

# Town of Ipswich Affordable Housing Plan For Panned Production Regulation

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## TOWN OF IPSWICH AFFORDABLE HOUSING PLAN

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**1.0 OVERVIEW**

The *Town of Ipswich Affordable Housing Plan* has been prepared pursuant to the Planned Production Regulation under MGL Chapter 40B. It consists of three parts. Part One provides an overview of the plan affordable housing goal, a description of the actions taken by the Town in recent years to encourage affordable housing development, and an explanation of how this Plan relates to other planning initiatives undertaken by the Town. Part Two provides an assessment of the Town’s housing needs. The final part of the Plan outlines strategies for addressing the Town’s housing needs.

As described in 1.2 of this Plan, the Town of Ipswich has long supported the preservation and development of affordable housing. MGL Chapter 40B is regarded as an effective tool and, in a number of instances, its use has been welcomed. Currently 412 units, or 7.6%<sup>1</sup> of Ipswich’s year-round housing stock of 5,414 units, have been certified for inclusion in the Department of Housing and Community Development’s Subsidized Housing Inventory.

**1.1 Affordable Housing Goal**

As shown in **Table 1** below, the goal of this Plan is to develop 143 affordable housing units over the next three years. If this goal is accomplished, 10.2% of the Town’s housing stock, or 542 units, will be included within DHCD’s subsidized housing inventory by 2008. The goal of producing an additional 143 units over the next three years was developed with knowledge of several projects which are at various stages of development, approval, and permitting. The Town has also identified 26 parcels, including one Town-owned property, that appear suitable for developments with affordable units, based on their location, level of existing infrastructure, and complementary surrounding land use. Such developments may be composed entirely of affordable units and be produced through Comprehensive Permits, while others may be market-rate developments with some affordable units, as required by the Town’s Inclusionary Zoning bylaw<sup>1</sup>. Tables showing projects in process and parcels potentially suitable for affordable housing development are provided in Part 3.

**Table 1.  
Affordable Housing Production Goal**

	<b>Baseline</b>	<b>2006</b>	<b>2007<sup>b</sup></b>	<b>2008</b>
Annual Production Goal <sup>a</sup>		44	58	41
<i>New Affordable Units</i>		32	58 <sup>b</sup>	41
<i>Conversion to Affordable</i>		2		
<i>Long Term Leasing</i>		10		
Total Affordable Units	412	456	514	555
<b>Percent of Housing Stock</b>	<b>7.6%</b>	<b>8.4%</b>	<b>9.5%</b>	<b>10.2%</b>

<sup>a</sup> MGL Chapter 40B requires that within a given year .75% of the Town’s total housing stock (i.e., 41 units)

<sup>1</sup> This requirement, Section IX.I. of Ipswich’s Zoning Bylaw, is discussed further in Section 2.2.2 of this document.

be produced as affordable housing, in order for the Town to utilize the Planned Production regulation.

<sup>b</sup>Assumes 48 units at 108-112 County Road are "produced" in 2007.

## 1.2 Actions Taken to Encourage Affordable Housing

Ipswich has taken a variety of steps to increase affordable housing in the community. These include:

- ✓ Adoption of an inclusionary housing article that requires all multi-family housing projects to provide at least 10% of its units as affordable, and offers a 100% density bonus for single-family housing projects in the Rural Residential Districts that provide 10% affordability.
- ✓ Development of a tax-title parcel (for which the town forfeited more than \$200,000 in taxes) into three single-family affordable houses and a four-bedroom mental health group home.
- ✓ Conversion of a vacant town-owned building, Memorial Hall, into seven units of affordable elderly rental housing in downtown Ipswich.<sup>2</sup>
- ✓ Conversion of the Whipple School Annex, a vacant town-owned building, into ten units of affordable elderly rental housing in central Ipswich.<sup>2</sup>
- ✓ Operation of a first-time homebuyer down payment assistance program, which has provided financial assistance to more than thirty families.
- ✓ Adoption of the Great Estates Zoning Bylaw in 1997 which allows non-traditional development but requires that 10% of all residential dwellings be affordable
- ✓ Adoption of a zoning article in 2001 that allows accessory buildings in the In-town Residence District to be converted for residential use.
- ✓ Adoption of an infill housing zoning provision in 2003 that allows the construction of homes on certain undersized lots in the In-town Residence District, if the houses are affordable (payment in lieu-of option available) and otherwise in character with the neighborhood. Three infill lots have been approved to date.
- ✓ Adoption of a zoning measure enabling the Planning Board to increase the allowable density for multi-family housing if a community purpose (i.e., housing affordability) is met.
- ✓ Adoption of an article in 2004 amending the accessory apartment bylaw to allow accessory units in all residential districts without restricting to family members.
- ✓ Approval of various mixed-use (residential/commercial) zoning in and around the town center for the creation of housing above ground floor retail, some affordable.

In addition to the above, Ipswich has approved numerous housing developments, including five non-Town-initiated Comprehensive Permit (Chapter 40B) applications since 2000. Because of 40B regulations, the Town has less control over these developments than those submitted under local

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<sup>2</sup> The Town encourages family housing when appropriate, but the circumstances of both these projects dictated reuse as elderly housing.

bylaws. Through the development of this plan, the Town not only seeks greater control over these applications, but also hopes to increase the likelihood that new affordable housing production be done in the context of the preservation and enhancement of existing community assets.

### 1.3 Relationship of Affordable Housing Plan to Other Planning Initiatives

During the past five years, the Town of Ipswich has developed a variety of plans to guide ongoing development in the Town and to preserve and enhance the Town's valuable assets. These plans include the **Ipswich Community Development Plan**, **The Vision for Open Space: The Ipswich Green Ring Report**, and the **Ipswich Town Character Statement**. *Any development of housing, including affordable housing, needs to be considered in the context of these planning documents, which identify how the Town should "grow smart" and grow in ways that preserve the Town's character.* Below is a brief description of each of these plans (A more thorough description of the three plans is provided in Appendix 4.3. Also, the plans can be found in their entirety on the Town's website, [www.town.ipswich.ma.us](http://www.town.ipswich.ma.us).)

#### **Ipswich Community Development Plan**

The **Ipswich Community Development Plan (CDP)**, adopted in 2003, focuses on three topics: Housing, Economic Development, and Transportation. In fact, Section 2 of this report is an updated version of the Housing Profile provided in the CDP. The CDP also incorporates, by reference, the Town's Open Space and Recreation Plan, and the Green Ring Report and Town Character Statement described below. As well, the CDP outlines nine smart growth principles to guide future development. These include the following:

1. **Provide a range of housing opportunities for residents of all levels of income and abilities.** Different choices are essential for Ipswich to remain a diverse community, and for the Town to continue to be able to welcome a variety of new residents who wish to live in Ipswich.
2. **Reduce sprawl by limiting excess roadways and by evaluating and controlling the growth impacts associated with sewer extensions.** New growth should be focused in and near the downtown, or in compact configurations elsewhere in Town. Extensive new roads and spread out development patterns are generally inconsistent with these smart growth principles and should be minimized through regulations and incentives.
3. **Protect the village character and strong "sense of place" of downtown Ipswich with its locally-owned businesses, mix of uses, healthy economy, pedestrian-friendly environment, historical resources, multi-modal transportation, and prominent role in community life.** Where applicable, new development proposals and proposed changes to the Town's bylaws and regulations should work to enhance these positive qualities of downtown Ipswich.

#### **The Vision for Open Space: The Ipswich Green Ring Report**

**The Vision for Open Space: The Ipswich Green Ring Report**, prepared in 2000, includes a "Vision Statement" that establishes a number of objectives, including "Providing a wide variety of economic and housing opportunities to support social and economic diversity in the community." The Report also envisions an "historic downtown core that is surrounded by an ecologically diverse

network of open spaces containing wildlife corridors and trails for equestrian and human use,” and housing that is “concentrated in the downtown core, where a lively village commercial center still offers owner-operated retail establishments.”

### **Ipswich Town Character Statement**

The stated purpose of the **Ipswich Town Character Statement (TCS)**, adopted in 2004, is to “preserve the distinct historic character of Ipswich as well as protect the diverse community and environmental resources that define the town.” Intended as a resource for developers, community members, and town officials, the TCS offers guidelines and recommendations aimed at “encouraging responsible development by promoting both aesthetic and functional ideas for design.” The TCS is meant to “ensure that future development fits local surroundings and adds to the distinctive local character. Special permit granting authorities are encouraged to use the guidelines described in the TCS to help determine whether or not a proposal meets the criterion of “compatibility with neighborhood character.”

A common thread running through the above reports is that any proposed housing development should be viewed in the context of how the development assists the community in achieving its objectives. One clear objective is that new housing development, to the extent possible, should be concentrated in the town center, consistent in design with the historic buildings already located there. The reports further suggest that development which may be dispersed throughout the community to achieve an integration of housing by income levels should not intrude on the key ecological and wildlife corridors that run throughout the Town. Finally, the planning efforts described above clearly direct Town review boards to consider the Town’s carefully developed “vision”, goals, and smart growth criteria when reviewing all development proposals, including affordable housing, in the community. *Thus, all affordable housing development projects should be consistent with the goals of the plans described above, which are incorporated by reference into this Plan.*

### **1.4 Development Constraints/Carrying Capacity**

Conditions that constrain development in a community include local regulations, physical limitations, and capacity of municipal infrastructure. Ipswich has strived to develop zoning and other local regulations that achieve the desired patterns of land use, population diversity and environmental protection outlined in the CDP. In doing so, the Town has created a regulatory structure that provides significant opportunity for affordable residential development (as noted in **1.2**), including high-density residential development in the town center. At the same time, the regulations discourage development in the town’s environmentally sensitive and sparsely developed areas of town. With more than a third of the town’s land area comprised of salt marsh, there are substantial portions of the town that are physically unsuitable for any type of development, and significantly more land area, especially in the coastal and outlying areas, that can only accommodate low density development. The Land Suitability Map in the CDP (Figure 1-1, after p. 6) generally defines the areas of land in Ipswich that are suitable for development.

The ability of the Town to accommodate additional growth is also affected by the “carrying capacity” of its infrastructure. The CDP identifies several measures of carrying capacity in the Town (see Appendix **4.4**), including public water supply, wastewater treatment, public schools, and public safety facilities. Water supply is the Town’s most severe growth limitation, but the schools (at 95% capacity) and public safety facilities (current fire station needs to be replaced) also pose limits. At



present Ipswich can accommodate modest population growth, most suitably in the central area of town, which is served by public sewer and a commuter rail station.

## 2.0 HOUSING NEEDS ASSESSMENT<sup>3</sup>

Housing is a key part of what makes Ipswich unique: from downtown apartments to oceanside bungalows to traditional New England farmhouses, residences help define the Town's physical landscape and determine what kinds of people choose to live here. Many of Ipswich's older homes blend gracefully into the Town's semi-rural landscape of fields, forests, and coastline, or into its compact downtown. And, historically, the Town's housing stock has provided affordable options for the working class as well as the wealthy, for families as well as non-family households. Much—though by no means all—of the newer housing in Ipswich is less distinctive, following a conventional template of suburban development that is replicated nationwide, a template that of ten brings with it a homogenization of landscape and community.

Recognizing the threat of “cookie-cutter” suburban development to the Town's character and socioeconomic diversity, Ipswich in recent years has taken a pro-active approach toward requiring appropriate siting and design for new development, as well as toward meeting the housing needs of a wide range of residents. Despite these efforts, however, the Town is still seeing new “sprawl” development and still struggles with providing enough affordable housing.

An evaluation of housing stock should consider three important aspects: the housing structures themselves, the population that inhabits the housing, and the environments in which the housing is located. This chapter provides an inventory of the Town's existing housing stock, discusses recent housing trends in Ipswich, and evaluates housing costs, affordability, and local needs. Analyses in this chapter are based on data from the Town, the state, and the U.S. Census.

### 2.1 Existing Housing Stock

#### 2.1.1 Age and Condition of Housing Stock

As of 2000, there were 5,601 housing units in Ipswich.<sup>4</sup> This represents a net increase of 439 units, or 8.5%, from the 1990 total of 5,162 units. During the 1990s, the number of housing units grew by 5.6% in Essex County and by 6.0% statewide. The number of housing units in a group of nearby Essex County communities<sup>5</sup> grew by an average of 14.1% during this period.

Information from the 2000 U.S. Census on the age of the Town's housing stock is presented in **Table 2-1**. Approximately 37% of the Town's housing stock was constructed prior to 1940, 20% between 1940 and 1959, and 22% between 1960 and 1979. About 22% of the Town's housing has been

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<sup>3</sup> This Part 2 was created for the 2003 Ipswich Community Development Plan, and is presented here edited and updated, with some new figures added.

<sup>4</sup> U.S. Census Bureau, 2000.

<sup>5</sup> This group includes the following communities: Boxford, Danvers, Essex, Georgetown, Hamilton, Manchester, Middleton, Newbury, North Andover, Rowley, Topsfield, and West Newbury. The Ipswich Growth Management Steering Committee selected this group of towns as an appropriate benchmark for comparison to Ipswich because of their geographic proximity to Ipswich and their partial similarity in some regards (e.g., landscape, demographics, and growth patterns).

constructed during the past 20 years, with 11% constructed since 1990. Despite the age of many of the housing units, field investigations of the Town’s residential areas revealed that most of Ipswich’s housing stock is in very good condition. The Town is home to a large number of pre-1730 early colonial homes that have been well maintained and continue to function as private residences.

**Table 2-1**  
**Age of Housing Stock in Ipswich, 2000**

<b>Year Built</b>	<b>Total Units</b>	<b>%</b>
1939 or Earlier	2,039	36.5
1940 to 1959	1,117	19.9
1960 to 1969	565	10.1
1970 to 1979	644	11.5
1980 to 1990	635	11.3
1990 to 2000	601	10.7
<b>Total</b>	<b>5,601</b>	<b>100.0</b>

Source: U.S. Census Bureau, 2000.

### 2.1.2 Types of Housing Units

**Table 2-2** summarizes Ipswich’s housing stock by type of unit. Consistent with national trends, single-family detached housing comprises the majority (66.5%) of the Town’s housing inventory, as illustrated in **Figure 2-0**. While housing grew at a rate of 8.5% during the 1990s, the growth rate for single-family detached homes was 12.2%. From 1990 to 2000, the share of single-family attached units, or townhouses, grew at the fastest rate—almost 90%.<sup>6</sup> The number of two-family units in Ipswich decreased by 3.6%. Other types of multi-family housing remained roughly the same or decreased slightly.

Source: U.S. Census, 2000

**Table 2-2**  
**Types of Units in Ipswich, 1990 and 2000**

<b>Type of Units</b>	<b>1990 Units</b>	<b>1990 %</b>	<b>2000 Units</b>	<b>2000 %</b>	<b>% Change</b>
Single-family (detached)	3,318	64.3	3,723	66.5	12.2
Single-family (attached)	166	3.2	315	5.6	89.8
Two-family units	388	7.5	374	6.7	-3.6
Three or four units	402	7.8	409	7.3	1.7
Five to nine units	340	6.6	316	5.6	-7.1
Ten to nineteen units	142	2.8	143	2.6	0.7
Twenty or more units	326	6.3	303	5.4	-7.1
Mobile Home <sup>a</sup>	13	0.3	18	0.3	38.5
Other	67	1.3	--	0.0	-100.0

<sup>6</sup> A single-family attached unit is a 1-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In rowhouses or townhouses, each house is a separate, attached structure if the dividing or common wall extends from ground to roof.

<b>Total Units</b>	<b>5,162</b>	<b>100.0</b>	<b>5,601</b>	<b>100.0</b>	<b>8.5</b>
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Source: U.S. Census Bureau, 1990 and 2000.

<sup>a</sup> It should be noted that the Ipswich Zoning Bylaw has prohibited mobile homes since the 1970s. Although the Census Bureau identified the number of mobile homes as having increased during the 1990s, improper sampling methods or changes to the classification methodology may have caused this result. In 1990, the Census Bureau identified 67 housing units of type “Other” while no units were so classified in 2000. It is likely that several units classified as “Other” in 1990 were reclassified as mobile homes in 2000.

**Table 2-3** summarizes the breakdown of housing types of a selected group of nearby Essex County communities.<sup>7</sup> For this Essex County sub-region, single-family housing grew on average at a rate of 16.2% during the 1990s, while the number of single-family attached units grew by only 23.5%. Compared to many of its neighbors, Ipswich has a more diverse housing inventory, with a smaller portion of the Town’s units comprised of single-family detached units (66.5% in Ipswich versus an average of 72.1% in the nearby communities). In terms of providing multi-family housing, however, Ipswich lost ground to its neighbors in the 1990s: the Town’s housing stock actually became less diverse. The percentage of multi-family housing (i.e., 3+ units per structure) in Ipswich dropped from 23.5% of all housing in 1990 to 20.9% in 2000. At the same time, the percentage of multi-family housing in the surrounding sub-region increased slightly from 16.5% to 16.9% of all housing. Much of the new multi-family housing in the nearby towns was probably created through Comprehensive Permits under MGL Chapter 40B (see **Section 2.4.3**).

