

TOWN OF DENNIS, MASSACHUSETTS HOUSING PRODUCTION PLAN



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TOWN OF DENNIS

HOUSING PRODUCTION PLAN

I. EXECUTIVE SUMMARY

A. Introduction

Dennis is both a resort and residential community that spans Cape Cod from Cape Cod Bay on the north to Nantucket Sound on the south, between Brewster and Harwich on the east and Yarmouth on the west. With about 14,000 year-round residents, it is divided into five villages including East Dennis, Dennis, South Dennis, Dennis Port and West Dennis.

Dennis's small town character, extensive shoreline, rich recreational amenities, historical connection to the sea, and rural nature have continued to lure visitors over the years – some who arrive for extended periods in the summer, others who have decided to purchase second homes, and those searching for a place to retire. But like most communities on the Cape, living in Dennis has become more expensive while well-paying jobs are becoming harder to find, thus widening the affordability gaps in the private housing stock and causing many residents to pay much more than they should for their housing.

This Housing Production Plan, as an update to the Plan that was prepared in 2010, provides current documentation on the local housing dynamic and priority strategies for addressing identified housing needs to guide local housing stakeholders. Dennis has in fact made important strides in developing affordable housing including the establishment of a Municipal Affordable Housing Trust, the adoption of a local Affordable Housing Bylaw and the hiring of a part-time Housing Coordinator to oversee housing activities.

B. Summary of Housing Needs Assessment¹

A summary of some of the *demographic characteristics* of Dennis in comparison to Barnstable County and the state is included in Table I-1, highlighting the following major trends:

- *Declining population*
Dennis has been losing population as year-round residents decreased from 15,973 in 2000 to 14,113 by 2014, representing an 11.6% decline compared to a 3.2% loss for the county and a 4.9% gain statewide. Population projections suggest continued decreases to less than 11,500 residents by 2030. It is important to emphasize that projections are not always borne out in fact, but at a minimum the trend toward seasonality of the population is expected to continue.
- *Fewer children and more older adults*
There have been significant losses of younger residents with those under 20 years of age decreasing from 18.4% to 15.1% of all residents between 2000 and 2014 compared to a smaller loss in the county and percentage gains statewide. On the other hand, those 65 years of age or

¹ This Housing Production Plan provides the most current information available, often offering historical data to demonstrate important demographic or housing trends. The 2010 census data is typically offered when actual counts are available, also providing updated 2014 census estimates from the U.S. Census Bureau's American Community Survey. Some information from the 2010 census also relies on sample data instead of actual counts and the 2014 census estimates may be emphasized in these circumstances.

older increased at a much higher rate in Dennis during the same period. While the community experienced an 11.6% decline in population, seniors increased by 6% compared to 3% and 1% increases for the county and state, respectively. Population projections suggest a continuation of these trends with children under age 20 down to 11.5% and those 65 and older up to almost half of all residents by 2030. One surprising change was the increase in the 20 to 34 age group that might relate to the children born to the baby boom generation, sometimes referred to as “boomerang kids”.

- Growth in smaller households*

Families have decreased in proportion to all households with significant increases in non-family households at 43% of all households compared to 38% and 36% for the county and state, respectively, by 2014. Smaller households are also reflected in decreases in the average household size, down to 2.06 persons while 2.28 and 2.53 for the county and state. Demographic trends towards older residents suggest continued increases in smaller households.
- Lower incomes*

While the median household income has risen in Dennis, it still lags behind county and state levels and most neighboring communities. Census figures further indicate that while the median household income of owners increased by 33% to \$62,276 between 1999 and 2014, the median income of renters decreased by 20% to \$21,369. These income figures are also based on Dennis’ year-round population, not those who live in town for only part of the year. Many in this group of occasional residents, who occupy about 54% of Dennis’ housing units, likely have significantly higher average incomes in order to afford the high costs of seasonal units or second homes, thus further widening income disparities within the community.

Table I-1: Summary of Demographic Characteristics for Dennis, Barnstable County and the State, 2000 and 2014

Demographic Characteristics	Dennis		Barnstable County		Massachusetts	
	2000	2014	2000	2014	2000	2014
Total population	15,973	14,113	222,230	215,167	6,349,097	6,657,291
% less than 20 years	18.4%	15.1%	20.4%	18.7%	23.6%	24.2%
% 20 to 34 years	12.1%	14.1%	13.2%	13.3%	21.0%	20.7%
% 35 to 44 years	13.2%	8.1%	15.3%	9.7%	16.7%	12.9%
% 45 to 54 years	14.4%	12.1%	14.8%	15.1%	13.8%	15.1%
% 55 to 64 years	13.5%	16.2%	11.5%	16.8%	8.6%	12.8%
% 65 years or more	28.4%	34.4%	23.1%	26.4%	13.5%	14.4%
Median age	49.4 years	55.2 years	44.6 years	50.8 years	36.5 years	39.3 years
% non-family Households	39.0%	43.1%	36.0%	38.0%	36.0%	36.4%
Average household Size	2.11 persons	2.06 Persons	2.28 persons	2.24 persons	2.51 persons	2.53 persons
Median household income	\$41,598	\$50,860	\$45,933	\$61,597	\$50,502	\$67,846
Individuals in poverty	7.0%	15.5%	7.0%	9.7%	9.0%	11.6%
% earning <\$25,000	27.6%	25.3%	24.6%	28.3%	24.6%	20.0%
% earning >\$100,000	9.6%	20.0%	12.4%	27.0%	17.7%	33.2%

Source: Data for the above table is derived from the 2000 census, and the 2010-2014 American Community Survey Five-Year Estimates unless otherwise noted.

- *Increasing poverty*
Those living in poverty more than doubled to 15.5% by 2014 while increasing by 39% and 29% for the Cape and state, respectively. This poverty level is also higher than the 9.7% and 11.6% rates for the county and state.

Table I-2 summarizes the following major *housing characteristics*, comparing 2000 and 2014 data:

- *Slower housing growth*
Housing growth was higher in Dennis, at 11.4% between 2000 and 2014, compared to 9.4% for Barnstable County and 7.4% for the state. Most of the new growth has been directed to the higher end second home or retirement market, almost all involving single-family homes, with the average annual assessment per unit increasing from \$193,025 in 2000 to \$435,955 in 2013 for example.
- *Declines in rental occupancy*
Like the county and state, Dennis has experienced a decrease in the proportion of rental units with rental occupancy levels comparable to the county but significantly lower than the state.
- *Substantial seasonal housing pressures*
More than half of the town’s housing stock is occupied by seasonal or occasional residences, up from 42.7% in 2000, and higher than 37.2% for the Cape as a whole and 4.3% statewide. In the summer months Dennis’s resident population quadruples to almost 63,000, putting enormous pressure on Town services and the long-term, permanent population. This temporary population, however, has bolstered the local economy and employment has increasingly focused on servicing these residents.

Table I-2: Summary of Housing Characteristics for Dennis Barnstable County and the State, 2000 and 2014

Housing Characteristics	Dennis		Barnstable County		Massachusetts	
	2000	2014	2000	2014	2000	2014
Total housing units	14,105	15,719	147,083	160,953	2,621,989	2,816,875
% occupied housing (year-round units)	53.2%	43.1%	64.5%	58.6%	93.2%	90.1%
% seasonal or occasional use	42.7%	54.3%	32.0%	37.2%	3.6%	4.3%
% owner-occupied	76.0%	77.7%	77.8%	78.7%	61.7%	62.3%
% renter-occupied	24.0%	22.3%	22.2%	21.3%	38.3%	37.7%
% single-family, detached structures	83.6%	81.3%	82.9%	81.4%	52.4%	52.2%
Median sales price Banker & Tradesman 2000/October 2015	\$175,100	\$295,000	\$178,800	\$350,000	\$185,000	\$340,000
Median gross rent	\$695	\$1,038	\$723	\$1,101	\$684	\$1,088
Housing density 2000 to 2014	684.4 to 763.1 units per square mile/to 700 with likely teardowns		371.6 to 406.7 units per square mile		334.5 to 359.4 units Per square mile	

Source: U.S. Census, 2000 and American Community Survey 5-Year Estimates, 2010-2014

- *Predominance of single-family homes*
Dennis and Barnstable County had fairly comparable levels of single-family detached dwellings that comprised most of the housing stock at about 81% of all units, considerably higher than the state level of 52%.
- *Rising housing costs*
While housing values have increased, with the median single-family home price increasing from \$175,100 to \$295,000 between 2000 and 2014, median values are still lower than those for the county and state and other neighboring communities although they were relatively comparable in 2000. Median rents have also climbed from \$695 to \$1,038 during the same period, with fairly similar median rent levels to those of the county and state.
- *Higher housing density*
Dennis is one of the densest communities on the Cape with housing density of 763 units per square mile in 2014 compared to 407 and 359 for the county and state, respectively.

The convergence of these trends – a declining year-round population, fewer children and families, an increasingly aging population, lower incomes, increases in poverty, high and growing seasonal and second home market pressures, and rising housing costs – all point to significant changes in the Dennis community and a growing affordability gap. This gap is confirmed by census data that estimates almost 40% of all Dennis households were living in housing that was by common definition beyond their means and unaffordable as they were spending more than 30% of their income on housing costs. Half of these households were spending more than 50% of their incomes on housing. If these demographic and housing trends continue, Dennis will lose ground on its ability to be a place where individuals and families across a full range of economic and social strata can call home.

Based on the Massachusetts Department of Housing and Community Development’s most recent data on the Chapter 40B Subsidized Housing Inventory (SHI), Dennis had 7,653 year-round housing units², of which 335 are counted as affordable, representing 4.38% of the year-round housing stock. The inclusion of the Melpet Farm units will bring this percentage up to 4.7%. To meet the state’s 10% affordable housing goal under Chapter 40B of the Massachusetts General Laws, at least 763 of the existing year-round units would have to be “affordable” based on specified state standards. This means that right now Dennis is almost half-way towards meeting the 10% standard. Assuming future housing growth however, this 10% figure is a moving target that will increase over time.

Based on these trends and further documentation in the Housing Needs Assessment (Section III), this Housing Plan suggests the following priority housing needs:

1. *Households with Very Limited Incomes*

Priority Need #1: Given the high costs of rental housing and high cost burdens (45% of all renters earning at or below 80% of area median income were spending more than half of their income on housing), more subsidized rental housing is necessary to make living in Dennis more affordable. Goal of about 80% of all affordable units created.

² Based on 2010 census data that subtracts seasonal or occasional units from total housing units. This figure will be updated when the 2020 census figures are released.

2. *Widening affordability gaps and exodus of younger residents*

Priority Need #2: Wider range of affordable housing options including first-time homeownership opportunities, particularly for younger households entering the job market and forming their own families. Goal of about 20% of all affordable units created.

3. *Special needs housing*

Priority Need #3: Dennis has a higher proportion of residents with disabilities with 16.4% of all residents claiming a disability as opposed to 11.3% for the state. Some amount of new housing should be built handicapped-adaptable or accessible to the disabled, including increasing numbers of seniors, and more supportive housing services should also be integrated into new development – goal of 10% of all new units created, 20% for senior housing units.

4. *Existing Housing Conditions*

Priority Need #4: About 77% of Dennis' housing stock was built before 1980 and is more likely to include units with lead-based paint that is hazardous to children, septic system problems, as well as deferred maintenance issues. Programs to support necessary home improvements that correct code violations for units occupied by low- and moderate-income households should be continued, particularly the elderly living on fixed incomes and properties tenanted by qualifying households. Goal of about 17 units per year.

C. Summary of Development Challenges

Undertaking a more proactive housing agenda to promote affordable housing remains a significant challenge in Dennis. First, the town's resources for absorbing growth are limited given significant physical constraints. For example, Dennis currently has no municipal sewer services and limited areas are still without municipal water, making denser development more costly and difficult. This raises concerns among residents about water quality impacts of any new development

Second, Dennis's 63 miles of coastline, which includes all estuaries, large creeks and marsh islands, comprise a total of 22,922 acres of important shellfish areas in addition to hundreds of acres of protected parkland or conservation land, among other natural areas. These natural amenities attract thousands of visitors annually and provide highly valued opportunities for a wide range of recreational activities that need to be protected to the greatest extent possible. Dennis's extensive and important water resources are valuable environmental, economic and aesthetic assets for not only the community but for other areas of the Cape as well. As a result of both public and private efforts, approximately 3,074 acres of the town's land area is now permanently protected. There is a full understanding that as build-out approaches, development pressures will increase, further suggesting the need to actively preserve land and accommodate affordable housing and other public benefits within existing and future development.

Third, Dennis' population quadruples during the summer season as visitors are attracted by the town's wide-ranging recreational opportunities and natural beauty. This surge of population puts enormous pressures on existing Town services and infrastructure and presents other challenges for the community such as how to house seasonal workers and maintain sufficient affordable housing for year-round workers.

Fourth, the Town of Dennis has made considerable progress in amending its Zoning By-law to better control and direct development through smart growth principles, and has established cutting-edge provisions specifically directed to promoting affordable housing. However, like most localities in the

Commonwealth, Dennis's Zoning By-law embraces large-lot zoning of at least 40,000 square feet, largely as a result of Title 5 regulations. Nevertheless, low housing density still constrains the construction of affordable housing by severely reducing opportunities for economies of scale in development.

Fifth, the Town needs to continue to promote more affordable development by effectively managing the Town's limited assets as a whole and directing growth for the overall environmental and social health of the community. Besides approving Community Preservation Act (CPA), Dennis has established a Municipal Affordable Housing Trust Fund to promote affordable housing. Because the Town has limited commercial and industrial uses, it relies predominantly on property taxes raised through its residential base. While tax revenues have increased significantly during the recent past, Dennis, like other nearby communities, has a relatively low tax rate of \$6.53 per thousand³ as opposed to more than \$15.00 per thousand in quite a few other communities in the Boston region.

Due to the relatively high costs of housing and an employment base that focuses primarily on lower-paying jobs in the service industry, some residents are finding it increasingly difficult to afford to remain in Dennis. Children who grew up in the town continue to face the possibility that they may not be able to raise their own families locally. Long-term residents, especially the elderly, are finding themselves less able to maintain their homes with few alternative housing options that better meet their current needs and life styles. Families are finding it more difficult to afford the upfront costs involved in both purchasing and renting a home much less the high monthly expenses. Town employees and employees of local businesses are increasingly hard pressed to find housing that is affordable in Dennis and are confronted with longer commutes as the increasing affluence of the area squeezes them out of the housing market. Clearly more housing options are required to meet local needs and produce Dennis's fair share of regional needs.

D. Summary of Production Goals

The state administers the Housing Production Program that enables cities and towns to adopt an affordable housing plan that demonstrates production of .50% over one year or 1.0% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory (SHI). If this is accomplished in any calendar year, the town will have 12 months or 24 months, respectively, when it will have the likely ability to deny Chapter 40B comprehensive permit applications that it deems do not meet local needs.⁴ Dennis would have to produce at least 38 affordable units annually to meet these annual production goals through 2010, a formidable challenge. Production goals over the next five (5) years include the creation of 239 affordable units.

³ For Fiscal Year 2016.

⁴ If a community has achieved certification within 15 days of the opening of the local hearing for the comprehensive permit, the ZBA shall provide written notice to the applicant, with a copy to DHCD, that it considers that a denial of the permit or the imposition of conditions or requirements would be consistent with local needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation. If the applicant wishes to challenge the ZBA's assertion, it must do so by providing written notice to DHCD, with a copy to the ZBA, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that a denial or approval with conditions would be consistent local needs, provided, however, that any failure of the DHCD to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

The state's subsidizing agencies have entered into an Interagency Agreement that provides more guidance to localities concerning housing opportunities for families with children and are now requiring that at least 10% of the units in affordable production developments that are funded, assisted or approved by a state housing agency have three (3) or more bedrooms with some exceptions (e.g., age-restricted housing, assisted living, supportive housing for individuals, SRO's, etc.).

E. Summary of Housing Strategies

The strategies summarized below are based on previous plans, reports, studies, the Housing Needs Assessment, local housing goals, a local survey, other community input, and the experience of comparable communities in the area and throughout the Commonwealth. Many of the strategies reflect a continuation of efforts that have proven effective in promoting affordable housing in the Dennis over the past decade or so. The strategies are grouped according to the type of action proposed – Building Local Capacity, Planning and Zoning Strategies, Housing Development, and Direct Assistance to Qualifying Households – and categorized according to priority as those to be implemented within Years 1 and 2 and those within Years 3 to 5. A summary of these actions is included in Appendix 1. The strategies also reflect state requirements that ask communities to address a number of major categories of strategies to the greatest extent applicable:⁵

It should be noted however, that while a major goal of this Plan is to eventually meet the state's 10% goal under Chapter 40B, another important goal is to serve the range of local housing needs. Consequently, there are instances where housing initiatives might be promoted to meet community needs that will not necessarily result in the inclusion of units in the Subsidized Housing Inventory (SHI).

Within the context of the compliance issues, local needs, existing resources, affordability requirements, and the goals listed in Section II of this Plan, the following housing strategies are offered for consideration. *It is important to note that these strategies are presented as a package for the Town to consider, prioritize, and process, each through the appropriate regulatory channels.* Moreover, the proposed actions present opportunities to judiciously invest limited Community Preservation funding and the Housing Trust Fund.

1. Capacity Building Strategies

While the following strategy will not directly produce affordable units, it provides important civic engagement in local housing issues and helps build local support for new affordable housing initiatives.

- **Conduct ongoing educational campaign**
The Town will continue to engage the community in discussions on affordable housing to present information on the issue needed to dispel myths and negative stereotypes and to help galvanize local support for new production. Information and referrals should be made regarding available programs and services that provide qualifying residents with assistance in making necessary home improvements, purchasing their first home, avoiding foreclosure, etc.

2. Planning and Zoning Strategies

To most effectively and efficiently execute the strategies included in this Plan and meet production goals, greater flexibility and clarification will be needed in the Town's Zoning Bylaw, and new tools will be required to capture more affordable units and better guide new development to specific "smarter"

⁵ Massachusetts General Law Chapter 40B, 760 CMR 56.03.4.

locations. The Town of Dennis will explore the following strategies to provide appropriate incentives and guidance to promote the creation of additional affordable units:

- *Continue promoting the Dennis Affordable Housing Bylaw*
The Town of Dennis has been on the cutting-edge of new zoning for affordable housing through its Affordable Housing By-law that was initially adopted in 2001 and has proven to be an effective tool in supporting affordable housing development. This by-law involves a number of components including provisions for promoting affordable accessory apartments in residential and commercial units, motel conversion, nonconforming lots, and projects that the municipality has determined will benefit the community (referred to as municipally sponsored housing projects). The Planning Board will continue to fine-tune the by-law as appropriate and encourage special permit applications that comply with any of its multiple components, insuring to the greatest extent possible that the affordable units count as part of the SHI.
- *Implement key features of the proposed land use vision*
The Planning Board prepared a land use vision that was approved by the Cape Cod Commission as part of its Regional Policy Plan in November 2009. This vision focuses on ten (10) specific areas of town, ranging from high-density centers to ones targeted to maintaining the character of existing neighborhoods. As the Town moves forward in its planning and rezoning for this proposed vision, those elements that have the greatest shorter-term implications for affordable housing in tandem with smart growth development include the Dennis Port Village Center, West Dennis Village Center and South Dennis Economic Center.
- *Explore the use of 40R/40S*
The Town's Planning Office will explore the possible redevelopment of the Northern Paving property off of Upper County Road on Candlewood Lane through a Smart Growth Overlay District under Chapter 40R. The idea is to pursue an arrangement that would be mutually beneficial to the property owner and the Town, involving the relocation of the Northern Paving Company and the school bus operation on the site to a more favorable location, opening up an opportunity for new housing development on this 7.34-acre site.

3. Housing Development Strategies

To accomplish the actions included in this Housing Plan and meet production goals, it will be essential for the Town of Dennis to continue to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources to create new affordable units. While some of the units produced may rely on the participation of existing property owners, most of the production will continue to involve partnerships with developers, for profit and non-profit, to create affordable units.

- *Continue to make publicly-owned land available for affordable housing*
The Town has a tradition of conveying Town-owned property for affordable housing development and will continue to identify and commit suitable surplus municipal properties to selected developers through Requests for Proposals based on the Town's terms and conditions for development and state Local Initiative Program (LIP) requirements.

- *Continue to partner with developers on private sites*
The Town will continue to work with area non-profit and for profit developers in support of new affordable housing development based on local needs, priorities and preferences through local zoning provisions or the “friendly 40B” process.
- *Convert existing housing to affordability*
Dennis is looking to preserve the affordability of some of its existing housing stock, converting market units to state-defined “affordable” ones, thus insuring the long-term affordability of existing units.

