

What's considered affordable?

Affordability

A home is considered affordable when it costs no more than 30% of a household's income.

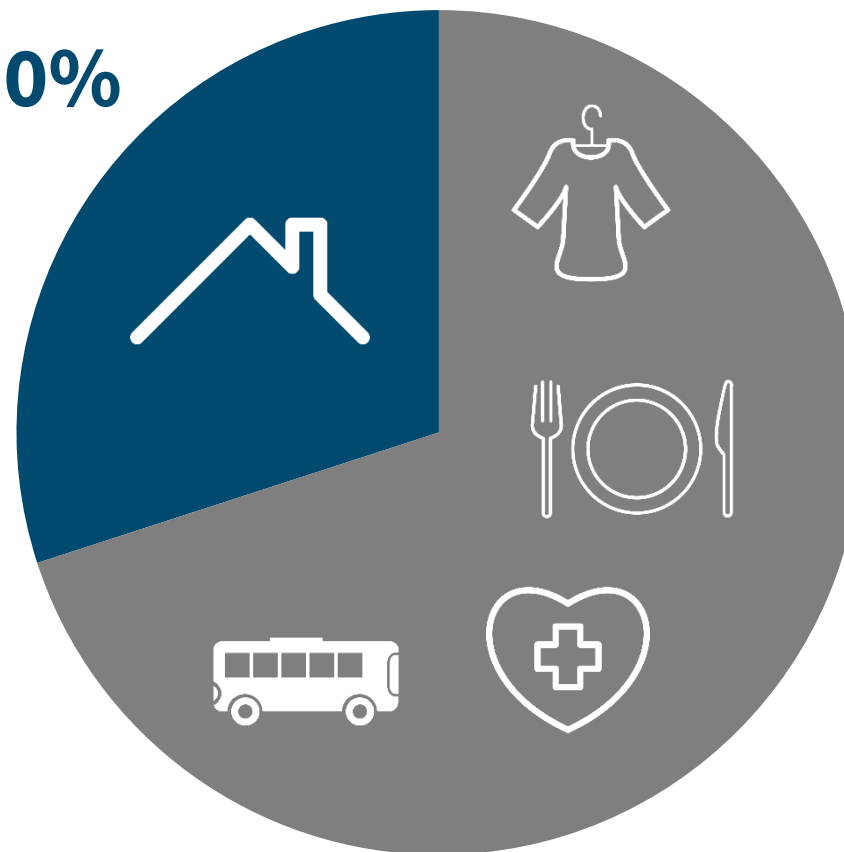
Cost burden

When a household spends more than 30% of their income on housing, they're considered cost burdened, making it difficult to pay for other expenses like food, healthcare, transportation, and other necessities.

Extreme cost burden

When a household spends more than half of their income on housing, the household is extremely cost burdened.

30%



“Lower-case a” versus “Upper-case A”

“Lower-case a” affordable housing

Housing that tends to be affordable in the marketplace (30% of household income) or less expensive due to size, age, or other characteristics. “Lower-case a” affordable housing is not protected by deed restrictions or other mechanisms, so these homes may become unaffordable at any time, depending on investment, the market, and other factors.



Some housing types that tend to be “lower-case a” affordable include accessory dwelling units, duplexes, and townhomes.

“Upper-case A” Affordable Housing

Deed-restricted Affordable Housing, often spelled with a capital “A” and “H”, is legally required to cost no more than 30% of a household’s income and be made available to income-eligible households only.

