

Housing



Housing

Introduction to the Housing Element	16
Housing Strategy	17
Housing Action Map	25

Introduction to the Housing Element



This section examines the socio-economic trends in Monterey and in the surrounding area of Berkshire County, which affect housing supply and demand. Planning to maintain an adequate supply of affordable housing while balancing concerns related to open space, natural resources, transportation, infrastructure, and community services is a challenging task. Planning for affordable housing begins with analysis of detailed information on the local demographics and housing stock (see Appendix A.2, Monterey 2003 Housing Profile) in order to identify specific needs and develop potential strategies. Several factors may indicate a potential need for affordable housing and contribute to a town's ability to maintain housing that is affordable to residents of a wide range of incomes. Some of these factors are:

- Low supply of existing housing relative to the population.
- High costs of housing that are beyond the affordability of local residents.
- Lack of housing production
- Relative scarcity of land available for residential development
- High cost of land
- Higher production costs associated with marginal development sites
- Lack of available infrastructure
- Restricting housing production, i.e. local zoning, subdivision controls, local permitting and regulatory barriers.

This section presents a strategy based on information and analysis on potential factors that may indicate areas of need and demand for affordable housing in town. The section concludes with a list of several actions that may address the town's specific concerns for housing that have been identified.

**Community Development Plan
2003 Housing Element
Monterey, Massachusetts**

Current Housing Stock

The Town of Monterey is a rural community of 934 year-round residents and 387 year-round households¹ located in southern Berkshire County. Monterey's Town Center is located along Route 23 and consists of the Town Hall, some commercial development and a general store. The town has a history as an agricultural area and a location for summer cottages, and remains largely agricultural and residential with a significant number of seasonal residences. Of the Town's 840 housing units, 764 (91%) are single-family homes. There are fifty-five units in multi family houses (6.5%), two mobile homes and nine condominiums.⁴ Most of the development in Town is in the agricultural residential district. Housing density is highest along the shores of Lake Buel and Lake Garfield, and a small section along Rte. 23 in the town center is more densely settled.



Most of the development in town is in the rural residential district. New housing production in Monterey has been steadily increasing since 1960. In the 1980's and 1990's, Monterey experienced its largest increase in new homes for any twenty-year span, as 227 new homes were built. While housing units increased, population also experienced a substantial, 16% increase from 805 to 934 year-round residents.

Monterey's housing stock reflects the large influence of seasonal residents, as half of all houses in Town are seasonal homes. (See Table 1) 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.

Over the past five years, Monterey has issued a steady number of annual building permits for construction of new residences, but the permits have concentrated on high-end construction. (See Table 2). An average of 10 permits for new home construction were issued annually from 1997 to 2001. There has been a recent increase in the number of high-end homes built, and in year 2001, while the average home value was approximately \$186,000, seven of the ten newly constructed homes had property values of over \$250,000. In 2001, two of the ten homes constructed had property values at, or below, the affordable purchase price of \$220,994 listed for Monterey in accordance with the State Department of Housing and Community Development (DHCD) *Instructions for Completion of FY2003 Request for Housing Certification*. The median price for new homes built in 2001 was above \$240,000.

Table 1: Housing Occupancy

	2000	1990	% Change 1990-2000
Seasonal	413 (50%)	393 (52%)	+ 5 %
Owner-Occupied	307 (37%)	214 (28%)	+43 %
Rental	80 (9%)	109 (14%)	- 27 %
Vacant Units*	30 (4%)	37 (5%)	- 19 %
Total Housing Stock	830	753	+10 %
% Vacant Year-Round Homeowner Units	1.6%	3.6%	- 2 %
% Vacant Year-Round Rental Units	8.0%	13.5%	- 4.5%

*Vacant Units Not Including Seasonal Units

Source: US Census Bureau, 2000 Census SF-1 Data

Table 2: Building Permits Issued for Construction of New Single Family Residences¹

Year	Total # of Permits	# Valued under \$250K	# Valued over \$250K	AVG Value of New Home
1997	9	N/A	N/A	\$153,667
1998	10	N/A	N/A	\$190,527
1999	10	1	9	N/A
2000	12	4	8	N/A
2001	10	3	7	N/A
2002(Partial Data)	2	0	2	N/A

Sources: 1997-1998 Data: MISER State Data Center, March 2002.

