected to vacate about 1,300 units, most in single-family homes, for the same reasons.

Cost Burdens

An important measure of housing affordability or housing need is the number of residents who are living beyond their means based on their housing costs, whether for ownership or rental. Such information is helpful in assessing how many households are encountering housing affordability problems or cost burdens, defined as spending more than 30% of household income on housing, or severe cost burdens based on spending more than 50% of income on housing costs.

Based on 2020 estimates from the Census Bureau's American Community Survey, there were 1,974 homeowners, or 21.7% of all homeowners in Needham, spending more than 30% of their income on housing and thus experiencing cost burdens. Of these, 664 households or 7.2% were spending at least half of their income on housing and thus incurring severe cost burdens. In regard to renters, 731 renters or 43.7% were spending more than 30% of their income on housing including 479 or 28.6% with severe cost burdens.

This data suggests that *2,643 households or 24.5% of all Needham households were living in housing that was by common definition beyond their means and unaffordable including 1,143 or 10.6% who were*

spending more than half their incomes on housing costs. These cost burdens are lower than Norfolk County with 32.8% of households spending more than 30% of their income on housing costs but a bit higher than the 10% level for those with severe cost burdens.

The Department of Housing and Urban Development (HUD) provides data on how many households were spending too much of their income on housing costs, or were experiencing cost burdens, through its State of the Cities Data System's Comprehensive Housing Affordability Strategy (CHAS) report. This information is summarized in Table 41 and distributes households by tenure, income, and household type, also showing how many were spending between 30% and 50% of their income on housing, and how many were spending more than half of their income on housing. For example, the first cell indicates that there were 260 senior renter households (62 years of age or older) with incomes at or below 30% of area median income estimated by the Census Bureau's American Community Survey with 30 spending between 30% and 50% of their income on housing and another 105 spending more than half of their income on housing for a total of 135 with cost burdens.

Of the total estimated 10,765 households in Needham, 1,425 or 13.2% were spending between 30% and 50% of their income on housing with another 1,163 or 10.8% spending more than 50%. This analysis suggests that 2,588 or 24% of all households were spending too much on their housing, the same level that was identified in the 2019 census estimates. This level is down from 26% in 2015 and 27.7% in 2011.

Of the 1,810 reported renter households, 620 or 34.2% were experiencing cost burdens compared to 708 or 7.9% of owners. Consequently, renters were proportionately experiencing greater cost burdens although the total number of cost-burdened owners was a bit higher. There were 1,030 renter households and 1,060 owner households with incomes at or below 80% AMI, which included 57% of all renter households and 11.8% of owner households.⁶⁷

Table 41: Type of Households by Income Category and Cost Burdens, 2018*

Type of Household By Tenure	Household Incomes <30% AMI/# with cost burdens *	Household Income > 30% to < 50% AMI/ # with cost burdens *	Household Income > 50% to < 80% AMI/# with cost burdens *	Household Income > 80% and < 100% AMI /# with cost burdens *	Household Income > 100% AMI/ # with cost burdens *	Total
Older Renters	260/30-105	250/35-150	60/20-0	175/25-35	150/30-15	895/140-305
Small Family Renters	45/0-0	100/0-10	70/70-0	30/0-0	270/0-0	515/70-10
Large Family Renters	0/0-0	10/10-0	0/0-0	0/0-0	15/0-0	25/10-0
Other Renters	145/0-110	45/30-20	45/30-0	0/0-0	140/0-15	375/60-145
Total Renters	450/30-215	405/75-180	175/120-0	205/25-35	575/30-30	1,810/280-460
Older Owners	285/15-260	160/125-14	270/30-45	215/50-35	1,785/175-40	2,715/395-394
Small Family Owners	20/0-20	20/0-20	225/50-80	160/30-65	4,630/635-55	5,055/715-240
Large Family Owners	0/0-0	20/0-20	15/0-0	0/0-0	855/35-0	890/35-20
Other Owners	25/0-25	20/0-4	0/0-0	0/0-0	250/0-20	295/0-49
Total Owners	330/15-305	220/125-58	510/80-125	375/80-100	7,520/845-115	8,955/1,145-703
Total	780/45-520	625/200-238	685/200-125	580/105-135	8,095/875-145	10,765/1,425-1,163

⁶⁷ HUD uses Median Family Income (MFI) in this report which is the equivalent of Area Median Income (AMI).

Source: U.S. Department of Housing and Urban Development (HUD), SOCDS CHAS Data, American Community Survey, 2014-2018 5-Year Estimate (latest figures available based on HUD special table data).

*First number is total number of households in each category/second is the number of households paying between 30% and 50% of their income on housing – and third number includes those that are paying more than half of their income on housing expenses (with severe cost burdens). Older households involve heads 62 years of age or older. Small families have four or fewer family members while larger families include five or more members. The “Other” category, for both renters and owners, includes those under age 62 and non-family households, basically single individuals.

Other key findings from this data include the following:

Total Households

- **Of the 2,090 total households earning at or below 80% of area median income (AMI), 1,328 or 63.5% were experiencing cost burdens including 883 or 42.2% with severe cost burdens as they were spending more than half of their income on housing costs. This is down from 1,489 households or 71% and 1,059 and 51% with cost burdens versus severe cost burdens, respectively in 2015.**
- Of the 780 households with incomes below 30% AMI, 565 or 72.4% were overspending with 520 or 66.7% spending more than half of their income on housing costs. While the number of households in this income category decreased from 929 households in 2015, the proportion of those with cost burdens increased from 61% and 54%, respectively, with cost burdens and severe cost burdens. Many households in this income range without cost burdens were likely living in subsidized units.
- There were also high cost burdens among those with incomes between 30% and 50% AMI including 438 or 70.1% with cost burdens, and of these 238 or 38.1% with severe cost burdens.
- While still high, cost burdens decreased somewhat for those in the 50% to 80% AMI range declining to 47.4% and 18.2%, respectively for those spending more than 30% of their income on housing compared to spending more than half their income.
- Even those with incomes above 80% AMI were overspending including 980 households spending between 30% and 50% of their income on housing and another 280 spending more than half of their income. This is down from 1,465 or 17% of those in this income range who were spending too much on their housing in 2015, and a further decline from 1,710 and 20% in 2011.

Renter Households

- **Of the 1,810 reported renter households in Needham, 740 or 40.9% were cost burdened that included 460 or 25.4% with severe cost burdens. This is somewhat higher than the 37.8% and 22.0% with cost burdens versus severe cost burdens identified in 2015.**
- **There was an increase in the number and percentage of renter households with incomes at or below 80% AMI between 2015 and 2018, from 939 to 1,030 households or from 52.9% to 56.9% of all renter households. The level of cost burdens also increased from 59.1% to 60.2% during this period including an increase in severe cost burdens from 37.8% to 38.4%. These figures are higher than those for 2011 when 36.6% in this income range had severe cost burdens.**
- There were 450 renter households with incomes at or below 30% AMI, referred to as extremely low-income households by HUD. Of these, 245 or 54% were experiencing cost burdens, 215 or 48% with severe cost burdens which is up from 41% and 40% with severe cost burdens in 2015 and 2011, respectively.
- Of the 580 renter households earning between 30% and 80% AMI (up from 465 in 2015), 285 or about half were overspending including 180 or 31% of households with incomes in the 30% to

50% AMI range that had severe cost burdens. None of the households in the 50% to 80% AMI income category were reported to have had severe cost burdens. The level of cost burdens is down, however, from 2015 that included 325 or 70% of renter households in the 30% to 80% AMI range which were overspending including 160 or 34% with severe cost burdens, up from 54% and 30% in 2011, respectively.

- It can largely be assumed that many if not most of the 410 renter households earning below the 80% AMI level and without cost burdens were living in subsidized housing given the high costs of rentals in Needham.
- The highest number and proportion of renters included those 62 years of age or older, representing 895 households or about half of all renters. Families involved about 30% of all renter households with non-family, non-senior households at 21%, down from almost 30% in 2015.
- About 60% of the 570 older renter households with incomes at or below 80% AMI were overspending on their housing, including 255 or about 45% with severe cost burdens. Those remaining 230 older adults earning below 80% AMI and not overspending were likely living in Needham's subsidized housing reserved for older adults (265 units) or other subsidized or 40B developments. These figures also suggest increased cost burdens from 2011 data when only one-third of the 495 households with older residents in this income range were experiencing cost burdens, 29% with severe cost burdens.
- A total of 80 or 37% of the 215 small families (2 to 4 household members) who earned within 80% AMI were paying too much for their housing. It is likely that those without cost burdens were living in affordable housing. Additionally, the number of small family renter households has grown from 100 in 2015 and 109 in 2011, which may be a result of the opportunities offered as part of the larger Chapter 40B developments.
- The data identifies only 25 large families (5 or more members) that were renting in Needham, 10 with cost burdens. The number of such households is down from 45 in 2015 and 65 in 2011, all of which were experiencing severe cost burdens. This reduction of large family renters likely reflects some erosion of relatively affordable larger units for rent in the private market over time including the teardown of two-family homes with rentals units and reconstruction of much larger condominiums that are owned, not rented out.
- There were also 235 non-family households with residents under age 62 (largely single individuals) with incomes at or below 80% AMI, of which 190 or 81% were overspending on their housing, including 130 or 55% with severe cost burdens. This is up from 31% and 35% with severe cost burdens in 2011 and 2015, respectively.

Owner Households

- **Of the 8,955 owner households in Needham, 1,148 or 12.8% were overspending on their housing, including 703 or 7.8% with severe cost burdens. This is down from 2,084 households or 24% with cost burdens in 2015 including 764 or 8.7% encountering severe cost burdens. More recent levels are also down a bit from 2011 when 26.7% were overspending and 10% had severe cost burdens.**
- Small families comprised the majority of homeowners at 56.4% with large families at about 10%. Older residents at age 62 or over represented a 30.3% of local owners with non-family owners under age 62 at only 3.3% of all homeowners.
- Of the 1,060 owner households with incomes at or below 80% AMI, 708 or two-thirds had cost burdens with 488 or 46% experiencing severe cost burdens. There were more owner households in this income range in 2015, at 1,154 households, but the percentage of those with cost burdens was lower with 64% spending too much and 44% with severe cost burdens. Levels of cost burdens

were also equivalent or up somewhat from 2011 when 68% had cost burdens and 55% were experiencing severe cost burdens.

- *Almost all owners with incomes at or below 30% AMI were overspending including 92.4% with severe cost burdens. This suggests that the Town continue to explore options to reduce housing costs for these extremely low-income owner households, most of whom are older adults. Efforts such as the Small Repair Grant Program and additional tax deferrals could provide much needed assistance. ADUs may become another source of income for these households with zoning changes.*
- There were 715 older owners (age 62 or over) earning at or below 80% AMI, down from 750 in 2015 but up somewhat from 710 in 2011. By 2018, 489 or 68.4% had cost burdens including 319 or 44.6% with severe cost burdens. This is higher than the cost burdens in 2015 with 420 households or 56% were overspending, including 275 or 37% with severe cost burdens. In comparison, the 2011 levels of those with cost burdens was somewhat lower at 63% but higher in the case of severe cost burdens at 50%. *These high levels of cost burdens point to a situation where long-term older residents who are retired and living on fixed incomes are experiencing challenges affording the high housing costs in Needham, including rising energy, insurance costs and property taxes. Many of these owners are likely empty nesters living in single-family homes that cost too much for them to maintain and with more space than they require at this stage of their lives.*
- Of the 265 small family households with incomes at or below 80% AMI, 170 or 64.2% were experiencing cost burdens including 120 or 45.3% with severe cost burdens. The level of cost burdens is down somewhat from 2015 when almost 90% were spending too much, including 66% with severe cost burdens. The number of households in this income range was lower in 2011, at 225 households, but the percentage with cost burdens was at 73% with a higher proportion of those with severe cost burdens at 69%.
- There were only 35 large family owner households with incomes at or below 80% AMI, of which 20 or 57% had severe cost burdens, all earning between 30% and 50% AMI. This represents a slight increase from 14 large-family owner households in 2011, 10 having severe cost burdens and earning less than 30% AMI.
- There were also 45 non-family owner households, under age 62, with incomes at or below 80% AMI of which 29 or 64.4% had cost burdens, all with severe cost burdens. While the total number of households were higher in 2015, with 80 such households, cost burdens were lower with 44% spending too much for their housing and one-quarter pending more than half of their income on housing costs in 2015. The 2011 data also shows 80 households in this category with a bit lower cost burdens including 61.2% with severe cost burdens.

6. Subsidized Housing Inventory (SHI)

Of the 11,891 year-round housing units in Needham,⁶⁸ 1,410 or 11.86% are included in the Subsidized Housing Inventory (SHI) maintained by the Commonwealth of Massachusetts, up from 841 or 7.6% in 2015 and 425 units or 3.9% in January 2006. The SHI Includes 668 market rental units or 47% of all SHI units, as part of 40B multi-family rental projects. This brings the actual affordable units down to 742 units or 53% of all SHI units. New rentals have helped diversify the housing stock however.

State law through Chapter 40B has decreed that if a municipality has less than 10% of its year-round housing stock set-aside for low- and moderate-income residents, it is not meeting the local and regional

⁶⁸ Computed by subtracting seasonal units (zero based on 2020 census estimates) from total units of 11,891. The figure was 11,047 based on 2010 census figures with 11,122 total units minus 75 seasonal or occasional units.

Through outreach efforts, it was conveyed that the affordable units listed on the SHI, while up to 11.86%, are based on Chapter 40B rules that allow the inclusion of market-rate rental units in projects along with the dedicated

need for affordable housing. Not meeting this affordability standard makes the locality vulnerable to an override of local zoning if a developer wants to build housing through the comprehensive permit process.⁶⁹ Consequently, by surpassing the 10% affordable housing threshold, Needham will no longer be required to process Chapter 40B comprehensive permit applications that it determines are inappropriate and do not address local housing needs. This means that Needham has much more control over future

development. Maintaining this 10% plus level of SHI units is a baseline priority for the Town.

Table 42 summarizes those units that are included in the Subsidized Housing Inventory (SHI) and thus meet all of the state requirements of affordability including 656 market units that are part of Chapter 40B rental developments.

Table 42: Needham's Subsidized Housing Inventory (SHI), October 12, 2021

Project Name	# SHI Units	Project Type/ Subsidizing Agency	Use of a 40B Comp Permit	Affordability Expiration Date
Cook's Bridge (Captain Robert Cook Drive and Seabeds Way)*	76	Rental/HUD	No	Perpetuity
High Rock Estates*	80	Rental/HUD	No	Perpetuity
138-158 Linden Street*	32	Rental/DHCD	No	Perpetuity
168-188 Linden Street*	40	Rental/DHCD	No	Perpetuity
15-42 Chambers Street*	80	Rental/DHCD	No	Perpetuity
Matthews House/ 1415 Great Plain Ave.*/**	8	Rental/DHCD	No	Perpetuity
Highland Ave./Charles River ARC. **	6	Rental/HUD and EOHHS	No	2038
Marked Tree Corp. **	4	Rental/HUD and EOHHS	No	2038
Nehoiden Glen	61	Rental/MassHousing	Yes	Perpetuity
Webster Street II/929 Webster **	4	Rental/HUD	No	2037
Webster Street II/299 Webster **	6	Rental/HUD	No	2037
West Street Apartments **	6	Rental/HUD	No	2043
Junction Place	2	Ownership/DHCD and FHLBB	Yes	Perpetuity
Garden Street	2	Ownership/FHLBB	Yes	Perpetuity
High Cliff Estates	3	Ownership/FHLBB	Yes	Perpetuity
Chestnut Hollow	6	Rental/DHCD and HUD	No	2021
Suites at Needham	2	Ownership/MassHousing	Yes	Perpetuity
Charles River Landing	350	Rental/DHCD	Yes	Perpetuity
DDS Group Homes **	84****	Special Needs Rental/DDS	No	NA
Craftsman Village	2	Ownership/MassHousing	Yes	Perpetuity

⁶⁹ Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households – defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income – by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

Greendale Village	4	Ownership/MassHousing	Yes	Perpetuity
The Residences at Wingate	2	Rental/DHCD	No	Perpetuity
Webster Street Green	2	Ownership/MassHousing	Yes	Perpetuity
Needham Place/50 Dedham Ave.	1	Rental/DHCD	No	Perpetuity
The Kendrick/2 nd Avenue Residences	390	Rental/DHCD	Yes	Perpetuity
Wingate Phase II	5	Rental/DHCD	No	Perpetuity
Greendale Mews/Modera Needham	136	Rental/MassHousing	Yes	Perpetuity
1180 Great Plain Avenue	16	Rental/MHP	Yes	Perpetuity
TOTAL***	1,410	12.76% of year-round housing units		

Source: Massachusetts Department of Housing and Community Development

* Needham Housing Authority units ** Special needs units

*** Includes 262 market units at Charles River Landing, 292 market units at The Kendrick, and 102 market units at Greendale Mews/Modera Needham for a total of 656 market units. The number of actual affordable rental units in these projects is 220. Under Chapter 40B, the state incentivized communities to produce multi-family rental housing by allowing all rental units, including market rate ones, to qualify for inclusion in the SHI.

**** Down from 89 units in 2018

The Needham Housing Authority (NHA) owns 316 SHI units in the following developments:

- High Rock Estates*
 Converted from state Chapter 200 state funding to Section 9 Federal subsidy
 Single-family housing for families
 80 units (43 three-bedroom units and 37 two-bedroom units)
 The Needham Housing Authority redeveloped this property by replacing 20 single-family units with 20 two-family structures with a net gain of 20 units. Ten of these units were redeveloped into 20 condominiums with a separate Homeowners Association but also receiving some NHA support in maintaining and managing the units. The remaining ten are rentals managed by NHA.

The NHA also sponsored the conversion of 10 single-family units at its High Rock development into duplexes, creating 20 condos which it continues to be involved in supporting through ongoing monitoring work and maintenance.
- Linden-Chambers*
 State Chapter 667 funding for older adults and those with disabilities
 152 one-bedroom units
- Matthews House*
 State Chapter 689 funding for special needs housing
 8-bed group home
- Captain Robert Cook Drive*
 Federally-financed
 Single-family housing for families
 30 units (5 two-bedroom units, 20 three-bedroom units and 5 four-bedroom units)

- *Seabeds Way*
Federally-financed
Mixed units for older adults and those with disabilities
46 one-bedroom units

The Needham Housing Authority also administers *rental subsidies* and is currently assigned 120 Section 8 Housing Choice Vouchers.⁷⁰ While these rental subsidies are not eligible for inclusion in the SHI, they nevertheless provide important support for qualifying households renting units in the private housing market, filling the gap between an established market rent – the Fair Market Rent (FMR) – and a portion of the household’s income. Preference is granted to applicants who reside or are employed in Needham. Applicants must also have incomes at or below 50% of area median income based on HUD area income limits (see Table II-1), but 75% of an agency’s vouchers are to go to applicants whose incomes do not exceed 30% of area median income. The characteristics of these voucher holders is as follows from HUD’s Resident Characteristics Report

(https://www.hud.gov/program_offices/public_indian_housing/systems/pic/50058/rcr):

- 57% vouchers are for one-person households, 18% for two-person households, and 16% for three-person households.
- 33% of voucher holders have had their voucher for over 20 years, 28% for 10 to 20 years, and 12% for 5 to 10 years.
- Average monthly household portion of rent is \$501.
- 47% of households are older adults, 23% of households are people with disabilities who are younger than age 62, 33% are younger than age 62 without any disabilities.
- 80% of households are White, 18% Black, 2% Asian; 90% are non-Hispanic/Latinx.

Waitlists for the Housing Choice Vouchers are very long. For example, NHA has 559 applicants on its wait list for the family units including 359 applicants for two-bedroom units, 167 for three-bedrooms, and 33 for four-bedroom units. Waits for these units extend to three to five years. In regard to the NHA’s units for older adults and those with disabilities, there were 227 on the waitlist with waits of approximately six months to a year.

Special Needs Housing/Dept. of Developmental Services

In addition to the Housing Authority’s Matthews House, Needham has five other special needs housing facilities that altogether total 26 additional affordable housing units (including the Highland Avenue ARC project, Marked Tree Road, 299 and 929 Webster Street, and West Street Apartments) as well as 84 units in group homes for state Department of Developmental Services (DDS) clients scattered throughout town. These group home units include five units as part of a group home for adults with disabilities on South Street that was supported with HOME Program and CPA funding and developed by the Charles River Center.⁷¹

⁷⁰ Twelve of the 120 Housing Choice Vouchers (HCVs) were project based when the 20 High Rock Homes were built (DHCD provided the other 8 through its contract with SMOC). So technically, NHA has a net 111 HCVs providing deeply affordable housing. Earlier this Fall, NHA was awarded 3 more HCVs via a national ARPA program for a total number of HCVs at 114 + 8 = 123 vouchers.

⁷¹ The Town allocated \$280,000 in HOME Program funding and \$220,000 in CPA funds to support development financing.

Private Developer Properties

Needham also has 15 other projects that are a part of its SHI that include an additional 312 actual affordable units (total of 968 units that can be counted in the SHI) that have been produced by private, for profit or non-profit developers including:

- *Nehoiden Glen*
1035 Central Avenue
Comprehensive Permit granted in 1976 and amendments were issued through June 2011.
Total Rental Units: 61 Affordable Units: 61
This development is for very low-income older adults and is managed by Wingate.
- *Chestnut Hollow*
141 Chestnut Street
Variance granted in October 2000 by the Board of Appeals
Special Permit granted in December 2000 by the Planning Board
Total Rental Units: 28 Affordable Units: 6
Chestnut Hollow involved a major renovation of an existing non-conforming building, formerly the Hamilton House Nursing Home, for conversion into apartments for seniors. The development was processed through a Special Permit and variances. There are 12 two-bedroom units, 15 one-bedroom units, and one (1) studio unit.
- *Junction Place Townhouses*
32 Junction Place
Comprehensive Permit granted in October 2001
Total Condominium Units: 5 Affordable Units: 2
Junction Place is a condominium project comprised of five (5) attached townhouse units, approved by the Town in October 2001 through a comprehensive permit. The property contains approximately 11,200 square feet of land, previously occupied by a small vacant two-story office building, a garage and parking area on the edge of a commercial district and across the road from a train station. All five (5) of the townhouses were sold at below market prices to eligible families through a lottery system. Two (2) of the homes were sold for \$165,000 to families earning up to 80% of the area median income with the remaining three (3) initially sold for \$310,000 to families earning up to 150% of the area median income.
- *Garden Street/Browne-Whitney*
207-217 Garden Street
Comprehensive Permit granted March 2002
Total Condominium Units: 6 Affordable Units: 2
The Garden Street project, also known as Browne-Whitney, is a condominium development with six (6) total three-bedroom units, two (2) of which are affordable. The Town approved the project in March of 2002, and was subject to an appeal filed by an abutter to the property that was subsequently settled. The property contains approximately 27,132 square feet of land. Although within a single-family district, the property is located directly across the street from a business zone and only a short walk to the center of Needham and public transportation. The two (2) affordable units sold for \$160,000 with the market rate units were priced between \$525,000 and \$759,000.

- *High Cliff Estates*
209-233 St. Mary Street
Comprehensive Permit granted April 2002
Total Condominium Units: 12 Affordable Units: 3
The High Cliff Estates project is a townhouse condominium development with 12 total three-bedroom condominium units in four (4) buildings and with three (3) of the condominiums sold as affordable, selling between \$105,000 and \$137,500. The market rate units sold for \$447,000 to \$582,300.

- *Suites at Needham*
797 and 805 Highland Avenue
Comprehensive Permit granted in 2006
Total Condominium Units: 8 Affordable Units: 2
The development includes eight (8) townhouses, two (2) of which are affordable. The project is located on Highland Avenue, only a short walk to an MBTA commuter rail station.

- *Charles River Landing*
300 Second Avenue
Comprehensive Permit granted in 2007
Total Rental Units: 350 Affordable Units: 88 (all units count as part of the SHI)
The Town of Needham entered into an agreement with the developer, Cabot, Cabot & Forbes, to build 350 rental units through a “friendly” Chapter 40B process as part of the state’s Local Initiative Program (LIP). The project is located at the outer edge of the New England Business Center, adjacent to a residential neighborhood and overlooking the Charles River. The parcel contains 7.9 acres and promotes a number of smart growth principles as it is served by existing infrastructure; is located in proximity to Town services, transportation and employment; promotes higher density housing; and includes affordable housing. About two-thirds of the units have one-bedrooms, the remainder with two-bedrooms.

- *Craftsman Village*
17-27 High Street
Comprehensive Permit granted initially in 2006 and amended for new developer in 2009
Total Condominium Units: 6 Affordable Units: 2
The initial developer filed the comprehensive permit application in 2003 and proposed building twelve three-bedroom condominium units, three (3) to be affordable, on an about 27,000 square foot lot within walking distance to public transportation. The ZBA approved six (6) units but the developer was unwilling to go below eight (8) and appealed the decision to the state’s Housing Appeal Committee. The project finally moved forward with a new developer, Craftsman Village LLC, with a total of six (6) units including two (2) affordable ones. The market units sold for \$609,000.

- *The Residences at Wingate/Phase I*
235 Gould Street
Special Permit Approval in 2011
Total Independent Living Rental Units: 12 Affordable Units: 2
Pursuant to a zoning change to create an Elder Services Zoning District, approved by Town Meeting in 2010, and Special Permit approval of the Planning Board in 2011, the developer built a senior housing facility on Gould Street next to its Nursing Home at 589 Highland Avenue. The

building includes 91 total units – 12 Independent Living Apartment units, 42 Assisted Living units, and 37 Assisted Living units specializing in Alzheimer’s and other memory loss related conditions. The project also includes two (2) affordable units, one (1) that was initially reserved for those who lived or worked in Needham.

- *Needham Place (previously known as Dedham Avenue)*
50 Dedham Avenue
Special Permit Approval in 2012
Total Rental Units: 10 Affordable Units: 1
Through the rezoning of Needham Center through a Center Business Overlay District approved by Town Meeting in 2009, as well as Special Permit approval by the Planning Board in 2012, the developer, MMM Property LLC (Brookline Development Corp.), built a new three plus one story mixed-use building on Dedham Avenue near Great Plain Avenue. The property contains ten (10) rental units, including one (1) affordable unit, as well as two (2) first-floor retail units.
- *Greendale Village*
900 Greendale Avenue
Comprehensive Permit granted in 2013
Total Condominium Units: 20 Affordable Units: 4
The Greendale Village development includes 20 new townhomes, four (4) of which are affordable to those earning at or below 50% of area median income. The lottery was held on July 8, 2014. The 2 two-bedroom affordable units sold for \$112,600 and the 2 three-bedrooms sold for \$121,400. The market units ranged in price from \$759,000 to \$940,000.
- *Webster Street Green*
28 Webster Street
Comprehensive Permit initially granted in 2005 and amended in 2013
Total Condominium Units: 10 Affordable Units: 2
The developer, Webster Street Green LLC, was issued a comprehensive permit in November 2005, which was appealed, amended, and extended through the state’s Housing Appeals Committee (HAC). The affordable units were targeted to those earning at or below 50% AMI and sold for \$121,300 and \$136,800 while the market units sold in the \$689,000 to \$769,000 range.
- *One Wingate Way/ Wingate Phase II*
235 Gould Street
Special Permit Approval in 2014
Total Independent Living Rental Units: 52 Affordable Units: 5
Another 52 Independent Living Units were built next to the existing Phase I Residences at Wingate senior living development. Given that the project is part of the Town’s Elder Services District, at least 10% of the units must be affordable. The project received Special Permit approval by the Planning Board on October 20, 2014 (amendment of Phase I approval in 2011).
- *The Kendrick (previously known as 2nd Avenue Residences)*
275 Second Avenue
Comprehensive Permit granted in 2015
Total Rental Units: 390 Affordable Units: 98 (all units count as part of the SHI)
The Town of Needham provided its support for the 2nd Second Avenue Residences development as part of the Local Initiative Program (LIP) Project Eligibility Application that was submitted to

DHCD by the developer, A Street Residential LLC, on April 15, 2015. The ZBA subsequently approved the comprehensive permit on October 20, 2015.

- *Modera Needham (previously known as Greendale Mews)*
700 Greendale Avenue
Comprehensive Permit granted in 2013 for 108 units and approved 136 units in 2015
Total Rental Units: 136 Affordable Units: 34 (all units count as part of the SHI)
The developer, Mill Creek Residential Trust LLC, proposed 300 and then 268 rental units on the six-acre site through a comprehensive permit application on April 13, 2013, and the ZBA approved 108 on December 19, 2013. The parties subsequently agreed to a total of 136 units, which the ZBA formally approved on October 20, 2015.
- *1180 Great Plain Avenue*
Comprehensive Permit granted in December 2019. An abutter appealed the decision which was resolved in 2022. Units were removed from the SHI but will be restored.
Total Rental Units: 16 Affordable Units: 4 (all units count as part of the SHI)
The developer, Petruzziello Properties LLC

Habitat for Humanity

The Town also sponsored a Habitat for Humanity project on a parcel owned by the Town of Needham. The Town issued a Request for Proposals to secure a developer to build an affordable home on the site. Habitat for Humanity was the winning respondent and built a single-family house on the lot for a first-time homebuyer. This house is not eligible for inclusion on the SHI because the deed rider was not approved by the state

Appendix 3

Housing and Zoning Analysis⁷²

The Town of Needham has approximately 11,800 total housing units with a median single-family house price of \$1.3 million in September 2021 (\$862,500 for condominiums), up from \$1,065,000 (+22.1%) and \$805,000 (+7.1%), respectively, as of the end of 2019. Housing prices are not only high and rising, but further evidence of tightening market conditions is reflected in vacancy rates at about 1% and little or no affordability remaining in the private unsubsidized housing stock. These conditions have been exacerbated by substantial teardown activity, involving the demolition of more modest homes with much larger and expensive ones, further driving up housing prices and eroding housing affordability. The loss of income that many have suffered as a result of Covid-19 is exerting further pressures on existing residents, many who are struggling to afford to remain in their homes and community.

Under MGL Chapter 40B, if less than 10% of a municipality's housing stock is affordable, developers can override local zoning if the project includes deed-restricted affordable units and meets other state requirements.⁷³ Despite intensifying market pressures, Needham has made considerable progress in promoting greater housing diversity over the years with 1,410 state-approved affordable units included on the Subsidized Housing Inventory (SHI), representing 12.76% of its housing stock.⁷⁴ Consequently, Needham is well beyond the 10% state affordability threshold under MGL Chapter 40B. Nevertheless, the Town recognizes that there still remains a pressing need for greater housing diversity and affordability in the community.

This report reviews the progress that has been made in the past to address housing needs and examines challenges to further advance local community housing goals.

I. Housing Production Accomplishments

The affordable units that are part of Needham's ***Subsidized Housing Inventory, that now exceeds the 10% affordability goal under Chapter 40B***, include the following:

Rental Housing

- The Needham Housing Authority owns and manages 316 units of subsidized housing including 198 one-bedroom units for older adults and those with disabilities of any age and 110 units for families and veterans. The Authority also maintains two staffed apartments that serve eight individuals with special needs.
- Another 67 affordable units of age-restricted housing were developed by private sponsors.

⁷² Prepared in early 2021 by the Planning and Community Development Department prior to this planning effort.

⁷³ Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households – defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income – by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

⁷⁴ To be counted as affordable under Chapter 40B, housing must be dedicated to long-term occupancy of income-eligible households (those earning at or below 80% of area median income) through resale or rental restrictions. Units must also be affirmatively marketed and subsidized or approved through a subsidizing agency. All units in Chapter 40B rental developments count as part of the Subsidized Housing Inventory as opposed to only the actual affordable units in homeownership projects.

- Charles River Landing, with 350 units including 88 affordable units, was developed under the state’s Local Initiative Program (LIP), sometimes referred to as the “friendly 40B” process as the municipality supports the project in the early stages of development.⁷⁵
- Another LIP process was used for 390 rental units with 98 affordable ones as part of The Kendrick development.
- The Modera Needham project, also a Chapter 40B development, produced 136 rental units on Greendale Avenue that includes 34 affordable units.
- An additional 16 units were added to the Town’s SHI as part of a Chapter 40B rental development at 1180 Great Plain Avenue. Four of these units are expected to be affordable. An abutter appealed the ZBA decision in December 2019, and the project is still awaiting the resolution of litigation.
- An affordable unit was developed under the Needham Center Overlay District that requires 10% of units built within the area be affordable. This unit is part of a mixed-use development that includes nine market units and two commercial businesses.
- A total of seven affordable units were also created under local zoning as part of an Elder Services Overlay District. These units were part of two phases in developing housing for those 55 years of age or older.
- The Town has a total of 84 units in group homes for persons with developmental disabilities and another 26 units in facilities for persons with special needs that were sponsored by non-profit organizations.
- It should be noted that 2019 census estimates indicate that out of a total 1,754 rental units, 830 had rents of less than \$1,500 which would have been affordable to those households earning less than \$68,000, assuming tenants were not spending more than 30% of their income on housing costs, the traditional threshold of affordability, and have utility bills that average \$200 a month. The census estimates identify another 367 units with rents in the \$1,500 to \$2,000 range that would have been affordable to those with incomes between \$68,000 and \$88,000 based on the same assumptions. Many of these rentals are subsidized as the Town has 737 rentals on its Subsidized Housing Inventory (SHI) that are rented at affordable levels prescribed by the state. Additionally, the census estimates indicate that 99 renter households did not pay rent.
- The Town succeeded in having a market unit converted to an affordable one at the Hamilton Highlands development (formerly Webster Green). This occurred when the owners were making considerable capital improvements, including expanding the number of units, causing rent levels to climb above what some long-term tenants could afford. The affordable unit is not eligible for inclusion on the SHI, however, because it is reserved for existing qualifying tenants.

Homeownership Units

- Needham has a total of 17 affordable homeownership units that were permitted under Chapter 40B and are scattered in seven separate developments.
- The Needham Housing Authority converted 20 single-family homes that were rentals to 40 duplex units, half of which were sold as part of the High Rock Estates condominium development.
- The Town also conveyed a municipally owned lot on Bancroft Street to Habitat for Humanity which built an affordable single-family home.

A detailed report on these SHI units is included as Appendix 2.

⁷⁵ Chapter 40B guidelines allow all units in a 40B rental development to be counted as part of the SHI.

The Town has also focused on ensuring that SHI units are preserved as affordable and remain part of the SHI for as long a period of time as possible. To this end, the Town created a Community Housing Specialist position, that, in addition to other job responsibilities, conducts annual monitoring of a number of affordable housing units, including some older 40B ownership units and more recent units that were required to be affordable through inclusionary zoning. The Housing Specialist is also in contact with the monitoring agents for other affordable units to ensure continued compliance with all monitoring and affordability requirements.

While not counted as part of the Town's Subsidized Housing Inventory, the Needham Housing Authority administers 120 Section 8 vouchers, which are federally funded through the U.S Department of Housing and Urban Development (HUD). These rental vouchers are provided to qualifying households renting units in the private housing market, filling the gap between an established market rent – the Fair Market Rent (FMR) – and a portion of the household's income. Based on the high cost of housing in Needham, the Housing Authority has been able to apply up to 110% of the FMR levels for its maximum rent. Applicants must also have incomes within 50% of area median income, \$60,400 for a family of three based on 2021 HUD income levels. Additionally, 75% of the vouchers must be used by households with incomes at or below 30% AMI.

The Town has also launched a number of ***special housing programs*** to help residents afford to remain in the community including:

- The *Small Repair Grant Program* provides limited financial assistance to income-eligible homeowners age 60 and over as well as those with disabilities to help them make health and safety improvements to their homes. Grants of up to \$5,000 are provided on an unsecured basis; there is no repayment required unless the grant recipient does not comply with the Grant Agreement or sells or transfers the home within one year. At least one member of the household must be 60 years of age or older or have a disability. All participants must have incomes of no more than 80% of Area Median Income. The Program is administered by the Needham Affordable Housing Trust.
- The *Emergency Rental Assistance Program* was approved by Special Town Meeting in October 2020 to provide financial assistance to help renters who lost income due to Covid-19 remain in their homes. With an allocation of \$120,000 of Community Preservation funding and another \$50,000 from the Massachusetts Covid-19 Relief Fund, secured for Needham by the Foundation for MetroWest, the Program covered 50% of rent up to \$1,500 per month for up to six months. To qualify, applicants must reside in a private rental unit, including affordable Chapter 40B units, and have incomes no more than 80% of Area Median Income (AMI). The Town selected the regional non-profit organization, Metro West Collaborative Development, to administer the program.
- The *Safety at Home Program*, through the Needham Center for the Heights, helps Needham residents age 60 and older continue to live independently in their homes by providing a free home assessment of safety issues, connections to local resources, and free home goods to improve safety.
- The Town adopted zoning to allow *Accessory Dwelling Units (ADUs)* to be created for occupancy by family members or caregivers to enable qualifying homeowners to age in place (see discussion of amending (broadening) the current ADU Bylaw requirements on pg. 40 of this report).

II. Planning and Regulatory Accomplishments

The Town has enacted the following zoning provisions over the years to better promote housing diversity and affordability:

- Almost half of the Town's land area is zoned for 10,000 square foot (or just under ¼ of an acre) lots, an allowable lot size relatively rare in the Route 128 suburbs where lots sizes are considerably larger.
- Two-family dwellings are allowed by-right in limited areas of town (the General Residence District) but also occur within single-family areas where they are interspersed as pre-existing non-conforming uses. In many respects this is a more inclusive and beneficial neighborhood housing experience that offers a more diverse socio-economic (mixed-income) neighborhood.
- Apartments or multi-family units are allowed by Special Permit on the second floor of buildings in the Town's commercial areas, as well as the half story above the second floor in the Needham Center Overlay District. Zoning was also amended to promote underground parking in the Center Overlay District by exempting the floor area of the parking garage in the calculations for determining the maximum floor area ratio, allowing more square footage to be dedicated to housing. Zoning also allowed building height up to 3+1 with three stories of residential above first floor commercial space in the Town Center.
- Mixed residential/business use has been accommodated to some degree in other areas besides the Town Center, including Avery Square, Hillside Avenue Business District, Garden Street District, Lower Chestnut Street and Neighborhood Business areas.
- Boarding houses (SROs) are allowed by Special Permit in the Central Business District and industrial districts.
- The Town's Apartment Districts, although limited and primarily built out, allow multi-family development by-right without the need for a Special Permit, requiring only Site Plan Approval, and thus involve a much faster and less onerous permitting process.
- Several forms of residential development flexibility are provided: Flexible Development (Section 4.2.4 of the Zoning Bylaw), Planned Residential Development (4.2.5), Residential Compound (4.2.6), and Dimensional Reductions (4.2.7) to encourage "smarter" development that promotes the clustering of units while preserving some open space and other natural features of the property.
- The Town's Subdivision Regulations are straightforward, without any unusually demanding provisions.
- The Town has not imposed barriers such as growth timing, phasing controls, or punitive health or wetlands restrictions as has been done elsewhere.
- The Town's split tax classification results in a residential tax rate that is about half that paid by businesses. The Town also offers tax exemption, work-off, and deferral programs to qualifying owners.
- Building, sewer, and other development fees have in the past been waived for some affordable developments with non-profit sponsors.
- Town officials make good-faith efforts to work with applicants to facilitate timely progress through the regulatory system, rather than using it as a "hurdle."
- The town has not imposed "linkage payments" as a general requirement for new commercial projects that could be considered as impact-related funding targeting affordable housing needs in Needham. Funds could be handled as contributions to Needham's Affordable Housing Trust and distributed to support more affordable housing options in town.

More recent planning and regulatory changes to better promote affordable housing have included:

- ***Overlay Districts***

Notable among zoning changes has been the introduction of Overlay Districts that promote smart growth development, affordable housing, mixed-use development, and other urban amenities in several commercial areas of town including Needham Center, the Lower Chestnut and Garden Street areas, and Mixed Use Overlay District (MUOD) in the Highland Avenue/Route 128 area. Needham also established an Elder Services District off of Gould Street to serve the community's increasingly aging population. Most of these Districts require the integration of affordable housing equivalent to one unit for properties of less than ten units and 10% of all units for those with ten or more units. The more recent MUOD, Highland Avenue/128 and Neighborhood Business District/128 zoning increased the affordability requirement to 12.5%.

- ***Project-based Rezoning***

Needham has demonstrated a willingness to rezone property to accommodate affordability efforts. For example, the Needham Housing Authority's High Rock Estates development precipitated zoning changes to allow the conversion of small single-family bungalows to duplex units, some of which were redeveloped as affordable rentals and others as condominiums. More recently, the Town approved new zoning for The Residences at Carter Mill at 100 West Street that allows, by special permit, the redevelopment of the vacant building, previously known as Avery Crossing, which was an assisted-living facility, for independent living, assisted living and/or memory care; the special permit application is still pending with the Planning Board, and it is not clear what combination of uses will be allowed and how many affordable units will be required, if any.

- ***Neighborhood Business District Changes***

Zoning was changed in the Neighborhood Business District to allow mixed-uses in districts where a portion of the area is located within 150 feet of the boundary of Route 128. Provisions also require that 12.5% of the units created be affordable with the added option of allowing payment in-lieu of units to be paid into the Needham Affordable Housing Trust in support of other affordable housing initiatives.⁷⁶

- ***Local 40B Guidelines***

The Town adopted Local Chapter 40B Guidelines in 2012 to advise the Zoning Board of Appeals and other Town boards and departments with a role in the development review process on local housing priorities and the review process for comprehensive permits. Now that the Town has surpassed the 10% affordability goal under Chapter 40B and is no longer susceptible to 40B projects it deems do not address local needs and priorities, the Town is revisiting the Guidelines and discussing changes to better reflect current Town preferences for locations, income targets, design, density, etc. for new affordable housing development.

