

Appendix

Appendices

Monterey Economic Development Data Profile
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ECONOMIC PROFILE OF MONTEREY

This section examines the socio-economic trends in Monterey and in the surrounding area of Berkshire County that affect economic development. Planning to maintain an adequate supply of businesses and employment opportunities while balancing concerns related to open space, natural resources, housing, transportation, infrastructure, and community services is a challenging task. Planning for economic development begins with analysis of detailed information on the local economy in order to identify specific concerns and potential areas in which the town may encourage business and employment. Several factors may indicate the community's economic well-being and capacity for shared and sustainable improvement. Some of these factors are:

- Supply and diversity of local employment opportunities
- Size, education, and skill level of the Local Labor Force
- Supply of affordable housing and transportation available for local workers.
- Amount of existing businesses, buildings, infrastructure, or developable land for new businesses.
- Local commercial tax rates, regulations and permitting processes that are conducive to business.
- Economic trends and characteristics of the regional economy
- Financial, educational, and developmental resources available.

This section presents information and analysis on potential factors that may indicate the Town's economic well-being and capacity for improvement and to determine the community's needs.

Demographics and Population Characteristics

Historical and Projected Population Counts

The past ten years have seen a year-round population increase in Monterey of 16%, while the population of the surrounding area of Berkshire County continued to decrease, and has been decreasing steadily since 1970 by an average of approximately 3% every 10 years.

Figure E-1 depicts regional population projections provided to the BRPC by Regional Economic Models, Inc (REMI), of Amherst Massachusetts. The population decline in Berkshire County is expected to end sometime between year 2000 and year 2010. The BRPC expects the population of Monterey to follow this trend and continue its population increases in the next decades. REMI population projections have been a reliable model for regional population trends in the past 20 years, but they are susceptible to unforeseen changes, and have been less reliable forecasting future trends for individual municipalities.

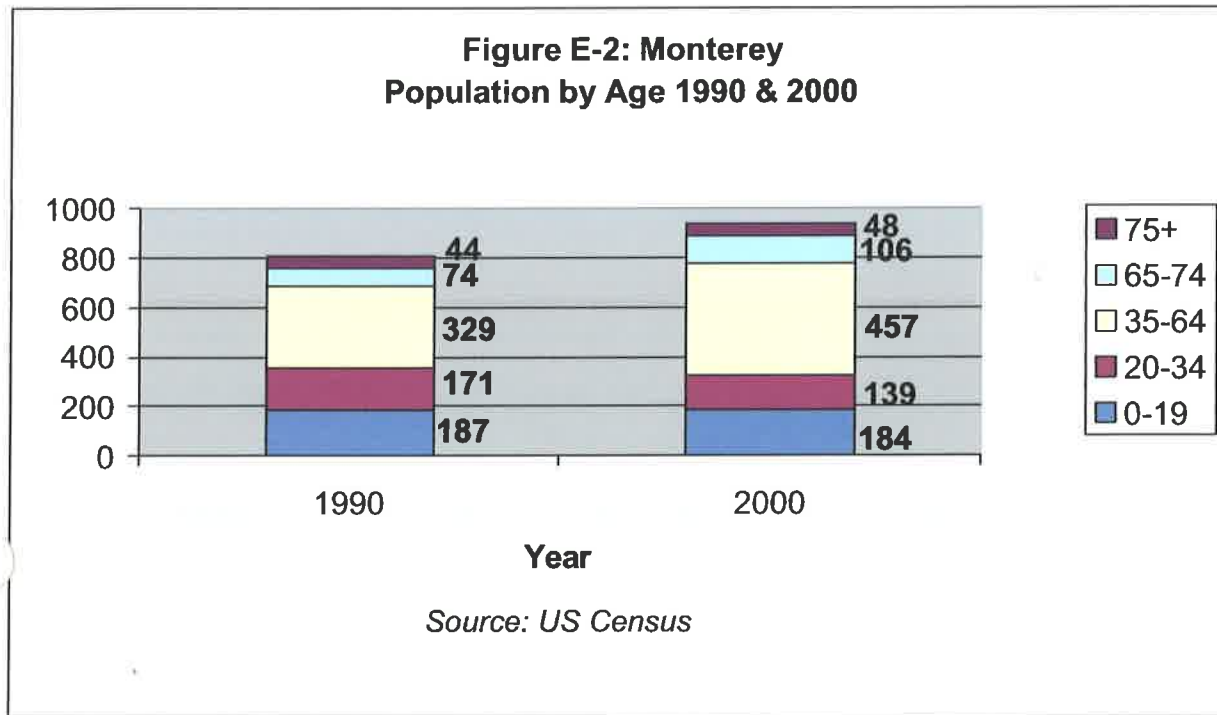
Figure E-1: Historical Population Counts and Future Projections

	Monterey	Berkshire County
1970	600	149,402
1980	818	145,110
1990	805	139,352
2000	934	134,953
2010	1,039*	135,700*
2020	1,222*	145,875*

Source: U.S Census 2000; *BRPC Population figures: Preliminary, 2002

Population By Age

The last ten years have seen significant increases in older residents, while the number of young residents, especially young adults, has significantly decreased. The median age increased by over six years, from 38.4 to 44.5 – which is older than the countywide median age of 40.5. The most significant increase has been in residents aged 65-74, which experienced a 41% increase in population. The number of older, working aged residents aged 35-64 also increased by almost forty percent, and residents aged over 75 increased by nine percent. The population of young adults aged 20-34 years decreased almost twenty percent, while the number of residents aged under 20 years decreased slightly.



Industry of Occupation for Monterey Residents

Residents of the Town of Monterey are employed in all industry categories detailed in the 2000 U.S. Census. Figure E-5 depicts the Town's relative strengths in relation to the County and the State.

The figure shows Monterey as having a high percentage of educational, health and social service workers, as well as professional workers, construction workers, and arts and accommodations industry. The Town's has strong representation in agricultural industry, at 5% of all employed town residents, which is high compared to 1% of all workers in Berkshire County and 0% of all state workers. The Town has fewer residents working in information services, wholesale or retail trade than the surrounding region.

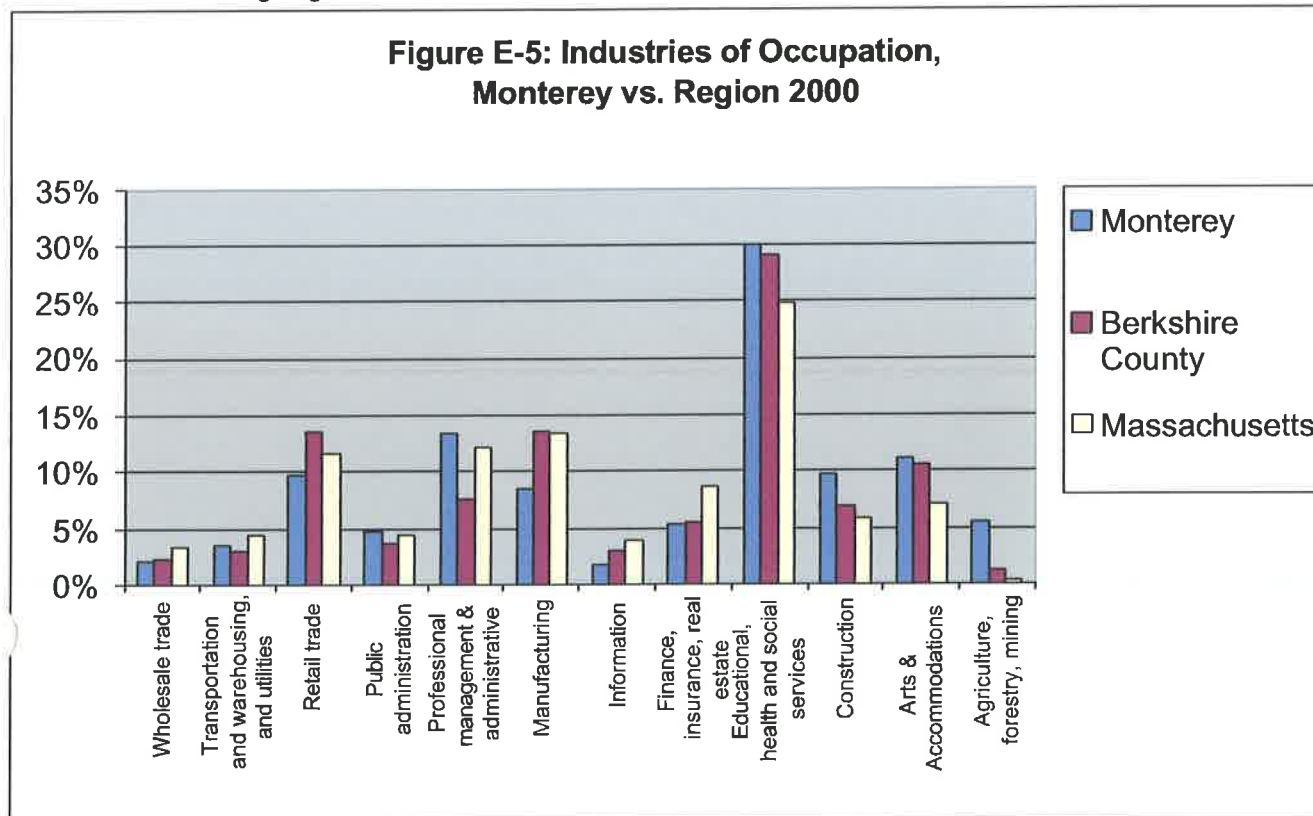


Figure E-5: Industry of Occupation of Monterey Residents

Industry	Number of Workers	Percent
Educational, health and social services	136	27%
Professional, scientific, management, administrative	61	12%
Arts, entertainment, recreation, accommodations	50	10%
Construction	44	9%
Retail trade	44	9%
Manufacturing	38	8%
Agriculture, forestry, fishing and hunting, and mining	25	5%
Finance, insurance, real estate	24	5%
Public administration	22	4%
Other services (except public administration)	19	4%
Transportation and warehousing, and utilities	16	3%
Wholesale trade	10	2%
Information	8	2%

Source: U.S. Census 2000

Educational Attainment of Local Workers

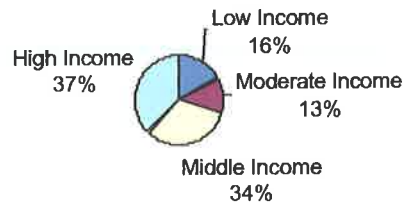
Companies in emerging sectors of the economy, especially Technology Enterprises, are highly dependent on the attraction and retention of a well-educated and professional workforce.

According to the 2000 U.S. Census, 95.1% of the Town's residents aged 25 years or older had at least a high school degree, while 51.5% had at least a bachelor's degree. Monterey is above average for the Berkshires, as throughout Berkshire County, 85.1% of this demographic have high school diplomas and 26.0 % have bachelor's degree.

Local Household Income Levels

Monterey is quickly becoming more affluent. In 1990, Monterey was one of the lowest income towns in the Berkshires, ranked 29 out of 32 in terms of median income. In 2000 the Town had one of the highest median incomes, ranking it 11th. The 2000 median household income in Monterey was \$49,750, which was 27.4% higher than the median Berkshire County household income of \$39,047. Figure E-6 compares the household incomes relative to the Berkshire County median income level. Based on countywide figures, approximately 29% of the town's households were considered low or moderate-income households, earning up to 80% of the median household income (\$31,238). Eight of the Town's 236 families were determined to be below the poverty level in 2000 (based on income and family size). Figure E-7 shows the local break down of household incomes according to the town median.