4. *Direct Assistance to Qualifying Households*

Rising housing costs are creating problems for lower income residents, placing them in increasingly unstable living situations. Homeowners, including seniors living on fixed incomes, are finding it increasingly difficult to afford the costs associated with rising taxes, energy costs, insurance and home improvements and some may be faced with foreclosure. Additionally, some seniors and those with special needs require handicapped adaptations and repairs to help them remain in their homes. Dennis residents might also benefit from technical and financial support in the case of septic failures and Title 5 compliance issues in addition to deleading. Renters continue to confront difficulties finding safe and decent rental units, especially during the summer. The following strategies are directed towards addressing these local housing issues:

- *Help current and prospective homeowners access housing assistance*
There are a number of important local and regional initiatives that have been developed to provide assistance to current or prospective homeowners including a Rehabilitation Loan Program; education programs on first-time homeownership, household finance and foreclosure prevention as well as other programs to support home improvements. The Town should continue to obtain funding for the Housing Rehab Program and provide information and appropriate referrals to these important programs and services.
- *Provide assistance to renters*
The Town will explore options for providing financial support for renters, potentially adapting models that have been implemented in other communities on Cape Cod including a program to help renters pay first and last month’s rent and/or the security deposit and another to subsidize rents, mimicking state and federal rental voucher programs.

II. INTRODUCTION

A. Background and Purpose

Dennis is a not only a residential community, but also a major tourist and retirement area. The town has five (5) separate villages that are spread between Cape Cod Bay and Nantucket Sound in the mid-Cape area, and encompasses about 22 square miles of land area including about 63 miles of saltwater and freshwater shoreline as well as 16 beaches that are all owned by the Town.

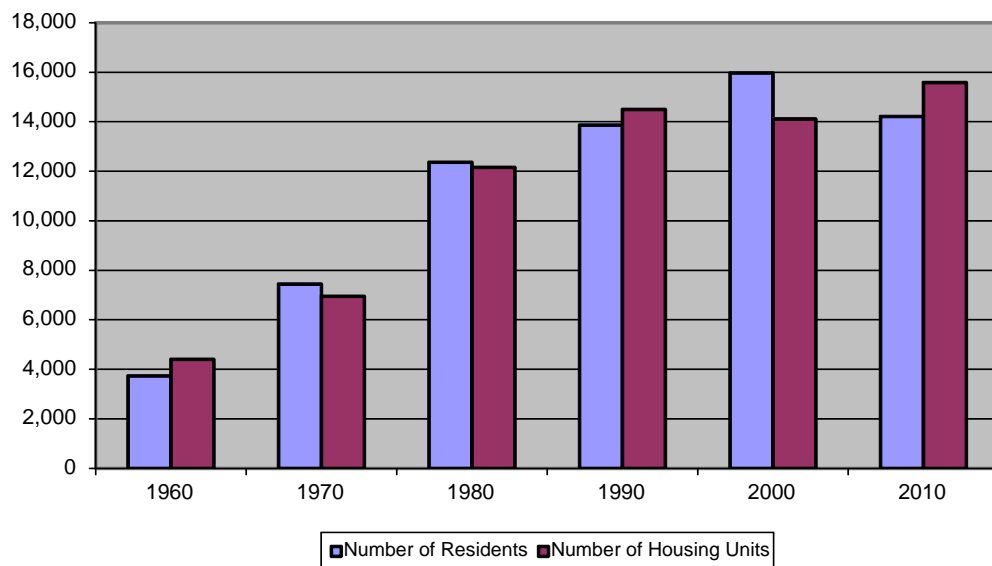
As with other areas of Cape Cod, Dennis has been experiencing significant demographic changes including a decline in population with losses of families and children in tandem with large gains in older residents. Also, as shown in Table II-1 and Figure II-1, while the Town has been experiencing a loss of its year-round population since 2000, housing continues to be built but principally for seasonal or occasional residents. These shifts are projected to continue, threatening to change the very character of the community over time. Some strategic local interventions, however, could make a big difference in limiting the negative impacts of these changes.

Table II-1: Population and Housing Growth, 1960 to 2014

Year	Number of Residents	Number of Housing Units
1960	3,727	4,407
1970	7,443	6,943
1980	12,360	12,156
1990	13,864	14,502
2000	15,973	14,105
2010	14,207	15,586
2014	14,113	15,719
January 2015/Town records	13,628	--

Sources: U.S. Bureau of the Census, American Community Survey 2010-2014 5-Year Estimates, and Town records

Figure II-1: Population and Housing Growth 1960 to 2010



This Housing Production Plan builds on previous planning efforts, the 2002 Local Comprehensive Plan, 2003 Housing Action Plan and 2010 Housing Production Plan in particular, providing an updated snapshot of the current housing dynamic. It examines both the challenges and opportunities for promoting new development to further diversify the community’s housing stock to meet the range of local needs.

B. Definition of Affordable Housing

Affordable housing, sometimes referred to as subsidized housing or community housing, is generally defined by the income of the household in comparison to housing costs. For example, HUD generally identifies units as affordable if gross rent (including costs of utilities borne by the tenant) is no more than 30% of a household’s net adjusted income (with a small deduction for each dependent, for child care, for extraordinary medical expenses, etc.) or if the carrying costs of purchasing a home (mortgage, homeowners association fees, property taxes and insurance) is not more than typically 30% of net adjusted income. If households are paying more than these amounts, they are described as experiencing housing cost burdens; and if they are paying 50% or more for housing, they have severe cost burdens.

Affordable housing can also be defined according to percentages of median income for the area. Housing subsidy programs are typically targeted to particular income ranges depending upon programmatic goals. Extremely low-income housing is directed to households with incomes at or below 30% of area median income as defined by the U.S. Department of Housing and Urban Development (\$22,950 for a family of three for the Barnstable area) and very low-income is defined as households with incomes over 30% but less than 50% of area median income (\$38,250 for a family of three). Low- and moderate-income generally refers to the range between 51% and 80% of area median income (\$61,150 for a family of three at the 80% level). These income levels are summarized in Table II-1.

Table II-1: 2016 Income Levels for Affordable Housing in the Barnstable County Area

# in Household	30% Median Income/ Extremely Low-income	50% Median Income/ Very Low-income	80% Median Income/ Low-income
1	\$17,850	\$29,750	\$47,550
2	20,400	34,000	54,350
3	22,950	38,250	61,150
4	25,450	42,450	67,900
5	27,500	45,850	73,350
6	29,550	49,250	78,800
7	31,600	52,650	84,200
8+	33,600	56,050	89,650

2016 median household income for the Barnstable County Metropolitan Statistical Area (MSA) = \$77,100 (for 4-person household) down from \$80,500 in 2015, representing a 4.2% decrease

Most state-supported housing assistance programs are targeted to households earning no more than 80% of area median income, however many rental programs are directed to those earning at lower income thresholds. For example, the Low Income Housing Tax Credit Program that subsidizes rental units is targeted to households earning up to 60% of area median income, also with some even lower income requirements. First-time homebuyer programs typically apply income limits of up to 80% of area median income. *It is worth noting that according to a special HUD report, an estimated 3,364 households or about half of Dennis’s total households would be income-eligible for affordable housing using the 80% of area median income criterion without consideration of financial assets.*

The Community Preservation Act (CPA) allows Community Preservation funding to be directed to those within a somewhat higher income range – 100% of area median income – now commonly referred to as “community housing”. Additionally, some housing developments incorporate several income tiers. For example, one project could combine units for those earning at or below 80% of area median income, moderate-income “workforce” units for those earning between 80% and 120% of median income, and even some market rate units to help cross-subsidize the more affordable ones. A rental project might include a couple of tiers below the 60% level in addition to community and/or market rate units. It should be noted, however, that those units that involve occupants with incomes higher than 80% of area median income, while still serving local housing needs, will not count as part of the Subsidized Housing Inventory (SHI) and help the Town reach its 10% affordability goal or annual housing production goals unless they are part of a Chapter 40B rental development where 100% of the units would qualify for inclusion in the SHI.⁶

The state established legislation for promoting affordable housing under Chapter 774 of the Acts of 1969, creating the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B). This legislation allows developers to override local zoning if the project meets certain requirements and the municipality has less than 10% of its year-round housing stock defined as affordable under the 40B Subsidized Housing Inventory (SHI). In calculating a community’s progress toward the 10% Chapter 40B goal, the state counts a housing unit as affordable if it is created by state or federal programs that support low- and moderate-income households earning at or below 80% of area median income.

**FOR THE PURPOSES OF CHAPTER 40B,
AFFORDABLE HOUSING IS GENERALLY DEFINED
AS HOUSING UNITS THAT ARE:**

1. Subsidized by an eligible state or federal program or agency.
2. Subject to a long-term deed restriction limiting occupancy to income eligible households for a specified period of time.
3. Subject to an Affirmative Fair Housing Marketing Plan.

Based on the Massachusetts Department of Housing and Community Development’s most recent data on Dennis’ supply of affordable housing included in the state’s Subsidized Housing Inventory (SHI), the town had 7,653 year-round housing units of which 335 were counted by the state as affordable, representing 4.38% of the year-round housing stock. The 27 units at Melpet Farm will bring the percentage up to 4.7%. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase over time.

C. Housing Goals

This Housing Production Plan incorporates the goals that were established as part of the Housing Section of the Local Comprehensive Plan that was approved by the Town in 2002. The Plan stated that some things in Dennis needed to remain constant despite “a time of rapid change brought about by the

⁶ At least 25% of the units must be targeted to those earning at or below 80% of area median income (AMI) or 20% targeted to those equal to or below 50% AMI.

modern and evolving technology revolution”.⁷ It recognized that some things should remain constant in Dennis including the “need for an individual sense of community; for a place to call home, where we enjoy a quality of life that we want to pass on to our children and grandchildren. We wish to protect our natural, cultural and historic resources for them as they must cope with changes beyond our imagination”.⁸

The 2002 Plan also included the following more specific housing goals:

1. Priority must be given to providing affordable rental units to year-round residents of limited means and to allowing potential homeowners to save enough to purchase houses in Dennis.
2. Conversion of rental units to condominiums effectively removes these units from the market for most year-round residents; condominium conversions should not be allowed to occur unchecked and/or should be offset by the simultaneous creation of affordable rental units.
3. Affordable housing shall be encouraged in all areas appropriate for residential and commercial development.
4. Flexible zoning standards shall be established to allow for a creative adaptation of existing density standards, in particular bedroom densities, to allow for additional housing units to be created without overburdening the land.
5. The adaptive re-use of existing structures will be encouraged by providing zoning strategies that promote mixed use development, the use of vacant accessory space in commercial and residential structures for affordable housing, and the conversion of larger homes into multi-family facilities without altering overall site floor-space.

The 2002 Plan further highlighted concerns about the Chapter 40B comprehensive permit process, but indicated that the Town of Dennis recognized its important responsibility and obligation to be a leader in guiding the community in the effort to create affordable housing, responding to the many different needs of its residents.

The 2003 Housing Action Plan, prepared by Bailey Boyd Associates, indicated that it was building on the goals and strategies in the Local Comprehensive Plan by focusing on the following approaches:

- Conduct important outreach and education on affordable housing issues and new initiatives to obtain useful community input and build local support.
- Promote equal opportunity in housing through the use of educational workshops and other outreach efforts.
- Give special consideration to the most vulnerable population segments.
- Encourage year-round rental development and innovative strategies to help low and moderate income renters become homeowners.
- Integrate affordable housing development with environmental protection by identifying appropriate areas for development and focusing on scattered sites.
- Maintain existing affordable housing units by renovation, conversion and enforcement.
- Encourage scattered site development of affordable housing in residential, mixed-use residential and appropriate commercial areas through planning and zoning.
- Help generate sufficient resources, both technical and financial, to support affordable housing development, leveraging limited local funds to the greatest extent possible.

⁷ Town of Dennis, Local Comprehensive Plan, 2002, Introduction, page 3.

⁸ Ibid.

This Housing Production Plan builds on the context established by these housing goals, and with updated information on housing trends and resources, it proposes a responsive set of strategies to address housing needs and meet production goals.

III. HOUSING NEEDS ASSESSMENT

This Housing Needs Assessment presents an overview of the current housing situation in the town of Dennis, providing details on demographic and housing characteristics and trends, analyses of market conditions and affordability gaps, as well as long-term and short-term goals regarding priority housing needs.

A. Demographic Profile

Data from a number of sources, the U.S. Census in particular, indicates that Dennis is experiencing major population shifts towards fewer year-round residents, children and families and an increasingly aging retirement population. These trends are expected to continue well into the future and have significant ramifications on local housing needs.

1. Population Growth – Declining population

At around the turn of the 20th century, the town of Dennis experienced a population decline that was not restored until the mid-century. After that the population soared, largely driven by the wave of development activity that engulfed the region fueled by those looking to vacation, retire or have second homes on Cape Cod. This development put significant pressures on the town, local services and the housing market in particular, as the population almost doubled in size between 1960 and 1970, from 3,727 residents to 7,443, and then more than doubled again between 1970 and 2000, from 7,443 residents to a population of almost 16,000.

While we would expect the “baby boom” generation to be reinforcing this growth trend, currently and in the future, Dennis has actually lost population since 2000, down to 14,207 residents by 2010 according to U.S. census data and down further to 13,628 according to Town records as of January 22, 2016. While it is more typically the norm instead of the exception that Town records underestimate population somewhat, nevertheless, the numbers confirm a continued trends towards population decline.

Table III-1: Population Change, 1885-January 22, 2016

Year	Population	Increase in # Residents	Percentage Change
1885	3,497	--	--
1900	2,335	-1,162	-33.2%
1920	1,536	-799	-34.2
1930	1,829	293	19.1%
1940	2,085	256	14.0%
1950	2,499	414	19.9%
1960	3,727	1,228	49.1%
1970	7,443	3,716	99.7%
1980	12,360	4,917	66.1%
1990	13,864	1,504	12.2%
2000	15,973	2,109	15.2%
2010	14,207	-1,766	-11.1%
2014 (census estimates)	14,113	-94	-0.7%
January 22, 2016 (Town records)	13,628	-485	-3.4%

Source: U.S. Census Bureau and Dennis Town Clerk’s records.

The overall population density of the town was 771 residents per square mile in 2000, the third highest in the County, and has since fallen to 686 based on population losses. This density reflects the year-round population however, swelling considerably during the summer. Total population and density varied somewhat by village as presented in Table III-2. See Appendix 4 for a map of these villages.

Table III-2: Population and Density of Dennis’ Villages

Village	Total Population		Land Area (not including water)	2000 Density Residents per Square Mile	
	2000	2015		2000	2015
Dennis	2,798	2,600	4.9 square miles	571.2/square mile	530.6/square mile
Dennis Port	3,612	2,710	3.1 square miles	1,181.3/square mile	874.2/ square mile
East Dennis	3,299	2,991	4.8 square miles	587.8/square mile	623.1/ square mile
South Dennis	3,679	4,029	4.6 square miles	808.3/square mile	875.9/ square mile
West Dennis	2,570	1,877	3.3 square miles	781.3/square mile	568.8/ square mile
Total	15,958	14,207	20.7 square miles	770.9/square mile	686.3/ square mile

Source: U.S. Census Bureau 2000 and American Community Survey 5-Year Estimates, 2010-2015

The Metropolitan Area Planning Council (MAPC) has calculated population growth projections, summarized by age range in Table III-5, which suggest that the population will rather dramatically continue to decrease to 12,934 by 2020 and still further to 11,456 by 2030. This suggest an almost 20% loss of population since 2010 when the population was 14,207. Population projections from the State Data Center at the University of Massachusetts’ Donahue Institute suggest even greater decreases in the Town’s population to 12,228 by 2020, and down still further to 10,088 by 2030, representing a 29% decrease between 2010 and 2030 as summarized in Table III-6.

It is important to emphasize that projections are not always borne out in fact, but at a minimum the trend toward seasonality of the population is expected to continue. A Cape Cod Commission economist suggests that these projections may not involve such significant population declines based on a number of factors. For example, the outpacing of births by deaths in a typical retirement community may a less reliable measure for population trends than the ability of the community to attract new population from outside the region.⁹

2. Age Distribution – Significant losses of younger residents and gains in older ones

As Table III-3 and Figure III-1 demonstrate, Dennis is experiencing some substantial demographic shifts. For example, while the overall population increased by 15% between 1980 and 2010, those *children under the age of 18 decreased by 22.5%*, involving a loss of 575 children during this period and representing a decreasing portion of the population – from 20.6% in 1980 to 13.9% by 2010. The U.S. Census Bureau’s 2014 census estimates indicate further decreases in this population, down to 9.2% of all residents.

Most significantly is the *drop in young adults* between the ages of 18 and 34 entering the labor market and beginning to form their own families, thus reducing the pool of entry-level workers and service employees. In 1980 this group comprised almost 22% of Dennis’s residents, but by 2010 the percentage was down to only 12.8%. Clearly many of the children that were raised in Dennis are not returning to live

⁹ Ramachandran, Mahesh, Environmental Economist for the Cape Cod Commission, “The Cape’s Population Problem Isn’t a Problem,” from Banker & Tradesman, November 28, 2016.

in the community. Even those the number of those 35 to 44 declined overall during the past several decades, increasing somewhat between 1980 and 1990 and then going from 13.1% to 8.7% of the population between 1990 and 2010.

This erosion of younger adults is happening throughout the Cape where the combination of fewer job opportunities, particularly those outside of the retail and service sectors that pay well, and high living expenses are increasingly forcing this group to relocate further and further away. This situation suggests not only the need for workforce development efforts, but also more affordable year-round rentals and first-time homebuyer opportunities to forestall some of the exodus of this age group.

On the other hand, there were generally increases in all of the age categories of over 45 years. For example, those more *middle-aged residents* between the ages of 45 and 64 made up 22.9% of Dennis residents in 1980 and 32.3% by 2010. These older residents, in the height of their earning potential, have been better able to afford to live in town. This trend also reflects the overall aging of the population.

Table III-3: Age Distribution, 1980-2010

Age Range	1980		1990		2000		2010	
	#	%	#	%	#	%	#	%
Under 5 Years	602	4.9	765	5.5	607	3.8	512	3.6
5 – 17 Years	1,950	15.8	1,833	13.2	2,090	13.1	1,465	10.3
18 – 24 Years	983	8.0	911	6.5	738	4.6	756	5.3
25 – 34 Years	1,694	13.7	1,690	12.2	1,443	9.0	1,065	7.5
35 – 44 Years	1,068	8.6	1,822	13.1	2,108	13.2	1,241	8.7
45 – 54 Years	996	8.1	1,207	8.7	2,300	14.4	2,052	14.4
55 – 64 Years	1,827	14.8	1,647	11.9	2,145	13.5	2,539	17.9
65 – 74 Years	2,101	17.0	2,179	15.7	2,407	15.1	2,301	16.2
75 – 84 Years	908	7.4	1,408	10.2	1,689	10.6	1,608	13.3
85+ Years	231	1.9	402	2.9	446	2.8	668	4.7
Total	12,360	100.0	13,864	100.0	15,973	100.0	14,207	100.0
Under 18	2,552	20.6	2,598	18.7	2,697	16.9	1,977	13.9
Age 65+	3,240	26.2	3,989	28.8	4,542	28.4	4,577	32.2
Median Age	43.7 years		44.5 years		49.4 years		55.1 years	

Source: U.S. Census Bureau

The aging trend is particularly evident in the increase of *those 65 years of age or older* who comprised 26.2% of the population in 1980, but increased to 32.2% by 2010. Even those frail elderly over 85 years increased as a percentage of the population from 1.9% in 1980 to 4.7% in 2010, or from 231 to 668 residents. This trend is also revealed in the increasing median age in Dennis, from 43.7 years in 1980 to 55.1 years by 2010, compared to 37.1 years and 31.1 years for the county and state in 1980, respectively, and 49.9 years and 39.1 years, respectively, in 2010.

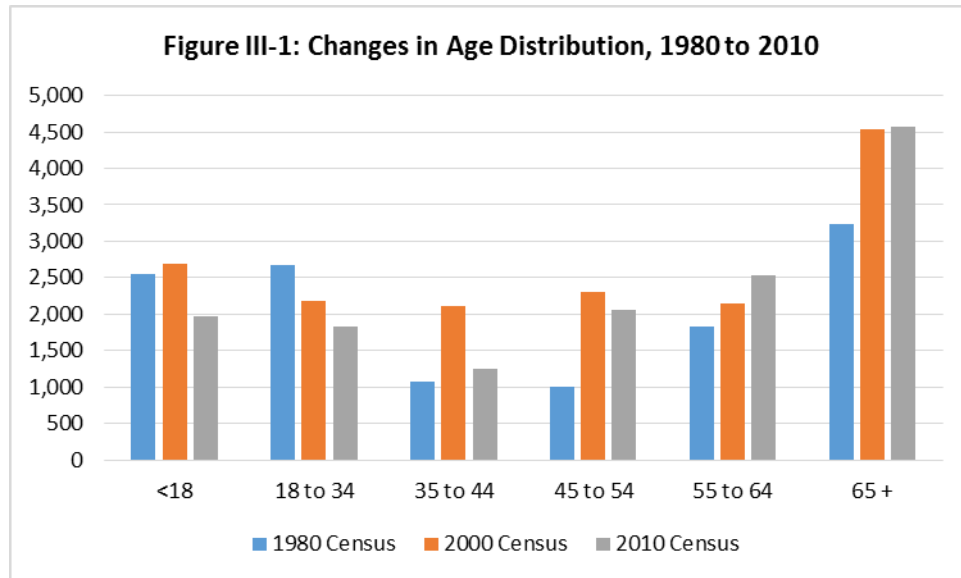


Table III-4 provides comparative information on the age distribution for Barnstable County and the state, which highlights that Dennis has a significantly lower percentage of children. Similarly, Dennis’s young adult population of those 18 to 34 years of age was lower than the county as a whole in 2010 but increased somewhat according to 2014 census estimates to be comparable to the county level of 15.5%. Those younger middle-aged residents in the 35 to 44 age range as well as middle-age residents in the 45 to 54 range comprised somewhat lower proportions of the population in Dennis in comparison to the county and state. The 45 to 54 age category was also estimated to have decreased from 14.4% to 12.1% between 2010 and 2014, with subtle decreases for the county and state as well.