⁷⁶ The cash payment would be equal to the most current Total Development Costs for the MA Department of Housing and Community Development's Qualified Allocation Plan as part of its Low Income Housing Tax Credit Program for the areas described as within Metro Boston/Suburban Area. These figures are also adjusted for the type of project and number of units. No fees have been collected to date.

- ***Needham Affordable Housing Trust***

Town Meeting approved the Needham Affordable Housing Trust at its 2017 Annual Meeting to provide for the preservation and creation of affordable housing for low- and moderate-income residents.

The state enacted the Municipal Affordable Housing Trust Fund Act on June 7, 2005,⁷⁷ which simplified the process of establishing housing funds that are dedicated to subsidizing affordable housing. The law provides guidelines on what trusts can do and allows communities to collect funds for housing, segregate them out of the general budget into an affordable housing trust fund, and use these funds without going back to Town Meeting for approval. It also enables trusts to own and manage real estate. The law further requires that local housing trusts be governed by at least a five-member board of trustees, appointed by the Select Board. In the case of Needham, members of the Housing Trust include the Select Board, the Town Manager, and an appointed at-large member.

Since the Housing Trust's establishment, it has met twice a year to discuss a wide range of housing issues and has sponsored the Small Repair Grant Program and advocated for the Emergency Rental Assistance Program. Funding in the Housing Trust remains limited to date, largely capitalized by monitoring and resale fees. The monitoring fees are paid annually by the property owners and by the seller when affordable homeownership units turn over. The Housing Trust is entrusted with ensuring compliance with state affordability requirements.

- ***Accessory Dwelling Units (ADUs)***

The 2019 Special Town Meeting approved the bylaw to permit the creation of accessory dwelling units (ADUs) by Special Permit of the Board of Appeals. The bylaw limits the units to single-family homes that are occupied "by the Owner; Family members related to the Owner by blood, adoption or marriage (spouse, parent, sibling, child, or a spouse of such persons); and Caregivers of Family members who look after an elderly, chronically ill or disabled Owner who needs assistance with activities of daily living or a Family member who needs such assistance, subject to specified standards and procedures."⁷⁸ The bylaw also defined the ADU as "an apartment in a single-family detached dwelling that is a second, self-contained dwelling unit and a complete, separate housekeeping unit containing provisions for living, sleeping, cooking and eating. The ADU must be subordinate in size to the principal dwelling unit on a lot, and constructed to maintain the appearance and essential character of the single-family dwelling."⁷⁹

Other provisions limited the ADU to no more than 850 square feet with one bedroom, located in a primary structure and not an accessory structure, and with exterior entrances and access ways that do not detract from the single-family appearance of the dwelling, among other conditions. While the bylaw limited occupancy to family members or caregivers, it does promote greater housing diversity in the community by allowing small apartments in existing dwellings, enables extended family members to live together, and also provides opportunities for live-in support for people with disabilities. A total of eight ADUs have been permitted as of March 2022.

⁷⁷ MGL Chapter 44, Section 55C.

⁷⁸ Section 3.15 of the Needham Zoning By-law.

⁷⁹ Ibid.

III. Housing Challenges

The challenges to producing affordable housing in the Boston region have been repeatedly identified in published reports over the years with strikingly consistent observations. While sharp reductions in state and federal funds for housing have contributed to the problem, the region's mismatch between demand and supply is widely seen as the result of both state and local actions that constrain land availability, create regulatory impediments, and add to the costs of construction. Needham's location as an inner suburb of Boston with good highway and commuter rail access as well as recognized schools have boosted the demand for housing and thus driven up prices.

Particularly challenging are the following housing production constraints:

- ***Limited Developable Property***

As an older established community, Needham has less land available for development than many other communities in the region, and the remaining property has become increasingly valuable and difficult to develop.

New development will rely primarily on redevelopment opportunities, particularly those in areas where some greater density and access to public transit are possible. It will be important for the Town to continue to guide future development to these appropriate locations, incentivizing property assembly for greater development viability, considering public / private partnerships with publicly owned land, and promoting higher densities in some areas while minimizing the effects on the natural environment and preserving open space corridors and recreational opportunities in others.

- ***High Level of Teardown Activity***

Driven by the high value of land in Needham, the demolition of older, smaller, and less expensive houses has become the principal source of lots for the construction of new single-family homes thus "recycling" land rather than consuming vacant land. These "teardowns" of relatively small dwellings have typically been replaced by substantially larger ones, leaving the number of dwelling units unchanged but increasing their value significantly. This demolition/replacement activity has eliminated many of the smaller more affordable private market units that were developed years ago as starter housing and has been the driving force pushing sales prices over \$1 million.

- ***Regulatory Barriers***

While significant progress has been made to reforming zoning, there still remains room for regulatory improvements to better direct development to appropriate locations based on "smart growth" principles and adequate incentives for incorporating public benefits, including affordable housing. As previously mentioned, there is a near-absence of developable vacant land that is zoned to permit multi-family housing, even two-family dwellings. Actual development of multi-family housing now generally occurs through redevelopment of already developed sites, rezoning by Town Meeting, or, in the past, a Chapter 40B override of applicable zoning. The Overlay Districts mentioned above have reduced these barriers somewhat in certain areas.

- ***Limited Availability of Subsidies***

Financial resources to support the production and preservation of affordable housing as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly challenging to obtain necessary

funding for programs and development projects and must be strategic in leveraging limited local resources. Because of substantial and growing affordability gaps, affordable housing initiatives are likely to require layers of public and private investment.

Needham approved the Community Preservation Act (CPA) in November 2004, which has been a very important resource for supporting affordable housing efforts. Over the years the Town has committed about \$1.6 million of its CPA funds on housing initiatives including:

- \$120,000 in recent funding to support an Emergency Rental Assistance Program
- \$860,500 for four grants to the Needham Housing Authority, three for the High Rock Estates project and another for a feasibility study for redeveloping NHA property.
- Another \$150,000 grant to NHA for development consulting services which enabled NHA to bring on the services of the Cambridge Housing Authority to help it determine how best to refinance much needed property improvements.
- \$370,000 for the Charles River Center (formerly the Charles River ARC) for four grants including three grants for existing group homes and another for a new group residence for five people with significant physical and cognitive disabilities.
- \$25,000 for a housing consultant to prepare Chapter 40B guidelines and additional funding towards a portion of the part-time Housing Specialist position over three years.

Most of the CPA reserve funds have been set-aside to support a future NHA project to redevelop existing public housing. It should be noted that while a minimum of 10% of the Town's annual CPA funding must be reserved for community housing, communities can dedicate a higher percentage of CPA funds for housing. The balance in the CPA Community Housing reserve as of December 31, 2020 is \$2,459,763

The Town also joined the Metro West HOME Consortium in 2008, which has enabled it to secure HOME Program funding to address local affordable housing needs. Funding has fluctuated over the years from an allocation of \$57,521 in fiscal year 2009, to \$67,387 by 2011, down to \$36,149 in 2013, and then as low as \$27,455 and \$27,750 in 2020 and 2021, respectively. The Town has spent \$280,000 in HOME funds for the Charles River Center's group residence at 1285 South Street in addition to annual operating/administrative funds.

- ***Community Perceptions***

Residents in most communities are concerned about the impacts that any new development will have on local services and the quality of life. Some residents may have negative impressions of affordable housing in general or question whether it is even needed in the community. Local opposition to new affordable developments has become more the norm than the exception.

On the other hand, national events like the Black Lives Matter movement and the recent COVID-19 pandemic have been catalytic in promoting greater community interest and discussion regarding housing issues, acknowledgement of the racially biased history of zoning and addressing the need for more affordable housing choices in the community.

- ***Infrastructure Constraints***

As a general matter, the Town's infrastructure is likely sufficient to accommodate proposed incremental growth related to affordable housing development. An exception is potential public education costs, particularly if school enrollments warrant construction of additional facilities. A

high percentage of the Town's tax levy already is used directly or indirectly for school operations and services, existing schools are at or over capacity, and land for new facilities is at a premium.

Acknowledging, and proactively planning for, the future impact of multi-family housing would be an important goal. This should include in particular the impact of housing for families which is part of the new MBTA communities law. Understanding school and other critical town infrastructure impacts will be extremely helpful for planning Needham's future.

There are a number of areas of town that are not served by Town sewer services, most in the outskirts near the Wellesley and Dover lines and comprising not more than 10% of all Needham's properties. Most of these areas are part of the Town's water protection zone. There are also several pockets where gravity issues constrain the extension of such services. A number of environmental concerns have arisen in these areas as some septic systems have failed and needed replacement to protect local water sources. The Town is aggressively encouraging the extension and connection to municipal sewer lines where possible.

Zoning Analysis Spreadsheet

Description of the File

This file lists all non-single-family zones in Needham as of Jan 2021, and the restrictions and conditions associated with building multi-family housing and mixed-use developments (i.e., developments that include multi-family housing with other uses such as retail stores or commercial offices).

This file lists where Affordable Housing is required as a percentage of multi-family housing units in a building or development and highlights districts where multi-family or mixed-use housing is allowed or allowable by special permit with no Affordable Housing requirement. This file also serves as an overview of existing (non-Needham Housing Authority) multi-family housing more generally in Needham. In this file, Needham is divided into three zoning maps running from North to South.

Glossary of Terms Used in the Zoning Analysis Spreadsheet

Inclusionary zoning

Refers to municipal zoning bylaws and ordinances that require a given share of new construction to be affordable by households below a certain income (usually 80% of median income of the metropolitan area), referred to as Affordable Housing.

The term Inclusionary Zoning indicates that these bylaws and ordinances seek to provide Affordable Housing Units that the market would otherwise not produce under current zoning in the absence of Inclusionary Zoning provisions.

Overlay District

An Overlay District is a type of land use zoning district that "lies" on top of the underlying zoning district. An Overlay District could cover more than one underlying zoning district; also, there could be more than one Overlay District covering a single underlying zoning district.

Acronyms Used

CCRC: Continuing Care Retirement Community

FAR: Floor area ratio (ratio of floor area to lot area)

AHU: Affordable Housing Unit

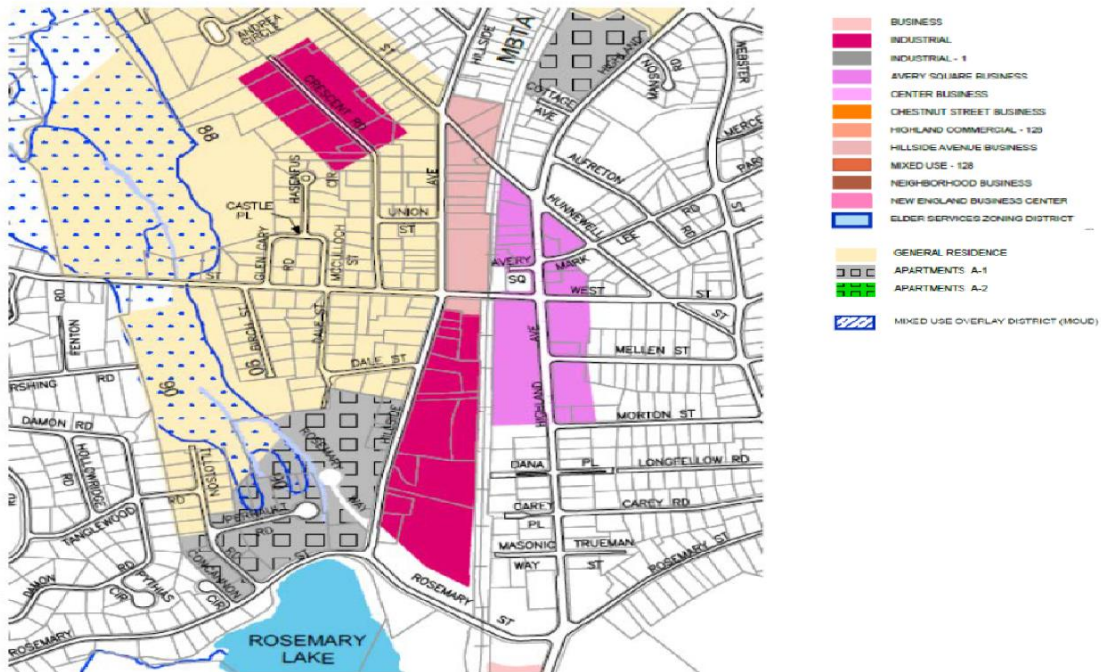
DU: Dwelling Unit

MUOD: Mixed Use Overlay District

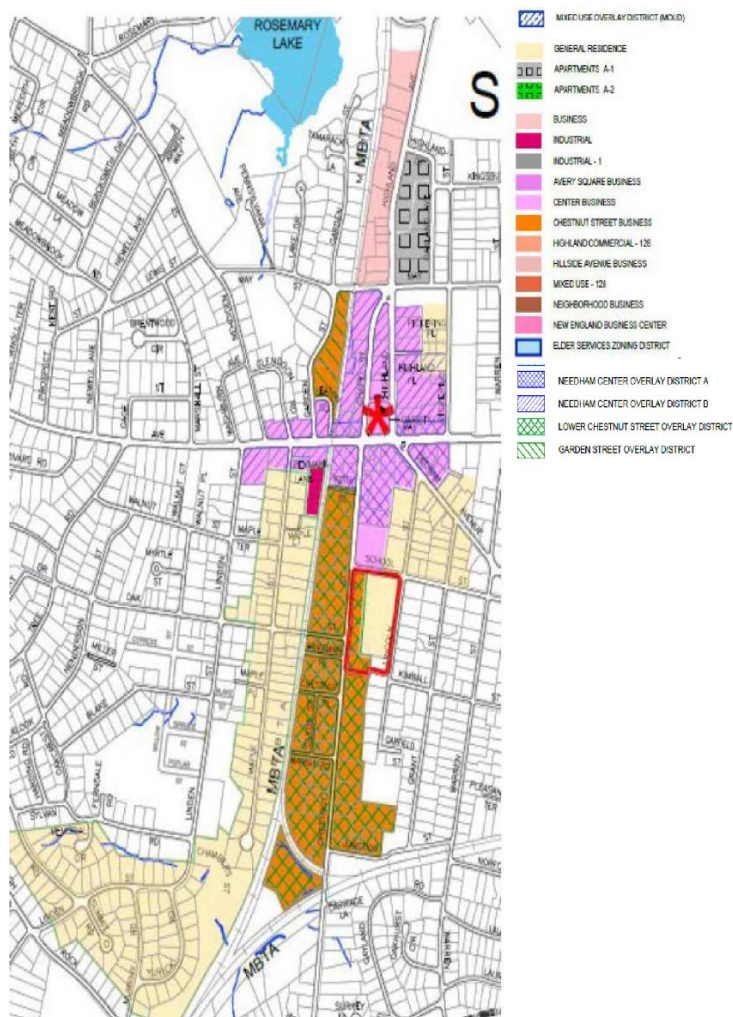
MAP #	ZONING DISTRICT	IS MIXED-USE BUILDING ALLOWED		LOCATION LIMITATIONS w/in BUILDING	DIMENSIONAL LIMITATIONS	AFFORDABILITY REQUIREMENT	EXISTING DEVELOPMENT(S)
		IS MULTI-FAMILY ALLOWED	(Restrictions specified)				
1	Industrial - 1	N					
1	Industrial	N					
1	Highland Commercial - 128	N (but see MUOD on W-side)					
1	Mixed Use - 128	N (but see MUOD)					
1	Mixed Use Overlay District (MUOD)	SP (4-250 DU'S; 40-70% 1BR)	SP 4-250 DU'S; 40-70% 1BR	for M-U, DU's only on upper stories only on upper floor(s) above NR use	84' height (54' w/in 350' of river); FAR 3.0	12 1/2% AHU	none
1	Neighborhood Business - 128	N	SP		35' height; 2 1/2 stories; FAR 0.5	6+ units/12 1/2% (or \$ to AH Trust)	none
1	New England Business Center	N					
1	Elder Services	Y		must be within a CCRC & 55+ age	40' height; 3 stories; FAR 1.0	10 units/1 AHU; 11+ units/10% AHU	Wingate



MAP #	ZONING DISTRICT	IS MULTI-FAMILY ALLOWED	IS MIXED-USE BUILDING ALLOWED (Restrictions specified)	LOCATION LIMITATIONS w/in BUILDING	DIMENSIONAL LIMITATIONS	AFFORDABILITY REQUIREMENT	EXISTING DEVELOPMENT(S)
	2 Apartments A-1	Y			40' height; 3 stories; FAR 0.5; 18 DU/acre	none	Webster Green, Rosemary Ridge, Rosemary Lake Apts (Charlesgate East off map)
off map	Apartments A-2	Y			40' height; 3 stories; FAR 0.3; 8 DU/acre	none	North Hill (off map)
	2 Avery Square Business	N	SP		35' height; 2 1/2 stories; FAR 0.7; 18 DU/acre	none	2 examples on Highland Avenue in Heights
	2 Avery Square Overlay	N	SP	in building w Assisted Living/Memory Units; 55+	44' height; 4 stories w 4th story set back	10+ units/12 1/2% AHU	Carters (to be renovated & enlarged)
	2 Hillside Avenue Business	SP			35' height; 2 1/2 stories; FAR 0.7	none	Townhouses @ corner of Hillside & Hunnewell, apartment building on Hillside/Hunnewell
	2 Industrial	N					



MAP #	ZONING DISTRICT	IS MULTI-FAMILY ALLOWED	IS MIXED-USE BUILDING ALLOWED (Restrictions specified)	LOCATION LIMITATIONS w/in BUILDING	DIMENSIONAL LIMITATIONS	AFFORDABILITY REQUIREMENT	EXISTING DEVELOPMENT(S)
3	Business	N					
3	Center Business	N	SP	only on 2nd story and 3rd 1/2 story	35' height; 2 1/2 stories; FAR 0.7; 18 DU/acre	none	Corner of GPA & Maple St. across from Mobil
3	Needham Center Overlay A	N	Y 1-5 DU's; SP 6+ DU's	for 1-5 upper floor(s); 6+ upper or side/rear	by SP, 48' height & 4 stories & 2.0 or 3.0 FAR	6-10 units/1 AHU; 11+ units/10% AHU	Dedham Ave across from UU Church
3	Needham Center Overlay B	N	Y 1-5 DU's; SP 6+ DU's	for 1-5 upper floor(s); 6+ upper or side/rear	by SP, 37' height & 3 stories & 2.0 or 3.0 FAR	6-10 units/1 AHU; 11+ units/10% AHU	none
3	Garden Street Overlay	N	Y 1-5 DU's; SP 6+ DU's	for M-U, 1-5 upper floor(s); 6+ upper or side/rear	by SP, 37' height & 3 stories & FAR 1.0 -MF & 1.2 -M-U	6-10 units/1 AHU; 11+ units/10% AHU	none
3	Chestnut St. Business	N	SP	only on 2nd story and 3rd 1/2 story	35' height; 2 1/2 stories; FAR 0.7	none	Oak Street @ RR X
3	Lower Chestnut St. Overlay	N	Y 1-5 DU's; SP 6+ DU's	for 1-5 upper floor(s); 6+ upper or side/rear	by SP, 48' height & 4 stories & 1/5 or 2.0 FAR	6-10 units/1 AHU; 11+ units/10% AHU	none
3	Apartments A-1	Y			40' height; 3 stories; FAR 0.5; 18 DU's/acre	none	The Highlands
3	Industrial	N					Denmark Lane



NEEDHAM MULTI-FAMILY HOUSING AND AFFORDABLE HOUSING UNIT ZONING OVERVIEW

MAP #	ZONING DISTRICT	MULTI-FAMILY	MIXED-USE BUILDING	LOCATION LIMITATIONS w/in BUILDING	DIMENSIONAL LIMITATIONS	AFFORDABILITY REQUIREMENT	DEVELOPMENT(S)
1, 2, 3	General Residence	N (Y for 2-family only)				none	many 2-families
1, 2, 3	Industrial	N					
1	Industrial - 1	N					
1	Highway Commercial 1	sp (4,240 DU's; 40-70%-1BR)	SP if M-F Mixed-USE	None	56' Height (70' by SP; 35/42' w/in 200' off Highland/ Gould	6+ units/12 1/2% AHU	None
1	Highland Commercial - 128	N (but see MUOD on W-side)					
1	Mixed Use - 128	N (but see MUOD)					
1	Mixed Use Overlay District (MUOD)	SP (4-250 DU's; 40-70% 1BR)	SP 4-250 DU's; 40-70% 1BR	for M-U, DU's only on upper stories	84' height (54' w/in 350' of river); FAR 3.0	12 1/2% AHU	none
1	Neighborhood Business - 128	N	SP	only on upper floor(s) above NR use	35' height; 2 1/2 stories; FAR 0.5	6+ units/12 1/2% AHU (or \$\$ to AH Trust)	none
1	New England Business Center	N					
1	Elder Services	Y		must be within a CCRC & 55+ age	40' height; 3 stories; FAR 1.0	10 units/1 AHU; 11+ units/10% AHU	Wingate
	2 Apartments A-1	Y			40' height; 3 stories; FAR 0.5; 18 DU/acre	none	Webster Green, Rosemary Ridge, Rosemary Lake Apts, The Highlands, North Hill
off map	2 Apartments A-2	Y			40' height; 3 stories; FAR 0.3; 8 DU/acre	none	
2	Avery Square Business	N	SP		35' height; 2 1/2 stories; FAR 0.7; 18 DU/acre	none	2 examples on Highland Avenue in Heights
2	Avery Square Overlay	N	SP	in building w Assisted Living/Memory Units; 55+	44' height; 4 stories w 4th story set back	10+ units/12 1/2% AHU	Carters (to be rebuilt)
2	Hillside Avenue Business	SP			35' height; 2 1/2 stories; FAR 0.7	none	Townhouses @ corner of Hillside & Hunnewell, apartment building on
3	Business	N					
3	Center Business	N	SP	only on 2nd story and 3rd 1/2 story	35' height; 2 1/2 stories; FAR 0.7; 18 DU/acre	none	Corner of GPA & Maple St. across from
3	Needham Center Overlay A	N	Y 1-5 DU's; SP 6+ DU's	for 1-5 upper floor(s); 6+ upper or side/rear	by SP, 48' height & 4 stories & 2.0 or 3.0 FAR	6-10 units/1 AHU; 11+ units/10% AHU	Dedham Ave across from UU Church
3	Needham Center Overlay B	N	Y 1-5 DU's; SP 6+ DU's	for 1-5 upper floor(s); 6+ upper or side/rear	by SP, 37' height & 3 stories & 2.0 or 3.0 FAR	6-10 units/1 AHU; 11+ units/10% AHU	none
3	Garden Street Overlay	SP	Y 1-5 DU's; SP 6+ DU's	for M-U, 1-5 upper floor(s); 6+ upper or side/rear	by SP, 37' height & 3 stories & FAR 1.0 - MF & 1.2 - M-U	6-10 units/1 AHU; 11+ units/10% AHU	none
3	Chestnut St. Business	N	SP	only on 2nd story and 3rd 1/2 story	35' height; 2 1/2 stories; FAR 0.7	none	Oak Street @ RR X
3	Lower Chestnut St. Overlay	N	Y 1-5 DU's; SP 6+ DU's	for 1-5 upper floor(s); 6+ upper or side/rear	by SP, 48' height & 4 stories & 1/5 or 2.0 FAR	6-10 units/1 AHU; 11+ units/10% AHU	none

PREPARED BY: JEANNE S. MCKNIGHT FOR NEEDHAM PLANNING DEPARTMENT OCT 15TH 2021

Appendix 4

Glossary of Housing Terms

Accessory Dwelling Units (ADUs)

An Accessory Dwelling Unit (ADU) refers to a habitable living unit added to, created within, or detached from a primary single-family dwelling, which together constitute a single interest in real estate. These units are often commonly referred to as accessory or **in-law** apartments.

Affordable Housing

In general, affordable housing is available to low- or moderate-income households with incomes at or below 80% of area median income (AMI) at a cost of no more than 30% of household income. Affordable housing includes subsidized housing units that are regulated, means-tested, and eligible for inclusion in the Subsidized Housing Inventory (SHI). There are also units that may be moderately-priced and do not qualify for the SHI that are available on the open market and referred to as Market Affordable Housing.

Area Median Income (AMI)

The estimated median income, adjusted for family size, by metropolitan area (or county in nonmetropolitan areas) that is adjusted by HUD annually and used as the basis of eligibility for most housing assistance programs. Sometimes referred to as “MFI” or median family income.

As-of-right or By-right Development

As-of-right or by-right development involves a use that is permitted in a zoning district and is therefore not subject to special review and approval by a local government.

Chapter 40B

The state’s comprehensive permit law, enacted in 1969, established an affordable housing goal of 10% for every community. In communities below the 10% goal, developers of low- and moderate-income housing can seek an expedited local review under the comprehensive permit process and can request a limited waiver of local zoning and other restrictions, which hamper construction of affordable housing. Developers can appeal to the state if their application is denied or approved with conditions that render it uneconomic, and the state can overturn the local decision if it finds it unreasonable in light of the need for affordable housing.

Chapter 40R/40S

State legislation that provides cash incentives to municipalities that adopt smart growth overlay districts that also increase housing production, including affordable housing (see Appendix 5 for details).

Chapter 44B

The Community Preservation Act Enabling Legislation that allows communities, at local option, to establish a Community Preservation Fund to preserve open space, historic resources and community housing, by imposing a surcharge of up to 3% on local property taxes. The state provides matching funds from its own Community Preservation Trust Fund, generated from an increase in certain Registry of Deeds’ fees.

Cluster Development

A site planning technique that concentrates buildings in specific areas on the site to allow the remaining land to be used for other uses, most typically open space preservation. Some provisions allow density bonuses for certain conditions of development, including affordable housing.

Comprehensive Permit

Expedited permitting process for developers building affordable housing under Chapter 40B “anti-snob zoning” law. A comprehensive permit, rather than multiple individual permits from various local boards, is issued by the local zoning boards of appeals to qualifying developers (see Appendix 5 for details).

Conservation Development

A project that conserves open space, protects site features and provides flexibility in the siting of structures, services and infrastructure.

Department of Housing and Community Development (DHCD)

DHCD is the state’s lead agency for housing and community development programs and policy. It oversees state-funded public housing, administers rental assistance programs, provides funds for municipal assistance, and funds a variety of programs to stimulate the development of affordable housing.

Density

With respect to housing, density means the number of units per any defined area of land. The greater the density, the greater the potential economies of scale and typically reduced individual units costs.

Design Guidelines

A set of discretionary standards, including design and performance criteria, developed as a public policy to guide the planning and land development.

Easements

The right to use property for specific purposes or to gain access to another property.

Energy Star

A voluntary labeling program of the US Environmental Protection Agency (EPA) and the US Department of Energy that identifies energy efficient products.

Enhanced Single Room Occupancy (ESRO)

A single person room with a private bath and/or kitchen rather than shared facilities.

Expedited Permitting

The state’s Chapter 43D Program allows a community to gain state incentives for projects meeting certain criteria and permitted within a 180-day regulatory process.

Fair Housing Act

Federal legislation, first enacted in 1968, that provides the Secretary of HUD with investigation and enforcement responsibilities for fair housing practices. It prohibits discrimination in housing and lending based on race, color, religion, sex, national origin, handicap, or familial status. There is also a Massachusetts Fair Housing Act, which extends the prohibition against discrimination to sexual orientation, marital status, ancestry, veteran status, children, and age. The state law also prohibits

discrimination against families receiving public assistance or rental subsidies, or because of any requirement of these programs.

Form-based Zoning

Zoning regulations that define desired building and site characteristics but do not strictly regulate the uses.

Green Building

A term used to describe buildings that have been designed or retrofitted to reduce energy consumption.

Inclusionary Zoning

Inclusionary zoning is a zoning ordinance or bylaw that requires a developer to include affordable housing as part of a development or contribute to a fund for such housing.

Infill Development

Infill development is the practice of building on vacant or undeveloped parcels in dense areas, especially urban and inner suburban neighborhoods. Such development promotes compact development, which in turn allows undeveloped land to remain open and green.

Jobs/Housing Balance

A measure of the harmony between available jobs and housing in a specific area.

LEED

Leadership in Energy and Environmental Design (LEED) is a voluntary standard for developing high performance, sustainable buildings that significantly reduce energy consumption. There are various standards, including silver, gold and platinum, which are awarded to particular properties through a certification process.

Local Initiative Program (LIP)

LIP is a state program under which communities may use local resources and DHCD technical assistance to develop affordable housing that is eligible for inclusion on the state Subsidized Housing Inventory (SHI). LIP is not a financing program, but the DHCD technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. At least 25% of the units must be set-aside as affordable to households earning less than 80% of area median income (see Appendix 5 for more details).

MassHousing (formerly the Massachusetts Housing Finance Agency, MHFA)

MassHousing is a quasi-public agency created in 1966 to help finance affordable housing programs. MassHousing sells both tax-exempt and taxable bonds to finance its many single-family and multi-family programs.

Metropolitan Statistical Area (MSA)

The term, MSA, is also used for CMSAs (consolidated metropolitan statistical areas) and PMSAs (primary metropolitan statistical areas) that are geographic units used for defining urban areas that are based largely on commuting patterns. The federal Office of Management and Budget defines these areas for statistical purposes only, but many federal agencies use them for programmatic purposes, including allocating federal funds and determining program eligibility. HUD uses MSAs as its basis for setting income guidelines and fair market rents.

Mixed-Income Housing Development

Mixed-income development includes housing for various income levels.

Mixed-Use Development

Mixed-use projects combine different types of development such as residential, commercial, office, industrial and institutional into one project.

Multi-family Housing

Multi-family housing or development could be considered structure with more than a single unit although generally refers to those with three or more units.

Overlay Zoning

A zoning district, applied over one or more other districts that contains additional provisions for special features or conditions, such as historic buildings, affordable housing, or wetlands.

Planned Development

A district or project designed to provide an alternative to the conventional suburban development standards that promote a number of important public policy benefits, often including a variety of housing, including affordable housing, and creative site design alternatives.

Public Housing Agency (PHA)

A public entity that operates housing programs: includes state housing agencies (including DHCD), housing finance agencies and local housing authorities. This is a HUD definition that is used to describe the entities that are permitted to receive funds or administer a wide range of HUD programs including public housing and Section 8 rental assistance.

Regional Non-profit Housing Organizations

Regional non-profit housing organizations include nine private, non-profit housing agencies, which administer the Section 8 Program on a statewide basis, under contract with DHCD. Each agency serves a wide geographic region. Collectively, they cover the entire state and administer over 15,000 Section 8 vouchers. In addition to administering Section 8 subsidies, they administer state-funded rental assistance (MRVP) in communities without participating local housing authorities. They also develop affordable housing and run housing rehabilitation and weatherization programs, operate homeless shelters, run homeless prevention and first-time homebuyer programs, and offer technical assistance and training programs for communities.

Regional Planning Agencies (RPAs)

These are public agencies that coordinate planning in each of thirteen regions of the state. They are empowered to undertake studies of resources, problems, and needs of their districts. They provide professional expertise to communities in areas such as master planning, affordable housing and open space planning, and traffic impact studies. With the exception of the Cape Cod and Nantucket Commissions, however, which are land use regulatory agencies as well as planning agencies, the RPAs serve in an advisory capacity only. The Metropolitan Area Planning Council (MAPC) serves as Needham's Regional Planning Agency.

Request for Proposals (RFP)

A process for soliciting applications for funding when funds are awarded competitively or soliciting proposals from developers as an alternative to lowest-bidder competitive bidding.

Section 8 Housing Choice Voucher Program

Refers to the major federal (HUD) program providing rental assistance to low-income households to help them pay for housing. Participating tenants generally pay 30% of their income for housing (rent and basic utilities) and the federal subsidy pays the balance of the rent. The Program is now officially called the Housing Choice Voucher Program.

Single Room Occupancy (SRO)

A single room occupancy (more commonly SRO, sometimes called single resident occupancy) is a multiple tenant building that houses one or two people in individual rooms (sometimes two rooms, or two rooms with a bathroom or half bathroom), or to the single room dwelling itself. SRO tenants typically share bathrooms and /or kitchens, while some SRO rooms may include kitchenettes, bathrooms, or half-baths. Although many are former hotels, SROs are primarily rented as permanent residences.

Site Plan Review

Site plan review means a process established by local ordinance or by-law by which a local board review, and potentially imposes conditions on, the appearance and layout of a specific project prior to the issuance of a building permit.

Smart Growth

The term used to refer to a rapidly growing and widespread movement that calls for a more coordinated, environmentally sensitive approach to planning and development. A response to the problems associated with unplanned, unlimited suburban development – or sprawl – smart growth principles call for more efficient land use, compact development patterns, less dependence on the automobile, a range of housing opportunities and choices, and improved jobs/housing balance.

Operating or Project Based Subsidy

Typically refers to financial assistance that fills the gap between the costs of any affordable housing development and what the occupants can afford based on program eligibility requirements. Many times, multiple subsidies from various funding sources are required, often referred to as the “layering” of subsidies, to make a project feasible. In the state’s Local Initiative Program (LIP), DHCD’s technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. Also, “internal subsidies” refers to those developments that do not have an external source(s) of funding for affordable housing, but use the value of the market units to “cross subsidize” the affordable ones.

Subsidized Housing Inventory (SHI)

This is the official list of units, by municipality, that count toward a community’s 10% goal as prescribed by Chapter 40B comprehensive permit law.

Sustainability

Development that includes a balanced set of integrated principles such as social equity, environmental respect, and economic viability, which preserves a high quality of life for current occupants and future generations.

Transfer of Development Rights (TDR)

A program that coordinates the relocation of development from environmentally sensitive areas that should be preserved as open space to areas that can accommodate higher densities.

Transit Oriented Development (TOD)

Development that occurs within walking distance of public transportation, usually bus or trains, to reduce the reliance on the automobile and typically accommodate mixed uses and higher densities.

U.S. Department of Housing and Urban Development (HUD)

The primary federal agency for regulating housing, including fair housing and housing finance. It is also the major federal funding source for affordable housing programs.

Appendix 5

Summary of Housing Regulations and Resources

I. Summary of Key Housing Regulations

A. Local Initiative Program (LIP) Guidelines

The Local Initiative Program (LIP) is a technical assistance subsidy program to facilitate Chapter 40B developments and locally produced affordable units. The general requirements of LIP include ensuring that projects are consistent with sustainable or smart growth development principles as well as local housing needs. LIP recognizes that there is a critical need for all types of housing but encourages family and special needs housing in particular. Age-restricted housing (over 55) is allowed but the locality must demonstrate actual need and marketability. DHCD has the discretion to withhold approval of age-restricted housing if other such housing units within the community remain unbuilt or unsold or if the age-restricted units are unresponsive to the need for family housing within the context of other recent local housing efforts.

There are two types of LIP projects, those using the comprehensive permit process, the so-called “friendly” 40B’s, and Local Action Units (LAUs), units where affordability is a result of some local action such as inclusionary zoning, Community Preservation funding, other regulatory requirements, etc.

Specific LIP requirements include the following by category:

Income and Assets

- Must be affordable to those earning at or below 80% of area median income adjusted by family size and annually by HUD. Applicants for affordable units must meet the program income limits in effect at the time they apply for the unit and must continue to meet income limits in effect when they actually purchase a unit.
- For homeownership units, the household may not have owned a home within the past three years except for age-restricted “over 55” housing.
- For homeownership projects, assets may not be greater than \$75,000 except for age-restricted housing where the net equity from the ownership of a previous house cannot be more than \$200,000.
- Income and asset limits determine eligibility for lottery participation.

Allowable Sales Prices and Rents⁸⁰

- Rents are calculated at what is affordable to a household earning 80% of area median income adjusted for family size, assuming they pay no more than 30% of their income on housing. Housing costs include rent and payments for heat, hot water, cooking fuel, and electric. If there is no municipal trash collection a trash removal allowance should be included. If utilities are separately metered and paid by the tenant, the LIP rent is reduced based on the area’s utility allowance. Indicate on the DHCD application whether the proposed rent has been determined with the use of utility allowances for some or all utilities.
- Sales prices of LIP units are set so a household earning 70% of area median income would have to pay no more than 30% of their income for housing. Housing costs include mortgage principal and

⁸⁰ DHCD has an electronic mechanism for calculating maximum sales prices on its website at www.mass.gov/dhcd.

interest on a 30-year fixed term mortgage at 95% of purchase price, property taxes, condo fees⁸¹, private mortgage insurance (if putting less than 20% of purchase price down), and hazard insurance.

- The initial maximum sales price or rent is calculated as affordable to a household with a number of household members equal to the number of bedrooms plus one (for example a two-bedroom unit would be priced based on what a three-person household could afford).

Allowable Financing and Costs

- Allowable development costs include the “as is” value of the property based on existing zoning at the time of application for a project eligibility letter (initial application to DHCD). Carrying costs (i.e., property taxes, property insurance, interest payments on acquisitions financing, etc.) can be no more than 20% of the “as is” market value unless the carrying period exceeds 24 months. Reasonable carrying costs must be verified by the submission of documentation not within the exclusive control of the applicant.
- Appraisals are required except for small projects of 20 units or less at the request of the City Council/Board of Selectmen where the applicant for the LIP comprehensive permit submits satisfactory evidence of value.
- Profits are limited to no more than 20% of total allowable development costs in homeownership projects.
- In regard to rental developments, payment of fees and profits are limited to no more than 10% of total development costs net of profits and fees and any working capital or reserves intended for property operations. Beginning upon initial occupancy and then proceeding on an annual basis, annual dividend distributions will be limited to no more than 10% of the owner’s equity in the project. Owner’s equity is the difference between the appraised as-built value and the sum of any public equity and secured debt on the property.
- For LIP comprehensive permit projects, DHCD requires all developers to post a bond (or a letter of credit) with the municipality to guarantee the developer’s obligations to provide a satisfactory cost certification upon completion of construction and to have any excess profits, beyond what is allowed, revert back to the municipality. The bond is discharged after DHCD has determined that the developer has appropriately complied with the profit limitations.
- No third-party mortgages are allowed for homeownership units.

Marketing and Outreach (refer to state Affirmative Fair Housing Marketing Plan guidelines dated June 25, 2008.)

- Marketing and outreach, including lottery administration in adherence with all Fair Housing laws.
- LIP requires that the lottery draw and rank households by size.
- If there are proportionately less minority applicants in the community preference pool than the proportion in the region, a preliminary lottery must be held to boost, if possible, the proportion of minority applicants to this regional level.
- A maximum of 70% of the units may be local preference units for those who have a connection to the community as defined under state guidelines (Section C: Local Preference section of the Affirmative Fair Housing Marketing Plan Guidelines (dated June 25, 2008)).

⁸¹ DHCD will review condo fee estimates and approve a maximum condo fee as part of the calculation of maximum sales price. The percentage interests assigned to the condo must conform to the approved condo fees and require a lower percentage interest assigned to the affordable units as opposed to the market rate ones. DHCD must review the Schedule of Beneficial Interests in the Master Deed to confirm that LIP units have been assigned percentage interests that correspond to the condo fees.

- The Marketing Plan must affirmatively provide outreach to area minority communities to notify them about availability of the unit(s).
- Marketing materials must be available/application process open for a period of at least 60 days.
- Marketing should begin about six (6) months before occupancy.
- Lottery must be held unless there are no more qualified applicants than units available.

Regulatory Requirements

- The affordable units design, type, size, etc. must be the same as the market units and dispersed throughout the development.
- Units developed through LIP as affordable must be undistinguishable from market units as viewed from the exterior (unless the project has a DHCD-approved alternative development plan that is only granted under exceptional circumstances) and contain complete living facilities.
- For over 55 projects, only one household member must be 55 or older.
- Household size relationship to unit size is based on “households” = number of bedrooms plus one – i.e., a four-person household in a three-bedroom unit (important also for calculating purchase prices of the affordable units for which LIP has a formula as noted above).
- Must have deed restrictions in effect in perpetuity unless the applicant or municipality can justify a shorter term to DHCD.
- All affordable units for families must have at least two or more bedrooms and meet state sanitary codes and these minimum requirements –

1 bedroom – 700 square feet/1 bath
 2 bedrooms – 900 square feet/1 bath
 3 bedrooms – 1,200 square feet/ 1 ½ baths
 4 bedrooms – 1,400 square feet/2 baths

- Appraisals may take into account the probability of obtaining a variance, special permit or other zoning relief but must exclude any value relating to the possible issuance of a comprehensive permit.

The process that is required for using LIP for 40B developments – “friendly” comprehensive permit projects – is largely developer driven. It is based on the understanding that the developer and Town are working together on a project that meets community needs. Minimum requirements include:

1. Written support of the municipality’s chief elected official, and the local housing partnership, trust or other designated local housing entity. The chief executive officer is in fact required to submit the application to DHCD.
2. At least 25% of the units must be affordable and occupied by households earning at or below 80% of area median income or at least 20% of units restricted to households at or below 50% of area median income.
3. Affordability restrictions must be in effect in perpetuity, to be monitored by DHCD through a recorded regulatory agreement.
4. Project sponsors must prepare and execute an Affirmative Fair Housing Marketing Plan that must be approved by DHCD.
5. Developer’s profits are restricted per Chapter 40B requirements.