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

Constraints to Development

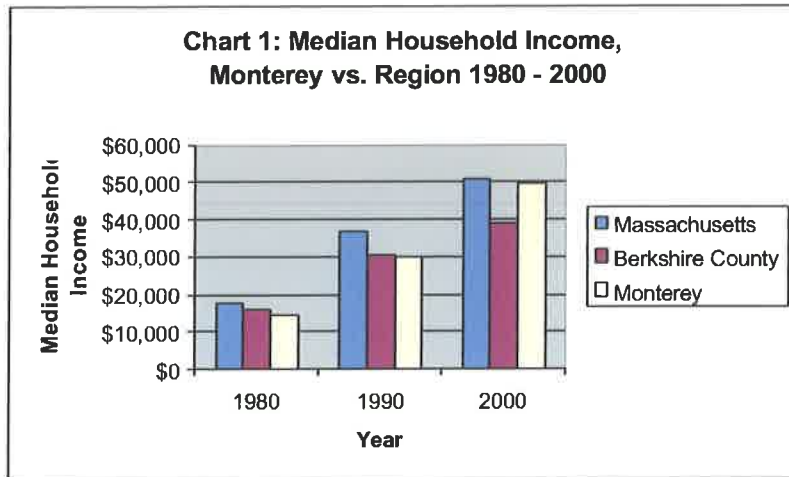
Housing development in Monterey is constrained by a lack of infrastructure and a large amount of un-developable land in Town. Monterey has a significant amount of permanently protected land within its borders, 6,516 acres, or 38% the land within the Town's borders. There is also land that is protected through the efforts of the Monterey Preservation Land Trust and the Berkshire Natural Resources Council. Also included within the Town's boundaries are 4,500 acres of Beartown State Forest and Lake Buel and Lake Garfield. Approximately 5,869 acres, or 34% of the Town's land area is potentially buildable and zoned for residential uses. Monterey has no municipal utilities such as water and sewer, making development more expensive than other less remote areas with existing public utilities and infrastructure. The zoning by-laws require lots that are a minimum of two acres, which is a common size for rural communities in Berkshire County. There is no existing by-law allowing for accessory, or "in-law" apartments, and mobile homes are prohibited in Town. Multi-family housing requires a special permit.

Population & Income

The 2000 US Census recorded Monterey's year round population to be 934, which is a 16% increase from 1990 and demonstrates Monterey's population is once again rising. The population of Monterey has been increasing steadily from the 1960's since which time the population has almost doubled. The rise in population during the 1990's was generated by increases in the number of older residents, and corresponded with a loss in population of children and young adults. The Town experienced a 24% increase in residents over the age of 65, while the population of young adults aged 20-34 years decreased almost twenty percent, and the number of residents aged under 20 decreased. However, according to the Massachusetts Department of Education, the number of school-aged students in Monterey increased 11% from 1990 to 2000 from 104 to 120 students.

¹ Number does not include permits for mobile homes.

Monterey is rapidly emerging as a more affluent community (see Chart 1). 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 average Berkshire County household income of \$39,047.



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. 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). Census Data indicates that eight of the Town's 236 families were determined to be below the poverty level in 2000 (based on income x family size).

Unemployment in Town has consistently been lower than the state average. In 2001, the unemployment rate in Monterey was 2.3%, which was lower than that of many Berkshire county towns and lower than the State average of 3.7%. 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.

Local Housing Needs

Monterey's housing needs are tied to the needs of the surrounding region of Berkshire County. The depressed regional economy has reduced demand for new housing, but it is anticipated that the demand for affordable housing will increase. While Monterey has zero housing units that would qualify as affordable under Chapter 40B regulations, there are approximately 112 low-moderate income households currently living in town that may qualify for some type of public housing subsidy. While twenty four of the Town's households are considered impoverished (household income below \$10,000/per annum), no families in Monterey receive Section 8 vouchers or are on the waiting list for a unit to rent with a Section 8 subsidy voucher.

Monterey shares in a regional need for preserving the quality of the existing affordable housing stock. The Town's building permits are issued for both essential repairs and elective home improvements. As an area with a number of older homes, low-income households, increasing homeownership costs and several seasonal homes being converted for year-round use, many local homeowners are in a position where they may be unable to afford necessary renovations to their homes. Rehabilitation has been a priority for affordable housing in the region, and it has been a focus of Berkshire Housing Development Corporation to work with local officials to identify and improve properties that are in need of crucial repairs.