**Table 2-3**  
**Types of Units in Nearby Communities<sup>9</sup>, 1990 and 2000**

<b>Type of Units</b>	<b>1990 Units</b>	<b>1990 %</b>	<b>2000 Units</b>	<b>2000 %</b>	<b>% Change</b>
Single-family (detached)	2,183	70.6	2,538	72.1	16.2
Single-family (attached)	119	3.8	147	4.2	23.5
Two-family units	222	7.2	219	6.2	-1.4
Three or four units	141	4.6	176	5.0	24.8
Five to nine units	141	4.6	157	4.5	11.3
Ten to nineteen units	151	4.9	135	3.8	-10.6
Twenty or more units	73	2.4	125	3.6	71.2
Mobile Home	26	0.8	21	0.6	-19.2
Other	36	1.2	3	0.1	-91.7

<sup>7</sup> This group includes Boxford, Danvers, Essex, Georgetown, Hamilton, Manchester, Middleton, Newbury, North Andover, Rowley, Topsfield, and West Newbury.

<b>Total Units</b>	<b>3,091</b>	<b>100.0</b>	<b>3,522</b>	<b>100.0</b>	<b>13.9</b>
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Source: U.S. Census Bureau, 1990 and 2000.

### 2.1.3 Size of Housing Units

Recent housing trends in the U.S. have seen the construction of larger homes. This trend held true in Ipswich, where single-family homes constructed during the late 1990s and early 2000s averaged about four bedrooms each. Data from the U.S. Census (**Figure 2-1**) confirms that the average home size in Ipswich increased between 1990 and 2000. In 1990, less than 35% of the Town's housing units contained seven or more rooms and only 20% had eight or more rooms. By 2000, 42% had seven or more rooms, while 27% had eight or more rooms. Despite this recent increase, houses in Ipswich are still, on average, relatively small when compared to homes in many neighboring Essex County communities.

**Figure 2-2** shows how the average size of homes in twelve nearby Essex County communities<sup>8</sup> changed between 1990 and 2000. In 1990, about 46% of the housing units in these towns contained seven or more rooms while 30% had eight or more rooms. In 2000, 51% had seven or more rooms, while more than 34% contained eight or more rooms. The smaller average size of units in Ipswich almost certainly reflects the Town's greater proportion of multi-family housing, which tends to have smaller units.

The data in **Figure 2-1** and **Figure 2-2** reveal that the average size of housing units in Ipswich has been growing much faster than in many neighboring communities. In 1990, much of the housing in nearby Essex County communities already contained six or more rooms. Ipswich still had a significant portion of its housing comprised of units with only four or five rooms. Ipswich's inventory of 4-room units dropped most sharply during the 1990s, from 874 units (17% of the Town's inventory) in 1990 to only 543 units (just under 10% of the inventory) in 2000—a decline of 38%. Ipswich's inventory of housing units with 8 rooms grew by nearly 44% during the 1990s versus a growth rate of only 22% for the nearby Essex County communities. Evidence of at least some success in promoting housing diversity can be seen in the sharp increase in the number of two-room units, which increased by more than 114% in Ipswich between 1990 and 2000, compared to only 47.3% for nearby Essex County communities.

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<sup>8</sup> This group includes Boxford, Danvers, Essex, Georgetown, Hamilton, Manchester, Middleton, Newbury, North Andover, Rowley, Topsfield, and West Newbury.

#### 2.1.4 Housing Ownership

The rate of homeownership in Ipswich increased significantly in the past ten years. Approximately 72.9% of housing units in Ipswich were owner-occupied in 2000 as compared to 62.2% in 1990. While the total number of units in the Town increased during the 1990s, the number of rental units actually dropped from 1,470 to 1,436, a decrease of 2.3%. This decrease in the number of rental units is likely due to a combination of demolitions and condominium conversions. In 2000, 27.1% of Ipswich householders were renters as compared to 20.6% in the comparison group of nearby Essex County communities and 36.4% for Essex County as a whole.

Using data from the 2000 U.S. Census, **Table 2-4** provides a breakdown of ownership and rental households by age of householder for Ipswich, a group of neighboring Essex County communities, Essex County as a whole, and the state. Ipswich has a lower percentage of homeowners aged 25 to 34 than many of its neighbors, the county, and the state. This may simply mirror the fact that the aged 25-34 population decreased significantly in Ipswich during the 1990's. As illustrated in **Figure 2-9**, this age cohort shrank by 8.8% between 1990 and 2000. A possibility is that the rapid increase in housing prices and trend toward construction of larger homes have formed a barrier for first-time home-buyers seeking homes with fewer than four rooms.

The Town also has a smaller percentage of homeowners aged 35-44 and 45-54 than many of its neighboring communities, but a larger percentage than the county and the state. While cost of housing is one factor that may lead to these patterns, there are other considerations as well. These include the type of housing that is available, proximity to employment, transportation access, and accessibility of entertainment and other social activities. Another possibility is that, since Ipswich has a higher percentage of rental housing than nearby towns, given the option, some younger households might choose to rent rather than buy.

**Table 2-4  
Homeownership by Age of Householder, 2000**

Age of Householder	Ipswich		Nearby Towns <sup>a</sup>	Essex County	Massachusetts
	Number	%	%	%	%
<b>Owner Occupied Units</b>					
15 to 24 years	8	0.2	0.2	0.3	0.4
25 to 34 years	259	4.9	6.7	6.4	6.5
35 to 44 years	925	17.5	21.6	15.5	14.7
45 to 54 years	1,040	19.7	21.5	15.7	14.8
55 to 64 years	694	13.1	12.9	10.2	10.0
65 to 74 years	495	9.4	9.4	8.1	8.1
75 to 84 years	347	6.6	5.8	5.8	5.7
85 years and older	86	1.6	1.4	1.5	1.5
<b>Subtotal</b>	<b>3,854</b>	<b>72.9</b>	<b>79.4</b>	<b>63.6</b>	<b>61.7</b>
<b>Renter Occupied</b>					
15 to 24 years	71	1.3	0.8	2.5	3.5
25 to 34 years	294	5.6	4.5	8.8	10.7
35 to 44 years	341	6.4	4.8	8.5	8.4
45 to 54 years	251	4.7	3.2	5.8	5.5
55 to 64 years	130	2.5	1.8	3.4	3.2
65 to 74 years	154	2.9	2.0	3.1	2.9
75 to 84 years	132	2.5	2.4	3.0	2.8
85 years and older	63	1.2	1.1	1.3	1.2
<b>Subtotal</b>	<b>1,436</b>	<b>27.1</b>	<b>20.6</b>	<b>36.4</b>	<b>38.3</b>
<b>Total Households</b>	<b>5,290</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: U.S. Census Bureau, Census 2000.

<sup>a</sup> This group includes the following communities: Boxford, Danvers, Essex, Georgetown, Hamilton, Manchester, Middleton, Newbury, North Andover, Rowley, Topsfield, and West Newbury.

### 2.1.5 Vacancy Rates and Abandoned or Vacant Units

Vacancy rates are an indicator of the availability of housing units. A vacancy rate of 5% is considered ideal because it allows occupants to move freely in the marketplace. A vacancy rate below 5% indicates that there is demand for additional housing. The vacancy rate for rental units in Ipswich was 8.9% in 1990. Reflecting the tight housing market found throughout eastern Massachusetts, Census 2000 placed the rental vacancy rate at 2.7%. Vacancy rates for single and two-family ownership units have been consistently low in Ipswich: 1.1% in 1990 and 0.9% in 2000. With vacancy rates this low, it is common for homes to be sold as soon as they are placed on the market and often after only one showing.

While the *vacancy rate* includes only units that are available for rent or sale, the number of *unoccupied units* also includes dwellings that are not available for rent or sale because they are abandoned, dilapidated or otherwise not suitable for habitation. In 1990, unoccupied units in Ipswich accounted for 250 units, or 4.8% of the Town's housing stock (of these, 41 were considered not suitable for habitation while 209 were merely vacant). A stronger housing market by the end of the

1990s reduced this number to 124 unoccupied units, or 2.2% of the total (of these, 46 were considered not suitable for habitation while 78 were merely vacant).<sup>9</sup> This figure compares to 2.6% for Essex County and 3.2% for the state.

### **2.1.6 Home Sales Activity**

Home sales remained fairly consistent in Ipswich from 1994-2004, with an average of 291 homes (including both condominium units and single family houses) being sold each year. The peak of sales activity was during 1998, when 371 homes were sold; the lowest point was 1992, during the recession of the early 1990s, when only 247 homes were sold.<sup>10</sup> **Figure 2-3** shows sales activity during this period.

### **Figure 2-3 Home Sales Activity in Ipswich, 1994-2004**

## **2.2 Residential Zoning, Regulations, and Development Patterns**

Residential development is influenced by several factors, including historical development patterns, local zoning regulations, and the forces of supply and demand in the housing market. This section provides an overview of the Town's residential zoning regulations as well as past residential development patterns and trends.

### **2.2.1 Residential Zoning Districts**

The Town contains four residential zoning districts: the Intown Residence (IR) district and three Rural Residence districts (RRA, RRB, and RRC). As an incentive to developers to construct affordable housing and conserve open space in the Rural Residence districts, the Town offers a 100% density bonus in these districts (a net average density of 1 unit per acre instead of the otherwise required 1 unit per 2 acres). Multi-family housing is also allowed in the Town's two commercial districts, the General Business (GB) district and the Central Business (CB) district.

#### Intown Residence (IR)

The Intown Residence (IR) district allows a combination of single-family and two-family houses. Multi-family housing and small businesses are also allowed by special permit. This district, located in and around the town center, has both public water and public sewer and comprises approximately 2.2% of the Town's land area. Single-family structures require 10,000 sq. ft. while two-family structures require 12,000 sq. ft. Multi-family structures require 9,000 sq. ft. for the first unit and 5,000 sq. ft. for every unit thereafter, resulting in an overall allowed density of about 8 units per acre for larger projects.

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<sup>9</sup> In addition to the 124 unoccupied units in Ipswich, there were 187 seasonally occupied units in the Town. The total number of unoccupied plus seasonally occupied units in Ipswich (311) accounts for the difference between the total number of units (5,601) and the total number of households (5,290) identified in the 2000 U.S. Census.

<sup>10</sup> Source: Banker and Tradesman, a publishing and information services organization that provides services to professionals working in the fields of real estate, banking, and commerce.

### Rural Residence A, B, and C

The RRA district consists of rural and semi-rural areas throughout Ipswich, and covers about 89% of the Town. Public water is generally available while public sewer is generally not. Single-family homes are allowed by right on two-acre lots, while two-family houses are allowed by right on 3-acre lots. Multi-family housing may be allowed by special permit from the Planning Board, with structures requiring 9,000 sq. ft. for the first unit and 5,000 sq. ft. for every unit thereafter. Reduced dimensional requirements (density bonuses) are available for Open Space Preservation (Cluster) Zoning OSPZ and affordable housing, as discussed in **Section 2.2.2** below. The RRB and RRC districts are virtually identical to the RRA district in terms of purpose, allowed uses, and dimensional requirements, except that RRB is limited to single-family homes. RRB is located only on Great Neck and Little Neck, forming approximately 2.2% of the Town's area, and RRC is located along Paradise Road north of downtown, covering approximately 1.7% of the Town.

### Central Business (CB)

The CB district is primarily intended for a composite of uses comprising the Town's core, including business and retail uses, multi-family residential uses, and office and institutional uses. The area is served by municipal water supply and sewerage and forms less than 1% of the Town. Multi-family housing is allowed by special permit, with structures requiring 5,000 sq. ft. for the first unit and 2,500 sq. ft. for every unit thereafter up to 6 units, and 5,000 sq. ft. for each unit over 6, for an overall allowed density of about 11 units per acre for larger projects. Mixed residential and business use is also allowed, with structures requiring 3,000 sq. ft. for the first dwelling unit and 2,000 for unit thereafter, giving a density of approximately 21 units per acre maximum.

### General Business (GB)

The GB district is primarily intended for retail, trade, service, and other commercial uses with some compatible light industrial uses, but some multi-family residential uses may be permitted. The area is served by municipal water supply and sewerage. Multi-family and mixed-use developments are allowed by special permit, with the same dimensional requirements as the CB district.

### Highway Business (HB)

The HB district is primarily intended for retail, trade, service, and other commercial uses, but some multi-family residential uses may be allowed by special permit. The area is served by municipal water supply, but only partially by the sewerage system. Multi-family residential use is allowed by special permit, with structures requiring 25,000 sq. ft. for the first unit and 5,000 sq. ft. for each unit thereafter. Reduced dimensional requirements (density bonuses) are available for Open Space Preservation (Cluster) Zoning OSPZ and affordable housing, as discussed in **Section 2.2.2** below.

## **2.2.2 Zoning Regulations that Encourage Affordable Housing**

The Town's zoning bylaw includes several measures to encourage affordable housing development, as summarized in **Table 2-5**.

### Open Space Preservation (Cluster) Zoning (OSPZ)

Developers proposing to build more than six single-family units must submit an OSPZ plan to the Planning Board, while developers of five or fewer units may submit an OSPZ plan in lieu of the conventional plan. After reviewing the applications, the Planning Board decides which of the site



plans it prefers and the applicant then decides on how to develop the site. Allowed uses in an OSPZ development include single-family detached houses, single-family attached houses, and community-related uses.

To determine the allowed density in an OSPZ development, the applicant submits a yield plan to establish the “base density.” One-half of the wetland/flood plain area counts toward lot area. The number of allowed units in an OSPZ development is up to 100% of base density in the RRA and RRB districts and 120% of the base density in the RRC district. The development may be served by public sewer or by individual or shared septic systems. At least 50% of the site must be publicly accessible open space, which should be selected by consulting the Planning Board’s “Criteria for Evaluating Proposed Open Space.” Specific dimensional requirements apply and Special Permits are required for OSPZ developments.

#### Inclusionary Housing Requirements

The Town’s Inclusionary Housing Bylaw is a mandatory requirement that applies to all multi-family developments requiring special permits. In addition, it is an optional provision that developers may use to construct developments in the Rural Residence districts at a density higher than that allowed by the base zoning (see above). For any development subject to the bylaw, 10% of units must be affordable. For developments that are less than 10 units in size, the developer may pay the Town \$10,000 per unit in lieu of providing an affordable housing unit. These funds are then used for local affordable housing programs. Housing developed under this bylaw must be made affordable to households earning 70% (or less) of the regional median household income, as defined by the U.S. Department of Housing and Urban Development, for rental units, and up to 80% for owned units. In addition, the units are subject to long-term use and/or resale restrictions to ensure that they remain affordable for the longest period practicable by law, but at least 99 years. Affordable family units generally must have at least two bedrooms.

The Planning Board may reduce the required percentage of affordable units to 5% if the units are made affordable to households earning 50% or less of the region’s median household income. The Board may also increase the required percentage to 15% if it determines that federal, state, or local subsidies are available to defray any additional cost to the developer. The bylaw also allows the required affordable housing to be provided off-site.

#### Accessory Uses

Accessory apartments are allowed by special permit from the Zoning Board of Appeals in all residential districts. Accessory apartments are generally defined as small dwelling units that are located in the same building as the primary residence (but with a separate entrance). In addition, home occupations are allowed as-of-right in almost all districts as long as they create minimal impacts.

#### Additional Residential Structures on Existing Lots

Property owners may renovate existing accessory buildings into additional residential structures by special permit on single-family and two-family lots in residential districts, as long as the proposed additional dwelling unit is located within the envelope of a pre-existing accessory building. In addition, owners are encouraged to provide a mechanism to ensure long-term affordability for the accessory unit. To the extent possible, the Town may provide a financial subsidy to assist the applicant in satisfying this objective.

**Table 2-5.  
Summary of Zoning Bylaws Encouraging Affordable Housing Development**

<b>Purpose</b>	<b>Bylaw</b>	<b>Adopted</b>	<b>Housing Policy<sup>a</sup></b>
Infill development	Section VI, Table of Dimensional and Density Regulations, Footnote 28	2003	H1-1
Adaptive Reuse	Section V, Table of Use Regulations, Footnote 23	2002	H1-3
Mixed-use development	Section V, Table of Use Regulations, Footnote 20	1998	H1-4
Open space preservation/ clustered development	Section IX A	1999	H3-1
Inclusion of affordable units	Section IX I	2004	H4-1
Accessory units	Section VI, Table of Dimensional and Density Regulations, Footnote 11	2003	H4-2

<sup>a</sup> From Ipswich's Community Development Plan, adopted 2003, included in this document as Appendix 4.1  
Source: Ipswich Zoning Bylaw, updated October, 2004.

### **2.2.3 Established Residential Development Patterns**

Like many older New England towns, Ipswich is characterized by a densely populated town center and more sparsely populated rural areas. Much of the densely populated area is contained within the Intown Residence (IR) district, encircling the downtown business areas. The street pattern in the town center is generally rectilinear and interconnected, with a few cul-de-sacs and small dead-end roads. Sidewalks exist throughout this pedestrian-friendly area.

Most of the Town's major roads are directed radially outward from the center. While these roads have some residential development along their frontages, many of the rear parcels are currently being farmed or are undeveloped woodland. This is true of Argilla Road, Essex Road, and County Road in the southeast of Town and Topsfield Road and Linebrook Road in the west. The Willowdale State Forest and Bradley Palmer State Park limit the amount of development that can occur in the southwestern section of Town.