The process that is required for using LIP for 40B developments – “friendly” comprehensive permit projects – is as follows:

1. Application process
 - Developer meets with Town
 - Developer and Town agree to proposal
 - Town chief elected officer submits application to DHCD with developer’s input
2. DHCD review involves the consideration of:
 - Sustainable development criteria (redevelop first, concentrate development, be fair, restore and enhance the environment, conserve natural resources, expand housing opportunities, provide transportation choice, increase job opportunities, foster sustainable businesses, and plan regionally),
 - Number and type of units,
 - Pricing of units to be affordable to households earning no more than 70% of area median income,
 - Affirmative marketing plan,
 - Financing, and
 - Site visit.
3. DHCD issues site eligibility letter that enables the developer to bring the proposal to the ZBA for processing the comprehensive permit.
4. Zoning Board of Appeals holds hearing
 - Developer and Town sign regulatory agreement to guarantee production of affordable units that includes the price of units and deed restriction in the case of homeownership and limits on rent increases if a rental project. The deed restriction limits the profit upon resale and requires that the units be sold to another buyer meeting affordability criteria.
 - Developer forms a limited dividend corporation that limits profits.
 - The developer and Town sign a regulatory agreement.
5. Marketing
 - An Affirmative Fair Housing Marketing Plan must provide outreach to area minority communities to notify them about availability of the unit(s).
 - Local preference is limited to a maximum of 70% of the affordable units.
 - Marketing materials must be available/application process open for a period of at least 60 days.
 - Lottery must be held.
6. DHCD approval must include
 - Marketing plan, lottery application, and lottery explanatory materials
 - Regulatory agreement (DHCD is a signatory)
 - Deed rider (Use standard LIP document)
 - Purchase arrangements for each buyer including signed mortgage commitment, signed purchase and sale agreement and contact information of purchaser’s closing attorney.

As mentioned above, in addition to being used for “friendly” 40B projects, LIP can be used for counting those affordable units as part of a Town’s Subsidized Housing Inventory that are created as a result of

some local action. Following occupancy of the units, a Local Action Units application must be submitted to DHCD for the units to be counted as affordable. This application is on DHCD's web site.

The contact person at DHCD is Rieko Hayashi of the LIP staff (phone: 617-573-1309; fax: 617-573-1330; email: rieko.hayashi@state.ma.us).

B. Chapter 40B Comprehensive Permit Law

The Massachusetts Comprehensive Permit Law, Chapter 40B Sections 20-23 of the General Laws, was enacted as Chapter 774 of the Acts of 1969 to encourage the construction of affordable housing throughout the state, particularly outside of cities. Often referred to as the Anti-Snob Zoning Act, it requires all communities to use a streamlined review process through the local Zoning Board of Appeals for "comprehensive permits" submitted by developers for projects proposing zoning and other regulatory waivers and incorporating affordable housing for at least 25% of the units. Only one application is submitted to the ZBA instead of separate permit applications that are typically required by a number of local departments as part of the normal development process. Here the ZBA takes the lead and consults with the other relevant departments (e.g., building department, planning department, highway department, fire department, sanitation department, etc.) on a single application. The Conservation Commission retains jurisdiction under the Wetlands Protection Act and Department of Environmental Protection, the Building Inspector applies the state building code, and the Board of Health enforces Title V.

For a development to qualify under Chapter 40B, it must meet all of the following requirements:

- Must be part of a "subsidized" development built by a public agency, non-profit organization, or limited dividend corporation.
- At least 25% of the units in the development must be income restricted to households with incomes at or below 80% of area median income and have rents or sales prices restricted to affordable levels income levels defined each year by the U.S. Department of Housing and Urban Development.
- Restrictions must run for minimum of 30 years or longer for new construction or for a minimum of 15 years or longer for rehabilitation. Alternatively, the project can provide 20% of the units to households below 50% of area median income. Now new homeownership must have deed restrictions that extend in perpetuity.
- Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
- Project sponsors must meet affirmative marketing requirements.

According to Chapter 40B regulations, the ZBA decision to deny or place conditions on a comprehensive permit project cannot be appealed by the developer if any of the following conditions are met⁸²:

- The community has met the statutory minimum by having at least 10% of its year-round housing stock affordable as defined by Chapter 40B, at least 1.5% of the community's land area includes affordable housing as defined again by 40B, or annual affordable housing construction is on at least 0.3% of the community's land area.
- The community has made "recent progress" adding SHI eligible housing units during the prior 12 months equal at least to 2% of its year-round housing.

⁸² Section 56.03 of the new Chapter 40B regulations.

- The community has a one- or two-year exemption under Housing Production.
- The application is for a “large project” that equals at least 6% of all housing units in a community with less than 2,500 housing units.
- A “related application” for the site was filed, pending or withdrawn within 12 months of the application.

If a municipality does not meet any of the above thresholds, it is susceptible to appeals by comprehensive permit applicants of the ZBA’s decision to the state’s Housing Appeals Committee (HAC). This makes the Town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.⁸³ Recently approved regulations add a new requirement that ZBA’s provide early written notice (within 15 days of the opening of the local hearing) to the application and to DHCD if they intend to deny or condition the permit based on the grounds listed above that make the application appeal proof, providing documentation for its position. Under these circumstances, municipalities can count projects with approved comprehensive permits that are under legal approval, but not by the ZBA, at the time.

Applicants wishing to appeal the ZBA decision based on appeal-proof grounds must notify the ZBA and DHCD in writing within 15 days of receipt of the ZBA notice. If the applicant appeals, DHCD will review materials from the ZBA and applicant and issue a decision within 30 days of receipt of the appeal (failure to issue a decision is a construction approval of the ZBA’s position). Either the ZBA or application can appeal DHCD’s decision by filing an interlocutory appeal with the Housing appeals Committee (HAC) within 20 days of receiving DHCD’s decision. If a ZBA fails to follow this procedure, it waives its right to deny a permit on these “appeal-proof” grounds.

Chapter 40B also addresses when a community can count a unit as eligible for inclusion in the SHI including:

- *40R*
Units receiving Plan Approval under 40R now count when the permit or approval is filed with the municipal clerk provided that no appeals are filed by the board or when the last appeal is fully resolved, similar to a Comprehensive Permit project.
- *Certificate of Occupancy*
Units added to the SHI on the basis of receiving building permits become temporarily ineligible if the C of O is not issued within 18 months.
- *Large Phased Projects*
If the comprehensive permit approval or zoning approval allows a project to be built in phases and each phase includes at least 150 units and average time between the start of each phase is

⁸³ Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

15 months or less, then the entire project remains eligible for the SHI as long as the phasing schedule set forth in the permit approval continues to be met.

- *Projects with Expired Use Restrictions*
Units become ineligible for inclusion in the SHI upon expiration or termination of the initial use restriction unless a subsequent use restriction is imposed.
- *Biennial Municipal Reporting*
Municipalities are responsible for providing the information on units that should be included in the SHI through a statement certified by the chief executive officer.

Municipalities may be allowed to set-aside up to 70% of the affordable units available in a 40B development for those who have a connection to the community as defined within the parameters of fair housing laws and Section III.C of the Comprehensive Permit Guidelines including residents, employees of the Town of Needham (including the school district) or employees of businesses located in the town. If the municipality wishes to implement a local selection preference, it must do the following:

- Demonstrate in a required Affirmative Fair Housing Marketing Plan the need for the local preference (waiting lists for subsidized developments who may be likely to apply for the project for example).
- Justify the extent of the local preference (the percentage of units to be set-aside for local preference) through documented local need in the context of the size of the community, the size of the project and regional need. The percentage cannot exceed 70% of the total affordable units.
- Demonstrate that the local preference will not have a disparate impact on protected classes and would not be discriminatory.
- Provide the project developer with this documentation within three (3) months of final issuance of the comprehensive permit. Failure to comply with this requirement will be deemed to demonstrate that there is no need for local preference and such preference will not be approved as part of the Affirmative Fair Housing Marketing Plan or use restriction.
- Obtain approval from the subsidizing agency, such as DHCD in the case of Local Action Units (LAUs), for the local preference as part of the Affirmative Fair Housing Marketing Plan. This approval must be secured prior to including such language in any zoning mechanism. A comprehensive permit can only contain requirements or conditions relating to local preference to the extent permitted by applicable law and this Affirmative Fair Housing Marketing Plan policy.

While there are ongoing discussions regarding how the state should count the affordable units for the purpose of determining whether a community has met the 10% goal, in a rental project if the subsidy applies to the entire project, all units are counted towards the state standard. For homeownership projects, only the units made affordable to those households earning within 80% of median income can be attributed to the affordable housing inventory.

There are up to three stages in the 40B process – the project eligibility stage, the application stage, and at times the appeals stage. First, the applicant must apply for eligibility of a proposed 40B project/site from a subsidizing agency. Under Chapter 40B, subsidized housing is not limited exclusively to housing receiving direct public subsidies but also applies to privately-financed projects receiving technical assistance from the State through its Local Initiative Program (LIP) or through MassHousing (Housing Starts Program), Federal Home Loan Bank Board (New England Fund), MassDevelopment, and Massachusetts Housing Partnership Fund. The subsidizing agency then forwards the application to the local City Council/Board of

Selectmen for a 30-day comment period. The City Council/Board of Selectmen solicits comments from Town officials and other boards and based on their review the subsidizing agency typically issues a project eligibility letter. Alternatively, a developer may approach the City Council/Board of Selectmen for their endorsement of the project, and they can make a joint application to DHCD for certification under the Local Initiative Program (for more information see description in Section I.E below).

A subsidizing agency must also consider the following items when determining site eligibility:

- Information provided by the municipality or other parties regarding municipal actions previously taken to meet affordable housing needs, including inclusionary zoning, multi-family districts and 40R overlay zones.
- Whether the conceptual design is appropriate for the site including building massing, topography, environmental resources, and integration into existing development patterns.
- That the land valuation, as included in the pro forma, is consistent with DHCD guidelines regarding cost examination and limitations on profits and distribution.
- Requires that LIP site approval applications be submitted by the municipality's chief executive officer.
- Specifies that members of local boards can attend the site visit conducted during DHCD's 30-day review period.
- Requires that the subsidizing agency provide a copy of its determination of eligibility to DHCD, the chief executive officer of the municipality, the ZBA and the applicant.

If there are substantial changes to a project before the ZBA issues its decision, the subsidizing agency can defer the re-determination of site/project eligibility until the ZBA issues its decision unless the chief executive officer of the municipality or applicant request otherwise. New 40B regulations provide greater detail on this re-determination process. Additionally, challenges to project eligibility determinations can only be made on the grounds that there has been a substantial change to the project that affects project eligibility requirements and leaves resolution of the challenge to the subsidizing agency.

The next stage in the comprehensive permit process is the application phase including pre-hearing activities such as adopting rules before the application is submitted, setting a reasonable filing fee, providing for technical "peer review" fees, establishing a process for selecting technical consultants, and setting forth minimum application submission requirements. Failure to open a public hearing within 30 days of filing an application can result in constructive approval. The public hearing is the most critical part of the whole application process. Here is the chance for the Zoning Board of Appeals' consultants to analyze existing site conditions, advise the ZBA on the capacity of the site to handle the proposed type of development, and to recommend alternative development designs. Here is where the ZBA gets the advice of experts on unfamiliar matters – called peer review. Consistency of the project with local needs is the central principal in the review process.

Another important component of the public hearing process is the project economic analysis that determines whether conditions imposed and waivers denied would render the project "uneconomic". The burden of proof is on the applicant, who must prove that it is impossible to proceed and still realize a reasonable return, which cannot be more than 20%. Another part of the public hearing process is the engineering review. The ZBA directs its consultants to analyze the consistency of the project with local bylaws and regulations and to examine the feasibility of alternative designs.

Chapter 40B regulations related to the hearing process include:

- The hearing must be terminated within 180 days of the filing of a complete application unless the applicant consents to extend.
- Allows communities already considering three (3) or more comprehensive permit applications to stay a hearing on additional applications if the total units under consideration meet the definition of a large project (larger of 300 units or 2% of housing in communities with 7,500 housing units as of the latest Census, 250 units in communities with 5,001 to 7,499 total units, 200 units in communities with 2,500 to 5,000 units, and 150 units or 10% of housing in communities with less than 2,500 units).
- Local boards can adopt local rules for the conduct of their hearings, but they must obtain an opinion from DHCD that their rules are consistent with Chapter 40B.
- Local boards cannot impose “unreasonable or unnecessary” time or cost burdens on an applicant and bans requiring an applicant to pay legal fees for general representation of the ZBA or other boards. The new requirements go into the basis of the fees in more detail, but as a general rule the ZBA may not assess any fee greater than the amount that might be appropriated from town or city funds to review a project of a similar type and scale.
- An applicant can appeal the selection of a consultant within 20 days of the selection on the grounds that the consultant has a conflict of interest or lack minimum required qualifications.
- Specify and limit the circumstances under which ZBA’s can review pro formas.
- Zoning waivers are only required under “as of right” requirements, not from special permit requirements.
- Forbids ZBA’s from imposing conditions that deviate from the project eligibility requirements or that would require the project to provide more affordable units than the minimum threshold required by DHCD guidelines.
- States that ZBA’s cannot delay or deny an application because a state or federal approval has not been obtained.
- Adds new language regarding what constitutes an uneconomic condition including requiring applicants to pay for off-site public infrastructure or improvements if they involve pre-existing conditions, are not usually imposed on unsubsidized housing or are disproportionate to the impacts of the proposed development or requiring a reduction in the number of units other than on a basis of legitimate local concerns (health, safety, environment, design, etc.). Also states that a condition shall not be considered uneconomic if it would remove or modify a proposed nonresidential element of a project that is not allowed by-right.

After the public hearing is closed, the ZBA must set-aside at least two sessions for deliberations within 40 days of the close of the hearing. These deliberations can result in either approval, approval with conditions, or denial.

Subsidizing agencies are required to issue final project eligibility approvals following approval of the comprehensive permit reconfirming project eligibility, including financial feasibility, and approving the proposed use restriction and finding that the applicant has committed to complying with cost examination requirements. New Chapter 40B regulations set forth the basic parameters for ensuring that profit limitations are enforced, while leaving the definition of “reasonable return” to the subsidizing agency in accordance with DHCD guidelines. The applicant or subsequent developer must submit a detailed financial statement, prepared by a certified public accountant, to the subsidizing agency in a form and upon a schedule determined by the DHCD guidelines.

If the process heads into the third stage – the appeals process – the burden is on the ZBA to demonstrate that the denial is consistent with local needs, meaning the public health and safety and environmental concerns outweigh the regional need for housing. If a local ZBA denies the permit, a state Housing Appeals Committee (HAC) can overrule the local decision if less than 10% of the locality’s year-round housing stock has been subsidized for households earning less than 80% of median income, if the locality cannot demonstrate health and safety reasons for the denial that cannot be mitigated, or if the community has not met housing production goals based on an approved plan or other statutory minima listed above. The HAC has upheld the developer in the vast majority of the cases, but in most instances promotes negotiation and compromise between the developer and locality. In its 30-year history, only a handful of denials have been upheld on appeal. The HAC cannot issue a permit, but may only order the ZBA to issue one. Also, any aggrieved person, except the applicant, may appeal to the Superior Court or Land Court, but even for abutters, establishing “standing” in court is an uphill battle. Appeals from approvals are often filed to force a delay in commencing a project, but the appeal must demonstrate “legal error” in the decision of the ZBA or HAC.

C. Chapter 40R/40S

In 2004, the State Legislature approved a new zoning tool for communities in recognition that escalating housing prices, now beyond the reach of increasing numbers of state residents, are causing graduates from area institutions of higher learning to relocate to other areas of the country in search of greater affordability. The Commonwealth Housing Task Force, in concert with other organizations and institutions, developed a series of recommendations, most of which were enacted by the State Legislature as Chapter 40R of the Massachusetts General Laws. The key components of these regulations are that “the state provide financial and other incentives to local communities that pass Smart Growth Overlay Zoning Districts that allow the building of single-family homes on smaller lots and the construction of apartments for families at all income levels, and the state increase its commitment to fund affordable housing for families of low and moderate income”.⁸⁴

The statute defines 40R as “a principle of land development that emphasizes mixing land uses, increases the availability of affordable housing by creating a range of housing opportunities in neighborhoods, takes advantage of compact design, fosters distinctive and attractive communities, preserves opens space, farmland, natural beauty and critical environmental areas, strengthens existing communities, provides a variety of transportation choices, makes development decisions predictable, fair and cost effective and encourages community and stakeholder collaboration in development decisions.”⁸⁵ The key components of 40R include:

- Allows local option to adopt Overlay Districts near transit, areas of concentrated development, commercial districts, rural village districts, and other suitable locations;
- Allows “as-of-right” residential development of minimum allowable densities;
- Provides that 20% of the units be affordable;
- Promotes mixed-use and infill development;
- Provides two types of payments to municipalities; and
- Encourages open space and protects historic districts.

⁸⁴ Edward Carman, Barry Bluestone, and Eleanor White for The Commonwealth Housing Task Force, “A Housing Strategy for Smart Growth and Economic Development: Executive Summary”, October 30, 2003, p. 3.

⁸⁵ Massachusetts General Law, Chapter 40R, Section 11.

The incentives prescribed by the Task Force and passed by the Legislature include an incentive payment upon the passage of the Overlay District based on the number of projected housing units as follows:

Incentive Payments	
Incentive Units	Payments
Up to 20	\$10,000
21-100	\$75,000
101-200	\$200,000
210-500	\$350,000
501 or more	\$600,000

There are also density bonus payments of \$3,000 for each residential unit issued a building permit. To be eligible for these incentives the Overlay Districts need to allow mixed-use development and densities of 20 units per acre for apartment buildings, 12 units per acre for two and three-family homes, and at least eight units per acre for single-family homes. Communities with populations of less than 10,000 residents are eligible for a waiver of these density requirements, however significant hardship must be demonstrated. The Zoning Districts would also encourage housing development on vacant infill lots and in underutilized nonresidential buildings. The Task Force emphasizes that Planning Boards, which would enact the Zoning Districts, would be “able to ensure that what is built in the District is compatible with and reflects the character of the immediate neighborhood.”⁸⁶

The principal benefits of 40R include:

- Expands a community’s planning efforts;
- Allows communities to address housing needs;
- Allows communities to direct growth;
- Can help communities meet production goals and 10% threshold under Chapter 40B;
- Can help identify preferred locations for 40B developments; and
- State incentive payments.

The formal steps involved in creating Overlay Districts are as follows:

- The City/Town holds a public hearing as to whether to adopt an Overlay District per the requirements of 40R;
- The City/Town applies to DHCD prior to adopting the new zoning;
- DHCD reviews the application and issues a Letter of Eligibility if the new zoning satisfies the requirements of 40R;
- The City/Town adopts the new zoning through a two-thirds vote of Town Meeting subject to any modifications required by DHCD;
- The City/Town submits evidence of approval to DHCD upon the adoption of the new zoning; and
- DHCD issues a letter of approval, which indicates the number of incentive units and the amount of payment.

The state also enacted Chapter 40S under the Massachusetts General Law that provides additional benefits through insurance to towns that build affordable housing under 40R that they would not be saddled with the extra school costs caused by school-aged children who might move into this new housing.

⁸⁶ “A Housing Strategy for Smart Growth and Economic Development: Executive Summary,” p. 4.

This funding was initially included as part of 40R but was eliminated during the final stages of approval. In effect, 40S is a complimentary insurance plan for communities concerned about the impacts of a possible net increase in school costs due to new housing development.

D. MassWorks Infrastructure Program

The MassWorks Infrastructure Program provides a one-stop shop for municipalities and other eligible public entities seeking public infrastructure funding to support economic development and job creation. The Program represents an administrative consolidation of six former grant programs:

- Public Works Economic Development (PWED)
- Community Development Action Grant (CDAG)
- Growth Districts Initiative (GDI) Grant Program
- Massachusetts Opportunity Relocation and Expansion Program (MORE)
- Small Town Rural Assistance Program (STRAP)
- Transit Oriented Development (TOD) Program

The MassWorks Infrastructure Program provides a one-stop shop for municipalities and other eligible public entities seeking public infrastructure funding to support:

- Economic development and job creation and retention
- Housing development at density of at least 4 units to the acre (both market and affordable units)
- Transportation improvements to enhancing safety in small, rural communities

The MassWorks Infrastructure Program is administered by the Executive Office of Housing and Economic Development, in cooperation with the Department of Transportation and Executive Office for Administration & Finance.

II. SUMMARY OF HOUSING RESOURCES

Those programs that may be most appropriate to development activity in Needham are described below.

A. Technical Assistance

1. *Community Planning Grant Program*

The state has introduced the Community Planning Grant Program that offers grant funding for a variety of activities related to land use including development. Activities may include the development of a Master Plan, Housing Production Plan, zoning review and updates, Urban Renewal Plans, Downtown Plans, Parking Management Plans, Feasibility Studies, or other Strategic Plans. Grants will likely be in the \$25,000 to \$75,000 range. Communities apply for this funding through the Community One Stop for Growth Application.

2. *Peer-to-Peer Technical Assistance*

This state program utilizes the expertise and experience of local officials from one community to provide assistance to officials in another comparable community to share skills and knowledge on short-term problem solving or technical assistance projects related to community development and capacity building. Funding is provided through the Community Development Block Grant Program and is limited to grants of no more than \$1,000, providing up to 30 hours of technical assistance.

Applications are accepted on a continuous basis, but funding is limited. To apply, a municipality must provide DHCD with a brief written description of the problem or issue, the technical assistance needed and documentation of a vote of the Board of Selectmen or letter from the Town Administrator supporting the request for a peer. Communities may propose a local official from another community to serve as the peer or ask DHCD for a referral. If DHCD approves the request and once the peer is recruited, DHCD will enter into a contract for services with the municipality. When the work is completed to the municipality's satisfaction, the Town must prepare a final report, submit it to DHCD, and request reimbursement for the peer.

3. *MHP Intensive Community Support Team*

The Massachusetts Housing Partnership Fund is a quasi-public agency that offers a wide range of technical and financial resources to support affordable housing. The Intensive Community Support Team provides sustained, in-depth assistance to support the development of affordable housing. Focusing on housing production, the Team helps local advocates move a project from the conceptual phase through construction, bringing expertise and shared lessons from other parts of the state. The team can also provide guidance on project finance. Those communities, which are interested in this initiative, should contact the MHP Fund directly for more information.

4. *MHP Chapter 40B Technical Assistance Program*

Working with DHCD, MHP launched this program in 1999 to provide technical assistance to those communities needing assistance in reviewing comprehensive permit applications. The Program offers up to \$10,000 in third-party technical assistance to enable communities to hire consultants to help them review Chapter 40B applications. Those communities that are interested in this initiative should contact the MHP Fund directly for more information.

MHP recently announced new guidelines to help cities and towns review housing development proposals under Chapter 40B including:

- State housing agencies will now appraise and establish the land value of 40B sites before issuing project eligibility letters.
- State will put standards in place for determining when permit conditions make a 40B development "uneconomic".
- There will be set guidelines on determining related-party transactions, i.e., when a developer may also have a role as contractor or realtor.
- Advice on how to identify the most important issues early and communicate them to the developer, how informal work sessions can be effective, and how to make decisions that are unlikely to be overturned in court.

5. *Planning for Housing Production*

MassHousing is administering funding that is designated to help designated Housing Choice communities with technical assistance related to local efforts to produce housing. Their first funding round took place several years ago, and they will be introducing another round in the near future.

B. Housing Development

While comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones, communities are finding that they also require public subsidies to cover the costs of affordable or mixed-income residential development and need to access a range of programs through the state and federal government and other financial

institutions to accomplish their objectives and meet affordable housing goals. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income tenants can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

The state requires applicants to submit a One Stop Application for most of its housing subsidy programs in an effort to standardize the application process across agencies and programs. A Notice of Funding Availability (NOFA) is issued by the state usually twice annually for its rental programs and homeownership initiatives. Using the One Stop Application, applicants can apply to several programs simultaneously to support the funding needs of a particular project.

1. HOME Program

HUD created the HOME Program in 1990 to provide grants to states, larger cities and consortia of smaller cities and towns to do the following:

- Produce rental housing;
- Provide rehabilitation loans and grants, including lead paint removal and accessibility modifications, for rental and owner-occupied properties;
- Offer tenant-based rental assistance (two-year subsidies); and/or
- Assist first-time homeowners.

The HOME Program funding is targeted to homebuyers or homeowners earning no more than 80% of median income and to rental units where at least 90% of the units must be affordable and occupied by households earning no more than 60% of median income, the balance to those earning within 80% of median. Moreover, for those rental projects with five or more units, at least 20% of the units must be reserved for households earning less than 50% of median income. In addition to income guidelines, the HOME Program specifies the need for deed restrictions, resale requirements, and maximum sales prices or rentals.

Because Needham is not an entitlement community, meaning that it is not automatically entitled to receive HOME funding based on HUD's funding formula, the Town has joined a consortium of other smaller towns and cities, the West Metro HOME Consortium, to receive funding by a federal formula on an annual basis.

The HOME Rental Program is targeted to the acquisition and rehabilitation of multi-family distressed properties or new construction of multi-family rental housing from five to fifty units. Once again, the maximum subsidy per project is \$750,000 and the maximum subsidy per unit in localities that receive HOME or CDBG funds directly from HUD is \$50,000 (these communities should also include a commitment of local funds in the project). Subsidies are in the form of deferred loans at 0% interest for 30 years. State HOME funding cannot be combined with another state subsidy program with several exceptions including the Low Income Housing Tax Credits, HIF and the Soft Second Program.

The WestMetro HOME Consortium recently received about \$5.4 million in funding from the American Rescue Plan Act (ARPA) to support the housing needs of those who are homeless or at risk of homelessness. The Consortium has brought in a consultant to prepare a plan for using this funding.

2. Community Development Block Grant Program (CDBG)

In addition to funding for the Peer-to-Peer Program mentioned in the above section, there are other housing resources supported by federal CDBG funds that are distributed by formula to Massachusetts.

The **Massachusetts Small Cities Program** that has a set-aside of Community Development Block Grant (CDBG) funds to support a range of eligible activities including housing development. However, at least 70% of the money must provide benefits to households earning within 80% of median income. This money is for those nonentitlement localities that do not receive CDBG funds directly from HUD. Funds are awarded on a competitive basis through Notices of Funding Availability with specific due dates or through applications reviewed on a rolling basis throughout the year, depending on the specific program. This funding supports a variety of specific programs.

There are other programs funded through the Community Development Block Grant Small Cities Program for both homeownership and rental projects. A number of the special initiatives are directed to communities with high “statistical community-wide needs,” however, the **Community Development Fund II** is targeted to communities with lower needs scores that have not received CDBG funds in recent years. This may be the best source of CDBG funding for Needham. Funding is also awarded competitively through an annual Notice of Funding Availability. DHCD also has a **Reserve Fund** for CDBG-eligible projects that did not receive funding from other CDBG funded programs or for innovative projects.

3. Housing Stabilization Fund (HSF)

The state’s Housing Stabilization Fund (HSF) was established in 1993 through a Housing Bond bill to support housing rehabilitation through a variety of housing activities including homeownership (most of this funding has been allocated for the MHP Soft Second Program) and rental project development. The state subsequently issued additional bond bills to provide more funding. The HSF Rehabilitation Initiative is targeted to households with incomes within 80% of median income, with resale or subsequent tenancy for households within 100% of median income. The funds can be used for grants or loans through state and local agencies, housing authorities and community development corporations with the ability to subcontract to other entities. The funds have been used to match local HOME program funding, to fund demolition, and to support the acquisition and rehabilitation of affordable housing. In addition to a program directed to the rehabilitation of abandoned, distressed or foreclosed properties, the HSF provides funds to municipalities for local revitalization programs directed to the creation or preservation of rental projects. As with HOME, the maximum amount available per project is \$750,000 and the maximum per unit is \$65,000 for communities that do not receive HOME or CDBG funds directly from HUD, and \$50,000 for those that do. Communities can apply for HSF funding biannually through the One Stop Application.

4. Low Income Housing Tax Credit Program

The Low Income Housing Tax Credit Program was created in 1986 by the Federal Government to offer tax credits to investors in housing development projects that include some low-income units. The tax credit program is often the centerpiece program in any affordable rental project because it brings in valuable equity funds. Tax credits are either for 4% or 9% of the development or rehab costs for each affordable unit for a ten-year period. The 4% credits have a present value of 30% of the development costs, except for the costs of land, and the 9% credit have a present value equal to 70% of the costs of developing the affordable units, with the exception of land. Both the 4% and 9% credits can be sold to investors for close to their present values.

The Federal Government limits the 9% credits and consequently there is some competition for them, nevertheless, most tax credit projects in Massachusetts are financed through the 9% credit. Private investors, such as banks or corporations, purchase the tax credits for about 80 cents on the dollar, and their money serves as equity in a project, reducing the amount of the debt service and consequently the rents. The program mandates that at least 20% of the units must be made affordable to households earning within 50% of median income or 40% of the units must be affordable to households earning up to 60% of median income. Those projects that receive the 9% tax credits must produce much higher percentages of affordable units.

The Massachusetts Legislature has enacted a comparable state tax credit program, modeled after the federal tax credit program. The One Stop Application is also used to apply for this source of funding.

5. *Affordable Housing Trust Fund*

The Affordable Housing Trust Fund (AHTF) was established by an act of the State Legislature and is codified under Chapter 121-D of the Massachusetts General Laws. The AHTF operates out of DHCD and is administered by MassHousing with guidance provided by an Advisory Committee of housing advocates. The purpose of the fund is to support the creation/preservation of housing that is affordable to people with incomes that do not exceed 110% of the area median income. The AHTF can be used to support the acquisition, development and/or preservation of affordable housing units. AHTF assistance can include:

- Deferred payment loans, low/no-interest amortizing loans.
- Down payment and closing cost assistance for first-time homebuyers.
- Credit enhancements and mortgage insurance guarantees.
- Matching funds for municipalities that sponsor affordable housing projects.
- Matching funds for employer-based housing and capital grants for public housing.

Funds can be used to build or renovate new affordable housing, preserve the affordability of subsidized expiring use housing, and renovate public housing. While the fund has the flexibility of serving households with incomes up to 110%, preferences for funding will be directed to projects involving the production of new affordable units for families earning below 80% of median income. The program also includes a set-aside for projects that serve homeless households or those earning below 30% of median income. Once again, the One Stop Application is used to apply for funding, typically through the availability of two funding rounds per year.

6. *Housing Innovations Fund (HIF)*

The state also administers the Housing Innovations Fund (HIF) that was created by a 1987 bond bill and expanded under two subsequent bond bills to provide a 5% deferred loan to non-profit organizations for no more than \$500,000 per project or up to 30% of the costs associated with developing alternative forms of housing including limited equity coops, mutual housing, single-room occupancy housing, special needs housing, transitional housing, domestic violence shelters and congregate housing. At least 25% of the units must be reserved for households earning less than 80% of median income and another 25% for those earning within 50% of area median income. HIF can also be used with other state subsidy programs including HOME, HSF and Low Income Housing Tax Credits. The Community Economic Development Assistance Corporation (CEDAC) administers this program. Applicants are required to complete the One-Stop Application.

7. *Federal Home Loan Bank Board's Affordable Housing Program (AHP)*

Another potential source of funding for both homeownership and rental projects is the Federal Home Loan Bank Board's Affordable Housing Program (AHP) that provides subsidies to projects targeted to households earning between 50% and 80% of median income, with up to \$300,000 available per project. This funding is directed to filling existing financial gaps in low- and moderate-income affordable housing projects. There are typically two competitive funding rounds per year for this program.

8. *MHP Permanent Rental Financing Program*

The state also provides several financing programs for rental projects through the Massachusetts Housing Partnership Fund. The Permanent Rental Financing Program provides long-term, fixed-rate permanent financing for rental projects of five or more units from \$100,000 loans to amounts of \$2 million. At least 20% of the units must be affordable to households earning less than 50% of median income or at least 40% of the units must be affordable to households earning less than 60% of median income or at least 50% of the units must be affordable to households earning less than 80% of median income. MHP also administers the Permanent Plus Program targeted to multi-family housing or SRO properties with five or more units where at least 20% of the units are affordable to households earning less than 50% of median income. The program combines MHP's permanent financing with a 0% deferred loan of up to \$40,000 per affordable unit up to a maximum of \$500,000 per project. No other subsidy funds are allowed in this program. The Bridge Financing Program offers bridge loans of up to eight years ranging from \$250,000 to \$5 million to projects involving Low Income Housing Tax Credits. Applicants should contact MHP directly to obtain additional information on the program and how to apply.

9. *OneSource Program*

The Massachusetts Housing Investment Corporation (MHIC) is a private, non-profit corporation that since 1991 has provided financing for affordable housing developments and equity for projects that involve the federal Low Income Housing Tax Credit Program. MHIC raises money from area banks to fund its loan pool and invest in the tax credits. In order to qualify for MHIC's OneSource financing, the project must include a significant number of affordable units, such that 20% to 25% of the units are affordable to households earning within 80% of median income. Interest rates are typically one point over prime and there is a 1% commitment fee. MHIC loans range from \$250,000 to several million, with a minimum project size of six units. Financing can be used for both rental and homeownership projects, for rehab and new construction, also covering acquisition costs with quick turn-around times for applications of less than a month (an appraisal is required). The MHIC and MHP work closely together to coordinate MHIC's construction financing with MHP's permanent take-out through the OneSource Program, making their forms compatible and utilizing the same attorneys to expedite and reduce costs associated with producing affordable housing.

10. *Section 8 Housing Choice Voucher Program and Massachusetts Rental Voucher Program*

An important low-income housing resource is the Section 8 Program that provides rental assistance to help low- and moderate-income households pay their rent. In addition to the federal Section 8 Program, the state also provides rental subsidies through the Massachusetts Rental Voucher Program (MRVP) as well as three smaller programs directed to those with special needs and veterans. These rental subsidy programs are administered by the state or through local housing authorities and regional non-profit housing organizations. Rent subsidies take two basic forms – either granted directly to tenants or committed to specific projects through special Project-based rental assistance. Most programs require households to pay a minimum percentage of their adjusted income (typically 30%) for housing (rent and utilities) with the government paying the difference between the household's contribution and the actual rent.

11. *Massachusetts Preservation Projects Fund*

The Massachusetts Preservation Projects Fund (MPPF) is a state-funded 50% reimbursable matching grant program that supports the preservation of properties, landscapes, and sites (cultural resources) listed in the State Register of Historic Places. Applicants must be municipality or non-profit organization. Funds can be available for pre-development including feasibility studies, historic structure reports and certain archaeological investigations of up to \$30,000. Funding can also be used for construction activities including stabilization, protection, rehabilitation, and restoration or the acquisition of a state-registered property that are imminently threatened with inappropriate alteration or destruction. Funding for development and acquisition projects range from \$7,500 to \$100,000. Work completed prior to the grant award, routine maintenance items, mechanical system upgrades, renovation of non-historic spaces, moving an historic building, construction of additions or architectural/engineering fees are not eligible for funding or use as the matching share. A unique feature of the program allows applicants to request up to 75% of construction costs if there is a commitment to establish a historic property maintenance fund by setting aside an additional 25% over their matching share in a restricted endowment fund. A round of funding was recently held, but future rounds are not authorized at this time.

12. *District Improvement Financing Program (DIF)*

The District Improvement Financing Program (DIF) is administered by the state's Office of Business Development to enable municipalities to finance public works and infrastructure by pledging future incremental taxes resulting from growth within a designated area to service financing obligations. This Program, in combination with others, can be helpful in developing or redeveloping target areas of a community, including the promotion of mixed-uses and smart growth. Municipalities submit a standard application and follow a prescribed application process directed by the Office of Business Development in coordination with the Economic Assistance Coordinating Council.

13. *Urban Center Housing Tax Increment Financing Zone (UCH-TIF)*

The Urban Center Housing Tax Increment Financing Zone Program (UCH-TIF) is a relatively new state initiative designed to give cities and towns the ability to promote residential and commercial development in commercial centers through tax increment financing that provides a real estate tax exemption on all or part of the increased value (the "increment") of the improved real estate. The development must be primarily residential and this program can be combined with grants and loans from other local, state and federal development programs. An important purpose of the program is to increase the amount of affordable housing for households earning at or below 80% of area median income and requires that 25% of new housing to be built in the zone be affordable, although the Department of Housing and Community Development may approve a lesser percentage where necessary to insure financial feasibility. In order to take advantage of the program, a municipality needs to adopt a detailed UCH-TIF Plan and submit it to DHCD for approval.

14. *Community Based Housing Program*

The Community Based Housing Program provides loans to nonprofit agencies for the development or redevelopment of integrated housing for people with disabilities in institutions or nursing facilities or at risk of institutionalization. The Program provides permanent, deferred payment loans for a term of 30 years, and CBH funds may cover up to 50% of a CHA unit's Total Development Costs up to a maximum of \$750,000 per project.

15. Compact Neighborhoods Program

DHCD recently announced “Compact Neighborhoods” that provides additional incentives to municipalities that adopt zoning districts for working families of all incomes as well as smart growth development. Similar to 40R, the program requires new zoning that must:

- Allow a minimum number of “future zoned units” in the Compact Neighborhood, which is generally 1% of the year-round housing in the community;
- Allow one or more densities as-of-right in the zone of at least eight (8) units per acre on developable land for multi-family housing and at least four (4) units per acre for single-family use;
- Provide not less than 10% of units be affordable within projects of more than 12 units; and
- Not impose any restrictions to age or other occupancy limitations within the Compact Neighborhood zone although projects within the zone may be targeted to the older persons, those with disabilities, etc.

Financial assistance through the Priority Development Fund is available to communities that are adopting Compact Neighborhoods zoning, giving priority to the creation of mixed-use development beyond the bounds of a single project. The state also promotes projects that meet the definition of smart growth under 40R, encourage housing that is priced to meet the needs of households across a broad range of incomes and needs.

The process for implementing a Compact Neighborhoods Zone includes:

- Identify an “as-of-right” base or overlay district (the Compact Neighborhood);
- Request and receive a Letter of Eligibility from DHCD; and
- Adopt the Compact Neighborhood Zoning.

16. DHCD Project-Based Homeownership Program

DHCD funds a Project-Based Homeownership Program with two (2) funding categories:

- *Areas of Opportunity*
Funds are being awarded for new construction of family housing projects for first-time homebuyers in neighborhoods or communities that provide access to opportunities that include but are not limited to jobs, transportation, education, and public amenities. The minimum project size is ten (10 units) for up to \$500,000 in funding for a single project and no more than \$75,000 per affordable unit. The maximum total development cost for affordable units is \$300,000 and the maximum developer overhead and fee is 15% of total development costs. Localities must provide matching funds at least equal to the amount of the DHCD subsidy request.
- *Gateway Cities*
A limited amount of funding will be made available to Gateway Cities or other smaller communities with well-defined Neighborhood Redevelopment Plans for the acquisition and rehabilitation or new construction of single-family or duplex units or triple-deckers (rehab only). The development of single sites is preferred but scattered-site projects are permissible. The minimum project size is six (6 units) for up to \$500,000 in funding for a single project and no more than \$75,000 per affordable unit. The maximum total development cost for affordable units is \$250,000 and the maximum developer overhead and fee is 15% of total development costs.

Localities must provide matching funds at least equal to one-half the amount of the DHCD subsidy request.

Sponsors/developers must have hard letters of interest from construction lenders and mortgage loan originators, follow prescribed design/scope guidelines, submit sound market data at the time of pre-application, and have zoning approvals in place. Interested sponsors/developers must submit a pre-application for funding and following its review, DHCD review will invite certain sponsor/developers to submit full applications.

17. National Housing Trust Fund (NHTF)

The state has allocated \$3.4 million in Housing Trust Funds and 100 Massachusetts Rental Vouchers to help create supportive housing for vulnerable populations including homeless families and individuals, unaccompanied homeless youth, frail older residents with service needs, and individuals in recovery from substance abuse. This program is intended to provide supplemental support to the federal National Housing Trust Fund, a newly authorized affordable housing program.

18. Community Scale Housing Initiatives (CSHI)

The state has introduced a new program to address the need for smaller scale affordable housing projects that are sized to fit well within the host community. The new initiative will provide funding for these projects based on the following eligibility criteria:

- Community must have a population not to exceed 200,000
- Program sponsors can be both non-profit and for-profit entities with a demonstrated ability to undertake the project
- The proposed project must include at least five rental units but no more than 20 rental units
- Project must involve new construction or adaptive reuse
- A minimum of 20% of the units must be affordable but it is anticipated that most proposed projects will have a minimum of 50% affordable units
- The host community must provide a financial commitment in support of the project
- The CSHI subsidy may not exceed \$200,000 per unit unless the developer intends to seek DHCD project-based rental assistance in which case the subsidy may not exceed \$150,000 per CSHI unit
- The total development cost per unit may not exceed \$350,000
- Projects will receive no more than is necessary to make the project feasible
- Projects must be financially feasible without state or federal low income housing tax credits
- Projects are expected to close and proceed to construction within 12 months of the date of the award letter

The 40 River Street project was awarded funding under this program.

19. Starter Home Program

State legislation was recently enacted to implement a Starter Home Program as part of the Governor's Economic Development Bill. This was accomplished by modifying the existing Smart Growth Zoning and Housing Production law of Chapter 40R to include \$25 million in new funding over five years for cities and towns that create new starter home zoning districts. The new districts will be a minimum of three acres, restrict primary dwelling size to 1,850 square feet of heated living area, require that 50% of the primary dwelling units contain three bedrooms, allow a minimum of four units per acre by-right, and provide 20% affordability up to 100% AMI.