In regard to older adults, Dennis has a relatively comparable percentage of residents in the 55 to 64 age range as the county at about 16% to 17%, both significantly lower than the state level. Dennis has a considerably higher level of those 65 years of age or older at about one-third of the population compared to about one-quarter for the county and 14% for the state. This shift towards older residents is reflected in higher median age levels of about 55 years for Dennis, 50 years for the Cape as a whole, and 39 years statewide.

Table III-4: Comparative Age Distribution Data, 2010 and 2014

Age Range	Dennis		Barnstable County		Massachusetts	
	% 2010	% 2014	% 2010	% 2014	% 2010	% 2014
Under 18	13.9	13.8	17.3	16.5	21.7	21.1
18 to 34	12.8	15.5	14.8	15.5	23.1	23.7
35 to 44	8.7	8.1	10.6	9.7	13.6	12.9
45 to 54	14.4	12.1	15.9	15.1	15.5	15.1
55 to 64	17.9	16.2	16.6	16.8	12.3	12.8
Age 65+	32.2	34.4	25.0	26.4	13.8	14.4
Median Age	55.1/55.2 years		49.9/50.8 years		39.1/39.3 years	

Source: U.S. Census Bureau, 2010 and American Community Survey, 2010-2014 5-Year Estimates for Eastham and 1-Year 2014 Estimates for the County and State.

Table III-5 presents population projections by age range through 2020 and 2030, prepared by the Metropolitan Area Planning Council (MAPC). These projections suggest a continuation of population trends towards a declining population with decreases in younger residents and substantial increases in

seniors. For example, there are considerable reductions in all age categories below 65 years with those under age 35 dwindling from 26.7% of the population in 2010 to 20.2% by 2030. Those older adults ages 65 years or more are projected to increase from about one-third to almost half of the population by 2030.

Table III-5: MAPC Population Projections for 2020 and 2030

Age Range	2010 Census		2020 Projections		2030 Projections	
	#	%	#	%	#	%
Less than 5 years	512	3.6	455	3.5	338	3.0
5 to 19 years	1,696	11.9	1,128	8.7	979	8.5
20 to 34 years	1,590	11.2	1,337	10.3	999	8.7
35 to 64 years	5,832	41.1	4,800	37.1	3,589	31.3
65+ years	4,577	32.2	5,214	40.3	5,551	48.5
Total	14,207	100.0	12,934	100.0	11,456	100.0

Source: Metropolitan Area Planning Council (MAPC), Massachusetts Housing Data Portal, January 2014.

Table III-6 provides projections of the age distribution in Dennis through 2030 from the State Data Center at the University of Massachusetts' Donahue Institute. This data suggests an even greater population loss than the MAPC projections to 10,088 residents by 2030. It also provides some additional confirmation of demographic shifts that involve decreases in all age groups with the exception of those 65 years of age or older.

Such demographic changes would significantly change the character of the community given substantial losses in population diversity, significant shifts away from families and workers, and an extended retirement focus. This situation is not unique to Dennis as it is a trend throughout the Mid and Lower Cape. Planning needs to focus on strategies to retain and attract younger residents to the community, and the provision of affordable housing in tandem with economic development measures are essential ingredients.

Table III-6: Projected Age Distribution through 2030

Age Range	2010 Census		2020 Projections		2030 Projections	
	#	%	#	%	#	%
Less than 5	512	3.6	421	3.4	330	3.3
5 to 19 years	1,696	11.9	1,423	11.6	1,146	11.4
20 to 34 years	1,590	11.2	1,318	10.8	1,063	10.5
35 to 64 years	5,832	41.1	4,272	34.9	3,065	30.4
65+ years	4,577	32.2	4,794	39.2	4,484	44.4
Total	14,207	100.0	12,228	100.0	10,088	100.0

Source: University of Massachusetts, Donahue Institute, State Data Center.

3. Race – Limited racial diversity

As shown in Table III-7, Dennis' population has remained predominately white, but minority residents steadily increased in number and in proportion to the total population between 1980 and 2010, from 248 residents or 2.0% of all residents in 1980, to 800 or 5.0% in 2000, and then 6.5% by 2010, more than tripling in number. Approximately one-third of the 2010 minority population identified themselves as Black or African American, 7.5% as Native American, 9% as Asian, and the remaining claimed Hispanic origin or more than one race. It is worth noting that

the 2014 census estimates suggest some modest fall-off in the minority population to 877 residents or 6.2% of all residents.

4. Households – Increasing numbers of smaller households

Table III-7 provides a summary of household characteristic between 1980 and 2010. While the number of households has fluctuated over these decades, from a low of 4,505 households in 1990 to a high of 7,505 in 2000, a major trend is the significant increase in smaller, non-family households.¹⁰ Those households almost doubled in number between 1990 and 2000, growing as a percentage of all households from 31.3% in 1980, to 39.0% in 2000, and 43.6% by 2010, remaining at about the same level according to 2014 census estimates.

While the number of families increased substantially from 1980 to 2000, from 3,639 to 4,581 households, they decreased in proportion to all households from about 69% to 61% during that period. They decreased still further to 3,978 or 57.4% of all households by 2010, continuing to decline to 3,857 or 56.9% according to 2014 census estimates.

Reflective of the growth in smaller, non-family households and significant number of retirees, the average household size decreased somewhat from 2.22 persons in 1990, to 2.11 persons in 2000, down to 2.03 by 2010, and surprisingly up somewhat to 2.06 persons based on 2014 census estimates. This trend towards smaller households is part of a demographic shift that is occurring throughout the state and country. For example, the percentage of non-family households grew from 33% in 1990 for both Barnstable County and the state to 39% and 37% by 2010, respectively.

Table III-7: Population and Household Characteristics, 1980-2010

	1980		1990		2000		2010	
	#	%	#	%	#	%	#	%
Population	12,360	100.0	13,864	100.0	15,973	100.0	14,207	100.0
Minority Population*	248	2.0	344	2.5	800	5.0	918	6.5
Households	5,299	100.0	4,505	100.0	7,504	100.0	6,928	100.0
Families**	3,639	68.7	3,043	67.6	4,581	61.0	3,978	57.4
Non-families**	1,660	31.3	1,462	32.4	2,921	39.0	2,950	42.6
Female Headed Families with Children <18**	248	4.7	208	4.6%	368	4.9%	296	4.3
Ave. Household Size	--		2.22 persons		2.11 persons		2.03 persons	

Source: U.S. Census Bureau, Census 1980, 1990, 2000 and 2010. *Percent of total population ** Percent of all households

Table III-8 provides a breakdown of household size by household type, comparing 2014 census estimates for Dennis to Barnstable County as a whole. This information indicates that there were proportionately more persons living alone in Dennis, at 38.6% of all households compared to about one-third countywide. The level of two-person households was lower in Dennis however, at about 40% of all households compared to 45% for the county. Dennis also had a lower level of three-person households as well as larger families in comparison to the Cape as a whole. It is not surprising that the average household size is

¹⁰ Non-family households are defined by the census as single individuals or unrelated household members without children.

somewhat smaller in Dennis at 2.06 persons in 2014 compared to 2.24 for the county with the average family size at 2.69 persons compared to 2.83.

Table III-8: Types of Households by Size for Dennis and Barnstable County, 2014

Households by Type and Size	Dennis		Barnstable County	
	#	%	#	%
Family Households	3,857	56.9	58,136	61.6
2-person household	2,471	36.4	33,250	40.5
3-person household	634	9.3	10,970	11.6
4-person household	505	7.4	9,067	9.6
5-person household	214	3.2	3,308	3.5
6-person household	2	0.03	998	1.1
7 or more person household	31	0.50	543	0.6
Non-family Households	2,924	43.1	36,235	38.4
1-person household	2,615	38.6	30,929	32.8
2-person household	271	4.0	4,742	5.0
3-person household	30	0.4	396	0.4
4-person household	8	0.1	140	0.1
5-person household	0	0.0	14	0.01
6-person household	0	0.0	14	0.01
7 or more person household	0	0.0	0	0.0
Total	6,781	100.0	94,371	100.0

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates.

5. Income – Lower income levels, particularly for renters

Dennis has gained increasingly more affluent residents over the past several decades as have many communities on Cape Cod, with median income levels rising from \$13,944 in 1979, almost doubling to \$28,259 in 1989, up to \$41,598 by 1999, during a time of significant population growth when the number of households grew by almost 50%. Since then the median household income increased to \$50,642 by 2010, staying about the same level at \$50,860 according to 2014 census estimates.

Dennis’ 1999 median household income level was fairly comparable to those of neighboring communities with Brewster and Chatham somewhat higher as shown in Table III-8. Income levels have not kept up with those of other nearby communities however, with Dennis’ 2010 and 2014 median household income levels well below even the county-wide median of \$60,317.

Table III-8: Comparison of Median Household Incomes for Dennis and Neighboring Communities, 1999, 2010 and 2014

Community	1999 Median Income	2010 Median Income	2014 Median Income
Brewster	\$49,276	\$58,374	\$66,306
Chatham	\$45,519	\$65,990	\$63,299
Dennis	\$41,598	\$50,642	\$50,860
Eastham	\$42,618	\$58,750	\$62,452
Harwich	\$41,552	\$54,958	\$67,332
Orleans	\$42,594	\$56,313	\$58,235
Truro	\$42,981	\$80,425	\$58,060
Wellfleet	\$43,558	\$66,109	\$45,746
Barnstable County	\$45,933	\$60,317	\$61,597

Source: U.S. Census Bureau, 2000 Census, Summary File 3, and 2010-2014 American Community Survey 5-Year Estimates.

Table III-9 presents income data based on the census counts between 1979 and 2010, which is also visually presented in Figure III-2. In 1979 only 1.7% of year-round households were earning between \$50,000 and \$74,999, but in 1999 this level was 19.5%, and then down somewhat to 18% by 2010. Those earning more than \$75,000 increased from only 45 households in 1979, to 1,576 in 1999, and then to 2,279 or about one-third of all households by 2010. Those high earners with incomes of \$150,000 or more increased from only 33 households in 1999 to 555 by 2010. While median household income levels are lower than nearby communities, Dennis' median has nevertheless increased considerably over the decades, from \$13,944 in 1979 to \$41,598 by 1999 and then to \$50,860 by 2010.

Table III-9: Income Distribution by Household, 1979 to 2010

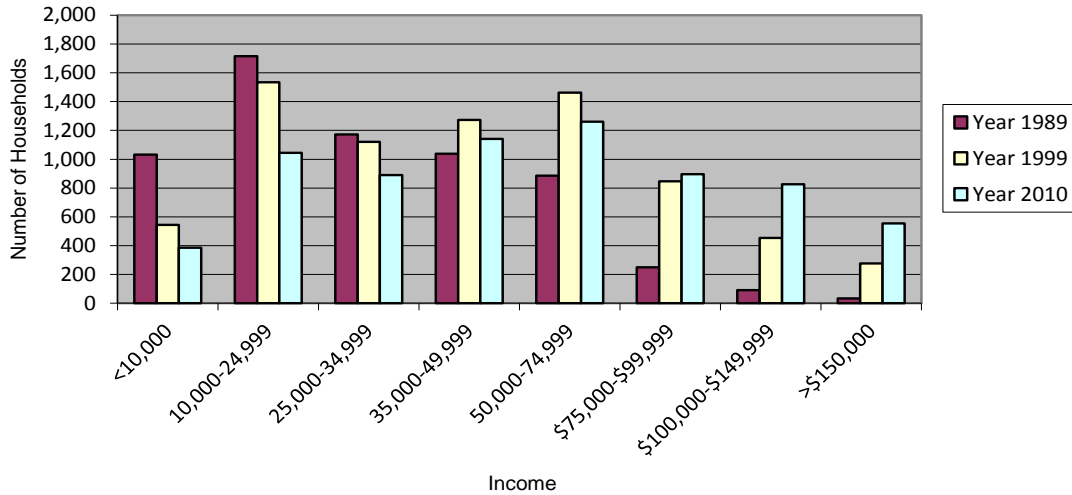
Income Range	1979		1989		1999		2010	
	#	%	#	%	#	%	#	%
Under \$10,000	1,757	33.2	1,032	16.6	544	7.2	386	5.5
10,000-24,999	2,525	47.6	1,715	27.6	1,535	20.4	1,044	14.9
25,000-34,999	579	10.9	1,172	18.8	1,121	14.9	890	12.7
35,000-49,999	305	5.8	1,038	16.7	1,273	16.9	1,142	16.3
50,000-74,999	88	1.7	887	14.3	1,462	19.5	1,261	18.0
75,000-99,999	45	0.8	250	4.0	847	11.3	897	12.8
100,000-149,999			91	1.5	453	6.0	827	11.8
150,000 +			33	0.5	276	3.7	555	7.9
Total	5,299	100.0	6,218	100.0	7,511	100.0	7,007	100.0
Median income	\$13,944		\$27,900		\$41,598		\$50,642	

Source: U.S. Census Bureau, Census 1980, 1990 and 2000 Summary File 3; 2010-2014 American Community Survey 5-Year Estimates

Despite this increasing household wealth, there are substantial numbers of households with incomes below \$25,000, 2,079 households or almost 28% of all households based on 2000 census data. There are substantially more of these households than subsidized units available (335 units plus another 27 at Melpet Farm), and they are challenged to compete in Dennis's tight housing market. Many of the households in the lower income ranges are likely long-term residents who own their homes, which are now worth a considerable amount of money. As such they are cash poor but equity rich. Nevertheless, continued increases in taxes, insurance, energy bills as well as potential health-related issues, may drive

these households out of the community given the relatively limited supply of affordable units for seniors and lack of service-enriched housing alternatives in Dennis for both seniors and special needs individuals.

Figure III-2: Income Distribution by Census



As documented in Table III-10 incomes for Dennis residents were on average somewhat lower than the Cape as a whole with 2014 median household income levels of \$50,860 and \$61,597, respectively. The county proportionately had lower levels of households in all income categories below \$50,000 and higher proportionate levels for the ranges above that threshold with the exception of a comparable level for the \$75,000 to \$99,999 income range.

Table III-10: Income Distribution for Barnstable County and Dennis, 1999 and 2014

Income Range	Barnstable County				Dennis			
	1999		2014		1999		2014	
	#	%	#	%	#	%	#	%
Under \$10,000	6,478	6.8	4,530	4.8	544	7.2	522	7.7
\$10,000-24,999	16,843	17.8	14,156	15.0	1,535	20.4	1,195	17.6
\$25,000-34,999	12,148	12.8	8,022	8.5	1,121	14.9	677	10.0
\$35,000-49,999	15,935	16.8	11,985	12.7	1,273	16.9	948	14.0
\$50,000-74,999	20,425	21.5	17,553	18.6	1,462	19.5	1,155	17.0
\$75,000-99,999	11,243	11.9	12,646	13.4	847	11.3	931	13.7
\$100,000-149,999	7,605	8.0	14,911	15.8	453	6.0	752	11.1
\$150,000 or more	4,168	4.4	10,570	11.2	276	3.7	601	8.9
Total	94,845	100.0	94,371	100.0	7,511	100.0	6,781	100.0
Median income	\$45,933		\$61,597		\$41,598		\$50,860	

Source: U.S. Census Bureau, 2000 and 2010-2014 American Community Survey 5-Year Estimates

As presented in Table III-11, there are considerable income disparities based on the type of household with significantly higher median income levels for families, homeowners, households with middle-aged heads, and male workers, a pattern that is typical in most communities.

Table III-11: Median Income by Household Type, 2014

Type of Household/Householder	Median Income
Individual/per capita	\$35,132
Households	\$50,860
Families	\$71,735
Nonfamilies	\$30,800
Renters	\$21,369
Homeowners	\$62,276
Householder less than age 25	\$34,120
Householder age 25 to 44	\$42,443
Householder age 45 to 64	\$66,250
Householder age 65 or more	\$44,571
Male full-time, year-round workers	\$55,536
Female full-time, year-round workers	\$40,656

* Figure not provided given insufficient sample size.

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

These income figures are also based on Dennis’ year-round population, not those who live in town for only part of the year. Many in this group of occasional residents, who occupy about 54% of Dennis’ housing units, likely have significantly higher average incomes in order to afford the high costs of seasonal units or second homes, thus further widening income disparities within the community.

Table III-12 presents a comparison of income levels for owners and renters. About 70% of renters earned less than \$35,000 compared to only one-quarter of homeowners. On the other hand, about 41% of the homeowners earned more than \$75,000 compared to only 8.6% of the renter households. The income disparity is also reflected in median income levels of \$62,276 and \$21,369 for owners and renters, respectively, based on 2014 census estimates. *It is important to note that while the median household income of owners increased by 33% from \$46,946 in 1999, the median income of renters decreased by 20% from \$26,654.*

Table III-12: Income Distribution by Type of Occupancy, 2014

Income Range	Homeowners		Renters	
	#	%	#	%
Under \$10,000	255	4.8	267	17.6
\$10,000-24,999	603	11.4	592	39.1
\$25,000-34,999	477	9.1	200	13.2
\$35,000-49,999	766	14.5	182	12.0
\$50,000-74,999	1,011	19.2	144	9.5
\$75,000-99,999	852	16.2	79	5.2
\$100,000-149,999	701	13.3	51	3.4
\$150,000 +	601	11.4	0	0.0
Total	5,266	100.0	1,515	100.0

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010-2014

6. Poverty – Increasing poverty levels for families and children

Table III-13 presents poverty levels in Dennis over the past several decades indicating some increases in since 1979.¹¹ For example, the number of persons living below the poverty level increased from 1,029 in 1979 to 1,730 by 2010, representing 11.9% of all residents and a growth rate of 68% since 1979. The numbers and percentage of families as well as children living in poverty also climbed. The data does present some good news as poverty among those 65 years of age or older has declined over the years, down to 3.5% by 2010.

The 2014 census estimates suggest even higher levels of poverty however, including up to 15.5% of all residents, 11.7% of families, 7.5% of persons 65 or older, and a questionable 40.9% of all children.

Table III-13: Poverty Status, 1979 to 2010

	1979		1989		1999		2010	
	#	%	#	%	#	%	#	%
Individuals *	1,029	8.3	1,446	10.4	1,119	7.0	1,730	11.9
Families **	247	6.8	361	9.0	250	5.4	358	9.0
Related Children Under 18 Years***	294	11.5	468	18.0	272	10.4	480	24.3
Individuals 65 and Over****	305	9.4	357	9.0	219	4.8	143	3.5

Source: U.S. Census Bureau, Census 1980, 1990 and 2000 Summary File 3; 2006-2010 American Community Survey 5-Year Estimates.

7. Employment – Service-oriented employment base with considerable seasonal fluctuations

Dennis is located well into the Cape and a fair distance from the major population and job centers of Boston and Providence, both approximately 76 miles away. The 2014 census estimates indicated that of the 12,299 residents 16 years of age or older, 6,815 or 55.4% were in the labor force and of these 623 or 5.1% were unemployed. About one-third of Dennis’s workers, 34.4% (up from 31.9% in 2000) were involved in management or professional occupations, and 65.68% were employed in the lesser paying retail and service-oriented jobs that support the local economy such as maintenance or construction (9.7%), sales and office occupations (24.6%), service occupations (25.0%), and production or transportation (6.3%). While 74% were private wage or salaried workers, another 15.8% were government workers, and 10.1% were self-employed. Additional information on employment patterns indicated that of those Dennis residents who were employed, only 884 or about 13% worked in the community. This figure is also down from the 1,151 level in 2000.

Labor and workforce data from the state’s Office of Labor and Workforce Development is presented in Table III-14, which focuses on the jobs available in Dennis. This data shows an average employment of 4,871 workers as opposed to a total workforce in 2000 of 7,337, representing a significant decrease in local jobs. The data also confirms the concentration of jobs in the retail and service sectors and further demonstrates the corresponding lower wage levels. All industries with an average of more than 100 employees and an average weekly wage of less than \$800 are highlighted in Table III-14, comprising 71% of all local jobs. As a point of comparison, the average weekly wage for Dennis was \$722 in 2014, up from \$636 in 2007, and about 42% of Boston’s at \$1,703. Additionally, the average weekly wage was

¹¹ The federal poverty levels for 2015 were \$11,770 for a single individual and \$20,090 for a family of three (3).