As the local housing market concentrates on high-end homes, there is a lack of moderately priced homes and a need for year-round housing that is affordable to a wide range of households. A typical Monterey household - earning the 2000 median household income - could afford to spend approximately \$161,000 on a new home.² This was well below the median sales price for the twenty-eight single family homes sold in 2002 (\$189,000), and significantly below the average price of \$563,000 listed for the 10 houses for sale in Monterey currently listed at Realtor.com³. Therefore, the typical family living in Monterey could not afford the typical house being sold in 2002 or the typical house currently for sale in 2003. The 2003 Monterey Housing Affordability Analysis documents 2002 sales to show a significant lack of moderately priced housing in Monterey and a housing market that fails to serve moderate, median, and even middle-income households in Town.

With a growing number of older residents, there is a need to maintain affordable housing for elderly and disabled residents in Monterey. From 1990 to 2000, the median age of Monterey residents increased from 38.4 to 44.5 – which is older than the countywide median age of 40.5. A growing number of older residents may create a need to maintain housing for disabled and disabled elderly. Though regional trends show that many elderly households have been in need of financial assistance in order to make necessary repairs on their homes, the median household income for residents aged 65 and older in Monterey was among the highest in the County. Disabled residents comprise over 15% of the Town's residents over the age of sixty-five, and there may be a greater need for funding assistance in order to convert homes for more accessible use by disabled elderly residents of lower incomes.

There is a need for year-round rental housing that is affordable to low and moderate-income households who cannot afford to buy homes in Town. Unfortunately, opportunities to rent in Monterey are decreasing, as the total number of rental units in town decreased by 29 units, or 27% from 1990 to 2000. The reduced number of rentals dropped the vacancy rate for year-round rental units from 13.5% to 8%. A median gross rent, which is rent plus utility costs paid by the tenant, was \$600 per month in Monterey. This was 20% higher than the Berkshire County median of \$499. Rents were similar to rents in neighboring Otis (\$603) and Great Barrington (\$604) but less than the neighboring communities of Tyringham (\$713) and New Marlborough (\$735). The typical renting household in Monterey pays about what they can afford according to HUD guidelines. The common definition of housing affordability used by the U.S. Department of Housing and Urban Development (HUD) states that renters could afford to pay approximately 30% of their salaries on rent. By the HUD definition, the median, or typical renting household in Monterey could afford to pay \$640 per month on rent. The median, or typical rent in Monterey is \$600. Eighteen of the renting households in Monterey are more severely rent burdened, paying over 35% of their household incomes for rent. Southern Berkshire County traditionally has not had a large supply of rental housing, but a high regional housing demand and a consistently high demand for seasonal rentals has added pressure to the local market.

Recent and Ongoing Town Efforts to Address Housing Needs

The Town has actively participated in regional housing discussions and has adopted the Berkshire Regional Planning Commission's *Regional Plan for the Berkshires* (May 2000), which contains a section on housing and housing needs, and supports the development and preservation of affordable housing throughout Berkshire County. The Town continues to maintain a presence in regional discussions on housing policy and the development of a regional housing needs strategy. Town residents have participated in MassHousing's

² Source: 2003 Monterey Housing Affordability Analysis

³ Realtor.com *Multiple Listing Service* December 18, 2002

homebuyer assistance programs, and in the last 5 fiscal years (from 1997-2001), four Monterey residents have received MassHousing First-Time Homebuyers loans totaling \$394,300.

Goals, Objectives and Future Housing Strategy

The Town of Monterey will continue its efforts to support market-driven production of additional housing units affordable to households on low, moderate, and middle incomes. The Town also intends to facilitate the process of affordable housing development by working with regional housing and community development corporations in order to tailor the town's affordable housing solutions to address specific local needs. Two of the ten new homes constructed in 2001 were considered affordable by EO 418 guidelines. Based on construction trends and new home values over the last five years, the town expects that the local market will produce an average of 2 affordable units per year over the next five years to meet the needs of the community.

As a result of efforts in creating this Community Development Plan housing element, the Town has developed the following goals and recommended actions to form a strategy designed to meet the specific needs of the community while supporting regional efforts for affordable housing:

Community Housing Goals

Goal #1: To maintain local housing stock that provides quality housing for residents of all ages and incomes.

Goal #2: To ensure that future housing opportunities and developments are consistent with the Town's unique character and existing infrastructure while preserving open spaces, agriculture, and natural resources in Town.