Other densely populated residential areas include Great Neck and Little Neck, which are developed in a circular grid system. Originally a seasonal home area, many of the houses are small, tightly clustered, and located on or near the water. Most of the lots on Great Neck do not conform to the RRB dimensional requirements. Little Neck is even more densely populated, with houses sitting on about 3,000 square feet of land each.

A few larger residential subdivisions have been developed off several of the major arterials. These include: the houses within the Ipswich Country Club off Route 1 (Newburyport Turnpike); the Pinefield subdivision off Linebrook Road; Longmeadow Drive, Bushhill Road, and Turner Hill (under development) off Topsfield Road; and Drumlin Road off Essex Road in the southeast. Some

of these developments were built under the Open Space Preservation Zoning bylaw so lot sizes are smaller than the one acre that would otherwise have been required; similarly, Turner Hill is being developed as a Great Estate Preservation Development, which allows concentrated development. The Pinefield subdivision was built prior to the one acre zoning coming into effect.

## 2.2.4 Recent Housing Projects and Trends

The Town has sought to mitigate the trend toward larger single-family detached homes to some extent by encouraging other types of housing such as multi-family units, moderate-income housing, and senior housing. The largest new multi-family project, Turner Hill, includes about 182 housing units and was permitted under the Great Estate Preservation Development (GEPD) bylaw. Turner Hill will include villas, townhouses, and condominium units, and has been developed in a village cluster style with much of the site retained as open space. Consistent with the GEPD bylaw 10% affordable housing must be provided. Under this bylaw, the affordable units may be located on-site or off-site. In the case of Turner Hill, the majority of the units will be located off-site as part of the Powderhouse Village (YMCA) project.

Infill or adaptive reuse projects with a housing component have been proposed or constructed in several downtown locations, including Depot Square, Hammatt Street, Central Street, Green Street, Market Street, and Brownville Avenue. As a result of these initiatives, 54 new units have been created, 22 of which are affordable.

During the 1990's, the number of year round housing units in Ipswich increased from 4,864 to 5,414, or 11.3%, an additional 550 units (see **Table 2-6**). Not all of these units were new construction; a significant number were conversions of seasonal homes. In 2000, 187 of the Town's 5,601 total housing units were seasonal homes or second homes, a decrease from 1990, when there were approximately 298 such units. Many structures originally constructed as seasonal homes have been converted to year-round residences, particularly on Great Neck. Consequently, the Great Neck/Little Neck area has become the most densely populated section of Town outside of the town center.<sup>11</sup>

Also shown in **Table 2-6**, the number of rental units in the Town also declined over the 1990's. There were 1,614 rental units in Ipswich in 1990, forming nearly one third (31%) of the housing stock. In 2000, there were only 1,475 units for rent, only 28% of the housing stock. As units became more scarce, the rental market became increasingly tight, with the vacancy rate falling from 8.7% in 1990 to 2.7% in 2000.

## 2.3 Potential for Future Residential Growth

In 1999, students at the Harvard Graduate School of Design (GSD), under the supervision of the Metropolitan Area Planning Council (MAPC), prepared a buildout analysis for Ipswich as part of the GSD's *Grow Smart North Shore* studio project.<sup>12</sup> A buildout analysis attempts to estimate the number of dwelling units and the amount of business development that could potentially be built in a community, assuming that all the buildable land is developed in accordance with zoning regulations and environmental laws. Subsequently, MAPC revised the GSD's work based on feedback from the Town to include an analysis of potential development under the Great Estate Preservation Development (GEPD) bylaw and to incorporate other comments. As part of this report, Daylor

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<sup>11</sup> Ipswich Open Space and Recreation Plan, 2000.

<sup>12</sup> The methodology for the buildout analysis is consistent with MAPC's methodology for all state-sponsored analyses.

Consulting Group has again modified the study results to exclude two of the GEPD-eligible parcels that were recently developed (Turner Hill and the Don Bosco parcel, which will soon be occupied by New England Biolabs).

### **2.3.1 Buildout Analysis**

The results of the final buildout analysis are provided in **Table 2-7**. Overall, an estimated 4,190 new dwelling units could be added to the Town's existing total of 5,601, for a total buildout of almost 9,800 dwelling units.<sup>13</sup> This represents a 75% increase over existing conditions. The buildout analysis also estimated the effect of potential new development on the Town's population, number of public school students, water demand, miles of roadway, and solid waste generation (**Table 2-8**). Estimates for new population and new school children are based on multipliers that MAPC developed specifically for Ipswich: 2.36 persons per household (based on 2010 projections) and 0.33 school children per household (based on the 1990 ratio). Multipliers for the other parameters are the standard multipliers used in MAPC's general methodology for the region and the state. As shown in **Table 2-8**, Ipswich's population could swell by almost 10,000 at buildout, from 12,987 (as of 2000) to almost 23,000, an increase of 76%.

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<sup>13</sup> The buildout analysis is based on zoning in effect as of 2000. At that time, a one-acre lot size was required in the Rural Residence Districts, which was subsequently changed to a two-acre minimum lot size. However, the original buildout analysis is still applicable assuming developers take advantage of incentive provisions allowing development at a net density of one unit per acre in exchange for protected open space and affordable housing.

**Table 2-6.  
Housing Trends<sup>a</sup>**

	<b>1990</b>	<b>2000</b>	<b>Trend<sup>b</sup></b>
Population	11,873	12,987	9.4% increase
Year Round Housing Units <sup>c</sup>	4,864	5,414	11.3% increase
Number of Rental Units	1,614 (31%)	1,475 (28%)	4% decrease
Homeowner vacancy rate	1.1%	.9%	18.2% decrease
Rental vacancy rate	8.9%	2.7%	69.7% decrease
Number of Households	4,683	5,290	13% increase
Average Household Size	2.5	2.42	3.2% decrease
Owner-occupied Households	3,213 (67%)	3,854 (73%)	20% increase
Renter-occupied Households	1,470 (31%)	1,436 (27%)	2.3% decrease
Median Income	\$42,386	\$57,284	35.1% increase
Households Below 80%	1,906 (41%)	2,333 (44%)	Stable
Households Below 50%	1,280 (27%)	1,091 (21%)	Decrease
Households Below 25%	526 (11%)	444 (8%)	Decrease
Median Rent	\$566	\$664	17.3% increase
Units at 80% Median Rent	535 (37%)	419 (30%)	Decrease
Units at 50% Median Rent	276 (14%)	213 (11%)	Decrease
Median Home Value	\$192,600	\$266,700	38.5% increase
Homes at 80% Median Value	449 (17%)	843 (26%)	Increase

<sup>a</sup> Source: 1990 and 2000 Census. Thus, the most recent information in this table is from 1999. Some figures are approximated from data reported in categories rather than as continuous data; therefore, some of the percentages in this table are overstatements or understatements to varying degrees. For instance, the 1990 Census data allows us to calculate 80% of the median household income as \$33,909, and shows that income for 1,906 households was categorized as less than \$35,000, so an approximation of the percentage of households at the 80% median income level is 1906/4683, or 41%. This would be a slight overstatement, since it includes those households earning between \$33,909 and \$35,000.

<sup>b</sup> Percent change was not calculated where approximated values are given.

<sup>c</sup> Housing units that are not for recreational, seasonal or occasional use.

**Table 2-7  
Ipswich Residential and Commercial Buildout Analysis, 2000**

Zoning District	Developable Acres	Net yield (d.u. per acre) <sup>a</sup>	Net yield (effective F.A.R.) <sup>a</sup>	% of District Allocated to Use	New d.u. at Buildout	New Commercial/Industrial s.f. at Buildout
<b>RRA</b>	4,500	0.81		100%	3,549	
<b>RRB</b>	129	0.81		100%	103	
<b>RRC</b>	226	0.81		100%	176	
<b>IR</b> 1-family	53	3.12		60%	95	
2-family	53	5.39		20%	54	
Multi-fam.	53	6.00		20%	60	
<b>HB</b> Multi-fam.	61	4.99		50%	145	
Other	61		0.49	50%		620,577
<b>B</b> Mixed-use	1	7.96	0.55	100%	8	16,264
<b>PC</b>	49	-	0.40	100%		795,506
<b>I</b> Comm.	14	-	0.40	50%		40,581
Industrial	14	-	0.38	50%		38,551
<b>LI</b>	41	-	0.38	100%		681,260
<b>Great Estates<sup>b</sup></b>	171	-	0.043	100%		320,000
<b>Total</b>					<b>4,190</b>	<b>2,542,739</b>

Sources: *Grow Smart North Shore*, Harvard University Graduate School of Design, 1999, and MAPC, 2000.

<sup>a</sup> Yield may be lower in areas within flood zone or 100'-200' river zone. Accordingly, numbers presented in this table do not always compute precisely to the net new buildout.

<sup>b</sup> The only remaining developable site that is GEPD-eligible is the Sisters of Notre Dame property. If this parcel were instead developed in accordance with the underlying zoning, up to 138 dwelling units could be built in lieu of the 320,000 sq. ft. of commercial space.

**Table 2-8  
Impact of Potential Buildout**

Zoning District	New Dwelling Units	New Comm./Indust. s.f.	New Residents	New School Children	New Water Demand (gal/day)	New Solid Waste (tons)	New Roads (miles)
<b>RRA</b>	3,549		8,377	1,313	628,242	3,244	70.6
<b>RRB</b>	103		243	38	18,221	94	2.1
<b>RRC</b>	176		415	65	31,159	161	3.5
<b>IR</b>	209		493	77	36,990	191	1.3
<b>HB</b>	145	620,577	343	54	72,248	133	0.2
<b>B</b>	8	16,264	19	3	2,659	7	
<b>PC</b>		795,506			59,663		
<b>I</b>		79,132			5,935		
<b>LI</b>		681,260			51,094		
<b>Grt. Est.</b>		320,000			31,182		
<b>Total</b>	<b>4,190</b>	<b>2,542,739</b>	<b>9,890</b>	<b>1,550</b>	<b>937,393</b>	<b>3,820</b>	<b>78</b>

Sources: *Grow Smart North Shore*, Harvard University Graduate School of Design, 1999, and MAPC, 2000.

Because of the large number of factors that influence development potential in a community, the buildout analysis is intended to provide not an exact determination of future growth potential, but rather a general order-of-magnitude estimate. Nevertheless, this study is very useful for planning because it gives the Town a picture of what the future might hold if the community does nothing to alter its present course. In a few key regards, the picture that the buildout presents is at odds with the Town's vision for the future. For example, the addition of 4,000-plus new dwellings and 78 miles of new road would obliterate much of the Town's remaining rural character as it consumed key open space parcels. In addition, the Town's current water supply would be unable to provide the almost one million gallons per day of additional water needed to service the full buildout scenario, and it is doubtful that additional water sources could be found to meet this demand, except at exceptional cost. These factors challenge the Town to find ways to reduce both the amount of development that could occur in the future, and the potential impacts of this development.

## **2.4 Housing Affordability Analysis**

Housing affordability is a critical factor that determines what types of people will be able to live in Ipswich and, in turn, what type of community Ipswich will be. This section provides an analysis of housing costs and affordability, as well as existing programs and policies for providing affordable housing in the Town.

### **2.4.1 Cost of Homeownership Units**

The cost of homeownership units in Ipswich can be examined in different ways. Census data tracking median home value the homeowner vacancy rate in 1990 and 2000 is given in **Table 2-6**. This data is shown in **Figure 2-4**, which illustrates the dramatic increase in home values in Ipswich over the 1990's. Another analysis of home sales data from the Banker and Tradesman is shown in **Figure 2-5**, illustrating trends related to the price of real estate bought and sold over the ten-year period 1992-2002. Because sales data provide an accurate representation of prices for those units that changed hands, but are not representative of all housing units in the Town, data from the Ipswich Assessor's Office is given in **Table 2-8**. Those figures reflect assessments conducted in 2000, which may not be a reliable indicator of the housing prices consumers face, but are thorough. These data sets taken together provide the best insight into the cost of ownership housing in Ipswich.

Many individuals and families were able to take advantage of historically low interest rates in the 1990's to purchase homes. Booming real estate values in Ipswich reflect regional and national trends. Census data reveal that the number of owner-occupied units in Ipswich grew from 3,213 in 1990 to 3,854 in 2000, an increase of 20%. By 2000, nearly three out of four households in Ipswich was owner-occupied.

**Figure 2-4** illustrates a trend of Ipswich's housing stock becoming significantly skewed toward more expensive units during the 1990's. While roughly the same percentage of the housing stock was available at the median value – 38% in 1990 and 37% in 2000 – the median value of these units increased significantly. The median value of an owned unit jumped from \$192,600 in 1990 to \$266,700 according to the U.S. Census, an increase of 39%. In 1990, nearly one-fifth of units (17%) were valued under \$150,000, while barely 5% were in 2000. In the same timeframe, units valued at over \$500,000 rocketed from 2% to 10%, and Ipswich gained its first \$1 million-plus homes.

Assessed values tend to lag behind the housing sales market and to be a bit more conservative. Sales data from the Banker and Tradesman, a publication which tracks real estate trends in Massachusetts, show a more dramatic increase in the price of housing. **Figure 2-5** illustrates the trend of rapidly rising sale prices in Ipswich over the past decade. According to these sales data, the median price of a single-family home soared from \$165,500 in 1994 to \$455,000 in 2004, an increase of 175%. The median price of a condominium rose from \$102,750 to \$252,250 in the same timeframe, an increase of 147%.

Source: U.S. Census, 1990 and 2000. The data is for specified units, representing the majority of owner-occupied units, but not a comprehensive distribution. Data shown in Table 2-10 are more complete.

Increasing home values outpaced incomes in the 1990's, and as the Town's housing stock became less diverse, there were fewer homes affordable to those at or below the 80% regional median income level. Even though it is likely that more homes were available on the market at 80% of the median home value in 2000 than in 1990, they were still out of reach for families earning the median income (see **Table 2-6**). As shown in **Table 2-9**, by 2000, only about 10% of the Town's single-family units were affordable to households earning the median income for the region or less. Households earning more than the median income had greater access to housing choice. About 60% of single-family units were affordable to those earning up to 180% of the median income. Yet 28% of the Town's single-family housing stock – roughly one out of three homes – were only affordable to those earning more than 180% of the median household income.

Also shown in **Table 2-9**, condominium units remained more accessible to a range of income levels. A large share of units were available in the low- to mid-\$100,000s. Overall, more than 75% of Ipswich's condominiums were affordable to households earning 100% or less of the median income.

Source: Banker and Tradesman, 2005

**Table 2-9**  
**Approximate Cost of Homeownership Units in Ipswich, 2000**

Assessed Value <sup>a</sup>	Affordability Range <sup>a</sup>	Single-Family Units		Condominium Units	
		Number	%	Number <sup>c</sup>	%
(Median Home Value \$266,700) <sup>b</sup>	(% Median Household Income of \$57,284) <sup>b</sup>				
Less than \$97,000	Less than 50%	5	0.1	76	16.5
\$97,000 - \$155,000	50% - 80%	109	3.0	161	34.8
\$155,001 - \$194,000	80% - 100%	251	6.9	114	24.7
\$194,001 - \$233,000	100% - 120%	740	20.3	86	18.6
\$233,001 - \$349,000	120% - 180%	1,508	41.3	24	5.2
More than \$349,000	180% and over	1,041	28.4	1	0.2



<b>Total</b>		<b>3,654</b>	<b>100.0</b>	<b>462</b>	<b>100.0</b>
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Source: Town of Ipswich Assessor's Database. Assessed value is assumed to be 93% of actual value.

<sup>a</sup> See **Section 2.4.2** for a discussion of the Homebuyer's Affordability Index.

<sup>b</sup> Source: U.S. Census, 2000

<sup>c</sup> Condominiums lacking an assessed value in the Assessor's Database were omitted.

## 2.4.2 Cost of Rental Housing

Rental housing in eastern Massachusetts has also become more expensive in recent years. Pressure on suburban rental markets has increased as housing availability grows tighter in the city. In 1990, median gross rent in Ipswich was \$566 per month, compared to the countywide median of \$597 and the statewide median of \$580. In 2000, median gross rent in Ipswich was \$664 per month, an increase of 17%, which again was roughly comparable to the county median of \$665 and statewide median of \$684. See **Table 2-10** for a comparison of Ipswich's median rent to that in neighboring Essex County communities.

As the number of owner-occupied households has grown, the number of renter households has fallen. About one-third (31%) of households in Ipswich were renters in 1990; by 2000 it was closer to one-fourth (27%). The Census counted 1,436 rental households in 2000, but that number is likely to have declined since then. While rents did not increase as rapidly as home prices in the 1990's, many households in the rental market are more sensitive to price increases, particularly those in the lower income categories. For instance, seniors on fixed incomes or families earning minimum wage are likely to be the first to get squeezed out. As **Table 2-6** indicates, there were significantly fewer households earning 50% or less median income in Ipswich in 2000 than there were in 1990. A look at the Town's changing demographics reveals that it is most likely younger householders, aged 20-35, who find it most difficult to afford a home (see **Section 2.5.1**).

**Table 2-10**  
**Median Rents in Essex County Communities, 2000**

	<b>Community</b>	<b>Median Rent</b>
1.	Middleton	\$423
2.	Georgetown	\$515
3.	Topsfield	\$625
4.	Hamilton	\$641
<b>5.</b>	<b>Ipswich</b>	<b>\$664</b>
6.	Newbury	\$697
7.	Danvers	\$766
8.	Essex	\$768
9.	Manchester	\$780
10.	Rowley	\$819
11.	West Newbury	\$826
12.	North Andover	\$879
13.	Boxford	\$1,256

Source: U.S. Census Bureau, 2000.