\$870 and \$936 for the Upper Cape communities of Bourne and Falmouth, respectively, and \$855, \$900 and \$922 for New Bedford, Plymouth and Attleborough, respectively, for example.

Table III-14: Average Employment and Wages by Industry in Dennis, 2014

Industry	# Establishments	Total Wages	Average Employment	Average Weekly Wage
Agriculture, Fishing	5	\$1,337,685	40	\$643
Construction	63	\$21,883,573	389	\$1,082
Manufacturing	11	\$1,279,258	38	\$647
Wholesale trade	18	\$4,616,931	89	\$998
Retail trade	82	\$29,779,932	928	\$617
Transportation and warehousing	17	\$11,038,701	272	\$780
Information	12	\$1,854,089	72	\$495
Finance & insurance	19	\$12,304,634	169	\$1,400
Real estate/rental	31	\$2,846,578	80	\$684
Professional/technical services	43 (up from 34 In 2007)	\$5,768,231	98	\$1,132
Administrative and waste services	52	\$11,581,228	324	\$687
Health care and social assistance	58	\$19,205,879	510	\$724
Arts, entertainment and recreation	12	\$4,465,096	170	\$505
Accommodation and food services	103	\$24,546,769	1,112	\$425
Other services, Exec., public administration	41	\$4,603,010	163	\$543
TOTAL	581	\$182,963,025	4,871	\$722

Source: Massachusetts Executive Office of Labor and Workforce Development, January 31, 2016
Shaded rows involve industries with more than 250 workers.

State labor statistics project an unemployment rate in Dennis as of December 2015 of 7.8%, with 498 Dennis residents unemployed, up from 4.6% in August with only 325 unemployed. These rates are down considerably from the 2010 average of 11.7%, however. As another point of comparison, the unemployment level in December 2015 was significantly lower at 4.1% for Boston.

The recent increase in unemployment, as noted above, is a result of Dennis' resort economy that causes fluctuations in the job force with increases in the summer months to serve seasonal needs. For example, there were 6,791 workers employed in July 2015 compared to 5,874 by December. At this point there are relatively few housing options in Dennis to accommodate these lower paid seasonal workers.

It should also be noted that most workers drove alone to work, 83%, another 7.5% carpooled and only 112 workers used public transportation. The average commuting time was 26 minutes according to 2014 census estimates.

8. Education – Higher educational attainment but dramatically declining school enrollment

The educational attainment of Dennis residents has improved over the last couple of decades. In 2014, 94.2% of residents 25 years and older had a high school diploma or higher and 37.5% had a Bachelor's

degree or higher. This is up from the 1990 figure of 25.3% with a college degree but still lower than the 2014 figure of 39.9% for the county.

According to 2014 census estimates, those enrolled in school (nursery through graduate school) totaled 2,064 or 14.6% of the population, down from 2,773 or 17.4% in 2000. In 2014, there were 1,431 students enrolled in kindergarten through high school or 10% of all residents, significantly lower than the total of 2,110 students in 2000 that represented 13% of the total population.

Historic public school enrollments also reflect this significant decline in numbers of children. For example, those children enrolled in the Dennis-Yarmouth School District decreased from 4,417 students in the 2000-2001 school year to 3,085 by 2015-16. This decline is reflective of the substantial demographic shift towards fewer younger residents that is occurring throughout the Cape.

9. Disability Status – High level of residents with special needs

Dennis has a high proportion of residents with disabilities with 2,294 residents claiming a disability representing 16.4% of all residents compared to 11.3% for the state based on 2014 census estimates. Of the 2014 population under age 18, 122 or 6.3% reported a disability compared to 1,243 residents or 26.1% of all residents 65 years of age or older. There were also 929 individuals age 18 to 64 that reported some type of disability. These levels of disability, plus an increasingly aging population, indicate that there are significant special needs within the Dennis community and further suggest that the Town integrate special needs housing units that are handicapped accessible and/or with supportive services into future affordable housing development.

B. Housing Profile

Housing in Dennis involves two distinct markets, the year-round housing stock and the seasonal or second home market now comprising more than half of all dwellings. This seasonal usage, the burgeoning interest in second homes by affluent baby boomers, and the attractiveness of the Cape for retirement, in addition to regional market pressures, have resulted in housing prices that while lower than neighboring communities are still unaffordable to most long-term, year-round residents. The creation and preservation of affordable housing remains particularly important in enabling the year-round population to stay in the community, including essential workers.

1. Housing Growth – Slowing down with most development in higher end second home or seasonal market

Most housing development took place between 1950 and 1990 when about 73% of all units were built. Like many communities on the Cape, this was a time when development shifted to the higher-priced market based on the growing demand for second homes and places to retire on or near the seashore. Since 1990, residential building activity has slowed down considerably from a growth rate of 12.6% between 1980 and 1990 to less than 6% in the subsequent decades as shown in Table III-15.

The 2010 census counted a total of 15,586 units, which suggests very little development within the last few years with 2014 census estimates suggesting an increase to 15,719 units. Table III-15 indicates that 715 units were produced since 2000 with only 15 new units built in 2010 or later. Table III-16, which tracks building permit activity since 2000, indicates that 795 new units have been built, from a high of 108 units in 2002; to 51 and 56 units in 2005 and 2006, respectively, before the financial crisis; to a low of 18 units in 2009, directly following the “bursting of the housing bubble”. Since then building activity has increased, even up to 63 total units in 2014, at pre-recession levels. This level of activity is much lower than the census suggested with 1,614 new units counted between 2000 and 2014.

Table III-15: Housing Units in 2014 by Year Structure Was Built

Time Period	#	%
2010 or later	15	0.1
2000 to 2009	700	4.5
1990 to 1999	930	5.9
1980 to 1989	1,983	12.6
1970 to 1979	3,645	23.2
1960 to 1969	3,239	20.6
1950 to 1959	2,540	16.2
1940 to 1949	964	6.1
1939 or earlier	1,702	10.8
Total	15,719	100.0

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010-2014

These figures also do not reflect *teardown activity that involved about half of all new housing units*. Taking demolition and replacement activity into consideration, brings the net new unit production down to about 400 units since 2000 instead of the 793 single-family unit total indicated in Table III-16. This demonstrates a substantial discrepancy from the census figure of 1,614 new housing units since 2000.

The average valuation per unit rose dramatically in recent years, from \$193,025 in 2000 to \$483,571 in 2008, and then down somewhat to \$463,925 in 2012. The \$295,772 average single-family construction value in 2014 is significantly lower and most likely reflects a considerable number of smaller units that were being built as part of the Heritage Sands new cottage development, however some later units that were part of this development sold for as much as \$1.8 million.

Table III-16: Residential Building Permits, 2000 through 2014

Year	# Building Permits for New Units*	Average Valuation/Unit
2000	89	\$193,025
2001	77	\$233,557
2002	108	\$180,936
2003	59	\$263,813
2004	69	\$275,475
2005	60	\$277,871
2006	51	\$304,952
2007	56	\$311,071
2008	28	\$483,571
2009	18	\$435,278
2010	27	\$411,222
2011	27	\$428,802
2012	26	\$463,985
2013	37	\$435,955
2014	61	\$295,772
Total	793	

Source: University of Massachusetts, Donahue Institute, State Data Center

*Figures are for single-family homes unless otherwise noted. Figures do not reflect net new residential units as they do not document situations where a previous unit was demolished on site.

2. Housing Types and Occupancy – Some net loss of rental units and increases in seasonal housing or second homes to almost 60% of all units

Table III-17 includes a summary of housing occupancy characteristics from 1980 through 2010. Out of the estimated 15,586 total housing units in 2010, Dennis had 7,653 year-round units of which 6,928 were occupied. The 2014 census estimates suggest that the Town produced 133 additional units since 2010 for a total of 15,719 units.

In reviewing changes in the housing stock since 1980, the following important trends become apparent:

- *Loss of owner-occupied units since 2000:* While almost all of the new development since 1990 involved ownership units, the census indicates that there was a loss of 566 such units between 2000 and 2010 with the proportion of owner-occupied units decreasing from 76% to 74.2%. It may be that some of these units were converted to seasonal use. The 2014 census estimates further confirm a significant loss of these units but show some increase in total number to 5,266 units.
- *Estimated recent loss of rental housing:* Following an increase of 465 rental units between 1980 and 1990, the number of rentals in town has remained about the same, ranging from 1,755 in 1990 to 1,789 by 2010. The 2014 census estimates suggests a total of 1,515 such units, indicating a loss of 274 rentals since 2010, some of which may have involved the conversion to owner-occupancy or multiple units to single-family use.

Table III-17: Housing Occupancy Characteristics, 1980 to 2010

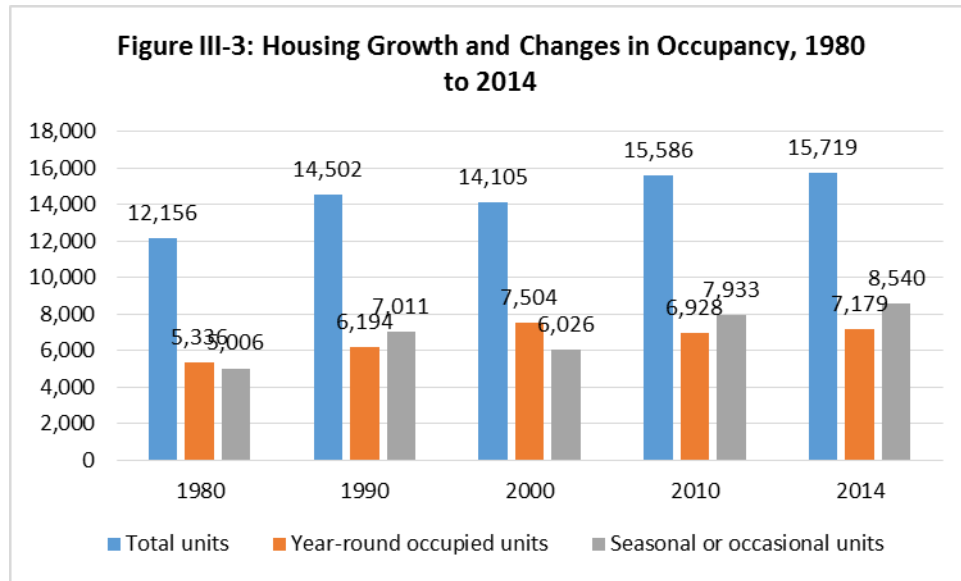
Housing Characteristics	1980		1990		2000		2010	
	#	%	#	%	#	%	#	%
Total units	12,156	100.0	14,502	100.0	14,105	100.0	15,586	100.0
Occupied units*	5,336	43.9	6,194	42.7	7,504	53.2	6,928	44.5
Vacant units/ Seasonal, and occasional use*	6,820/ 5,006	56/41.2	8,308/ 7,011	57.3/48.4	6,601/ 6,026	46.8/42.7	8,658/ 7,933	55.5/50.9
Occupied owner units**	4,046	75.8	4,439	71.7	5,705	76.0	5,139	74.2
Occupied rental units**	1,290	24.2	1,755	28.3	1,799	24.0	1,789	25.8
Average House- Hold Size of Owner-occupied Unit	--		2.21 persons		2.10 persons		2.03 persons	
Average House- Hold Size of Renter-occupied Unit	--		2.22 persons		2.13 persons		2.03 persons	

Source: U.S. Census Bureau 1990, 2000 and 2010 and American Community Survey 5-Year Estimates 2010-2014

* Percentage of total housing units ** Percentage of occupied housing units

- *Seasonal or occasional units are increasing:* The absolute numbers of seasonal units or second homes increased from 5,006 units in 1980, to 7,933 in 2010, and then to 8,540 by 2014. This represents an increase 3,534 such units or 71% during this timeframe. It further indicates that

seasonal units or second homes involved almost all of the new unit creation. The comparison of total housing units to seasonal or occasional units is visually presented in Figure III-3. This figure also includes the relative changes in year-round occupancy.



Due to this very high level of seasonal housing, Dennis’ population increases substantially during the summer months, putting high demands on local services but bolstering the town’s economy. However, having more than half of all homes unavailable for year-round occupancy, further limits the supply of affordable housing for year-round residents.

- *Decrease in persons per unit:* The average number of persons per unit declined between 1990 and 2010, from 2.21 persons to 2.03 persons for owner-occupied units and from 2.22 persons to also 2.03 persons for rental units. The 2014 census estimates indicate some modest increases to 2.06 and 2.08, respectively. These low average occupancy levels reflect local, regional and national trends towards smaller households and relates to the change in the average household size in Dennis from 2.22 persons in 1990 to 2.06 by 2014.
- *Declining vacancy rates:* The homeowner vacancy rate was 3.9% in 1990 and has since decreased, down to 1.1% by 2014 as shown in Table III-18. The change in the homeowner rate is relatively insignificant as any level below 5% is considered to represent tight market conditions and the rate remains below that of the state and nation as a whole.

The rental vacancy level was very high in 1990 through 2010, but has declined considerably to 8.9% according to 2014 census estimates. This shows a tightening of the rental market that is focused largely on the natural turnover of units, occurring more in resort towns than other areas. Those at the Housing Assistance Corporation (HAC) who administer rental housing subsidies through the Section 8 Housing Choice Program for example, indicate that households with such housing vouchers are finding it very difficult to find qualifying rental units given such tight market conditions throughout the Cape.

Table III-18: Vacancy Rates, 1990, 2000 and 2014

Vacancy Rates by Tenure						
Tenure	1990	2000	2010	2014	County 2014	MA 2014
Rental	21.5%	13.0%	18.1%	8.9%	8.6%	4.6%
Homeowner	3.9%	1.6%	2.5%	1.1%	2.3%	1.3%

Source: U.S. Census Bureau, 1990, 2000, and 2010 and American Community Survey 5-Year Estimates, 2010-2014.

- Little diversity in types of housing:* As shown in Table III-19, more than 80% of Dennis’ housing units have been in single-family detached homes, comparable to the county’s level at 81.1% but much higher than the state where somewhat more than half of all units were in such dwellings. The data indicates that there was an increase of 953 of these units between 1990 and 2014, 78% of the 1,217 units added to the housing stock during that period according to the U.S. Census Bureau. The 12,784 figure for single-family detached homes is significantly higher than the Dennis Assessor’s total for single-family homes of 11,622 although Assessor’s data includes an additional 1,052 properties with multiple houses on the same lot which probably makes up some of this discrepancy.

The data further demonstrates that the Town has added units in other types of structures but there are some discrepancies between census and Assessor data. For example, units in multi-family buildings of five (5) to nine (9) units more than doubled between 1990 and 2014 with a net increase of 253 units. Data suggests an increase in mobile homes while there are no such units documented in Assessor’s data.

Assessor’s data lists 1,854 condo units, although many of these are in small cottage communities but also likely include the 326 units in the single-family attached dwellings. There are also discrepancies between the census data and Assessor’s data with respect to the number of small multi-family properties. For example, Assessor’s records indicate that there are 358 two-family properties, representing a total of 716 units with another 21 three-family structures with 63 units that combined are closer to the 2010 unit total of 873 units in two to four-unit properties than the 2014 data. Because Assessor’s data provides only numbers of properties instead of units and combines four-unit properties with those with up to eight units, the specific number of units in four-unit properties is not available but probably makes up some of the shortfall in the census counts.

Table III-19: Units in Structure, 1990 to 2014

Type of Structure	1990		2000		2010		2014	
	#	%	#	%	#	%	#	%
1 Unit Detached	11,831	81.6	11,789	83.6	12,231	82.5	12,784	81.3
1 Unit Attached	482	3.3	304	2.2	426	2.9	326	2.1
2 to 4 Units	927	6.4	1,003	7.1	873	5.9	1,061	6.7
5 to 9 Units	229	1.6	330	2.3	357	2.4	482	3.1
10 or More Units	776	5.4	666	4.7	835	5.6	826	5.3
Mobile Homes/Other	257	1.8	13	0.1	97	0.7	240	1.6
Total	14,502	100.0	14,105	100.0	14,819	100.0	15,719	100.0

Sources: U.S. Census Bureau, 1990, 2000, and American Community Survey 5-Year Estimates, 2006-2010 and 2010-2014

Almost 44% of all rental units were also in single-family units, detached and attached, likely not easily recognizable from owner-occupied ones. The remaining portion of rental units are dispersed among other building types including about one-quarter in smaller multi-family dwellings of two (2) to four (4) units, and more than 30% in larger multi-family buildings of five (5) units or more as indicated in Table III-21.

Table III-20: Tenure by Units in Structure, 2014

Type of Structure	Owner-occupied Units		Renter-occupied Units	
	#	%	#	%
1 Unit Detached	4,836	91.8	571	37.7
1 Unit Attached	65	1.2	94	6.2
2 to 4 Units	157	3.0	376	24.8
5 to 9 Units	36	0.7	222	14.7
10 or More Units	172	3.3	242	16.0
Other	0	0.0	10	0.7
Total	5,266	100.0	1,515	100.0

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010-2014

- *Moderately-sized housing stock on average:* The median number of rooms per housing unit was 5.2, indicating that the average home was medium-sized with three bedrooms. The number of rooms per dwelling ranged from three (3) rooms or less in 1,827 units (11.6%) to nine (9) rooms or more in 938 dwellings (6.0%), representing a relatively small portion of very large residential units.

3. Housing Costs – Rising prices

Ownership

Census data also provides information on housing values, summarized in Table III-21. *In 2000 there were 3,047 units, or 60% of the owner-occupied, year-round housing stock, valued below \$200,000. This relatively affordable housing dwindled to 575 units or about 11% by 2014.* While approximately 35% of this housing was valued between \$200,000 and \$500,000 in 2000, by 2014 the percentage had grown to more than 63% of all units. Those higher-end properties of \$500,000 or more were only 5.3% of the housing stock in 2000 but by 2014 comprised more than one-quarter of all owner-occupied, year-round units. The increased value of Dennis' housing stock is also reflected in median values that almost doubled between 2000 and 2014, from \$175,100 to \$360,800 according to census figures.

Table III-21: Housing Values of Owner-occupied Properties, 2000 and 2014

Value	2000		2014	
	#	%	#	%
Less than \$50,000	28	0.6	62	1.2
\$50,000 to \$99,000	307	6.1	44	0.8
\$100,000 to \$149,000	1,520	30.0	287	5.5
\$150,000 to \$199,000	1,192	23.5	182	3.5
\$200,000 to \$299,999	1,147	22.7	1,334	25.3
\$300,000 to \$499,999	601	11.9	1,994	37.9
\$500,000 to \$999,999	253	5.0	1,192	22.6
\$1 million or more	16	0.3	171	3.2
Total	5,064	100.0	5,266	100.0
Median	\$175,100		\$360,800	

Source: U.S. Census Bureau, 2000 and American Community Survey 5-Year Estimates, 2010-2014.

More updated and historic market data is tracked by The Warren Group from Multiple Listing Service information based on actual sales. This market information since 1988 is summarized in Table III-22, demonstrating some market instability but also rebounding values after the recession.

The single-family home market was at its peak in 2006 when the median house price was \$350,000. Home values declined to \$288,700 in 2009, soon after the “bursting of the housing bubble”, and have fluctuated somewhat since then to a median of \$335,000 as of the end of 2015, approaching the pre-recession level.

The condo market has experienced even more volatility with a high median price of \$180,000 in 2005, down to \$101,520 by 2007, rebounding to \$146,000 in 2009, fluctuating considerably after that, and then spiking to \$177,500 in 2015. Consequently the condo market is also approaching pre-recession levels.