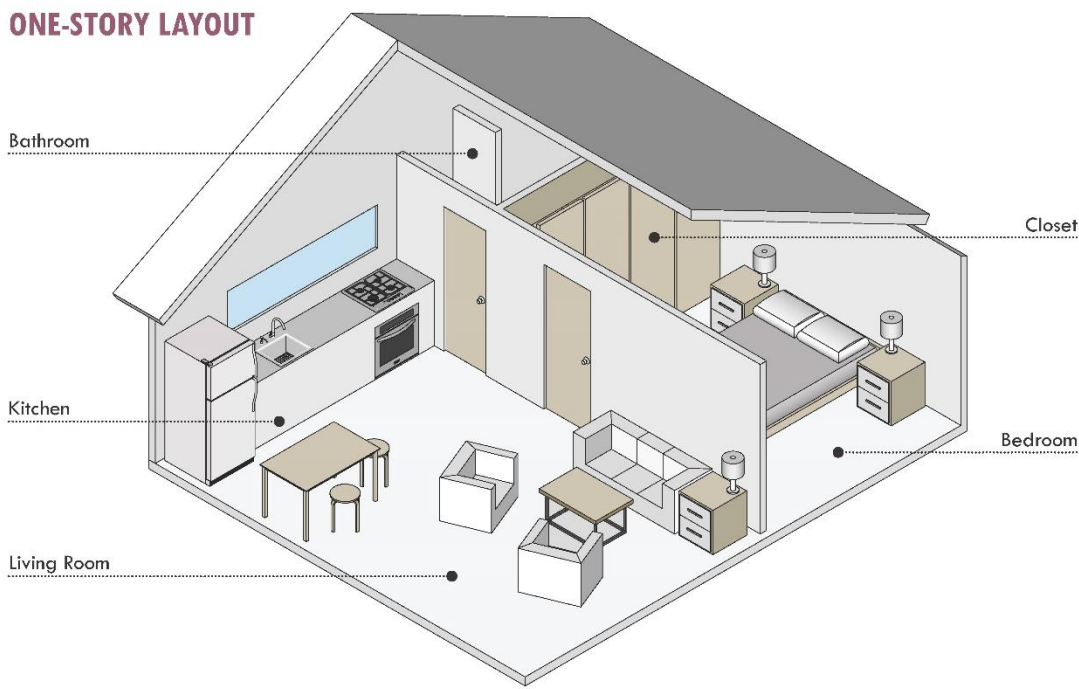
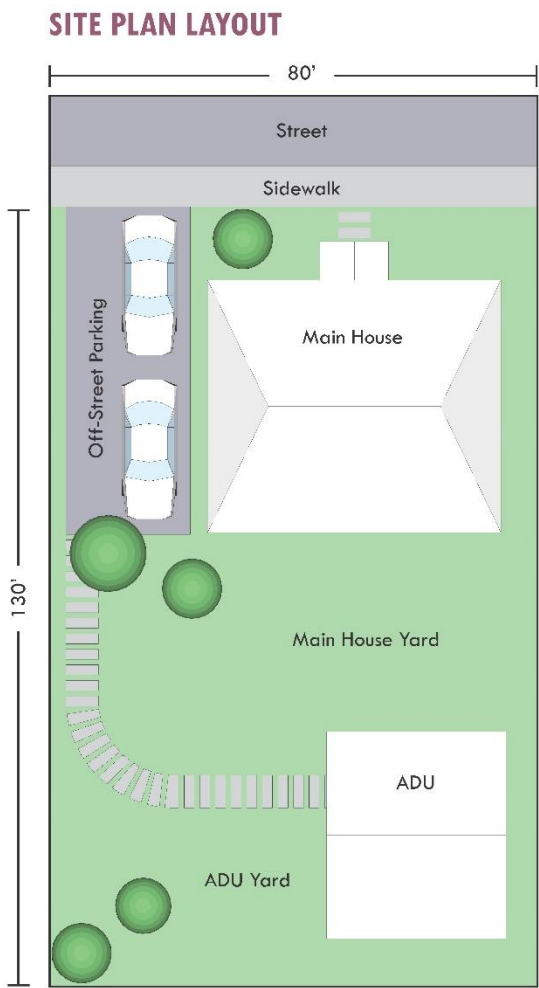
30%



Deed-restricted Affordable Housing must be affordable. These homes are built by non-profit and for-profit developers through a variety of financial and regulatory means.

Accessory Dwelling Units (ADUs)

An Accessory Dwelling Unit, or ADU, is a smaller apartment on the same lot as a larger main house. ADUs are also known as “granny flats,” “carriage houses,” or “in-law apartments.” ADUs can be within the existing house (for example, in a finished basement), added to an existing structure or detached like in the example layout to the right.



GENERAL LAYOUT

Lot Size	10,000 sf (approx. 1/4 acre), but depends on town's ADU zoning
Setbacks	6' - 10' from primary DU Respects other zoning setbacks

Unit Size	250 - 1,200 sf or 30% - 40% of primary DU
Interior	Kitchen: 8' x 12' Bathroom: 5' x 8' Living Room: 12' x 18' Bedroom (can be lofted): 12' x 18'

Aging in Place

Aging in place can mean helping seniors stay in their community or within their current home.

Creating “lower-case a” affordable housing expands options for seniors that can no longer keep up with the maintenance and/or cost of their home as they experience new physical and financial challenges when they age. For example, when a senior can downsize from a single-family house by finding an affordable condo in town, they can stay in the community.

Seniors can also stay where they’re currently living with support from family or by making a modification to their home. For example, an ADU allows a senior to live close to family on the same property. A stairlift can help a senior adapt to new physical challenges and stay in their current home.