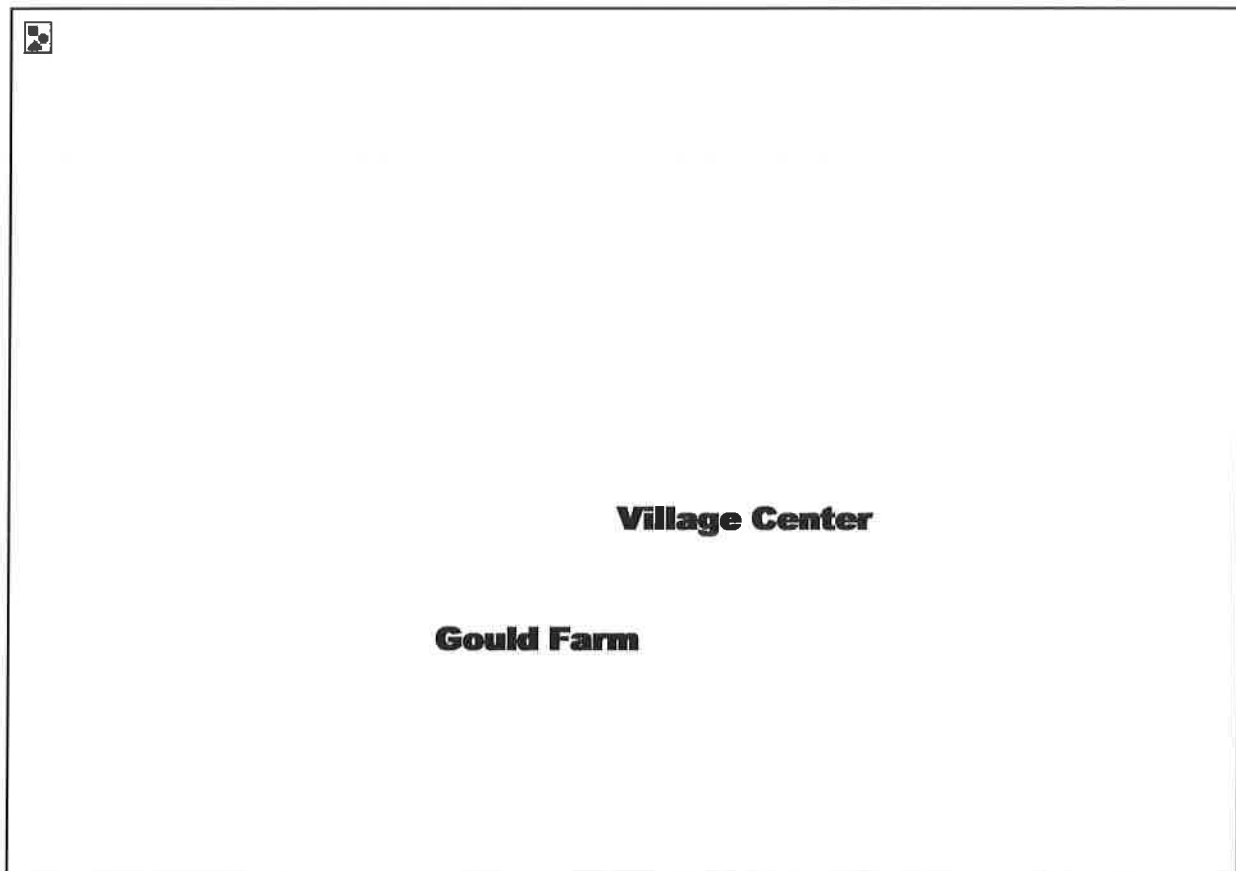
Goal #3: To provide an appropriate mix of quality homeownership and rental opportunities with consideration of housing for persons of low, moderate, and middle-income.

Potential Sites for Future Housing

The Community Development Plan Housing Strategy seeks to encourage affordable homeownership and rental opportunities while maintaining the existing character of the community. The Strategy reinforces this primary goal by identifying sites that best utilize existing infrastructure and encourage the preservation of open spaces and natural resources. The following potential sites were identified:

Gould Farm: Gould Farm (see Potential Housing Areas Map, below) is the Town's largest single private employer with several workers and guests that are currently offered on-site rental housing that is informally priced below market levels. At present, these units are not eligible to be counted as affordable housing units in accordance with Massachusetts Chapter 40B affordable housing regulations. Much of the rental housing is in need of repair and plans have been drafted for the rehabilitation of these units and perhaps the production of additional units. Because the site currently does not conform to local zoning, the intended use of the site for some affordable housing may present the opportunity for a "friendly" comprehensive permit (Chapter 40B) project if both the Town and the Farm work cooperatively to develop the project. (See CDP Housing Profile for additional detail about Chapter 40B) The site presents an opportunity for the Town to encourage development of new 40B qualifying affordable housing on the site of existing low-cost rental housing. If project is properly developed, the new and rehabilitated housing units, could count towards the Town's 40B affordable housing inventory.