Table III-22: Median Sales Prices, January 1988 – December 2015

Year	Months	Single-family	Condo (#)	All Sales	# Sales
2015	Jan – Dec	\$335,000	\$177,500 (109)	\$288,750	522
2014	Jan – Dec	295,000	128,250 (64)	275,900	482
2013	Jan – Dec	315,000	117,500 (62)	275,000	487
2012	Jan – Dec	310,000	139,900 (89)	264,000	524
2011	Jan – Dec	280,000	125,000 (65)	260,000	443
2010	Jan – Dec	305,000	130,000 (92)	260,000	429
2009	Jan – Dec	288,700	146,000 (65)	259,500	374
2008	Jan – Dec	323,000	135,000 (87)	290,000	407
2007	Jan – Dec	336,250	101,520 (174)	287,000	537
2006	Jan – Dec	350,000	167,750 (96)	325,000	478
2005	Jan – Dec	348,000	180,000 (170)	318,000	695
2004	Jan – Dec	333,000	136,500 (127)	303,000	671
2003	Jan – Dec	285,000	150,000 (105)	260,000	728
2002	Jan – Dec	240,000	118,000 (171)	212,000	745
2001	Jan – Dec	186,750	97,450 (132)	172,000	693
2000	Jan – Dec	165,000	68,000 (180)	140,250	840
1999	Jan – Dec	139,900	62,500 (147)	128,000	834
1998	Jan – Dec	127,700	60,500 (109)	120,000	775
1997	Jan – Dec	124,000	52,500 (99)	110,000	626
1996	Jan – Dec	117,000	47,375 (86)	105,950	596
1995	Jan – Dec	115,000	51,000 (83)	95,000	504
1994	Jan – Dec	115,000	75,000 (58)	103,250	492
1993	Jan – Dec	117,000	40,000 (68)	106,000	496
1992	Jan – Dec	118,000	45,500 (83)	110,000	441
1991	Jan – Dec	125,500	54,000 (41)	116,250	328
1990	Jan – Dec	134,650	67,000 (43)	128,000	340
1989	Jan – Dec	136,000	78,063 (42)	132,500	413
1988	Jan – Dec	142,950	105,000 (187)	139,000	465

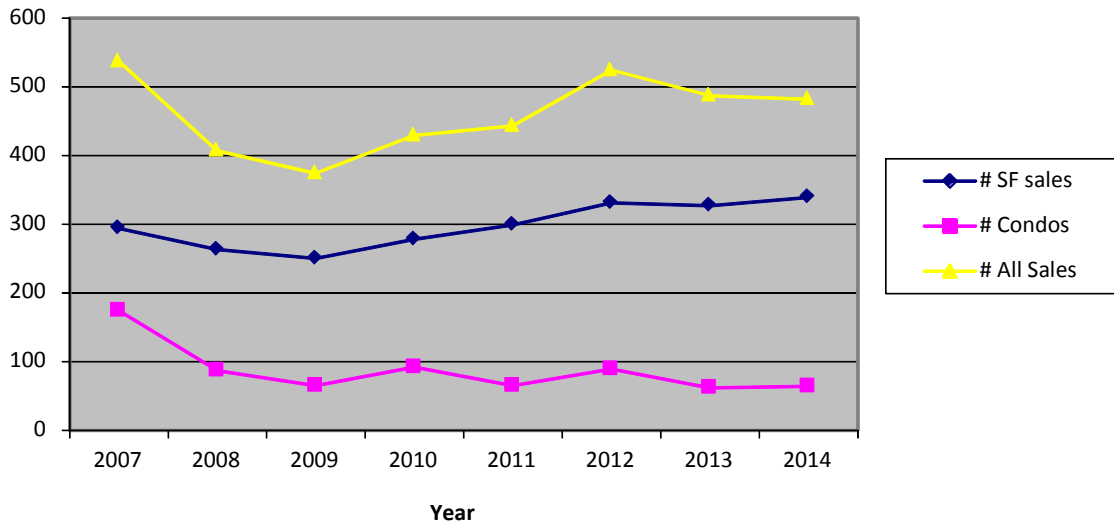
Source: The Warren Group, *Banker & Tradesman*, January 31, 2016.

The volume of sales – including single-family homes, condos and all sales – by year from 2007 to 2015 from the *Banker & Tradesman* data included in Table III-22 is presented in Figure III-4. In general, sales declined between 2007 and 2009, reflective of the recession, then increased to the highest volume in 2012, and tapered off a bit after that although single-family homes sales are about the same as the 2012 level. The total number of single-family home sales in Dennis ranged from a low of 250 sales in 2009 to a

high of 339 in 2014. This is still relatively low in comparison to 568 such sales in 1998 reflecting some slowdown of building activity after that.

The volume of condo sales has fluctuated considerably since 2000 with only 41 sales in 1991 and highs of more than 170 such sales in 1988, 2000, 2002, 2005 and 2007. There were 109 condo sales in 2015, most likely reflective of the sales at Heritage Sands, a new cottage colony. It should be noted that some of these condos likely include the conversion of motels where year-round occupancy is not allowed.

Figure III-4: Sales Volume by Year



A comparison of median values for Dennis and neighboring communities is presented in Table III-23. This table includes the median single-family house price at pre-recession levels in 2006, post-recession levels in 2009, and as of October 2015. The table also shows the percentage changes between these periods, demonstrating where prices have been the most volatile and which communities have best recovered from the recession. This data is also visually presented in Figure III-5 for the 2006 and 2015 timeframes. This analysis indicates the following market trends:

- While the median values of all neighboring communities fell between 2006 and 2009, the medians rebounded somewhat after that.
- None of the communities' 2015 median prices have surpassed pre-recession levels, ranging from a -5.2% in Harwich to -13.6% in Eastham and with Dennis the lowest at -4.3%. This is not the case in other parts of the state, particularly those in the Metro West area of Greater Boston, where median prices surpassed pre-recession ones several years ago. This is reflected in the relatively small percentage change between 2006 and 2015 for the state of -1.4%.
- The median sales values in Dennis have been at the lower end of the range, at \$335,000 towards the end of 2015, between a low of \$283,250 in Yarmouth and a high of \$625,000 for Chatham. Dennis' 2015 median is close to the state level of \$340,000.

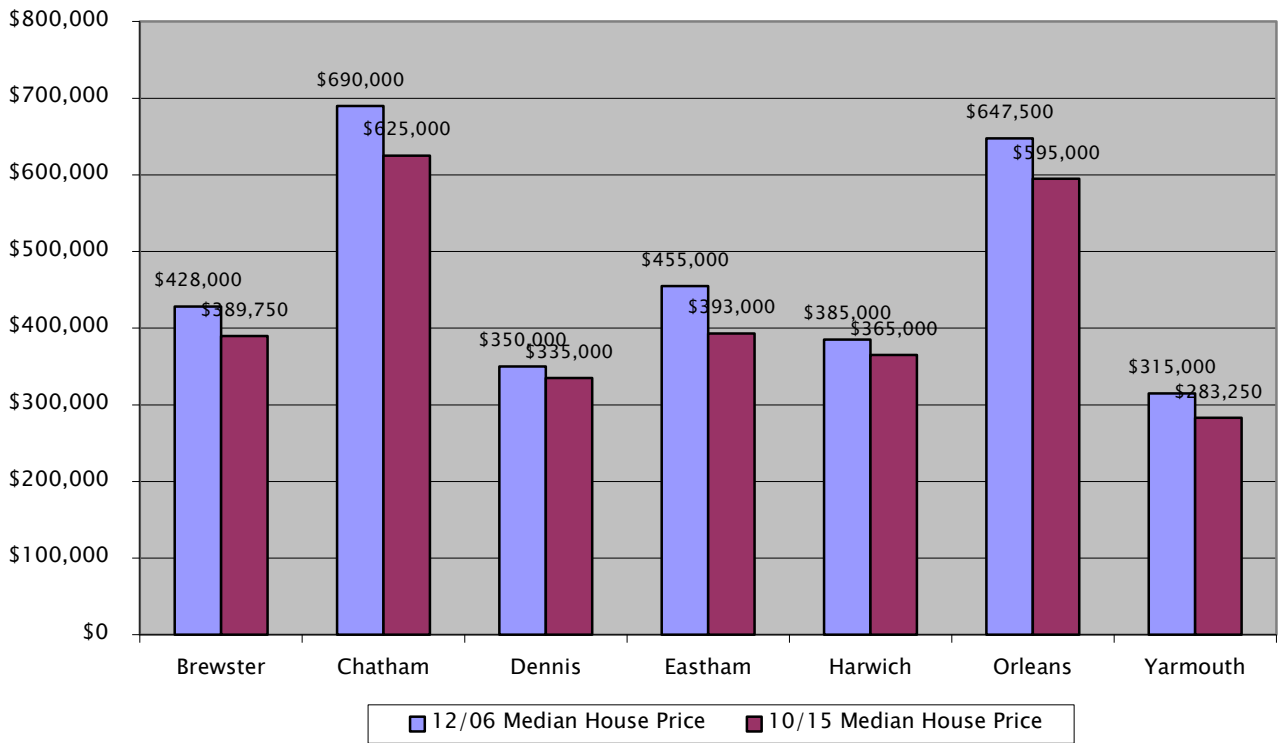
Table III-23: Median Single-family House Price for Dennis and Neighboring Communities as of 2006, 2009, and October 2015

Place	Median Single-family House Price			% Change 2006 to 2009	% Change 2009 to 10/2015	% Change 2006 to 10/2015
	12/2006	12/2009	10/2015			
Brewster	\$428,000	\$364,000	\$389,750	-15.0%	+7.1%	-8.9%
Chatham	\$690,000	\$511,250	\$625,000	-29.3%	+22.2%	-10.4%
Dennis	\$350,000	\$288,700	\$335,000	-17.5%	+16.0%	-4.3%
Eastham	\$455,000	\$385,000	\$393,000	-15.4%	+2.1%	-13.6%
Harwich	\$385,000	\$324,400	\$365,000	-15.7%	+12.5%	-5.2%
Orleans	\$647,500	\$525,000	\$595,000	-18.9%	+11.8%	-8.1%
Yarmouth	\$315,000	\$256,250	\$283,250	-18.6%	+10.5%	-10.1%

Source: The Warren Group, Banker & Tradesman, December 20, 2015

Data based on single-family home sales of \$1,000 plus, excluding foreclosure deeds.

Figure III-5: Median House Prices for Dennis and Neighboring Towns



Another analysis of housing market data is presented in Table III-24, which breaks down sales data from the Multiple Listing Service for single-family homes and condominiums from February 2015 through the end of January 2016. The distribution of single-family home prices is visually presented in Figure III-6.

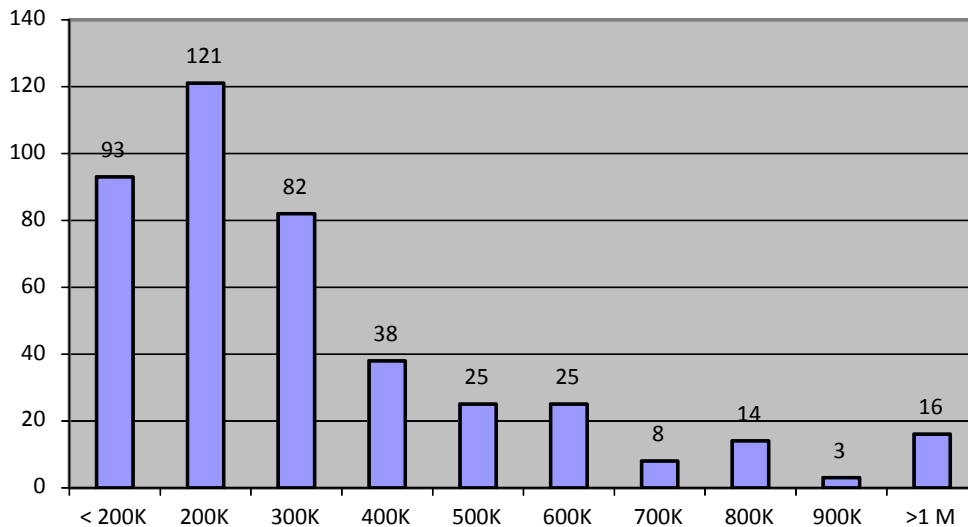
Table III-24: Single-family House and Condo Sales, February 2015 through January 2016

Price Range	Single-families		Condominiums		Total	
	#	%	#	%	#	%
Less than \$100,000	8	2.3	24	30.0	32	7.5
\$100,000-199,999	32	9.3	29	36.2	61	14.4
\$200,000-299,999	106	30.7	15	18.8	121	28.5
\$300,000-399,999	76	22.0	6	7.5	82	19.1
\$400,000-499,999	35	10.1	3	3.8	38	8.9
\$500,000-599,999	24	7.0	1	1.2	25	5.9
\$600,000-699,999	24	7.0	1	1.2	25	5.9
\$700,000-799,999	7	2.0	1	1.2	8	1.9
\$800,000-899,999	14	4.1	0	0.0	14	3.3
\$900,000-999,999	3	0.9	0	0.0	3	0.7
Over \$1 million	16	4.6	0	0.0	16	3.8
Total	345	100.0	80	100.0	425	100.0
Median	\$335,000		\$149,900		--	

Source: The Warren Group, *Banker & Tradesman*, February 5, 2016.

This data indicates that about 70% of Dennis’ housing stock sold below \$400,000 during this period with half selling in the more affordable range of less than \$300,000. Almost 13% of single-family home sales and two-thirds of condominiums sold for less than \$200,000 that would be potentially affordable to low- and moderate-income households. Approximately 21% of sales ranged from \$400,000 to \$700,000 with another 10% of sales in the high-end market selling for more than \$700,000 that included 16 sales of more than \$1 million, most with waterfront views and/or accessibility.

**Figure III-6
Sales Distribution for Dennis Single-family Homes
February, 2015 through January, 2016**



Information from the Town Assessor on the assessed values of residential property in Dennis is presented in Tables III-25 and II-26. While Assessor’s data typically underestimates market values somewhat, this data does provide a breakdown of the range of housing values across various housing types.

Table II-25, focusing on single-family homes and condos, indicates that Dennis’ housing market still includes a sizable amount of affordability with about 8% of single-family homes and more than three-quarters of condos valued at less than \$200,000. Only seven (7) ownership units were subsidized with the remaining being ineligible for inclusion in the Town’s Subsidized Housing Inventory (SHI) and for counting towards the state affordability goal of 10%, sometimes referred to as little “a” affordable units. Nevertheless, they do offer some relatively affordable options for residents, however many are also likely to be small and in poor condition.

Another 37.6% of these units is valued between \$200,000 and \$300,000, still relatively affordable and includes 41.3% of all single-family homes and 14.5% of all condos. Consequently, approximately 55% of the Town’s single-family and condo units are assessed below \$300,000, 77% of which are single-family homes. On the other hand, 708 of these units are assessed between \$700,000 and \$1 million, and still another 520 units, are valued at more than \$1 million, demonstrating a strong luxury market in Dennis. In fact the highest valued single-family homes was assessed at \$9,227,400.

Condominiums in fact are a significant part of Dennis’s housing stock, totaling 1,854 units, and are the most affordable component of the community’s private housing stock. This relative affordability is also reflected in the median assessed values of \$302,100 and \$116,600 for single-families and condos, respectively. Condominiums tend to be more prevalent in Dennis Port and West Dennis where there are more condo complexes including more traditional developments in Dennis Port. Pockets of small cottages have been converted into condos in West Dennis as well as Dennis Port. Monthly condo fees vary widely but tend to be in the \$200 to \$300 range.

Table III-25: Assessed Values of Single-family Homes and Condominiums

Range of Total Assessed Value	Single-family Dwellings		Condominiums		Total	
	#	%	#	%	#	%
Less than \$100,000	2	0.02	774	41.7	776	5.8
\$100,000-199,999	946	8.1	651	35.1	1,597	11.8
\$200,000-299,999	4,803	41.3	269	14.5	5,072	37.6
\$300,000-399,999	2,293	19.7	81	4.4	2,374	17.6
\$400,000-499,999	1,120	9.6	33	1.8	1,153	8.6
\$500,000-599,999	733	6.3	9	0.5	742	5.5
\$600,000-699,999	516	4.4	18	1.0	534	4.0
\$700,000-799,999	336	2.9	7	0.4	343	2.5
\$800,000-899,999	198	1.7	0	0.0	198	1.5
\$900,000-999,999	166	1.4	1	0.05	167	1.2
Over \$1 million	509	4.4	11	0.6	520	3.9
Total	11,622	100.0	1,854	100.0	13,476	100.0
Median Value	\$302,100		\$116,600		--	

Source: Dennis Town Assessor, Fiscal Year 2016.

Table II-26 provides the distribution of assessed values for smaller multi-family structures, which includes 1,431 properties. There were 358 two-family dwellings with 716 units and 21 three-family properties with 63 units with median assessed values of \$273,700 and \$365,900, respectively. About 62% of the two-family structures were assessed between \$200,000 and \$400,000 as were about 52% of the three-families. Because these properties include rental units, they offer an income stream and are thus more

affordable to purchasers, whether owner-occupants or absentee investors. Rentals in these properties also tend to be among the more affordable rentals in any community.

The Town has 1,052 properties that involve multiple houses on the same lot. The values of these properties are among the highest in the community with 48% assessed at more than \$1 million and a median assessed value of \$885,900.

Dennis also has some larger multi-family properties including 12 properties with four to eight units that range in value from \$312,800 to \$1,744,200. There were another 32 properties with more than eight units that ranged from \$238,100 to \$2,645,400 in value.

Table III-26: Assessed Values of Multi-family Residential Properties

Range of Total Assessed Value	Two-family Dwellings		Three-family Dwellings		Multiple Houses on One Lot		Total	
	#	%	#	%	#	%	#	%
Less than 100,000	0	0.0	0	0.0	0	0.0	0	0.0
\$100,000-199,999	29	8.1	2	9.5	4	0.4	35	2.4
\$200,000-299,999	162	45.3	5	23.8	108	10.3	275	19.2
\$300,000-399,999	59	16.5	6	28.6	161	15.3	226	15.8
\$400,000-499,999	25	7.0	4	19.0	62	5.9	91	6.4
\$500,000-599,999	22	6.1	2	9.5	48	4.6	72	5.0
\$600,000-699,999	9	2.5	2	9.5	68	6.5	79	5.5
\$700,000-799,999	18	5.0	0	0.0	42	4.0	60	4.2
\$800,000-899,999	9	2.5	0	0.0	38	3.6	47	3.3
\$900,000-999,999	9	2.5	0	0.0	17	1.6	26	1.8
Over \$1 million	16	4.5	0	0.0	504	47.9	520	36.3
Total	358/716 units	100.0	21/63 units	100.0	1,052	100.0	1,431	100.0
Median Value	\$273,700		\$365,900		\$885,900		--	

Source: Dennis Town Assessor, Fiscal Year 2016.

Rentals

Table III-27 summarizes census data for rental units from 1980 to 2014. This information suggests that about 60% of Dennis' rental units had rents in the \$750 to \$1,500 range by 2014, while in 1990 and 2000 about the same proportion of units were renting between \$500 and \$1,000. The median gross rent doubled between 1980 and 1990, but increased only by 11% between 1990 and 2000 and then by 49% between 2000 and 2014. The 2014 median rent was \$1,038. Because this median includes about 270 subsidized rentals, the median underestimates actual market rents. The median was also lower than the 2014 median gross rent of \$1,101 for the county and \$1,088 for the state.

Median rent levels are very close, and in many cases exceed Fair Market Rents (FMR's) as prescribed and updated annually by the U.S. Department of Housing and Urban Development (HUD). For example, the FMR for a two-bedroom unit for Barnstable County is \$1,234.¹² Representatives of the Housing Assistance Corporation (HAC), that administers many of these vouchers, suggest that recipients of rental subsidies, such as Section 8 Housing Choice Vouchers for example, that pay the difference between the FMR and a

¹² The 2015 FMR's for Barnstable County were \$825 for an efficiency, \$920 for a one-bedroom, \$1,234 for a two-bedroom unit, \$1,614 for three-bedrooms, and \$1,695 for a four-bedroom unit.

percentage of a qualifying household's income, claim that such recipients are having increasing difficulties finding eligible market rents throughout most of the Cape. The Town has been offering a Rental Assistance Program to provide another tool to make rentals more affordable based on successful models in other communities such as Harwich, Chatham and Mashpee (see strategy VI.D.2 for more information.)

Table III-27: Rental Costs, 1980 to 2014

Gross Rent	1980		1990		2000		2010		2014	
	#	%	#	%	#	%	#	%	#	%
Under \$200	183	14.2	178	10.2	105	5.8	0	0.0	27	1.8
\$200-299	381	29.5	125	7.2	86	4.8	75	4.8	69	4.6
\$300-499	594	46.0	213	12.2	184	10.2	72	4.6	79	5.2
\$500-749	31	2.4	725	41.4	576	31.9	147	9.4	144	9.5
\$750-999			345	19.7	509	28.2	421	26.8	343	22.6
\$1,000-1,499			55	3.1	157	8.7	576	36.6	554	36.6
\$1,500 +			5	0.3	177	11.3	193	12.7		
No Cash Rent	101	7.8	108	6.2	182	10.1	104	6.6	106	7.0
Total*	1,290	100.0	1,749	100.0	1,804	100.0	1,572	100.0	1,515	100.0
Median Rent	\$306		\$626		\$695		\$1,013		\$1,038	

Source: U.S. Census Bureau, Census 1980, 1990, and 2000 Summary File 3 and American Community Survey 5-Year Estimates, 2006-2010 and 2010-2014.

Recent Internet listings of rental properties in Dennis are listed in Table II-28. These listings indicate that it is difficult to find a year-round two-bedroom unit for less than \$1,200, not including utilities that can add considerably to costs. Both year-round and winter/seasonal rental opportunities were relatively limited in comparison to weekly summer listings. These summer rentals range considerably in size, location and price but can be very pricey, especially near the water.