Figure E-6: Approximate Household Income Levels According to Berkshire County Median of \$39,047 in 2000.



Source: US Census Bureau, 2000

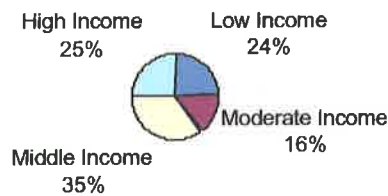
Low Income = Up to 50% of Berkshire County Median (Up to \$19,524)

Moderate Income = 50-80% of Berkshire County Median (\$19,524-\$31,238)

Middle Income = 80-150% of Berkshire County Median (\$31,238-\$58,571)

High Income = Over 150% of Berkshire County Median (over \$58,571)

Figure E-7: Approximate Household Income Levels According to Town Median of \$49,750 in 2000.



Low Income = Up to 50% of Berkshire County Median (Up to \$24,875)

Moderate Income = 50-80% of Berkshire County Median (\$24,875-\$39,800)

Middle Income = 80-150% of Berkshire County Median (\$39,800-\$74,625)

High Income = Over 150% of Berkshire County Median (over \$74,625)

Local Businesses and Economic Characteristics

Local Business Inventory and Growth Trends

The Town of Monterey has a history as a resort area. The local economy is greatly influenced by tourism and seasonal residents, and many of the jobs in town are in the service, construction, and accommodations industry.

The local business inventory describes the jobs that are located in the Town of Monterey. Twenty-nine businesses are located in Monterey that employed a total of 171 workers in 2000. Since 1985, the economy of the town has grown significantly. In the five years from 1995 to 2000, the number of jobs located in the Town of Monterey increased by over 60%, from 107 to 171. The increase in employment comes as an increase in service jobs, but also as an increase in construction, manufacturing and trade jobs. The total payrolls during these five years nearly doubled, and average annual wage increased 42% to \$24,444. Average wages in Berkshire County were \$32,921.

Year	Total Annual Payroll	Avg Annual Wage	Establishments	Total	Agriculture Forestry Fishing	Government	Construction	Manufacturing	Trade	Services
1985	\$975,570	\$11,612	15	84	conf	10	conf	conf	conf	conf
1990	\$1,606,843	\$16,738	21	98	conf	conf	15	conf	conf	61
1995	\$2,155,112	\$17,103	30	107	conf	conf	14	conf	conf	66
2000	\$4,179,978	\$24,444	29	171	conf	15	19	4	10	85

Source: MA Department of Employment and Training

Local Wages: Goods vs. Service Industry Jobs

Approximately 50% of Town jobs are in service producing industries. Service industry jobs are traditionally lower paying jobs than goods producing jobs. Figure E-9 shows the 2001 average weekly wage of goods producing jobs is \$835.77 a week, or approximately \$42,000 a year, while the average weekly wage of goods producing jobs is \$503.80, approximately \$25,000 a year. The discrepancies in wages become a factor as service jobs have been increasing more rapidly than other industries.

	AVG weekly wage
Goods Producing Industries:	\$835.77
Service Producing Industries:	\$503.80
Total For All Industries:	\$564.58

Source: MA Dept of Employment and Training, 2003

Regional Business and Economic Characteristics

Regional Business Overview

According to a 2001 analysis of employment in the Berkshires by the Berkshire County Regional Employment Board "Blueprint", 9 industry segments (Figure E-12) are defined as "critical" to the region since these 9 provide the preponderance of employment opportunities, or about 78% of the jobs – in the region.

Figure E-12 – Critical Industries in Berkshire County

Industry	(% Workforce)
Health & Human Services	16%
Travel & Tourism	14%
Retail	14%
Education	11%
Paper/Plastics	9%
Construction	5%
Finance, Insurance & Real Estate	4%
Business Services	3%
Applied Technology	2%
Total:	78%

Source: Berkshire County Regional Employment Board, 2001

Current Regional Growth Trends & Emerging Industries

The 2001 Regional Employment Board Workforce Development Blueprint has identified business services atop 5 other industry sectors with growth rates in employment in excess of 10%, represent the region's "emerging" industries (Figure E-13).

Figure E-13: Emerging Industries in Berkshire County

Industry:	Growth Rate (%):	% of Workforce Employed:
Business Services	25	2.8%
Misc. Retailing	18	4.5%
Spec. Trades Contractors	18	2.6%
Gen'l. Building Contractors	18	1.0%
Amusement & Recreation	15	2.3%
Personal Services	12	1.2%

Source: Berkshire County Regional Employment Board, 2001

Another recently recognized growth area in Berkshire County is in the Technology Enterprise sector, which is comprised of four major types of activities: Software and Systems Design; Design and Art; Content and Publishing; and Information Technology (IT) Business Consulting. The University of Massachusetts Donahue Institute recently completed the first major study of the growth of technology enterprise sector in Berkshire County. The study, *Technology Enterprise in Berkshire County: Economic Analysis, Feb 2002*, reports that since 1993, the Technology Enterprise sector has grown at a higher rate than every major division of the Berkshire economy in terms of firm growth, employment growth, and real annual payroll growth. The study shows that payroll for Technology Enterprise firms increased by 190% from 1993-2002, while total payroll in the region increased by only 13.5%.

Future Growth Areas Regionally

Economic forecasts provided by the Berkshire Regional Planning Commission using the REMI model indicate that while the service sector will continue its upward trajectory in numbers of employees, high technology and high productivity manufacturing will continue to be the structural and economic base of the region's economy.

Future Growth Areas Regionally (continued)

Berkshire County's future base is very much tied to its strong past manufacturing base industries – though with substantially fewer employees, but unprecedented output value as measured by Gross Regional Product.

Job growth within the major sectors of the regional economy is slated to continue and remain roughly the same proportionally out to 2025. Services are expected to continue to climb in employment to almost 50% of total employment by 2025, with healthcare services being the leading employer regionally within this sector. Increasing numbers of service jobs can be expected to affect overall wages and income in this region.

Technology Enterprise is also expected to continue to increase its substantial impact on Berkshire County's economy. According to a survey by the University of Massachusetts Donahue Institute, companies associated with this sector reported a positive business outlook, with 75% expecting increased revenues over the next three years and 96% reporting they are likely to remain in Berkshire County for the next 5 years.

Local and Regional Employment Outlook

Concerns have been raised both by the Berkshire County Regional Employment Board and the Massachusetts Department of Employment and Training's publication on regional workforce trends that much of the job growth taking place in the Berkshires is in low wage segments of the service and retail sectors. At the same time, businesses throughout the region have experienced a difficulty in recruiting qualified employees with job skills and technical abilities matching employer needs.

The number of higher paying small, or "micro" businesses has been growing in the area. The role of small or "micro" businesses is of interest in Town and in the surrounding region for its importance in economic development – especially because of changes in where and how people work. Advances in telecommunications technology and the growth of personal computers in the home have meant many more people can – and do – work at home as self-employed contractors and consultants. Results of the Donahue Institute study on Technology Enterprise found that Berkshire County was home to 1,500 Technology Enterprise sole proprietorships, as well as 154 employer firms with an average of eight employees. This contrasts with the 39 per firm average in manufacturing businesses, and the 15 per firm in the average services industry business in Berkshire County.

Self-employment has been increasing at a faster rate than wage and salary employment both regionally and on a national level. Data from the Bureau of Economic Analysis for 1998 for the Berkshire region indicate that proprietorships (both farm and non-farm) represent about 18% of total regional employment, and have increased in number about 2.8% from 1994.

Factors Influencing Future Economic Development in Monterey

Rural Landscapes, Natural Resources and the Seasonal Economy

Monterey's economy is driven by seasonal visitors and residents, who come to enjoy the open spaces, natural resources, and overall rural character of the Town. For this reason, economic development in town is closely linked to the continued attractiveness of the town's rural and natural features, such as Beartown State Forest, Lake Buel, and Lake Garfield. Also important to the town is the continued viability of the farms and agriculture, which has attracted seasonal residents and defined the character of the Town for generations.

Economic Development and Financial Resources in the Berkshires

Berkshire County municipalities have access to a number of regional and sub-regional economic development organizations, which may provide information and assistance on community development initiatives or economic development funds for projects. Such examples include the Lee CDC, Southern Berkshire CDC, and the Pittsfield Economic Revitalization Corporation – which serves municipalities and businesses throughout Berkshire County.

Infrastructure, Service Demands & Available Utilities

The town does not have a municipal water and sewer system. According to the BRPC 2001 Data Book, public water or sewer serves none of the Town's housing units. Western Massachusetts Electric Company provides electricity service for the Town, but no gas service is provided. Trash disposal is done at the Town Transfer station, and trash pick-up service is provided for a fee.

Workforce Availability

Companies in emerging sectors of the economy, especially Technology Enterprises, are highly dependent on the attraction and retention of a well-educated and professional workforce. A variety of creative and intellectual skills are in demand along with specific technical expertise, which may be achieved through local educational opportunities and workforce development programs:

Local Educational Opportunities

Residents in Town have access to higher education (Associate's Level) and technical training programs at Berkshire Community College in Pittsfield. The Massachusetts College of Liberal Arts in North Adams also offers undergraduate and graduate level programs accessible to both day and evening students. Two other residential private colleges serve the region: Williams College and Simon's Rock. Simon's Rock offers high school age students the opportunity to enroll in college programs. The University of Massachusetts also offers a MBA program in Pittsfield. Additional opportunities for technical training or skill-building are viewed as critical to workforce development in the region.

Workforce Development Programs

Residents in Town have access to a number of workforce development programs and economic development organizations offering workforce development activities, access to training grants, youth employment and training opportunities, strategic planning resources, and much more. The attached appendix lists these economic development programs and organizations with a description of the activities and resources in which they are involved.

Housing Availability for a Future Work Force

Housing information provided by town officials and the 2000 census show evidence that the new housing is not being developed for a diverse future local workforce, rather it is primarily high-end seasonal residences. If Monterey's population and service industry is to continue to grow at its current pace, new development will be needed to incorporate housing affordable to those earning local wages.

LOCAL WORKFORCE DEVELOPMENT PROGRAMS

isted below are key organizations – both public and private – which assist in regional economic issues surrounding workforce development.

Berkshire County Regional Employment Board (BCREB)

The BCREB is the local organization responsible for assisting employers with workforce development activities, access to training grants, youth opportunities, and strategic planning & oversight. It helps access the following programs: Career Center, Workforce Training Fund, Department of Employment and Training, Berkshire Training and Employment Program, Massachusetts Rehabilitation Commission, Advantage Employee Network and Full Employment Program. It also promotes the School-to-Work Initiative, Summer of Work and Learning and Welfare-to-Work Initiative.

Berkshire Enterprises

Berkshire Enterprises runs ten-week training programs addressing a wide range of issues that serve as the foundation for new entrepreneurs. The focus is on business plan development, financing, marketing and management.

Berkshire Council for Growth

Leading the coalition-building effort has been the Council for Growth, established in 1998 as a regional outgrowth of the Cellucci Administration's Berkshire Jobs Task Force. The Council and its committees, in partnership with volunteers from many private businesses and support from the Berkshire County Regional Employment Board and the Berkshire Regional Planning Commission, have coordinated/spearheaded a number of important regional initiatives including a regional jobs website, www.berkshirejobs.com.