20. Workforce Housing Fund

The state is investing in a Workforce Housing Fund to provide rental housing for those households earning 61% to 120% AMI. In his announcement, Governor Baker said, “Making more affordable housing options available to working Massachusetts families deterred by rising rent expenses is essential to economic growth and development in communities throughout the Commonwealth. These working middle-income families are the foundation of our economy and talented workforce, and the creation of this \$100 million fund by MassHousing will advance opportunities for them to thrive and prosper.”

The Workforce Housing Initiative was created to do the following:

- Target individuals and families with incomes of 61% to 120% of Area Median Income (AMI)
- Provide up to \$100,000 of subsidy per workforce housing unit to create 1,000 new units of workforce housing statewide
- Leverage strategic opportunities to use state-owned land
- Complement, does not replace, traditional MassHousing development financing
- Ensure workforce housing units are deed restricted as affordable for at least 30 years

Eligible projects include:

- Preference is for new units; existing projects where unrestricted units become restricted will be considered
- Workforce housing units are intended for working age household and may not be not be age restricted or occupied by full-time students
- 20% of units at the development must be affordable for households earning at or below 80% of AMI

21. Housing Choice Initiative

The state has stated its commitment to producing 135,000 new housing units statewide by 2025 or by about 17,000 units per year, an ambitious task. To help accomplish this, it has created the Housing Choice Initiative that has three basic components that includes Capital Grant Funding. Communities that qualify for designation under this Initiative can receive exclusive admission to new Housing Choice Capital Grants as well as priority access to existing grant and capital funding programs such as MassWorks, Complete Streets, MassDOT projects, and LAND and PARC grants.

To obtain this designation, the community must submit an application that documents the increase in the total year-round housing stock from the 2010 census and the cumulative net increase in year-round units of at least 5% or 500+ units in the last five years or 3% and 300+ units when best practices have been applied to promote housing (e.g., zoning for multi-family housing, Chapter 40R, ADUs, cluster zoning, etc.). Designation lasts for two years.

22. Rental Assistance Demonstration (RAD)

The Rental Assistance Demonstration is a federal housing program that is administered by HUD to provide a set of tools to address the unmet capital needs of deeply affordable, federally assisted rental housing properties in order to maintain both the viability of the properties and their long-term affordability. It also simplifies the administrative oversight of the properties by the federal government. Specifically, RAD authorizes the conversion of a property's federal funding from one form to another, where the initial form presents structural impediments to private capital investment and the new form (project-based section 8) is not only familiar to lenders and investors but, since its enactment in 1974, has leveraged billions in private investment for the development and rehabilitation of deeply affordable rental housing.

23. *Section 202 Supportive Housing for the Elderly Program*

HUD provides capital advances to finance the construction, rehabilitation or acquisition with or without rehabilitation of structures that will serve as supportive housing for older and very low-income persons, also providing rent subsidies for the projects to help make them affordable.

24. *Section 18 Housing Assistance*

Section 18 of the U.S. Housing Act of 1937 (as amended in 1998) removes the 1 for 1 public housing replacement requirement and provides broad authority to Public Housing Agencies (PHAs) to demolish or dispose of public housing. Section 18 is commonly referred to as "demo/dispo" program and helps reposition public housing to a more sustainable financial platform and access private capital.

C. Homebuyer Financing and Counseling

1. *ONE Mortgage Program*

The Massachusetts Housing Partnership Fund, in coordination with the state's Department of Housing and Community Development, administers the ONE Mortgage Program which replaced the highly successful Soft Second Loan Program that operated between 1991 and 2013 and helped over 17,000 families purchase their first home. The ONE Mortgage Program is a new simplified version of the Soft Second Program providing low, fixed-rate financing and a state-backed reserve that relieves homebuyers from the costs associated with private mortgage insurance. Additionally, some participating lenders and communities offer grants to support closing costs and down payments and slightly reduced interest rates on the first mortgage.

2. *Homebuyer Counseling*

There are a number of programs, including the Soft Second Loan Program and MassHousing's Home Improvement Loan Program, as well as Chapter 40B homeownership projects, that require purchasers to attend homebuyer workshops sponsored by organizations that are approved by the state, Citizens Housing and Planning Association (CHAPA) and/or HUD as a condition of occupancy. These sessions provide first-time homebuyers with a wide range of important information on homeownership finance and requirements. The organization that offers these workshops in closest proximity to Needham is Metro West Collaborative Development.

3. *Self-Help Housing.*

Self-Help programs involve sweat-equity by the homebuyer and volunteer labor of others to reduce construction costs. Some communities have donated building lots to Habitat for Humanity to construct affordable single housing units. Under the Habitat for Humanity program, homebuyers contribute between 300 and 500 hours of sweat equity while working with volunteers from the community to construct the home. The homeowner finances the home with a 20-year loan at 0% interest. As funds are paid back to Habitat for Humanity, they are used to fund future projects.

D. Home Improvement Financing

1. *MassHousing Home Improvement Loan Program (HLP)*

The MHFA Home Improvement Loan Program (HILP) is targeted to one- to four-unit, owner-occupied properties, including condominiums, with a minimum loan amount of \$10,000 up to a maximum of \$50,000. Loan terms range from five to 20 years based on the amount of the loan and the borrower's income and debt. MassHousing services the loans. Income limits are \$92,000 for households of one or two persons and \$104,000 for families of three or more persons. To apply for a loan, applicants must contact a participating lender.

2. *Get the Lead Out Program*

MassHousing's Get the Lead Out Program has been offering financing for lead paint removal on excellent terms. Based on uncertain future legislative appropriations, some changes in program requirements were made to insure that eligible homeowners with lead poisoned children would have funding available for a longer period. All income eligible families who are under court order to delead or who have a child under case management with the Commonwealth's Lead Paint Prevention Program, will continue to receive 0% deferred loans. Owners wanting to delead their homes for preventive purposes must qualify for an amortizing loan with a 3% interest rate if earning within 80% of area median income, 5% interest if earning over 80% AMI and up to the program maximum. Applicants must contact a local rehabilitation agency to apply for the loan.

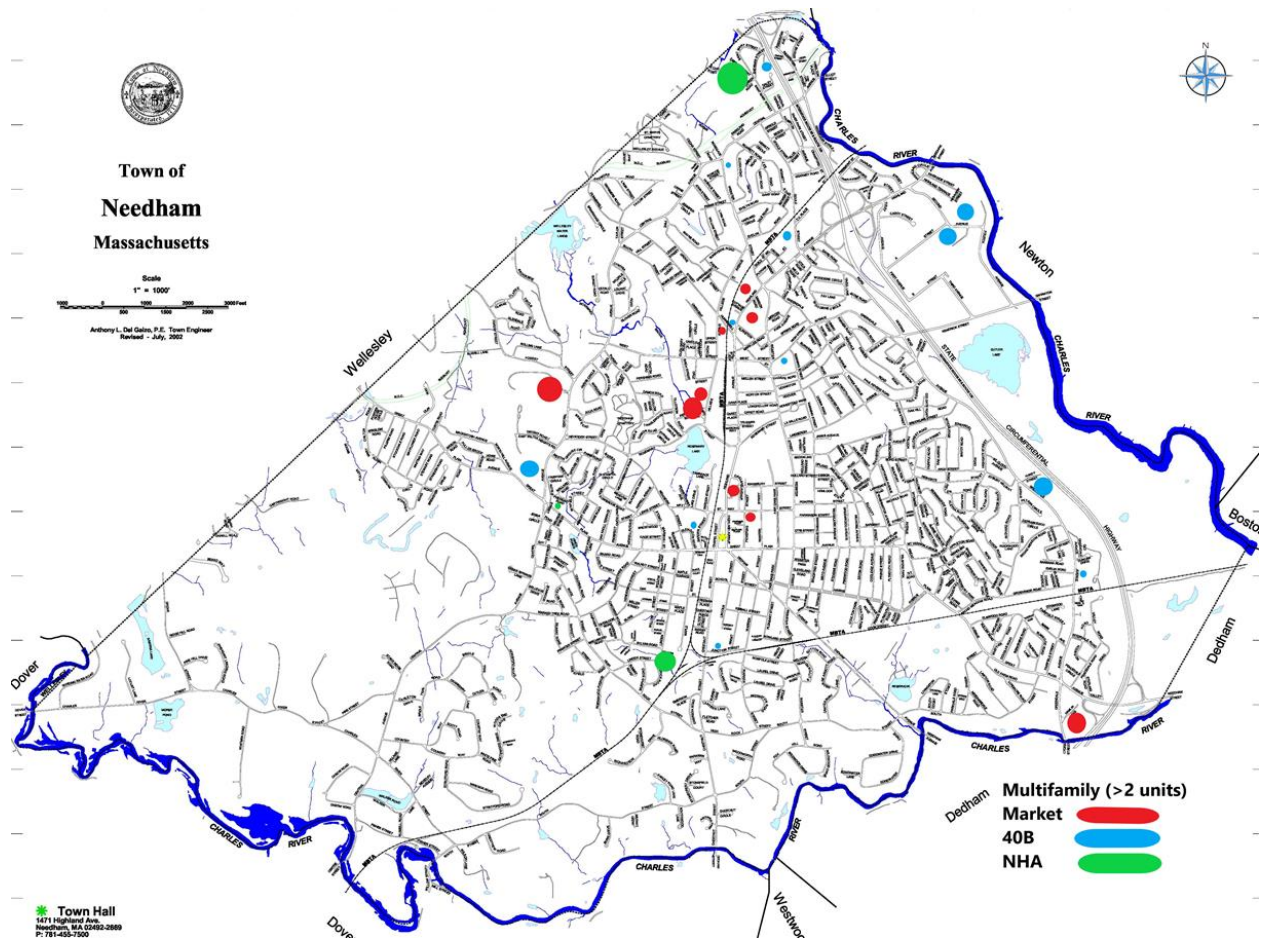
3. *Septic Repair Program*

Through a partnership with the Massachusetts Department of Environmental Protection and Revenue, MassHousing offers loans to repair or replace failed or inadequate septic systems for qualifying applicants. The interest rates vary according to the borrower's income with 0% loans available to one and two-person households earning up to \$23,000 and three or more person households earning up to \$26,000 annually. There are 3% loans available for those one or two person households earning up to \$46,000 and three or more persons earning up to \$52,000. Additionally, one to four-family dwellings and condominiums are eligible for loan amounts of up to \$25,000 and can be repaid in as little as three years or over a longer period of up to 20 years. To apply for a loan, applicants must contact a participating lender.

4. *Home Modification Loan Program*

This state-funded program provides financial and technical assistance to those who require modifications to their homes to make them handicapped accessible. The South Middlesex Opportunity Council (SMOC) administers these funds for the state.

Appendix 6 Map of Multi-family Housing Development



Appendix 7

Zoning Maps

The following zoning maps provide the visual reference information that illustrate the zoning changes described in text in the Housing Plan. The maps are grouped to illustrate focus areas of Needham where zoning changes are proposed along the commercial spine including Chestnut Street and Highland Avenue that are addressing the MBTA Communities requirements related to three transit station neighborhoods. The final set of full Needham zoning maps show the proposed changes in the context of the entire Town zoning map and these include a few other areas with zoning changes highlighted as part of strategy IV.A.5, Consider Options for Promoting Development in Other Appropriate Locations.

- 7.1 Needham Zoning Maps with Proposed Zoning Changes
(Maps focused on MBTA Station Neighborhoods)**

- 7.2 MBTA District Concept Map of MBTA Station Neighborhoods
(Test fit of transit district acreage required in MBTA Guidelines)**

- 7.3 Needham Zoning Maps with Proposed Zoning Changes
(Full Town Maps of Needham)**

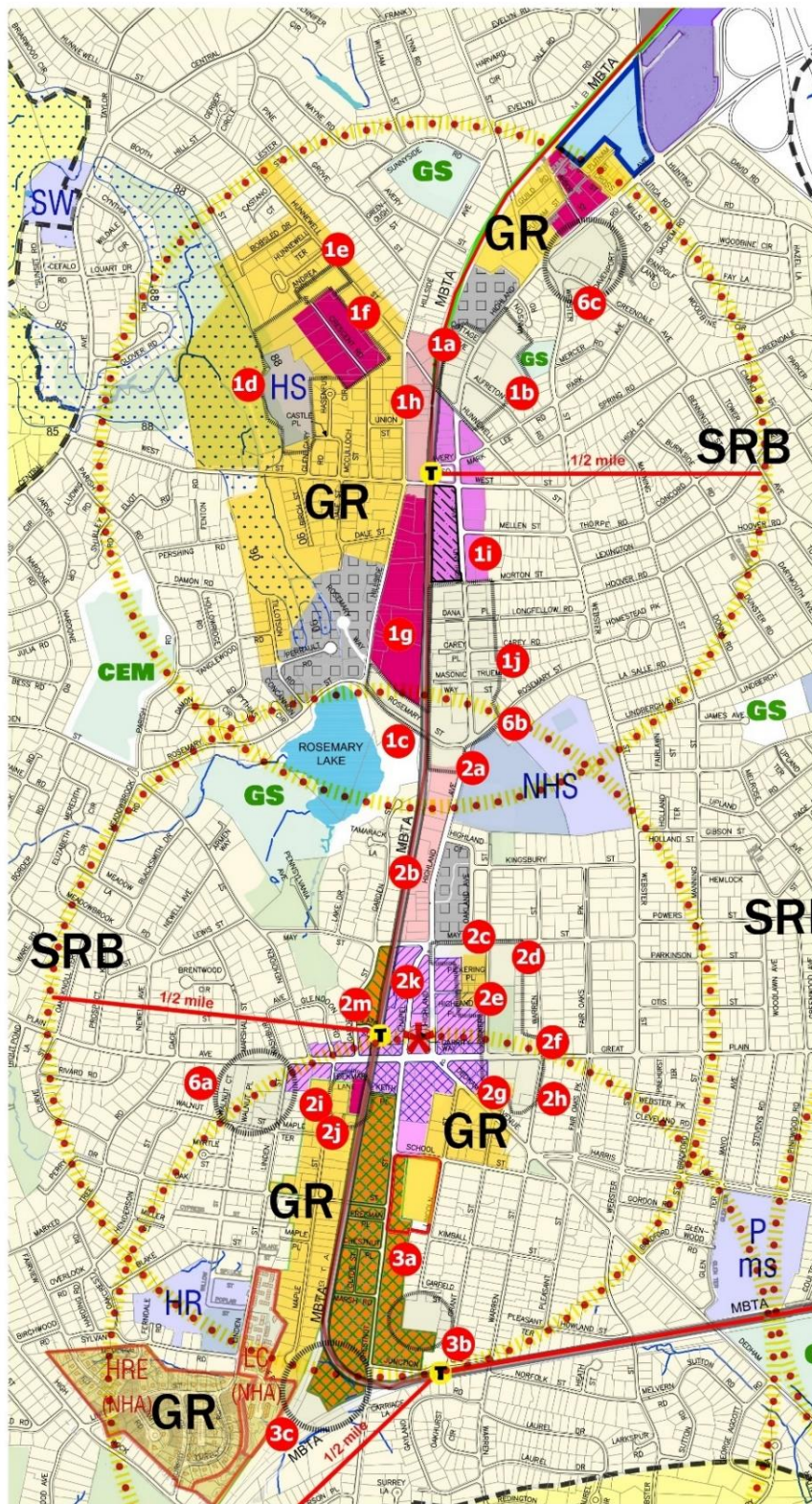
- 7.4 List of Proposed Zoning Changes
(Text descriptions of zoning changes for the transit neighborhoods and
the others areas designated for promoting development.)**

Appendix 7.1

Needham Zoning Maps with Proposed Zoning Changes

(Maps focused on MBTA Station Neighborhoods)

The following Needham Zoning maps have been created to graphically represent the proposed zoning map changes described in the zoning lists on pages 36-38 as part of complying with MBTA Communities Guidelines. The new maps show that the majority of the zoning reform is concentrated in the Needham neighborhoods geographically located near three of the MBTA transit stations that are part of the Chestnut Street / Highland Avenue north / south corridor. This zone, or “spine”, includes the more densely built parts of town with a mix of commercial, institutional, municipal and residential uses with a range of lower to higher density buildings types.

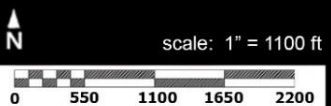


- USE DISTRICTS**
- SRA SINGLE RESIDENCE - A
 - SRB SINGLE RESIDENCE - B
 - GR GENERAL RESIDENCE
 - APARTMENTS A-1
 - APARTMENTS A-2
 - RURAL RESIDENCE - CONSERVATION
 - INSTITUTIONAL
 - BUSINESS
 - HIGHWAY COMMERCIAL - 1
 - INDUSTRIAL
 - INDUSTRIAL - 1
 - AVERY SQUARE BUSINESS
 - CENTER BUSINESS
 - CHESTNUT STREET BUSINESS
 - HIGHLAND COMMERCIAL - 128
 - HILLSIDE AVENUE BUSINESS
 - MIXED USE - 128
 - NEIGHBORHOOD BUSINESS
 - NEW ENGLAND BUSINESS CENTER
 - ELDER SERVICES ZONING DISTRICT

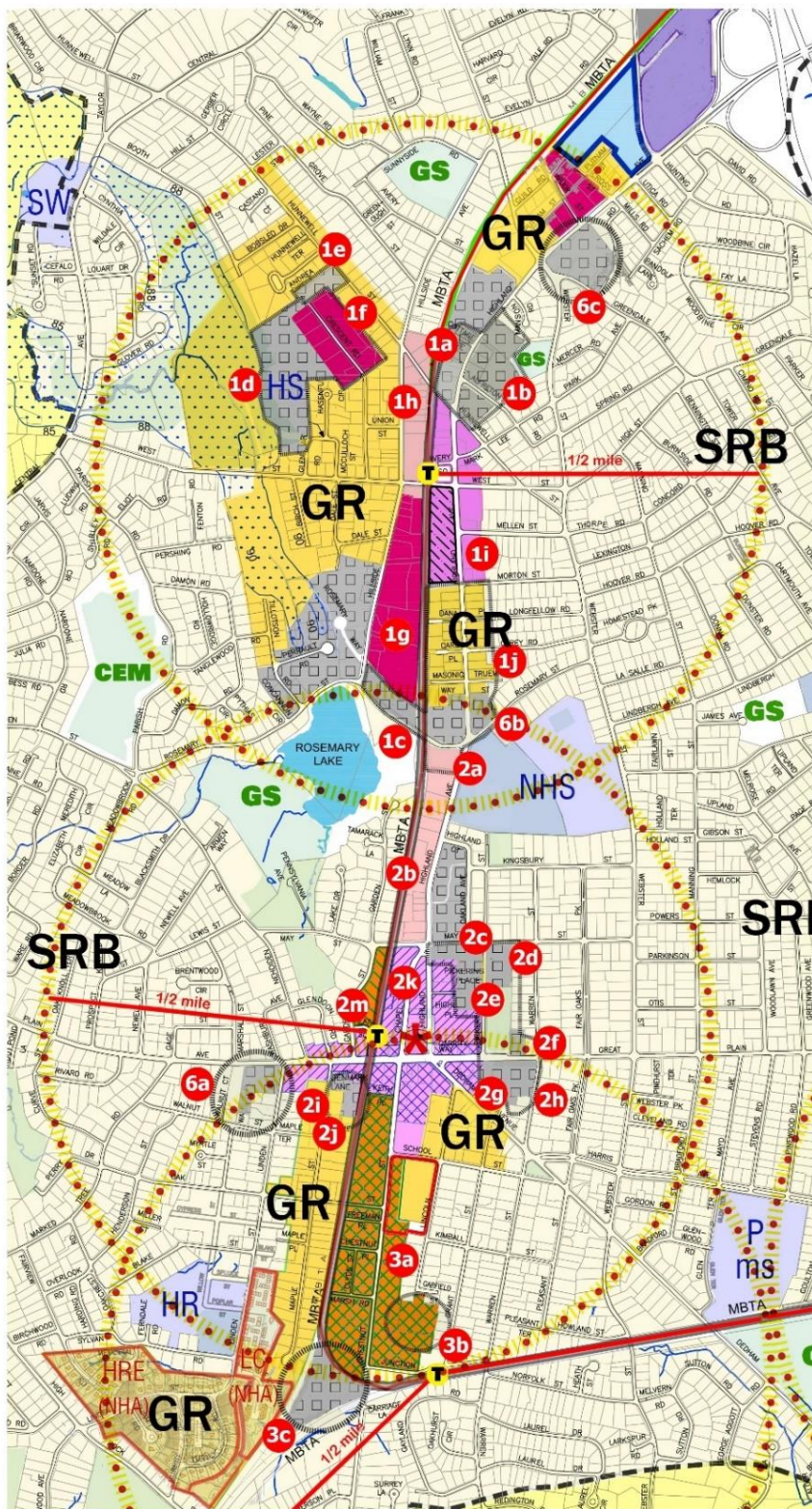
- OVERLAY DISTRICTS**
- WIRELESS COMMUNICATIONS FACILITIES TOWERS OVERLAY DISTRICTS
 - ADULT USE OVERLAY DISTRICT
 - MEDICAL OVERLAY DISTRICT
 - AQUIFER PROTECTION DISTRICT
 - NEEDHAM CENTER OVERLAY DISTRICT A
 - NEEDHAM CENTER OVERLAY DISTRICT B
 - LOWER CHESTNUT STREET OVERLAY DISTRICT
 - GARDEN STREET OVERLAY DISTRICT
 - LARGE SCALE GROUND MOUNTED SOLAR PHOTOVOLTAIC INSTALLATION OVERLAY DISTRICT
 - TEMPORARY METEOROLOGICAL TOWERS OVERLAY DISTRICT
 - MIXED USE OVERLAY DISTRICT (MOUD)
 - AVERY SQUARE OVERLAY DISTRICT
 - July 17, 2012 - FLOOD PLAIN DISTRICT (ALL ELEVATIONS REFER TO U.S.G.S MEAN SEA LEVEL DATUM)

- GS GREEN SPACE (parks, fields etc)
- CEM GREEN SPACE (cemetery)
- TOWN BOUNDARY
- PARCEL
- TOWN HALL
- SCHOOL SITES
- NHA SITES (Needham Housing Authority)

Town of Needham
Housing Plan Working Group 2022
December 2022



Existing Zoning Map w/ Proposed Changes
(by TOD Neighborhood)

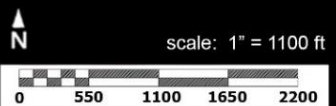


- USE DISTRICTS**
- SINGLE RESIDENCE - A
 - SINGLE RESIDENCE - B
 - GENERAL RESIDENCE
 - APARTMENTS - A-1
 - APARTMENTS - A-2
 - RURAL RESIDENCE - CONSERVATION
 - INSTITUTIONAL
 - BUSINESS
 - HIGHWAY COMMERCIAL - 1
 - INDUSTRIAL
 - INDUSTRIAL - 1
 - AVERY SQUARE BUSINESS
 - CENTER BUSINESS
 - CHESTNUT STREET BUSINESS
 - HIGHLAND COMMERCIAL - 128
 - HILLSIDE AVENUE BUSINESS
 - MIXED USE - 128
 - NEIGHBORHOOD BUSINESS
 - NEW ENGLAND BUSINESS CENTER
 - ELDER SERVICES ZONING DISTRICT

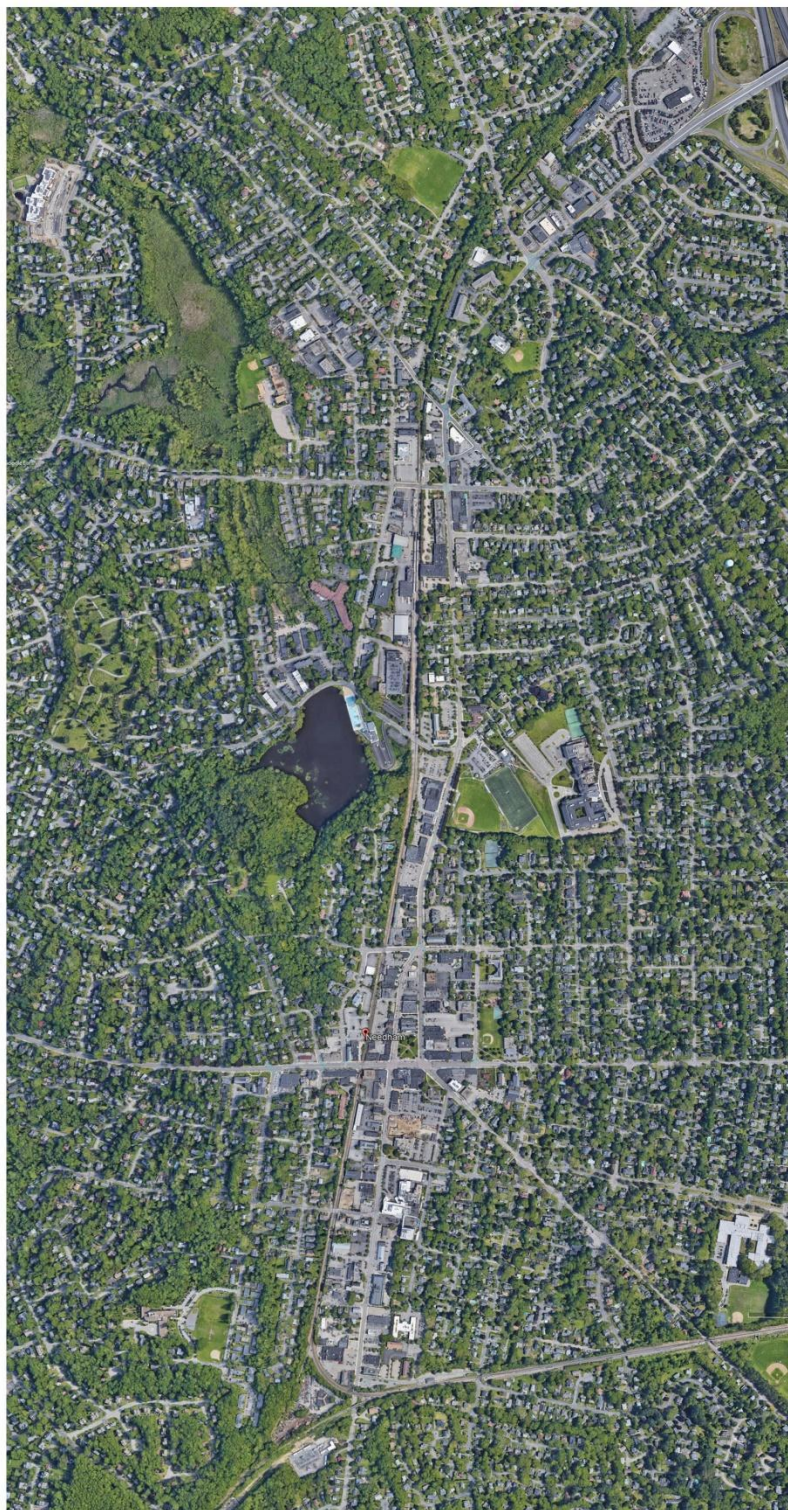
- OVERLAY DISTRICTS**
- WIRELESS COMMUNICATIONS FACILITIES TOWERS OVERLAY DISTRICTS
 - ADULT USE OVERLAY DISTRICT
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Town of Needham
Housing Plan Working Group 2022
December 2022

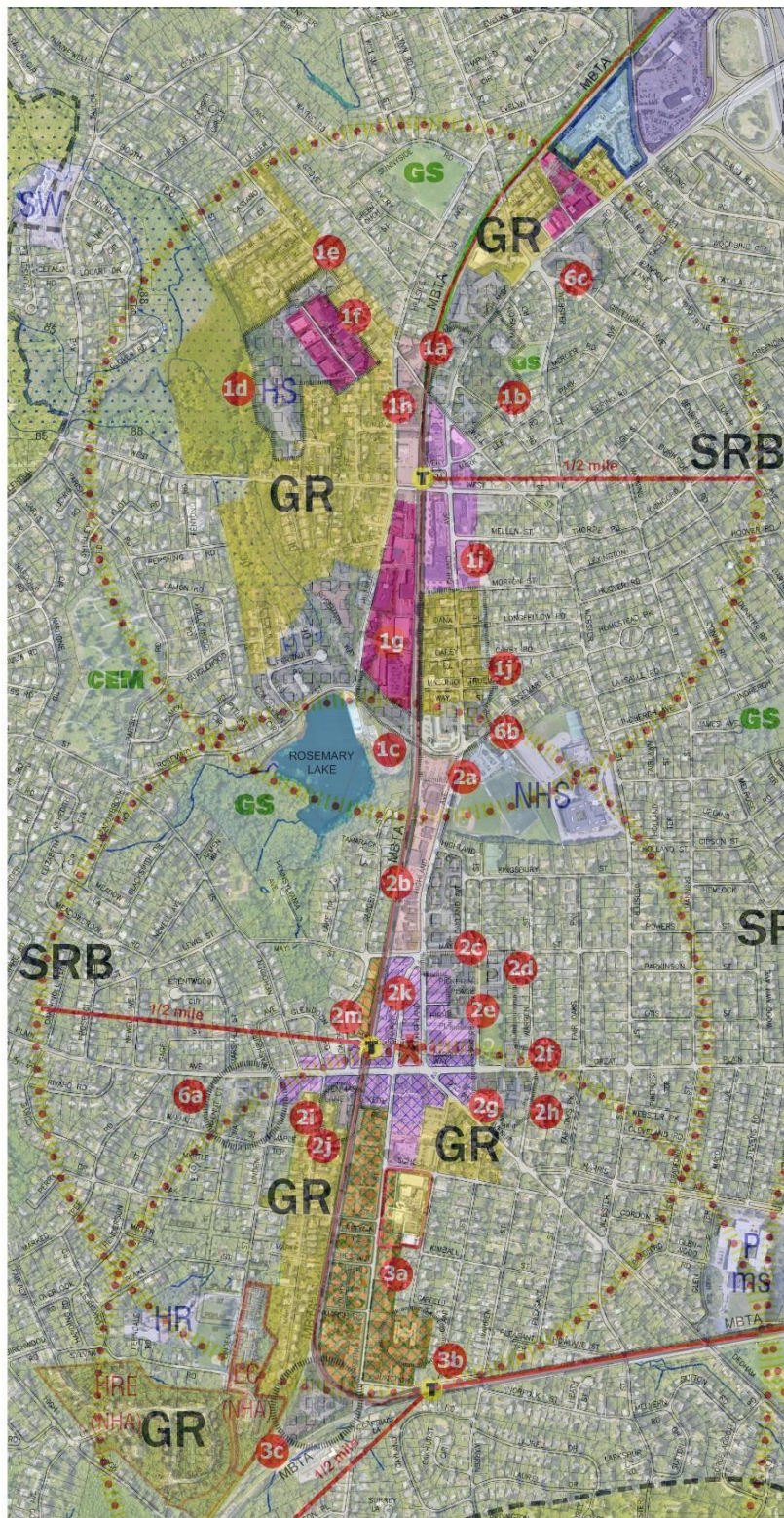


Proposed Zoning Map w/ Changes shown
(by TOD Neighborhood)



MBTA District study - existing aerial





MBTA District study - existing aerial w zoning overlay

Appendix 7.2

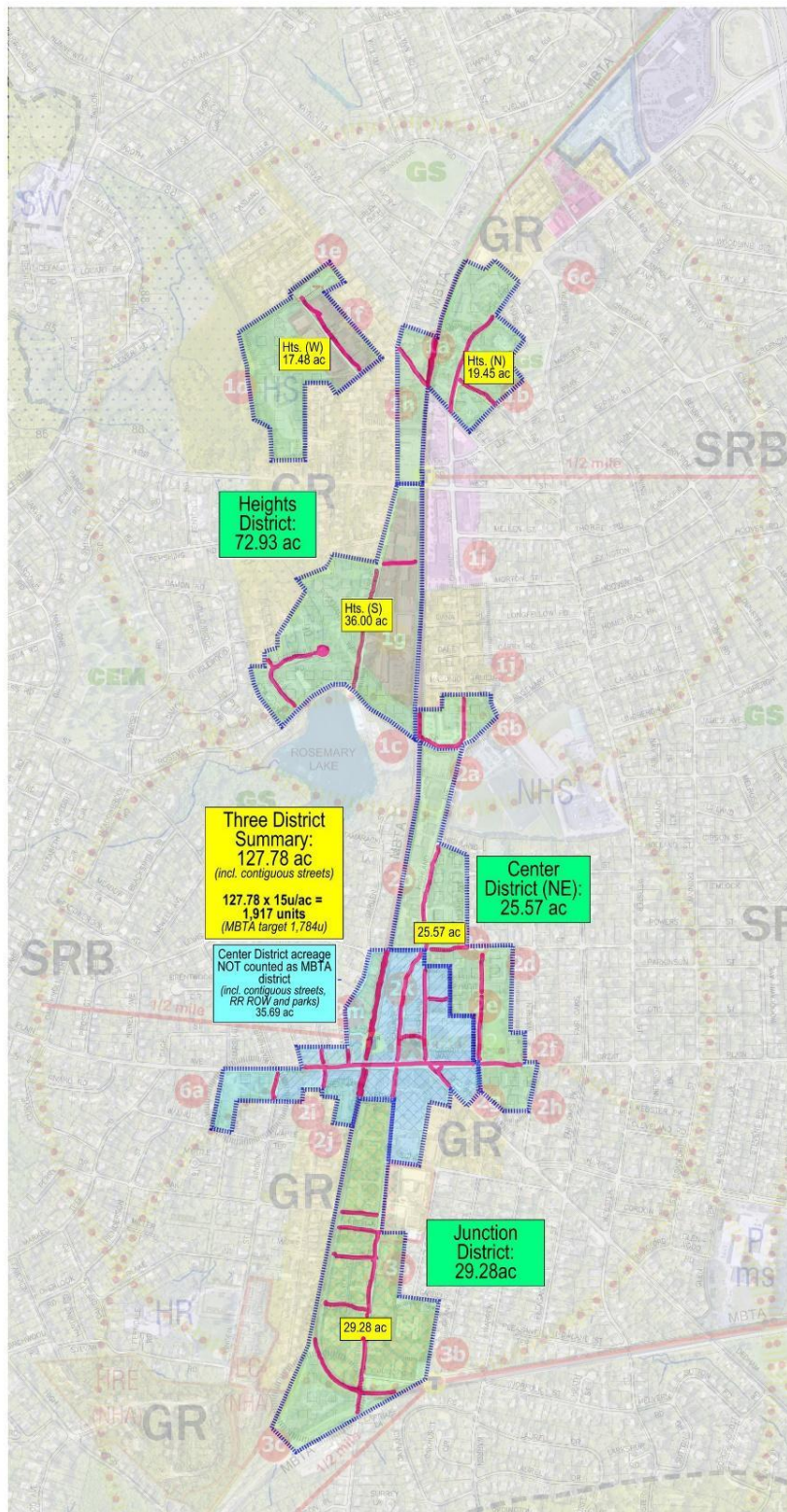
MBTA District Concept Map of MBTA Station Neighborhoods **(Test fit of transit district acreage required in MBTA Guidelines)**

The following map reflects a preliminary test fit analysis of possible “contiguous” land area assembly that could meet the criteria for an MBTA District to be created within ½ mile of three of the MBTA Stations along Needham’s existing higher density mixed-used “spine”, also referred to as the Chestnut Street / Highland Avenue corridor. The “green highlighted” areas illustrate three neighborhoods around the Needham Heights, Needham Center and Needham Junction stations that are closely related to the previous proposed zoning maps, and the zoning lists on pages 36-38, that are organized around the three MBTA stations as:

- **Group 1** (Needham Heights)
- **Group 2** (Needham Center)
- **Group 3** (Needham Junction)

A brief description of the MBTA criteria used in creating this test fit include the following requirements to define a compliant transit neighborhood (see MBTA criteria summarized on pages 33-35):

- Implement zoning reform across areas large enough to accommodate by-right housing capable of producing a total number of new multi-family housing units equal to 15% of the total housing units in Needham ($11,891u \times .15 = 1,784$ units)
- Acreage dedicated to MBTA district zoning must accommodate multi-family housing with a minimum density of 15 units per acre. This translates to approximately 120 acres ($1,784U / 15U \text{ per acre} = 118.9$ acres)
- Create multiple MBTA districts that combine to accommodate 90% of the required acreage, or approximately 107 of 120 acres, within ½ mile of a transit station
- Within these transit districts there is a minimum requirement of 25 contiguous acres for a minimum dedicated area of 50 acres. Since these districts are calculated at a density of 15 units per acre, Needham must have 120 acres zoned to meet the transit district requirements, of which 60 acres must be contiguous.



TOD Neighborhood study - MBTA Districts



Appendix 7.3

Needham Zoning Maps with Proposed Zoning Changes

(Full Town Maps of Needham)

The following Needham Zoning maps have been created to graphically represent the proposed zoning map changes (groups 1, 2 & 3) described in the zoning lists on pages 36-38, as part of the strategy to comply with MBTA Communities Guidelines. The following larger maps show the entire town to be able to include the additional areas listed as groups 4, 5 and all of group 6 on pages 46-47.

(they can be viewed with higher resolution by following these two links:

https://www.needhamma.gov/HPWG_ZoningMap_Proposed

https://www.needhamma.gov/HPWG_ZoningMap_ProposedNew)

The rest of the zoning maps are the same as the maps of the “spine” area along Highland Avenue and Chestnut Street already shown on the previous pages.

Page 192



Appendix 7.4

MBTA District Concept Map of MBTA Station Neighborhoods (Text descriptions of zoning changes for the transit neighborhoods and the others areas designated for potential rezoning)

Accompanying the full Needham maps above (in 7.3) is the list below of the proposed zoning including the three transit neighborhoods (groups 1, 2 and 3) and the proposed changes for the areas designated for potential rezoning under strategy IV.A.5 (groups 4, 5 and 6).

Zoning Recommendations by TOD Neighborhood

ZONING CHANGES FOR CONSIDERATION:

Recommendations for specific zoning by-law changes to be considered are listed below. Many of these proposed changes are related to the requirements for the new MBTA / MA G.L. c.40A, s.3A Guidelines and further study will be required to confirm that the final dimensional limits controlling district density will be able to deliver the gross density (units/acre) required by 3A Guidelines:

Needham Heights District (group 1):

Implement **Apartment A-1** zoning in certain areas now zoned Single Residence B (**SRB**), or General Residence (**GR**) Districts, including locations of non-conforming existing multi-family (MF) uses.

Apartment A-1 – rezone parcels within ½ mile of Needham Heights station, now zoned SRB:

- 1a.** From Hamilton Highlands (Apartment A-1) along Highland Avenue south to Hunnewell Street;
- 1b.** Avery Park Condominium and farther south along Highland Avenue to Hunnewell Street and including the Methodist Church at Hunnewell and Highland;
- 1c.** Extend existing Apartment A-1 zoning across Hillside Avenue and along the northerly side of Rosemary Street adjacent to the Industrial District and up to the MBTA right-of-way and beyond the ROW to Highland Avenue to include the Needham Public Library (see item 1g. below) and Christ Episcopal Church (see item 1j. and 6b. below);

Apartment A-1 – rezone parcels within ½ mile of Needham Heights station, now zoned GR:

- 1d.** Convert Hillside School and the rear portions of 5 lots of the Industrial district on Crescent Road that abut the Hillside School to Apartment A-1;
- 1e.** Convert Brookline Rug parcel to Apartment A-1, but the current use may remain as a prior non-conforming use. It has connection to both Hunnewell and Crescent Road and can be part of a consolidated MF district with the rest of new Apartment A-1 and the Industrial District that is to be rezoned to allow MF by-right as a use (see item 1f. below);

Amend current **Industrial** Districts within 1/2 mile of Needham Heights transit station to allow MF as an additional allowed use with Apartment A-1 dimensional limits with a minimum 10,000 sf lot size.

1f. Add Multi-family housing, at A-1 dimensions, to the uses allowed by right in the Industrial District along Crescent Road;

1g. Add Multi-family housing, at A-1 dimensions, to the uses allowed by right in the Industrial District between Hillside Avenue and the MBTA right-of-way and between West and Rosemary Streets;

Amend current **Hillside Avenue Business** District within 1/2 mile of Needham Heights transit station to allow MF by-right and use Apartment A-1 dimensional limits with a minimum 10,000 sf lot size. Allow mixed-use option by Special Permit.

1h. Hillside Avenue Business from both sides of the Hunnewell intersection south to the south side of West Street;

Amend current **Avery Square Business** District within 1/2 mile of Needham Heights transit station. Adjust / increase current height and story limits where noted. Changes to limits are to be appropriate to their immediate context within their district.

1i. Avery Square Business – increase height from 35 ft. to 38 ft. for mixed-use MF allowed by special permit;

Expand **General Residence** over **SRB** area along the Highland Avenue corridor to allow 2-family and SF conversions to 2-family.

1j. Both sides of Highland Avenue from Rosemary Street to Avery Square Business District (but see item 1c above and item 6b below as to consideration of Christ Episcopal Church at Highland Avenue and Rosemary Street for rezoning to Apartment A-1).