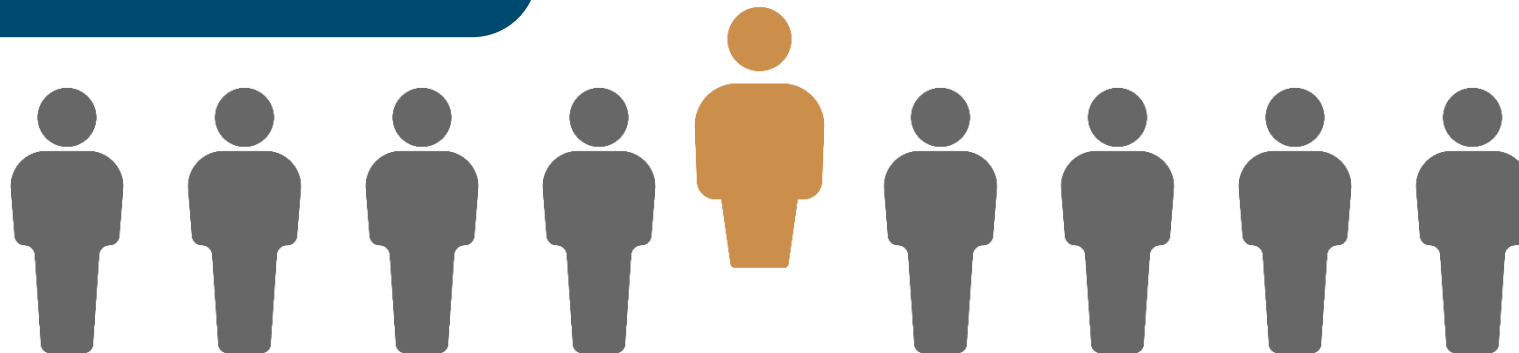
Aging in place is different than living in an age-restricted apartment or assisted living facility because aging in place allows seniors to continue to participate in the same community and live with autonomy.

What's the Area Median Income?

To determine eligibility for “Upper-case A” Affordable Housing, government programs use the **Area Median Income (AMI)**, the median income for the Boston Metropolitan Area that includes Nahant.







Greater Boston Median Income
\$140,200



Typically, households earning **80% of the AMI** are eligible for Affordable Housing.

Who's eligible for Affordable Housing?

“Upper-case A” Affordable Housing eligibility varies based on income level and household size. Depending on a housing development’s financing and other factors, some Affordable Housing units will be available to households at higher and lower AMI levels. When households earning lower levels of AMI can access Affordable Housing units, these units are considered deeply Affordable.

Area Median Income (AMI) 2022	Income-eligible Households	Individual Household 	Two-person Household 	Three-person Household 	Four-person Household 
\$140,200	80% AMI Low income	\$78,300	\$89,500	\$100,700	\$111,850
	50% AMI Very low income	\$49,100	\$56,100	\$63,100	\$70,100
	30% AMI Extremely low income	\$29,450	\$33,650	\$37,850	\$42,050

Nahant Subsidized Housing Inventory (SHI), 2021

M.G.L. Ch. 40B requires all Massachusetts municipalities to have a **10% Subsidized Housing Inventory (SHI)**. Generally, SHI refers to “**Upper-case A**” **Affordable Housing**, but market-rate rental units built through 40B are also SHI eligible.

The SHI is calculated by taking the number of “**subsidized housing units**” **over the number of total housing units** based on the decennial census. Currently, this calculation still uses the **2010 decennial census number but when the State updates the SHI, the 2020 decennial number will be used.**

Total SHI Qualifying Units

$$\frac{48}{1,612} = 2.98\%$$

2010 Census Total Housing Units

Source: Massachusetts Department of Housing and Community Development (DHCD), 2021.

$$\frac{48}{1,680} = 2.85\%$$

2020 Census Total Housing Units

Source: DHCD, 2021 and U.S. Census Bureau Redistricting Data, 2020.

SHI and Safe Harbor

Communities that are not at 10% SHI and **not in compliance** with M.G.L. Ch. 40B **have less control over new development** in their community. Developers may use the 40B permitting process **to override local zoning regulations** and possibly build housing developments that are too large or in an undesirable location.

However, a community doesn't need to reach 10% SHI to have “**safe harbor**” and **deny “unfriendly 40B” proposals**. With a **State certified housing production plan (HPP)**, a community could achieve **two years of safe harbor by increasing its SHI by 1%** in one calendar year or **one year of safe harbor by increasing its SHI by .5%** in one calendar year. Continued moderate increases in the SHI can lead to continued safe harbor.

Generally speaking, if Nahant adopts this HPP and adds **16 new SHI units**, the Town will have **safe harbor for two years**.