The overall number of rental units declined during this time period from 1,614 to 1,475, but units in the lower range for rent have become the most scarce of all. **Figure 2-6** illustrates the distribution of rental units in Ipswich. It shows that while in 1990 units in the lowest rent category (less than \$200) formed about 15% of the market, they decreased to just 6% of the market by 2000. There were only 419 units - roughly one-third of the market - renting for \$500 or less, or 80% of the median rent. However, the Town has added over 120 affordable rental units to the housing stock within the past five years, so availability has likely improved.

Source: U.S. Census, 1990 and 2000. Data were given for specified renter-occupied units and represent the

majority, yet are not comprehensive.

In 2000, the U.S. Census Bureau estimated that approximately one-third of renter households (34%) spent over 30% of their monthly income on housing costs. Of owner-occupied households, it was estimated that approximately one in four (27%) Ipswich homeowners spent 35% or more of their household income on housing costs, (see **Figure 2-7**).

Source: U.S. Census, 2000.

Additional data on rental housing in Ipswich were collected through a 2003 survey of Ipswich's renter households conducted by graduate students at Tufts University.<sup>14</sup> Of the 650 surveys that were distributed, more than 30% were returned, (see **Figure 2-8**). Among 208 respondents, only 29% reported that they paid \$700 or less per month. Given that the median rent reported by the U.S. Census in 2000 was \$664 per month, this is an indication that rents have continued to rise, perhaps at a more rapid pace. It may also be due to lower survey participation by low-rent households.

### **2.4.3 Measures of Affordability**

The definition of housing affordability considers both the price of the housing unit and the income of the occupant household. It should be noted that the term "affordable housing" is relative, since it depends on the income of the household. Affordable housing is not the same thing as subsidized housing for persons of low and/or moderate income, although subsidized housing is one type of affordable housing. This section includes three analyses of affordability in eastern Massachusetts and Ipswich, as well as the definition under MGL Chapter 40B, the state's affordable housing law.

#### H.U.D. and Bank Standard

A generally accepted standard used to define affordability is that monthly housing cost should not exceed 30% of household income. According to the Department of Housing and Urban Development (HUD), families who pay more than 30% of their income for housing may be "cost-burdened" and have difficulty affording necessities such as food, clothing, transportation and medical care.<sup>15</sup> A guideline used by banks when evaluating home mortgage applications is that monthly payments should not exceed 30%-33% of household income.

#### Homebuyers Affordability Index

To determine the affordability of ownership units for any given family, it is necessary to estimate the maximum price of a home that the family could afford if they are to spend no more than 30% of their income on housing costs, including mortgage payments, property taxes, and insurance. This calculation depends on many factors, including interest rates (which, in turn, are affected by the borrower's credit rating), length of the mortgage (e.g., 15-year vs. 30-year), and amount of the down payment. Based on assumptions for a typical home buyer, a family earning the median household income for the Boston Metropolitan Statistical Area (MSA) of \$55,234 in 1999 could afford a home costing approximately \$194,000.<sup>16,17,18</sup> This is \$67,000 less than the 1999 median home price in the

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<sup>14</sup> Tufts University, Dept. of Urban and Environmental Policy and Planning, graduate program field work project, 2003.

<sup>15</sup> U.S. Department of Housing and Urban Development, Community Planning and Development website, "Who Needs Affordable Housing?" <http://www.hud.gov/offices/cpd/affordablehousing/index.cfm>.

<sup>16</sup> This calculation assumes a 20% down payment, 30-year mortgage, interest rate of 7.17% (the average rate from July 2000 through June 2002 for a borrower with good credit history), and insurance and property tax rates typical of the area. It should be recognized, however, that changing any of these assumptions would affect the amount that a family could

Town of \$266,700. Housing affordability for other income ranges and the number of units in each price range in Ipswich is shown in **Table 2-9**.

#### Northeastern University’s Center for Urban and Regional Policy

In October 2002, Northeastern University’s Center for Urban and Regional Policy released a housing study evaluating the eastern Massachusetts housing market and the growing lack of affordable housing. The study analyzed each of the communities in Boston MSA and sought to identify each community’s Affordability Gap, or the difference between the median single-family home price and the price a median income household could afford. According to the report, the median single-family home price in Ipswich in 2001 was \$325,000, while the 2001 median household income in Ipswich was estimated to be \$63,156. Assuming no more than 33% of household income is spent on housing, the maximum home price an Ipswich household could afford in 2001 was \$218,335. Thus, the 2001 median single-family home price of \$325,000 was \$106,665 (49%) more than what the median Ipswich household could afford.<sup>19</sup>

#### Chapter 40B Standard for Affordability

Under Chapter 40B of the Massachusetts General Laws, housing considered “affordable” must be affordable to families earning no more than 80% of the median family income for the region. It should be noted, however, that even units deemed “affordable” under this state definition may not be affordable to many people who work in Ipswich or would like to live in Ipswich—including many of the Town’s municipal employees.

### **2.4.4 Inventory of Affordable Housing in Ipswich**

State law (M.G.L. Chapter 40B) mandates that communities have 10% of their total housing dedicated to households with low and moderate incomes. In order to qualify as affordable under Chapter 40B, housing units must be subsidized with state or federal funding, qualify under the Local Initiative Program, or meet certain other requirements. In communities that have less than 10% affordable housing, Chapter 40B allows private developers who construct affordable housing to circumvent local zoning and subdivision controls through the Comprehensive Permit process. This process allows developers to submit a single application to the Zoning Board of Appeals, and requires that the application be approved unless it presents serious health or safety risks.

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borrow and therefore the maximum house price they could afford. Total borrowing power is particularly sensitive to the interest rate, which can fluctuate greatly.

<sup>17</sup> This analysis examines median *household* income rather than median *family* income as the measure of affordability because many individuals that require housing live in non-family households. Thus, median household income is more indicative of the total range of living groups requiring housing. Housing affordability for the purposes of Ipswich’s Inclusionary Housing Bylaw is calculated based on the median household income for the region. It should be noted, however, that “affordability” for the purposes Chapter 40B and certain other programs is defined based on median *family* income for the MSA. For the Boston MSA, this figure is currently approximately \$74,000.

<sup>18</sup> Using the Town’s median household income as a benchmark would lead to a similar result, since the Town’s median household income in 1999 was \$57,284—within 4% of the regional median of \$55,234.

<sup>19</sup> For comparison purposes, the Affordability Gap was 6% in Boxford; 24% in Danvers; 18% in Essex; 2.7% in Georgetown; 21% in Hamilton; 102% in Manchester; 4% in Middleton; 2% in Newbury; 36% in North Andover; 21% in Rowley; 7% in Topsfield; and 4% in West Newbury.

As of 2005, approximately 7.6% of Ipswich's housing stock (412 out of 5,414 units) qualifies as affordable housing under Chapter 40B<sup>20</sup>. This is less than the 10% requirement, but significantly more than many suburban communities, including many of Ipswich's neighbors. Given Ipswich's total year-round housing stock of 5,414 dwelling units, the Town would need 541 qualifying units to comply Chapter 40B, or 129 additional units. The Town gains the right to defer comprehensive permit applications under the planned production provision of Chapter 40B by producing a minimum number of new affordable housing units each year, specifically .75% of its year-round housing stock. Ipswich must produce 41 affordable units per year to meet this threshold. It should be noted that only certain affordable units (primarily those constructed with state or federal assistance) count toward meeting the Chapter 40B subsidized housing inventory. **Table 2-11** shows Ipswich's inventory of subsidized units, as kept by the state.

MGL Chapter 40B is generally regarded as an effective housing production tool in Ipswich. Over the past five years, the Town has approved or created over 120 housing units by comprehensive permit, and more than two-thirds of these units are or will be affordable to households earning less than 80% of the regional household median income. Some of these were conducted with the cooperation and/or participation of the Town while others met with Town disapproval and neighborhood opposition. For example, some successful projects over the years include a 70-unit elderly affordable housing project in the early 1980s (conversion of Cable Hospital), a 48-unit rental housing project approved in 2001 (Rosewood), and the conversion of two Town-owned buildings into affordable housing in 2003-5 (Memorial Hall and the Whipple School Annex). On the other hand, a proposed project on Safford Street near downtown was initially disapproved by the ZBA because of problems with flooding in the area but was later approved and constructed. The ZBA also turned down a two-unit development on Cogswell Street in central Ipswich, but the State overrode this disapproval.

#### Publicly Assisted and Subsidized Housing

The Ipswich Housing Authority manages publicly assisted housing units in Ipswich, including 200 units for elderly/disabled persons (Mass. Chap. 667), 14 scattered site units for families (Mass. Chap. 705), and eight special needs units for handicapped adults (Mass. Chap. 689), (see **Table 2-12**). These units provide housing for persons of low income.<sup>21</sup> Individuals under age 60 typically wait about 5 years for a unit. The Authority has only 38 family units available, located at Southern Heights and Agawam Village. The family housing wait list for these units currently exceeds 200 households; it has been closed since 2003. The wait list for Section 8 units has been closed since the sunset of that program in 1996.

As of August 2005, the wait list for the Ipswich Housing Authority's 200 elderly or disabled units was over 300 households. The majority of those on the list are disabled individuals under the age of 61. For these persons, the wait can be at least five years, since the Authority is required by the state to allocate no more than 13.5% of its elderly/disabled units to non-elderly disabled residents. Elderly individuals typically wait more than a year for a unit, however Ipswich residents have priority and may only wait six months.

#### **Table 2-11.**

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<sup>20</sup> Under MGL Chapter 40B, a municipality's year-round housing stock as determined in the most recent Census is used as a baseline for compliance, thus Ipswich's goal will be revised after the 2010 Census.

<sup>21</sup> Low income is defined by the U.S. Department of Housing and Urban Development as 50% or less of the median family income for the region; moderate income is defined as 50-80% of median family income. Income limits vary depending upon the federal or state program that subsidizes the housing.

## DHCD MGL Chapter 40B Subsidized Housing Inventory, as of June 2005

Project Name	Address	Funding Agency	Type	SHI Units	Expiring
Southern Manor <sup>ab</sup>	County Rd	DHCD	Rental	20	Perpetuity
Whittier Park I <sup>b</sup>	Caroline Ave	DHCD	Rental	42	Perpetuity
Whittier Park II <sup>b</sup>	Caroline Ave	DHCD	Rental	58	Perpetuity
Agawam Village <sup>b</sup>	2 Agawam Village	DHCD	Rental	80	Perpetuity
Agawam Village <sup>b</sup>	2 Agawam Village	DHCD	Rental	14	Perpetuity
Agawam Village <sup>b</sup>	34 Agawam Village	DHCD	Rental	8	Perpetuity
Southern Heights <sup>ab</sup>	Southern Heights	DHCD	Rental	24	Perpetuity
Cable Gardens	126 Country Rd	DHCD	Rental	70	1/1/2021
Oak Hill	35 Central St	RHS	Rental	33	7/12/2009
Mill Place Condos	Mill Place/Brownville Ave	DHCD	Own	2	2030
Cogswell St	Cogswell St	FHLBB	Own	1	2103
Rosewood	1-46 Rosewood Dr	FHLBB	Rental	48	Perpetuity
Cape Ann Habitat for Humanity	Essex Rd	DHCD	Own	3	Perpetuity
Safford St Condos	6 Safford St	FHLBB	Own	1	Perpetuity
High St	High St	DHCD	Rental	1	2104
Memorial Hall Apts	33 Central St	DHCD	Rental	7	Perpetuity
<b>Total SHI Units</b>				<b>412</b>	<b>(7.6%)</b>
<b>Total Year-Round Units</b>				<b>5,414</b>	

<sup>a</sup> Both Southern Manor and Southern Heights are located in Agawam Village.

<sup>b</sup> These units are owned and managed by the Ipswich Housing Authority, a total of 246 units.

**Table 2-12  
Leased Housing Managed by the Ipswich Housing Authority, 2002**

Location	Funding Agency	Program	Total Units
Scattered	HUD	Federal Section 8	55 <sup>a</sup>
Scattered	DHCD	MA Rental Vouchers	11
Cable Gardens	DHCD	MA Rental Vouchers (Project Based)	28
Scattered	DHCD	Adult Rental Vouchers	28 <sup>b</sup>
<b>Total Number of Leased Units</b>			<b>122</b>

<sup>a</sup> The Ipswich Housing Authority administers 55 Federal Section 8 housing certificates. Of these, 25 units are in Ipswich, and the remainder are scattered in other towns.

<sup>b</sup> The Ipswich Housing Authority issues vouchers for 28 units of special needs (adult handicapped) housing, 7 in Ipswich.

## 2.5 Housing Needs

Several factors determine future housing needs in Ipswich: the existing housing stock and housing deficiencies; projected demographics; local and regional market forces; and the needs of particular groups. These factors are discussed in this section. Overall, the greatest housing needs in Ipswich are for additional affordable units, additional rental housing (especially three-bedroom units), housing for senior citizens and “empty nesters,” and smaller ownership units, “starter homes,” suitable for first-time homebuyers and smaller households. Generally, housing closer to the services and transportation in the town center responds to locational needs.

### 2.5.1 Changing Demographics

Demographic data and projections reveal an aging population. In 2000, the median age in Ipswich was 41.7 years as compared to 36.5 for the state. The Town’s greatest population growth during the 1990s was among persons aged 45 to 64; this age cohort grew by about 45%. The Town also saw a large increase in the number of school-aged children (aged 5 to 17), which grew by 25.7% from 1990 to 2000, and a lesser increase in the 65+ population, which grew by 15.7%. The age distribution of Ipswich’s population is shown in **Figure 2-9**.

Ipswich reflects a nationwide trend toward an older population—age 65 and above. MAPC estimates that Ipswich’s elderly population (65+) will grow by 61% from 2,031 in 2000 to 3,270 in 2020. It appears likely that there will be additional demand for various types of senior housing, including “empty nester” housing and congregate independent and assisted living units.

There was also a notable loss of population among the aged 20-35 cohort. In 1990, about one in five Ipswich residents (22%) was aged 20-35, yet in 2000, this group had declined by nearly half (13%). Partially this was due to the aging of the cohort, but also indicated that younger residents have failed to move in and replace those getting older. The large aged 35-55 cohort reflects that many residents have remained and “aged in place”, however, this cohort has also grown due to new residents moving in. It was the largest portion of the Town’s population (36%) in 2000.

Ipswich is a racially homogeneous community, but become slightly more diverse during the 1990’s. As shown in **Table 2-13**, the Town’s predominantly white population fell from 98.5% to 97%. The racial groups with the greatest growth were those of Hispanic or Latino origin and Asian or Pacific Islanders.

**Table 2-13**  
**Racial Distribution in Ipswich**

	1990	2000 <sup>a</sup>
White	98.5	97.0
African American	.33	.39
American Indian or Alaskan Native	.07	.08
Asian or Pacific Islander	.42	.81
Hispanic or Latino Origin	.65	1.0
Other	.08	.72

<sup>a</sup> The 2000 Census counted race differently from 1990, so the difference in methodology may account for some apparent increase.

Source: U.S. Census, 1990 and 2000

## 2.5.2 Household and Income Trends

The number of non-family households in Ipswich increased from 30.9% of all households in 1990 to 34.6% in 2000. This trend mirrors state and national trends toward a greater number of smaller households, including elderly householders or single adults living alone. In 2000, the average household size in Ipswich was 2.42, lower than both the Essex County average (2.57) and the state average (2.51). There were 4,683 households in 1990, and 5,290 in 2000, an increase of 13%. According to the 2000 Census, an individual aged 65+ was living in about one in four Ipswich households (26.7%). In slightly less than half of these cases, that individual was also the householder, (11.7% of households, or 615 homes).

The median income for individuals living in Ipswich rose significantly over the 1990's - from \$42,386 in 1990 to \$57,284 in 2000, an increase of 35%. However, this is not a reflection of rising incomes across the board, but rather, a concentration of higher incomes and increased economic stratification. The fastest growing income sectors were the very lowest (less than \$10,000) and the very highest (over \$200,000). As shown in **Figure 2-10**, the income distribution changed from roughly one in five Ipswich residents earning more than twice the median income (20.1%), to roughly one in four (24.7). The 2000 Census reported that 921 individuals were living at the federal poverty level, compared to 623 in 1990; an increase from 5.3% of Town residents to 7.1%.

## 2.5.3 Family Housing

As was discussed in **Section 2.4.3**, the 2001 median single-family home price in Ipswich—\$325,000—was \$106,665 (49%) more than what the median Ipswich household could afford. The Town needs affordable “starter homes” to attract and retain young families. Of particular concern to the Town are the housing needs of employees who work in Ipswich, including many of the Town's local government employees and those that work in lower-paying service and retail jobs based in the downtown. Most of these people will not be able afford \$325,000 homes. Of the family households, the proportion of single-parent female-headed households increased from 13.5% in 1990 to 15.5% in 2000. As this group grows, its unique needs will also need to be considered.

## 2.5.4 Rental Housing

As discussed in **Section 2.4.2**, rental units have decreased in Ipswich, partly due to a trend of converting rentals to condominiums through individual resale. In turn, rents paid have increased. In 1990, the median rent was \$566 in Ipswich, but by 2000 it was \$664, an increase of 17.3% (see **Table 2-6**). Yet as low mortgage rates have driven home and condominium prices higher, rental housing represents the only affordable housing option for many households.