Needham Center District (group 2):

Amend and extend current **Business** District within 1/2 mile of transit to allow MF by-right and use Apartment A-1 dimensional limits with a minimum 10,000 sf lot size. Allow, by special permit, mixed-use MF to 48 ft. and 4 stories with 4th floor setback.

2a. Extend Business District north to Rosemary Street to include portion of Sudbury Farms parcel now zoned SRB;

2b. Business District along Highland Avenue from May Street northerly to Rosemary Street to include all of Sudbury Farms parcel;

Implement **Apartment A-1** zoning in certain areas now zoned **SRB**, **GR** or **Industrial**, including locations of non-conforming existing multi-family (MF) uses.

Apartment A-1 – rezone parcels within ½ mile of Needham Center station, now zoned SRB:

- 2c.** St. Joseph School strip along May Street;
- 2d.** Stephen Palmer former school leased by Town for multi-family housing;
- 2f.** YMCA site on Great Plain Avenue next to Greene’s Field;
- 2g.** 888 Great Plain Avenue (former nursery/garden center);
- 2h.** Baptist and Christian Science Church parcels on Great Plain Avenue, near corner of Warren Street;

Apartment A-1 – rezone parcels within ½ mile of Needham Center station, now zoned GR:

- 2e.** Lots on Pickering Place together with a portion of St. Joseph School parcel;
- 2i.** Consolidate a portion of the Denmark Lane MF housing south of the Needham Center Overlay District and currently zoned GR and combine it with the small Industrial district along the MBTA right-of-way proposed for rezoning to Apartment A-1 that is also part of the Denmark Lane MF project area (see item 2j. below);

Apartment A-1 – rezone parcels within ½ mile of Needham Center station, now zoned Industrial:

- 2j.** Convert the small Industrial district along the MBTA right-of-way to be combined with the front portion of the parcel being rezoned from GR (see item 2i. above) that is also part of the Denmark Lane housing project area.

Amend current **Center Business** and **Overlay District B** and **Garden Street Overlay** District within 1/2 mile of transit. Adjust / increase current height and story limits where noted. Changes to limits are to be appropriate to their immediate context within their district.

- 2k.** Increase height limits in Needham Center Overlay District B for mixed-use MF to 48 ft. and 4 stories with 4th floor setback. No stand-alone MF is allowed in the district;
- 2m.** Rezone Garden Street Overlay District by changing stand-alone MF to be allowed by right, rather than special permit, using the existing dimensional limits.

Note: No further zoning changes are proposed for the rest of the **Center Business** and **Overlay District A**. These areas are critical to Needham as our mixed-use downtown environment where active ground floors for commercial uses need upper levels for commercial and MF opportunities to provide activity and support for our downtown as a vibrant 24/7/365 community. Therefore, stand-alone MF residential is not allowed by-right, but mixed-use with MF may be allowed by special permit in some locations.

Needham Junction District (group 3):

Amend current **Chestnut Street Business** District and **Lower Chestnut Street Overlay** District within 1/2 mile of transit to allow stand-alone MF by-right, and mixed-use with MF by special permit. Adjust / increase current height and story limits where noted. Changes to limits are to be appropriate to their immediate context within their district.

- 3a.** Chestnut Street Business and Lower Chestnut Street Overlay District changed to allow stand-alone MF using Apartment A-1 dimensional limits with a minimum 10,000 sf lot size, and 4-story / 48 ft. limits allowed by special permit for mixed-use MF in the Lower Chestnut Street Overlay District;
- 3b.** Extend Chestnut Street Business and Lower Chestnut Street Overlay Districts to include Skilled Nursing Facility (SNF) property on Lincoln Street;

Implement **Apartment A-1** zoning in certain areas now zoned **SRB**, or **Chestnut Street Business** Districts or in locations of non-conforming existing multi-family (MF) or other non single-family (SF) uses. Use Apartment A-1 dimensional limits.

Apartment A-1 – rezone parcels within ½ mile of Needham Junction station, now zoned **Chestnut Street Business**, **Lower Chestnut Street Overlay District** and **SRB**:

- 3c.** Rezone the Hartney Greymont site (now partly Chestnut Street Business/Lower Chestnut Street Overlay District and partly SRB) to be Apartment A-1 to allow MF without allowing mixed-use, with the current use allowed to remain as a prior non-conforming use.

Other Zoning changes not specific to Transit Station Districts noted above but included in strategy IV.A.5 regarding potential rezoning in other appropriate locations (groups 4, 5 & 6):

This Plan also recommends that the Town consider the following options to incentivize new development that is in alignment with the Guiding Principles that are a key component of this Plan.

Consider Rezoning designated residential areas currently zoned SRA to SRB. These specific SRA areas are adjacent to SRB and currently have parcel sizes that are closer to SRB 10,000 SF lots. This would allow for the use of dimensional controls for setbacks and coverages that are more appropriate for these smaller lots:

- 4a.** East side of Hunting Road on both sides of Kendrick Street down to Cheney Street;
- 4b.** East side of Greendale Avenue across from Meadow Road and Kenney Street;
- 4c.** Brookside Road near Wellesley town line;
- 4d.** Clarke Road / Rolling Lane / Forest Street neighborhood.

Amend two Neighborhood Business Districts – these districts are within 1/2 mile of transit, including 59 bus route, and are proposed to be amended to allow MF by-right using Apartment A-1 dimensional limits with a minimum 10,000 sf lot size. Allow mixed-use option by Special Permit.

5a. Neighborhood Business District along Reservoir Street and Central Avenue;

5b. Neighborhood Business District along Great Plain Avenue near the Hersey MBTA station.

Temples, churches and in general, houses of worship - these properties are located throughout Needham, often on prominent parcels at major intersections. Although most are vibrant and thriving communities, these sites may, someday in the future, be re-imagined, often as MF housing opportunities. With this proactive outlook, we are considering whether the town should propose to rezone these parcels as Apartment A-1, with those dimensional limits, or if they should remain as currently zoned in SRB or GR. Another approach for redevelopment could be through the Local Initiative Program (LIP), or “friendly 40B”, process. A sampling of sites are listed below:

6a. Congregational Church on Great Plain Avenue and Linden Street;

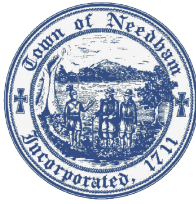
6b. Christ Episcopal Church at Rosemary Street and Highland Avenue (see item 1j. above);

6c. Temple Beth Shalom at Webster Street and Highland Avenue;

6d. Presbyterian Church at Central and Great Plain Avenues.

Rezone Needham Housing Authority properties – several NHA properties are in the planning and early design phases of a preservation and redevelopment campaign. Final recommendations for appropriate zoning changes for dimensional and density limits will be addressed when the design and planning goals are more defined. The Linden-Chambers and High Rock Homes developments are within a ½ mile of the Needham Junction transit station, and density of at least 15 units / acre is assumed. Though the projects may have age limits for occupancy, the zoning need not impose such limits. Seabeds Way and Captain Robert Cook Drive developments are beyond ½ mile from transit stations but could still be counted as part of the 10% of the area of multi-family districts that can be beyond the ½ mile limit.

Rezone East Militia Heights property – this property is currently in negotiation to be sold by the U.S. Army to Charles River Center, perhaps in partnership or lease arrangement with the Needham Housing Authority. As with NHA properties, it is not clear at this time what dimensional and density provisions will work for Militia Heights redevelopment.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2023

Agenda Item	Determination of Unique Status
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Town is contemplating the acquisition of the property known and numbered as 0 Charles River Street (Assessors' Parcel 199-304-4), containing approximately 3.25 acres and 0 Charles River Street (Assessors' Parcel 199-304-5), containing approximately 3.05 acres, and a portion of the land known and numbered as 484 Charles River Street (Assessors' Parcels 199-304-2), containing approximately twenty-eight (28) acres for general municipal purposes. This property is immediately adjacent to the Ridge Hill Reservation and will provide the public with a connection to Town walking trails and access to the Charles River. In accordance with M.G.L. c. 30B, a public procurement process is not required if the Select Board determines that advertising will not benefit the Town's interest because of the unique qualities of the parcel.	
2.	VOTE REQUIRED BY BOARD OF SELECTMEN
<i>Suggested Motion:</i> That the Board vote to determine that in the case of the proposed acquisition of 0 Charles River Street (Assessors' Parcel 199-304-4), containing approximately 3.25 acres, 0 Charles River Street (Assessors' Parcel 199-304-5), containing approximately 3.05 acres, and a portion of the land known and numbered as 484 Charles River Street (Assessors' Parcels 199-304-2), containing approximately twenty-eight (28) acres, advertising will not benefit the Town's interest because of the unique qualities and location of the property needed. This determination is made on the basis that the property is large, undeveloped, and contiguous to both the Town's existing Ridge Hill Reservation and the Charles River. The property contains existing walking trails that connect to the Town's Ridge Hill Reservation trail network and will allow for increased public use and access of this scenic waterfront location.	
3.	BACK UP INFORMATION ATTACHED
(Describe backup below) a. Parcel Map b. M.G.L. c. 30B Section 16	



CASTLE FARM PARCELS OPEN SPACE CONCEPT PLAN

- TOWN OF NEEDHAM
- NORTHLAND RESIDENTIAL CORP

Legend:

- CASTLE FARM PARCELS
- RIDGE HILL RESERVATION
- SHARED BOUNDARY (EXISTING)

SCALE 100' 0' 200'

• Note: This concept plan is based on public GIS data and aerial imagery and is for illustrative purposes only. (9/7/22)

Part I ADMINISTRATION OF THE GOVERNMENT**Title III** LAWS RELATING TO STATE OFFICERS**Chapter 30B** UNIFORM PROCUREMENT ACT**Section 16** REAL PROPERTY; DISPOSITION OR ACQUISITION

Section 16. (a) If a governmental body duly authorized by general or special law to engage in such transaction determines that it shall rent, convey, or otherwise dispose of real property, the governmental body shall declare the property available for disposition and shall specify the restrictions, if any, that it will place on the subsequent use of the property.

(b) The governmental body shall determine the value of the property through procedures customarily accepted by the appraising profession as valid.

(c) A governmental body shall solicit proposals prior to:

(1) acquiring by purchase or rental real property or an interest therein from any person at a cost exceeding \$35,000; or

(2) disposing of, by sale or rental to any person, real property or any interest therein, determined in accordance with paragraph (b) to exceed \$35,000 dollars in value.

(d) The governmental body shall place an advertisement inviting the submission of proposals in a newspaper with a circulation in the locality sufficient to inform the people of the affected locality. The governmental body shall publish the advertisement at least once a week for two consecutive weeks. The last publication shall occur at least eight days preceding the day for opening proposals. The advertisement shall specify the geographical area, terms and requirements of the proposed transaction, and the time and place for the submission of proposals. In the case of the acquisition or disposition of more than twenty-five hundred square feet of real property, the governmental body shall also cause such advertisement to be published, at least thirty days before the opening of proposals, in the central register published by the state secretary pursuant to section twenty A of chapter nine.

(e) The governmental body may shorten or waive the advertising requirement if:

(1) the governmental body determines that an emergency exists and the time required to comply with the requirements would endanger the health or safety of the people or their property; provided, however, that the governmental body shall state the reasons for declaring the emergency in the central register at the earliest opportunity; or

(2) in the case of a proposed acquisition, the governmental body determines in writing that advertising will not benefit the governmental body's interest because of the unique qualities or location of the property needed. The determination shall specify the manner in which the property proposed for acquisition satisfies the unique requirements. The governmental body shall publish the determination and the reasons for the determination, along with the names of the parties having a beneficial

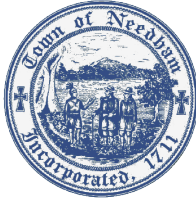
interest in the property pursuant to section forty J of chapter seven, the location and size of the property, and the proposed purchase price or rental terms, in the central register not less than thirty days before the governmental body executes a binding agreement to acquire the property.

(f) Proposals shall be opened publicly at the time and place designated in the advertisement. The governmental body shall submit the name of the person selected as party to a real property transaction, and the amount of the transaction, to the state secretary for publication in the central register.

(g) If the governmental body decides to dispose of property at a price less than the value as determined pursuant to paragraph (b), the governmental body shall publish notice of its decision in the central register, explaining the reasons for its decision and disclosing the difference between such value and the price to be received.

(h) This section shall not apply to the rental of residential property to qualified tenants by a housing authority or a community development authority.

(i) Acquisitions or dispositions of real property or any interest therein pursuant to this section between governmental bodies and the federal government, the commonwealth or any of its political subdivisions or another state or political subdivision thereof shall be subject to subsections (a), (b) and (g).



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2023

Agenda Item	FY2024 Budget Presentation
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
	The Town Manager will present the proposed annual balanced budget for fiscal year 2024. In accordance with Section 2.2.1 of the General By-laws of the Town, the Town Manager shall issue budget guidelines and instructions for all Town departments to submit their spending requests for the ensuing fiscal year. The Town Manager shall consult with the Finance Committee prior to the issuance of said guidelines and instructions. The Town Manager and/or his/her designee and the Finance Committee shall consult with each other throughout the Budget process. The Town Manager and School Superintendent will provide the Finance Committee with copies of their respective departmental spending requests on or before the 2nd Wednesday of December. Following receipt of these spending requests, the Finance Committee may begin its consideration of same, including the commencement of budget hearings. The Town Manager, after consultation with the Select Board and School Committee, shall not later than the 31st day of January, present to the Finance Committee a balanced budget recommendation in the form of an executive budget, which shall include the spending priorities of all Town departments for the ensuing fiscal year, including in addition thereto, the voted School Committee budget request if different than that contained in the proposed balanced budget. The Town Manager's executive budget recommendation shall not be binding on the Finance Committee. Said executive budget recommendation shall include the estimates of Town revenues and proposed expenditures of all Town departments, including debt service and other amounts required to be raised for the ensuing fiscal year. The Town Manager may amend or otherwise revise revenue estimates as may be warranted. All such revisions shall be provided in writing to the Select Board, School Committee and Finance Committee.
2.	VOTE REQUIRED BY SELECT BOARD
	<i>Suggested Motion:</i> That the Board vote to recommend approval of the Town Manager's Proposed Annual Budget for FY2024.
3.	BACK UP INFORMATION ATTACHED
	a. FY2024 Town Manager's Budget Message b. Revenue Summary c. Proposed Annual Balanced Budget document to be Provided Under Separate Cover



Town Manager's FY2024 Budget Message: We Can Do a Few Things

"There is no power for change greater than a community discovering what it cares about."
— Margaret J. Wheatley

"A city isn't so unlike a person. They both have the marks to show they have many stories to tell. They see many faces. They tear things down and make new again."
— Rasmenia Massoud

Table 1.1
Overall General Fund Budget Summary

Description	FY2022 Actual	FY2023 Budget	FY2024 Proposed	\$ Change	% Change
Sources					
Property Tax	\$170,417,731	\$178,892,914	\$183,728,090	\$4,835,176	2.7%
State Aid	\$13,852,710	\$15,221,089	\$15,802,127	\$581,038	3.8%
Local Receipts	\$16,217,044	\$12,411,662	\$12,908,128	\$496,466	4.0%
Free Cash	\$11,526,630	\$14,644,455	\$15,000,000	\$355,545	2.4%
Other Funds	\$1,324,796	\$3,912,320	\$1,937,668	(\$1,974,652)	-50.5%
Reimbursements	\$2,428,812	\$2,186,147	\$2,293,631	\$107,484	4.9%
Total Sources	\$215,767,723	\$227,268,587	\$231,669,644	\$4,401,057	1.9%
Uses					
Municipal Departments	\$46,544,096	\$51,667,529	\$54,253,629	\$2,586,100	5.0%
Minuteman School	\$1,230,287	\$1,367,739	\$1,641,773	\$274,034	20.0%
Needham Schools	\$81,607,641	\$87,277,798	\$92,155,973	\$4,878,175	5.6%
Townwide Expenses	\$58,760,463	\$63,823,003	\$64,175,434	\$352,431	0.6%
Reserve Fund	\$0	\$2,052,091	\$2,346,825	\$294,734	14.4%
Capital Budget	\$6,849,744	\$13,210,814	\$11,667,107	(\$1,543,707)	-11.7%
Financial Warrant Articles	\$2,376,066	\$2,041,507	\$2,138,288	\$96,781	4.7%
Other Appropriations	\$1,232,083	\$1,220,249	\$843,891	(\$376,358)	-30.8%
Other Amounts to be Raised	\$4,196,987	\$4,607,857	\$2,446,724	(\$2,161,133)	-46.9%
Total Uses	\$202,797,367	\$227,268,587	\$231,669,644	\$4,401,057	1.9%

INTRODUCTION

The pace of change in local government can feel glacial. Those new to the process are incredulous when told that just about anything we want to do takes at least 18 months. That is why looking back can be startling (and satisfying). So much has changed, and yet much remains to be done. Another fact of local government is that there really is limited bandwidth, even when all boards, committees, commissions, and departments are fully staffed and moving forward. It can be frustrating that our community is not at the forefront of the many noble ambitions and causes that we value. American culture is full of inspirational plaques

and memes asserting that “we can do it all.” That “if we dream it, we can do it,” or “if we just try harder, work harder, and work smarter we can have it all.” Actually, we can’t. We can only do a few things at a time if we want to do them well.

So, what has changed in Needham over the past dozen years? What has our community done well? The Public Services Administration Building was constructed, and Town Hall was completely renovated. The old Rosemary Pool has been disconnected from the Lake, and the Rosemary Recreation Complex is open. The senior center moved out of the moldy, waterlogged basement of the Stephen Palmer building into a brand-new Center at the Heights. The diseased “blue tree” has been replaced, and the Town Common has been totally reconstructed and will reopen this spring.

Owens Poultry Farm is now the Sunita Williams Elementary School. The 125-year-old Emery Grover School Administration Building is finally being updated. The “new” Needham High School has an expanded cafeteria and a new classroom wing.

The Police & Fire Station and Fire Station #2 are brand new. The Memorial Park Building is brand new. The Town now has its own salt shed, and a new storage facility adjacent to the Recycling/Transfer Station. The St. Mary’s Pumping Station was completely rebuilt, as was the Reservoir B Sewer Pumping Station.

The built environment in the business districts has changed as well, including additions to Beth Israel Deaconess Needham Hospital, the TripAdvisor World Headquarters, NBCUniversal, and the pending Children’s Hospital and 557 Highland Avenue Innovation Center. Businesses have opened and closed, and landmark signs have come and gone.

Decisions made in operating budgets, capital budgets, and at Town Meeting have a real impact on the community where we live, work and play. The past decade has been characterized by building and rebuilding. The future likely includes a focus on housing, sustainability, climate, safety, and transportation (to name a few). I look forward to continuing to discover what we care about as a community, and helping staff and volunteers put those plans into action - a few great projects at a time

BUDGETING BEST PRACTICES

1. Current revenues must be sufficient to support current expenditures. *The FY2024 operating budget is supported by current revenues. These are revenues that are reasonably expected to recur annually and can be relied on to fund on-going operations during strong and weak economic periods.*
2. The Operating and Capital Budgets must be developed in conformance with the Town’s comprehensive financial policies and must not be reliant on one-time revenue or unsustainable practices. *Revenue that cannot reasonably be expected to recur annually is allocated to one-time costs and reserves and is not used to support the operating budget except as provided under the Town’s Free Cash best practice.*
3. The five-year Pro Forma budget should be reviewed on a regular basis to ensure that the underlying assumptions are adjusted based upon changing conditions and data. *The Pro Forma budget is a planning tool that provides early opportunity for the Town to anticipate and prepare contingency plans for the operation of the government and the continuation of primary services.*
4. Debt must not be used to fund on-going operating expenses and will only be issued

for capital improvements greater than \$250,000 with a useful life of five years or more. *The FY2024 – FY2028 Capital Improvement Plan included four projects funded by debt. Our current recommendation is to fund two projects with debt as outlined below.*

5. The use of Free Cash to fund operations will be minimized by limiting such use to no more than 2% of the prior year's appropriated operating budget, or the actual turn back, *whichever is lower. The amount of Free Cash used to support on-going operations for FY2024 is in compliance with this best practice.*
6. Adequate contingency funds must be maintained. *This proposed balanced budget allocates funding to the Athletic Facility Improvement Fund.*
7. Sufficient maintenance and replacement funds will be allocated to ensure that capital facilities and equipment are properly maintained. *The recommended operating budget and the Capital Improvement Plan include investment in facilities, equipment, and infrastructure, including a continued investment in the Facilities Maintenance Program.*
8. The Operating and Capital Budgets must be resilient and allow the Town to maintain existing service levels, withstand typical local and regional economic disruptions, and meet the demands of natural growth, decline, and change. *The Town's ability to pivot and use alternative revenue sources to maintain the original approved budget for FY2021 during pandemic uncertainty is an example of budgetary resiliency.*
9. The Operating and Capital Budgets must be sustainable and meet the needs of the present without compromising the ability of future generations to meet their own needs. *Proposed increases in service delivery are focused and affordable within historical revenue growth assumptions. The Town's funding of its post-employment employee benefits liability is an example of sustainability in that currently accruing expenses are being funded with current revenue.*

TRADITIONAL BUDGET DRIVERS: ENROLLMENT, EMPLOYEE BENEFITS, AND STAFFING

As is true every year, expenditures relating to growth in the population served and the costs associated with providing those services are key drivers of budget growth.

School Enrollment School enrollment declined by 3.9% in 2020/2021, ticked up 0.6% for the 2021/2022 school year, and increased again slightly by 0.2% for the 2022/2023 school year. While enrollment has not fully recovered from pre-COVID levels, students remain impacted by the pandemic and continue to require critical support services. Table 1.2 details school enrollment from 2013/2014 to 2022/2023.

Employee Benefits The submitted FY2024 employee benefits budget includes an increase of 0.4%. The recommended budget is increasing 2.0% based on increases in employee headcount. The Town has managed to keep its employee benefits line fairly stable for the past several years, which has a positive impact on the operating budget. Table 1.3 highlights group insurance enrollment for the last five years.

Staffing Targeted staffing increases are recommended to meet existing and growing service delivery needs, safety, and sustainability of Town assets. The recommended FTE increase is one Municipal FTE and 14.3 School FTEs. Table 1.4 details the growth in Full-time Equivalent Employees from FY2019 to FY2023 – 23.3 or 6.3% on the Municipal side, and 92.8 or 12.3% on the School side.

BALANCED BUDGET HIGHLIGHTS

The recommended FY2024 budget was developed with the Select Board's voted budget priorities in-mind. A full list of the Select Board's Budget Priorities is included as Appendix A.

The following is a summary of significant changes from prior years and recommended changes to the submitted budgets. A full discussion of each department is included in the submitted departmental spending requests in Section 3.

Casualty, Liability, Property, & Self-Insurance Program – \$922,490 The Insurance budget recommendation is 10.6% higher than FY2023. This increase is primarily attributed to the increased insured value of Town property.

General Fund Debt Service - \$17,543,250 The recommended debt budget is 13.9% lower than FY2023. This decrease is primarily attributable to a decline in excluded debt service for the public safety project.

Group Insurance, Employee Benefits, and Administrative Cost – \$17,599,022 The submitted budget is 0.4% higher than FY2023. The submitted budget is recommended to increase by \$343,626 for a recommended budget that is 2.0% higher than the FY2023 budget. This increase reflects the cost of additional headcount contained in the FY2024 budget recommendation.

Needham Electric Light & Gas Program – \$5,655,057 The recommended budget is 37.2% higher than FY2023. This increase is primarily attributable to significantly increased energy costs along with higher consumption estimates due to the increased number of municipal facilities, increased use of power in school facilities, and a reduction in billable solar generation.

Retiree Insurance and Insurance Liability Fund - \$8,199,280 The recommended budget is 7.3% lower than FY2023. This line funds the on-going health insurance program for retirees and the reserve for Other Post-Employment Benefits (OPEB) liability. The funding schedule is consistent with the actuarial analysis as of June 30, 2022 (measurement date). The line item is declining because Town Meeting appropriated an additional \$1 million in Free Cash to this fund in FY2023. This recommendation includes an additional \$57,974 to account for the cost of additional headcount contained in the FY2024 budget recommendation.

Contributory Retirement Assessment – \$12,319,665 The recommended budget is 8% higher than FY2023. The Retirement Assessment is based on the most recent actuarial analysis as of January 1, 2022.

Workers Compensation – \$779,255 The recommended budget is 5.5% higher than FY2023 to reflect the expected cost of salary and wage growth, and higher costs for medical services and reinsurance. This recommendation includes an additional \$6,923 to account for the cost of additional headcount contained in the FY2024 budget recommendation.

Injury on Duty & 111F – \$159,415 The recommended budget is 5.5% higher than FY2023 to reflect the expected cost of salary and wage growth and higher costs for medical services.

Classification, Performance, and Settlements (CPS) – \$998,000 This line provides a reserve for funding General Government personnel-related items as they occur during the year and fluctuates annually depending on the number of collective bargaining agreements

that have not been settled for a given year. The Needham Fire Union contract is not settled for FY2023 and FY2024.

Reserve Fund – \$2,346,825 The recommended budget is 14.4% higher than FY2023. The recommended Reserve Fund Budget is consistent with the Finance Committee’s method for projecting the Reserve Fund.

Office of the Town Manager/Select Board – \$1,498,648 The recommended budget for the Office of the Town Manager/Select Board is 11.8% higher than FY2023. The increase is primarily attributable to transition of the Public Information Officer position from a financial warrant article to the operating budget.

Town Clerk/Board of Registrars - \$501,754 The recommended budget for the Office of the Town Clerk/Board of Registrars is 1.8% higher than FY2023. The increase is primarily attributable to the procurement of additional election hardware and polling location rentals, and a reduction in the number of selections in FY2024.

Legal Services – \$329,140 The recommended budget for Legal Services in FY2024 is the same as FY2023. The entire amount is allocated to the expense line reflecting the decision by the Select Board to hire a law firm – not an individual – to serve as Town Counsel.

Finance Department – \$3,853,919 The recommended budget for the Finance Department budget is 2.3% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel and an increase in the professional services lines.

Finance Committee – \$44,971 The recommended budget for the Finance Committee is 3.7% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Planning & Community Development – \$613,707 The recommended budget for the Planning and Community Development Department is 9.6% higher than FY2023. The increase is primarily attributable to the transfer of a portion of the funding for the Community Housing Specialist that was previously funded through Community Preservation funds.

Police Department – \$8,704,162 The recommended budget for the Police Department is 4.5% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Fire Department – \$10,695,558 The recommended budget for the Fire Department is 4% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel. The recommended budget does not factor in any potential increase which may result from the conclusion of ongoing collective bargaining – provision is made for these costs in the Classification, Performance, and Settlements recommended budget.

Building Department – \$894,312 The recommended budget for the Building Department is 4.7% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Minuteman School Assessment - \$1,641,773 The recommended budget for the Minuteman School Assessment is 20% higher than FY2023. The increase is based on budget growth assumptions and Needham’s share of the total enrollment, as well as Needham’s share of the capital investment in the new High School. The amount of the assessment may change once the Minuteman School Committee votes its final budget for FY2024.

Needham Public Schools – \$92,155,973 The Superintendent’s recommended budget for the Needham Public Schools is 5.6% higher than FY2023. The increase is primarily attributable to the addition of 14.3 FTEs. The Superintendent has stated that he believes the needs of our students and schools have been exacerbated by the pandemic, and he expects these needs to continue into the next academic year and beyond. The voted budget of the Needham School Committee was not available at the time of the distribution of this proposed budget and will be included as an addendum if the voted budget is different from this recommendation, in accordance with the General By-laws of the Town.

Building Design & Construction – \$351,476 The recommended budget for the Building Design and Construction Department is 1.75% lower than FY2023. The reduction is primarily attributable to changes in staffing. A request for an additional project manager will be considered in FY2025.

Public Works – \$20,340,339 The recommended budget for the Public Works Department is 6.0% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel and increased cost of repair and maintenance services required to sustain Town facilities. The recommended budget includes \$89,000 to rent a trailer for employees assigned to the RTS. Performance Improvement requests for salary/wages and benefits for a Custodian (\$98,214), Heavy Motor Equipment Operator (\$111,874), and Assistant Fleet Supervisor (\$132,307) have been deferred and will be considered in FY2025. The Department submitted a request for a Sustainability Coordinator for a future year. It is not clear whether this position will reside in Public Works but will be strongly considered for inclusion in the operating budget in FY2025.

Municipal Parking – \$159,654 The recommended budget for Municipal Parking is 5.2% higher than FY2023. The increase is primarily attributable to increased lease costs.

Health & Human Services (HHS) Department – \$2,548,252 The recommended budget for the HHS Department is 3.7% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel, and an increase of \$40,000 to support the Traveling meals program, which may be transitioning away from a long-time provider. The Department submitted funding requests for a part-time clinician (\$41,086), part-time environmental health inspector (\$24,814) and a front desk administrative assistant at the Center at the Heights (\$27,579). These items are not recommended in the FY2024 budget because the Department has identified grant funding to support these operations. Finally, the Department submitted future requests for the continuation of positions currently funded through ARPA funding. These include a data analyst/epidemiologist (\$101,674), a public health nurse (\$100,174) and a full-time clinician (\$88,692). Recognizing that the Town is likely to want to continue these positions in the future, we have recommended that several one-time financial warrant articles be funded by the Tax Levy – which would then be available to transfer to the public health positions in FY2025. These include the Human Resources Fellowship Program, Outside Recruiting Services and Temporary Staffing.

Commission on Disabilities – \$2,050 The recommended budget for the Commission on Disabilities in FY2024 is the same as FY2023.

Historical Commission – \$1,050 The recommended budget for the Historical Commission in FY2024 is the same as FY2023.

Public Library – \$2,231,134 The recommended budget for the Public Library is 3.4% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Park and Recreation – \$1,474,453 The recommended budget for the Park and Recreation Department in FY2024 is 10.2% higher than FY2023. The increase is primarily attributable to increased playground repair funding, increased cost of required water treatment chemicals, and salary and wage increases for existing personnel.

Memorial Park Trustees – \$750 The recommended budget for the Memorial Park Trustees in FY2024 is the same as FY2023.

ENTERPRISE FUNDS

Sewer – \$9,438,768 The recommended budget for the Sewer Enterprise Fund in FY2024 is 1.4% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel. The MWRA Sewer Assessment, which represents a significant portion of the Sewer Enterprise Fund Budget, has been level-funded as preliminary assessments are not yet available.

Water – \$6,005,947 The recommended budget for the Water Enterprise Fund in FY2024 is 6.2% higher than FY2023. The increase is primarily attributable to significantly increased cost of required water treatment chemicals. The MWRA Water Assessment, which represents a significant portion of the Water Enterprise Fund Budget, has been level-funded as preliminary assessments are not yet available.

BEYOND THE OPERATING BUDGET

Capital Improvement Budget – The Capital Improvement Plan Executive Summary is contained in Section 4 of this document. The recommended FY2024 Capital Budget has been updated to include the following items previously included under the “Tier 2” cash category:

- General Fund Fleet Replacement – Additional \$773,179;
- Public Works Infrastructure – Additional \$581,500;
- NPDES Support Projects – \$260,000;
- Sewer Fleet Replacement – Specialized Equipment – Additional \$52,059; and
- Action Sports Complex Feasibility Study – \$35,000.

In addition, we recommend that the following items, previously recommended to be funded through General Fund debt, be funded by cash:

- Fire Department Ladder 1 – \$2,000,000; and
- Athletic Facility Improvements/McLeod Field – \$1,310,000.

Other Financial Warrant Articles Given the amount of cash available for appropriation, and consistent with the Town’s policy to minimize the use of Free Cash for recurring operating expenses, the FY2024 proposed budget includes the allocation of funds to one-time programs, projects, and reserves. Changes to the funding recommendations may be made during the coming months depending on updated revenue estimates.

Facilities Maintenance Program – \$1,000,000 This recurring warrant article funds the annual maintenance of public buildings throughout the Town and School department, including, but not limited to asbestos abatement, duct cleaning, painting, and other repairs and necessary upgrades. (source: \$700,000 Tax Levy & \$300,000 Free Cash)

Compensated Absences Fund – \$250,000 Upon retirement, certain employees are compensated for a portion of their unused sick leave. All employees are entitled to payment of unused vacation leave upon termination of Town service. (source: Free Cash)

Town-Owned Land Surveys – \$ 100,000 Over time, the Town has acquired yet-to-be surveyed land or has land for which surveys are antiquated and unable to be used. In order to avoid delays in any potential development, or to enable the Town to respond to unforeseen circumstances, these lands should be surveyed to meet current engineering standards. (Recommended funding source: Free Cash)

Property Tax Assistance Program – \$50,000 The Property Tax Assistance Program provides small grants to taxpayers in need. (source: Overlay Surplus)

Small Repair Grant Program – \$50,000 The Small Repair Grant Program provides financial assistance to low- and moderate-income Needham residents to make repairs and alterations to their homes for health and safety reasons. Up to \$5,000 in grant funding is available per participant, and applications will be evaluated and prioritized based on the extent of the health and safety problems and the financial need of the applicants. (source: Overlay Surplus)

Athletic Facility Improvement Fund – \$33,533 The purpose of the Athletic Facility Improvement Fund is to set aside capital funds for renovation and reconstruction of the Town's athletic facilities and associated structures. Table 1.5 outlines appropriations to the fund over the past five years and is included at the end of this section. The funding recommendation is based on the amount appropriated in FY2023 from the Tax Levy. (source: Tax Levy)

Local Government Fellowship Program – \$221,000 These funds support the hiring of a local government management fellow to assist the Human Resources Department on long-term recruitment and retention programming. This fellowship would be facilitated by the International City/County Manager Association who would assist in nationwide recruitment. The fellow would assist the department in supporting multiple Select Board goals relative to workforce diversity and good governance in the context of an extremely competitive labor market that has impacted all Town departments. The cost includes salary, benefits, and associated expenses for the two-year period. (source: Tax Levy)

Recruiting Services – \$60,000 These funds will support targeted recruitment for high-level vacancies within Town government. Given the structural changes in the labor market since the pandemic and the decision of numerous retirement-eligible managers to leave the workforce, outside assistance has been vital to hiring managers for recent vacancies. (source: \$31,500 Tax Levy & \$28,500 Overlay Surplus)

Temporary Staffing – \$40,000 These funds will be used for short-term, temporary assistance to fill unexpected vacancies in critical staff positions while the formal hiring process takes place. Such funds approved by the 2020 Town Meeting were critical in supporting Town departments impacted by vacancies caused by worker illness, lateral promotions, military activation, and other unexpected situations. (source: Tax Levy)

Opioid Recovery & Mitigation Fund - \$217,288 A nationwide settlement with opioid distributors will result in funds being distributed to the Commonwealth, and subsequently to cities and towns for the next 30 or so years. These funds must be used on programming for prevention, harm reduction, treatment, and recovery. Current Massachusetts General Law mandates that these funds be distributed as General Fund receipts. As such, Town Meeting must annually appropriate these monies from the General Fund unless and until the Commonwealth allows the use of a Special Revenue Fund for this purpose. (source: Free Cash)

Fleet Refurbishment – \$300,000 These funds would provide refurbishment for vehicles to extend their useful life. This should improve operational safety and reduce active

maintenance issues. (source: \$150,000 Free Cash and \$150,000 Sewer Enterprise Fund Retained Earnings)

Drains/Sewer Contribution – \$810,358 The annual contribution to the Sewer Enterprise Fund offsets the cost of the drains program. The drains program - a General Fund expense – is appropriated to the Sewer Enterprise Fund as it is more efficient to account for the program in that manner. The Town continues to evaluate the benefits and challenges of funding the drains/stormwater program within the General Fund and will be recommending changes to the financial structure in the coming years. (source: Tax Levy)

Allowance for Abatements and Exemptions – \$693,892 These funds are reserved for property tax abatements and statutory exemptions. After the actual new growth revenue for FY2024 is known, the amount of overlay may change. The final amount of the reserve is determined by the Department of Revenue when it approves the tax rate in December. (source: Tax Levy).

CONCLUSION

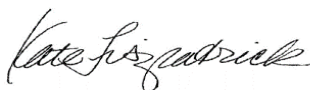
This balanced budget proposal is promulgated prior to the completion of the budget process for the Commonwealth. As revenue estimates are refined in the winter and spring, we will work with the various Town boards and committees in preparing the final budget to be presented to Town Meeting.

Our entire management team has worked collectively to implement creative ways of meeting the Town's sustainability goals. Efforts have been made to implement measures that will maximize the productivity of our organization and deliver the highest quality of services within available resources, aligned with stated goals of elected and appointed boards, committees, and commissions. I would especially like to thank Superintendent of Schools Dan Gutekanst, Assistant Town Manager David Davison, Assistant Town Manager Katie King, and Support Services Manager Myles Tucker for their work in the development of this budget.

I appreciate the spirit of cooperation that has been demonstrated by the Select Board, School Committee, and Finance Committee in the development of this budget, and applaud the commitment to sustainability on the part of Town boards and committees, Town Meeting, and ultimately the community. We are fortunate to have dedicated staff working every day to maintain the high quality of life our residents expect and deserve.

I couldn't be prouder to be associated with local government and the Town of Needham. I thank you for the opportunity to serve the residents and businesses in the Town of Needham.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kate Fitzgerald".

Town Manager

Appendix A

Select Board Budget Priorities

The Select Board has adopted the following core budget priorities for general government operations. These priorities serve as a key guideline in the evaluation of departmental spending requests.

1. Support for investment in safe, well-maintained and attractive buildings and infrastructure and accommodate a diverse set of community needs. (SB Goal #1).
 - a. Prioritize the installation of a new, modernized phone system for the Needham Free Public Library and other Town Buildings.
 - b. Identify funding for School Master Plan projects.
2. Ensure that Needham has the economic opportunities and resources for residents and businesses to thrive in our community. (SB Goal #2)
3. Creating or strengthening a multi-modal transportation system that gets people where they want to go, when they want to get there, safely and cost-effectively. (SB Goal #3).
 - a. Seek funding for noise reduction/Quiet Zone feasibility, design and construction.
4. Support initiatives to ensure that Needham residents enjoy high levels of physical and mental well-being and abundant recreational, cultural and educational opportunities in an environment where human rights are respected, diversity is celebrated, and neighbors feel connected. (SB Goal #4).
 - a. Support funding for expanded services for mental and behavioral health needs.
5. Support for initiatives that ensure that Needham is a welcoming and inclusive community that fosters personal and community safety and ensures that all residents are secure and cared for during emergencies and natural disasters. (SB Goal #5)
6. Support for an excellent customer experience, responsible management of the Town's assets, data-driven decision-making, and community engagement. (SB Goal #6)
 - a. Support for employee recruitment and retention initiatives.
 - b. Support the continuation of the communications role (PIO) through the operating budget.
 - c. Support for the maintenance of a debt service plan that balances capital needs with the Town's ability to pay, identification of alternative funding sources for capital needs, evaluation of financing alternatives, and alignment of capital and maintenance needs with appropriate funding sources.
 - d. Maximizes resources within the limits of Proposition 2 ½ to avoid operating overrides.
7. Ensuring that Needham is a sustainable, thriving and equitable community that benefits from and supports clean energy; preserves and responsibly uses the earth's resources; and cares for ecosystems. (SB Goal #7)
8. Achieving greater coordination and efficiency among Town departments and providing adequate resources to address identified service delivery and general administrative needs of the Town in a cost-effective manner.