Berkshire Applied Technology Council

Formed in 1997/1998 as a partnership of businesses and government, local schools, Berkshire Community College, and regional 4 year colleges, the Council's mission is to establish the Berkshire region as a technology center of excellence. The Council provides state of the art educational programs, financial assistance, training, and professional support targeting students and incumbent workers, the Berkshire Applied Technology Council addresses a key factor in attracting and retaining technology-based industries and firms – the need for technically trained employees. Berkshire Applied Technology Council has sponsored the following:

TECHPATH: This workforce/educational program links high school to associate to baccalaureate degrees with a high technology curriculum specifically integrating local industry applications. The TECHPATH program is designed to be accessible to incumbent workers, as well as a seamless link in motivating and developing future high tech workers. Over 50 students are currently enrolled in the program.

WOMEN IN TECH PATH PROGRAM: A collaboration with Berkshire Community College, this project will offer after-school training to 22 young women (from the 11 regional public schools) in engineering, graphics/animation, and information technology. A follow-up summer program – the Internet Academy – will also provide job shadowing and electronic networking components.

Berkshire Connect

A regional initiative to improve telecommunications access in rural or under-served areas with a cost-effective solution to help drive regional economic activity. The partnership has resulted in building sufficient telecommunications infrastructure and services to support the needs of businesses and industry in this region at a competitive and affordable price.

State Funded Economic Development Grants Available to Berkshire Communities

The following is a brief summary of several economic development funding and assistance programs provided by the Massachusetts Department of Housing and Community Development. For additional information on these funding sources and how they may be utilized by the Town, contact Berkshire Regional Planning Commission, or visit the DHCD website: www.state.ma.us/dhcd

Community Development Fund (CDF) I

Communities are eligible for this grant depending on a scale that determines the level of needs based upon an assessment formula. These applicable communities would be considered of high needs.

Community Development Fund (CDF) II

Communities are eligible for this grant depending on a scale that determines the level of needs based upon an assessment formula. These would be considered communities of moderate needs.

Housing Development Support Program

This grant is limited to communities building smaller housing developments. It provides partial support to such projects.

Ready Resource Fund

Communities that are creating small to medium size economic development projects are eligible for this grant.

Massachusetts Community Capital Fund

Depending on eligibility, this can provide grants to communities for assisting businesses. Industrial, commercial and real estate, including mixed -use development projects may be eligible.

Mini Entitlement Program

This is a program designed for the communities with the highest needs as designated by the DHCD.

Section 108 Loan Guarantee Program

A loan guarantee of HUD loan for communities to use to assist businesses. Industrial, commercial and real estate, including mixed use developments may be eligible.

Data References

Technology Enterprise in Berkshire County: Economic Analysis, University of Massachusetts Donahue Institute, February 2002.

Workforce Development Blueprint, Berkshire County Regional Employment Board, Inc., July 2002.

America's Labor Market Information System Employer Database, 2nd edition. InfoUSAGov., 2001.

Massachusetts Department of Employment and Training. <http://www.detma.org>

Data Book, 2001, Berkshire Regional Planning Commission.

Parcels	Total Assessed Value	Total Costs	Total Revenues	Net Revenues (Costs - Revenues)	Revenues By Parcel
Single Family	\$127,781,100	\$1,556,816	\$1,523,240	-\$33,575	-\$50
Multi Family	\$2,780,900	\$27,677	\$31,826	\$4,149	\$346
Condos	\$375,100	\$10,711	\$6,843	-\$3,868	-\$430
Apt	\$316,600	\$4,613	\$3,935	-\$677	-\$339
Misc. Residential	\$17,325,700	\$110,707	\$185,107	\$74,400	\$1,550
Vacant Land	\$15,197,500	\$11,206	\$141,641	\$130,434	\$327
Open Space	\$0	\$0	\$0	\$0	\$0
Commercial	\$2,284,600	\$11,901	\$26,167	\$14,267	\$1,427
Industrial	\$166,200	\$3,570	\$2,665	-\$906	-\$302
Chapter 61	\$914,717	\$116,627	\$56,298	-\$60,329	-\$616
Other Usage	\$5,324,600	\$20,231	\$57,912	\$37,681	\$2,217
Tax Exempt	\$2,486,300	\$0	\$40,390	\$40,390	N/A

Methodology: This worksheet compares the total costs and revenues for each type of parcel in Tyringham. The methodology uses the three assumptions listed below to assign both costs and revenues to a particular type of parcel. For example, State aid that is allocated by population is assigned as revenue gained by the types of parcels that add to the town's population. Similarly, costs that are incurred by year-round residents, such as educational expenses, are assigned to the parcels where year-round residents reside. If more than one type of parcel is responsible for a cost or a revenue, the costs and revenues are split among the appropriate types at a ratio according to the number of parcels of each appropriate type. For example, if single family and multi-family parcels share a cost, 9 units of that total cost goes to multi-family, while 236 units of that total cost go to single family.

Assumption 1. Aside from educational expenses, each residential, commercial, and industrial parcel generates an equal share of town expenses.

Assumption 2. Seasonal homes are for seasonal use and do not house school-aged children.

Assumption 3. Vacant Land (Undeveloped Residential) and Open Space pose no costs to the town.

	Local Tax Levy	Vehicle Excise	Chapter 70	Pupil Transportation	Lottery	Additional Assistance	Highway Fund	Exemptions: Surviving	Exemptions: Elderly	State Owned Land	Public Libraries	Tuition of State Wards	Other Receipts	Other State	Total Revenues
Single Family	\$ 1,190,919.86	\$ 78,024.68	\$ -	\$ -	\$ 28,336.10	\$ 12,164.25	\$ 6,323.66	\$ 217.36	\$ 1,139.63	\$ -	\$ 1,714.92	\$ -	\$ 985,997.03	\$ 114,271.94	\$ 1,523,240
Multi Family	\$ 25,917.99	\$ 1,367.28	\$ -	\$ -	\$ 503.75	\$ 216.62	\$ 112.42	\$ 3.88	\$ 23.82	\$ -	\$ 30.48	\$ -	\$ 1,598.17	\$ 2,031.50	\$ 1,826
Condos	\$ 3,956.92	\$ -	\$ -	\$ -	\$ 377.81	\$ 162.46	\$ 84.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,198.63	\$ 1,523.63	\$ 6,843
Apt	\$ 2,950.71	\$ 231.21	\$ -	\$ -	\$ 83.96	\$ 36.10	\$ 16.74	\$ 0.65	\$ 3.97	\$ -	\$ 5.08	\$ -	\$ 266.36	\$ 338.58	\$ 3,935
Misc. Residential	\$ 161,475.52	\$ 5,549.13	\$ -	\$ -	\$ 2,015.01	\$ 866.47	\$ 449.65	\$ 15.50	\$ 95.26	\$ -	\$ 121.92	\$ -	\$ 6,392.66	\$ 6,126.00	\$ 185,107
Vacant Land	\$ 141,640.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,641
Open Space	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
Commercial	\$ 21,292.47	\$ 1,156.07	\$ -	\$ -	\$ 419.79	\$ 180.51	\$ 93.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,331.81	\$ 1,692.92	\$ 26,167
Industrial	\$ 4,848.98	\$ -	\$ -	\$ -	\$ 125.84	\$ 54.15	\$ 28.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 999.84	\$ 507.86	\$ 2,665
Chapter 61 Lands	\$ 8,525.16	\$ 11,329.48	\$ -	\$ -	\$ 4,113.98	\$ 1,769.05	\$ 818.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,051.72	\$ 16,590.59	\$ 56,298
Other Usage	\$ 49,925.27	\$ 1,965.32	\$ -	\$ -	\$ 713.65	\$ 306.88	\$ 159.26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,254.07	\$ 2,877.96	\$ 57,912
Tax Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,390.00	\$ -	\$ -	\$ -	\$ -	\$ 40,390

	General Government	Police	Fire	Other Public Safety	Educational Expenditure	Public Works/Highway	Health & Welfare	Culture & Recreation	Debt Service	Fixed Costs	Inter-governmental	Other Expenditures	Total Expenses
Single Family	\$ 194,801	\$ 66,021	\$ 18,900	\$ 17,701	\$ 753,515	\$ 361,820	\$ 17,539	\$ 45,345	\$ 8,979	\$ 108,275	\$ 2,956	\$ 1,596,516	\$ 1,596,516
Multi Family	\$ 2,830	\$ 986	\$ 337	\$ 315	\$ 13,356	\$ 6,431	\$ 312	\$ 606	\$ 176	\$ 1,925	\$ 631	\$ 27,677	\$ 27,677
Condos	\$ 2,197	\$ 1,471	\$ 203	\$ 236	\$ 4,824	\$ 2,341	\$ 600	\$ 1,324	\$ 332	\$ 1,444	\$ 391	\$ 10,711	\$ 10,711
Apt	\$ 485	\$ 1,651	\$ 565	\$ 52	\$ 2,233	\$ 1,072	\$ 62	\$ 1,341	\$ 201	\$ 321	\$ 91	\$ 4,613	\$ 4,613
Misc. Residential	\$ 11,719	\$ 3,984	\$ 1,346	\$ 1,259	\$ 55,563	\$ 25,730	\$ 1,247	\$ 3,220	\$ 702	\$ 7,700	\$ 210	\$ 110,707	\$ 110,707
Vacant Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Open Space	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	\$ 2,441	\$ 830	\$ 281	\$ 262	\$ -	\$ 6,360	\$ 280	\$ 672	\$ 146	\$ 1,604	\$ 441	\$ 11,901	\$ 11,901
Industrial	\$ 732	\$ 249	\$ 84	\$ 79	\$ -	\$ 1,608	\$ 79	\$ 202	\$ 44	\$ 481	\$ 131	\$ 3,570	\$ 3,570
Chapter 61 Lands	\$ 23,927	\$ 6,133	\$ 2,752	\$ 2,510	\$ -	\$ 62,532	\$ 2,546	\$ 6,583	\$ 1,434	\$ 15,720	\$ 429	\$ 116,627	\$ 116,627
Other Usage	\$ 4,151	\$ 1,411	\$ 677	\$ 446	\$ -	\$ 9,113	\$ 442	\$ 1,142	\$ 249	\$ 2,727	\$ 74	\$ 20,231	\$ 20,231
Tax Exempt	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,390	\$ 0	\$ 0	\$ 40,390

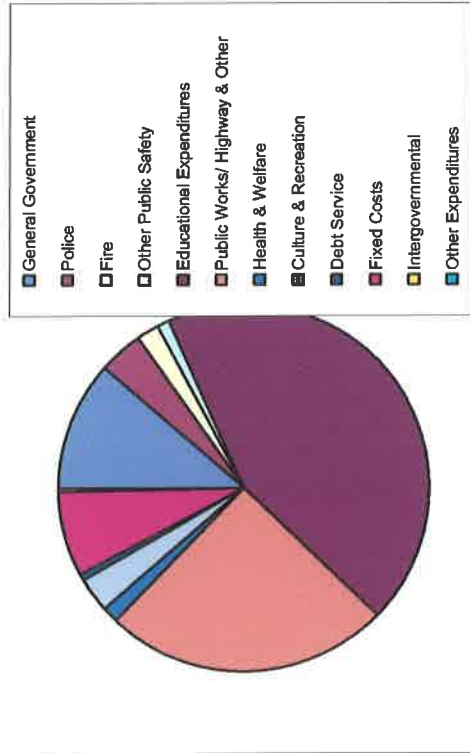
Summary of Expenses

Chart F-7: Overall Town Expenditures by Source Comparison. (2002 Monterey vs. 2001 KOC)