In 2000, 38% of Massachusetts households and 37% of Essex County households rented their home. More than 27% of the Ipswich's households were renter households in 2000, which compares quite favorably to the percentage in surrounding communities, where only 20.6% of households rented.<sup>22</sup> Also shown in **Table 2-6**, there were 1,475 rental units in 2000, 139 fewer than the 1,614 units available in 1990. Rental units composed 28% of Ipswich's housing stock in 1990, compared to 31%

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<sup>22</sup> This figure represents the average share of rental households for the following communities: Boxford; Danvers; Essex; Georgetown; Hamilton; Manchester; Middleton; Newbury; North Andover; Rowley; Topsfield; and West Newbury. Only Essex, Manchester, and North Andover had greater shares of rental households.



in 2000. The very tight rental market – indicated by a vacancy rate of just 2.7% (40 units) - has helped keep rents high. Typically, vacancy of less than 5% indicates a need for additional housing units. Production of new rental units since 2000 has already helped address this need.

### **2.5.5 Affordable and Subsidized Housing**

Additional affordable and subsidized housing is needed in Ipswich for two reasons. First, the Town's existing housing stock provides many more housing opportunities for upper-middle and upper income families than for low and moderate-income families. (See Table 2-11.) Ipswich must provide incentives and in some instances subsidies to encourage the production of affordable units, so as to attract and retain younger families, and allow older residents to remain in the community.

Second, the Town needs to provide additional Chapter 40B-qualifying affordable housing in order to make progress toward meeting its 10% requirement. Once the Town reaches 10% affordable housing, it will be able to gain more control over its local planning and land use, gaining the support of the state Zoning Board of Appeals and Housing Appeals Committee in finding comprehensive permit applications “consistent with local needs” under MGL Chapter 40B. The Town needs 130 additional affordable units to meet this requirement.

### **2.5.6 Senior Housing and Special Needs Housing**

The Town's housing stock is not diverse enough to support the needs of an aging population. As the Town's population bulge of families with school-aged children gets older and the children leave home, many households may decide to downsize into smaller “empty nester” units. A wider range of condominium and multi-family units is needed, especially in locations convenient to downtown shops. Housing for seniors generally has much lower impacts (e.g., traffic and schoolchildren) than other single-family or multi-family housing.

As Ipswich's 65+ senior population grows, so will the needs for smaller units with rents affordable to those on fixed incomes. The Town has some existing senior housing, including 70 units of market rate senior housing and 28 units of handicapped and disabled housing for low and moderate income seniors at Cable Gardens, a private development at the intersection of Routes 1A and 133. These 28 units receive state funding through the MA Rental Voucher Program as distributed by the Ipswich Housing Authority. There are 33 units of moderate-income, elderly or disabled housing at Oak Hill in downtown Ipswich. Non-elderly disabled residents occupy two units, while moderate-income elderly residents occupy 31 units. Recently, the Town initiated the redevelopment of its own building, Memorial Hall, with seven units of affordable rental housing for seniors. Another Town-owned building under rehabilitation this year will provide ten additional units of affordable rental housing for seniors in 2006.

In addition to senior citizens, people needing special housing include physically and mentally handicapped persons of all ages, and persons with debilitating illnesses. Some common types of housing for seniors and other persons with special needs include age-restricted townhouses or condominiums, assisted living complexes, congregate living, and single room occupancy units. Several years ago, the Town sold a one-acre parcel to the Ipswich Housing Authority, which built a four-bedroom mental health group home for persons 60 and over. Other existing special needs housing in the Town includes Henry's House, an independently operated facility that provides temporary housing for homeless individuals and recovering addicts.

In 2000, according to the U.S. Census, 359 residents 65 and over had physical disabilities, while another 136 had self-care disabilities.<sup>23</sup> An additional 295 individuals under age 65 had a physical disability while another 51 residents under 65 had a self-care disability. Although not all of these individuals may be candidates for special needs housing, these statistics, and the fact that Ipswich's population above age 65 is expected to grow substantially, indicate that the need for additional housing options does exist.

## **2.6 Resources for Affordable Housing**

The Town of Ipswich has taken a proactive role in identifying housing needs and attempting to meet those needs, even as the regional economy has affected housing affordability and development trends. As a result, the Town has several programs promoting the development of affordable housing and housing for various underserved segments of the population.

### **2.6.1 Organizations and Programs**

Various state and federal programs offer financing or other incentives to private developers who build affordable rental or homeownership units, construct and/or maintain subsidized units, or provide vouchers to tenants seek housing in the private rental market.

#### Ipswich Housing Authority

The Ipswich Housing Authority supports the development of affordable housing for families, special needs residents, and senior citizens, (see **Table 2-12**). The Authority channels funding received from DHCD and HUD for housing construction and voucher disbursement. In 2003, the Authority worked cooperatively with Cape Ann Habitat for Humanity to build housing at a Town-owned site on Essex Road (Route 133). The Housing Authority currently owns land at 21 Leslie Road, which could be used to build elderly/handicapped housing or another type of affordable housing.

#### Non-Profit Housing Organizations

Cape Ann Habitat for Humanity builds affordable ownership units in cooperation with the future homeowner. Other non-profit agencies have also been actively involved in the development of affordable housing, especially for seniors. Affordable developments in Ipswich with non-profit involvement include Oak Hill, Cable Gardens, and Agawam.

The Town is also working with the North Shore Housing Trust (NSHT) to develop additional affordable housing at the Whipple School Annex Building, leased by the Town to NSHT in 2005 for a period of 99 years. NSHT is currently renovating the building into 10 units of elderly affordable rental housing, to be completed in early 2006.

#### North Shore HOME Consortium

Ipswich is a charter member of the North Shore HOME Consortium, which was created in 1993 with the primary purpose of developing affordable housing. Funded through the federal government, the consortium's 27 member cities and towns include many Essex County communities, although it is not limited to Essex County. Communities elect whether or not they want to participate in the program.

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<sup>23</sup> An additional 244 individuals aged 65 and over were identified as having sensory disability; another 95 were identified as having a mental disability; and 275 were identified as having go-outside-home disability.

The HOME program can be used for rental housing production and rehabilitation; first-time homebuyer assistance; rehabilitation assistance for homeowners; and tenant-based rental assistance. Rental programs are targeted to households earning less than 60% of area median income while homebuyer and homeowner programs are targeted to individuals with incomes below 80% of area median income. In addition, for dwellings to be eligible for rehabilitation under the program, the proposed rehabilitation activities must not result in the dwelling's value exceeding the program's established affordable price.

Since Ipswich is a member of the Consortium, money is set aside each year for the Town, based on its number of low and moderate income residents. The Town currently receives about \$45,000 per year. The Ipswich Planning and Development Department currently administers the funds and related programs. In the past, Ipswich has used its HOME funds primarily to fund a First Time Homebuyer Program. Eligible homebuyers are granted interest free loans for up to 5% of the purchase price or \$6,500, whichever is less. The homebuyers are required to repay the loan only if they sell their house or refinance. In recent years, rising housing prices have limited the program's activities to affordable units only. This is because households eligible under the program guidelines have not been able to qualify for mortgage financing.

Given the constraints imposed on the First Time Homebuyer program, Ipswich has sought other uses for the HOME funds, including rehabilitation and renovation of existing structures. The Town used HOME funds to partially fund the renovation of Memorial Hall into affordable elderly housing. The Town has also used HOME funds to subsidize rent: for example, in exchange for a flat fee paid by the Town, the property owner may agree to lower the rental cost to a specified level for a specified time (e.g., 30 years).

### **2.6.2 Ipswich Affordable Housing Partnership**

In January 2002, the Town revived its Affordable Housing Partnership. They developed a multi-faceted mission statement: to promote and assist the development of affordable housing reflecting the goals and character of the community; establish housing priorities for the town; develop criteria for evaluating affordable housing proposals; assist in the resolution of concerns regarding specific development proposals; and obtain local, state and federal funding and other resources for affordable housing. The Partnership's statement of goals and strategies is included as **Appendix C**.

The Partnership, which receives staff support from the Planning Department, is looking to continue the Town's activity of subsidizing property owners to lower rents for income-eligible households. In addition, they are instituting a housing rehabilitation program. In 2004, The Town was awarded a Community Development Block Grant (CDBG) along with the Town of Salisbury to run a housing rehabilitation program. Through this grant, Ipswich received \$100,000 to rehabilitate five qualifying homes. Recipient households do not have to pay back the funds if they remain in their home for 15 years.

### **2.6.3 Affordable Housing Trust Fund**

In 2004, the Town was successful in creating an Affordable Housing Trust Fund through state legislative action. It is funded by payments from developers in-lieu of building affordable units through the inclusionary and infill zoning provisions. As a result of approvals to date, \$487,500 has committed to the Affordable Housing Trust Fund; \$110,000 of this amount has been deposited into

the fund, and the remaining funds are expected to be deposited over the next two years. The Housing Partnership would like to use at least some of these funds to preserve the affordability of existing rental units through the acquisition of additional price restrictions.

### 3.0 AFFORDABLE HOUSING STRATEGIES

The Town of Ipswich has taken a proactive role in identifying housing needs and attempting to meet those needs. As a result, the Town has several programs and initiatives promoting the development of affordable housing and meeting the housing needs of various underserved segments of the population, which are discussed in this section.

In 2003, the Town adopted a Community Development Plan that included a Housing Action Plan defining four housing policies to guide future development:

**HOUSING POLICY 1:** Promote both ownership and rental housing development in areas in and near the downtown that are already affected by development and have infrastructure in place to meet the needs of new residents.

**HOUSING POLICY 2:** Expand the areas throughout the Town where multi-family residential development and senior housing is allowed by special permit.

**HOUSING POLICY 3:** Ensure that new residential development is environmentally and aesthetically compatible with the Town's existing landscape.

**HOUSING POLICY 4:** Increase the availability of affordable housing in the Town, and the amount of housing that counts toward the Town's 10% requirement under Chapter 40B.

These four policies were used to guide development of a set of action items to implement the Housing Action Plan. The resulting Housing Implementation Plan is included as **Appendix 4.1** of this document. The Appendix offers more discussion of key actions related to affordable housing and indicates which action items have been implemented by the Town since 2003.

These policies reflect two main approaches toward addressing Ipswich's recent decline in housing diversity and affordability. First, many actions were developed that attempt to harness market forces to build housing for under-served groups in Town. Clearly, there is a market for multi-family, senior, and affordable housing in a suburban or semi-rural setting, as witnessed by the large number of Comprehensive Permit projects and senior housing developments now being built in eastern Massachusetts. The challenge is to make sure that these developments are compatible with the Town's character. For instance, Housing Policy 2 led to the creation of a special permit mechanism encouraging privately developed affordable multi-family housing in the Town Center.

Second, many actions were developed from the recognition that the private market alone will not be able to preserve economic and social diversity, or to meet the needs of all who wish to live in Ipswich. Action is required by the Town, non-profit organizations, and other sources to build affordable housing, preserve housing affordability and rental units, and provide direct support to those who need housing. Many such actions utilizing public and non-profit expertise and funding resources are listed under Housing Policy 4.

Housing Policies 1 and 3 address the Town's effort to meet housing goals while counteracting residential sprawl and its effects. The action items in the Housing Action Plan focus on two key aspects of residential growth management: where development is located, and how it is designed. Housing Policy 1 directs new housing to the downtown and nearby areas with existing infrastructure.

For instance, this policy resulted in the Town’s creation of a zoning regulation for infill development, encouraging more compact development near the town center. Housing Policy 3 focuses on encouraging better site design within residential developments.

### 3.1 Planned Production Goal

In 2004, the Ipswich Affordable Housing Partnership set an annual production target that the total number of affordable units built, protected, or preserved should exceed 10% of all new market units built, and further, that at least 10% of new units should be rentals (see **Appendix 4.2**). On average, 54 new units are built in Ipswich each year; thus the Partnership goal for affordable units is five new affordable units per year, including one rental unit. Due to a number of factors, including the Town’s inclusionary zoning policy, a high level of interest among developers in comprehensive permit (40B) projects, and the Town’s sponsorship of affordable housing development, the actual annual production of affordable units over the past few years has exceeded that goal.

Based on current and projected activity, the Town estimates that more than 40% of the new housing units created in the next three years will qualify for inclusion in the Department of Housing and Community Development’s Subsidized Housing Inventory (see **Table 3-2** for list of projects in process). As stated in Part One of this Plan, and as shown in **Table 3-1**, the Town’s goal is to develop 143 affordable housing units over the next three years. If this goal is accomplished, 10.2% of the Town’s housing stock, or 555 units, will be included within DHCD’s subsidized housing inventory by 2008. The goal of producing an additional 143 units over the next three years was developed with knowledge of several projects which are at various stages of development, approval, and permitting.

The Town has also identified several Town-owned and numerous other parcels which appear suitable for developments with affordable units, based on their location, level of existing infrastructure, and complementary surrounding land use (See **Table 3-4**). By encouraging developers to consider building affordable housing on these sites, the Town hopes to continue the production of affordable at a rate similar to that projected for the next three years. Such affordable developments may be pursued through the Chapter 40B program, or through various provisions of the Ipswich Zoning Bylaw. Some of these provisions mandate affordable housing development, while others offer significant density bonuses in exchange for additional affordable units (e.g., see Section VI. Footnote 11 and Section IX.I of the zoning bylaw).

**Table 3-1  
Affordable Housing Production Goal**

	<b>Baseline</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Annual Production Goal <sup>a</sup>		44	58	41
<i>New Affordable Units</i>		32	58 <sup>b</sup>	41
<i>Conversion to Affordable</i>			2	
<i>Long Term Leasing</i>		10		
Total Affordable Units	412	456	514	555
Percent of Housing Stock	7.6%	8.4%	9.5%	10.2%

<sup>a</sup> MGL Chapter 40B requires that within a given year .75% of the Town’s total housing stock (i.e., 41 units) be produced as affordable housing, in order for the Town to utilize the Planned Production regulation.

<sup>b</sup>Assumes 48 units at 108-112 County Road are “produced” in 2007.

Ipswich’s Planned Production Goal will be achieved via four strategies:

**HOUSING STRATEGY 1:** Develop Town initiatives and partnerships to produce new affordable units

**HOUSING STRATEGY 2:** Develop Town initiatives and partnerships to convert or preserve existing affordable units

**HOUSING STRATEGY 3:** Identify suitable parcels to guide private development of multi-family projects containing at least some affordable units

**HOUSING STRATEGY 4:** Provide affordable housing units that accommodate key populations

### **3.2 Strategy 1: Initiatives to Produce New Affordable Units**

At the time this document was written, there were numerous housing projects at various stages of development, approval, and permitting, as shown in **Table 3-2**. In addition, the Town’s Affordable Housing Trust Fund and other sources of funding are available to assist in the creation of new affordable units, as discussed in this section.

#### **3.2.1 Partnerships**

The Town benefits from the work of several active affordable housing organizations, including the Ipswich Housing Authority, North Shore HOME Consortium, and Cape Ann Habitat for Humanity. When possible, Ipswich seeks partnerships with these organizations for their experience developing affordable housing, which helps the Town to focus its resources on affordable housing creation without bearing the responsibility of constructing the units itself. Such partnerships are a key component of the Town’s plan for achieving its Planned Production Goal. Over the past six years the Town has pursued three separate opportunities to create new affordable units on Town-owned properties. Each initiative involved a partnership, as described below.

##### 21 Essex Rd

In 1999, the Town acquired through tax foreclosure a two-acre parcel with numerous blighted buildings on Essex Road (site of former White Lion restaurant). One acre was sold to the Ipswich Housing Authority, which in turn developed a four-unit group residence for mentally ill residents. After an RFP process, the remaining acre was conveyed to Cape Ann Habitat for Humanity, which has built two single family affordable homes on the site. A third is currently under construction. The Town forgave over \$200,000 in back taxes to make this project possible.

##### Memorial Hall (35 Central Street)

This Town-owned building was originally built in the 1920’s as a memorial to veterans of World War I. Also used for Town purposes, by the 1990’s the building housed several Town offices, including a Youth Center. When the Town decided to transform the Whipple School into a new Town Hall, these offices and services were relocated. Through an RFP process, the Town selected

Memorial Hall, Inc. to rehabilitate the building into seven units of rental housing for seniors and issued a comprehensive permit in 2001. As Memorial Hall was located adjacent to Oak Hill, an elderly affordable rental housing development, the two buildings were physically connected as part of the rehabilitation project. The Town supported this development by obtaining \$600,000 Community Development Block Grant funds and dedicating \$165,000 of its HOME funds.

#### Whipple School Annex (Green Street)

This project is currently under construction. A Town-owned building, the Whipple School Annex is immediately adjacent to the former Whipple School, which was renovated in 2001 to become Ipswich's Town Hall. In that same year the Town issued an RFP for the reuse of the Annex building. The North Shore Housing Trust (NSHT) proposed to create ten affordable rental units for seniors, complementing the close proximity of the Senior Center located in the basement of Town Hall. The Town accepted NSHT's proposal, and to date has committed \$115,000 in HOME funds toward the project. It is expected that the ten units will be occupied by the fall of 2006.