Table 1.2
School Enrollment 2013/2014 to 2022/2023

School Year	Enrollment	Percentage Change
2013/2014	5,523	0.9%
2014/2015	5,519	-0.1%
2015/2016	5,581	1.1%
2016/2017	5,588	0.1%
2017/2018	5,666	1.4%
2018/2019	5,721	1.0%
2019/2020	5,706	-0.3%
2020/2021	5,483	-3.9%
2021/2022	5,515	0.6%
2022/2023	5,525	0.2%

Source: DESE

Table 1.3
Group Health Insurance Enrollment FY2019 to FY2023

Fiscal Year	Town	% Increase over Prior Year	School	% Increase over Prior Year	Total Actives	% Increase over Prior Year
FY2014	284	0.00%	509	-6.09%	793	-4.00%
FY2015	286	0.70%	531	4.32%	817	3.03%
FY2016	294	2.80%	530	-0.19%	824	0.86%
FY2017	286	-2.72%	544	2.64%	830	0.73%
FY2018	291	1.75%	540	-0.74%	831	0.12%
FY2019	291	0.00%	540	0.00%	831	0.00%
FY2020	298	2.41%	557	3.15%	855	2.89%
FY2021	293	-1.68%	563	1.08%	856	0.12%
FY2022	288	-1.71%	565	0.36%	853	-0.35%
FY2023	290	0.69%	560	-0.88%	850	-0.35%

10-Year Change (FY2014-FY2023)	6	2.11%	51	10.02%	57	7.19%
5-Year Change (FY2019-FY2023)	-1	-0.34%	20	3.70%	19	2.29%
1-Year Change (FY2022-FY2023)	2	0.69%	-5	-0.88%	-3	-0.35%

Table 1.4
**General and Enterprise Fund Full-time Equivalent Benefit-Eligible Positions
FY2019 – FY2023 (excluding grant funded positions)**

Function	Funded FY19	Funded FY20	Funded FY21	Funded FY22	Funded FY23	FY19 - FY23 # Change	Proposed FY2024
General Government & Land Use	42.9	43.3	43.4	43.4	44.5	1.6	45.5
Public Safety	140.8	144.8	148.8	150.8	152.8	12.0	152.8
Public Works and Facilities	149.0	150.0	152.0	152.3	156.0	7.0	156.0
Community Services	36.6	37.1	38.0	38.3	39.3	2.7	39.3
Municipal Departments	369.3	375.2	382.2	384.8	392.6	23.3	393.6
School Department#	749.3	794.2	808.4	839.0	842.1	92.8	856.4

Proposed FY24 reflects the Superintendent's submitted budget

Table 1.5

Athletic Facility Improvement Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$4,409,021	\$68,830	\$63,378	(\$1,855,000)	\$2,686,229
2020	\$2,686,229	\$8,469	\$75,000	(\$2,500,000)	\$269,698
2021	\$269,698	\$506			\$270,204
2022	\$270,204	\$2,689	\$705,715		\$978,608
2023*	\$978,608	\$8,247	\$85,659		\$1,072,514
* Balance as of October 31, 2022					

Table 1.6

Capital Facility Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$26,926	\$42,451	\$1,817,000		\$1,886,377
2020	\$1,886,377	\$31,712			\$1,918,089
2021	\$1,918,089	\$3,598			\$1,921,687
2022	\$1,921,687	\$6,168			\$1,927,855
2023*	\$1,927,855	\$16,248			\$1,944,103
* Balance as of October 31, 2022					

Table 1.7

Capital Improvement Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$747,226	\$21,937	\$141,413		\$910,576
2020	\$910,576	\$17,827	\$166,612		\$1,095,015
2021	\$1,095,015	\$2,054			\$1,097,069
2022	\$1,097,069	\$3,521			\$1,100,590
2023*	\$1,100,590	\$9,276	\$351,662		\$1,461,528
* Balance as of October 31, 2022					

Table 1.8

Debt Service Stabilization Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$2,062,952	\$51,554			\$2,114,506
2020	\$2,114,506	\$35,545			\$2,150,051
2021	\$2,150,051	\$4,033			\$2,154,084
2022	\$2,154,084	\$6,913			\$2,160,997
2023*	\$2,160,997	\$18,213			\$2,179,210
* Balance as of October 31, 2022					

Fiscal Year 2024 Proposed Budget

Revenue Summary

Funding Sources Summary
Table 2.1

Description	FY2022 Actual	FY2023 Recap	FY2024 Estimate	\$ Change	% Change
General Fund	213,338,911	225,082,440	229,376,013	4,293,573	1.9%
Enterprise Funds	16,222,662	15,959,434	17,355,631	1,396,197	8.7%
Community Preservation Fund	4,294,965	7,733,902	6,619,095	(1,114,807)	-14.4%
Total Funding Sources*	233,856,538	248,775,776	253,350,739	4,574,963	1.8%

* Before adjustments, reimbursements, and subsidies

The General Fund accounts for revenues and expenditures necessary to provide governmental services and expenses. By definition, all financial resources that are not required to be accounted for in other funds are accounted for in the General Fund. The above table 2.1 shows that the total estimated funding sources for FY2024 will increase by approximately \$4.6 million or 1.8%. The overall budget plan for FY2023 included a significant amount one-time CPA funds and General Fund Free Cash. The actual amount of Free Cash available for appropriation is not yet known, but we estimate the amount will be similar to the amount certified last year, in part because more than \$2.3 million was returned. For the purpose of this budget plan, we assume \$15 million of Free Cash available for appropriation. This compares to the \$14,644,455 of Free Cash that was appropriated last year. Enterprise Fund appropriations for FY2023 included the use of \$1,470,255 of retained earnings. This budget plan has \$2,864,131 in retained earnings being used for appropriations for FY2024 and receipts of \$14,491,500 (combined enterprise \$17,355,631). The Community Preservation Act (CPA) revenue estimate is \$4,343,787 and assumes \$2,275,308 in CPA reserves would be used to fund the four requests submitted to the Community Preservation Committee (CPC) for FY2024 (combined CPA \$6,619,095).

GENERAL FUND

Summary of General Fund Resources
Table 2.2

Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Recap	FY2024 Estimate	\$ Change
Property Taxes	150,349,498	161,661,687	170,417,731	178,892,914	183,728,090	4,835,176
State Aid	13,091,197	13,645,674	13,852,710	15,221,089	15,802,127	581,038
Local Receipts	16,058,350	14,589,825	16,217,044	12,411,662	12,908,128	496,466
Use of Reserves and Other Available Funds	3,879,196	1,492,947	1,324,796	3,912,320	1,937,668	(1,974,652)
Free Cash	10,337,871	7,862,473	11,526,630	14,644,455	15,000,000	355,545
General Fund Revenue	193,716,113	199,252,605	213,338,911	225,082,440	229,376,013	4,293,573
<u>Adjustments to General Fund Revenue</u>						
Reimbursements & Subsidies	1,325,500	1,330,058	1,407,415	1,216,515	1,215,000	(1,515)
CPA Share of Debt Service	1,185,317	1,425,000	1,021,397	969,632	1,078,631	108,999
Adjustments to General Fund Revenue	2,510,817	2,755,058	2,428,812	2,186,147	2,293,631	107,484
Available for General Fund Expenditures	196,226,930	202,007,663	215,767,723	227,268,587	231,669,644	4,401,057

Table 2.2 shows total revenue available for General Fund appropriations projected at **\$231,6669,644** or **\$4,401,057** more than FY2023. Revenue from the property tax is estimated to grow by approximately \$4.8 million, state aid is estimated to grow by \$581,038, and local receipts are estimated at \$496,466 more than the current year. Free Cash for appropriation has been assumed at \$15 million for FY2024.

The use of reserves and other available funds is approximately \$2 million less than was used for FY2023. Free Cash is essentially level when compared to \$14,644,455 used for FY2023. The estimated total adjustment to General Fund revenues is \$107,484 more for FY2024 compared to FY2023. It is important to note that these are preliminary revenue projections. They are subject to change and should be viewed in this context for reasons discussed later.

FY2023 GENERAL FUND REVENUE ESTIMATE ASSUMPTIONS

Property Taxes

Under Massachusetts General Laws, property taxes overall are restricted to increases of 2.5% plus tax revenues derived from new growth. This is referred to as the annual levy limit. An additional taxing limitation under Proposition 2½ is the levy ceiling. The levy ceiling is equal to 2.5% of the Town's valuation. The total taxable value of the Town as of January 1, 2022 was \$12,247,868,326. This puts the tax levy ceiling at \$306,196,708. The tax levy including debt exclusions for FY2023 was \$178,892,914, so the Town is well below its legal ceiling.

The new growth tax revenue is derived from improvements to property by its use, reconstruction, or new construction, and is added to the tax base. The annual levy limit may also be increased by the amount of any general override (usually for operating expenses), and capital exclusion override. The annual levy limit is also increased by the amount of debt service that is payable during the year for debt that has been approved by the voters as a debt exclusion override. The increase in the FY2024 tax levy attributable to new growth is estimated based upon information provided by the Assessing and Building Departments.

Property Tax Levy

The property tax levy (refer to Table 2.3.1 on the next page) represents approximately 80.1% (Table 2.8) of all general fund revenues before adjustments. The FY2024 property tax levy is estimated to increase approximately 2.7% over the FY2023 actual tax levy, or approximately \$4.8 million. This compares to the nearly \$8.0 million increase that FY2023 tax levy was over the FY2022 actual levy, or approximately 4.7% increase. The tax revenue to support operations within the levy limit is increasing by an estimate of 4.7% over FY2023. Property tax New Growth revenue has been much higher in recent years but the amount of New Growth for FY2023 (\$3,968,707) was a decrease from FY2022 (\$4,731,856) of \$763,149. The FY2024 budget plan assumes New Growth revenue of approximately \$2.5 million but may be amended when building activity through the end of 2022 is known. The New Growth revenue during FY2021 and FY2022 was higher due to the significant investment and installation of equipment by the public utilities the last few years. New Growth revenue increase during those years resulted from the reduction of the exemption in the Tax Incremental Financing (TIF) agreement with TripAdvisor from 76% of the original new construction value to one percent of the initial value. With the reduction in the TIF amount for TripAdvisor, the new tax revenue increased by more than \$1.4 million. The one percent exemption continues through FY2028. The Town also has a ten-year TIF agreement with NBCU which provides for a 70% deferral of the initial new growth value for four years, then declines to a 5% deferral for the fifth year, and then declines to a deferral of 1% of the original growth for the last five years of the agreement. However, the NBCU project delivered \$1.5 million in new personal property tax revenue for the Town in FY2020, revenue the Town would not have realized from a standard office complex development. The redevelopment of the former MUZI dealership properties is anticipated to generate \$3 to \$5 million in New Growth revenue within the next couple of years. We have made no estimate for New Growth for FY2024 in this budget plan from that project, but will propose amending the Debt Services Stabilization Fund (DSSF) to dedicate a significant amount of the New Growth revenue resulting from the redevelopment of that property to the DSSF. Town Meeting approval is

Fiscal Year 2024 Proposed Budget

required. The Town can take proactive steps now to secure those funds for the considerable investment in Town assets in the coming years.

Fiscal Year Tax Levy
Table 2.3.1

Description	FY2020 Recap	FY2021 Recap	FY2022 Recap	FY2023 Recap	FY2024 Estimate	\$ Change
Prior Year Base	134,370,075	142,426,994	150,539,475	159,039,704	166,984,404	
2-1/2 Allowance	3,359,252	3,560,675	3,763,487	3,975,993	4,174,610	
New Growth	4,697,667	4,551,806	4,731,856	3,968,707	2,500,000	
General Override						
Levy in Abeyance	(2,999,601)	(1,757,767)	(603,818)	(1,175,906)		
General Tax Levy Limit	139,427,393	148,781,708	158,431,000	165,808,498	173,659,014	7,850,516
Total Excluded Debt	12,922,651	14,448,298	14,375,000	13,844,279	10,764,226	
Less Excluded Debt Offsets	(800,307)	(791,205)	(766,324)	(727,478)	(695,150)	
Debt Exclusion Adjustment			(1,205,777)	(32,385)		
Excluded Debt to be Raised on Tax Levy	12,122,344	13,657,093	12,402,899	13,084,416	10,069,076	(3,015,340)
Property Tax Levy	151,549,737	162,438,801	170,833,899	178,892,914	183,728,090	4,835,176
Collections by Year End*	150,349,498	161,661,687	170,417,731			

*Includes collections of prior year taxes and pending refunds

The tax levy limit is calculated by increasing the allowed FY2023 levy limit, exclusive of debt exclusions, by 2.5% and then adding a component for new growth. New growth is a function of the additional value generated by construction during the preceding year. The additional tax dollar amount for new growth is determined by the value on the January 1 assessment date and is then multiplied by the applicable FY2023 tax rate.

The increase in the levy limit above the allowable annual limit and new growth is limited to the amount to be raised to pay the debt that has been excluded from the levy limit by the voters of Needham. The base tax levy, before accounting for debt exclusions, is expected to increase by approximately \$7.9 million over the FY2023 actual base levy. The amount of tax excluded debt that is to be paid by property taxes is estimated to decrease by more than \$3 million for FY2024 over the FY2023 tax levy. The total excluded debt declined from \$14,375,000 in FY2022 to \$13,844,279 in FY2023. The excluded debt in FY2024 will decline to \$10,764,226. The final excluded debt issue for the Public Safety projects was completed last year, which is the last of the debt excluded projects approved by the Town. The excluded debt service and its effect on the tax levy will decline every year going forward, unless and until new projects are approved by the voters of Needham.

Table 2.3.2 (next page) shows the annual debt service by project that was added to the tax levy for fiscal years 2020 through 2023, and the amount to be added to FY2024. The table shows the percentage that the gross excluded debt would have increased the tax levy, and the percentage that the net excluded debt (the gross debt adjusted for offsets and adjustments) made up of the total tax levy. For FY2023, the total excluded debt service was \$13,844,279 which could have added 8.3% to the tax levy, but after accounting for the allowed adjustments, the actual amount added to the tax levy was \$13,084,416 which represented 7.3% of the total tax levy for the year. For FY2024, the \$10,764,226 in total excluded debt would add 6.2% to the estimated levy for the year, but with the MSBA credit, the net to be raised as the percent of the levy would be 5.5%; additional adjustments are pending for FY2024 which will further reduce the amount to be raised.

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Debt Exclusions Added to Tax Levy FY2020 - FY2024
Table 2.3.2

Description	FY2020	FY2021	FY2022	FY2023	FY2024
Debt Service					
Broadmeadow School	771,225	741,425	708,700	678,000	642,600
Eliot School	304,400	294,400	284,400	269,500	259,700
High Rock & Pollard Schools	1,192,035	1,087,335	1,041,410	1,007,160	970,760
High School	1,606,571	1,521,490	1,438,687	1,388,240	1,333,015
Library	796,775	-	-	-	-
Newman School	1,262,390	1,124,960	1,058,043	1,033,975	1,000,845
Public Safety Buildings	2,068,944	4,961,890	7,443,229	7,129,823	4,282,675
Williams School	4,946,992	4,716,797	2,400,531	2,337,581	2,274,631
Total	12,949,332	14,448,297	14,375,000	13,844,279	10,764,226
General Tax Levy	139,427,393	148,781,708	158,431,000	165,808,498	173,659,014
Excluded Debt as a % of the General Tax Levy*	9.3%	9.7%	9.1%	8.3%	6.2%
Offsets and Adjustments					
MSBA Credits	(695,148)	(695,148)	(695,148)	(695,150)	(695,150)
Premium Credits	(105,159)	(96,056)	(71,176)	(32,328)	
Other Adjustments	(26,681)		(1,205,777)	(32,385)	
Total	(826,988)	(791,204)	(1,972,101)	(759,863)	(695,150)
Net Excluded Debt Raised on Tax Rate	12,122,344	13,657,093	12,402,899	13,084,416	10,069,076
Total Tax Levy (Excluded and Within the Levy Limit)	151,549,737	162,438,801	170,833,899	178,892,914	183,728,090
Net Excluded Debt as a % of the Total Tax Levy	8.0%	8.4%	7.3%	7.3%	5.5%
* Before Offsets and Adjustments					

The property tax that one pays is primarily influenced by three factors: 1) Town Meeting appropriations and other amounts that the Town is required to pay, 2) the property tax allocation between commercial and residential, and 3) property values (assessments). The real estate market in Needham has remained strong compared to other areas in the state and the nation. The actual New Growth Figure will not be finalized until the fall and cannot be incorporated in the tax recap until certified by the Massachusetts Department of Revenue.

Chart I

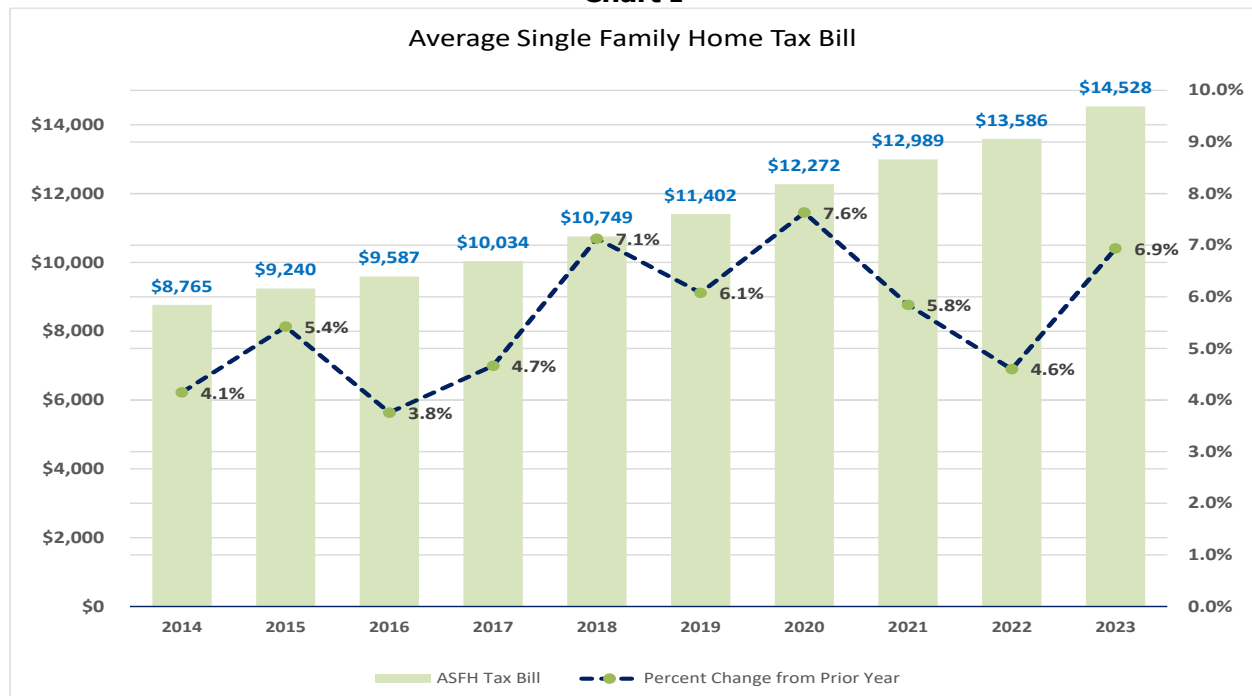


Chart II
Average Single Family Home Tax Bill
Area Communities

Municipality	FY2023
Weston	\$23,893
Brookline	\$21,372
Wellesley	\$18,087
Lexington	\$17,514
Concord	\$17,481
Belmont	\$16,450
Winchester	\$16,214
Wayland	\$15,958
Sudbury	\$14,961
Newton	\$14,793
Needham	\$14,528
Westwood	\$13,270
Milton	\$10,669
Bedford	\$10,454
Arlington	\$10,228
Natick	\$9,597
Walpole	\$9,217
Dedham	\$8,581
Framingham	\$7,113
Norwood	\$6,223
Group Average (excluding Needham)	\$13,793
State-Wide Average	\$6,916

Source: DOR

The Average Single-Family Home (ASFH) property tax bill for FY2023 in the Town of Needham was \$14,528. The chart on the previous page (Chart I) shows the ASFH tax bill for Needham and the percent change from the prior year for the period of FY2014 to FY2023. Based on the most current data from the Department of Revenue, Needham's average single family home property tax bill in the middle of 20 nearby or comparable communities (Chart II), but well over the state-wide average of \$6,916. Other than the Town of Norwood, all the communities in the group are above the state-wide average. This should not be unexpected as the values of homes in this area are much greater than in the state overall. The average tax bill of the identified communities (excluding Needham), for FY2023 was \$13,793 which is 4.9% more than the average of those communities in FY2022 (\$13,148). The average single family home tax bill in Needham for FY2023 increased by 6.9% from FY2022 (\$14,528 vs \$13,586). The average single family home tax bill increase state-wide was 6.2% (\$6,916 vs \$6,514).

State Aid

Most State aid, especially Cherry Sheet aid, is a function of the State budget. The Governor is not required to file the state budget plan until the fourth Wednesday in January. However, in a year when there is a newly elected governor, the new Governor is allowed eight weeks after Legislature convenes to submit the state budget plan. This will be well after the release and presentation of the Town Manager's Balanced Budget for FY2024. For the purposes of this estimate, we assumed an increase of four percent based on the average change in total state aid over the prior ten years rounded to the whole percentage. Therefore, we have assumed a 4.0% increase over the current fiscal year in both Chapter 70 and Unrestricted General Government Aid (UGGA). We have also assumed that all the other Cherry Sheet aid programs which the Town is scheduled to receive for FY2023 will be increased by 4.0% for FY2024. During the winter and spring months, the Legislature will review the Governor's budget proposal, and will release its own budget proposal. In past years, such changes to local aid have altered both the amount of aid and the method of distribution.

The Governor's budget is presented to the Legislature, and the House of Representatives reviews it. The House Ways and Means Committee will develop its own recommendations to present to the full House for debate and amendment. After the House adopts a budget plan, it is forwarded to the Senate for a similar process. After the Senate prepares and votes on its budget plan, the House and Senate conference by way of a committee to resolve any

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differences between the two budgets plans. A single budget document is then presented to the full body of the House and subsequently to the Senate for final debate and vote. The approved budget is then sent to the Governor for approval or veto. During this entire process, amendments are usually made which can alter the amount of aid the Town will actually receive.

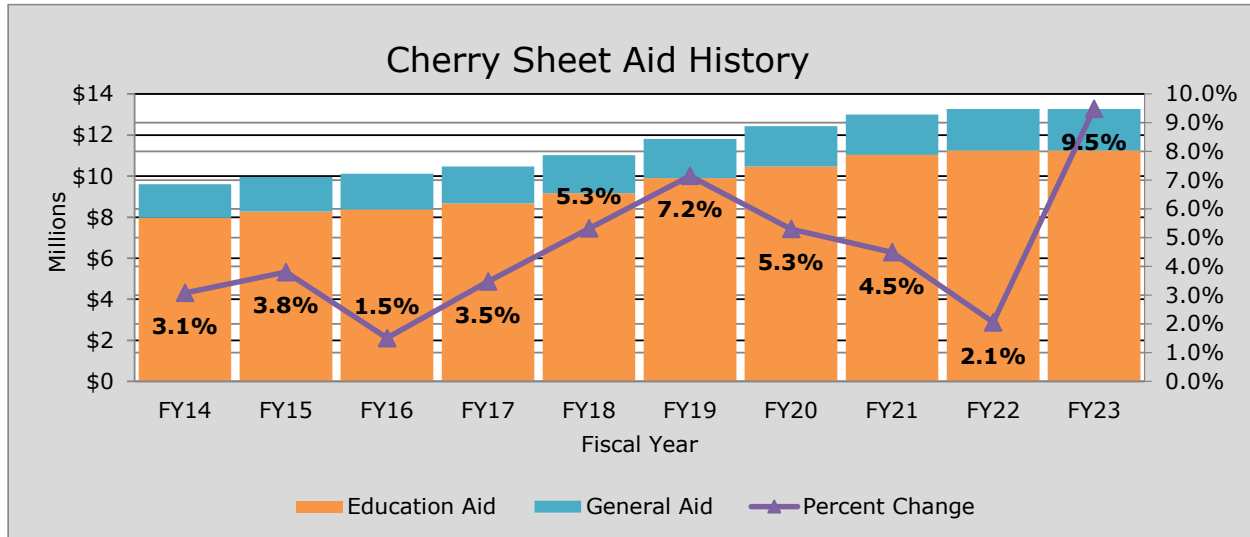
State aid (Table 2.4) represents approximately 6.9% (Table 2.8) of the total general fund before adjustments. As noted earlier, the Governor's budget plan is not expected until late February and perhaps as late as March 1st, and unless the Governor's budget plan assumes less total aid to Needham than our estimate, any revision to revenue would be directed towards regularly recurring expenses proposed to be funded from reserves. The Governor's budget proposal is subject to review and amendment, and final figures are not expected until late spring.

State Aid Table 2.4						
Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Recap	FY2024 Estimate	\$ Change
Chapter 70	10,451,715	11,025,783	11,192,613	12,371,314	12,866,167	494,853
School Transportation						
School Construction Assistance						
Charter School Tuition	11,573	3,698	28,264	17,774	18,485	711
Homeless Transportation	3,927		23,764			
State Aid for Education	10,467,215	11,029,481	11,244,641	12,389,088	12,884,652	495,564
Unrestricted General Government Aid	1,853,722	1,853,722	1,801,326	2,022,207	2,103,095	80,888
Police Career Incentive						
Veterans Benefits	21,672	15,033	13,693	14,980	15,579	599
Chapter 59 Elderly Exemptions	6,709	6,526	48,878	40,023	41,624	1,601
Public Library Aid	41,164	45,764	48,842	59,641	62,027	2,386
State Aid for General Government	1,923,267	1,921,045	1,912,739	2,136,851	2,222,325	85,474
Total Cherry Sheet Aid	12,390,482	12,950,526	13,157,380	14,525,939	15,106,977	581,038
MSBA Payments	695,148	695,148	695,148	695,150	695,150	
Other State Payments	5,567		182			
Other State Aid	700,715	695,148	695,330	695,150	695,150	
Total State Aid	13,091,197	13,645,674	13,852,710	15,221,089	15,802,127	581,038

Cherry Sheet Aid

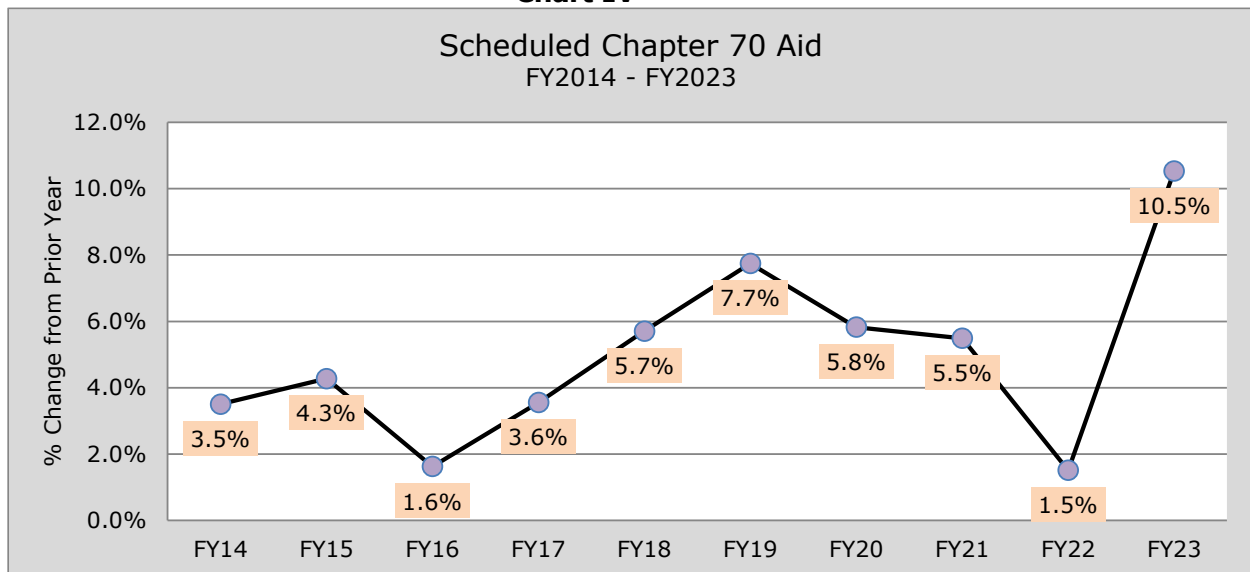
Cherry Sheet aid comes from the Commonwealth where funds are allocated either through distribution formulas or reimbursement formulas. Distribution formulas often incorporate equity factors such as property wealth, income, and effort. Reimbursement formulas provide full or partial funding for program expenditures or foregone revenues. In addition to reimbursements and distributions, there are also Cherry Sheet programs designated as Offset Items. These items are amounts that constitute categorical aid, i.e., funds that must be spent for specific programs. The funds received under programs designated as Offset Items may be spent without appropriation by the Town for the intended purpose (see Adjustments to General Fund Revenue). All other receipt items on the Cherry Sheet are considered revenues of the Town's general fund and may be spent for any purpose, subject to appropriation. Chart III (next page) reflects the history of the total amount of Cherry Sheet aid broken out by general and education aid with the annual percentage change in the total for the years FY2014 through FY2023.

Chart III



Chapter 70 aid is commonly referred to as general school aid. The State explains that Chapter 70 is a formula aid program that is based on a Foundation Budget that is calculated by the Commonwealth for each school system, which considers enrollment, pupil characteristics, inflation, and geographical differences in costs such as wages. The Foundation Budget is what the State has determined to be the minimum spending level for a school system. The formula takes into consideration a community's ability to pay the cost of education based on property values and income. This information is based on equalized property valuation calculated by the Massachusetts Department of Revenue every other year and income data from State tax returns. The State's goal was to ensure that a minimum of 17.5% of the calculated budget for each school system was made up of State aid. This is not 17.5% of what a community may choose to fund.

Chart IV



The Town of Needham saw an increase in Chapter 70 funding every year since FY2014. The Town received \$7,901,802 in FY2014, an increase of \$267,812 or 3.5% more than the prior

year. The Town received \$337,938 more in FY2015, an increase of 4.3%, followed by \$134,050 increase, 1.6% in FY2016. The distribution from the State in FY2017 was \$297,605 more or 3.6% over FY2016, and FY2018 was \$494,965 over FY2017, an increase of 5.7%. The Town received \$709,792, an increase of 7.7% in FY2019, followed by a 5.8% increase or \$575,563 in FY2020, and \$574,068 more in FY2021 or 5.5%. During FY2022 the Town received just \$166,830, 1.5% more than FY2021, but the Town is scheduled to receive \$12,371,314 during FY2023, or \$1,178,701 an increase of 10.5% over FY2022 and is the highest dollar and percent increase over the ten-year period. As mentioned, our \$12,866,167 estimate for FY2024 is \$494,853 higher than the current year, or a 4.0% increase. Chart IV (previous page) shows the annual percent change in Chapter 70 aid from FY2014 through FY2023.

The Additional Assistance and Lottery aid programs were consolidated into a new aid category called **Unrestricted General Government Aid (UGGA)** in FY2010. The Town received \$1,853,722 in FY2020, an increase of \$48,735 or 2.7% more than the prior year; for FY2021 the Town received the same amount (\$1,853,722), and for FY2022 the Town received \$1,801,326 a decrease of \$52,396. The Town was scheduled to receive \$1,918,602 for FY2022 or \$64,880 (3.5%) more than the prior year, but the State distribution was not received until after end of the fiscal year. The monies have been credited to FY2023. The Town is scheduled to receive \$2,022,207 for FY2023 in addition to the \$52,396 that has already been recorded as FY2023 revenue. We have estimated \$2,103,095 for FY2024, or \$80,888 (4.0%) more than the FY2023 Cherry Sheet amount.

The total for all the **other Cherry Sheet aid** programs that have been identified for Needham - charter school tuition, homeless transportation reimbursements, veterans' benefits, property tax exemption reimbursements, and aid to public libraries totaled \$85,045 for FY2020. The Town received \$71,021 in FY2021, and for FY2022 the Town received a total of \$163,441. The total of the other Cherry Sheet aid programs is \$132,418 for FY2023. We have assumed a four percent increase (\$5,297) for FY2024 or \$137,715.

The Town is also expecting the last annual contract assistance payment for the Broadmeadow School project. The payment was decreased from \$745,381 to \$695,148 in FY2014. The decrease reflected lower interest expense the Town realized when it issued refunding bonds on the then existing Broadmeadow School project bonds. The reduction allowed the **Massachusetts School Building Authority (MSBA)** to capture its share of the lower debt costs. The MSBA final payment is estimated at **\$695,150**. The payment is applied as a credit against the annual debt service for the Broadmeadow School and hence reduces the amount that is paid on the property tax bill (refer back to Table 2.3.2).

Local Receipts

Our time-honored approach of conservatively estimating local receipts is based on a target range. Our goal is to have a local estimate total, by the time the tax rate is sent to the Department of Revenue (DOR) for review, which is less than 80 percent of the prior year's actual receipts excluding non-recurring revenue. The FY2022 actual receipts were higher than FY2021 receipts by \$1,627,220. This was the first increase in total actual receipt since 2019. The FY2022 actual receipts of \$16,217,044 included \$319,369 of receipts that are classified as nonrecurring receipts. We have estimated total local receipts will increase by four percent over the FY2023 estimate. This estimate, excluding nonrecurring revenue, is currently projected at approximately 81.2% of the 2022 actual receipts.

We prepare the projections of local receipts by comparing FY2022 estimated receipts to actual receipts; FY2022 actual receipts to FY2021 actual receipts, FY2023 estimated receipts to the

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FY2022 actual receipts and FY2023 year-to-date numbers. We also look at trend lines over three and five years. The Department of Revenue will only allow a community to forecast local revenue up to the level of collection in the previous fiscal year. Under certain circumstances and with appropriate documentation, the Department of Revenue may allow a community to exceed its prior year actual revenue, e.g., for establishing a new fee or significantly increasing an existing fee or charge. During this analysis, the FY2023 estimated receipts were revised. As the year progresses, further analysis of collections will be performed to determine if fiscal year 2023 activity demonstrates a trend that deviates from projections. It is also important to note that if certain budgetary reductions are made to departments that generate or manage the collection of receipts, the estimate may need to be revisited.

Consequences of overly aggressive local receipt estimation include a reduction in the margin between budgeted and actual receipts to cover unanticipated drops in other revenue sources and unexpected increases in expenses (particularly non-appropriated costs), and lower Free Cash certification for the future year than would otherwise be possible. A tighter margin could also negatively impact the Town's credit rating, and hence increase borrowing costs for the Town and consequently higher tax bills for residents.

Local receipts represent approximately 5.6% (Table 2.8) of the total general fund before adjustments. Local receipts consist of items such as other taxes and excises, licenses, permits, and penalties, fines and forfeitures, investment income, and income from departmental activities and services. The budget estimate for FY2023 of **\$12,908,128** (Table 2.5) is an increase of \$496,466 or 4.0% from the revised FY2023 budget of \$12,411,662. When completing the tax rate setting process, we reduced some of the estimates and increased others for the FY2023 receipts based on FY2022 results and trends. The total was within the target range for estimating.

Local Receipts Table 2.5						
Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Recap	FY2024 Estimate	\$ Change
Motor Vehicle Excise	5,679,213	5,129,306	5,837,070	4,700,000	5,060,000	360,000
Other Excise	1,684,874	643,481	1,415,760	900,000	1,225,000	325,000
Penalties & Interest	272,719	499,343	515,392	270,000	280,000	10,000
Payment in Lieu of Tax	93,000	139,204	147,913	110,000	120,000	10,000
Solid Waste Fee	1,108,099	1,448,570	1,189,410	1,000,000	1,000,000	
Charges for Services	1,889,262	2,435,242	2,245,676	1,900,000	1,973,128	73,128
Fees	351,189	405,578	419,607	155,000	165,000	10,000
Rents	114,739	265,619	208,202	175,000	180,000	5,000
School Income		8,507				
Recreation Department Income	358,649	196,578	236,392	195,000	205,000	10,000
Other Department Income	575,385	461,491	600,976	485,000	505,000	20,000
Licenses & Permits	2,381,660	2,068,299	2,771,497	1,920,000	2,000,000	80,000
Special Assessments	914	363				
Fines & Forfeits	234,549	60,974	110,191			
Investment Income	834,163	228,969	194,651	250,000	195,000	(55,000)
Medicaid Reimbursement	67,188	2,319	1,642			
Miscellaneous Income	7,967	3,282	3,296			
Nonrecurring Income	404,781	592,701	319,369	351,662		(351,662)
Total	16,058,350	14,589,825	16,217,044	12,411,662	12,908,128	496,466

The three major sources of local receipts, which made up nearly 68% of total receipts over the last four years (see Chart V), are Motor Vehicle Excise, Charges for Services, and License and Permits. Year after year motor vehicle excise tax is the major local revenue source accounting for as much as 38% of the total local receipts in a given year and the average percentage over the 2019 – 2022 time period was 36.2%. Therefore, an overestimation of this revenue will have negative impact on the Town's financial position. All three receipt categories are influenced by the economy, locally and nationally, more so than other receipts.

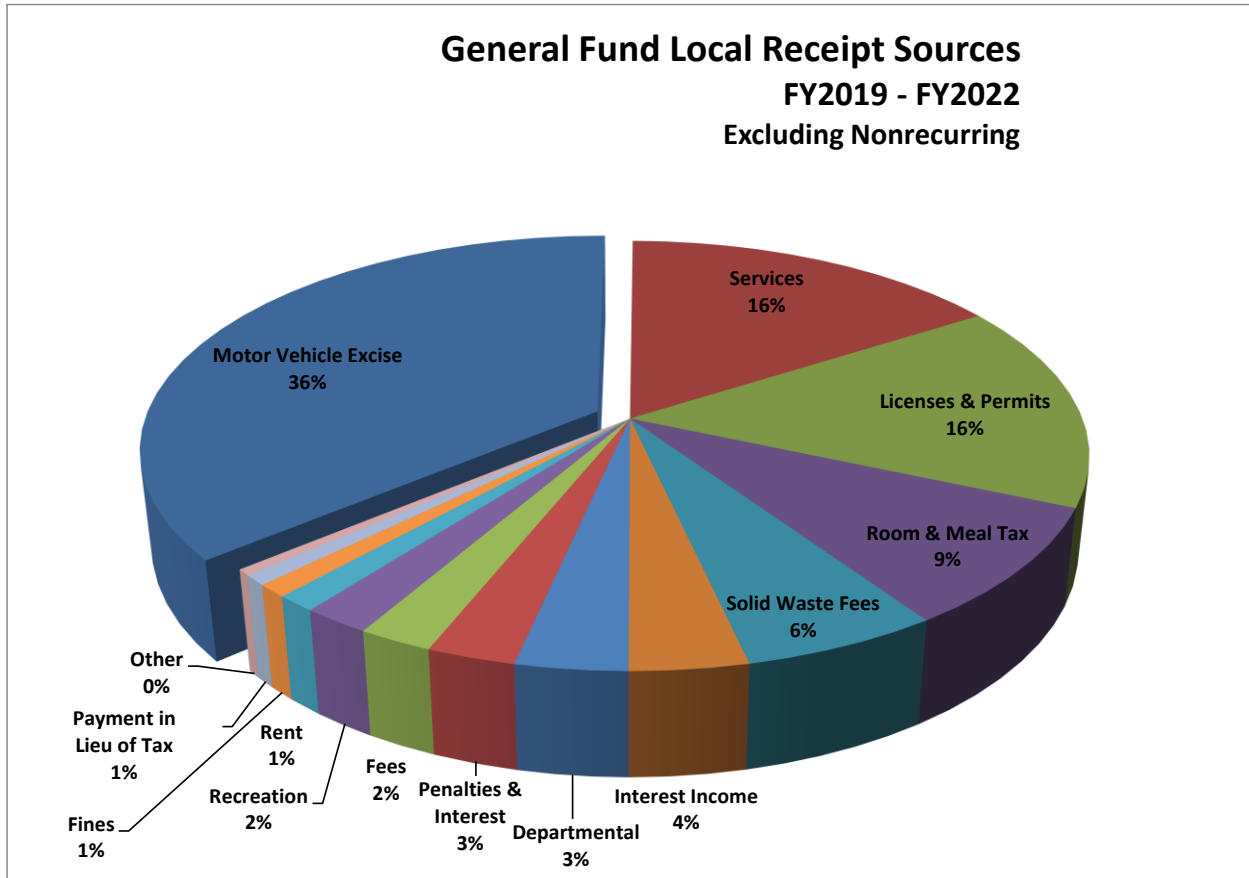
All vehicle owners who have their vehicles registered in the Commonwealth of Massachusetts pay an annual **Motor Vehicle Excise** tax to the community in which the vehicle is principally garaged. The Registry of Motor Vehicles provides listings several times during the year with the vehicles that are registered in Needham, along with the value for each. The vehicle values are the manufacturers' list prices for vehicles in their year of manufacture. The present market value, price paid, and/or condition are not considered for excise tax purposes. The excise tax law establishes its own formula for valuation for state tax purposes whereby only the manufacturer's list price and the age of the motor vehicle are considered. In the year preceding the model year of the vehicle (i.e., 2024 vehicle purchased in 2023) the value is 50%; in the model year the value is 90%; in the second year the value is 60%; in the third year the value is 40%; in the fourth year the value is 25%; and in the fifth and succeeding years the value is 10%. The Town relies on this information to calculate and issue excise bills. The motor vehicle excise tax rate is set by State law at \$25 per \$1,000 valuation. The rate is uniform throughout the Commonwealth.

We have assumed approximately a 10% increase or \$360,000 from the FY2023 revised estimate of \$4.7 million. Motor vehicle excise receipts for FY2024 are projected at approximately **\$5.1 million** which is 86.7% of the FY2022 actual. This is a revenue source that we continue to monitor closely. We do not anticipate increasing this revenue estimate any higher because a negative swing with this revenue item can have a notable impact on Free Cash.

In 1986, the Town of Needham adopted a local option room excise tax at 4%; the Town adopted the State-allowed rate of 6% which became effective January 1, 2010. Hotels, motels, and certain other establishments collect this excise on the taxable portion of rents they collect. The businesses remit the funds to the State. The State sends payments to the Town during the year, which is accounted for as **Other Excise** under the local receipts group. The Town of Needham also accepted the 0.75% local option meals excise effective January 1, 2010. The local establishments report and remit the meals tax to the Department of Revenue (DOR). Collections from both the room excise and the meals excise have shown recovery after the downturn due to COVID which negatively impacted these revenue sources for couple of years. During FY2020 the Town received \$1,684,874 which was a decrease from the prior year. Revenues for FY2021 dropped to \$643,481, a decline of more than \$1 million from FY2020. However, during FY2022 the Town received \$1,415,760, a swing of \$772,279, more than 120% increase over the prior year. The revised estimate for FY2023 was set at \$900,000. We are optimistic that even with recent inflation concerns, the hospitality industry will be solid and have move the FY2024 estimate to **\$1,225,000**, a 36.1% increase over the FY2023 estimate and represents approximately 87% of the FY2022 actual.

The **Penalties & Interest** category includes penalties charged for the late payment of real estate and motor vehicle excise bills, tax lien redemptions, and interest accrued on deferred taxes. This is a revenue source can have major swings from year to year. The fluctuations in actual collections reflect the unpredictability of the timing of payments, particularly settlements on deferred taxes and tax title accounts. The FY2020 actual receipts were \$272,719. The FY2021 receipts were 499,343 for FY2021, an 83% increase, and the FY2022 actual receipts were \$515,341, a 32% increase. The estimate for FY2023 is \$270,000 and we have increased the estimate for FY2024 to **\$280,000**.