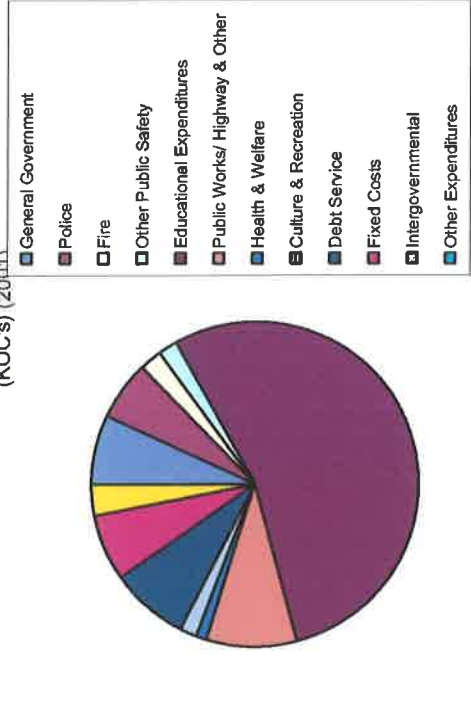
Source	Percent of Town Expenses 2002	Amount of Expense (2002)	Average Percent of Expenses for similar Kinds of Communities (KOC's) (2001)	KOC Average Amount of Expense (2001)	Percentage Difference btw Town & KOC Average
General Government	11%	\$213,387	7%	\$337,865	4%
Police	4%	\$72,537	6%	\$287,329	-2%
Fire	2%	\$35,754	2%	\$117,904	-1%
Other Public Safety	1%	\$22,920	2%	\$94,055	-1%
Educational Expenditures	44%	\$822,727	55%	\$2,639,277	-11%
Public Works/ Highway & Other	25%	\$468,502	9%	\$442,155	16%
Health & Welfare	1%	\$22,706	1%	\$53,871	0%
Culture & Recreation	3%	\$58,714	2%	\$78,665	1%
Debt Service	1%	\$12,788	8%	\$379,649	-7%
Fixed Costs	7%	\$140,196	7%	\$325,948	1%
Intergovernmental	0%	\$3,828	3%	\$155,262	-3%
Other Expenditures	0%	\$0	0%	\$0	0%
Total Expenditures	100%	\$1,874,059	100%	\$4,812,283	

Source: Massachusetts Department of Revenue Division of Local Services, November 2002.

Percent of Town Expenses 2002



Average Percent of Expenses for similar Kinds of Communities (KOC's) (2001)



Summary of Revenues

2002 Overall Town Revenue by Source		
Source	Percent of Total Revenues 2002	Total Revenue Amount 2002
Local Tax Levy	76%	\$ 1,658,906
State Aid	7%	\$ 145,738
Local Receipts	10%	\$ 216,400
All Other	7%	\$ 147,961
Total	100%	\$ 2,169,005

2002 Local Tax Levy Revenue Detail				
	Number of Parcels, 2002	Total FY2002 Assessed Value	Local Tax Levy	2002 Tax Rate
Single Family	675	\$127,781,100	\$ 1,190,920	9.32
Multi Family	12	\$2,780,900	\$ 25,918	9.32
Condos	9	\$375,100	\$ 3,496	9.32
Apt	2	\$316,600	\$ 2,951	9.32
Misc. Residential	48	\$17,325,700	\$ 161,476	9.32
Vacant Land	399	\$15,197,500	\$ 141,641	9.32
Open Space	0	\$0	\$ -	0
Commercial	10	\$2,284,600	\$ 21,292	9.32
Industrial	3	\$166,200	\$ 1,549	9.32
Personal Property Total	524	\$5,843,760	\$ 54,464	9.32
Personal Property - Furnishings & Fixtures	519	\$2,809,510	\$ 26,185	9.32
Personal Property - Business Machinery & Util	5	\$3,034,250	\$ 28,279	9.32
Other Property Total	17	\$5,324,600	\$ 49,625	-
Other(Resid)		\$4,424,584	\$ 41,237	9.32
Other(Open)	17	\$0	\$ -	0
Other(Commerc)		\$814,316	\$ 7,589	9.32
Other(Indust)		\$85,700	\$ 799	9.32
Chapter 61 Lands	98	\$914,717	\$ 8,525	9.32
Tax Exempt	N/A	\$12,564,900	N/A	0
Total, non exempt	2,321	\$184,154,537	\$1,661,856	

State Aid Revenue Detail		
Source	Percent of Total	State Aid (2002)
Chapter 70	0.0%	\$0
Pupil Transportation	0.0%	\$0
Lottery	35.1%	\$36,690
Additional Assistance	15.1%	\$15,777
Highway Fund	7.8%	\$8,188
Exemptions: Vets, Blind & Su	0.2%	\$238
Exemptions: Elderly	1.4%	\$1,463
State Owned Land	38.6%	\$40,390
Public Libraries	1.8%	\$1,872
Tuition of State Wards	0.0%	\$0
Total	100.0%	\$104,618

Local Receipts Revenue Detail 2002		
Source	Percent of Total	Receipt 2002
Vehicle Excise Tax	46%	100,000
Other	54%	116,400
Total	100%	216,400

Massachusetts Department of Revenue
Division of Local Services
Municipal Databank/Local Aid Section

Fiscal Year 2002 Parcel Counts by Property Class

Code	Type	Description
101	Single Family	
104	Multi Family	Two Family
105	Multi Family	Three Family
102	Condominium	
111	Apartment	Four to Eight Units
112	Apartment	More than Eight Units
103	Misc. Residential	Mobile Home (includes land used for purpose of a mobile home park)
130	Vacant Land	Developable Land - Residential
131	Vacant Land	Potentially Developable Land - Residential
132	Vacant Land	Undevelopable Land - Residential
201	Open Space	Residential Open Land
202	Open Space	Underwater Land or Marshes not under public ownership in a residential area
210	Open Space	Non-Productive Agricultural Land
211	Open Space	Non-Productive Vacant Land
220	Open Space	Commercial Vacant Land
221	Open Space	Underwater Land or Marshes not under public ownership in a commercially zoned area
230	Open Space	Industrial Vacant Land
231	Open Space	Underwater Land or Marshes not under public ownership in an industrial area
30	Commercial	Transient Group Quarters (Hotels, Motels, Inns, Private Hospitals etc..)
31	Commercial	Storage Warehouses & Distribution Facilities (Tanks holding fuel, lumber yards etc..)
32	Commercial	Retail Trade (Department stores, restaurants, facilities providing building materials)
33	Commercial	Retail Trade (Automotive, Marine Craft & other engine propelled vehicles)
34	Commercial	Office Building (General Office Buildings, Bank Buildings, Medical Office Buildings)
35	Commercial	Public Service Properties (Postal Services, Educational Facility, Day Care)
36	Commercial	Cultural & Entertainment Properties (Museums, Stadiums, Race Tracks)
37	Commercial	Indoor Recreational Facilities (Bowling, Ice Skating, Pools, Health Spas, Billiards)
38	Commercial	Outdoor Recreational Properties (Golf courses, tennis courts, beaches, marinas)
39	Commercial	Vacant Land (Developable, potentially developable, undevelopable land)
40	Industrial	Manufacturing & Processing (Warehouses, office buildings, research & development)
41	Industrial	Mining & Quarrying (Sand & gravel, rock, gypsum)
42	Industrial	Utility Properties (Tanks, liquid natural gas, electric transmission, gas production)
43	Industrial	Utility Properties (Telephone stations, cable tv facilities, radio & tv facilities)
44	Industrial	Vacant Land (Developable, potentially developable, undevelopable land)
45	Industrial	Electric Generation Plants
013	Other Usage	Primarily Residential - A retail store on first floor and apartments on upper floors
031	Other Usage	Primarily Commercial - Retail use on first floor and office space on upper floors
037	Other Usage	Primarily Commercial - Part of the land designated for use as farm property
021	Other Usage	Primarily Open Space - Single family house with substantial acreage as Open Space

I. INTRODUCTION

This section examines the socio-economic trends in Monterey and in the surrounding area of Berkshire County, which affect housing supply and demand.

II. Housing Profile - Supply

A. Current Housing Stock Statistics

Current Housing Stock

Monterey currently has eight hundred and forty housing units according to the 2000 U.S. Census. The houses in Town consist of single-family homes, multi-family homes, and mobile homes. There are seven hundred and sixty four single-family homes, which comprise 91% of the housing stock. Approximately six percent (6.5%), fifty-five of the Town's 840 dwellings, are in multi family houses or apartment buildings. There are only two mobile homes in Town, which is less than one percent of the housing stock.

Housing Stock in Monterey, 2000		
	Number	Percent of Total
Single Family Homes ⁽¹⁾	764	90.9%
Multi-Family Units ⁽¹⁾	55	6.5%
Mobile Homes ⁽¹⁾	2	0.2%
Condominiums ⁽²⁾	9	1.1%
Total Housing Stock	840	100%

Data Sources: (1) 2000 Census, U.S. Census Bureau, SF-3
 (2) Town Of Monterey FY2002 Assessors Report

Housing Tenure

Monterey's housing stock reflects the large influence of seasonal residents, as half of all houses in Town are seasonal homes. However, data from 1990 to 2000 suggests an increased demand for year-round housing in Monterey. While the housing stock increased 10% in total, there was a 43% increase in year-round owner occupied dwellings, while seasonal homes increased only 5%. Year round rentals decreased significantly, by 27%. Vacancy rates have also been cut in half in the last 10 years, further suggesting a local demand for housing.

Housing Tenure in Monterey 1990-2000					
Housing Occupancy:	2000		1990		% Change 1990-2000
	Number	Percent of Total	Number	Percent of Total	
Seasonal	413	50%	393	52%	+ 5%
Year-Round Owner-Occupied	307	37%	214	28%	+ 43%
Year-Round Rental Occupied Units	80	9%	109	14%	- 27%
Vacant Units	30	4%	37	5%	- 19%
Total Units	830		753		+10%
Vacancy Rate for Homeowner Units	1.6%		3.6%		- 2%
Vacancy Rate for Year Round Rentals	8%		13.5%		-4.5%

Source: 2000 Census, U.S Census Bureau SF-1

Chapter 40B Subsidized Housing Inventory

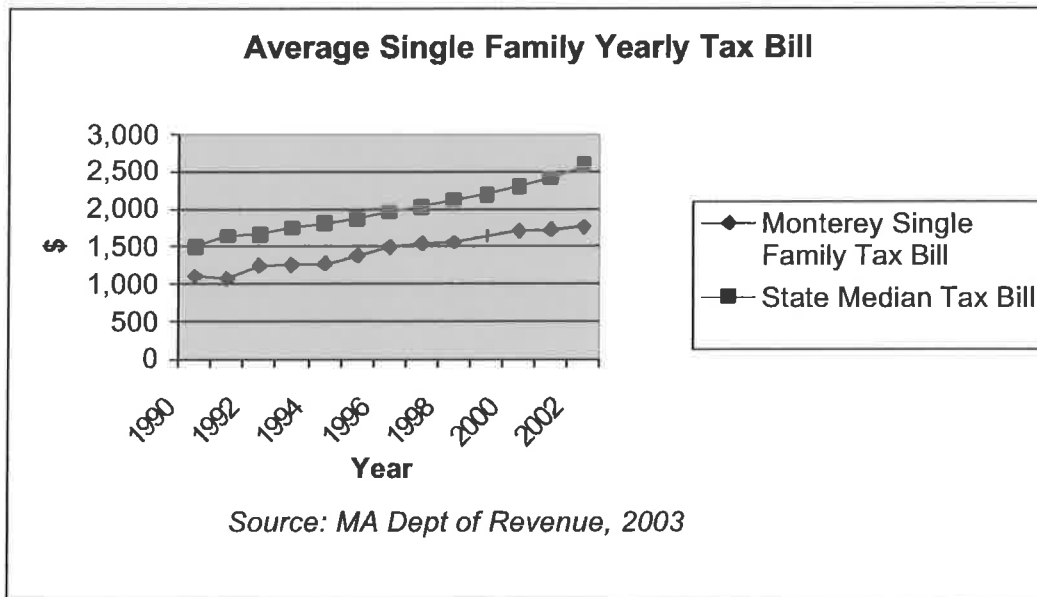
According to the Massachusetts DHCD Inventory of CH40B Subsidized Housing Inventory through April 27, 2002, zero (0) of Monterey's 387 year-round Housing Units were considered Chapter 40B Units. "Chapter 40B Units" are units considered affordable by low- and moderate-income households with long-term restrictions that ensure that it will continue to be affordable. Chapter 40B authorizes a housing agency or developer to obtain a single comprehensive permit for the construction of subsidized low- or moderate-income housing. If a community in which less than 10% of its total year-round housing stock is subsidized low- or moderate-income housing, denies a comprehensive permit, or imposes conditions that make the project un-economic, the developer may appeal to the state Housing Appeals Committee for review of the local action.