The Town intends to develop partnerships similar to the above examples where possible.

### **3.2.2 Projects in Process**

A total of 98 new affordable units would result if the projects described in **Table 3-2** below are all approved and built. As noted in the table, the projects are at various stages in the permitting process. While it is difficult to predict the precise timeframe within which these projects are approved or constructed, the Town does expect to issue a building permit for at least ten of the units by November 2005.

It is clear that there is a strong private sector interest in building housing in Ipswich, and that developers are utilizing the Town's density bonuses and other incentives to create affordable units. Many of the projects shown in **Table 3-2** are private sector initiatives that the Ipswich Planning Office has been made aware of as developers refine their plans. Those projects in which affordable units are created in response to zoning requirements do not involve the use of a comprehensive permit. This has given the Town a greater degree of control over affordable projects and expedited the review and approval process for the developers involved. Some projects utilizing comprehensive permits to build 40B housing developments have met with resistance. For instance, the ZBA is currently considering a 24-unit for sale project at 187 County Road (Residences at Two Rivers). The current proposal is not supported by the Selectmen, the Planning Board, or the Open Space Committee, in part because of the ecologically sensitive nature of the site. On the other hand, the ZBA recently approved a 36-unit for-sale project at 82 Topsfield Road (Ipswich Pines), which was considered overall a more appropriate site for a housing development. The Town seeks to avoid such conflicts in the future by using this plan to guide development to appropriate sites to a greater extent.



**Table 3-2  
Projects in Process**

	Project Name	Address	Local Approval	40B Permit	Type	Rent/Own	SHI Units
2005	Whipple School Annex	25 Green St, Rear	NA	Yes	Long Term Lease	Rent	10
	Powderhouse Village (YMCA)	108-112 County Rd	NA	Town approved, appeal pending	New	Rent	48
	Ipswich Pines	82 Topsfield Rd	NA	Town approved	New	Own	9
	Residences at Two Rivers	187 County Rd	NA	Under consideration	New	Own	6
	Avery Street	43 Avery St	NA	Under consideration	New	Rent	12
	Town Farm Rd	Town Farm Rd		Not yet filed	New	Own	10
	Southgate Condominiums	6 Essex Rd	Yes	NA <sup>a</sup>	New	Own	1
	Central Street	98 Central St	Yes	NA <sup>b</sup>	Converted	Own	2
<b>Total Units</b>							<b>98<sup>c</sup></b>

a This project will have a deed restriction securing affordability.

b This project is being funded through the Ipswich Affordable Housing Trust Fund, with affordability secured through a deed restriction.

c By December of 2005, 71 of the 98 units have received some level of approval but are not yet included in the inventory.

### 3.2.3 Sources of Funding for Affordable Housing

The Town recently created an Affordable Housing Trust Fund to facilitate the development or preservation of affordable housing throughout the Town. The primary revenue source is the payments made to the Town in lieu of creating affordable units under the Inclusionary Housing Requirements. Currently, the balance of the Fund is \$110,000 (\$30,000 of which is uncommitted). An additional \$377,500 is committed, and will be collected when approved dwelling units have been occupied. A second revenue source for the Town is HOME funds. As a participant in the North Shore HOME Consortium, the Town receives approximately \$47,000 per year for affordable housing initiatives. The current uncommitted balance in the HOME funds account is approximately \$30,000.

Another possible revenue source would be for the Town to pass the Community Preservation Act (CPA). This law allows Massachusetts cities and towns to establish a surcharge on local real estate taxes of up to 3%, which is matched with state funds. The money is eligible for open space

conservation, affordable housing, and historic preservation activities, but at least 10% and up to 80% of the CPA funds must be used for affordable housing.

A third potential source of funds is revenue that may be generated by individual 40B projects. 40B regulations limit developer profit on comprehensive permit developments, and a careful analysis of project proformas and closer evaluation of building costs can indicate opportunities for revenues to flow back to the Town. For example, in its recent approval of the Ipswich Pines development on Topsfield Road, the ZBA, based on its review of the project finances, required the developer to pay a fee equivalent to \$2,500 per market rate unit into the Town’s Affordable Housing Trust Fund. Continued efforts in this regard may generate funds from 40B projects that can be applied toward other affordable housing initiatives in the town.

Additional potential sources of funding to create affordable housing include:

- MA Priority Development Fund (up to \$50k for planning)
- MA Community Development Fund (up to \$20k for planning)
- MA Executive Office of Environmental Affairs (up to \$30k for technical assistance)
- New England Fund
- US EPA Office of Smart Growth (up to \$50k for planning)
- US DOT Transportation Enhancements (project funds)

**Table 3-3  
Anticipated Funding For Affordable Housing**

<b>Funding Source</b>	<b>Current</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Ipswich Affordable Housing Trust Fund	\$30,000	\$297,500	\$80,000	unknown
HOME Funds	\$28,559*	\$47,000	\$47,000	\$47,000
<b>Total Anticipated</b>		<b>\$344,500</b>	<b>\$127,000+</b>	<b>\$47,000+</b>
<b>Cumulative Unencumbered Total</b>	<b>\$58,559</b>	<b>\$373,059</b>	<b>\$500,059+</b>	<b>\$547,059+</b>

\* Unencumbered amount; total current balance is \$63,559

### 3.2.4 Monitoring

The Town’s objective when creating or preserving affordable housing units is that the units remain permanently affordable. In fact, the inclusionary housing provision of the zoning bylaw specifically mandates permanent affordability. The first step in ensuring that these requirements are met is for the Town and the housing developer to enter into a legal agreement. A second and equally important step is for the Town to institute a monitoring program that monitors these units over time. Both of these actions require considerable town resources, and as the Town continues to create affordable housing the monitoring needs increases as well.

In response to that need, the Town has created a part-time Housing Coordinator position that is responsible for monitoring affordable housing units. The funding source for the position is the Town’s Affordable Housing Trust Fund. The Town has also recognized the need to be more vigilant

in ensuring that project monitoring be effectively undertaken as part of all 40B projects. In the future this monitoring will, when necessary, involve the oversight of the Housing Coordinator.

### **3.3 Strategy 2: Initiatives to Convert or Preserve Affordable Units**

Ipswich already has several programs to convert market units to affordable units, preserve existing units, and to address the specific needs of targeted segments of the population, which the Ipswich Affordable Housing Partnership aims to improve and to supplement with new initiatives. These programs are described below.

#### **3.3.1 Rental Price Restriction Program**

The Town has a program in place that pays owners of rental properties either 1) a flat one-time fee in exchange for an agreement to rent the unit at an affordable rate for a period of years, or 2) lower the rent on an existing affordable unit. This program will be continued and expanded, to the extent possible, using funds from the Housing Trust Fund.

#### **3.3.2 Affordable Housing Rehabilitation Program**

In 2003, the Town partnered with the Town of Salisbury to obtain federal Community Development Block Grant funds to offer qualified homeowners<sup>24</sup> assistance with rehabilitating their homes. The program, administered by the Town of Salisbury, helped five Ipswich homeowners with housing rehabilitation grants of \$20,000 each. Although the funds have all been expended, the Town hopes to obtain additional CDBG funds in the future, perhaps in a continued partnership with Salisbury, to continue this effort.

#### **3.3.3. Affordable Housing Purchase/Resale Program**

The Town is pursuing a new purchase/resale program, whereby the Town would purchase existing low-cost housing units as they come on the market, with the intention of reselling them to qualified homebuyers. The units would be re-sold with a deed restriction ensuring long-term affordability, even when they are re-sold by the new owners. This fall the Town, acting through the Board of Selectmen and Affordable Housing Trust Fund Commission, committed \$150,000 in Affordable Housing Trust and HOME Funds to facilitate the conversion of two market rental units at 98 Central Street into two permanently affordable units. (A third unit, permanently affordable to a household earning 100% of Regional Household Median Income, will also be created in an existing accessory building).

### **3.4 Strategy 3: Guide Suitable Affordable Housing Development**

Given the numerous affordable housing developments proposed in Ipswich in recent years, especially comprehensive permit (40B) projects, it benefits the Town to identify the most suitable land parcels for such projects and guide developers to them. The Town may guide development of affordable housing on appropriate land parcels in a couple of ways. Most simply, the list may be made available to interested developers. For Town-owned parcels, the Town could issue a request for proposals (RFP) for developers to build affordable housing in accordance with density and design

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<sup>24</sup> Homeowners must meet the same criteria as applicants for affordable housing units, that is, earning no more than 80% of the area median household income, also described in Section 2.4.3.

guidelines that the Town established in the RFP. Town-owned parcels could also be donated to a specific non-profit housing developer (e.g., Cape Ann Habitat for Humanity) to build affordable housing. In cases where appropriate sites are not Town-owned, the Town may attempt to work with the land owners to purchase them.

### **3.4.1 Appropriate Parcels**

There are several characteristics that make a particular land parcel more suitable than another for development that includes affordable housing units. The most important consideration is that it be compatible with the Town's Community Development Plan (CDP) and other plans which guide development (See Appendix 4.3 for a complete list of plans). This includes compatibility with the Smart Growth Principles noted in described in Section 1.3 and Appendix 4.3 of this report.

Locations convenient to public amenities such as schools, libraries, parks and public transit are of particular benefit to lower income residents such as young families and senior citizens. Housing developments which include affordable units are typically of higher density, thus are best located in areas with existing infrastructure and complementary land use. Sites that are within easy walking distance of shops, restaurants, and other commercial destinations further reduce impacts on open space and roads. The size of the parcel is an important factor, as it must be large enough to accommodate at least a duplex building. Finally, locations that already have a building suitable for rehabilitation may keep project costs down.

Ipswich has developed a list of land parcels that it considers most appropriate for siting affordable projects, as shown in **Table 3-4**. The initial list was developed jointly by the Ipswich Affordable Housing Partnership and the Department of Planning and Development, and then was further refined after input from the board of Selectman Open Space Committee, and others. In addition to identifying the location, size, zoning and current use of each parcel, the table suggests the most appropriate type of housing development for the site. In a number of instances, the Town suggests that the development be mixed-use, (i.e., a mix of commercial and residential use). The locations of these parcels are illustrated in **Figure 3-1**; note that most are located in close proximity to the Town center, within walking distance of shops, schools, and the commuter rail station. It should be further noted that inclusion of a parcel in Table 3.4 does not guarantee Town support or approval of a specific development proposal for any of these properties.

**Table 3-4.  
Parcels Potentially Suitable for Developments with Affordable Units<sup>d</sup>**

Site	Location	Address	Map	Lot	Acre	Zone	Current Use	Suggested Type	Zoning Change?
1	Corner of Market & Union	44 Market St	42A	200	0.25	CB	Auto parts store	Mixed-use	no
2		1 Union St	42A	199	0.20	CB	Convenience market		
3	Corner of Topsfield & Farragut	3 Topsfield Rd	41B	213	0.64	IR	Auto repair, vacant building	Multi-family or Mixed-use	yes for MU
4 <sup>a</sup>	Topsfield across tracks from rail depot	6 Topsfield Rd	41D	32A	0.76	IR	Warehouse	Multi-family or Mixed-use	yes for MU
5 <sup>a</sup>		14 Topsfield Rd	41D	36	0.25	IR	Vacant		
6	Hammatt St near Washington	16 Hammatt St	42A	236	0.37	CB	Vacant building	Mixed-use	No
7		18 Hammatt St	41B	296	0.13	CB	Vacant		
8	Corner of Mineral & Washington	5 Washington St	41B	275	0.14	IR	Vacant	Multi-family development	No
9		11 Washington St	41B	274	0.67	IR	Carwash		
10		31 Washington St	41B	250	0.27	IR	Vacant		
11	Corner of S. Main & Elm	20 S. Main St	42A	136	0.30	CB	Gas station	Mixed-use	No
12		24 S. Main St	42A	137	0.11	CB	Parking		
13	Corner of Brown Square & Granite Ct	22 Brown Square	41B	287	0.31	GB	Marble cutting shop	Multi-family or Mixed-use	No
14	Brown Square	2 Soffron Ln	41B	281	0.88	GB	Warehouse	Mixed-use	No
15 <sup>c</sup>	County St between Green and Summer	8 County St	42A	86	1.42	IR	Vacant lot	Duplex	No
16	Corner of Pineswamp and Linebrook	4 Pineswamp Rd	30D	135	12.00	RRA	Community gardens	Single-family detached or attached	No

Site	Location	Address	Map	Lot	Acre	Zone	Current Use	Suggested Type	Zoning Change?
17 <sup>a</sup>	Topsfield Rd near Peabody	28 Topsfield Rd	41D	47	0.37	IR	Vacant church	Multi-family	No
18	Brown St between Liberty and Mineral	13 Brown St	41B	242A	0.14	GB	Auto repair	Duplex or Multi-family	No
19			41B	244	0.90	GB	Vacant building	Duplex or Multi-family	No
20	High St near Liberty	86-88 High St	30D	153	1.40	IR	Multi-family housing, 4 units	Multi-family	No
21 <sup>b</sup>	Corner of Central and Manning	65 Central St	42A	250	6.80	IR	Fire station	Mixed-use	yes for MU
22 <sup>c</sup>	County Rd	149 County Rd	53D	10	17.3	RRA	Vacant Lot	Multi-family or Single-family detached <sup>c</sup>	yes for MF
23	Topsfield Rd near Colonial Drive	70 Topsfield Rd	41D	49A	8.2	IR	Fraternal organization	Multi-family development	No
24	High Street near High School	126 High Street	30B	005	0.75	HB	Commercial establishment	Mixed-use	No
25 <sup>c</sup>	School Street	79 School Street	30C	053	6.38	RRA	vacant	Duplex or Multi-family	Yes for MF
26	Essex Road behind Bruni's Market	28-36 Essex Road	54C	22	7.09	HB	Rear is vacant	Multi-family Development	No

<sup>a</sup> Currently for sale on the market

<sup>b</sup> The Town is considering a new fire station. This parcel would need to be split, because it also contains the Winthrop School.

<sup>c</sup> Only the portion of these lots fronting the road is considered suitable for development

<sup>d</sup> The potential acreage of these parcels may be smaller than shown due to environmental constraints such as wetlands, etc.

### **3.4.2 Educate Potential Buyers and Renters**

As Ipswich becomes more involved in creating affordable housing initiatives and partnerships, and the inventory increases, it is increasingly important for the Town to educate target populations on the availability of affordable units. The Town is authorized by the State to give preference to existing residents by allocating up to 70% of Chapter 40B affordable units constructed as part of a residential development to income-eligible, local residents.<sup>25</sup> Currently, the Town provides information to potential homebuyers about resources available to them, including state, federal, and non-profit programs, that can help make home ownership affordable. These resources include down payment gift and loan programs, as well as other assistance to homebuyers, especially first-time homebuyers.

Increasingly, the Town's Planning Office receives inquiries from existing and potential residents who qualify for affordable units and are seeking to move. There is a need to communicate more effectively about the availability and allocation of affordable units. Although the Town intends to continue to support and work with local non-profit affordable housing organizations, it would be beneficial to have a staff person dedicated to serving these clientele, as well as serving as a liaison to affordable housing organizations and the DHCD. Currently, the Town is in the process of considering hiring a part-time housing coordinator to manage the process of linking qualified Ipswich residents with appropriate units, and the process of partnering with private and non-profit affordable housing developers. This position would be funded by the Affordable Housing Trust Fund. In addition, the Town could work with a local non-profit agency to sponsor educational sessions or a mailing for first-time homebuyers with qualifying income levels alerting them of relevant programs.

Other important information of use to renters of affordable units are laws related to eviction, especially Just Cause Eviction Controls. These laws give special protection to the elderly, disabled, or ill, and ensure that landlords can only evict with proper cause, such as failure to pay rent or property destruction. They protect renters against being evicted by landlords who want to profit from rising rental and housing markets. The Town and local housing organizations should help educate existing tenants in Ipswich about these laws so that they are aware of their rights.

## **3.5 Strategy 4: Accommodate Housing Needs of Key Populations**

As described in **Section 3.2**, Ipswich has undertaken several housing initiatives to provide affordable housing to targeted segments of the Town's population. The Town continues to work with private developers to promote a diversity of housing types directed to different populations with housing needs, including families, individuals with special needs, and seniors. Described below are the approaches the Town is taking to address the needs of two specific populations, families and persons with special needs or disabilities.

### **3.5.1 Affordable Units for Families**

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<sup>25</sup> The State allows communities flexibility in defining "local," which can mean existing resident, previous resident, one-time resident, etc.

Families with children represent a vitally important segment of Ipswich’s population. As discussed in **Section 2.5.3**, the Town needs more affordable “starter homes” to attract and retain young families. Creating affordable units for moderate-income families is critical to housing the Town’s local government employees and downtown service and retail workers, as well as the growing number of single -parent female -headed households in Ipswich. When speaking with developers to identify appropriate projects, town officials should consistently stress the need for family housing within the community.

The Town should also support, when feasible, the development of for-sale housing for very low-income families. This objective was accomplished recently through the development of three single-family homes off Essex Road by Cape Ann Habitat for Humanity. The Town should look for other opportunities, especially infill development, where such housing would be appropriate.

As discussed in Section **2.5.4**, rental housing remains the only affordable housing option for many households in Ipswich. Few of Ipswich’s rental units, however, are designed for families, and fewer still are affordable to low-income families. Though the rental housing stock has increased in number in recent years, the rental market remains fairly tight, particularly for those households needing more than two bedrooms.