Chart V



Payment In Lieu of Tax is a voluntary payment made by certain tax-exempt entities. The Town receives payments from BID/Needham and the Needham Housing Authority (NHA), but payment from the NHA is dependent on Federal funding. The Town and the Hospital executed a new PILOT agreement in June 2018. The Town received \$93,000 in FY2020 which was a decline from the prior year. However, there was a delay in receiving scheduled payments during FY2020. There was a bump up in revenue for FY2021 with \$139,204, and a further increase for FY2022 at \$147,913. The estimate for FY2024 is **\$120,000**, 9.1% more the \$110,000 revenue estimate for FY2023. This is approximately 81% of the FY2022 receipts.

Solid Waste Fees are the charges and fees collected for the disposal of solid waste and other items. This will be the fourth year that this revenue is part of the General Fund. FY2020 was the first year that this revenue was part of the General Fund which generated \$1,108,099. There was a visible uptick in activity at the RTS which generated \$1,448,570 in solid waste disposal fees for FY2021. During FY2022, there was a decline of \$259,160 (17.9%) in disposal receipts with a total of \$1,189,410 collected. The estimate for FY2023 was lowered from the original estimate of \$1,200,000 to \$1,000,000. The estimate for FY2024 is level dollar at **\$1,000,000**. This represents approximately 84% of the FY2022 actual.

The category of **Charges for Services** includes charges for ambulance services, certain parking revenue, and charges by the DPW. This revenue also includes solar electric payments the Town receives from Eversource for power generated by the solar array at the former landfill. The amount generated from the solar array is a significant portion of the total receipts under this category, but fluctuates. The revenue generated from the solar payments is

affected by the amount of power produced, the time of day the power is provided (the utility pays different rate depending on the peak and off-peak demands), and the actual rate Eversource must pay for the production. A history of the last six completed fiscal years collections is shown in Chart VI. The total from all services provided was \$1,889,262 in FY2020. With the increase in solar revenues, the running of two full-time ambulances, and the resumption of the sale of parking permits, revenue collections improved with \$2,435,242 received during FY2021. The FY2022 receipts declined to \$2,245,676. However, revenue for the first half of FY2023 was improved so we maintained the estimate at \$1,900,000 for the current year. The total estimated income from the various charges and solar revenue for FY2024 is **\$1,973,128**, an increase of \$73,128 over FY2023 estimate, or 3.8% more. The estimate for FY2024 is approximately 88% of the FY2022 actual revenue.

Chart VI
Solar Energy Payments

Fiscal Year	Payment	Fiscal Year	Payment
2017	\$909,146	2020	\$807,467
2018	\$1,025,931	2021	\$1,234,585
2019	\$1,147,907	2022	\$905,263

The Town collects various **Fees** which include returned checks, FID cards, administrative fees for details, Registry of Motor Vehicle license and registration non-renewal releases, and parking meter receipts. The total fees collected in FY2020 was \$351,189 which included payment of cannabis related fees of \$135,685. During FY2021 the Town received \$405,578 again benefitting from the increase in cannabis revenue with \$263,488 paid to the Town. The total amount in fees collected during FY2022 increased to \$419,67, of which \$228,025 was from cannabis. The original estimate under this category for FY2023 was \$320,000, but we decreased the estimate to \$155,000. This was done in anticipation that state law will be amended to restrict local agreements with cannabis operators from making payment to the municipality beyond direct cost offsets. Should the law not be amended in such a manner, and the local cannabis dispensary makes payment in accordance with the local agreement, the proceeds would become Free Cash for the following fiscal year and a like amount may be appropriated for health and safety related services. The estimate for FY2024 is **\$165,000** which is 6.5% more than the revised estimate for FY2023.

Rental Income is collected on a lease with the Needham Golf Club. The Town has a long-term lease with the Needham Golf Club (NGC) which runs for twenty years. The land which the NGC leases is considered taxable. The Town also has a rental agreement with Tesla for use of the former landfill site where the solar panels are located. The Town also collects rent on the use of Town facilities such as Powers Hall. Total rental income for FY2020 was \$114,739 which was a decline and was directly related to the impact of COVID. A combination of cancelled events and delays in making payment. FY2021 saw total revenue of \$265,619 as the Town collected on back rent from the prior year. The total rents collected during FY2022 was \$208,202. The estimate for FY2024 is \$5,000 (2.9%) more than the current year or **\$180,000** which is approximately 86% of the FY2022 actual.

School Income generated by the School Department for tuitions received began in FY2016. Most all revenue received by the School Department from its activities is accounted through revolving funds and special revenue accounts and is not available for general governmental purposes. The School Department turned in \$8,507 for FY202 and nothing in FY2022. There was no estimate for FY2023, and we assume the same for FY2024.

Library Income had been declining year over year. The last year income was reported under this line was FY2018 with \$17,002. There is no revenue estimate for FY2024.

Recreation fees are collected by the Park and Recreation Department for Rosemary Pool, summer programs, and rental of fields. Other Park and Recreation programs are accounted for separately in a revolving fund. Park and Recreation was one of the departments that were financially impacted negatively because of COVID. FY2020 actual receipts totaled \$358,649, which was a decline from the previous year and FY2021 revenue declined to \$196,578. Revenue increased during FY2022 with \$236,392 as most activities were running and attendance levels high. The estimate for FY2023 is \$195,000 and the FY2024 estimate has been increased by \$10,000 to **\$205,000** which represents approximately 87% of the FY2022 actual.

Other Department Income includes revenue collected by the various Town departments, which are not properly accounted for in the other accounts. This would include amounts received by planning and conservation departments. The total receipts for FY2020 were \$575,385, which decreased to \$461,491 for FY2021. Total receipts for FY2022 increased to \$600,976. The revised estimate for FY2023 is \$485,000; the original estimate was \$370,000. The estimate for FY2024 has been increased as well to **\$505,000**, which is approximately 84% of the FY2022 actual.

The category of **Licenses and Permits** includes licenses issued by the Select Board and Town Clerk, and permits issued by the Building, Fire, and Health Departments. Actual receipts in FY2020 were \$2,381,660, which was a decline from the prior year and the decline continued for FY2021 with total receipts of \$2,068,299, a drop of 13% from the prior year. Revenue increased during FY2022 with \$2,771,497 in total receipts, or \$703,199, approximately a 34% increase. The revised estimate for FY2023 is \$1,920,000 and the estimate for FY2024 was increased by \$80,000 to **\$2,000,000**. This estimate is approximately 72% of the FY2022 actual. Building permit activity is the primary and important revenue stream for this category of receipts. Chart VII provides the history of the actual building permit revenue collected during the past six completed fiscal years. Over the six-year period, building permits generated revenue with a high of more than \$4.1 million (FY2017) and a low of \$1.8 million (FY2021). Building and construction activity is volatile, and has a greater sensitivity to changes in interest rates, and hence we estimate a lower percent of the actual than most receipts.

Chart VII
Building Permit Activity

Fiscal Year	Permits	Fiscal Year	Permits
2017	\$4,149,937	2020	\$2,079,634
2018	\$2,257,261	2021	\$1,822,461
2019	\$2,261,032	2022	\$2,508,020

Special Assessments are usually one-time or series events and are projected as they become known.

The category of **Fines and Forfeits** includes parking tickets, court fines, and other violations. Enforcement of parking regulations and other non-criminal infractions were limited due to concerns related to COVID, but resumed in 2021. There has also been a growing trend across the United States to not overtly depend on fines and forfeiture to fund governmental activities,

which tend to fall more heavily on those with limited means. The Needham Public Library ended the assessment of fines for overdue returns.

Investment (Interest) Income is another revenue stream that has significant up and down swings (Chart VIII). The actual interest earnings of \$834,163 during FY2020 were lower than FY2019 (\$979,649), and FY2021 saw a momentous decline in total interest of \$228,969, more than a 72% drop. The decline in interest earnings was driven by the actions taken by the Federal Reserve Board to lower interest rates to near zero to stimulate the economy during the Pandemic. We revised the original FY2022 estimate from \$264,000 to \$150,000. Actual income earned during FY2022 declined to \$194,651, a decline of nearly 15%. However, interest rates climbed as the Fed has changed course from one of stimulating the economy to slowing the economy to lessen the inflation rate, and conversely interest income was increasing which resulted in an increased estimate for FY2023 to \$250,000. However, recent suggestions that inflation is declining and that the Fed may pull back interest rates in the second half of next year, caused us to reduce the estimate for FY2024 to **\$195,000** which is 100% of the FY2022 actual.

Chart VIII

General Fund Investment (Interest) Income

Fiscal Year	Interest	Fiscal Year	Interest
2017	\$278,831	2020	\$834,163
2018	\$434,319	2021	\$228,969
2019	\$979,649	2022	\$194,651

Medicaid reimbursements are classified as a local receipts revenue source, which often fluctuates from year to year (Chart IX), but the last few years the trend has been one of noticeable decline. In FY2020 the Town received \$67,188 in Medicaid revenue, which was a decline of \$113,484 or 62% from FY2019, and FY2021 the revenue declined to \$2,319. FY2022 was the lowest at \$1,642. We made no estimate for FY2023, nor an estimate for FY2024.

Chart IX

Medicaid Reimbursements

Fiscal Year	Medicaid	Fiscal Year	Medicaid
2017	\$194,935	2020	\$67,188
2018	\$207,679	2021	\$2,319
2019	\$180,672	2022	\$1,642

Miscellaneous Income totaled \$7,967 for FY2020, and declined to \$3,282 for FY2021. The total for FY2022 was just \$14 more (\$3,296). For recurring miscellaneous income, we have made no estimate for the current year nor FY2024.

Nonrecurring Income represents funds that may be received but are not expected to reoccur, e.g., one-time grants, financial assistance for an event, etc. In FY2020, the Town reported \$404,781 in nonrecurring receipts. The largest receipt was \$203,655 from Town's insurance carrier from program and loss prevention incentives. As in recent years, the sale

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of surplus equipment generated the second largest amount considered nonrecurring receipts with \$111,171. The combined total of those two sources accounted for 78% of the nonrecurring revenue. The Town received \$54,480 from Eversource for energy efficiency efforts by the Town in the construction of the Sunita L Williams elementary school. The balance of the nonrecurring receipts (\$35,475) represents various refunds, recoveries, and one-time monies received by the Town during the year. FY2021 the Town reported nonrecurring receipts of \$592,701. Most of the nonrecurring receipts were a result of various refunds and rebates which totaled \$394,001. The sale of surplus equipment by the Town and the School departments generated \$108,575. The Town also received payment of \$90,125 from its solar energy producer because the company did not meet its power production guarantee. The \$319,369 of nonrecurring receipts received during FY2022 were a result of various refunds and rebates which totaled \$31,089. The sale of surplus equipment by the Town and the School departments generated \$266,691. The Town also received payment of \$10,159 for an energy rebate and \$8,662 in electricity refunds from Eversource. The Town collected \$2,768 in prior year receivables that were previously deemed uncollectible and written off. We have an estimate of \$351,662 of miscellaneous nonrecurring receipts for FY2023 which represents proceeds anticipated from the sale of surplus equipment and supplies by the Town and the School departments this year. There is no estimate for miscellaneous nonrecurring receipts for fiscal 2024.

General Fund Recurring Receipts
Table 2.6

Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Recap	FY2024 Estimate	\$ Change
Property Taxes	138,227,154	148,004,594	158,014,832	165,808,498	173,659,014	7,850,516
State Aid	12,390,482	12,950,526	13,157,380	14,525,939	15,106,977	581,038
Local Receipts	15,653,569	13,997,123	15,897,676	12,060,000	12,908,128	848,128
Total Receipts	166,271,206	174,952,243	187,069,887	192,394,437	201,674,119	9,279,682

Other Available Funds

Other available funds (\$1,937,668) represent 0.8% (Table 2.8) of the total general fund before adjustments and offsets. Projections of reserves follow past budget methodology. The uses of the funds are based on historical uses of these funds. The two available funds that have been recurring are Debt Exclusion Offsets and Overlay Surplus. Other available funds are correlated to expenses. These funds must be specifically identified by Town Meeting in the motion in order to be used.

Debt Exclusion Offset is an amount equal to the amortized value of a premium that may have been received on a debt-excluded bond or note and is spread over the life of the loan. The offset reduces the amount of the excluded debt service that is raised on the tax levy. The amount for FY2024 is \$27,668.

Overlay Surplus is generated when it is determined that all claims for abatements and exemptions on property tax levies of a particular fiscal year have been resolved, and uncollected taxes for the year have been secured with a tax taking lien filed with the Registry of Deeds or Land Court, depending upon the type of property, leaving a balance in the overlay account. Abatement and exemption activity is tracked on a fiscal year basis, but the overlay reserve which covers those costs is held in a single account. From time to time the Board of Assessors may vote to release funds from the overlay fund, which then is considered a surplus and may be used as a funding source by Town Meeting during the year that the surplus is declared. Any funds declared as surplus and not appropriated by Town Meeting will be closed out to fund balance and will contribute to the Free Cash certified in the following fiscal year. We have planned on the use of **\$1,910,000** to fund appropriations. Per state statute, the

Board of Assessors must formally vote to release any determined surplus before it is available for appropriation. The Board approved the released \$3,000,000 at the July 14, 2022 meeting. \$1,090,000 of the overlay surplus was appropriated at the October 24, 2022 Special Town Meeting.

The **Parking Meter Fund** is reserved for appropriation and the revenues are derived from parking meters, which under State Law must be used for parking-related purposes. With the passage of the Municipal Modernization Act, parking meter receipts collected after November 7, 2016 are now considered General Funds. The Act allows the Town to reestablish the Parking Fund, but this budget plan does not contemplate such action. The residual balance is \$244,224.

Transportation Infrastructure Funds are received funds from the Commonwealth through a state assessment on transportation network companies, such as Uber and Lyft, operating in the state. Each company reports to the State the number of rides that originated in Needham and remits a per-ride assessment of \$0.20, which is credited to the State's Transportation Infrastructure Enhancement Fund of which one half of the amount is sent to the Town. The distributed funds are special revenue, which require appropriation prior to use. The funds are reserved to be appropriated by Town Meeting for expenses related to the operation of transportation network services in the town including, but not limited to, the complete streets program established in Chapter 90 and other programs that support alternative modes of transportation. The amount for FY2024 is not yet known.

Other available funds in prior years have included items such as unexpended balances of prior warrant articles, grants, and general and dedicated reserves. There are no such funds proposed in this budget plan.

Free Cash

Free Cash balance is largely a function of actual revenue collections in excess of estimates and expenditures less than appropriations. Given the nature of Free Cash, it should not be depended upon as an operating revenue source, but rather a supplemental source. We have taken deliberate steps to reduce the level of Free Cash that is used to support ongoing operating expenses, and recommend using it to improve reserves, invest in capital assets, support one-time or short duration programs, or as a temporary funding source for recurring expenses if an increase in recurring revenue is anticipated.

The Free Cash has not yet been certified for FY2023. We have assumed **\$15,000,000** for this budget plan. Free Cash above the amount for this budget plan may be directed to larger capital projects and or reserved for future years. The \$15 million represents 6.5% of the total general fund before adjustments and offsets. This is an increase of \$355,545 from the amount that was appropriated last year. The expected Free Cash figure is due to several factors: the FY2022 operating budget return, which resulted from a greater number of vacancies during the year in many departments, a much larger return from the school department budget (\$2,045,756) than in recent years, the economic recovery from COVID happened sooner than assumed which resulted in higher revenue growth, and using less of the certified Free Cash last year (during FY2022) for FY2023 appropriations so that a greater amount would be rolled over to this year. The Certified Free Cash in FY2022 was \$16,952,126 of which \$14,644,455 was appropriated and \$2,307,671 was closed out at the end of the year and should become part of the Free Cash that will be certified by the State this year. The Certified Free Cash in FY2021 was \$16,665,406 of which \$11,526,630 was used for FY2022 appropriations and the balance of \$5,138,776 was closed out at end of the year. The Certified Free Cash in FY2020 was \$12,369,898 of which \$7,862,473 was used for FY2020 and FY2021 appropriations and the balance of \$4,507,426 was closed out at the end of the year. The certified Free Cash in

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FY2019 was \$10,387,871 of which \$10,337,871 was used for FY2019 and FY2020 appropriations and the balance was closed out at the end of the year. Table 2.7.1 shows how much Free Cash was used for the operating budget, cash capital, other financial warrant articles, reserves, or closed out.

Uses of Free Cash
Table 2.7.1

Certification Year	Budget Year Use	Free Cash	Operating Statement Maximum	Budget	Capital	FWA	Reserves	Total of Uses	Returned
FY2019	FY2020	10,387,871	3,027,431	2,068,301	7,418,252	684,706	166,612	10,337,871	50,000
FY2020	FY2021	12,369,898	3,217,536	3,208,040	3,939,433	715,000	-	7,862,473	4,507,426
FY2021	FY2022	16,665,406	3,527,570	3,527,570	6,246,653	1,752,407	-	11,526,630	5,138,776
FY2022	FY2023	16,952,126	3,763,414	3,625,000	10,475,329	492,000	52,126	14,644,455	2,307,671

Given that the Town of Needham develops its annual operating and capital budgets in such a way that Free Cash can be counted upon each year, some amount of Free Cash has been used to support operating expenses. We continue to recommend that the amount of Free Cash used to fund the operating budget should not be more than 2% of the budget turn back of the prior completed fiscal year or the actual amount returned, whichever is less. We use the final adjusted operating budget to calculate the two percent figure. We define the final adjusted operating budget as the total of the Departmental budgets and Townwide expenses, except for the Reserve Fund. We do not include any transfer from the Reserve Fund line into the Departmental budgets. Any return from the Reserve Fund would not be considered part of the budget return when calculating the lesser of the two calculations: two percent of the final adjusted budget, or actual return, wherever is less. In table 2.7.2, we show what the budget returns have been in the past four years and what the two percent of the final adjusted operating budget would have been.

Operating Budget Returns
Table 2.7.2

Fiscal Year Activity	Final Budget	Returned	Adjusted Final Budget	Related Return	Percent of Budget	Reserve Fund Return	Reserve Fund Return as a % of Total Return	Two Percent of the Adjusted Final Budget
2019	162,736,704	4,894,717	160,876,813	3,342,618	2.1%	1,552,099	31.7%	3,217,536
2020	178,260,006	7,634,782	176,378,506	5,783,282	3.3%	1,851,500	24.3%	3,527,570
2021	190,247,810	6,473,319	188,170,719	4,787,338	2.5%	1,685,981	26.0%	3,763,414
2022	195,800,817	7,658,330	193,723,726	6,354,076	3.3%	1,304,254	17.0%	3,874,475

Two percent of the FY2022 adjusted final budget equals \$3,874,475; the actual FY2022 budget return less the Reserve Fund return was \$6,354,076 which is more than two percent. The budget plan has **\$3,597,105** of the Free Cash being used for operating expenses. Free Cash is also proposed to be used to fund cash capital and warrant articles. Certification of Free Cash above the amount identified for use is proposed to fund capital that otherwise may require debt, provide advance funding to a Stormwater Stabilization fund, reserve for future projects, or a combination of the aforementioned. The Town has been following the recommended practice of limiting the amount of Free Cash that supports the operating budget by using the funds to pay not only for needed cash capital, but also to put aside funds for future demands that may arise unexpectedly and for various one-time financial warrant articles.

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Revenue as a % of Total General Fund Revenue
Table 2.8

Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Recap	FY2024 Estimate
Property Taxes	77.6%	81.1%	79.9%	79.5%	80.1%
State Aid	6.8%	6.8%	6.5%	6.8%	6.9%
Local Receipts	8.3%	7.3%	7.6%	5.5%	5.6%
Other Available Funds	2.0%	0.7%	0.6%	1.7%	0.8%
Free Cash	5.3%	3.9%	5.4%	6.5%	6.5%
Total General Fund Revenue*	100.0%	100.0%	100.0%	100.0%	100.0%

*May not equal 100% due to rounding

ADJUSTMENTS TO GENERAL FUND REVENUE

While most enterprise fund expenses are accounted for in the enterprise fund, certain costs of the department are reflected in the general fund budgets of other Town departments (e.g., treasurer/collector, information technology, personnel, insurance, etc.). These enterprise-related general fund expenditures are funded with transfers of revenue from the enterprise fund to the general fund. The amount projected for FY2024 is based on the current year and is estimated at **\$1,215,000**.

The preliminary estimate for the sewer fund reimbursement is **\$500,000**. The estimate for the water fund is **\$715,000**. Because indirect costs associated with the two funds are a factor of Town Meeting appropriations, the actual FY2024 transfers may be adjusted accordingly.

Enterprise Reimbursements to the General Fund
Table 2.9

Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Recap	FY2024 Estimate	\$ Change
Sewer	472,345	465,865	507,526	500,948	500,000	(948)
Water	853,155	864,193	899,889	715,567	715,000	(567)
Total	1,325,500	1,330,058	1,407,415	1,216,515	1,215,000	(1,515)

FY2024 is the 13th operating budget that will include **CPA** supported debt service. The Town Hall financing plan calls for debt service paid by CPA funds to be \$ 363,900, which is a decrease of \$12,750 from FY2023. This is the fifth year that debt service related to the Rosemary Recreation Complex (RRC) project comes due. The amount payable during FY2023 is \$574,731 which is a decrease of \$18,251 from FY2023. The annual debt service will decline each year on the Town Hall and Rosemary Recreation Complex projects until they are paid off: Town Hall in 2031, and RRC in 2039. However, the Emery Grover project was approved last year that will be financed in part from CPA funded debt which will increase the annual debt expense beginning in FY2024.

The total transfer for FY2024 is **\$1,078,631**, an increase of \$108,999, or approximately 11.2%. We reflect \$1,078,631 as another adjustment to General Fund revenue because the CPA debt is included in the general operating budget of the Town.

OTHER RESERVES AVAILABLE FOR APPROPRIATION

The available balance in the **Stabilization Fund** as of October 31, 2022 was \$4,563,839. The Stabilization Fund may be appropriated, by a vote of Town Meeting, for any municipal purpose. No assumption about an appropriation from the Stabilization Fund to support the Town's operating budget is made in this projection.

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The Town also established an **Athletic Facility Improvement Fund** for the purpose of reserving funds for future extraordinary athletic field and artificial turf replacement and maintenance costs. The balance in the fund as of October 31, 2022 was \$1,072,514. The budget plan calls for an appropriation of \$33,533 to the Fund, which is the same amount proposed last year which was based on a five-year average of use fees collected by Park and Recreation for this purpose.

The Town also established a **Capital Facility Fund** for the purpose of reserving funds for future extraordinary capital facility maintenance costs. The balance in the fund as of October 31, 2022 was \$1,944,103. No appropriation to the Fund is planned for the 2023 Annual Town Meeting but there may be an appropriation recommendation to the Fund at a Special Town Meeting.

The Town also established a **Capital Improvement Fund** for the purpose of general fund capital equipment. The balance in the fund as of October 31, 2022 was \$1,461,528. No appropriation to the Fund is planned for the 2023 Annual Town Meeting but there may be an appropriation recommendation to the Fund at a Special Town Meeting.

The Town also established a **Debt Service Stabilization Fund** for the purpose of setting aside funds to smooth out the impact of General Fund Debt Service within the levy limit that may exceed the Town's goal that only three percent of General Fund revenues be designated for debt. The balance in the fund as of October 31, 2022 was \$2,179,210. No appropriation to the Fund is planned for the 2023 Annual Town Meeting but there may be an appropriation recommendation to the Fund at a Special Town Meeting.

ENTERPRISE FUNDS

An enterprise fund is used to account for those operations that are financed and operated in a manner similar to a private business. The Department of Revenue states that Enterprise Funds allow a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy or other available funds, if any. The Town has established an Enterprise Fund for its water operation, sewer operation, and until last year, for the Recycling Center and Transfer Station (solid waste disposal). The enterprise funds are reimbursing the general fund for their related indirect costs (e.g., enterprise employee benefits, property insurance, shared staff, etc.).

Enterprise Receipts Table 2.10						
Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Budget	FY2024 Estimate	\$ Change
Sewer Enterprise	9,060,044	9,521,834	8,405,195	8,404,492	8,405,000	508
Water Enterprise	6,303,298	7,452,180	6,085,833	6,084,687	6,086,500	1,813
Total*	15,363,342	16,974,014	14,491,028	14,489,179	14,491,500	2,321

* Receipts before adjustments, reimbursements, and subsidies

The combination of the Sewer and Water Enterprise funds has total receipts at \$14,491,500 for FY2024 compared to the \$14,489,179 estimate for FY2023 (Table 2.10). This represents a slight increase of \$2,321 or approximately 0.02%. However, the MWRA sewer and water assessments have not been received, and therefore the plan level funds the assessments. Any change will be reflected by an adjustment to receipts.

Fiscal Year 2024 Proposed Budget

Use of Enterprise Reserves and Other One-Time Funds
Table 2.11

Description	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Budget	FY2024 Estimate	\$ Change
Sewer Enterprise	1,631,487	918,088	365,000	1,470,255	1,458,051	(12,204)
Water Enterprise	291,500	43,002	1,370,913		1,406,080	1,406,080
Total	1,922,987	961,090	1,735,913	1,470,255	2,864,131	1,393,876

* Revenue before adjustments, reimbursements, and subsidies

The budget calls for the use of **\$1,458,051** of retained earnings in Sewer Enterprise for a combination of funding the operating budget (\$723,410), other financial warrant articles (\$150,000) and cash capital (\$584,641) for FY2024. The Water Enterprise budget calls for the use of **\$1,406,080** of retained earnings for the operating budget (\$634,447) and cash capital (\$771,633) for FY2024. There are some significant water projects that are planned in the coming year which maintaining the retained earnings will help finance those projects to reduce the amount of debt that would otherwise be incurred. Table 2.11 shows the total appropriated from enterprise reserves and other one-time funds since FY2020.

Transfers to the Enterprise Funds

The Town approved a change effective with the FY2012 budget that the expenses associated with the Drains Program that were carried in the DPW General Fund Operating Budget are now part of the **Sewer Enterprise Fund Budget**. The employees who perform a majority of the drains-related work are assigned to either the water or sewer division. There are benefits for the Town to have the water and sewer employees perform the drains-related work rather than hiring additional staff for the sole purpose of drain work. The drains program is considered a general fund expense and not a sewer or water fund expense. The weekly tracking and processing of drains related procurement, accounts payable, and payroll, as well as the budgeting process is easier and more efficient (less cross-fund accounting work) to process the finance-related tasks through one of the enterprise funds, rather than the prior three fund process (general fund, sewer fund, and water fund). The General Fund still pays the drains-related costs, but the appropriation is made from the General Fund to the Sewer Enterprise Fund Budget. The FY2024 budget recommendation is **\$10,358**, an increase of \$27,430 (3.5%) from the FY2023 funding of \$782,928. Chart XIII shows the payment made to the Sewer Enterprise Fund since FY2017. The current operating budget required a General Fund subsidy of \$52,323. The Select Board approved sewer use rate increases effective October 1, 2022 which should alleviate the need of a subsidy in FY2024.

Chart XIII
General Fund Payment

Fiscal Year	Payment	Fiscal Year	Payment
2017	\$519,846	2020	\$530,467
2018	\$491,749	2021	\$544,698
2019	\$504,750	2022	\$526,368

The **Water Enterprise Fund Budget** required a General Fund subsidy of \$284,721 due to the limitation on estimating receipts this year. The subsidy should be recaptured next year because actual collections year-to-date should offset the shortfall. The Water Enterprise should not require a General Fund subsidy for FY2024.

ENTERPRISE FUND RETAINED EARNINGS

These sources are not available to support the General Fund and are shown for informational purposes only.

Similar to Free Cash, retained earnings are a function of the operations of the prior fiscal year and are generated by revenues collected in excess of estimates and unexpended balances of appropriations, as of June 30th. Once certified by the Massachusetts Department of Revenue, retained earnings are then available for appropriation or reserved to support the enterprise. Retained earnings for FY2023 have not been certified by the Department of Revenue as of the publication of this plan.

Table 2.12 shows the amounts which were certified as retained earnings by the Department of Revenue for the previous four complete fiscal years. The RTS retained earnings that were certified last year were closed out to the General Fund with the dissolution of the enterprise fund which contributed to the higher Free Cash certification last year. The decline in the Sewer retained earnings was due to a greater use to fund operations expenses in order to not raise rates last year. We anticipate a further decline in Sewer retained earnings. The Town's use of Water retained earnings last year was limited in order to preserve the account balance and to prepare for funding several major capital projects coming for a vote in the next three years that will rely on retained earnings in order to reduce the amount that would otherwise be financed by debt.

Certified Retained Earnings
Table 2.12

Fund	FY2020	FY2021	FY2022	FY2023
Recycling and Transfer Station	420,749	N.A.	N.A.	N.A.
Sewer Enterprise	2,097,365	1,745,424	3,088,415	Pending
Water Enterprise	4,134,675	4,737,743	5,382,804	Pending

COMMUNITY PRESERVATION FUNDS

Town voters approved a 2% Community Preservation Act surcharge on real estate property tax bills effective July 1, 2005. The 2% surcharge is assessed on the total property tax due, adjusted for certain exemptions. The tax on the first \$100,000 of residential valuation is not included in the CPA surcharge, and there are also exemptions for certain low and/or moderate-income taxpayers. Actual CPA revenues collected by the Town in the prior year are eligible for matching funds from the State. The match is equal to a percentage determined annually based on available funds for distribution, not to exceed 100% of the receiving community's actual receipts.

The distribution that Needham anticipated receiving on its FY2019 CPA surcharge revenue was \$348,287, but the State provided an additional \$244,092 as a match, which combined totaled \$592,379 for FY2020. The effective state match rate was 23.92%. The total received in FY2021 for FY2020 surcharges was \$754,080 or 28.63% of the prior year surcharge. The initial state distribution to the Town in FY2022 for FY2021 surcharges was \$1,112,652.

Fiscal Year 2024 Proposed Budget

Because the amount was higher than assumed the allocation to the required reserves was not met and required a supplemental appropriation to the Historic Resources and Open Space reserves and the CPC opted to add more to the Community Housing Reserve in order to keep to its stated goal for FY2022 that 20% of receipts would be designated to that reserve. However, the State then released another distribution which the Town received an additional \$126,313 during FY2022 for FY2021. This will require an additional supplemental transfer (appropriation) to the three reserves for a total of \$48,868; refer to the FY2022 Final Minimum Requirement calculation below. The funding source would be the FY2023 General Reserve. The effective distribution rate for FY2022 on the FY2021 receipts was 43.84%

Community Preservation Act Minimum Requirement FY2022 Final	
CPA Commitment	2,950,863
State Contribution	1,238,965
Total Estimated Receipts	4,189,828
Ten Percent	418,983

	Community Housing	Historic Resources	Open Space
FY2022 Original Reservation	764,783		382,391
FY2022 Reservation Supplement (May 2022 ATM)	48,749	29,067	24,375
Less Qualifying Project Appropriations (from FY2022 receipts)			
Town Hall CPA Debt Service		377,699	
Total	813,532	406,766	406,766
Required 10%	418,983	418,983	418,983
Short Fall	None	12,217	12,217
Fund Community Housing at 20%	837,966		
Amount to Transfer to Reserve	24,434	12,217	12,217

We now anticipate the FY2023 total state distribution match for FY2022 receipts will be \$1,131,787. As a result, a supplemental appropriation to the required reserves for FY2023 is necessary as well. The Town will need to transfer a total of \$86,060 from the FY2023 General Reserve to the three required reserves.

Community Preservation Act Minimum Requirement FY2023 Final	
CPA Commitment	3,130,359
State Contribution	1,131,787
Total Estimated Receipts	4,262,146
Ten Percent	426,215

	Community Housing	Historic Resources	Open Space
FY2023 Reservation	809,400	28,050	404,700
Qualifying Project Appropriations (from FY2023 receipts)			
Town Hall CPA Debt Service		376,650	
Total	809,400	404,700	404,700
Required	426,215	426,215	426,215
Short Fall	None	21,515	21,515
Fund Community Housing at 20%	852,430		
Amount to Transfer to Reserve	43,030	21,515	21,515

Fiscal Year 2024 Proposed Budget

We believe the distribution range for FY2024 on the FY2023 revenue will be between 25% and 45% but given the distributions over the past couple of years have been notably higher, we will assume a level dollar distribution. Our **state matching funds** estimate for FY2024 is also **\$1,131,787**. The 2% **CPA surcharge** on FY2024 property tax bills is currently estimated at **\$3,212,000**. The total estimated receipts for FY2024 are currently at \$4,343,787.

The estimate provides for \$82,000 to be appropriated to the Community Preservation Committee's (CPC) administrative budget and \$477,817 to be credited to both the Community Housing Reserve and Open Space Reserve. The \$477,817 figure is approximately 11% of the new revenue estimate for FY2024. Because the final revenue estimate is usually not known until the actual tax rate has been approved and the bills calculated, the practice has been to appropriate an amount of 11% of the revenue estimate to each of the required reserves to better ensure that the minimum CPA use requirement is satisfied. The FY2024 debt budget includes \$ 363,900 of debt service for the Town Hall project and \$ 574,731 of debt service for the Rosemary Recreation Complex. As mentioned previously, FY2024 will also include the Emery Grover renovation and reconstruction project which includes funding from CPA supported debt. The debt service for the project is \$140,000. The Town Hall project was previously designated as a historic preservation project, and the portion of the Emery Grover project that is funded from CPA is also designated as a historic preservation project. The combined debt service for FY2024 for those two projects is \$503,900, which is more than our \$477,817 estimate to be reserved, so no appropriation from CPA receipts for Historic Resources is necessary. The balance of the CPA revenue estimate of \$2,227,522 would be transferred to the Community Preservation Fund General Reserve for FY2024. The amount that is actually appropriated to each reserve would be adjusted as needed based on the CPC's project funding recommendations and Town Meeting votes on those recommendations.

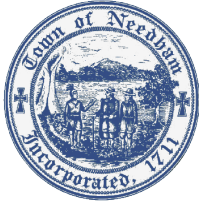
CPA Free Cash for FY2023 has not been certified as yet. After the amount has been determined and declared, the amount remains available for appropriation until June 30, 2023. The FY2023 CPA General Reserve has a balance of **\$1,385,308** and the funds remain available for appropriation until June 30, 2023 as well. The CPA Free Cash and General Reserve will close out to the CPA fund balance after the end of the FY2023 and will not become available for use in FY2024 until after the CPA Free Cash is certified for the year. The Community Preservation Committee (CPC) has not yet made any funding recommendations for FY2024. The amounts currently held in the three required reserves as of December 31, 2022 are as follows:

Community Housing Reserve	\$2,626,652
Historic Resources Reserve	\$ 72,937
Open Space Reserve	\$1,890,345

Fiscal Year 2024 Proposed Budget

Town of Needham Community Preservation Fund Revenue and Appropriations FY2024	
<u>Community Preservation Fund Revenue Estimates</u>	
Surcharge Revenue Estimate	3,212,000
State Trust Fund Distribution Estimate	1,131,787
Revenue Estimate	4,343,787
<u>Community Preservation Fund Appropriation Estimates without Projects</u>	
Town Hall Project Debt Service (GF Debt Budget)	363,900
Rosemary Recreation Complex Project (GF Debt Budget)	574,731
Emergy Grover (GF Debt Budget)	140,000
Community Preservation Committee Administrative Budget	82,000
Community Housing Reserve	477,817
Historic Resources Reserve	0
Open Space Reserve	477,817
Community Preservation Fund Reserve	2,227,522
Appropriation Estimates	4,343,787
<u>Reserve Balances 12/31/2022</u>	
Community Housing Reserve	2,626,652
Historic Resources Reserve	72,937
Open Space Reserve	1,890,345
FY2023 General Reserve*	1,385,308
CPA Free Cash*	Pending
Total Reserves	5,975,242
<u>Specific Appropriation Requests</u>	
NHA Sebeds Cook Preservation	240,308
NHA Linden Chambers	1,000,000
DeFazio Playground Renovation	35,000
Claxton Field	1,000,000
Total Project Requests	2,275,308

*This a single year reserve, any unused balance closes out June 30, 2023.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 01/24/2023

Agenda Item	Town Manager's Report
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Town Manager will update the Board on issues not covered on the agenda.	
2.	VOTE REQUIRED BY SELECT BOARD
3.	BACK UP INFORMATION ATTACHED
none	



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2023

Agenda Item	Proposed Dedication – Liberty Tree
Presenter(s)	Board Discussion

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Needham Exchange Club has proposed to the Select Board the dedication of the American Elm planted in front of Fire Station 2 the “Liberty Elm” in order to raise and maintain awareness of a key symbol in the creation of the United States of America. The Board held a hearing at its meeting on January 10, 2023 to hear the proposal and any public comments.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested Motion:</i> Move that the Select Board dedicate the American Elm located at Fire Station 2, “Liberty Elm.”	
3.	BACK UP INFORMATION ATTACHED
(a) Letter to the Select Board – Proposal for the Installation of a Liberty Tree in Needham	

Proposal for the Installation of a Liberty Tree in Needham

Background:

The Needham Exchange club celebrated its 75th anniversary in 2022. To recognize the event and in continuance of its history of donating to the citizens of Needham, the club elected to purchase and plant an American Elm tree, descendant of the famous Boston Liberty Tree, at the Needham Heights Fire Station.

Over 75 years, Exchange has been involved in community building in Needham. Our work has encompassed both physical projects, such as the shelters at Green's Field and Memorial Park, building tot lots, and service projects throughout the town, too numerous to mention. In addition to our sponsorship of freedom shrines at the schools and celebratory Independence Day events, we have regularly offered youth programs, senior programs, and recognition programs designed to honor and educate Needham residents. Exchange goals have not changed, "Unity for Service." All dedicated to enhancing the quality of life in Needham.

We chose the American Elm for several reasons.

American Elm:

An elm is a beautiful tree and a nice complement to the landscape of the new, very impressive fire station.

The elm tree was everywhere in towns and cities around New England. It was a very large, tall and beautifully shaped tree creating shade like settings all over the area. Until Dutch Elm disease hit. That started a slow death of all the elms we had in every city and town.

Researchers have been working on a new hybrid more resistant to the borer that caused Dutch Elm disease. The Elm Institute in New Hampshire is dedicated to raising disease resistant trees and this is a very beautiful specimen of that work. I am hopeful it will be here for the next 50 or 100 years, but there is no guarantee. Mother nature will determine its life. In the interim we will enjoy it for many years.

Historical:

At the time of the Revolution, a great American Elm stood in the center of colonial Boston. The large tree became a meeting place for patriots opposed to British laws and rules, and a demonstration against the detested "Stamp Act," was held under the tree. It became known as the Liberty Tree. Our founding fathers: Paul Revere, Joseph Warren,

John Hancock and Samuel Adams regularly held their meetings under the tree. The famous Boston Tea Party was planned under its branches.

British soldiers hated this tree and often punished men thought to be against British rule, right under its branches. The tree was the rallying point for independence in Boston. On the last day of August 1775, as the British Army evacuated the city for the last time, they cut down the tree before they left. The American Elm was our first symbol of freedom, because this wonderful tree bore the name "Liberty" on its trunk. It is currently memorialized in Boston's South End.

Benefits:

Having a Liberty Tree in our community will give our residents an educational opportunity to explore our founding as a country, and the events leading up to the Revolutionary War. It must not be forgotten that Needham farmers fired "shots heard round the world" on April 19, 1775. We need to preserve, protect and pass on this important part of our country's founding. The tree will help our town, and our neighbors be more aware of the history and significance of the struggle to create the United States of America.

The tree was planted last year at the Fire Station. Its placement was coordinated with the Director of Parks and Forestry and the Chief of the Fire Department. We marked its installation with an Arbor Day, 2022 ceremony on site. Many thanks to Ed Olsen and Dennis Condon, Tree Warden and Fire Chief respectively. I also want to thank and recognize Ed Olsen, and other town employees for their help in planning this project and carrying it out.

Request:

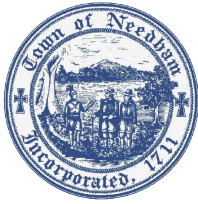
At his time Exchange Club specifically requests the following:

1. Permission to install a stone and bronze plaque on site in order to briefly explain the history of the Liberty Tree. The plaque will be about 8 x 10 inches. A first draft of the text and appearance is attached to this document. It will cost \$ 509.00 and will be funded by the Exchange Club
2. Erection of a street sign adjacent to the tree on the berm on Highland Avenue indicating the location of the Liberty Tree. There is currently a sign there that could be moved further west on Highland Ave. Funding is requested from Town of Needham resources.

Paul Deeley

Past President, Needham Exchange Club

December 13, 2022



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 1/24/2022

Agenda Item	Select Board Goal Review FY2023 - 2024
Presenter(s)	Board Discussion

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Board will discuss the revised FY2023 – 2024 Goal statement.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested Motion:</i> That the Board vote adopt the revised FY2023 – 2024 Goal Statement.	
3.	BACK UP INFORMATION ATTACHED
a. Select Board Goal Statement for FY2023- 2024 dated September 27, 2022, revised January 24, 2023	

Select Board Goal Statement
Adopted September 27, 2022
Revised January 24, 2023

PURPOSE

The purpose of the Select Board Goals is to effect positive change, set policy direction for Town government, and guide the development of the budget.