Property Values in Monterey

Summary of Property Value data

There were 675 taxable single-family home parcels in Monterey in 2002. A single-family home parcel is a plot of land containing one unattached single family home that is used only for residential purposes. The 2002 Average assessed value of single family home parcels in 2002 was \$189,305. The tax rate for all residential property in Monterey in 2002 was \$9.32 for every \$1000 in assessed home value, which was significantly below the average tax rate for all Berkshire County Towns in 2002 of \$12.67. (The Berkshire rate was 36% higher then Monterey's tax rate) The average 2002 tax bill in Monterey was \$1,764, while the 2002 state median tax bill was \$2,583 (46% higher than Monterey's 2002 average tax bill). Tax rates have slowly increased over the past 10 years.

Chart H-1: Single Family Tax Bill Monterey Vs. State



Property Value vs. Market Value

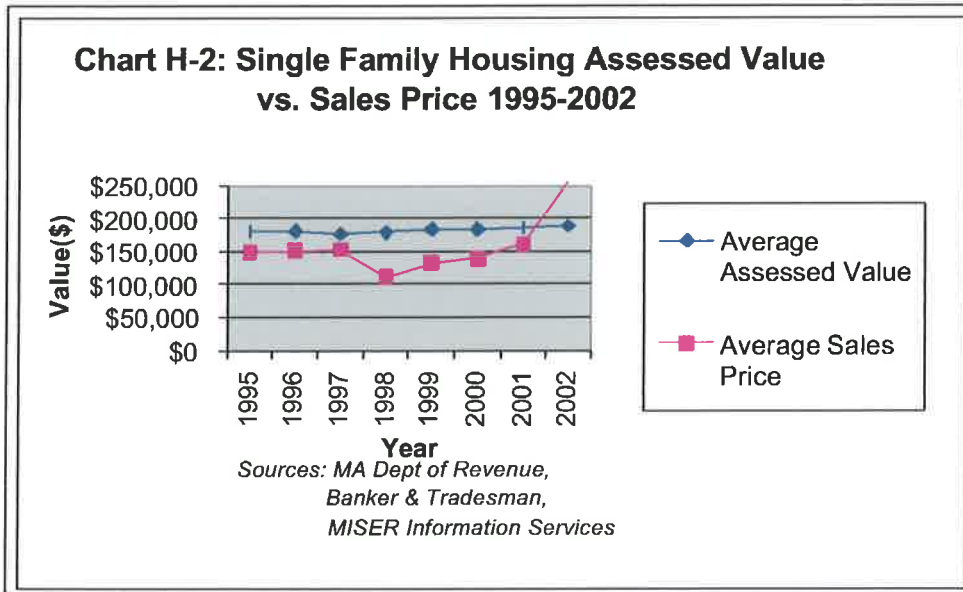
The local housing market in Monterey is active and driven by high-end housing. As is the case for many Southern Berkshire towns, average home sales prices in Monterey are expensive relative to most towns in Berkshire County. Median sales prices- the level at which half of the houses are more expensive and half the houses are less expensive- have risen dramatically in the last three years and demonstrate the higher number of high end sales. With the exception of 2002, the assessed value of homes in Monterey are higher then the value of homes on the market. The number of single-family home sales lagged in 2000 and 2001, but then increased significantly in 2002.

Table H-3: Annual Single Family Home Statistics

Year	Average Assessed Value (1)	Average Sales Price (2)	Median Sales Price (2)	Total Number of Sales (2)
1995	\$180,580	\$149,509	N/A	16
1996	\$181,107	\$150,676	N/A	18
1997	\$177,685	\$153,114	N/A	27
1998	\$179,590	\$111,427	N/A	24
1999	\$183,833	\$132,576	N/A	27
2000	\$183,906	\$139,897	\$192,000	12
2001	\$185,929	\$161,214	\$215,250	12
2002	\$189,305	\$254,571	\$189,000 ⁽³⁾	23

Sources: (1) Massachusetts Department of Revenue, December 2002
 (2) Warren Information Services, www.thewarrengroup.com, 2002
 (3) Town Assessor's Data

Chart H-2: Single Family Home Statistics 1995-2001



2001 Housing Sales by Price

Housing Sales since January 2000 show a large amount of housing sold at levels between \$100,000 and \$200,000. The affordability analysis further details implications of this data by comparing sales prices with local income levels.

Chart H-3: Single Family Home Sales By Price



Rental Housing in Monterey

As demonstrated above by the prices of homes sold in Monterey from 2000 to 2002, renting is sometimes the only option for local low and moderate-income families who may only afford homes priced \$100,000 or less. Many families without high incomes may also be without a large amount of savings to put towards a down payment on a new home. Monterey has a limited amount of year round rental housing that is becoming even further limited. In the 1990 U.S. Census 109, or 14% of the Town's housing stock was rental housing. In the 2000 U.S. Census, eighty of the town's 832 housing units – only 9% of the housing stock - were listed as year round rental units. Median gross rents, which measures rent plus utility costs paid by the tenant, was \$600 per month in Monterey. This was 20% higher then the Berkshire County median of \$499. Rents were similar to rents in neighboring Otis (\$603) and Great Barrington (\$604) but less then Tyringham (\$713) and New Marlborough (\$735).

The current housing market is driven by seasonal homes, which extends to seasonal rentals. Seasonal rentals may command higher rents in-season, which may leave few rental homes available for local year round renters. The vacancy rate for year round rentals has decreased from 13.5% in 1990 to 8% in 2000, suggesting a possible demand for rental housing.

Local Educational Expenditures

Each year, the Department of Education reports community educational expenditures. The Net Average Membership Pupils is the number of students residing in Town, averaged over the entire year. The number includes pupils from the Town enrolled in local and regional schools, and those being tuitioned to out-of-town schools. The number does not include non-residents. Cost per pupil is based on the DOE integrated operating costs. The DOE integrated operating cost is one of the most widely accepted measures for comparing educational spending among communities. It reflects the community's share of regional school spending as well as that of its own local schools. The figure does not include capital outlay and construction costs. The following chart shows the total number of membership pupils, and calculated operational costs per pupil for the Town from 1995-2000. It also includes school expenditures as a percentage of all town expenditures from the general fund on government operational costs excluding capital outlay and construction costs.

Year	Net Avg. Membership Pupils	Education spending as % of all Town expenditures	Cost Per Pupil	School Cost Per Capita
1995	113	43.57%	\$6,397	\$1,949
1996	120	46.53%	\$6,530	\$1,932
1997	115	46.53%	\$6,785	\$1,983
1998	108	45.01%	\$6,318	\$2,103
1999	99	45.02%	\$6,781	\$2,160
2000	88	42.84%	\$7,608	\$1,947

Source: Massachusetts Department of Revenue

In 2000, the cost per pupil was \$7,608, which was approximately equal to the Berkshire County average of \$7,831. In 2000, 42.84% of town expenditures were for educational purposes, which was lower in relation to the countywide average of 54%. The DOR lists the Town's 2000 per-capita spending on education to be \$1,947. ¹

¹ Source: Massachusetts Dept of Revenue

B. Current Development Practices and Available Land

Construction Trends & New Construction 1995-2001

The Department of Housing and Community Development lists the affordable purchase price for households making up to 150% of the median income to be \$220,994. In 2001, two of the ten homes constructed were below this level, while 8 of the ten homes were above.

Year	Total Single-Family Units Built	AVG New Home Value	Value				Avg Existing Home Value
			Under \$150K	\$150-\$220K	\$220-250K	Over \$250K	
1995	11	\$193,727	N/A	N/A	N/A	N/A	\$180,580
1996	N/A	N/A	N/A	N/A	N/A	N/A	\$181,107
1997	9	\$153,667	N/A	N/A	N/A	N/A	\$177,685
1998	10	\$190,527	N/A	N/A	N/A	N/A	\$179,590
1999	10	N/A	0	0	1	9	\$183,833
2000	12	N/A	1	2	1	8	\$183,906
2001	10	N/A	1	1	1	7	\$185,929

Sources: 1995-1998 Data: MISER State Data Center, March 2002.

1999-2002 Data: Town of Monterey Assessor's Office, March 19, 2002

Development Patterns and Constraints

According to the 2000 Buildout Analysis conducted by Berkshire Regional Planning Commission, Monterey covers a land area of approximately 17,063 acres. The large majority of development in Monterey is residential. Housing is the most densely built around Lake Garfield and Lake Buel, but the majority of development in town is single-family housing on large lots greater than two acres along existing roadways.

Approximately 1,064 acres, or 6% of the total area of the town is considered developed; 6,516 acres, or 38% of the town is permanently protected open space; and approximately 5,869 acres, 34% of the town, is potentially developable land that is currently undeveloped.² The remainder of the Town was considered constrained for development due to physical or topographical reasons.

There are several physical factors limiting future development in town such as the hilliness of the terrain, and limitations on septic systems near wetlands. All building activity within 100 feet of a bordering vegetated wetland or within 200 feet of a perennial stream are regulated by the Massachusetts Wetlands Act and are required to contact the conservation commission.

Local Zoning Provisions

Monterey is divided into three primary zoning districts: the Agricultural/Residential, Lakeshore, and Business Districts. Aside from the Town's three primary zoning districts, the Town also has Floodplain and Stream and Pond Protection that require special permits for development. There is a Wireless Telecommunications Overlay District that includes all land that is within a ¼ (one quarter) mile radius of Mt. Wilcox.

