



# *Executive Summary*

The South Hadley Housing Production Plan (HPP) is a planning process and document that will guide the next five years of housing policy and development in South Hadley, Massachusetts. The plan includes

- Analysis of South Hadley’s housing needs and demand,
- Identification constraints on and opportunities for development,
- Test-fits of housing development at development opportunity sites,
- Housing goal and strategy strategies from and for the community, and
- Calculations of housing production targets.

## **Responding to need**

- Thirty percent of the town’s households pay more than they can afford for housing.
- Forty percent of the town’s households would qualify for housing assistance if it were available, but only 6% of the town’s housing is guaranteed to be affordable.
- Most members of the current community could not afford to move here if they wanted to today. This makes it hard to find a place to live when circumstances change—when aging residents want to live in an accessible apartment or a young couple has a child, for instance—or for people with underserved housing needs, such as people with disabilities.
- Proportionately more of South Hadley’s population is aging compared to the region or the state, and there are limited opportunities for senior-appropriate housing or aging-in-place.
- Finding a home of any kind is difficult. Ownership and rental vacancies are well below the level that would allow the market to function smoothly. The inventory of homes for sale is historically low, and homebuyers are facing bidding wars, which were not a feature of the market in the last decade. Members of the public report

particular difficulty for younger people, young families, older people, and multi-generational households finding homes that meet their needs.

- South Hadley has 426 homes are Affordable Housing counted on the town’s “Subsidized Housing Inventory” (SHI). This is neither enough Affordable Housing to meet Chapter 40B regulatory requirements nor to serve the needs of South Hadley’s low-income and/or housing cost-burdened residents. (Because of regulatory nuances, only 245 of these homes are actually deed-restricted Affordable Housing open to low-income households. Compare this figure to 2,685 income-eligible households living in South Hadley, of whom 1,785 are housing cost-burdened.)
- The town would need to permit—and developers would have to build—312 more Affordable Housing units to reach the 10% of units on the SHI—the minimum amount to get “safe harbor” under M.G.L. Chapter 40B’s 10%. (See [What does this have to do with 40B development?](#) and the [Glossary](#) for more explanation of these terms.) The Town would have to permit an average of 37 SHI-eligible units per year to be considered for temporary safe harbor.
- Reasonable development opportunities exist, but they are often constrained. Attempts to spur residential or mixed-use development have not been successful.
- Amidst global and overlapping environmental crises—most notably climate change and biodiversity collapse—South Hadley residents are concerned that new housing development may only exacerbate those crises.
- The kinds of development both legal and encouraged under the Town’s zoning and subdivision bylaws are especially resource intensive and greenhouse gas emitting, and newer developments are often pushed to undeveloped (and potentially sensitive) land.

## Public Process

To best understand the community’s goals and how those goals could be achieved through policy, this HPP process included a robust set of public engagement activities. The presentation of this draft is the culmination of those efforts, and hopefully a spark for continued conversation. The plan was guided by an advisory committee of residents and officials. As of this writing, the committee has met six times to weigh in the plan content and the planning process. Apart from the Advisory Committee, the process has included three focus groups, two online surveys, and two community forums—one in-person and one hybrid in-person and digital. **Public input materially shaped the goals of the plan, the directions of research, strategy recommendations, and named opportunity sites.**

An additional public forum and opportunities for comment on this draft will be held in Summer and Fall of 2023.

## Goals

In response to public input and analysis, the plan states six goals for the future of housing in South Hadley:

- **Market affordability.** Encourage housing that is more likely to be affordable to the typical household without subsidies.
- **Deed-restricted Affordable Housing.** Facilitate production of deed-restricted affordable housing to ensure a base level of diversity and access.
- **Housing options.** Create more housing options that meet a wider range of needs, including housing for people of varied ages, household structures, and physical abilities.
- **Equity and inclusion.** Enhance the ability for people to live in South Hadley who might otherwise face challenges living here or have been historically marginalized through housing.
- **Connections to neighborhoods.** Promote development that adds amenities, connections, and infrastructure to South Hadley neighborhoods.
- **Multiple benefits.** Ensure new and existing housing adds to the town's safety, sustainability, public health, and economic development.

## Housing Production Targets

Targets are determined largely by HPP regulations. This plan states two targets, both of which could result in “safe harbor” from unwanted Comprehensive Permit developments under Chapter 40B.

1. Develop 312 Affordable Housing units over five years (63 units annually) to achieve 10% Affordable Housing on the town's Subsidized Housing Inventory and achieve safe harbor.
2. Develop 37 SHI-eligible units over a one-year period or 74 SHI-eligible units over a two-year period to be eligible for HPP certification, and thus temporary safe harbor.

## Development Considerations

Several factors affect the viability of housing development in South Hadley.

- Land-based environmental constraints cover 58% of the Town. These include protected open spaces, key landscapes and habitats, riverways, flood zones, and hazardous material sites. These constraints are both directly physical and regulatory.
- Areas in the southern and central portions of Town tend to have easier access to water and sewer, and they are less likely to be restricted by regulations aimed at protecting water sources.
- Zoning provides some opportunities for housing development, but it difficult to build smaller homes, multifamily homes, and/or Affordable Housing in most places.
- South Hadley has some important policy tools already, like Chapter 40R Smart Growth Districts, a Redevelopment Authority, an Opportunity Zone designation, and others. Unfortunately, these have yet to yield desired housing development.
- Town Staff capacity is not a constraint per se, but limits a proactive approach to housing and affordability.

## Strategies

### **Objective A: Dedicate funding to affordable housing development and maintenance of existing housing.**

- Strategy 1: ARPA for Housing—Use remaining ARPA funds for strategic housing investments.