Three projects currently in process will help meet the need for affordable dwellings units for families:

Ipswich Pines: This 36 unit for-sale 40B housing development was approved by the Zoning Board of Appeals (ZBA) in August of 2005, and is now under construction. Twelve of the units will have three bedrooms, and 24 will be two-bedroom units. Three of the three-bedroom units and six of the two-bedroom units will target families with incomes of no more than 80% of the Area Median Income (AMI).

Powderhouse Village (YMCA) Project: As cited in **Section 3.2.2**, Ipswich has approved this 48-unit affordable rental housing development (project is currently under litigation) that will provide one, two and three -bedroom dwelling units for families and individuals.

As noted in the table below, twelve of the dwelling units will have three-bedrooms, and twenty-four will have two-bedrooms. The table also indicates the level of affordability for each of the units.

<b>Income</b>		<b>50% AMI</b>	<b>60% AMI</b>	<b>80% AMI</b>
<b>1 Br</b>	<b>12</b>	<b>4 units</b>	<b>8 units</b>	
<b>2 Br</b>	<b>24</b>	<b>6 units</b>	<b>14 units</b>	<b>4 units</b>
<b>3 Br</b>	<b>12</b>	<b>1 unit</b>	<b>3 units</b>	<b>8 units</b>
<b>TOTAL</b>	<b>48</b>	<b>11 units</b>	<b>25 units</b>	<b>12 units</b>

Green Meadow Farm: This 40B project addresses the needs of families even more directly by proposing 20 duplexes (40 housing units) all of which are designed with three-bedrooms. Twenty-five percent, or ten units, will be made affordable to households of no more than 80% of the Area Median Income. This 40B project is to go before the ZBA by January of 2007. The Town’s initial response to the project has been generally favorable.



### **3.5.2 Affordable Units for Persons with Special Needs or Disabilities**

Disabled persons in Ipswich who cannot work likely face challenges to keep or find their housing. While Social Security and/or Supplemental Security Income is likely in most of these households, together with other potential sources, there are implicit limitations in competing in the housing marketplace, not just due to prevailing high rental prices but also to the scarcity of affordable, barrier-free units. Currently the Department of Housing & Community Development's Subsidized Housing Inventory for Ipswich counts eight units of housing set-aside for disabled residents who are serviced by the Massachusetts Department of Mental Health. These units include four beds in a group home for persons 60 years of age or older located at 21 Essex Road, owned and operated by the Ipswich Housing Authority. It is an objective of this Affordable Housing Plan that at least 5% of all new affordable units be targeted to occupants who are disabled. When possible these units are to be barrier-free, located on the ground floor, and available preferentially to disabled Ipswich residents in need of such housing.

### **3.6 Use Restrictions**

The Town's policy relative to housing affordability is to achieve permanent affordability whenever possible. All affordable housing units created in Ipswich over the past several years have met that objective. The inclusionary housing provision of the Ipswich Protective Zoning Bylaw requires that all affordable housing units created pursuant to it be (a) no greater than 80% of the median income for the region in which Ipswich is located and (b) "subject to long-term use restrictions and, where applicable, resale restrictions, to ensure that they remain affordable to low- and moderate-income households for the longest period allowed by law, but in no instance less than ninety-nine years." The Town has also imposed this requirement on projects that have created affordable housing but are not subject to the inclusionary provision. If the use restrictions or re-sale controls that are placed on housing units in those projects, whether for new construction or completion of rehabilitation, do not preserve their affordability in perpetuity, then at minimum the term of affordability shall be: (a) thirty years from the date of subsidy approval or construction for new construction; or (b) fifteen years or longer from the date of subsidy approval or completion of rehabilitation.

The deed restrictions placed on affordable housing projects have used the model established by the Commonwealth, and all have been approved by DHCD. The calculation of future sale or rental price is based on a discount rate that is a percentage of the unit's fair market value, and allows for the maximum resale price to include certain capital improvement costs.

Regardless of whether or not the affordable housing units are created under the Town's inclusionary housing provision, all units are or will be subject to an executed Regulatory Agreement between the developer and the subsidizing agency, unless the subsidy program does not require such an agreement. The units have been, or will be marketed in a fair and open process consistent with state and federal fair housing laws.

## **ACKNOWLEDGEMENTS**

Many individuals were involved in the production of the *Town of Ipswich Affordable Housing Plan*. It was written by Andrea Broaddus, a summer intern in the Department of Planning and Development, under the supervision of Planning Director Glenn Gibbs. Much of Part 2 was taken directly from the 2003 Ipswich Community Development Plan, although the text and figures were updated to reflect current conditions. The Plan, especially the goals and strategies in Part 3 and the identified potential affordable housing sites, was developed in conjunction with the Ipswich Affordable Housing Partnership.

The Plan was distributed to, and commented upon, by members of the Planning Board and the Open Space Committee. On October 13, 2005, a public hearing was held by the Board of Selectmen and the Affordable Housing Partnership, at which a number of comments were received. These comments, along with all other input received on the Plan, were considered when the final version of the report was developed. The Plan was adopted by the Board of Selectmen on January 3, 2006 and submitted to the Commonwealth for its approval on January 5, 2006.

On March of 2006 the Town received a response letter from the Commonwealth which commended the Town for its efforts in developing an affordable housing plan, but which also suggested a few changes to assure full compliance with the above-cited regulatory provision. On December 18, 2006, the Board of Selectmen approved revisions to the Plan which address the Commonwealth's comments. The revised Plan was submitted to the Commonwealth for its approval on December 21, 2006.

## APPENDIX 4.1

### Housing Implementation Plan from the Ipswich Community Development Plan<sup>26</sup>

Item #	Description	Responsibility	Importance	Time Frame	Implemented
<b>HOUSING POLICY 1: Promote both ownership and rental housing development in areas in and near the downtown that are already affected by development and have infrastructure in place to meet the needs of new residents.</b>					
H1-1	Infill Development in IR District	Planning Bd., Town Meeting	Medium	Immediate	2003
H1-2	Village Incentive District	Planning Bd., Town Meeting	High	Immediate	Attempted 2003
H1-3	Adaptive Reuse	Planning Bd.	Medium	Ongoing	Updated 2004
H1-4	Mixed-Use Developments Downtown	Planning Bd.	Low	Short-term	
H1-5	Promote Housing Redevelopment	Planning Dept., Housing Partnership	Medium	Short-term	2005
<b>HOUSING POLICY 2: Expand the areas throughout the Town where multi-family residential development and senior housing is allowed by special permit.</b>					
H2-1	Senior Housing Use Category	Planning Bd., Town Meeting	Medium	Short-term	
H2-2	Multi-generational Housing Use Category	Planning Bd., Town Meeting	Low	Middle-term	
H2-3	Large Parcel Planned Development <i>(This policy could replace H2-1 and H2-2)</i>	Planning Bd., Town Meeting	Medium	Short-term	Attempted 2004
H2-4	Multi-family Housing in the Village Incentive District	Planning Bd., Town Meeting	Low	Short-term	
<b>HOUSING POLICY 3: Ensure that new residential development is environmentally and aesthetically compatible with the Town's existing landscape.</b>					
H3-1	OSPZ/Incentive Zoning	Planning Bd., Town Meeting	High	Ongoing	Updated 2004
H3-2	OSPZ As-of-Right Areas	Planning Bd., Town Meeting	Medium	Short-term	
H3-3	Minimum Upland Requirement	Planning Bd., Conservation, Town Meeting	Low	Middle-term	2004

<sup>26</sup> Taken and updated from Ipswich's Community Development Plan, adopted 2003.

Item #	Description	Responsibility	Importance	Time Frame	Implemented
H3-4	Guide New Residential Development to be Compatible with Town Character Statement	Planning Bd., Planning Dept.	High	Ongoing	
H3-5	Provide Additional Support to Planning Board/Department	Town Meeting, Selectmen, Finance Cmte.	Medium	Short-term	
<b>HOUSING POLICY 4: Increase the availability of affordable housing in the Town, and the amount of housing that counts toward the Town's 10% requirement under Chapter 40B.</b>					
H4-1	Inclusionary Housing Requirements	Planning Bd., Town Meeting	Low	Immediate	Updated 2004
H4-2	Accessory Dwelling Units	Planning Dept., Town Meeting	Medium	Short-term	Updated 2004
H4-3	Inclusionary Senior Housing	Planning Bd.	Medium	Ongoing	
H4-4	Funding for Affordable Housing	Planning Bd., Town Meeting, Voters, Developers	High	Middle-term	2004
H4-5	Municipal Land for Affordable Housing	Planning Dept., Selectmen, Housing Partnership	Low	Immediate	2003
H4-6	Affordable Housing Purchase/Resale Program	Housing Partnership	Medium	Short-term	
H4-7	Affordable Housing Rehab Program	Housing Partnership	Medium	Ongoing	
H4-8	Rental Price Restriction Program	Housing Partnership	Medium	Ongoing	2000
H4-9	Support Nonprofit Housing Organizations	Town Meeting, Selectmen	High	Ongoing	
H4-10	Housing Outreach and Buyer Education	Housing Partnership	Medium	Ongoing	
H4-11	Just Cause Eviction Controls	Housing Organizations	Medium	Ongoing	
H4-12	Prioritize Local Residents for Affordable Units	Housing Organizations	Medium	Immediate	

Item #	Description	Responsibility	Importance	Time Frame	Implemented
H4-13	Encourage housing development on vacant and underutilized sites	Housing Partnership, Planning Dept.	Medium	Ongoing	2005

**Further description of selected Action Items related to Affordable Housing Development:**

- H1-1. Infill Development in IR District:** An infill housing zoning provision was adopted in 2003, (Section VI of Ipswich Zoning Bylaw, Table of Dimensional and Density Regulations, Footnote 28). It allows the construction of homes on certain undersized lots in the largely built-up In-town Residence District, if the houses are affordable (payment in lieu-of option available) and otherwise in character with the neighborhood, allowing considerable flexibility for residential development. Three infill lots have been approved to date.
- H1-2. Village Incentive District:** Create a new Village Incentive (VI) district that abuts the IR district and offers incentives for developers to build single-family, two-family, and possibly 3-4 family housing on lots in the range of 10,000 to 20,000 square feet. The purpose of the VI district is twofold: first, to make good use of land and infrastructure near the downtown by allowing compact and compatible residential development, and, second, to conserve open space in the rural sections of Town. Its function would be similar to a Transfer of Development Rights (TDR) bylaw. A version of this bylaw received 57% of votes at the 2004 Town Meeting, but failed for the lack of a two-thirds majority.
- H1-3. Adaptive Reuse:** Creation of small, affordable dwelling units within existing structures is allowed through the implementation of two recently adopted additions to the zoning bylaw. The first provision (passed in 2001) allows by special permit the adaptive reuse of structurally sound pre-existing secondary buildings on residential parcels in the Intown Residence district—such as garages, barns, and carriage houses—for the purpose of creating additional small residences. In this way, the Town can further increase its number of affordable housing units without unduly altering the physical appearance of these areas. Such units are required to have a mechanism to ensure long-term affordability. The second provision (passed in 2004) allows the creation of “accessory apartments” by special permit (see **H4-2**) in the rural residence districts.
- H1-4. Promote Housing Redevelopment:** The Town has identified significant vacant square footage available in or near downtown and vacant housing units that could be developed or rehabilitated for residential use, including affordable housing (see **Table 3-2**). The Town aims to work with property owners and developers to guide development to these suitable parcels.
- H2-1. Senior Housing Use Category:** Add senior housing as a separate use category in the “Table of Use Regulations,” by special permit. Senior housing could include retirement communities for active seniors as well as assisted living arrangements (nursing homes are already allowed by special permit in the residential districts). Appropriate districts for senior housing could include all of the residential districts as well as the business districts. This measure could include adoption of a senior housing bylaw to guide the design and development of such projects, varying by district. For example, senior housing in the Rural

Residence and Highway Business districts could be buffered from main roads and set amid open space and walking trails, whereas senior housing in the Intown Residence, Village Incentive, Central Business, or General Business districts could be integrated into the surrounding neighborhood and accessible to downtown by sidewalks.

- H2-2. Multi-Generational Housing Use Category:** Allow multi-generational housing as a special permit use in the residential districts, to prevent fragmenting the community with age-segregated housing and isolating seniors. Multi-generational housing would include a mix of housing types for families, single persons and childless couples, empty nesters, and active and/or less active senior citizens. Some portion of the units (e.g., 50%) would need to be age-restricted for persons 55 or older. The Town could adopt a multi-generational housing use category and zoning bylaw as an alternative to the senior housing bylaw discussed above. In this case, multi-generational housing should be a special permit use allowed in the Rural Residence, Village Incentive, and Intown Residence district. The bylaw should specify appropriate densities, configurations, designs, age restriction clauses, and an affordability requirement.
- H2-3. Large Parcel Planned Development:** The purpose of this bylaw would be threefold: 1) to preserve the scenic and ecological landscape features of large tracts more effectively than could be done with conventional development; 2) to allow more flexibility to build different types of housing, including senior housing and smaller dwelling units; and 3) to allow for dispersed, low-impact economic development for business uses that do not require a high-visibility site.
- H2-4. Multi-Family Housing in the VI District:** Allow three and four-family residential structures in the proposed Village Incentive district as possible uses that could be allowed through the VI special permit process. In order for multi-family housing in the VI district to remain compatible with the character of nearby neighborhoods, such housing should be limited to 4 units per structure and should be designed to look as similar as possible to single-family homes.
- H4-1 Inclusionary Housing Requirements:** Ipswich currently has an Inclusionary Housing Bylaw to encourage the creation of affordable housing in new developments (Section IX I of Ipswich Zoning Bylaw). Recent changes to the zoning bylaw further encourage the development of affordable housing by allowing a density bonus for residential developments that provide 10% affordable housing and are constructed in accordance with the OSPZ bylaw. To be considered “affordable,” a unit must be affordable to persons or families earning no more than 70% of the region’s median household income.<sup>27</sup> For developments of less than 10 units, the developer may provide one affordable unit or, alternatively, may provide an affordable housing fee. The affordability requirement may be reduced to 5% if the affordable units are sold or rented at prices affordable to households at or below 50% of the regional median household income. The requirement may also be increased to 15% if federal, state, or local subsidies are available and used to offset the cost to the developer of providing affordable units in excess of 10%.

Two potential changes for this bylaw may improve it. First, extending the minimum length of time for which affordable units must remain affordable. Currently, the Inclusionary

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<sup>27</sup> An affordable rental unit must cost no more than 30% of the annual income of a household earning 70% of the region’s median household income. An affordable ownership unit must cost no more than 33% of the annual income of a household earning 70% of the region’s median household income, including mortgage payments, tax, property insurance, and condominium fees, if applicable.

Housing Requirements mandate that units developed under the bylaw must be subject to long-term use and resale restrictions to ensure their continued affordability for the longest period deemed practicable by the Planning Board, but no less than 30 years. This time period could be extended to 45, 50, or even 99 years to help ensure that Ipswich remains a community where moderate-income persons and families can reside.

Second, allowing a payment-in-lieu option for affordable housing in all situations, not just for developments with fewer than 10 units. The Town may be able to create or preserve more affordable units by accepting the payment-in-lieu than by requiring the developer to build the affordable units himself. The Town can stretch these funds by “matching” them with state and federal subsidies, assistance from nonprofit groups, free or low-cost Town land, and a streamlined permitting process (for example, through the Local Initiative Program<sup>28</sup>).

Conversely, the marginal cost to a developer of building a single affordable unit can be quite large: perhaps \$200,000 to \$300,000 in a subdivision of \$500,000 houses. The payment-in-lieu should be set ahead of time by the Planning Board, but may be changed from time to time. The payment in lieu of an affordable unit should be based on the additional marginal profit that the developer would earn if s/he were able to build a market-rate unit in place of an affordable unit.<sup>29</sup>

**H4-2 Accessory Dwelling Units:** Allow the creation of accessory in-law apartments by special permit. These units may be occupied by a maximum of two people and provide up to one bedroom, one bathroom, and be up to 900 square feet of floor area or 25% of total gross floor area, whichever is greater. To minimize the impact of accessory building conversions on existing neighborhoods, the bylaw requires that the dwelling be located entirely within the envelope of the pre-existing accessory building. Some changes to these policies may make them even more effective:

1. Any accessory dwelling unit created in Ipswich—whether an attached apartment or a small unit in a secondary building—should be required to have a deed restriction that ensures that it will be rented at an affordable rate in perpetuity (or until the use is discontinued).
2. The Town should consider allowing attached accessory apartments as-of-right, subject to a deed restriction to ensure long-term affordability plus the other requirements of the current bylaw.

**H 4-3. Inclusionary Senior Housing:** The proposed senior housing or multi-generational housing uses (policies H2-1 and H2-2) would both be subject to the Inclusionary Housing Requirements because they would both require the issuance of a special permit. As such, at least 10% of the units would be required to be affordable.

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<sup>28</sup> This state-sponsored program encourages locally supported affordable housing projects to use the Comprehensive Permit process (Chapter 40B) to create affordable units that could toward the Town’s 10% affordable housing requirement.