² Source: BRPC 2000 Buildout Analysis

Monterey Community Development Plan Housing Profile

Most of the land area in Monterey is agricultural/ residential, which allows for single family residential as well as multi family residential by special permit. The Lakeshore District allows for residential use at decreased densities according to impacts upon Lake Garfield. The business district permits by-right for all uses allowed by-right or by special permit in the agricultural/residential district, except for multi-family housing, which is allowed by special permit. The following table summarizes the zones and their provisions:

Density Regulations				
District	Minimum Lot Size (sq. Ft)	Minimum Frontage	Maximum Lot Coverage	Maximum Building Height
Agricultural /Residential				
Single Family	2 acres	200'		
Two family	5 acres	300'		
Lakeshore				
Single Family				
Average slope >12%	2 acres	200'		
12%- 15%	4 acres	300'		
<15%	6 acres	400'		
Business	10,890	100'	30%	35'

Allowed Residential Uses		
District	Allowed Uses by Right	Allowed Uses by Permit
Agricultural-Residential	Single Family Dwelling Room Rentals (up to 2)	<ul style="list-style-type: none"> • Two Family Dwelling • Accessory Apartments
Lakeshore	Single Family Dwelling Varies by slope	<ul style="list-style-type: none"> • Use of a room for small business
Business	<ul style="list-style-type: none"> • All uses allowed by right or by Special Permit in the A-R District • Any specified business, service or public utility 	<ul style="list-style-type: none"> • Multi family dwellings

Source: Town of Monterey Ordinance, 2003, www.ordinace.com

Utilities

The Town of Monterey does not have a municipal water and sewer system any households, but on-site waste disposal systems.³ Massachusetts Electric Company provides electricity service for the Town. There is no gas service in town. Verizon provides the town with telephone service. Trash disposal is done at the Town Transfer station, however trash pick-up service is provided privately for a fee.

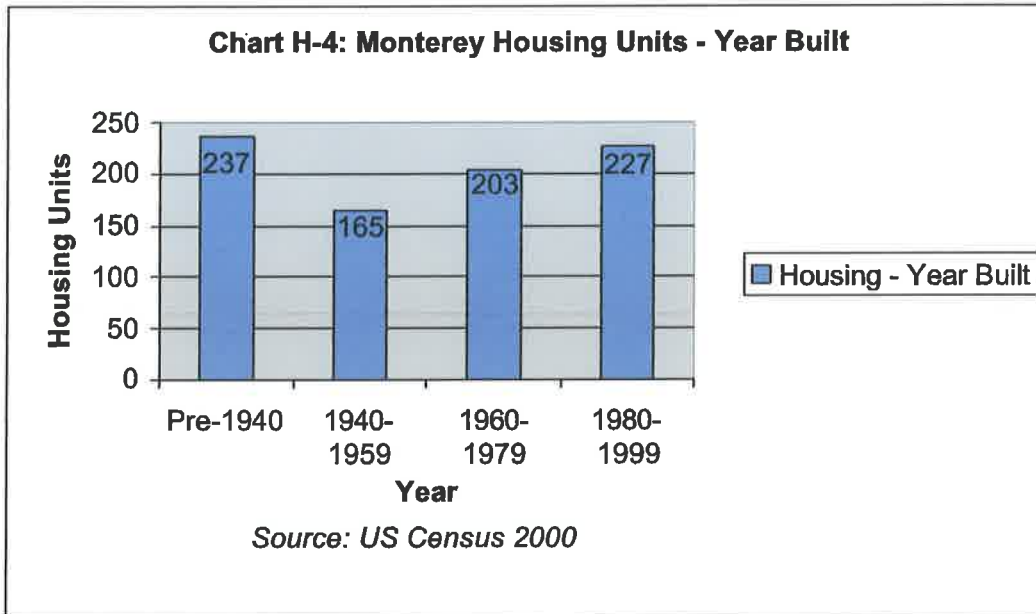
³ Source: BRPC 2000 Databook for Berkshire County

C. Current Housing Conditions

Age of Housing Stock

According to the latest U.S. Census, housing construction in Monterey has been increasing steadily for sixty years. Twenty eight percent, or slightly more than one quarter of all homes were built prior to 1940. Approximately one quarter of all homes in Town were built in the twenty years after 1980.

Chart H-4: Housing Unit Construction – Year Built



III. Housing Profile – Demand

A. Population Statistics

Population Trends

While the population of the surrounding area of Berkshire County has been decreasing steadily since 1970 by an average of approximately 3% every 10 years, the year-round population of Monterey has increased significantly. (see Table below) Most of the Town’s growth occurred from 1970-1980, where the population increased by 218 residents, which was almost forty percent. Population also increased dramatically from 1990 to 2000, where 129 new residents increased the population by sixteen percent. The 2000 population of 934 residents is the highest population ever recorded for the Town.

Historical Population Counts and Future Projections

	Monterey	Berkshire County
1970	600	149,402
1980	818	145,110
1990	805	139,352
2000	934	134,953
2010	1,039*	135,700*
2020	1,222*	145,875*

Source: U.S Census 2000; *BRPC Population figures: Preliminary, 2002

Population Projections

Based on regional population projections provided to the BRPC by Regional Economic Models, Inc (REMI), of Amherst Massachusetts. The population decline in Berkshire County is expected to end sometime between year 2000 and year 2010. The BRPC expects the population of Monterey to follow this trend and continue its population increases in the next decades. REMI population projections have been a reliable model for regional population trends in the past 20 years, but they are susceptible to unforeseen changes, and have been less reliable forecasting future trends for individual municipalities such as Monterey.

Population By Age

The last ten years have seen significant increases in older residents, while the number of young residents, especially young adults, has significantly decreased. The median age increased by over six years, from 38.4 to 44.5 – which is older than the countywide median age of 40.5. The most significant increase has been in residents aged 65-74, which experienced a 41% increase in population. The number of older, working aged residents aged 35-64 also increased by almost forty percent., and residents aged over 75 increased by nine percent. The population of young adults aged 20-34 years decreased almost twenty percent, while the number of residents aged under 20 years decreased slightly.

Chart H-5: Population By Age 1990, 2000

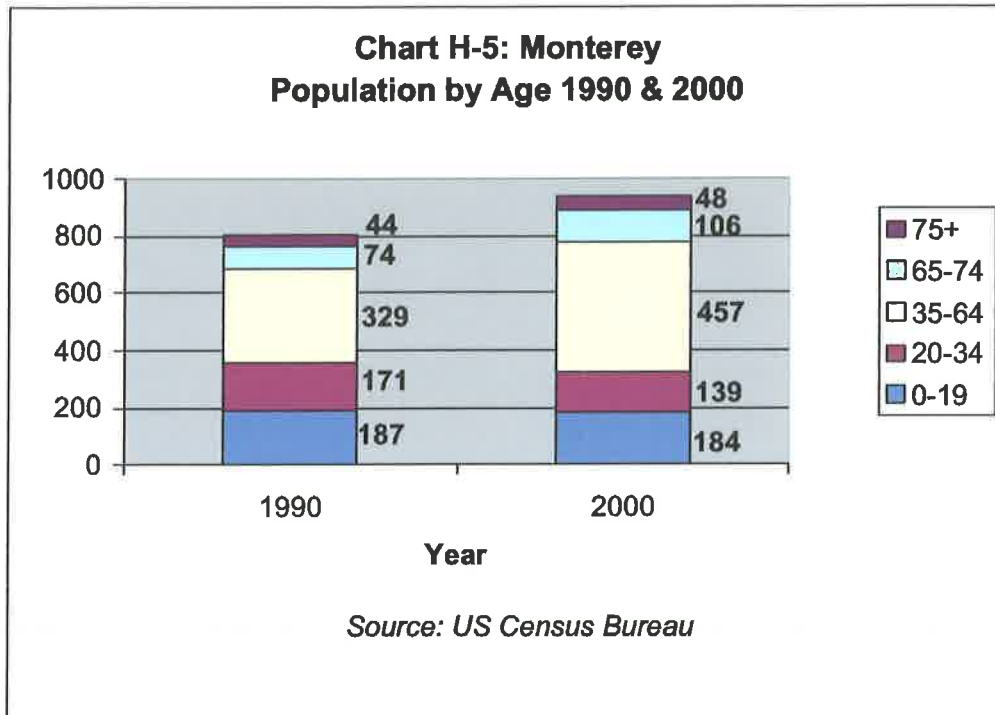


Chart H-5: Population By Age 1990,2000

Age	1990	2000	% Increase 1990-2000
0-19	187	184	- 2%
20-34	171	139	- 19%
35-64	329	457	+ 39%
65-74	74	106	+ 43%
75+	44	48	+ 9%

Disabled Population

Monterey wishes to have housing that meets the needs of its residents who are disabled or otherwise have limited mobility. The Town has approximately 128 residents with a disability. Thirty-six of the Town’s disabled residents aged 25-65 are actively employed.

Economic Statistics:

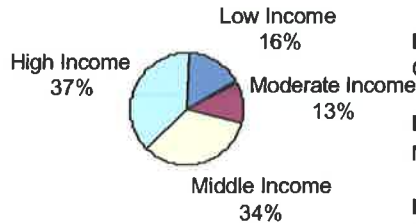
Local Household Income Levels

Local Household Income Levels

Monterey is quickly becoming more affluent. In 1990, Monterey was one of the lowest income towns in the Berkshires, ranked 29 out of 32 in terms of median income. In 2000 the Town had one of the highest median incomes, ranking it 11th. The 2000 median household income in Monterey was \$49,750, which was 27.4% higher than the median Berkshire County household income of \$39,047. Chart H-6 compares the household incomes relative to the Berkshire County median income level. Based on countywide figures, approximately 29% of the town's households were considered low or moderate-income households, earning up to 80% of the median household income (\$31,238). Chart H-7 shows the local break down of households incomes according to the town median.

Homeowners in Monterey earn a median income of \$55,667, which is substantially more than renters, who earned a median income of \$25,568, which was slightly higher than the Town's low-income threshold of \$23,875. Census Data indicates that eight of the Town's 236 families were determined to be below the poverty level in 2000 (based on income and family size).

Chart H-6: Approximate Household Income Levels According to Berkshire County Median of \$39,047 in 2000.



Source: US Census Bureau, 2000

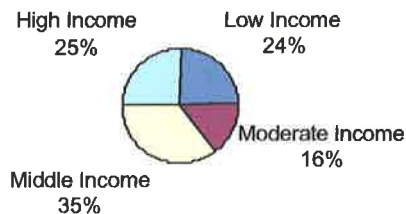
Low Income = Up to 50% of Berkshire County Median (Up to \$19,524)

Moderate Income = 50-80% of Berkshire County Median (\$19,524-\$31,238)

Middle Income = 80-150% of Berkshire County Median (\$31,238-\$58,571)

High Income = Over 150% of Berkshire County Median (over \$58,571)

Chart H-7: Approximate Household Income Levels According to Town Median of \$49,750 in 2000.



Low Income = Up to 50% of Berkshire County Median (Up to \$24,875)

Moderate Income = 50-80% of Berkshire County Median (\$24,875-\$39,800)

Middle Income = 80-150% of Berkshire County Median (\$39,800-\$74,625)

High Income = Over 150% of Berkshire County Median

Local Economic Base

Several businesses are located in Monterey that employed a total of 171 workers in 2000. From 1995 to 2000, the number of jobs located in the Town of Monterey increased from 107 to 171, which amounted to an increase of over 60%. Payrolls during this time nearly doubled, and average annual wage increased 42% to \$24,444. Average wages in Berkshire County were \$32,921. The increase in employment comes as an increase in service jobs, but also as an increase in construction, manufacturing and trade jobs.