Table III-28: Market Rental Listings, February 2016

Area	# Bedrooms	# Bathrooms	Square Feet	Rent
Year-round				Per Month
Dennis Port	1	1	-	\$1,275
Dennis	3	2	1,300	\$1,300
S. Dennis	1/Condo	1	-	\$1,350
S. Dennis	2	1.5	900	\$1,500
Dennis Port	2/Condo	1.5	-	\$1,595
W. Dennis	3	3.5	-	\$1,800
E. Dennis	3	2.5	1,972	\$2,200
Winter/Off Season				Per Month
S. Dennis	2	1	930	\$1,200
S. Dennis	3	1	924	\$1,500
Dennis Port	5	2	-	\$4,500
E. Dennis	2	1	1,100	\$2,000/mo. May-Oct
Dennis	Studio/Condo	1	-	\$5,000 for May-Sept.
Summer				Per Week
Dennis	3	1	-	\$200
Dennis Port	Studio/Condo	1	266	\$500
Dennis	4	2	2,000	\$595

Dennis Port	2	1	-	\$930
S. Dennis	3	1	1,000	\$750-\$1,350
E. Dennis	Studio/Condo	1	250	\$1,000
W. Dennis	3/Cottage	1	-	\$750-\$1,650
Dennis Port	3	1	-	\$950
W. Dennis	2/Cottage	1	-	\$950
W. Dennis	3/Cottage	1	-	\$1,000
Dennis Port	3	1	880	\$1,200
W. Dennis	4	1.5	-	\$1,300-\$1,950
S. Dennis	3	1	-	\$1,400
W. Dennis	3	1	-	\$1,400
E. Dennis	3	2	1,500	\$1,500
S. Dennis	4	2	-	\$1,675
W. Dennis	4	1	-	\$1,750
W. Dennis	3	1	-	\$1,900
W. Dennis	3/Cottage	1	-	\$2,050
W. Dennis	2	1	1,200	\$2,100
E. Dennis	4	-	-	\$3,100
W. Dennis	6	2.5	2,300	\$3,800
Dennis Port	5	2.5	-	\$4,500

Source: Craigslist, February 7, 2016

3. **Affordability Analysis –Widening affordability gaps and cost burdens**

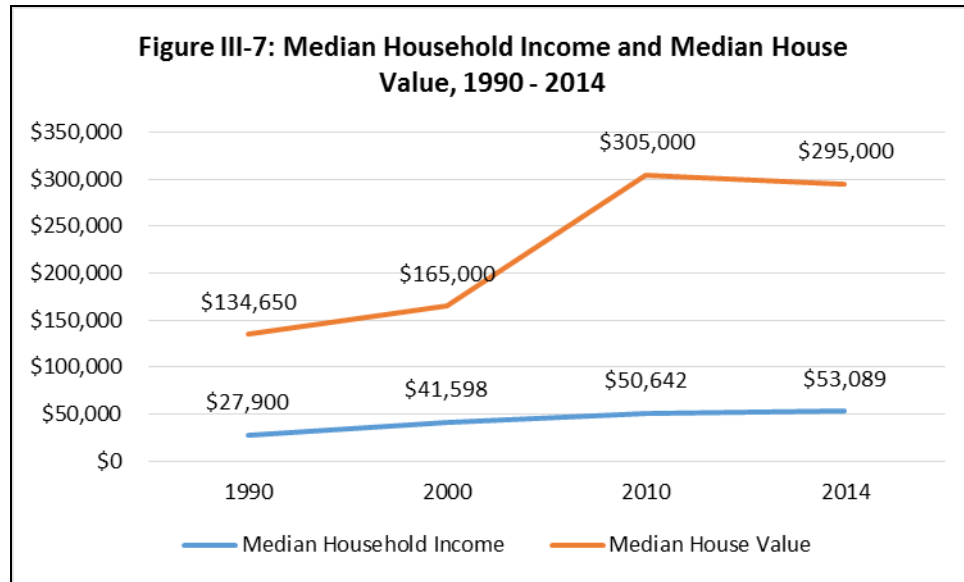
While it is useful to have a better understanding of past and current housing costs, it is also important to analyze the implications of these costs on residents’ ability to afford them for both homeownership and rentals.

Affordability Gaps - Homeownership

A traditional rough rule of thumb is that housing is affordable if it costs no more than 2.5 times the buyer’s household income. By this measure, the median income household earning \$53,089 in Dennis could afford a house of approximately \$132,722, 40% the median house price of \$335,000 as of the end of 2015. *This implies that the household in the middle of the town’s income range faced an “affordability gap” of \$202,278.*

Housing prices have in fact risen faster than incomes, particularly between 2000 and 2010 despite the recession, making housing less affordable as demonstrated in Figure III-7. As time went by, the gap between median household income and the median single-family house price widened. While incomes almost doubled between 1990 and 2014, the median single-family house price rose 120% based on 2014 *Banker & Tradesman* data, and up 149% according to 2015 data. In 1990 the median income was 21% of the median house price but decreased to 16.6% by 2010 and then up somewhat to 18% by 2014. *Moreover, the gap between income and house value was \$106,750 in 1990 but increased to \$255,358 by 2010 and then \$241,911 in 2014.*¹³

¹³ These gaps would have been even wider if the 2014 census estimate of \$360,800 was used in the analysis instead of the *Banker & Tradesman* figure.



Another way of calculating the affordability gap is to estimate the difference between the median priced house and what a median income earning household can afford to pay based on spending no more than 30% of income on housing costs.¹⁴ To afford the median sales price of a single-family home of \$335,000, based on *Banker & Tradesman* data as of October 2015, a household would have to earn an estimated \$78,000 with 95% financing.¹⁵ This income is much higher than the median household income for the Town per 2014 census estimates of \$53,089 and consequently there is a considerable affordability gap. If the calculations were based on 80% financing with a 20% down payment, the income would be reduced to about \$65,000, still well above the town's median household income in 2014 and requiring the purchaser to come up with more than \$70,000 in upfront cash.

The median income earning household could likely afford a single-family home of about \$238,000 based on 95% financing. *The affordability gap is then about \$97,000* - the difference between the price of the median priced single-family home (\$335,000) and what a median income household can afford (\$238,000).¹⁶ In the case of 80% financing, requiring a 20% down payment, a purchaser would need to borrow less and therefore could afford a home of about \$273,000 and thus the affordability gap would decrease to \$62,000. The affordability gaps would in fact be significantly greater if not for unprecedentedly low mortgage interest rates that have made housing more affordable in Dennis and throughout much of the country.

For those earning at 80% of area median income limit (\$59,250 for a family of three), this gap is of \$70,000, the difference between the maximum they could afford of approximately \$265,000 and the

¹⁴ Based on the 2014 census estimate of \$53,089 for median household income.

¹⁵ Figures based on 95% financing, interest of 4.0%, 30-year term, annual property tax rate of \$6.53 per thousand, and insurance costs of \$4 per \$1,000 for condominiums and \$6 per thousand for single-family homes). The calculations are also based on the purchaser spending no more than 30% of gross income on mortgage (principal and interest), taxes and insurance. It is also assumes private mortgage insurance of .3125% of the mortgage amount for 95% financing.

¹⁶ Private mortgage insurance (PMI) was not included in these calculations assuming that the purchaser earning at Dennis' median income could qualify for a subsidized mortgage program such as the ONE Mortgage Program or a MassHousing program for example.

median single-family house price of \$335,000. These figures are based on 95% financing, assuming that the purchasers could qualify for homebuyer programs such as the state's One Mortgage Program or MassHousing's mortgage offerings for example. It should also be noted that this price is based on the 80% AMI limit and purchase prices for deed-restricted units are calculated for a household earning at 70% AMI to allow for some marketing window.

There was no affordability gap for condos as the median condo price of \$177,500, as of October 2015 from *Banker & Tradesman*, was lower than the estimated price that a median income earning Dennis household can afford of about \$199,000 assuming a monthly condo fee of \$250.¹⁷ There was also no gap for those households earning at the 80% of area median income limit (\$59,250 for a household of three) who could afford a condo of about \$220,500.

Table III-29 provides a breakdown of the number of units existing within various affordability ranges. According to Assessor's data, 2,817 homes or almost one-quarter of the Dennis' *single-family homes* were affordable to households earning below median income (\$53,089) according to 2014 census estimates. Using percentages of area median income for Barnstable County, 4,393 or 37.8% were affordable to those earning at or below 80% of area median income (\$59,250 for a household of three) in 2015. Another 3,825 units or about one-third of all single-family homes were affordable to those earning between 80% of area median and area median income (\$80,300), however calculations in this income range were based on the purchasers having sufficient down payment and closing costs to support 80% mortgage financing, which is now more the norm than the exception. Nevertheless, these figures suggest significant affordability within the private housing stock.

Condominiums are valued much more affordably with 1,430 units or more than three-quarters of condos affordable to households earning at or below the \$53,089 median household income using the 2014 census estimate. Those units affordable to those earning at or below 80% of area median income, based on a household size of three, include 1,533 units or 82% of all condos. Another 243 condos or 13% were also assessed within a relatively affordable range, likely affordable to those earning between 80% and 100% of area median income. Therefore, more than 95% of the condo market was potentially affordable to those earning within HUD's 100% AMI figure for Barnstable County based on an estimated condo fee of \$250. Many condos, however, are not available on a year-round basis as they involved the conversion of small cottages to ownership that are used seasonally from about April through October.

¹⁷ Figures based on 95% financing, interest of 4.0%, 30-year term, annual property tax rate of \$6.53 per thousand, \$250 monthly condo fee, insurance costs of \$4 per \$1,000 for condominiums and \$6 per \$1,000 for single-family homes, and the purchaser spending no more than 30% of gross income on mortgage (principal and interest), taxes and insurance. It is also assumes the ability of the purchaser to qualify for subsidized mortgage financing from the ONE Mortgage Program or MassHousing mortgage offerings. Therefore, no private mortgage insurance (PMI) was included in the calculations.

Table III-29: Distribution of Single-family Homes and Condo Value by Income Range

Price Range Single-family/ Condo*	Income Range (based on HUD Area Median Income (AMI) Limits	Single-family Homes Available in Price Range		Condominiums Available in Price Range	
		#	%	#	%
\$238,000/\$199,000	At or below Town’s median Income (\$53,089)**	2,817	24.2	1,430	76.7
\$265,000/\$220,500	At or below 80% AMI (\$59,250)**	4,393	37.8	1,533	82.2
\$265,001-412,500/ \$220,501-\$374,000	80% - 100% AMI (\$59,251 - \$80,300)	3,825	32.9	243	13.0
\$412,501-495,000/ \$374,001-\$460,000	100% - 120% AMI (\$80,301 - \$96,360)	908	7.8	29	1.6
More than 495,000/ more than \$460,000	More than 120% AMI (More than \$96,360)	2,496	21.5	59	3.2
Total		11,622	100.0	1,864	100.0

Source: Town Assessor’s Database for Fiscal Year 2016. Please note that as a standard practice, assessed value is assumed to be at least 93% below actual value or potential sale price. Figures based on a three-person household.

* Includes estimated condo fee of \$250 per month.

** Based on 95% financing given potential eligibility for subsidized mortgage programs such as the ONE Mortgage Program and MassHousing offerings. All other income ranges assume 80% financing.

It should also be noted that Dennis has a significant *multi-family housing* market, about 1,475 properties, that includes 358 two-family dwellings (716 units) and 21 three-families (63 units) for example. Such housing is frequently more affordable as two and three-family dwellings generate rental income. For example, the median valued two-family home in Dennis, based on Assessor’s data, was \$273,700, and if owner-occupied with one rental unit would be affordable to a purchaser earning approximately \$31,000 (assuming rental income of \$1,000 of which 75% or \$750 is likely to be included in mortgage underwriting computations as well as 95% financing). This is low in comparison to a condo at the same price that would require an income of about \$71,000 given the additional computation of the condo fee (assuming \$250) and lack of rental income.

Affordability Gaps - Rentals

In regard to rentals, the gross median rent of \$1,038, according to 2014 census estimates, required an income of about \$41,500, without consideration for utilities that would boost the required income closer to \$48,500. While these costs are within the means of low- and moderate-income households, market rents are actually considerably higher. Listings of year-round or even winter or seasonal rents on a monthly basis are limited, but such listings suggest that two-bedroom units are renting for at least \$1,200. This rent would be affordable to a household earning about \$60,000 annually, assuming utilities are included in the rents. The median income earning renter (\$21,367) could afford a rent of only about \$360 assuming a monthly utility cost of \$175 and spending no more than 30% of income on housing. It is consequently not surprising that so many renters are paying far too much for their housing.

Summer rentals are priced for a high-end market by the week, starting at about \$800 to \$900 per week up to at least \$4,000 for larger waterfront homes. It is important to note that landlords typically require first and last month’s rent and a security deposit on monthly rentals, creating substantial up-front cash requirements for renters.

Cost Burdens

In addition to an analysis of the affordability of entering the existing housing market, it is also useful to identify numbers of residents living beyond their means based on their housing costs. The U.S. census provides data on how much households spent on housing whether for ownership or rental. Such information is helpful in assessing how many households are overspending on housing or encountering housing affordability problems, defined as spending more than 30% of their income on housing.

Based on 2014 census estimates, 360 households or 6.8% of the homeowners in Dennis were spending between 30% and 34% of their income on housing and another 1,310 or 24.9% of owners were spending more than 35% of their income on housing expenses, totaling 1,670 or 31.7% of all owner households. In regard to renters, 151 renters or 10.0% were spending between 30% and 34% of their income on housing and another 942 or 62.2% were allocating 35% or more of their incomes for housing for a total of 1,093 renter households or 72% of all renters. *This census data suggests that 2,763 households or 41% of all Dennis households were living in year-round housing that was by common definition unaffordable.*

HUD provides additional data on housing affordability problems through its CHAS report that identifies cost burdens by household type and whether they are renters or owners, offering a breakdown of households within specific income categories as summarized in Table III-30. This report, based on 2012 census data for Dennis (the latest report available), indicates that *of the 6,589 year-round households included in this analysis, 2,544 or 39% were reported with cost burdens as they were paying more than 30% of their income on housing costs. Moreover, 1,280 or half of these households were spending more than 50% of their income on housing, referred to as being severely cost burdened.*

Almost all of those with cost burdens had incomes at or below 80% of median income for Barnstable County area that included 3,369 households or about half of all Dennis' households. Of these 2,219 or almost one-third had cost burdens including 1,200 or 36% who were spending at least half of their income on housing and thus experiencing severe cost burdens.

More specific findings from this report include the following:

Renters

- There were 1,514 year-round renters of whom 1,229 or 81% had incomes at or below 80% of median for Barnstable County. None of those earning more than this amount were experiencing cost burdens.
- Of the 1,229 earning equal to or less than 80% of the area's median, 1,015 or 83% were spending too much on their housing including 550 or 45% of renters with severe cost burdens.
- Of the 384 elderly renters 62 years of age or older, 245 or 64% were overspending including 145 or 38% spending at least half of their income on housing costs. A total of 325 or 85% had incomes at or below 50% of median with 245 who were overspending and should be targets of additional subsidized housing. It is likely that the 94 elderly renters earning below 80% of median and who were not cost burdened were living in the 124 units of subsidized senior housing owned and managed by the Dennis Housing Authority (DHA) or 64 units at Gordon Senior Citizen Apartments. This suggests that even some seniors who were living in subsidized housing were paying more than 30% of their income on housing costs.

- Almost all of the families (both small and large families) with incomes equal to or less than 80% of median were experiencing cost burdens which is surprising given that there are 78 units of subsidized rental housing for families in Dennis.
- There were also a significant number of non-family and non-elderly households, largely composed of single individuals, who were overspending on their housing including 295 or 73% of the 405 such households earning at or below 80% of median.

Table III-30: Type of Households by Income Category, Tenure and Cost Burdens* 2012¹⁸

Type of Household	Households earning <30% MFI/# with cost burdens **	Households earning >30% to < 50% MFI/ # with cost burdens	Households earning >50% to < 80% MFI/# with cost burdens	Households earning >80% to < 100% MFI/# with cost burdens	Households Earning > 100% MFI/ # with cost burdens	Total/# with cost burdens
Elderly Renters	220/65(105)	105/35(40)	14/0(0)	25/0(0)	20/0(0)	384/100(145)
Small Family Renters	145/0(140)	60/45(10)	120/80(35)	90/0(0)	55/0(0)	470/125(185)
Large Family Renters	130/70(60)	25/25(0)	10/10(0)	0/0(0)	10/0(0)	175/105(60)
Other Renters	190/35(110)	75/35(40)	140/65(10)	15/0(0)	65/0(0)	485/135(160)
Total Renters	685/170(415)	265/140(90)	284/155(45)	130/0(0)	150/0(0)	1,514/465(550)
Elderly Owners	310/70(180)	540/160(150)	560/110(55)	350/20(30)	965/10(40)	2,725/370(455)
Small Family Owners	95/45(40)	85/10(40)	235/95(45)	105/15(0)	985/65(10)	1,505/230(135)
Large Family Owners	0/0(0)	35/0(35)	50/40(0)	0/0(0)	160/10(0)	245/50(35)
Other Owners	150/10(70)	25/10(15)	50/4(20)	110/65(0)	265/60(0)	600/149(105)
Total Owners	555/125(290)	685/180(240)	895/249(120)	565/100(30)	2,375/145(50)	5,075/799(730)
Total	1,240/295(705)	950/320(330)	1,179/404 (165)	695/100(30)	2,525/145(50)	6,589/1,264 (1,280)

Source: U.S. Department of Housing and Urban Development (HUD), SOCDS CHAS Data, and American Community Survey, 2012. ** First number is total number of households in each category/second is the number of households paying more than 30% of their income on housing (with cost burdens) – and third number includes those that are paying more than half of their income on housing expenses (with severe cost burdens). Small families have four (4) or fewer family members while larger families include five (5) or more members. Elderly are 62 years of age or older. “Other” renters or owners are non-elderly and non-family households.

Owners

- There were 5,075 year-round homeowner households identified in this report of which 1,529 or 30% were experiencing cost burdens including 730 or 14% with severe cost burdens.
- Of the 2,135 or 42% of owners earning at or below 80% of median income for the area, 1,204 or 56% were overspending and 650 or 30% were spending more than half of their income on housing costs.
- As opposed to renter households, some households earning more than 80% of median were cost burdened, involving 325 homeowners.

¹⁸ Latest report available.

- More than half (54%) of Dennis’ homeowners are 62 years of age or older. Of these households, 1,410 or more than half were earning at or below 80% of median income that included 725 with cost burdens and 385 with severe cost burdens.
- Families also had considerable cost burdens. Of the 415 small families (four or fewer household members) who owned homes, 285 or 69% were overspending on their housing including 125 or 30% with severe cost burdens.
- There were only 245 large families (five or more household members) that owned their homes, most earning above 100% of area median although there were 85 such households earning between 30% and 80% of median, 75 with cost burdens.
- There were 600 non-family, non-elderly homeowners, mostly single individuals, of which 254 or 42% were experiencing cost burdens. Of these, 225 or 38% were earning at or below 80% of area median with 129 or 57% experiencing cost burdens, 105 or 47% with severe cost burdens.

Foreclosures

Also related to housing affordability is the issue of foreclosures, which has been a problem for many homeowners across the country since the “bursting of the housing bubble” more than half a decade ago. There has been some foreclosure activity in Dennis as shown in Table III-31. While there were no foreclosures prior to 2010 with the exception of one (1) in 2009, there has been a noticeable growth in this activity with foreclosure auctions and petitions increasing since then with the highest level in 2015. Front page news from the September 12, 2015 edition of *The Boston Globe* was headlined, “Housing Crash Lingers in Mass.” The article stated that “about two-thirds of Massachusetts cities and towns have yet to climb back to the peak prices reached in 2005” and further offered, “Foreclosure activity in the state is just a fraction of what it was at the worst of the crisis in 2009 and 2010, but the surge of Massachusetts foreclosures in the last year was the 12th biggest in the nation.” The article then pointed out that much of the jump in foreclosure activity in 2015, which was also experienced in Dennis, relates to a backlog of cases that have been on hold pending court cases and the need to clarify new regulations.¹⁹

Table III-31: Foreclosure Activity, 2007 through 2015

Year	Foreclosure Auctions	Petitions to Foreclose	Total
2015	21	25	46
2014	5	10	15
2013	7	4	11
2012	14	12	26
2011	16	7	23
2010	6	9	15
2009	0	1	1
2008	0	0	0
2007	0	0	0
Total	69	68	137

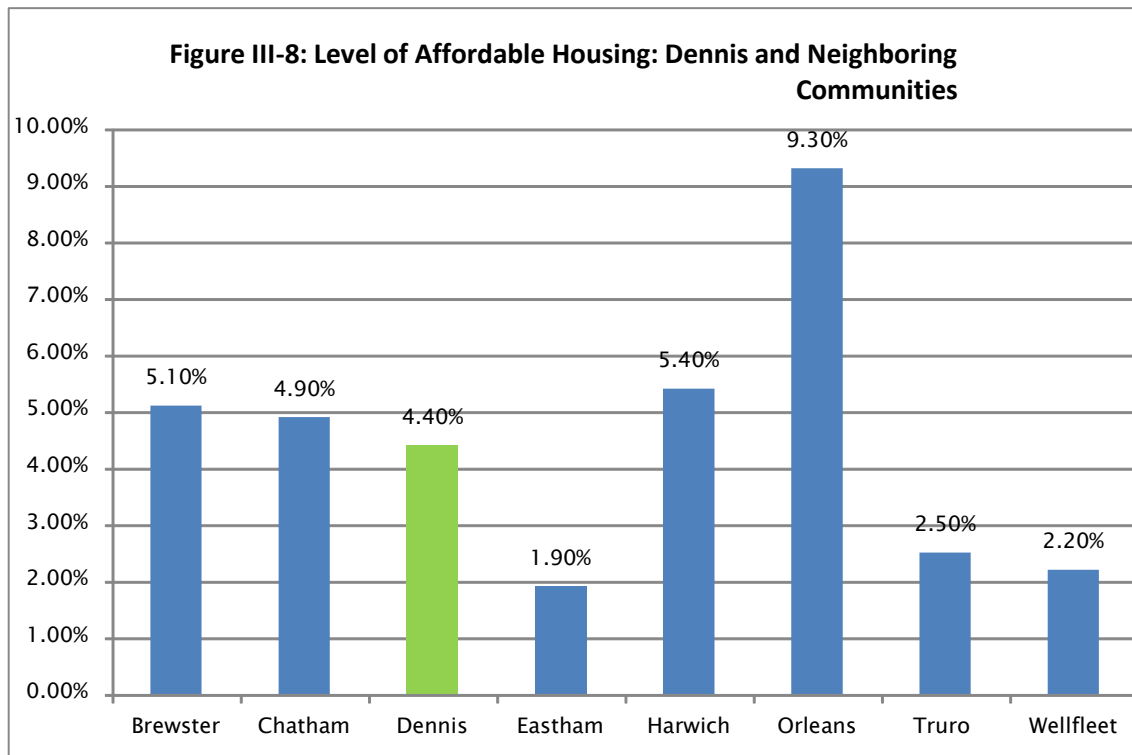
Source: The Warren Group, *Banker & Tradesman*, February 8, 2016.