Village Center Area: Housing within the Village Center Area (see Housing Sites Map in Appendix) is encouraged over that in more remote areas of Town in order to maintain the character of the community. The focus on housing production efforts in the Village Center Area should not need to be focused on new housing construction, but preferably take the form of rehabilitation and expansion of existing housing units, by-laws allowing for accessory “in-law” apartments in existing buildings, “mixed–use” of housing within non-residential buildings, and “infill” development to create housing units in vacant areas of the village center. The traditional development pattern of Monterey is that of a village center surrounded by more rural lands and open spaces. To maintain this pattern, development that is near existing development in Town are encouraged over new developments that replace open fields, forests and natural resource areas with housing lots. Additionally, development that is along the existing road infrastructure limits the need for the added town expense of building and maintaining new infrastructure.



(continued)

Housing Strategy - Recommended Primary Action Items

Item 1: The Select Board can designate a person or representative group to guide the Town's housing planning, production and rehabilitation efforts. This can be accomplished in a number of ways: by a community volunteer, an ad-hoc committee of volunteers, or other individuals from Town who could serve on the board of a sub-regional housing non-profit; actions also could be delegated as a new function of an existing board, a subcommittee, or a local nonprofit such as a land trust.

Item 2: Consider participation in existing homeowner rehabilitation assistance programs. Funding for these types of programs can be secured and administered by the Town itself, or by regional or sub-regional housing development corporations such as Berkshire Housing Development Corporation, South Berkshire CDC, Construct, Inc. , or BRPC. The first step of this process would include taking an inventory of aging or dilapidated homes in Monterey that may be in need of rehabilitation assistance.

Item 3: Provide assistance to Gould Farm in advancing the affordable worker-housing efforts at Gould Farm by forming a collaboration between the Town, Gould Farm, and a regional or sub-regional development agency such as the Southern Berkshire Community Development Corporation, Berkshire Housing Development Corporation or BRPC.

Item 4: Seek funding for Items 2 and 3 above. Available programs are outlined in the appendix of the Community Development Plan or can be identified with additional assistance from the Massachusetts Department of Housing and Community Development, regional or sub-regional development corporations, or the Berkshire Regional Planning Commission.

Item 5: Work with one of the Housing development agencies or BRPC to seek EO 418 Housing Certification and to prepare an Affordable Housing Plan. This item is often necessary for eligibility for public funding for housing and community development projects.

Item 6: Once more specific information about affordable housing development efforts is determined, utilize information from the Town's Community Development Plan Housing Profile and Housing Strategy as a basis for developing a DHCD approved Affordable Housing Plan that, if adopted, will allow the Town greater flexibility when considering comprehensive permit (Chapter 40B) applications for development.

Item 7: Continue working to reduce local barriers to affordable housing by periodically reviewing local zoning by-laws and permitting processes. This was included as one of the Community Development Plan Tasks and a zoning review and update will be included as Appendix ___ of this element.

Housing Strategy - Secondary Action Items

- Continue involvement in developing affordable homeownership options and publicizing current programs available from MassHousing and Lee Bank.
- Pursue the adoption of the Community Preservation Act to finance future affordable homeownership options, historic preservation and land conservation in Monterey.

- Pursue a working partnership with regional and sub-regional community development corporations and other affordable housing development groups
- Consider the creation of a Community Housing Trust, or other local programs to address local affordable housing needs.

Summary

Monterey intends to continue its efforts to facilitate the development of affordable housing to meet the needs of the community, and is taking steps to implement its affordable housing strategy. The Community Development Plan housing strategy has been based on discussions on the town-wide housing profile. The strategy is consistent with the approaches and policies outlined in the *Regional Plan for the Berkshires* to enhance the quality and quantity of affordable housing in the Berkshire region.