Table H-7: Employment and Wages in Monterey

Year	Total Annual Payroll	Avg Annual Wage	Establishments	Total	Agriculture Forestry Fishing	Government	Construction	Manufacturing	Trade	Services
1985	\$975,570	\$11,612	15	84	conf	10	conf	conf	conf	conf
1990	\$1,606,843	\$16,738	21	98	conf	conf	15	conf	conf	61
1995	\$2,155,112	\$17,103	30	107	0	conf	14	conf	conf	66
2000	\$4,179,978	\$24,444	29	171	conf	15	19	4	10	85

Source: MA Department of Employment and Training

Poverty in Monterey

Monterey experienced a 3.4% poverty rate in 2000. Eight of the Town's 236 families were determined to be below the poverty level in 2000. Monterey has zero houses ensured to be below market rate.

C. Market Trends for Housing

In past interviews with the Berkshire Eagle, (*Housing Demand Up, Supply Down* June 11,2002), real estate agents have seen an increase in demand and a reduction of supply throughout Berkshire County. (See appendix) In the short term, there appear a combination of factors increasing real estate investment, such as a low interest rate and a lack of confidence in investing in the stock market. Longer-term factors influencing the Monterey real estate market is a marked trend for high demand and higher real estate prices for higher-end homes - most notably high-end second homes - currently being experienced in South County. Realtors noted a strong desire of their clients to live in areas close to Lenox, Tanglewood, and Great Barrington for their cultural attractions and restaurants. Realtor.com (December 18, 2002) lists 10 houses for sale in Monterey that were mostly high-end houses with an average sales price of \$563,000. The lowest priced property was a townhouse listed at \$110,000, the highest priced was \$1.14 million, and the median listed price was \$497,800.⁴

Waiting Lists for affordable units in Town from Berkshire Housing Services

According to Berkshire Housing Services, there are no families in line to receive Section 8 housing vouchers for Town. Currently, there are 2 families in Town that are leased under section 8.

Fair Market Value Rents for Berkshire County				
0 Bedroom	1 Bedroom	2 Bedroom	3 bedroom	4 bedroom
402	488	576	789	946

Rental Housing

Census 2000 shows twenty-seven fewer year-round rental units in 2000 than in 1990.⁵ The census also shows an increase in median contract rent within Monterey from 1990 to 2000 increased from \$442 per month in 1990 to \$580 in 2000. Eighteen of the Town's 62 rental units surveyed for income in the 2000 U.S. Census. Spent more than 35% of their income on rent, which was considered rent-burdened by the Massachusetts Department of Housing and Community Development.

⁴ Information from <http://www.realtor.com> August 5,2002

⁵ US Census Bureau, 1990 & 2000 Census

IV. Gap Analysis

Housing Affordability Methodology

The housing affordability study was conducted to determine whether or not the “typical” family in Town could actually afford to buy a home in Town at current market values. According to HUD guidelines housing is considered to be affordable when monthly mortgage payments comprise no more than twenty-eight percent (28%) of a household’s total monthly income.

The typical family was defined as a household with an income equal to the median estimated income of the Town. The Town’s median housing price was presented as determined from 2002 sales data provided by the Monterey Assessors Office, while an estimate of the Town’s median income for 2000 was given by the US Census Bureau 2000 Census.

Maximum price affordability levels were determined by an average of mortgage loan qualification calculations provided by local mortgage lenders. The analysis was based on a 10% down payment with no points. Calculations incorporate a mortgage interest rate of 7.00 %, compiled as an average of current rates offered by local lending institutions at the time of the report. A current localized basic homeowners insurance quote for the Town was provided by local insurance brokers. The results estimate a maximum housing price with monthly payments that are no more than 28% of the household income with an assumed maximum of 8% in other debts or obligations forming a combined personal debt payments of no more than 36% of monthly income.

Chart H-8: 2002 Affordability Matrix

Income Level	Household Income Limits	Calculated Maximum Affordable Sales Price	Number of 2002 Sales Accessible to Income Level	Number of H’holds in 2000	% of Total H’holds in 2000	% of 2002 Sales Affordable	Affordability Gap	
							Percent of Households Un-served	Gap in Dollars
Low Income – up to 50% of Median	\$23,875	\$70,739	5	63	16%	18%	None	None (-\$6,900)
Moderate Income – up to 80% of Median	\$38,200	\$111,000	6	112	29%	21%	8%	\$42,000
Middle Income – up to 150% of Median	\$71,625	\$205,000	15	241	63%	54%	9%	\$40,000
Total- over 150% of median	Over \$71,625	Over \$205,000	28	383	100%	100%	N/A	N/A
Median Household Income 2000	\$49,750	\$161,000	9	192	50%	32%	18%	\$28,000

Sources:

Median Income: US census Bureau, 2000 Census; Median Sales Price: Warren Information Services(WIS);Affordability Calculator, Mortgage Rate: LegacyBanks, LeeBank, & Berkshire Bank; 2001 Sales within Affordability Range: WIS; 2000 Household Income Level Numbers: Census 2000

Affordability Findings

The Affordability Gap analysis shows that the typical (median income) household earning the median income in Monterey could afford to pay \$161,000 for a home, while the median priced house sold on the market in Monterey in 2002 was \$189,000. Therefore, the typical family could not afford the typical home being sold, and there was a \$28,000 affordability gap for median income households. More dramatically, the affordability matrix shows that median-income residents were underserved by the housing market in Monterey by 18%. This means that though 50% of the existing households in Monterey are at or below median income, only 32% of 2002 sales were at a level they could afford. The analysis shows a lack of moderately priced housing for moderate, median, and middle-income households, and a market that appears to be geared toward high-end residences and low-end "fixer-uppers".

VI. Existing Publicly and Privately Financed Housing Programs

A. Affordable Homeownership Assistance Programs

Good Samaritan Homeownership Program

Berkshire County Towns participate with Berkshire Housing Development Corporation, Berkshire Fund, Inc., and nine local lenders with the Good Samaritan Homeownership program described below. The participating lenders include Berkshire Bank, Legacy Banks, Pittsfield Cooperative Bank, Lee Bank, Lenox Savings Bank, Adams Co-operative Bank, So. Adams Savings Bank, Hoosic Bank and Greylock Federal Credit Union.

The Good Samaritan Homeownership program, which received a Federal Home Loan Bank Affordable Housing Program Grant for \$96,000 in 1999 to assist low-income households with down payment and closing cost assistance. This program is available to income eligible residents throughout the County and more than 175 families have bought homes through the program in the past 10 years. Participating lenders provide a first mortgage equal to 80% of the purchase price, Berkshire Fund provides a second mortgage equal to 15% of the purchase price, and the buyers provide a 5% down payment. The banks also purchased more than \$1.6 million of low interest bonds to fund the down payment pool.

USDA Rural Housing Service Loan Guaranty Program

This program is a federally funded program from the Department of Agriculture (USDA)/Rural Housing Service. This program is available to all borrowers seeking mortgages throughout Berkshire County, with the exception of the City of Pittsfield. Through the Guaranteed Rural Housing Loan Program, moderate-income earners can qualify for existing single-family mortgages without a down payment. This program is currently available at Lee Bank.

MassHousing General Lending Program – 1st Time Homebuyers

MassHousing partners with Lee Bank, Berkshire Bank, and Legacy Banks to assist credit-worthy, low and moderate income, first time home buyers whose income and home purchase price fall within federally-set guidelines with financing and educational assistance.

In the last 5 fiscal years (from 1997-2001), four Monterey residents have received loans totaling \$394,300. Source: [MassHousing Stats](#)

As of August 5, 2002, eligibility requirements for MassHousing programs in Monterey are:

Income Limits		Acquisition Cost Limits	
1 - 2 Persons	\$ 66,000	New Construction	
3 or More	\$ 75,900	Single Family	\$277,100
		2 Family	n/a
		Existing Housing	
		Single Family	\$198,400
		2 Family	\$223,300
		3 Family	\$270,400
		4 Family	\$314,400

⁶ Source: http://mhfadata.com/limits_results.asp

B. Housing Rehabilitation Assistance Programs⁷

MassHousing Septic Repair Loan Program

The Septic Repair Loan Program is a state-wide program established under Chapter 708 of the acts of 1966 of the Commonwealth of Massachusetts that is funded by MassHousing and available locally at Lee Bank. The MassHousing program offers reduced interest rate loans of \$1,000 - \$25,000 to cover costs associated with the upgrade of a failed sewage disposal system within the meaning of Title 5. Homeowners may qualify for 0%, 3% or 5% interest rates based on household income (see chart H-10). Repairs are for owner-occupied primary-residences only, not for second homes. The program is popular and several such loans are given out every year throughout the county. Few local applicants have failed to qualify. The Average Loan amount for a Septic Repair Loan has been relatively high, as the program's closing cost requirements have discouraged smaller value loans. The program began with a \$13 million State grant; it is considered successful; and is expected to continue with self-sufficient funds from loan payments.

In the last five fiscal years, no local residents of Monterey have participated in the Septic Repair Loan program.

Chart H-10: Income Limits for Septic Repair Loans in Berkshire County

Loan Rate	1-2 person family	3 or more persons
0%	\$23,000	\$26,000
3%	\$46,000	\$52,000
5%	\$92,000	\$104,000

MassHousing Home Improvement Loan Program

Local residents are also eligible for participation in the Home Improvement Loan Program at MassHousing. This program is available through Lee Bank, and residents of other towns in Berkshire County have participated. The program offers financing for income-eligible homeowners to repair their homes. Eligible properties are one-to-four family properties and residential condominiums, and the residence must be the borrower's principal residence for minimum of one year. The maximum loan amount is \$5,000 - \$25,000 for loan terms of 5 to 15 years. In the last five fiscal years, no local residents of Monterey have participated in the Home Improvement Loan program.

For more information on this program, contact MassHousing or Lee Bank.

MassHousing Get the Lead Out Loan Program

MassHousing's Get The Lead Out Program provides low cost financing to owners of 1-4 family properties to remove lead paint and reduce the possibilities of lead poisoning among children. In the past five fiscal years, no residents of Monterey have participated in this program.

Owner-occupants who meet the income requirements (see Chart H-9) are eligible for a 0% deferred payment loan not due until the sale or refinancing of the property. Non-profit organizations are eligible for 0% fully amortizing loans on properties that are being rented to income eligible households. Investor owners are eligible for 3% fully amortizing loans on properties that are being rented to income eligible households.

In the last five fiscal years, no local residents of Monterey have participated in the Get The Lead Out program.

For more information on this program, contact MassHousing or Lee Bank.

DHCD Community Development Funds for Housing Rehabilitation

Contact Berkshire Housing Development Corporation (BHDC) for figures.

⁷ Source: MassHousing

**MONTEREY CDP COMMITTEE
DISCUSSION OF AFFORDABLE HOUSING
SITE IDENTIFICATION**

I. Anticipated Users

- Seniors
- LMI Families
- Persons w/ Disabilities
- Mixed Income

II. Site Considerations

- a) Are there town owned sites that may be appropriate for affordable housing development? If so, where are they?
- b) Is there local land that is in tax foreclosure, or tax delinquent properties?
- c) Are there blighted properties that the Town is interested in revitalizing?
- d) Are there any privately owned parcels that might be appropriate for affordable housing development?

Once sites have been determined:

- e) Who holds title and are there any encumbrances on the title or liens against the property?
- f) Deed restrictions that may prevent affordable housing?
- g) What is the availability of utilities at the site, i.e. water, sewer, gas, electric etc..?
- h) Are there any foreseeable concerns with the site(s), e.g. environmental issues, drainage, wastewater disposal , 21E issues?
- i) How are sites zoned and are there any other regulatory constraints?

III. Funding and Economic Considerations

- a) Proposed Project Budget?

- b) Arrangements for ownership, development and sale or operation?