¹⁹ Woolhouse, Megan, *The Boston Globe*, September 12, 2015.

4. Subsidized Housing Inventory (SHI) – Almost half-way to 10% state affordability goal

As of January 2016, the state currently listed 335 affordable housing units in Dennis’s state-approved Subsidized Housing Inventory (SHI), 4.38% of the total year-round housing stock of 7,653 units. Another 29 units are eligible for inclusion in the SHI which will bring the percentage to 4.76%. The town needs to produce at least 401 more affordable units to reach the state’s 10% affordability goal based on Chapter 40B requirements. Because the number of year-round units is based on the decennial census figure, it will change when the 2020 census figures are released and thus the 10% state threshold is a moving target.

Most communities in the state are confronting challenges in boosting their relatively limited supply of affordable housing. Dennis’ neighbors also have affordable housing levels below the 10% state target, as visually presented in Figure III-7, although Orleans is getting very close at 9.3%. There has been a wide range of demonstrated progress exhibited by the remaining towns listed above, and Dennis is towards the middle of the range.



To be counted as affordable under Chapter 40B, housing must be dedicated to long-term occupancy of income-eligible households through deed restrictions. Occupants of the affordable units must have incomes at or below 80% of area median income that are prescribed annually by the U.S. Department of Housing and Urban Development (HUD)s for the Barnstable County area (see Table II-2 for these levels, adjusted by household size, and Section II.B for more details).

Current Inventory

Table III-32 summarizes the units included in the Subsidized Housing Inventory, the list of affordable dwelling units that are eligible for counting towards Dennis’s 10% state affordability goal. The great majority of Dennis’ supply of subsidized housing, or 282 units (84%), involves rental units including 24 special needs units in group homes. Dennis can count eight (8) units through group homes managed by

the state’s Department of Developmental Services (DDS), another eight (8) units through the state’s Department of Mental Health, and eight (8) more owned by the Dennis Housing Authority at Clipper Lane with services provided by Fellowship Health Resources.

Table III-32: Dennis’s Subsidized Housing Inventory

Project Name	# SHI Units	Project Type/ Subsidizing Agency	Use of a Comp Permit	Affordability Expiration Date
8 Clipper Lane*	8	Rental/DHCD	Yes	Perpetuity
Center Street Village*	52	Rental/DHCD	Yes	Perpetuity
Old Bass River Village*	32	Rental/DHCD	Yes	Perpetuity
Windmill Village*	40	Rental/HDCD	Yes	Perpetuity
Bayridge Drive*	2	Rental/DHCD	No	Perpetuity
Grassy Pond Drive*	2	Rental/DHCD	No	Perpetuity
Ellis Drive*	2	Rental/DHCD	No	Perpetuity
Crestwood Lane*	2	Rental/DHCD	No	Perpetuity
Mulhern Drive*	12	Rental/DHCD	No	Perpetuity
Dennis Commons	32	Rental/DHCD, MHP	Yes	Perpetuity
Foundations Project	2	Rental/DHCD, HUD	No	2097
Gordon Senior Citizens Apartments	64	Rental/Rural Housing Service	No	Perpetuity
Woodcock & Sachem Village-HECH	8	Rental/HUD	No	2026
Searsville Road	7	Ownership/DHCD	Yes	Perpetuity
DDS Group Homes	8	Rental-Special Needs/DMR	No	NA
DMH Group Homes	8	Rental-Special Needs/DMH	No	NA
HOR Program	46	Ownership-Rehab/DHCD	No	12/16 to 8/19
Telegraph Road	7	Rental/DHCD	No	2055
Mill Street Apartments	1	Rental/DHCD	No	Perpetuity
Total	335	282 rentals (84%) 16 group homes/rentals (5%) 7 ownership (2%) 46 ownership/rehab (14%)	171 units (51%) used a comp permit	256 units (76%) with restrictions in perpetuity

Source: Massachusetts Department of Housing and Community Development, January 13, 2016.

* Dennis Housing Authority units

Only seven (7) units, or 2%, were new homeownership units in addition to 46 ownership units that were rehabilitated through the Town’s Housing Rehabilitation Loan Program that is administered by the Community Development Partnership (CDP) with funding provided the Department of Housing and Community Development (DHCD) through the Community Development Block Grant (CDBG). This Program provides funding for property owners who rent year-round to low and moderate-income Cape residents as well as income-eligible, single-family homeowners to bring units up to building, health, and safety codes. The units are scattered throughout the town of Dennis but are currently targeted to South Dennis.

The Dennis Housing Authority (DHA) manages a total of 144 units (43% of the SHI units) in the following developments:

Elderly/Handicap Housing (124 units)

- Center Street Village – 52 one-bedroom units, four (4) of which are handicap accessible
- Windmill Village – 40 units including 38 two-bedroom units for couples and two (2) one-bedroom units
- Old Bass River Village – 32 one-bedroom units, two (2) of which are handicap accessible



Windmill Village

Family Housing (20 units)

- Mulhern Drive – 12 units for families including ten (10) three-bedroom units and two (2) four-bedroom units
- Scattered site units – eight (8) three-bedroom units in four (4) different locations

Special Needs Housing (8 units)

- Clipper Lane – DHA leases this 8-bedroom facility to Fellowship Health Resources for special needs individuals in conjunction with the state's Department of Mental Health (DMH).

The Housing Authority estimates that typical wait for its units are as follows:

- 4-bedroom family units – 4-5 years
- 3-bedroom family units – 3-4 years
- 3-bedroom family handicapped-accessible unit – 7-10+ years (only one available)
- 1-bedroom elderly unit – 1-2 years
- 1-bedroom first floor elderly unit – 2-3 years
- 1-bedroom handicapped unit for elderly – 6-7 years
- 2-bedroom elderly unit – 1 year or less
- 2-bedroom first floor elderly unit – 1-2 years

It should be noted however, that these wait times are best guesses as they regularly fluctuate based on priorities and preferences. Nevertheless, these wait periods suggest a substantial need for more subsidized housing, handicapped-accessible and family units in particular.

The DHA also manages 176 rental subsidies that allow qualifying households to secure affordable housing in the private housing market with the subsidy filling the gap between HUD Fair Market Rents (FMRs) and a percentage of the household's income.

The Housing Assistance Corporation (HAC) also administers 144 rental subsidies²⁰ in Dennis scattered through the villages as follows:

- Dennis = 12 vouchers
- East Dennis = 1
- South Dennis = 32
- West Dennis = 33
- Dennis Port = 66

While not yet included on the SHI, the Town's *Melpet Farm* project has been an important addition to the Town's affordable housing stock. The Town leased the 13-acre property on a 99-year ground lease, provided a \$155,000 interest-free loan for predevelopment work and through a Request for Proposals (RFP) selected the Housing Assistance Corporation (HAC) as the developer. The project includes 27 units of rental housing on six acres of the site, permitted through the Town's Affordable Housing Bylaw. The project also involved a separate RFP to improve and maintain the working farm that existed on the property, including the renovation of an existing barn and equestrian center. The inclusion of these 27 units on the SHI will bring Dennis' affordability level to 4.73%.

Another two houses have been completed that are also eligible for inclusion on the SHI, bringing the total number of affordable units to 364 and the affordability level to 4.76%. The Housing Trust was awarded three lots by Town Meeting and issued a Request for Proposals for their development, however one of the lots involved some legal issues and thus the project was reduced to two lots. The Trust selected Habitat for Humanity of Cape Cod to undertake the development of these lots for qualifying first-time homebuyers, one on Hemlock Lane with one bedroom and the other on Cross Street with two bedrooms. The units were permitted through the Town's Affordable Housing bylaw, and CPA funds were made available to help subsidize the units.

Pipeline Projects

There are other affordable housing units that are being developed including the following:

- *Hokum Rock Road/FORWARD Project*
The Housing Assistance Corporation (HAC) is developing part of a parcel that is owned by the Town and will be made available through a land lease arrangement. The project will create special needs housing for young adults with autism who have aged out of state-supported facilities for youth. The project proposes a side by side duplex, each with four (4) Single Room Occupancy (SRO) units that includes separate bathrooms and a common living space. The Town also committed \$500,000 in CPA funding to further subsidize the project. HAC is working with FORWARD, an organization that promotes special needs housing for those along the spectrum of autism. It is also in the process of obtaining support from the state's Department of Developmental Services (DDS) for the project and reaching out to foundations and other agencies for grant funding. The project will be permitted through the Town's Affordable Housing Bylaw.

²⁰ These rental subsidies fill the gap between a portion of the household's income and an established Fair Market Rent to the landlord, enabling low- and moderate-income households to live in existing, private housing in the community.

- Seagrass Circle*

The Davenport Company developed this condominium project through the Chapter 40B comprehensive permit process with three (3) affordable units. These units will not be included on the SHI given issues with documentation.
- South Yarmouth Road*

The Town also owns a lot at South Yarmouth Road in Dennis Village that could accommodate a small Cape and awarded the lot to Habitat for Humanity of Cape Cod through an RFP process. The Town has conveyed to property to Habitat for Humanity which is building a three-bedroom, single-family home.
- Veterans Housing*

The Town is pursuing development on a site it acquired as a gift in 1990. The parcel is located on Route 134 with about 16,600 square feet. Plans involve building a single-story, fully-accessible residence with five bedrooms, each with its own shower, for veterans. There would be a central kitchen and living room and a possible sunroom as well. To develop the site, the Town has been able to secure pro bono assistance from local businesses including a local surveyor, a building company to design the home and bring the Cape Cod Builders Association in to help build the home, and a landscaper to design and oversee the implementation of the landscape work. The Town also provided \$200,000 in CPA funding and is working with veterans groups to raise additional funds. The goal is to deliver the project free of debt.
- Former DPW Site*

The Town of Dennis owns approximately 12 acres that fronts on Bob Crowell Road in South Dennis, a portion that could be used for housing. The Town's Wastewater Committee is reviewing the site as well for a potential treatment facility but there are other alternative sites for consideration as well. The Housing Trust is conceptually considering the development of a small pocket neighborhood of approximately 16 rental units clustered around a common green space. There may also be an opportunity for developing a new facility for the Head Start Program which has outgrown its current building with CDBG funding.
- Windmill Plaza*

A 10-unit affordable rental development was developed in West Dennis although the project is not included on the SHI.
- Depot Street*

The Town also owns a parcel on Depot Street, south of Route 28 in Dennis Port, which is also likely to be suitable for affordable housing development. The Housing Trust suggests that the site might accommodate approximately 18 units of rental housing in several small multi-family structures, also potentially including a new Head Start building. If the Head Start building is not included in the development, the site can probably accommodate 24 units of housing.



- *Potential Brownfields Acquisition*

There are three (3) parcels along Route 28 that include Brownfields that might be acquired by the Town with CPA funding and developed into housing. Affordable housing has been an effective means for dealing with such sites as specially targeted state funding can become available for remediation.

- *Hope Lane*
A local developer is considering developing a Chapter 40B rental project off of Route 6A on Hope Lane on approximately 2½ acres. The property is located in a “smart” location across from a mixed-use commercial plaza and a condo development.
- *South Street 40B*
Under preliminary consideration is a “friendly 40B” project in Dennis Port with potentially 40 condos at the intersection of Route 28 and South Street, next to the library. There may be some opportunities to integrate additional units into the project as well.
- *Columns House Redevelopment*
The Columns House is a historic property that was built in 1861 on Main Street in West Dennis. A former restaurant, it had long been vacant and on the market but was recently purchased by a Cape developer who plans to build senior rental housing. Unfortunately, due to problems with the building’s foundation, the existing structure will have to be demolished, although the developer hopes to rebuild using design elements that reflect the current façade.



- *Janall Drive*
The Town approved an eight-lot subdivision through its Affordable Housing Bylaw with Lots 5 and 7 designated for the affordable units. There are some access issues that may constrain where units can be located and some siting alternatives may need to be created. The developer has executed a Purchase & Sale Agreement to convey the affordable lots to Habitat for Humanity of Cape Cod for development.

- *Dennis Village Duplexes*
A 24-unit development is being planned on Route 6A in Dennis Village that will include six duplex structures with the other half of the units in single-family detached homes. The property was initially landlocked, but the developer was able to purchase the adjacent property to gain access.
- *Elkannah Howland Road*
An 18-unit homeownership project is planned that will include half of the units as affordable. The project was in litigation and remains under appeal.
- *Potential 40R District*
There has been some early discussion about creating a Chapter 40R Smart Growth Overlay District in Dennis Port, maybe changing all village center zoning to 40R districts.
- *Industrial District Rezoning*
Some interest is also emerging to change the existing Industrial District zoning near the intersection of Routes 6 and 134 to allow greater densities, additional uses, and promote economic and housing development. The zoning would integrate inclusionary language to mandate the integration of some amount of affordable housing.
- *Housing Rehabilitation Program*
As noted above, the Town of Dennis has been receiving Community Development Block Grant (CDBG) funding to support the rehabilitation of about 17 units per year in Dennis that are owned or rented by low- or moderate-income residents (earning at or within 80% of area median income), targeted to the Mayfair area of South Dennis. Most recently the Town received \$750,000 to continue this Program. The funding comes from HUD but is administered by the state's Department of Housing and Community Development (DHCD). These units have deed restrictions in affect for 15 years, which will expire over time and eventually be eliminated from the Subsidized Housing Inventory. The state has qualified Dennis as a "mini-entitlement" community, putting it in a more competitive position for receiving CDBG funds on an annual basis.

The community development consultant, Bailey Boyd Associates, has prepared the grant applications and the Community Development Partnership (CDP) is administering the Program. The primary objective is to correct code violations, including health and safety concerns, in homes and apartments, which are identified through property inspections by licensed construction supervisors. Landlords are required to pay 50% of the costs, and homeowners can receive 100% of the costs up to \$32,000. The grant money is provided as a no-interest deferred loan that is forgivable and declines by 1/15 per year. If the property is sold before the 15 years expires, the landlord or homeowner must repay the unforgiven portion of the loan.

C. Priority Housing Needs

As the affordability analysis indicates in Section III.C above, significant gaps remain between what most current year-round residents can afford and the cost of housing that is available. While Dennis' housing stock includes a sizable amount of relatively affordable market units and has a low tax rate, there are still many who are paying far too much for their housing or shut-out of the private housing market entirely.

In an effort to learn more about the extent of the local housing needs, including housing preferences and affordability issues, the Dennis Municipal Affordable Housing Trust conducted a survey of residents in the fall of 2008. The study focused on "workforce housing," defined as the need to provide housing to support year-round working residents at an affordable cost given the wage structure of the local job market. Since the study focused on workforce housing, cluster sampling, organized by categories of occupations/professions, was used as the sampling design. As a result, the seasonal, retired and unemployed populations were excluded. Copies of the questionnaire were delivered to employers who were asked to distribute them to their employees. Since selected clusters were relatively small and completing the survey was voluntary, it is likely that those with a greater need and interest responded. Also, because the sample was selected from employment clusters, it was expected that the 65 and over age group would not be in the sample and there would be a smaller percent of 18 to 24 year-olds as well. However, the objective of this survey was to determine affordable housing needs of the Dennis workforce and, other than these two groups, the representation by age was fairly good in the sample.

The survey report suggested that there was a preference for two and three-bedroom homes among the workforce. There was also a desire among a majority of the workforce that were not living in Dennis to relocate to the community if they could find affordable housing. Over half of the renters who were working in Dennis said they were likely to move off-Cape in the next five (5) years due to the high cost of living.

For Dennis to continue to be a viable community it is necessary to have a stable workforce that can afford to live where it works. Affordability, in tandem with economic development efforts, are both important ingredients to bolstering the viability of any community and housing is a major component of affordability.

Another look at the gaps between what housing is available in Dennis and what residents can afford to pay is demonstrated in the following analysis:

1. Rental Housing Needs

The analysis included in Table III-33 projects a shortage of 1,015 rental units for low- and moderate-income renters. This estimate, however, was based on a HUD report of existing renters in Dennis and does not reflect the pent-up regional need for additional rental opportunities. For rental units alone, the 2014 median gross rental of \$1,038 underestimates market prices that are more than \$1,200 based on real estate listings (see Table III-28). Also, market demand for seasonal rentals drives up rental prices and affects year-round rental availability. If Dennis wants to attract more young adults and service employees, it will have to make sure that it provides additional affordable rental opportunities to enable them to live in town as the current subsidized rental stock is inadequate to meet these needs and there are few opportunities for first-time homeownership.

Table III-33: Rental Unit Gap Analysis

Income Group	2015 Income Range*	Affordable Rent**	# Renter Households ***	# Existing Affordable Units****	Deficit/Surplus
Less than 30% of AMI	\$21,000 and less	Less than \$350	685	100	-585
Between 30% and 50% AMI	\$21,001 to \$35,000	\$350 to \$700	265	35	-230
Between 50% and 80% AMI	\$35,001 to \$42,000	\$701 to \$875	284	84	-200
Total			1,234	219	-1,015

Source: 2012 HUD SOCDS CHAS Data

* Based on 2015 HUD Income Levels for average size household of two persons.

** Assumes \$175 in monthly utility costs and renters spending no more than 30% of their income on rent and utilities.

*** Based on the number of renters in each of the income categories per the U.S. Department of Housing and Urban Development (HUD) SOCDS CHAS Data and American Community Survey, 2012

**** Based on the number of units where there were no cost burdens from the U.S. Department of Housing and Urban Development (HUD), SOCDS CHAS Data, and American Community Survey, 2012

Based on input from a wide variety of sources including census data, the HUD CHAS report, market information, interviews with local and regional stakeholders, state requirements, as well as prior planning efforts, this Housing Plan recommends that there be a *focus on rental unit development* based on the following important considerations:

- Target the needs of the community’s most vulnerable residents with very limited financial means as rental housing is typically more affordable and requires less up-front cash.
- Enable all units in Chapter 40B rental developments to be counted as part of the SHI while only the actual affordable units can be counted in homeownership projects. This will help the Town meet annual housing production goals and exert greater local control over affordable housing development. For example, with the current 430-unit gap to reach the state’s 10% affordability threshold, 430 units would be needed if they were rentals as opposed to 1,720 in the case of ownership.
- Promote greater housing diversity as Dennis’ housing is predominantly single-family homes. More housing options are necessary to meet the needs of local workers who are priced out of the housing market, children who grew up in town and want to raise their own families locally, and empty nesters for example.
- Replenish some of the rental housing that has been lost over the past several decades.
- Invest subsidy funds in support of greater numbers of households/occupants as rentals turnover more rapidly than ownership units and more households will benefit over time.
- Provide opportunities for some seniors who are “overhoused” and spending far too much on their housing to relocate to more affordable and less isolated settings, opening up their homes to families requiring more space.
- Leverage other funds as state and federal resources are primarily directed to rental housing development, family rentals in particular.
- Enhance the ability to qualify occupants for housing subsidies as state requirements for including units on the SHI make it very difficult for long-term homeowners to be eligible for subsidized housing.