GOAL #1: Livable Needham plans for and invests in safe, well-maintained, and attractive buildings and infrastructure that accommodate a diverse set of community needs. Needham:

- Promotes and sustains a secure, clean, and attractive place to live, work and play.
- Provides a variety of housing types with a full range of affordability.
- Provides high-performing, reliable and affordable public infrastructure, and Town services.
- Encourages and appropriately regulates sustainable development.
- Supports and enhances neighborhood livability and walkability for all members of the community.
- Coordinates with state and federal leaders to ensure access to safe, reliable, and efficient public transit.
- Coordinates major infrastructure projects and communicates with impacted members of the Needham community.
- Prioritizes the reconstruction and repair of existing sidewalks before embarking on new sidewalk construction. The construction of new sidewalks will be offset by the removal of old, under-used sidewalks.
- Explores targeted opportunities for parcel acquisition.
- Works with stakeholders to manage the impact of the COVID-19 Pandemic on the Town of Needham.
- Supports the PPBC's recommended funding levels.

FY2023-2024 Initiatives	Description
1.1	Begin the Ridge Hill/Nike Assessment Phase 2 Project, including working with the Community Farm to decide on the long-term plan for the farm at the site as well as considering potential future uses of the site. (FY2024)
1.2	Work with the Planning Board on next steps related to the MBTA Community Housing Guidelines and the update to the Town's Affordable Housing Plan. Review updated demographics and impact on anticipated transit-oriented development and schools.
1.3	Evaluate RTS Service Delivery Model to Guide Long-term Investment and Review Operational Efficiencies in the Short-term.
1.4	Maintain/repair the barn at Ridge Hill.

1.5	Identify funding for School Master Plan projects and participate in the planning process.
1.6	Work with stakeholders to secure funding for an arts and culture strategic plan.
1.7	Work with the Park & Recreation Commission, Conservation Commission, and other stakeholders to set priorities for capital spending.;
1.7.1	Identify opportunities for expanded active and passive recreation facilities including but not limited to an action sports park and additional boat ramps.
1.7.2	Improve trailhead access to ensure clear and accessible access; consider creating a trails app. (FY2024)
1.8	Evaluate expansion of off-leash dog areas.
1.9	Evaluate next steps for use of the Stephen Palmer Building.
1.10	Upgrade Town Seal to improve graphic quality and historical accuracy. (FY2024)
1.11	Evaluate opportunities for undergrounding of electrical wires. (FY2024)
1.12	Review and implement an alternative service delivery method for weights and measures inspections.
1.13	Create a voluntary local historic district under Chapter 40C for the property of Elizabeth and Maurice Handel at 3 Rosemary Street, built by Jonathan and Jemima Kingsbury in 1779, the oldest house in 02494 and the 11th oldest in Needham.

GOAL #2: Economically Vital – Needham has the economic opportunities and resources for residents and businesses to thrive in our community. Needham:

- Supports an environment for creativity, innovation, and entrepreneurship.
- Promotes a well-educated, skilled, and diverse work force that meets employers’ needs.
- Fosters a collaborative and resource-rich regional business climate.
- Attracts, sustains, and retains a diverse mix of businesses, entrepreneurs and jobs that support the needs of all community members.
- Supports financial security, economic opportunity, and social mobility for all.
- Evaluates ways to increase minority and women-owned business participation in construction, building maintenance projects, and other Town programs.

FY2023-2024 Initiatives	Description
2.1	Evaluate Chestnut Street Redevelopment. (FY2024)
2.2	Evaluate Expansion of Snow Removal Efforts, including sidewalk plowing strategies. (FY2024)

GOAL #3: Accessible & Connected – Needham has a multi-modal transportation system that gets people where they want to go, when they want to get there, safely, and cost-effectively. Needham:

- Offers and encourages a variety of safe, comfortable, affordable, reliable, convenient, and clean mobility options.
- Supports a balanced transportation system that reflects effective land use, manages congestion, and facilitates strong regional multimodal connections.
- Provides effective infrastructure and services that will encourage diverse populations to connect to nature and the larger community.
- Promotes transportation options to ensure we remain an age-friendly community.

FY2023-2024 Initiatives	Description
3.1	Evaluate parking needs, options, types, and zoning in the Needham Center and Needham Heights business districts, identify technology to manage parking.
3.2	Evaluate the role and composition of the TMAC, Transportation Committee, Rail Trail Advisory Committee and Complete Streets Committee.
3.3	Seek funding for noise reduction/Quiet Zone feasibility, design, and construction.
3.4	Evaluate future use of the rail corridor between Dover and Newton.
3.4.1	Evaluate funding options for the Rail Trail extension from High Rock Street to Needham Junction.
3.4.2	Evaluate the feasibility of a shared use way between Needham Heights and the City of Newton.
3.5	Evaluate and make a final determination of the appropriate plan for Downtown Redesign Phase 2.
3.6	Prioritize funding for the Central Avenue/Centre Street Bridge.
3.7	Evaluate the feasibility of last mile in-Town transportation options (if earmark is not funded, explore funding sources).

GOAL #4: Healthy and Socially Thriving – Needham residents enjoy high levels of physical and mental well-being and abundant recreational, cultural, and educational opportunities in an environment where human rights are respected, diversity is celebrated, and neighbors feel connected. Needham:

- Cultivates a wide range of recreational, cultural, educational, civic, and social opportunities for all socioeconomic and age groups.
- Supports the physical and mental well-being of its community members.
- Fosters inclusion, diversity, and equity.
- Promotes the installation of art and opportunities for community-led art projects.
- Provides diversity, equity and inclusion professional development opportunities for all staff geared towards deepening understanding and becoming culturally responsive, anti-racist, and anti-biased members of the Needham community.

- Identifies and implements strategies to hire, support and retain diverse staff at every level of the organization; measures efforts and provides quarterly updates on progress.

FY2023-2024 Initiatives	Description
4.1	Work with the Needham Golf Club to extend the lease of Town land to allow Club to finance improvements.
4.2	Explore the option of petitioning to rename Hemlock Gorge to “Nehoiden’s Grant.” (FY2024)
4.3	Identify ways to institutionalize community conversations around race, diversity, equity, and inclusion, to build relationships and a stronger understanding of different perspectives and lived experiences.
4.4	Make intentional efforts and identify creative ideas for community outreach to diversify the candidate pool for all appointed Boards and Committees; measure progress.
4.5	Explore benefits of creating a dedicated position for Diversity, Equity & Inclusion efforts.
4.6	Provide support to other Boards & Committees on how to apply NUARI principles to their work, including training opportunities and sample goals.
4.7	Conduct focus groups with BIPOC community members to identify strategies for ensuring that all members of the community feel welcome as outlined in the NUARI vision statement and guiding principles.
4.8	Work with the Human Rights Committee to develop a discrimination complaint process and provide forums where individuals feel comfortable discussing their concerns related to diversity, equity, and/or inclusion. Consult with the HRC on their role and next steps.
4.9	Develop a plan for a community observance of Juneteenth.
4.10	Consider options for recognizing Indigenous People’s Day and Columbus Day/Italian Heritage Day. (FY2024)
4.11	Implement Valor Act and consider aligning the administrative process for both the Valor Act and the Senior Corps programs.

GOAL #5: Safe – Needham is a welcoming and inclusive community that fosters personal and community safety and ensures that all residents are secure and cared for during emergencies and natural disasters. Needham:

- Enforces the law while considering the needs of individuals and community values.
- Plans for and provides equitable, timely and effective services and responses to emergencies and natural disasters.
- Fosters a climate of safety for individuals in homes, businesses, neighborhoods, streets, sidewalks, bike lanes, schools, and public places.

- Encourages shared responsibility, provides education on personal and community safety, and fosters an environment that is welcoming and inclusive.
- Utilizes Complete Street principles to evaluate and prioritize pedestrian safety on our roadways.
- Prioritizes emergency planning and trainings for Town staff and the community to increase our collective preparedness and resilience.

FY2023-2024 Initiatives	Description
5.1	Actively monitor progress on the law enforcement recommendations that the Police Chief presented to the Select Board on June 8, 2021.
5.2	Work with public safety unions to reach agreement on alternatives to the Civil Service system; work with all stakeholders to implement alternative recruitment and promotion systems for public safety employees.
5.3	Work with the Chief of Police on updating the annual reporting and evaluating the possibility of creating a quarterly status report.

GOAL #6: Responsibly Governed – Needham provides excellent customer experience, responsibly manages the Town’s assets, and makes data-driven decisions that are also informed by community engagement. Needham:

- Models stewardship and sustainability of the Town’s financial, human, information, and physical assets.
- Supports strategic decision-making with opportunities for engagement and timely, reliable, and accurate data and analysis.
- Enhances and facilitates transparency, accuracy, efficiency, effectiveness, and quality customer service in all municipal business.
- Supports, develops, and enhances relationships between the Town and community/ regional partners.
- Provides assurance of regulatory and policy compliance.
- Reviews and updates Town policies and regulations.
- Identifies opportunities for departmental consolidation and efficiency improvement.
- Identifies opportunities for streamlining permitting processes. Provides open access to information, encourages innovation, enhances communication, and promotes community engagement.
- Meets regularly with other boards and committees.
Seeks input from other boards and the community during the annual goal setting process.

FY2023-2024 Initiatives	Description
6.1	Review the funding goal and use of all stabilization funds in conjunction with the Finance Committee and stakeholder boards and committees.
6.2	Support employee recruitment and retention initiatives.

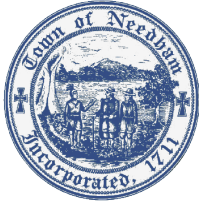
6.3	Evaluate the possibility of developing a Community Master Plan. (FY2024)
6.4	Develop a Select Board/Committee code of conduct.
6.5	Expand Select Board community engagement efforts and ensure continuation of the Town's communications staffing. Pilot a Select Board Office Hours Program.
6.6	Collaborate with stakeholders on the development of short videos on how Town government works.
6.7	Update the Select Board's Appointment Protocol (BOS-ADMIN-003).
6.8	Review Elected/Appointed status.
6.9	Conduct a general governance review including the role of the Personnel Board.
6.10	Work with the Finance Committee to create a working group exploring the operating budget process and other finance-related issues.
6.11	Review and recodify the non-criminal disposition by-law.
6.12	Review and update alcohol regulations.
6.13	Complete formal appointment of Town Counsel.
6.14	Update policy governing use of public outdoor spaces under the jurisdiction of the Select Board (e.g., Town Common, Avery Square, Amity Path, etc.)

GOAL #7: Environmentally Sustainable – Needham is a sustainable, thriving, and equitable community that benefits from and supports clean energy; preserves and responsibly uses the earth's resources; and cares for ecosystems. Needham:

- Maintains a sense of urgency around climate change.
- Promotes sustainability, including transitioning from fossil fuels to clean, renewable energy.
- Ensures the efficient use of natural resources.
- Protects and enhances the biodiversity and productivity of ecological systems.

FY2023-2024 Initiatives	Description
7.1	Develop a Climate Action Plan.
7.2	Identify parcel acquisition to comply with Land & Water Conservation Fund requirements.
7.3	Sponsor a tree summit. (FY2024)
7.4	Work with the Planning Board to explore zoning options to allow solar canopies on public and private property.
7.5	Evaluate regulations governing asbestos and lead protection/mitigation on knockdowns. (FY2024)
7.6	Review/establish electric vehicle charging rates.
7.7	Recommend community energy aggregation.
7.8	Evaluate adoption of net zero building code. (FY2024)

7.9	Begin development of sustainability guidelines for the construction and renovation of existing and future municipal buildings, and large commercial buildings.
7.10	Support and encourage improved access to equitable solar energy opportunities, including assessment, planning, and funding.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 01/24/2023

Agenda Item	Committee Reports
Presenter(s)	Board Discussion

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
Board members may report on the progress and / or activities of their Committee assignments.	
2.	VOTE REQUIRED BY SELECT BOARD
3.	BACK UP INFORMATION ATTACHED
None	



NEEDHAM PUBLIC HEALTH DIVISION



Needham Select Board
Town of Needham
1471 Highland Ave
Needham, MA 02492

January 17, 2023

Dear Select Board,
The Needham Public Health Division intends to hire Oberle, Carol as an instructor for *A Matter of Balance* class for a program that the Public Health Division runs. In this role, Ms. Oberle will work no more than 2 hours a week.

Ms. Oberle is currently employed by the Public School and Park and Recreation Department.

Attached is a copy of the letter that Ms. Oberle has submitted, disclosing both of her positions within Town. Included also find her 20(b) disclosure form.

Do not hesitate to contact me at hburnett@needhamma.com if I can provide any other necessary information.

Sincerely,

Hanna Burnett

Hanna Burnett
Public Health Nurse
Needham Public Health Division

Timothy Muir McDonald

Timothy Muir McDonald
Director of Health and Human Services
Needham Public Health Division

**DISCLOSURE BY MUNICIPAL EMPLOYEE
OF FINANCIAL INTEREST IN A MUNICIPAL CONTRACT
AS REQUIRED BY G. L. c. 268A, § 20(b)**

MUNICIPAL EMPLOYEE INFORMATION	
Name of municipal employee:	Carol Oberle
Title/ Position	Matter of Balance Instructor
Fill in this box if it applies to you.	If you are a municipal employee because a municipal agency has contracted with your company or organization, please provide the name and address of the company or organization.
Agency/ Department	Public Health Div
Agency Address	178 Rosemary St Needham MA 02494
Office phone:	781-455-7940
Office e-mail:	publichealthnursing@needham.ma.gov
	Check one: ☐ Elected or ☒ Non-elected
Starting date as a municipal employee.	Feb 2, 2023
BOX # 1	ELECTED MUNICIPAL EMPLOYEE
Select either STATEMENT #1 or STATEMENT #2.	I am an elected municipal employee. _____ STATEMENT #1: I had one of the following financial interests in a contract made by a municipal agency before I was elected to my municipal employee position. I will continue to have this financial interest in a municipal contract. OR ☒ N/A STATEMENT #2: I will have a new financial interest in a contract made by a municipal agency.
Write an X beside your financial interest.	My financial interest in a municipal contract is: _____ I have a non-elected, compensated municipal employee position. _____ A municipal agency has a contract with me. _____ I have a financial benefit or obligation because of a contract that a municipal agency has with another person or an entity, such as a company or organization. _____ I work for a company or organization that has a contract with a municipal agency, and I am a "key employee" because the contract identifies me by name or it is otherwise clear that the city or town has contracted for my services in particular.
BOX # 2	NON-ELECTED, COMPENSATED MUNICIPAL EMPLOYEE
Select either STATEMENT #1 or STATEMENT #2.	I am a non-elected municipal employee. _____ STATEMENT #1: I had one of the following financial interests in a contract made by a municipal agency before I took a position as a non-elected municipal employee. I will continue to have this financial interest in a municipal contract.

Write an X beside your financial interest.	My financial interest in a municipal contract is: ☐ A municipal agency has a contract with me, but not an employment contract. ☐ I have a financial benefit or obligation because of a contract that a municipal agency has with another person or an entity, such as a company or organization. -- OR -- ☒ STATEMENT # 2: I will have a new financial interest in a contract made by a municipal agency. My financial interest in a municipal contract is: ☒ I have a non-elected, compensated municipal employee position. ☐ A municipal agency has a contract with me. ☐ I have a financial benefit or obligation because of a contract that a municipal agency has with another person or an entity, such as a company or organization. ☐ I work for a company or organization that has a contract with a municipal agency, and I am a "key employee" because the contract identifies me by name or it is otherwise clear that the city or town has contracted for my services in particular.
FINANCIAL INTEREST IN A MUNICIPAL CONTRACT	
Name and address of municipal agency that made the contract	Public Health Div 178 Rosemary St Needham MA 02494
Please put in an X to confirm these facts.	"My Municipal Agency" is the municipal agency that I serve as a municipal employee. The "contracting agency" is the municipal agency that made the contract. ☒ My Municipal Agency is not the contracting agency. ☒ My Municipal Agency does not regulate the activities of the contracting agency. ☒ In my work for my Municipal Agency, I do not participate in or have official responsibility for any of the activities of the contracting agency. ☐ The contract was made after public notice or through competitive bidding.
FILL IN THIS BOX OR THE BOX BELOW	ANSWER THE QUESTION IN THIS BOX IF THE CONTRACT IS BETWEEN THE CITY OR TOWN AND YOU. - Please explain what the contract is for. Facilitate a Matter of Balance Classes
FILL IN THIS BOX OR THE BOX ABOVE	ANSWER THE QUESTIONS IN THIS BOX IF THE CONTRACT IS BETWEEN THE CITY OR TOWN AND ANOTHER PERSON OR ENTITY. - Please identify the person or entity that has the contract with the municipal agency. - What is your relationship to the person or entity? - What is the contract for?

What is your financial interest in the municipal contract?	- Please explain the financial interest and include the dollar amount if you know it. \$50
Date when you acquired a financial interest	Feb 2, 2023
What is the financial interest of your immediate family?	- Please explain the financial interest and include the dollar amount if you know it. N/A
Date when your immediate family acquired a financial interest	N/A
Write an X to confirm each statement.	FOR A CONTRACT FOR PERSONAL SERVICES – Answer the questions in this box ONLY if you will have a contract for personal services with a municipal agency (i.e., you will do work directly for the contracting agency). I will have a contract with a municipal agency to provide personal services. ☒ The services will be provided outside my normal working hours as a municipal employee. ☒ The services are not required as part of my regular duties as a municipal employee. ☒ For these services, I will be compensated for not more than 500 hours during a calendar year.
Employee signature:	Carol J. O'Neil
Date:	1/17/2023

Attach additional pages if necessary.

NOT A PERSONAL SERVICES CONTRACT -- File disclosure with the city or town clerk.

SEE CERTIFICATION AND APPROVAL REQUIRED FOR PERSONAL SERVICES CONTRACTS, BELOW.

I have received a disclosure under G.L. c. 268A, § 20(b) from a municipal employee who seeks to provide personal services to a municipal agency, identified above. The exception under § 20(b) is approved.	
Signature:	On behalf of the Council or Board, I sign this approval.
Date:	

File disclosure, Certification and Approval with the city or town clerk. Attach additional pages if necessary.

Form revised February, 2012

FOR CONTRACTS FOR PERSONAL SERVICES ONLY:

If you are disclosing a financial interest in a contract for personal services with a municipal agency, you must file the Certification below signed by the head of the contracting agency, and you must get approval of the exemption from the city council, board of aldermen, board of selectmen or town council.

CERTIFICATION BY HEAD OF CONTRACTING AGENCY

INFORMATION ABOUT HEAD OF CONTRACTING AGENCY	
Name:	Timothy Mur McDonald
Title/ Position	Director of Health and Human Services
Municipal Agency:	Needham Health and Human Services
Agency Address:	178 Rosemary St. Needham, MA 02494
Office Phone:	781-455-7940
CERTIFICATION	
I have received a disclosure under G.L. c. 268A, § 20(b) from a municipal employee who seeks to provide personal services to my municipal agency, identified above. I certify that no employee of my agency is available to perform the services described above as part of his or her regular duties.	
Signature:	Timothy Mur McDonald
Date:	01/17/2023

APPROVAL BY CITY COUNCIL, BOARD OF ALDERMEN, BOARD OF SELECTMEN OR TOWN COUNCIL

INFORMATION ABOUT APPROVING BODY	
Name:	
Title/ Position	
Agency Address:	
Office Phone:	
APPROVAL	
I have received a disclosure under G.L. c. 268A, § 20(b) from a municipal employee who seeks to provide personal services to a municipal agency, identified above. The exemption under § 20(b) is approved.	
Signature:	On behalf of the Council or Board, I sign this approval.
Date:	

Attach additional pages if necessary.
File disclosure, Certification and Approval with the city or town clerk.

January 17, 2023

Dear Select Board:

The purpose of this letter is to request your approval for me to hold more than one appointed position with the Town of Needham..

The multiple positions I wish to hold are:

Yoga instructor – Parks and Recreation

Yoga instructor – School Department

Matter of Balance facilitator – Health Department

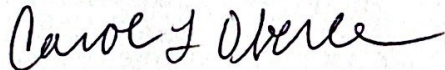
I seek approval to accept the Matter of Balance facilitator position.

There will be no conflicts with these positions, as all are part time.

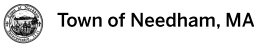
Thank you for considering my request.

Attached please find a copy of the letter that has been submitted, as well as my 20(b) disclosure form.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carol Oberle".

Carol Oberle



01/19/2023

SLL-10010

One Day Special Liquor License

Status: Active

Date Created: Jan 9, 2023

Applicant

Steve Volante
steve@volantefarms.com
745 Central Ave
Needham, MA 02494
781-964-1821

Primary Location

292 FOREST ST
Needham, MA 02492

Owner:

Volante Farms
292 Forest Street Needham, MA 02492

Internal Use Section (for use by Town Manager's Office)

Status (in process, approved, denied)

In Process

Conditions/Restrictions (If no restrictions, please enter "None".)

--

Comments

--

Date of Needham Select Board Approval

--

Event Manager Information

Event Manager's Name

Steve Volante

Event Manager's Email

steve@volantefarms.com

Event Manager's Mailing Address (street, town, state, zip)

Volante Farms 292 Forest St, Needham, MA 02492

Event Manager's Phone Number

781-964-1821

Contact Number During the Event

781-444-2351

Organization Information

Organization Name

Volante Farms

Is the organization for non-profit or for profit?

For Profit

Event Information

Name of Event

Grand Wine and Cheese Tasting

Date of Event

02/11/2023

Details of Event

We will be hosting multiple vendors in our greenhouse for a wine and cheese tasting

Requested Start Time: Liquor License

11:00 AM

Requested End Time: Liquor License

5:00 PM

Hours of Event

12PM-4PM

Name of Event Location (i.e. example, Powers Hall, VFW)

Volante Farms Greenhouse

Event Location Address (street, town, state, zip)

292 Forest Street Needham MA 02492

Maximum Number of Expected People

100

Is Event Open to the Public

Yes

Are tickets being sold in advance for this event?

No

Is there an Admission fee?

No

Are you using dues collected to purchase alcohol for this event?

No

Is the license for a dining hall maintained by an incorporated educational institution authorized to grant degrees?

No

Alcohol**For Profit: License is for the Sale of:**

Wine & Malt Beverages

Service of Alcohol plan

Other

Service of Alcohol plan: Other

Guests will be served small samples at multiple stations and have a "passport" given to them upon entrance that will be stamped at each station so that they do not go back to the same stations multiple times.

Please attached floorplan (can be hand drawn) of the event facility with liquor delivery plan.**Bartenders/Servers****Bartender Name**

Joe Ferraro

Certificate Expiration Date

06/25/2025

Please Read**I agree****Acknowledgement****I agree****Digital Signature of Permit Applicant**

Steve Volante

01/09/2023

Attachments

CBEA264F-A529-4910-B84A-C8B88AAB32A2.JPG

Uploaded by Steve Volante on Jan 9, 2023 at 10:46 am

2023-01-09 10-50.pdf

Uploaded by Steve Volante on Jan 9, 2023 at 10:50 am

2023-01-09 10-50.pdf

Uploaded by Steve Volante on Jan 9, 2023 at 10:50 am

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Uploaded by Steve Volante on Jan 9, 2023 at 10:44 am

2023-01-09 10-50.pdf

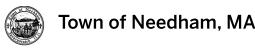
Uploaded by Steve Volante on Jan 9, 2023 at 10:50 am

History

Date	Activity
Jan 9, 2023 at 10:35 am	Steve Volante started a draft of Record SLL-10010
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerCity from "" to "Needham"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerEmail from "" to "steve@volantefarms.com"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerName from "" to "Volante Farms"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerPhoneNo from "" to "7814442351"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerPostalCode from "" to "02492"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerState from "" to "MA"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerStreetName from "" to "Forest Street"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerStreetNo from "" to "292"
Jan 9, 2023 at 10:39 am	Steve Volante altered Record SLL-10010, changed ownerUnit from "" to ""
Jan 9, 2023 at 10:51 am	Steve Volante submitted Record SLL-10010
Jan 9, 2023 at 10:51 am	approval step Application Completion Reviewwas assigned to Kristin Scoble on Record SLL-10010
Jan 9, 2023 at 1:41 pm	Kristin Scoble changed Status (in process, approved, denied) from "" to "In Process" on Record SLL-10010
Jan 9, 2023 at 2:03 pm	Kristin Scoble changed Date of Event from "02/04/2023" to "02/11/2023" on Record SLL-10010
Jan 9, 2023 at 2:07 pm	Kristin Scoble approved approval step Application Completion Review on Record SLL-10010
Jan 9, 2023 at 2:07 pm	approval step Police Department Reviewwas assigned to John McGrath on Record SLL-10010
Jan 9, 2023 at 3:35 pm	John McGrath approved approval step Police Department Review on Record SLL-10010
Jan 9, 2023 at 3:35 pm	approval step Application Added to Select Board Consent Agendawas assigned to Kristin Scoble on Record SLL-10010

Timeline

Label	Status	Activated	Completed	Assignee
 Application Completion Review	Complete	Jan 9, 2023 at 10:51 am	Jan 9, 2023 at 2:07 pm	Kristin Scot
 Police Department Review	Complete	Jan 9, 2023 at 2:07 pm	Jan 9, 2023 at 3:35 pm	John McGr
 Application Added to Select Board Consent Agenda	Active	Jan 9, 2023 at 3:35 pm	-	Kristin Scot
 Outcome of Select Board meeting	Inactive	-	-	-
 Fee Review	Inactive	-	-	-
 Print Review	Inactive	-	-	-
 Issue One Day Special Liquor License	Inactive	-	-	-
 Transmittal of Notice of Approval of Special License to Needham Police and ABCC	Inactive	-	-	-
 Close Permit	Inactive	-	-	-



01/19/2023

SLL-10011

One Day Special Liquor License

Status: Active

Date Created: Jan 9, 2023

Applicant

Steve Volante
steve@volantefarms.com
745 Central Ave
Needham, MA 02494
781-964-1821

Primary Location

292 FOREST ST
Needham, MA 02492

Owner:

Volante Farms
292 Forest St Needham, MA 02492

Internal Use Section (for use by Town Manager's Office)

Status (in process, approved, denied)

In Process

Conditions/Restrictions (If no restrictions, please enter "None".)

--

Comments

--

Date of Needham Select Board Approval

--

Event Manager Information

Event Manager's Name

Steve Volante

Event Manager's Email

steve@volantefarms.com

Event Manager's Mailing Address (street, town, state, zip)

292 Forest Street Needham, MA 02492

Event Manager's Phone Number

781-964-1821

Contact Number During the Event

781-444-2351

Organization Information

Organization Name

Volante Farms

Is the organization for non-profit or for profit?

For Profit

Event Information

Name of Event

Grand Beer Tasting

Date of Event

03/04/2023

Details of Event

We will be hosting multiple beer vendors for a tasting in our greenhouse, same setup as our Wine and cheese event in February

Requested Start Time: Liquor License

11:00 AM

Requested End Time: Liquor License

5:00 PM

Hours of Event

12PM-4PM

Name of Event Location (i.e. example, Powers Hall, VFW)

Volante Farms Greenhouse

Event Location Address (street, town, state, zip)

292 Forest Street, Needham MA 02492

Maximum Number of Expected People

100

Is Event Open to the Public

Yes

Are tickets being sold in advance for this event?

No

Is there an Admission fee?

No

Are you using dues collected to purchase alcohol for this event?

No

Is the license for a dining hall maintained by an incorporated educational institution authorized to grant degrees?

No

Alcohol**For Profit: License is for the Sale of:**

Wine & Malt Beverages

Service of Alcohol plan

Other

Service of Alcohol plan: Other

Guests will be served small samples at multiple stations and have a "passport" given to them upon entrance that will be stamped at each station so that they do not go back to the same stations multiple times.

Please attached floorplan (can be hand drawn) of the event facility with liquor delivery plan.**Bartenders/Servers****Bartender Name**

Joe Ferraro

Certificate Expiration Date

06/25/2023

Please Read**I agree****Acknowledgement****I agree****Digital Signature of Permit Applicant**

Steve Volante

01/09/2023

Attachments

CBEA264F-A529-4910-B84A-C8B88AAB32A2.JPG

Uploaded by Steve Volante on Jan 9, 2023 at 10:57 am

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Uploaded by Steve Volante on Jan 9, 2023 at 10:57 am

☒ pdf 2023-01-09 10-53.pdf

Uploaded by Steve Volante on Jan 9, 2023 at 10:57 am

☒ pdf tipsdw588117412236353_20221215124925_tips_on_premise_participant_exam_session_scantron_Ferrero.pdf

Uploaded by Steve Volante on Jan 9, 2023 at 10:57 am

☒ pdf 2023-01-09 10-53.pdf

Uploaded by Steve Volante on Jan 9, 2023 at 10:57 am

History

Date	Activity
Jan 9, 2023 at 10:52 am	Steve Volante started a draft of Record SLL-10011
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerCity from "" to "Needham"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerEmail from "" to "steve@volantefarms.com"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerName from "" to "Volante Farms"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerPhoneNo from "" to "781-444-2351"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerPostalCode from "" to "02492"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerState from "" to "MA"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerStreetName from "" to "Forest St"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerStreetNo from "" to "292"
Jan 9, 2023 at 10:53 am	Steve Volante altered Record SLL-10011, changed ownerUnit from "" to ""
Jan 9, 2023 at 10:58 am	Steve Volante submitted Record SLL-10011
Jan 9, 2023 at 10:58 am	approval step Application Completion Reviewwas assigned to Kristin Scoble on Record SLL-10011
Jan 9, 2023 at 1:41 pm	Kristin Scoble approved approval step Application Completion Review on Record SLL-10011
Jan 9, 2023 at 1:41 pm	approval step Police Department Reviewwas assigned to John McGrath on Record SLL-10011
Jan 9, 2023 at 1:50 pm	John McGrath approved approval step Police Department Review on Record SLL-10011
Jan 9, 2023 at 1:50 pm	approval step Application Added to Select Board Consent Agendawas assigned to Kristin Scoble on Record SLL-10011
Jan 9, 2023 at 2:09 pm	Kristin Scoble changed Status (in process, approved, denied) from "" to "In Process" on Record SLL-10011
Jan 9, 2023 at 2:09 pm	Kristin Scoble approved approval step Application Added to Select Board Consent Agenda on Record SLL-10011
Jan 9, 2023 at 2:09 pm	approval step Outcome of Select Board meetingwas assigned to Kristin Scoble on Record SLL-10011

Timeline

Label	Status	Activated	Completed	Assignee
 Application Completion Review	Complete	Jan 9, 2023 at 10:58 am	Jan 9, 2023 at 1:41 pm	Kristin Sco
 Police Department Review	Complete	Jan 9, 2023 at 1:41 pm	Jan 9, 2023 at 1:50 pm	John McGr
 Application Added to Select Board Consent Agenda	Complete	Jan 9, 2023 at 1:50 pm	Jan 9, 2023 at 2:09 pm	Kristin Sco
 Outcome of Select Board meeting	Active	Jan 9, 2023 at 2:09 pm	-	Kristin Sco
 Fee Review	Inactive	-	-	-
 Print Review	Inactive	-	-	-
 Issue One Day Special Liquor License	Inactive	-	-	-
 Transmittal of Notice of Approval of Special License to Needham Police and ABCC	Inactive	-	-	-
 Close Permit	Inactive	-	-	-



**Town of Needham, Massachusetts
Road Event Form**

RECEIVED		INTERNAL USE ONLY	
TOWN OF NEEDHAM SELECT BOARD		Police ☐ OTM ☐ Fire ☐ Park & Rec ☐ PFD ☐	
2023 JAN 17 A 8 10		☒ Paid	

TYPE OF EVENT: (check all that apply)

☒ RUN ☒ WALK ☐ BICYCLE ☐ MOTORCYCLE

\$25.00
1/17/23
CH # 902

Name of Event:

NHS Boosters Rocket Run

Name of Organization:

NHS Athletic Boosters

**Event Date(s) and Rain Date if
requesting:**

3/19/2023

Earliest Time Expected in Needham:

7am

Latest Time Expected in Needham:

11am

**Has this event been conducted in other
Towns in the past?** ☐ YES ☒ NO

If yes, name of Town and date:

**Has this event been held in Needham in
the past?** ☒ YES ☐ NO

**If yes, are you repeating the same route as
in prior year(s)?** ☒ YES ☐ NO

Organization Mailing Address:

PO Box 920556 Needham MA 02492

Organization



**is
Not-for-Profit**

Organization Billing Address (if Police Detail is required):

PO Box 920556 Needham MA 02492

Primary Contact:

Patrick DeMaio

Contact Title:

Race Organizer

Contact Address:

237 Marked Tree Rd
Needham MA 02492

Contact Phone (Day):

781-453-9009

Contact Phone (Cell):

781-367-9009

Contact Email:

patrick.demaio@gmail.com

Number of Expected Participants:

250

Number of Expected Spectators at Peak

Time: 80

Are participants charged a fee?

☒ YES ☐ NO

Estimated Number of Vehicles:

150

What type of Parking is required:

NHS Upper Lot

Describe Parking Plan, include where participants and spectators will park and length of time expected to be parked:

Volunteers and participants will park in the NHS upper lot with additional spaces if necessary on Admiral Gracie drive

Are event organizers available to meet with members of the Town to plan event?

☒ YES ☐ NO

Do event organizers foresee the need for any road closures (subject to police review)?

☒ YES ☐ NO

What will be done in case of inclement weather?

Event is rain or shine, if necessary registration will take place in the cafeteria

Will neighborhoods be impacted by parking and traffic?

No, parking is on campus, race start and finish will be in NHS parking lot

What activities are planned for the start of the race (if in Needham)?

DJ will play music for registration and for finishers, and an announcer for all race announcements

What activities are planned for the end of the race (if in Needham)?

Water, snacks etc provided to participants, announcer for race results, awards etc

What facilities are needed for the start of the race (if in Needham)?

NHS cafeteria and rest rooms will be open

What facilities are needed for the end of the race (if in Needham)?

see above

Once the event begins, how long will it take to complete the event?

90 minutes

Are signs requested to post at the start of the race? At the end of the race? Are signs requested for along the route?	Yes, at start and end of race, some directional signs along the route to be removed after race
Will volunteers be placed along the route?	Yes, at some intersections for directions
Will you be using a sound system? (includes music) If yes, please describe where and when it will be used.	Yes, pre-race 8:30 am and post race to announce results
Will there be any food served? (contact Needham Health Dept: 781-455-7500 x262)	Yes, bagels, water, fruit
Will portable toilets be used? List locations.	No
Will hydration stops be set up along route? If yes, please include these on route plan.	Yes
If the event takes place after dark, what is the plan to meet lighting needs?	NA
What safety measures are being made for participants and spectators? What are plans for handling first aid and medical emergencies?	Police detail will be on site, first aid table at start/finish
Does the event take place during commuter times?	No
Is school in session during the event? Will school drop off or pick up be impacted by the event?	No
Are businesses open during the time of the event?	Yes
Does the route pass any business that might be impacted by the event? (e.g. funeral homes, markets, restaurants)	No
Are there any churches/houses of worship located along the event route? Will church/house of worship services take place during the event?	No
What is the plan to handle trash?	Volunteers will be designated to handle trash, water stops will pick up and take their own trash

Please return the completed application and attachments to the Office of the Town Manager, Needham Town Hall, 1471 Highland Avenue, Needham, MA 02492:

- *event route map (include map and text of route, parking plan, volunteer placement)*
- *application fee (\$25 events that start and end in Needham; \$50 event passes through Needham)*
- *certificate of insurance*

PLEASE NOTE:

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1.1324 mi

NHS Boosters Club Rocket Run 1M

MELLEN STREET

MORTON STREET

CAREY ROAD

LASALLE ROAD

LIDBERGH AVE.

DONNA ROAD

HOVER ROAD

UPLAND



1

NHS Boosters Club Rocket Run 5K





Town of Needham, Massachusetts
Road Event Form
TOWN OF NEEDHAM
SELECT BOARD

2023 JAN 13 P 12:09

INTERNAL USE ONLY

___ DPW
___ Fire
___ Park & Rec
___ PFD
☒ Police
☒ OTM
☒ Paid

\$25.00 CH

TYPE OF EVENT: (check all that apply)

☒ RUN ☒ WALK ☐ BICYCLE ☐ MOTORCYCLE

Name of Event:

Jog Your Memory 5K Run + 1.5 mile
Walk for Alzheimer's

Name of Organization:

Jog Your Memory 5K, Inc.

**Event Date(s) and Rain Date if
requesting:**

Sunday, September 10, 2023

Earliest Time Expected in Needham:

6am (set-up)

Latest Time Expected in Needham:

11am (clean-up complete)

**Has this event been conducted in other
Towns in the past?** ☐ YES ☒ NO

If yes, name of Town and date:

N/A

**Has this event been held in Needham in
the past?** ☒ YES ☐ NO

**If yes, are you repeating the same route as
in prior year(s)?** ☒ YES ☐ NO

Organization Mailing Address:

56 Nichols Road Needham MA 02442

☒ **Organization
is
Not-for-Profit**

Organization Billing Address (if Police Detail is required):

56 Nichols Road Needham MA 02442

Primary Contact:

Jessica Kline

Contact Title:

Co-founder - Co-race director

Contact Address:

56 Nichols Road Needham MA 02442

Contact Phone (Day):

617 312 6547

Contact Phone (Cell):

617 312 6547

Contact Email:

Jogyourmemorysk@gmail.com

Number of Expected Participants:

450 - 500

Number of Expected Spectators at Peak

Time: 100

Are participants charged a fee?

☒ YES ☐ NO

Estimated Number of Vehicles:

150

What type of Parking is required:

Side Street parking on one side, both Mitchell parking lots

Describe Parking Plan, include where participants and spectators will park and length of time expected to be parked:

Participants will park along one side of Dell + Lindberg, as well as in the front and back parking lots at Mitchell. Parking will occur between 9 am and 10:30 am

Are event organizers available to meet with members of the Town to plan event?

☒ YES ☐ NO

Do event organizers foresee the need for any road closures (subject to police review)? ☐ YES ☒ NO

What will be done in case of inclement weather?

Access to school gym for participants; event will be held unless there is thunder/lightning

Will neighborhoods be impacted by parking and traffic?

No parking signs will be placed along one side of side roads

What activities are planned for the start of the race (if in Needham)?

NONE

What activities are planned for the end of the race (if in Needham)?

Awards ceremony

What facilities are needed for the start of the race (if in Needham)?

power source access from modular and music room

What facilities are needed for the end of the race (if in Needham)?

See above

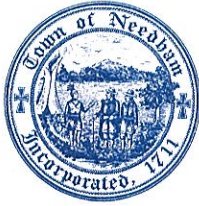
Once the event begins, how long will it take to complete the event? approximately 2.5 hours	
Are signs requested to post at the start of the race? At the end of the race? Are signs requested for along the route?	No parking signs along or side of Dell + Lindburgh
Will volunteers be placed along the route?	Yes (wearing vests) at all turns
Will you be using a sound system? (includes music) If yes, please describe where and when it will be used.	Yes, starting @ 8am for music + announcements @ 9:45am for awards
Will there be any food served? (contact Needham Health Dept: 781-455-7500 x262)	Taco cart / wrapped snacks ↑ will obtain food permits
Will portable toilets be used? List locations.	Yes - placed behind school near basketball court
Will hydration stops be set up along route? If yes, please include these on route plan.	Yes @ Broadmeadow for run route and @ Colby St. for walk route
If the event takes place after dark, what is the plan to meet lighting needs?	N/A
What safety measures are being made for participants and spectators? What are plans for handling first aid and medical emergencies?	See attached safety plan Dr. to be on site
Does the event take place during commuter times?	No
Is school in session during the event? Will school drop off or pick up be impacted by the event?	no
Are businesses open during the time of the event?	Yes
Does the route pass any business that might be impacted by the event? (e.g. funeral homes, markets, restaurants)	yes (D&D, Grace Christian Church)
Are there any churches/houses of worship located along the event route? Will church/house of worship services take place during the event?	Grace Christian Church on Broadmeadow
What is the plan to handle trash?	Dumpster for trash + recycling

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Theodora K. Eaton, MMC
Town Clerk

TOWN OF NEEDHAM

Office of the Town Clerk

1471 Highland Avenue, Needham, MA 02492-0909

Telephone (781) 455-7500 x216

Fax (781) 449-1246

Email: Teaton@needhamma.gov

Select Board
Town of Needham
1471 Highland Avenue
Needham, MA 02492

Dear Members of the Select Board.

I have received the resignation of Walter F. McDonough from the Board of Assessors. I request that you vote under the consent section at the January 24, 2023 Select Board meeting the following:

"Upon the resignation of Walter F. McDonough, the Needham Select Board votes to direct the Town Clerk to place the position of Assessor on the April 11, 2023 Annual Town Election ballot for the unexpired term ending April 15, 2025."

The vote must be made by February 6, 2023 but it is better to give a candidate as much time as possible to collect the required signatures.

VOTE: The Needham Select Board votes to direct the Town Clerk to place the position of Assessor on the April 11, 2023 Annual Town Election ballot for the unexpired term ending April 15, 2025.

Marianne B. Cooley, Chair
Marcus A. Nelson, Vice Chair
Kevin Keane, Clerk
Matthew D. Borrelli, Member
Heidi Frail, Member

Select Board of Needham

Sincerely,

Theodora K. Eaton, MMC, Town Clerk