- c) Proposed Funding Sources?
 - Town Appropriation (does town have a CIP that includes this project?)
 - Bond Measure
 - State and Federal Grants – specify source
 - Private monetary contributions – individual contributions, organizational contributions
 - Donations of Equitable Assets – land, buildings, equipment etc....
 - Other

Town of Monterey

Community Development Plan Advisory Committee



Advisory Committee Meeting #1 Agenda

Date: Monday, October 28, 2002

Time: 7:00 PM

Monterey Town Hall

1. Introductions
2. Background of EO418 CDP
3. Review of Scope of Services
4. Review of Town Goals/Task in SOS
5. Introduction to Land Suitability Mapping
6. Other Business and Next Meeting Date

Handouts:

Outline of Meeting Schedule

Monterey List of Preliminary Goals

Summary of Monterey CDP Scope Tasks

Definitions of Map terms

Base Maps

COMMUNITY DEVELOPMENT PLANS



Town of Monterey Community Development Plan Advisory Committee



TOWN OF MONTEREY
CDP MEETING
March 31, 2003 @ 7:00 PM
Monterey Town Hall

Dear Monterey Advisory Committee Member,

This letter is to inform you of the second meeting of the Monterey Community Development Plan Advisory Committee. Listed below is a tentative agenda for the meeting.

Agenda

- I. Review and Discussion of Housing Profile and Data Analysis
- II. Discussion of Proposed Goals, Draft Strategy and Study Recommendations
 - Affordable Housing Development Options for Small, Rural Towns
- III. Site Identification Exercise
- IV. Other Business and Next Meeting.
 - Amendments to CDP Scope
 - Multi-Town Agricultural Forum

Please review the attached items in preparation for upcoming meeting. If you have any questions regarding this meeting or if you will not be able to attend please contact Bryan Boeskin at BRPC. The phone number is (413) 442-1521, or you can send an e-mail message to bboeskin@berkshireplanning.org.

Attachments

Draft Housing Data Profile
Draft Housing Strategy
Site Identification Questionnaire
EO 418 Housing Certification Summary Sheet
Berkshire Planning Tools – Affordable Housing
Berkshire Planning Tools – Comprehensive Permits (Chapter 40 B)
Sample Housing Funding Summary
Excerpted Materials from *Taking the Initiative – A Guidebook on Creating Local Affordable Housing*

COMMUNITY DEVELOPMENT PLANS



Town of Monterey Community Development Plan Advisory Committee



TOWN OF MONTEREY
CDP MEETING

May 15, 2003 @ 7:00 PM
Tyringham Town Hall**

Please note that this is not our typical meeting location.

Dear Monterey Advisory Committee Member,

This letter is to inform you of the third meeting of the Monterey Community Development Plan Advisory Committee. This will be a special joint meeting with the Town of Tyringham to discuss opportunities for agricultural as a local tool for economic development. An agenda for the meeting is attached, as you will note there will be several guest speakers and the discussion will be focused on the topic of agriculture. We will schedule a separate CDP Advisory Committee meeting later in the summer to discuss the general topic of economic development in Monterey and to review and discuss the economic data profile that is included in the this package

****Please note that this meeting will not our typical meeting location.****

If you have any questions regarding this meeting or if you will not be able to attend please contact Bryan Boeskin at BRPC. The phone number is (413) 442-1521, or you can send an e-mail message to bboeskin@berkshireplanning.org.

Attachments

Agenda for Joint Meeting on Agriculture and Rural Economic Development
Draft Economic Data Profile

COMMUNITY DEVELOPMENT PLANS



Town of Monterey Community Development Plan Advisory Committee



MINUTES for TOWN OF MONTEREY CDP MEETING

August 18, 2003 @ 7:00 PM

Monterey Town Hall, Grange Building, Main Road

This meeting followed up on issues of economic development raised at the May 15, 2003 Agricultural Forum and addressed economic development in Monterey more generally. Time was given to reviewing and discussing the economic data profile sent to CDP advisory members in May with the Agricultural Forum materials. A revised version of the profile was provided at the meeting.

The second item on the agenda was Monterey's bicycling and pedestrian report, the primary document in the Town's transportation element of the CDP. The report was in first draft form and was open for comments and amendments.

Economic Development

Committee members reviewed both the economic data profile provided in May 2003 as well as the revised one provided for this meeting. BRPC Senior Planner Bryan Boeskin went over the process of constructing the profile and discussed the details of the profile results. Committee members had several questions concerning 1) the information used to create the profile, 2) definitions of particular terms cited in the profile and 3) the specificity of the data with regard to Monterey and its economic development needs.

The following questions were raised:

- 1) How does/should the information in the economic profile influence Town of Monterey planning? Mr. Boeskin explained that the profile provides a base level of objective data (primarily from the U.S. Census Bureau), including numbers, types, locations and trends for Monterey employers and employees.
- 2) The committee asked for clarification of "employment by government," that is what type of workers are included in that category? Mr. Boeskin replied that the category generally includes teachers, town administrators, DPW workers.
- 3) What does "conf" mean in the employee portion of the profile? Mr. Boeskin explained that "conf" stands for confidential. The designation is sometimes used to maintain the anonymity of certain employers in small communities and perhaps to keep the number of employees confidential.
- 4) Why is condominium revenue so small/negative? Mr. Boeskin pointed out the five assumptions used to create the Town revenue profile, some of which may skew sector numbers, particularly in a small community such as Monterey. Mr. Boeskin will follow up on the condo result specifically.

- 5) What is the difference in definition between "vacant land" and "open space"? The profile showed no open space in Monterey, yet the Town has extensive territory that many would call open space (state forest, land trust areas, agricultural land, etc.). The committee also suggested that land use breakdowns in acres rather than parcels may be more meaningful, since parcels can range so widely in area. The committee wished to know how various "open spaces" are sorted into the other categories. Is working farmland, for instance, not eligible for open space designation. As for "vacant land," the committee wished to see a breakdown of restricted vacant land, buildable vacant land, etc.
- 6) Regarding the Town survey, the committee sought insight as to how the introduction in the last five to ten years of bylaws governing accessory buildings and home businesses have changed the economic situation in Monterey since the time of adoption.
- 7) Regarding the Farm Viability Program, committee members wished to know whether or not the Town has the right to choose the farm viability consultants used for a given project. They also wished to know whether the grant went primarily to paying consultants or to capital or administrative improvements on the farm itself.
- 8) The overriding consensus of the committee concerning Economic Development in Monterey was: PROMOTE AGRICULTURE. Committee members requested that the economic portion of the CDP address future difficulties in keeping agricultural land open for agriculture. They also suggested that Monterey document their support for existing and proposed AG efforts, such as Community Supported Agriculture (CSA), Gould Farm and Brook?? among others, for which they claim there is already wide support.

Transportation

The agenda called for discussion of the Bicycling and Pedestrian Trail Report. The Town had several specific ideas about new sidewalks, one from Fox Hill Road at the western end of Rt. 23 through Town center to Sandisfield Road at the eastern end and another from the end of Tyringham Road in Town center to the Town beach at Lake Garfield. Some committee members suggested that because of space limitations on the side of Tyringham Road, an alternative walking path, separated by small pillars or perhaps off the road, may be better than a traditional sidewalk per se.

The committee was perhaps less sure of how to improve bicycling in Monterey, particularly through the sometimes congested Town center on Route 23. Committee members suggested bicyclists be provided with an alternative route, relying on some of the quieter roads to detour around Town center. They seemed to prefer the idea of bicyclists walking their bikes through town over the idea of posting "Share the Road" or bike route signs, alerting vehicular traffic to increased bicycle traffic. Some committee members did show interest in enhancing the width of shoulders along Tyringham Road, of which the portion beyond the Town beach was recently resurfaced and has yet to be repainted.

The main topic of the transportation discussion was not on the agenda, but may be incorporated into the bike and pedestrian report, as it pertains to the safe transit of people who don't have access to cars or the ability to drive. Committee members were very interested in the idea of a small-scale sub-regional bus or van transit model, particularly to serve the needs of youth and others wishing to travel to nearby Gt. Barrington or the Mall in Lee, for example. They also raised the idea of approaching local stores and supermarkets, such as Price Chopper and Abbott's, for financial support of such a transit model.

BRPC Executive Director Nat Karns and traffic planner Zoe Neaderland relayed the day after this Monterey meeting that there will be a southern Berkshire transit study conducted next year, which may likely address the wishes of the Monterey CDP committee.

ASSETS *and* LIABILITIES INVENTORY

Town of Monterey, Massachusetts

Community Vision Statement

Monterey's vision for the future is that the community should work together to:

Mindfully guide and manage growth to ensure Monterey preserves its present combination of exceptional natural assets, traditional rural atmosphere, and small town character that makes it a desirable place to live. Maintain and improve its economic infrastructure by proactively identifying and cultivating appropriate economic opportunities that are consistent with the character of the community. Maintain and improve its social infrastructure by providing seniors and citizens of low, moderate, and middle income with quality affordable housing opportunities and community services. The community must take the necessary steps to plan for the future and to participate in local planning and decision-making processes.

Monterey has exceptional natural assets and rural character. The community wishes to plan for the appropriate protection of critical open spaces for scenic, environmental, and historic purposes. The community wishes to plan growth and economic development while maintaining the natural character of Monterey.

Monterey is part of the Housatonic River Watershed and is home to several lakes and ponds. High water quality is important to residents. The community supports Town participation in the maintenance and upkeep of public lakes. The natural environment and rural character is one of Monterey's greatest assets.

Agriculture is a defining element of Monterey's natural assets and historic appeal. The community wishes to foster agriculture as a means of preserving open space, preserving the rural character of Monterey, and preserving the history of the small town. The community also wishes to foster the economic development of agriculture.

Monterey's housing needs are tied to those of the region. There has been a growing need for affordable housing as the second-home owner market has flourished driving up housing costs in Monterey and surrounding communities. Many of the residents that grew up in Monterey have no access to rental property within the town and cannot afford to purchase property within town. Monterey has ultimately lost many of the residents that grew up in the community.

An identified need in Monterey is to improve housing opportunities and create a wider range of housing without increasing development and threatening open space, agriculture or views and ridgelines.

The community wishes to provide a variety of housing types to best serve the needs of the residents. It would be necessary to insure that a variety of housing needs are met without the second-home owner population continuing to drive up prices.

Monterey has historically been an agricultural community. The community has identified a need to foster the economic development of agriculture while preserving historic uses and the natural beauty of the rural town. It is recognized that although some agriculture is flourishing there has been a decline in the number of working farms within Monterey. Some land that had historically been used for agriculture has now fallen into the second-home owner market.

Monterey maintains a small village center. The community has expressed an interest in fostering existing retail businesses and creating a community center. The community wishes to maintain existing retail, commercial, and community services without expanding the existing business district or creating a new business district that could threaten open space.

Home-based business has been identified as a market that could be expanded and fostered to increase the ability for residents to live and work in Monterey. The community recognizes the need to plan accordingly and minimize barriers where appropriate.

It is important to ensure safe roads and to preserve the scenic and rural character of the community. Long range transportation improvements must incorporate the vision that Monterey has for its future and plan accordingly for the safety concerns of pedestrians and bicyclists, especially in areas that receive large volumes of through traffic.

Residents in Monterey are eager to create opportunities for bicycling and walking and to create linkages between the village center, residential neighborhoods, and the public beach. The community has expressed interest in creating a bicycle and pedestrian network that connects neighboring communities and strengthens the rural feel, natural beauty, and recreational opportunities of the community.