- Strategy 2: Adopt CPA—Adopt the Community Preservation Act (CPA).
- Strategy 3: Land Purchase for Housing—Facilitate small-scale deed-restricted Affordable Housing production by purchasing land or buildings that can be used for housing.
- Strategy 4: Affordable Housing Trust—Study the creation and funding of a Municipal Affordable Housing Trust, and follow through with the recommendations of that study.
- Strategy 5: Home Repair Funding—Work to continue and to promote home repair funding, either through a Pioneer Valley Planning Commission program or as a standalone Town program.

## **Objective B: Create more opportunities for village center development through zoning.**

- Strategy 6: Amend Smart Growth District Regulations—Amend South Hadley’s “Smart Growth District” zoning and design guidelines to encourage development that is less expensive, more feasible, and more aligned with the community’s goals.
- Strategy 7: Mixed-Use Zoning—Enable low- and mid-density mixed-use development through zoning in strategic locations.

## **Objective C: Encourage incremental and contextually sensitive “gentle” density.**

- Strategy 8: Missing Middle Zoning—Allow more “missing middle” housing types by right in more zoning districts.
- Strategy 9: Reflect Historic Patterns in Zoning—Align residential dimensional requirements (e.g., minimum lot size, setbacks, etc.) with the historic pattern of development.
- Strategy 10: Facilitate Implementation of ADU Zoning—Support implementation of new ADU zoning and encourage production under the new law.
- Strategy 11: Pre-Permit Designs—Pre-permit designs for housing and open source the plans (leaving ability for site plan review).

## **Objective D: Use zoning and permitting to encourage deed-restricted Affordable Housing production.**

- Strategy 12: Zoning Incentives for Affordable Housing—Adopt zoning-based incentives for deed-restricted Affordable Housing (e.g. density bonuses, dimensional relief, parking relief).
- Strategy 13: Friendly 40B Permitting—Use the “Friendly 40B” process and Local Initiative Program to strategically permit mixed-income development.

## **Objective E: Encourage new development that meets high environmental, and accessibility standards.**

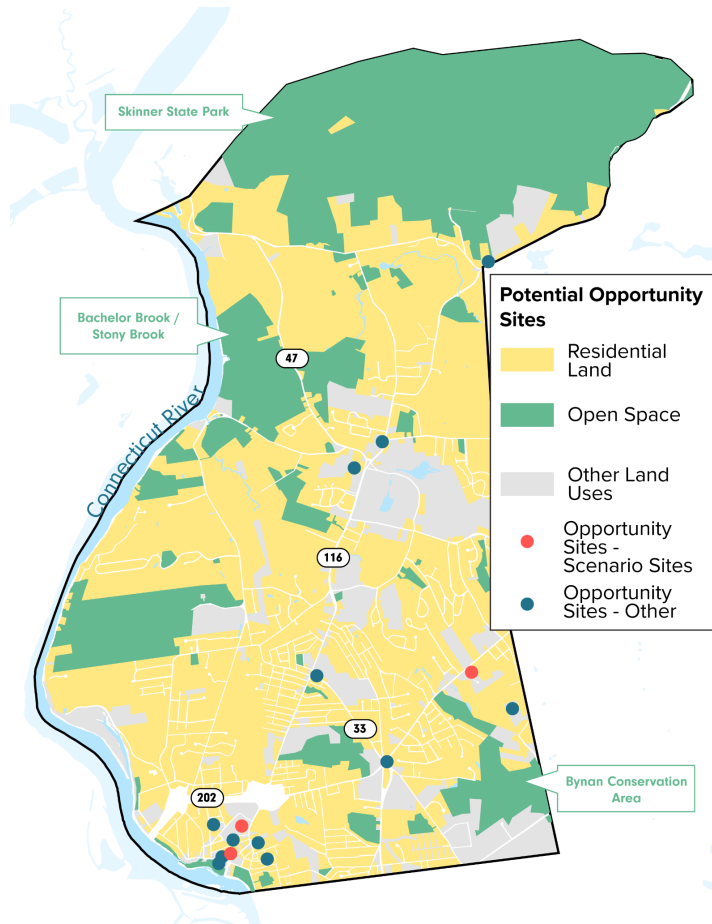
- Strategy 14: Consider the Specialized Energy Code—Consider adopting the Specialized Energy Code for new development.
- Strategy 15: Zoning for Sustainability—Allow zoning-based incentives for development that meets specific sustainability standards beyond what is required in the building code.
- Strategy 16: Encourage Universal Design—Encourage Universal Design principles in new housing development (through consultations with developers, pre-permitted designs, or other means).

## **Objective F: Promote South Hadley as a development destination.**

- Strategy 17: Housing Ecosystem Relationships—Build relationships with a variety of organizations in the housing ecosystem, including nonprofit developers, for-profit developers, commercial real estate brokers, lenders, and others, whose interest could benefit housing in South Hadley.
- Strategy 18: Development Opportunity Catalog—Create and maintain a catalog of development opportunities.

# Opportunity Sites

As part of this process, the Town names potential opportunity sites for housing development. These are **not development proposals**, and are only meant to demonstrate that, given the right conditions, housing development is possible in town.



- 506 Granby Road
- Mill 6, 60 Lamb Street
- 36 Bridge Street
- Haas Electric Site (90 Main Street)
- 41 South Street
- 56 School Street
- SHELD Site (85 Main Street)
- Bardwell @ Elm Streets
- O'Brien Funeral Home
- 79 Lyman Street
- 33/202 Southeast Corner
- 28 Woodbridge (southern portion)
- Village Commons lower parking area
- East Cottage Street site
- Amherst Road Site