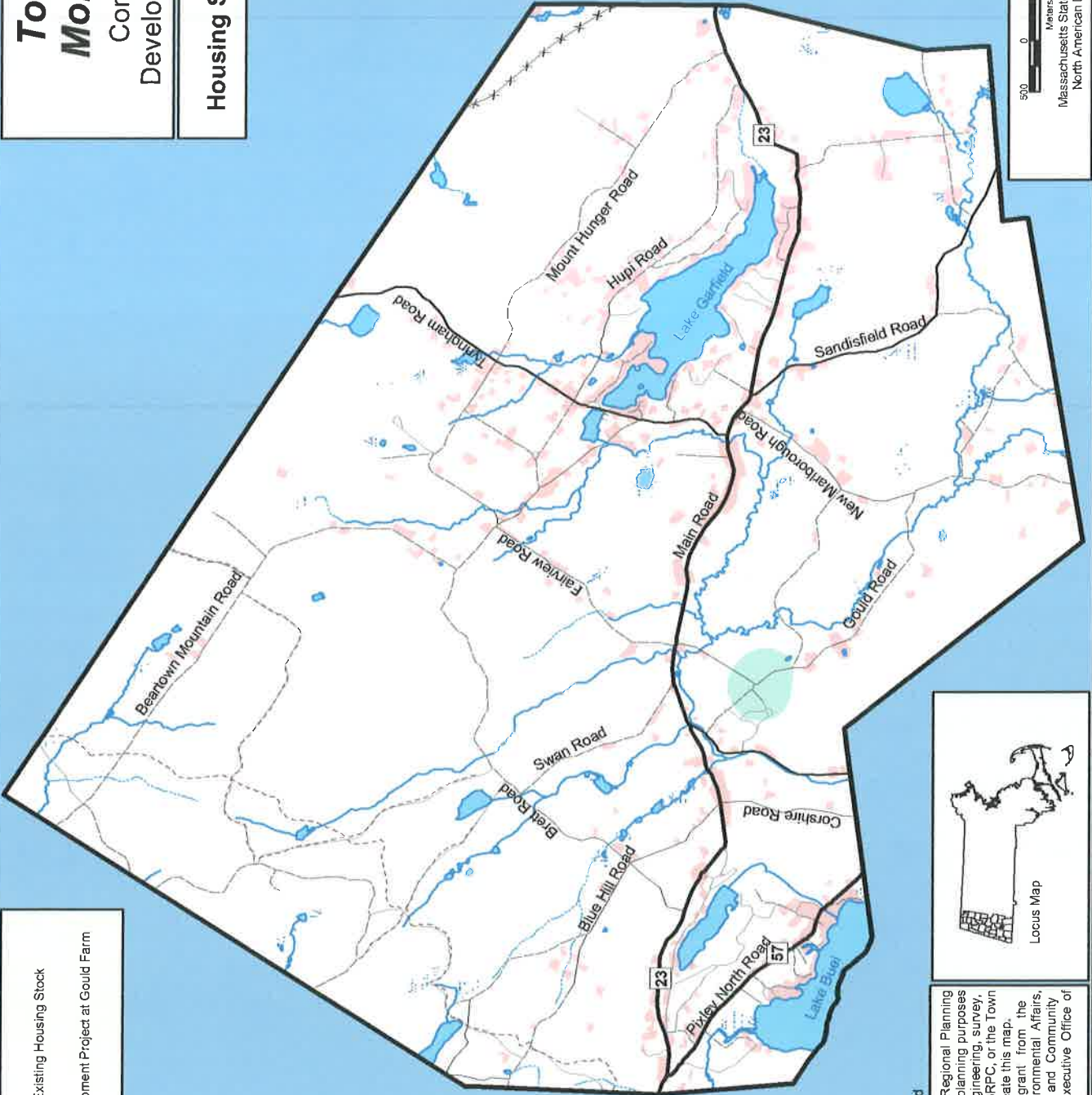
References:

- ¹ U.S. Census Bureau, 2000 Census
- ² South Berkshire Housing Study, Community Opportunities Group, 2002
- ³ Buildout Analysis, Berkshire Regional Planning Commission, 2000
- ³ FY2002 Monterey Town Assessor's LA-4 annual report (providing condominium data)

Town of Monterey

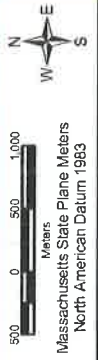
Community Development Plan

Housing Suitability Map



Retain and Rehabilitate Existing Housing Stock

Support Housing Development Project at Gould Farm



Locus Map

December 29, 2003

[/cdp/mon/projects/housing_suitability.mxd](#)

This map was created by the Berkshire Regional Planning Commission and is intended for general planning purposes only. This map shall not be used for engineering, survey, legal, or regulatory purposes. MassGIS, BRPC, or the Town provided all of the data layers used to create this map. This project was funded through a grant from the Massachusetts Executive Office of Environmental Affairs, Massachusetts Department of Housing and Community Development, and the Massachusetts Executive Office of Transportation and Construction.