<sup>29</sup> For example, if an affordable unit costs the developer \$150,000 to build and can be sold for \$180,000, the gross profit on that unit (excluding fixed costs such as land, infrastructure, and design) is \$30,000. For a market-rate unit, the cost to build might be \$240,000 versus a sales price of \$400,000—a gross profit of \$160,000. In this case, the developer could earn \$130,000 more by building the market-rate unit. In theory, if the Town requires \$130,000 or less as the payment-in-lieu, it would be in the developer’s interest to make the payment rather than building the unit. Actual construction cost and potential sale numbers should be updated regularly to keep the payment-in-lieu fee current.

- H4-4. Funding for Affordable Housing:** Additional financial resources should be identified and pursued. One revenue source is the payments made to the Town in lieu of creating affordable units under the Inclusionary Housing Requirements. Another possible revenue source would be for the Town to pass the Community Preservation Act (CPA).
- H4-5. Municipal Land for Affordable Housing:** There are few if any current opportunities for housing development on town-owned land. However, if tax title properties become available, the Town should act quickly to take control of any appropriate such parcels that could be used for affordable housing.
- H4-6. Affordable Housing Purchase/Resale Program:** Institute a purchase/resale program, whereby the Town purchases existing low-cost housing units as they come on the market. The Town could then re-sell these units to qualifying homebuyers with a deed restriction that ensures that the units to remain affordable long-term, even when they are re-sold.
- H 4-7. Affordable Housing Rehab Program:** Offer housing rehabilitation grants (e.g., \$25,000) to homeowners who agree to a long-term affordability deed restriction on their property.
- H4-8. Rental Price Restriction Program:** Expand the existing rental assistance program whereby owners of rental properties are paid a flat one-time fee in exchange for the owner agreeing to rent the unit at an affordable rate for a period of years.
- H4-9. Support Nonprofit Housing Organizations to be Active in Ipswich:** Continue to support local non-profit affordable housing organizations with funding and staffing as necessary to carry out the other initiatives described in this section.
- H4-10. Housing Outreach and Buyer Education:** Provide information to potential homebuyers about resources available to them, including state, federal, and non-profit programs, that can help make home ownership affordable. These resources include down payment gift and loan programs, as well as other assistance to homebuyers, especially first-time homebuyers. For example, the Town could work with a local non-profit agency to sponsor educational sessions or a mailing for first-time homebuyers with qualifying income levels alerting them of relevant programs.
- H4-11. Just Cause Eviction Controls:** These laws give special protection to the elderly, disabled, or ill, and ensure that landlords can only evict with proper cause, such as failure to pay rent or property destruction. They protect renters against being evicted by landlords who want to profit from rising rental and housing markets. Local housing organizations should help educate existing tenants in Ipswich about these laws so that they are aware of their rights.
- H4-12. Prioritize Local Residents for Affordable Units:** In allocating available units of elderly and family housing, the Ipswich Housing Authority gives preference to existing Ipswich residents for the programs that the Housing Authority administers. The Town is also authorized by the State to allocate up to 70% of Chapter 40B affordable units constructed as part of a residential development to income-eligible, local residents.<sup>30</sup> The Town can strengthen these regulations to ensure, that upon resale of any of the previously allocated “local resident” units, those units will continue to be occupied by income-eligible Ipswich residents.

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<sup>30</sup> The State allows communities flexibility in defining “local,” which can mean existing resident, previous resident, one-time resident, etc.



**H4-13. Encourage Housing Development on Vacant and Underutilized Sites:** The Town has identified specific vacant or underutilized sites that may have the potential for housing development or redevelopment (see **Table 3-4**), and seeks to work with property owners to encourage the development of appropriate types of housing. In certain cases, the Town may offer financial assistance from its Affordable Housing Trust Fund or outside grants.

## **APPENDIX 4.2**

### **Ipswich Affordable Housing Partnership Statement of Goals<sup>31</sup>**

#### ***GOALS AND STRATEGIES***

***GOAL: Support the diversity of the community by assuring fair and equal housing opportunities for a population that is at least as diverse as the present population in age, race, household type, lifestyle, cultural heritage and economic status.***

Supporting Strategies:

- Conduct analysis of population and non-resident municipal employees to identify the number and type of affordable units needed in the community.
- Promote financing programs and training, and assist low/moderate income buyers to use all available financing resources to purchase and maintain affordable units.

***GOAL: Preserve and improve affordable housing that already exists and provide assistance for the development of affordable housing in all of the Town's neighborhoods.***

Supporting Strategies:

- Develop a priority list of types of units and levels of affordability most needed in the community based upon inventory and needs analysis.
- Review affordable housing proposals and projects during the permitting process with the Planning Board and Zoning Board of Appeals and provide feedback to the Boards and the developers.
- Preserve existing, but unprotected, affordable units through the purchase of deed covenants or other methods.
- Monitor the payment of development linkage fees.

***GOAL: To promote affordable housing in a competitive real estate marketplace, stimulate changes in municipal procedures to streamline the permitting processes for affordable housing proposals.***

Supporting Strategy:

- Review existing and proposed zoning and other municipal regulations that may adversely impact the preservation or development of affordable units.

***GOAL: Use local resources to leverage as much private, federal and state assistance as possible.***

Supporting Strategies:

- Develop policies for the most effective use of the funds to leverage as much federal and state assistance as possible.

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<sup>31</sup> As created by members of the Ipswich Affordable Housing Partnership, 2004.

- Encourage financial institutions to provide appropriate financing and other assistance useful in developing and/or preserving affordable housing for low/moderate income buyers.

***GOAL: Construct at least 50 dwelling units annually, of which at least 10% shall be rental units.***

Supporting Strategies:

- Encourage qualified developers who are willing to build rental units in the Town.
- Review the Town's land use plan to identify parcels that are most appropriate for housing development.

***GOAL: Construct or protect and preserve affordable units equal to at least 10% of the new dwelling units built in the Town each year.***

Supporting Strategies:

- Encourage qualified developers who are willing to build affordable units in the Town, whether for sale or lease.
- Review the Town's land use plan to identify parcels that are most appropriate for projects creating affordable housing.

***GOAL: Update the zoning bylaw to protect existing affordable housing and to encourage additional affordable housing, both in existing buildings and integrated within new developments.***

Supporting Strategies:

- Conduct inventory of existing affordable units, both private and public, and identify by location, number of bedrooms, level of affordability, owner-occupied or rental, etc.
- Propose or support zoning or other municipal regulations that facilitate the preservation or development of affordable units.

***GOAL: Educate the citizens of the Town of the vital role of affordable housing in maintaining the economic and social diversity of the community, and compatibility with Ipswich's way of life.***

Supporting Strategies:

- Emphasize the need for affordable housing through public meetings, the Town web page, Town Meetings, the media, and testimonials from users.
- Encourage special permit granting authorities to recognize the need for, and public benefit of, affordable housing when exercising their discretion in the permitting process.

## **APPENDIX 4.3 Town Plans Which Guide Development**

During the past five years, the Town of Ipswich has developed a variety of plans to guide ongoing development in the Town and to preserve and enhance the Town's valuable assets. These plans include the *Ipswich Community Development Plan*; *The Vision for Open Space: The Ipswich Green Ring Report*; and the *Ipswich Town Character Statement*.

## Town Character Statement

The **Town Character Statement (TCS)**, undertaken in 1999 but not published until 2004. The stated purpose of TCS is to "preserve the distinct historic character of Ipswich as well as protect the diverse community and environmental resources that define the town." The TCS is intended as a resource for developers, community members, and town officials. The recommendations and guidelines are aimed at encouraging responsible development by promoting both aesthetic and functional ideas for design." It was further noted that "The Ipswich TCS should be taken into consideration on all future planning and development activities to ensure that future development fits local surroundings and adds to the distinctive local character. Special permit granting authorities are encouraged to use the guidelines described in the TCS to help determine whether or not a proposal meets the criterion of "compatibility with neighborhood character."

The Planning and Development portion of the Ipswich Town website restates the above quote, and further notes that "... the more responsive a proposal is to the guidelines outlined in this report, the greater its chances of receiving favorable consideration from the Town's permit granting authorities."

The Town Character Statement is divided up into four major geographic sectors of Town, and each of these is broken into even more refined geographic areas. Photographs and descriptions of each area are provided. These profiles provide ready examples of style and character against which permit granting authorities can evaluate any housing proposal for each area. Indeed, this evaluation should always be undertaken to meet the smart growth criteria provided in the Community Development Plan as described below.

## The Vision for Open Space: The Ipswich Green Ring Report

**The Vision for Open Space: The Ipswich Green Ring Report** was prepared in 2000, and built on the Town Character Statement and the Open Space and Recreation Plan of 1999. In this document, a "Vision Statement" was prepared for the Ipswich of 2020. This "Vision Statement" included the following:

Ipswich in 2020 is a community that understands how to manage change by:

- Protecting the town's natural beauty, water resources, and environmental health through enhancing its "green infrastructure"
- Preserving its historic structures and sites
- Sustaining the rural heritage by supporting local farming
- Providing a wide variety of economic and housing opportunities to support social and economic diversity in the community

In 2020, Ipswich remains a real country town, not simply a suburb or bedroom community.

- The historic downtown core is surrounded by an ecologically diverse network of open spaces containing wildlife corridors and trails for equestrian and human use
- The Ipswich River flows throughout the summer and water quality has improved so much in the estuary that clam beds are once again open for harvest
- Housing is concentrated in the downtown core, where a lively village commercial center still offers owner-operated retail establishments
- Environmentally-friendly businesses in the core and in a redeveloped Mitchell Road industrial park provide jobs for a significant proportion of local residents
- Outside the core, fields and woods are interspersed along the roads with nodes of housing
- Local farms survive, thanks to strong market and policy support from the community
- Transportation alternatives to cars benefit local residents as well as visitors to Ipswich
- The town's successful preservation of open space and management of transportation makes it attractive to visitors, who admire historic sites and patronize downtown businesses in addition to enjoying beaches and other natural area.

The implication of these vision elements is to view any proposed housing development in the context of how the development assists the community in achieving its vision. This vision suggests the concentration of housing in the downtown node, consistent in design with the historic buildings already located there. It further suggests that development that may be dispersed throughout the community to achieve an integration of housing by income levels, should not intrude on the key ecological and wildlife corridors that run throughout the Town.

## Ipswich Community Development Plan

When the Ipswich Community Development Plan (CDP) was prepared in 2003, it noted that Ipswich was at a crossroads between Boston-area suburbs and towns that were still uniquely rural. The Community Development Plan states, "In addition to acting on the various policies and initiatives identified in the action plans, Ipswich's boards and commissions should consistently use this document to guide their decision making process with regard to major Town decisions – for example, permitting decisions by the Planning Board and Zoning Board of Appeals, and priority-setting by the Open Space Committee." The CDP also adopted the following Guiding Principles for Smart Growth:

1. **Provide a range of housing opportunities for residents of all levels of income and abilities.** Different choices are essential for Ipswich to remain a diverse community, and for the Town to continue to be able to welcome a variety of new residents who wish to live in Ipswich.
2. **Reduce sprawl by limiting excess roadways and by evaluating and controlling the growth impacts associated with sewer extensions.** New growth should be focused in and near the downtown, or in compact configurations elsewhere in Town. Extensive new roads and spread out development patterns are generally inconsistent with these smart growth principles and should be minimized through regulations and incentives.
3. **Provide a variety of transportation choices. Develop and enhance non-motorized travel options by developing new paths and trails, and making roadways and intersections more pedestrian-friendly.** With a compact town center and commuter rail service, Ipswich is well-positioned to reduce its use of automobiles and increase its use of other travel options.

4. **Protect the village character and strong “sense of place” of downtown Ipswich with its locally-owned businesses, mix of uses, healthy economy, pedestrian-friendly environment, historical resources, multi-modal transportation, and prominent role in community life.** Where applicable, new development proposals and proposed changes to the Town’s bylaws and regulations should work to enhance these positive qualities of downtown Ipswich.
5. **Enforce the highest standards when reviewing development projects that affect the Town’s critical natural resources, such as the Great Marsh, the Parker River-Essex Bay ACEC, the threatened Ipswich River, sites of historical and archeological value, and other resources that are threatened or endangered, such as contiguous habitat.**
6. **Increase the Town’s ability to influence and direct development consistent with these principles by strengthening the planning and review processes, particularly through the use of incentives. Make development decisions predictable, fair, and cost effective.**
7. **Support the survival of resource-based businesses since they are critical to the character of the town, to the conservation of open space, and to the livelihood of local residents.** Shellfishing and farming are vital elements of Ipswich’s sense of place. Future Town policies and development decisions should be favorable to the continuation of these activities.
8. **Ensure that the Town’s population does not exceed the carrying capacity of its environment, infrastructure, and services by anticipating future growth and to reduce future growth potential while at the same time planning for increased services as feasible.**
9. **Work towards making Ipswich a more ecologically “sustainable” community through education and incentives to reduce water and electric use, better manage the Town’s septic systems and wastewater, and encourage the use of alternative energy sources.** Since Ipswich provides many of these services now, and is considering septic system management, the Town can have a big influence on the preservation of resources and the prevention of pollution and other problems associated with the use of these resources.

**APPENDIX 4.4**  
**Measures of Carrying Capacity in Ipswich**  
**(Table 1-1 in CDP)**

<b>System or Resource</b>	<b>Existing Usage</b>	<b>Carrying Capacity</b>	<b>Growth-Related Issues</b>
Land	<ul style="list-style-type: none"> <li>The Town has a land area of about 21,000 acres, and currently contains about 5,600 dwelling units.</li> </ul>	<ul style="list-style-type: none"> <li>About 5,000 acres of buildable land remains.</li> <li>If all of this land is developed in accordance with zoning, the Town could see 4,100 new dwelling units and 2.5 million square feet of new business development (see <b>Section 6.3</b>).</li> </ul>	<ul style="list-style-type: none"> <li>The remaining 5,000 acres could accommodate even more growth if zoning changes or Comprehensive Permits allow for denser development.</li> <li>Development will reduce the Town's supply of open space and may alter town character.</li> </ul>
Public Water Supply <sup>32</sup>	<ul style="list-style-type: none"> <li>Average daily water usage is 1.16 million gallons/day (mgd). This equals 88.6 gallons/person/day.</li> </ul>	<ul style="list-style-type: none"> <li>The Town's water permit allows 1.18 mgd average daily withdrawal. The stated safe yield for the Town's sources is 1.69 mgd, but the reliable year-round supply is probably less than this</li> <li>For each 0.10 mgd of excess capacity, the Town could accommodate about 350 new dwelling units or 1 million square feet of office space.</li> </ul>	<ul style="list-style-type: none"> <li>Water supply is the Town's most severe growth limitation.</li> <li>New supplies, if needed, would probably be difficult and expensive to obtain.</li> <li>Even if system capacity is not exceeded, new water demand will further stress the Ipswich and Parker River Watersheds.</li> </ul>
Ipswich River and Parker River Watersheds	<ul style="list-style-type: none"> <li>Two reservoirs in the Parker River Watershed and wells in the Ipswich River Watershed supply the Town's water.</li> </ul>	<ul style="list-style-type: none"> <li>Impaired water quality and low flow conditions are already serious problems in the Ipswich River. In this sense, humans have already exceeded the carrying capacity of this system.</li> <li>Upstream users are most responsible for problems on the river, although Ipswich's activities also contribute.</li> </ul>	<ul style="list-style-type: none"> <li>Absent new conservation practices and careful management, further water usage could worsen water quantity and quality conditions.</li> </ul>
Wastewater Treatment Plant (WWTP) and Other Wastewater Disposal <sup>2</sup>	<ul style="list-style-type: none"> <li>The public sewer system and WWTP serve 1,760 users. On-site systems serve 4,000 users.</li> <li>The WWTP is now at 50% capacity (2.7 mgd peak flow versus 5.4 mgd peak capacity).</li> </ul>	<ul style="list-style-type: none"> <li>As growth occurs, Ipswich will exceed the capacity of its water supply before it exceeds the capacity of the WWTP.</li> <li>Major expansions of the Town's sewer system are not currently contemplated. Most recent new development has used on-site disposal systems.</li> </ul>	<ul style="list-style-type: none"> <li>Sewerage commonly results in a net loss of water from local watersheds, which contributes to low flow conditions.</li> </ul>
Public Schools	<ul style="list-style-type: none"> <li>About 1,900 students are currently enrolled in the public schools.</li> </ul>	<ul style="list-style-type: none"> <li>According to the School Dept., the schools are currently at 95% capacity.</li> <li>Based on the current average of 0.34 school children per household and 50 new homes per year, the schools will reach capacity within about five years.</li> </ul>	<ul style="list-style-type: none"> <li>Some types of new housing attract far more school children than others.</li> <li>School enrollments vary over time due to age cohort trends in addition to new growth.</li> </ul>

<sup>32</sup> Source: Great Neck, Jeffreys Neck and Little Neck Wastewater Facilities Alternatives Draft Environmental Impact Report, May 2002.

<b>System or Resource</b>	<b>Existing Usage</b>	<b>Carrying Capacity</b>	<b>Growth-Related Issues</b>
Public Safety Facilities	<ul style="list-style-type: none"> <li>The Ipswich Police and Fire Dept. both provide public safety services.</li> </ul>	<ul style="list-style-type: none"> <li>Both departments are nearing capacity for facilities and staffing. The Town has discussed expanding these facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Future growth projections will affect the need for additional facilities and staff.</li> </ul>