- Meet some of the demand for subsidized rentals that are evidenced by long waitlists for such units.
- Provide much needed units for individuals and families who are homeless or at risk of homelessness. The Annual Point in Time census of the homeless that was conducted in early 2015, indicated that there was a total of 161 individuals and 63 households (includes at least one adult and one child) that were living in emergency shelters and another 170 persons and 66 households who were homeless but unsheltered. Additional services must be put in place to house these extremely vulnerable Cape Cod residents.
- The Housing Assistance Corporation (HAC), which administers many rental assistance subsidies across the Cape (such as Section 8 Housing Choice Voucher Program, Massachusetts Rental Voucher Program, and Self-Sufficiency Program), indicates that an increasing number of voucher holders are finding it difficult to find qualifying rental units. Additionally, HAC’s waitlist for these subsidies is so large that it has to close it to new applicants.

A further analysis of the rental needs of different types of households is included in Table III-34, summarizing some of the information included in Table III-30 and suggesting the need to focus particularly on the housing needs of those renter households earning at or below 50% of area median income with the highest number of cost burdens, particularly smaller households.

Table III-34: Level of Cost Burdens by Type of Renter Households

Household by Type and Income	Elderly Total/with Cost Burdens	Small Families Total/with Cost Burdens	Large Families Total/with Cost Burdens	All Other Renters** Total/with Cost Burdens	Total/with Cost Burdens
< 30% AMI	220/170	145/140	130/130	190/145	685/585
30-50% AMI	105/75	60/55	25/25	75/75	265/230
50-80% AMI	14/0	120/115	10/10	140/75	284/75
> 80% AMI	45/0	145/0	10/0	80/0	280/0
Total	384/245	470/310	175/165	485/295	1,514/1,015

Source: U.S. Department of Housing and Urban Development (HUD), SOCDs CHAS Data and American Community Survey, 2012

Table III-35 provides a proposed distribution of affordable rental housing production over the five-year term of this Housing Plan. This amount of rental housing would comprise about 80% of the Town’s housing production goals, requiring about 30 affordable rental units per year.

**Table III-35: Projected Distribution of Rental Units
Five-Year Goals**

Target Households	Target Unit Size	Proportion of Need	# Units Five-year Goals
Seniors and Single Individuals	One bedroom	40%	60
Small Families	Two bedrooms	50%	75
Large Families	Three+ bedrooms	10%	15
Total		100%	150

Source: U.S. Department of Housing and Urban Development (HUD), SOCDs CHAS Data and American Community Survey, 2012

2. Homeownership Needs

Table III-36 demonstrates that there is not a sufficient number of affordably priced homeownership units, single-family or condos, to meet the existing need for resident owners earning at or below 100% of area median income, the numbers somewhat comparable to the rental unit deficit estimated in Table III-33. This Housing Plan therefore recommends that first-time homeownership opportunities be created as part of the Town's affordable housing agenda either through the development of small starter homes or condominiums for young workers and their families.

Table III-36: Homeownership Affordability Analysis

Income Group	Income Range*	Affordable Sales Prices ²¹ Single-family /Condo	# Owner Households**	# Existing Units*** Single-family /Condos	Deficit or Surplus
Less than 80% of AMI	At or below \$59,250	Less than \$265,000/less than \$220,500	2,135	1,204	-931
Between 80% and 100% of AMI	\$59,251-\$80,300	\$265,001 to \$412,500/ \$220,501-374,000	565	435	-130
Total			2,700	1,639	-1,061

*Based on 2015 HUD Income Limits for average size household of three persons.

** Based on the number of owners in each of the income categories per the U.S. Department of Housing and Urban Development (HUD) SOCDS CHAS Data and American Community Survey, 2012

*** Based on the number of units where there were no cost burdens from the U.S. Department of Housing and Urban Development (HUD), SOCDS CHAS Data, and American Community Survey, 2012

A further analysis of the housing needs of different types of owner households is included in Table III-37, summarizing some of the information included in Table III-30.

Table III-37: Level of Cost Burdens by Type of Owner Households

Household by Type and Income	Elderly Total/with Cost Burdens	Small Families Total/with Cost Burdens	Large Families Total/with Cost Burdens	All Other Renters** Total/with Cost Burdens	Total/with Cost Burdens
< 30% AMI	310/250	95/85	0/0	150/80	555/415
30-50% AMI	540/310	85/50	35/35	25/25	685/420
50-80% AMI	560/165	235/140	50/40	50/24	895/369
> 80% AMI	1,315/100	1,090/90	160/10	375/124	2,940/325
Total	2,725/825	1,505/365	245/85	600/254	5,075/1,529

Source: U.S. Department of Housing and Urban Development (HUD), SOCDS CHAS Data and American Community Survey, 2012

²¹ Figures based on an interest rate of 4.0%, 30-year term, annual property tax rate of \$6.53 per thousand, \$250 monthly condo fee, insurance costs of \$4 per \$1,000 for condominiums and \$6 per \$1,000 for single-family homes, and the purchaser spending no more than 30% of gross income on mortgage (principal and interest), taxes and insurance. It is also assumes the ability of the purchaser to qualify for 95% financing and a subsidized mortgage from the state's ONE Mortgage Program or MassHousing mortgage offerings for the less than 80% AMI range and 80% financing for the 80% to 100% AMI income range. Therefore, no private mortgage insurance (PMI) was included in the calculations.

A substantial share of ownership units and cost burdens involve those 62 years of age or older. Consequently, some new affordable housing production might be considered for empty nesters looking to downsize from their existing single-family homes, turning over their homes to families. However, state requirements regarding assets, such as not having more than \$200,000 in net equity from a previous house or an additional \$75,000 in financial assets, puts many seniors out of the running for affordable housing that can be counted as part of the Subsidized Housing Inventory. Nevertheless, such housing does serve an important need for local seniors who want to afford to live independently in Dennis but are encountering substantial cost burdens and deferred home maintenance problems in addition to a preference for housing that may be more in keeping with their current lifestyle. Some service-enriched housing for seniors should also be considered including handicapped-accessible units. Moreover, other interventions to lower housing costs for seniors might be further explored including efforts to better promote accessory apartments and additional tax exemptions.

There needs to be a primary focus on starter housing for families to provide more affordable opportunities for them to fully invest in the community and raise families, thus stemming some of the exodus of young adults from the area. It is advisable to encourage some new homeownership development as this form of tenure is most likely to support a more stable population that has a vested interest in promoting and preserving the quality of life in town. Retaining workers in the community is dependent in large measure on the ability of new households to form and raise families in the context of some access to first-time homebuyer opportunities.

Table III-38 provides a proposed distribution of homeownership unit goals. This amount of first-time buyer, starter housing would comprise about 20% of the Town’s affordable unit production goals over the next five years or approximately eight (8) units per year with the other 30 targeted for rentals. This total 38-unit goal is based on one-half of one percent of the year-round total housing figure of 7,653 per the 2010 U.S. census, the equivalent of annual housing production goals.

**Table III-38: Projected Distribution of Homeownership Units
Five-Year Goals**

Target Households	Target Unit Size	Proportion of Need	# Units Five-year Goals
Seniors and Single Individuals	One bedroom	40%	16
Small Families	Two bedrooms	50%	20
Large Families	Three+ bedrooms	10%	4
Total		100%	40

Source: U.S. Department of Housing and Urban Development (HUD), SOCDs CHAS Data and American Community Survey, 2012

3. Special Population Needs

As noted in Section III.A of this Housing Plan, Dennis has a higher proportion of residents with disabilities than the state as a whole, with 2,294 residents claiming a disability, representing 16.4% of all residents, instead of 11.3% based on 2014 census estimates. This number is up almost 10% from 2,096 individuals in 2000 despite an 11.6% decrease in population during that period.

Of the 2014 population under age 18, 122 or 6.3% reported a disability compared to 1,243 residents or 26.1% of all residents 65 years of age or older. There were also 929 individuals between the ages of 18 and 64 who reported some type of disability. These levels of disability, plus an increasingly aging population,

indicate that there are significant special needs within the Dennis community. Long wait times for handicapped-accessible units that are managed by the Dennis Housing Authority further substantiates the need for such units. Additionally, Dennis currently has only 24 special needs units in group homes, and based on the level of disabilities among its residents additional special needs housing is warranted. This Plan suggests that the Town integrate special needs housing units that are handicapped accessible and/or with supportive services into future affordable housing development of up to 10% of the units created, 20% for senior housing.

4. Existing Housing Condition Needs

Programs that continue to support necessary home improvements including deleading, septic repairs and modifications for the physically disabled, should be promoted for units occupied by low- and moderate-income households. This is particularly important for the elderly living on fixed incomes and investor-owned properties tenanted by qualifying households. These programs include the Housing Rehabilitation Program, which the Community Development Partnership is managing for the Towns of Dennis and Harwich with funding from the Community Development Block Grant (CDBG). Funding should support about 17 units per year in Dennis that have building code or health and safety violations and are occupied by low- or moderate-income homeowners or tenants.

5. Summary of Priority Housing Needs

Table III-39 summarizes targeted affordable housing production goals based on priority housing needs for the short-term (five years of the Housing Production Plan).

**Table III-39: Summary of Targeted Production Goals
Five-Year Goals**

Type of Housing	Seniors/Single Persons One Bedroom Units	Small Families/2 Bedrooms	Large Families/ 3+ Bedrooms	Total
Rental	60	75	15	150
Ownership	16	20	4	40
Total	76	95	19	190
Special Needs*	15	10	2	27

Source: 2000 HUD SOCDs CHAS and Census data, Karen Sunnarborg Consulting

* Represents 10% of all units created in family housing and 20% in senior and single person housing.

IV. CHALLENGES TO DEVELOPING AFFORDABLE HOUSING

The Town is committed to encouraging sustainable growth and development, including the integration of more affordable housing in new development, but is cognizant of the importance of promoting such growth within the context of preserving natural resources, economic health and quality of life. It will be a great challenge for the town of Dennis to create enough affordable housing units to meet the state's 10% affordable housing threshold, production goals and local needs, particularly in light of the following constraints to new development:

A. Infrastructure

As mentioned earlier, a major constraint and cost factor for new development relates to infrastructure, particularly the lack of sewer services in Dennis that raises concerns among residents about impacts of any new development on the environment, water supply and quality in particular, which are critical issues for Cape Cod. Residents must rely solely on on-site septic systems unless special treatment facilities are integrated into new development, a costly measure that requires a fairly large project to be feasible. It should also be mentioned that some very limited areas of Dennis also do not have municipal water services.

Mitigation Measures: The Town's Wastewater Task Force conducted a Wastewater Needs Assessment and an Estuary Study that are done but require local decisions regarding implementation. These studies will likely provide some stricter nitrogen loading requirements and lead to the need to provide sewer services to parts of Dennis.

It will also be important for any new affordable housing development to address these infrastructure constraints, septic issues in particular, and insure that there are sufficient amounts of subsidies incorporated into the project to adequately service new residents and protect the environment.

B. Environmental Concerns

Dennis's 63 miles of coastline includes all estuaries, large creeks and marsh islands that comprise a total of 22,922 acres of important shellfish areas in addition to hundreds of acres of protected parkland or conservation land, among other natural areas. These natural amenities attract thousands of visitors annually and provide highly valued opportunities for a wide range of recreational activities that need to be protected to the greatest extent possible. Some of these natural assets include the following:

- **Water Resources:** Dennis has extensive and important water resources that are valuable environmental, economic and aesthetic assets for not only the community but for other areas of the Cape as well. There are large commercial and recreational fisheries that operate off of both coasts and harvest a wide variety of fish. Dennis also has coastal embayment areas, also called estuaries, which support a wide variety of important plant and animal life. Dennis' most important estuary is the Bass River system, perhaps the most important estuarine system on Cape Cod, which includes Weir Creek, Horsefoot Cover, Grand Cove, Kelly's Bay, and Follis Pond. Moreover, the marshes behind West Dennis beach and along the edge of the river provide an important habitat for fish and shellfish, including up to 43 varieties of finfish. The other estuary along the south coast is the Swan Pond River system that bisects West Dennis and Dennis Port, also linked to an extensive nutrient rich marsh and wetland system. Overdevelopment, however, has comprised this area and has led to some closures for shellfishing. The Town has taken steps to

improve conditions including a septic upgrade program. Estuaries on the north coast include Chase Garden Creek, Sesuit Harbor and Sesuit Creek, and Quivett Creek.

The town also has substantial areas of cranberry bogs and freshwater wetlands, 42 acres and 402 acres respectively, which should, to the greatest extent possible, be preserved. There are also another 976 acres of saltwater wetlands that in addition to tidal flats require protection as they are particularly productive shellfish habitats. These wetlands allow important natural functions to occur including flood control, groundwater recharge, and filtering of pollutants and nutrients. They also serve as the food factory for wildlife and plant habitats; offer recreational opportunities such as bird watching, fishing and boating; and create economic opportunities such as cranberry production.

- *Monomoy Lens* -- Dennis, along with Harwich, Orleans and Chatham, obtains its drinking water from a sole-source aquifer, the Monomoy Lens. Moreover, the Town's substantial number of ponds, totaling more than 240 acres with almost 12 miles of shoreline, depend solely on the fluctuation in the aquifer's water table for their own surface levels. These ponds provide another important habitat for rare and endangered plants and animals.
- *Existing Open Space* -- The Town has struggled to protect open space, which is under tremendous development pressures. As a result of both public and private efforts, approximately 3,074 acres of the Dennis' land area is now permanently protected. Approximately 823 acres of the Town-owned 1,964 acres are devoted to conservation and are under the control of the Dennis Conservation Commission. There is a full understanding that as build-out approaches, development pressures will increase, which further suggests the need to actively preserve land and accommodate other public benefits, including some amount of affordable housing, within existing and future development.
- *Quivet Neck/Crowe's Pasture Area* – This area comprises approximately 250 acres and is one of the last large expanses of undisturbed wild land in Dennis. It contains two significant freshwater ponds, Coles Pond and Little Coles Pond. Coles Pond is about ten acres in size and presumed to be a Great Pond. It provides about 2,800 feet of shoreline without formal access. Little Coles Pond is less than ½ acre with only 500 feet of shoreline, however, it, like Coles Pond, is a kettlehole pond and as such has no inlet or outlet of water. Consequently, it is greatly impacted by local environmental conditions such as snowmelt and precipitation. The ponds are also extremely susceptible to the impacts of development and need to be protected from fill, erosion and the run-off of lawn fertilizers. Moreover, a globally rare plant has been found adjacent to Coles Pond. The portion of the study area furthest east and closest to Brewster is called Crowes Pasture Beach where the beach expands into long rolling sand flats. Quivet Creek is the coastal stream system that makes up the southeasterly part of the study area and includes a large marsh area and an annual herring run to its headwaters at Bound Brook Pond. The landmass adjacent to Quivet Creek has been identified as a major Marine Water Recharge Area.

Because of the rich and relatively pristine condition of this sensitive environmental area, it has been the subject of a local and state sponsored habitat restoration project and special zoning provisions have been enacted to promote its protection (see Section III.D.3 below for details).

Mitigation Measures: The Town of Dennis has a strong commitment to preserving what remains of its natural environment including the areas described above as well as dunes, forested areas, rare plant

and wildlife species, and a variety of uncommon habitats such as white cedar swamps and kettlehole ponds. The impacts of any new development must be identified as to how they affect the environment and what actions might be required to mitigate impacts. Moreover, housing strategies are largely oriented to actions that will promote smart growth and limit impacts on the environment such as converting existing housing to long-term affordability, developing infill sites in existing neighborhoods, cluster development, and encouraging mixed-use development (see Section VI.B and C for details on these strategies).

C. Zoning

As is the case in most American communities, a zoning by-law or ordinance is enacted to control the use of land including the patterns of housing development. The Town is divided into a number of different Zoning Districts²², each with its own requirements, as listed in Table IV-1.

Table IV-1: Zoning Districts by Acreage

Zoning District	Total Acreage
R-60 – Rural Residential	1,957
R-40 – Low Density Residential	9,699
RR – Resort and Residential	539
LB – Limited Business	179
EB – Extensive Business	51
GC-1 – General Commercial I	79
GC-II – General Commercial II	411
GC-III – General Commercial III	60
I – Industrial	545
Total Acres	13,520*

Source: Town of Dennis GIS System based on 2001 data

* Acreage does not include roads.

The three residential districts comprise 12,110 acres or approximately 89% of Dennis’ land area. About 90% of the area in the residential districts is already developed, and approximately 40% and 10% of the commercial and industrial land is developed, respectively. This means that less than 20% of the land area of Dennis remains open and subject to possible development.

Additional zones and districts have also been more recently added that include the following:

- Quivet Neck/Crowe’s Pasture Resource Protection District
- Dennis Port Village Center
- Residential/Commercial
- Mixed Use Marine
- Marine Open Space
- Village Center Support
- West Dennis Village Center
- Small Wind Facility Overlay District
- Medium and Large Wind Facility Overlay District

²² Dennis Zoning By-law, Section 2.1.1, Establishment of Zoning Districts.

These Zoning Districts demonstrate the Town’s progress in amending its Zoning By-law to better control and direct development through smart growth principles. However, like most localities in the Commonwealth, Dennis’s Zoning By-law embraces large-lot zoning of at least 40,000 square feet, largely as a result of Title 5 regulations. Nevertheless, low housing density severely constrains the construction of affordable housing. Some of the dimensional requirements in the Zoning By-law are included in Table IV-2.

The Quivet Neck/Crowe’s Pasture Resource Protection District is meant to severely constrain development in this area that contains three water quality protection areas. Within each of these areas the level of protection is further refined based on a study by the Pilgrim Resource Conservation and Development Area Council, related to soil characteristics and depth to groundwater, ranging from minimum lot sizes of 80,000 to 120,000 square feet and 100,000 to 160,000 square feet for areas where there is five (5) feet or less depth to groundwater.

Table IV-2: Minimum Dimensional Requirements

Dwelling Type	District	Area (Sq. Ft.)	Frontage/ Width (Feet)	Setbacks Front/Side/ Rear (Feet)	Maximum Total Site Coverage
Single Unit	R-60	60,000	50/200	75/30/30	15%
	Other Districts	40,000	50/100	25/15/25	15%
	QNCP RP	See below	100/200	75/50/60	15%
Two Units	R-60	120,000	50/200	75/30/30	15%
	Other Districts	80,000	50/150	50/25/25	15%
	QNCP RP	See below	100/200	75/50/60	15%
Multi-Units	R-60	180,000 +60,000/unit over 3 units	100/200	75/50/50	25%
	Other Districts	120,000 +40,000/unit over 3 units	100/150	50/50/50	25%
	QNCP RP	Not allowed			

Source: Dennis Zoning By-law, Section 2.3.2

R-60 District is the Rural Residential District

QNCP RP is the Quivet Neck/Crowe’s Pasture Resource Protection District

As noted above, multiple dwellings are allowed by special permit of the Board of Appeal. The By-law requires that individual buildings contain no more than 16 families and not exceed 140 feet in any dimension. Also, the allowable density cannot exceed the permitted single-family residential density for the applicable district, constraining the economies of scale that are necessary to make affordable housing financially feasible.²³

There are, however, several zoning provisions included in the existing By-law that are designed to promote smart growth and housing affordability. In fact the Town of Dennis has been on the cutting-edge of a number of measures to promote affordable housing, providing models that other communities have adapted for their own use. Those zoning provisions that are directly related to smart growth and affordable housing include the following:

²³ Dennis Zoning By-law, Section 4.2.

- *Affordable Housing By-law*²⁴

The Town of Dennis amended its zoning bylaw to include a number of provisions to encourage the development of affordable housing by creating incentives that would help people who, because of rising land prices, have been unable to obtain suitable housing at an affordable price and to maintain a stable economy by preventing the out-migration of residents who provide essential services. The Planning Board was designated the special permit granting authority for all Affordable Housing Development and Affordable Housing Apartment applications under the By-law. The By-law has proven effective as 21 projects with 90 affordable units and 152 total units have been approved since 2002.

The By-law, approved in 2001, has been amended several times such as changes to clarify various sections including some modifications to definitions, intensity of use requirements, and provisions regarding fees in-lieu of providing actual affordable units.

Affordable Housing Developments must meet the following requirements:

- A minimum of 2½ acres containing residential units, of which at least 25% must be affordable pursuant to an affordable housing deed restriction and affordability requirements that comply with state requirements. The Planning Board has the discretion to reduce or suspend this requirement, however, there must be at least 10,000 square feet for each bedroom unless the applicant can demonstrate to the satisfaction of the Planning Board and the Board of Health that the sewage disposal system servicing the development will result in nitrogen loading of less than five (5) parts per million.
- A maximum of 16 units per building.
- Front, rear and side vegetated buffers of 25 feet, but applicants may be allowed to reduce the buffers to 10 feet for subdivided lots of at least 10,000 square feet.
- Somewhat reduced parking requirements can be entertained given compelling information that the parking will be sufficient to address the needs of the development.
- Properly screened areas must be provided for the storage of trash and recyclable materials.
- The second unit created, and every fourth unit after that must be deed restricted as permanently affordable units with no fewer than 25% of the units thus restricted.
- All units must be for year-round use.

There are also provisions for *Affordable Housing Apartments* to produce rental units that are accessory to a residential or commercial use that has been in existence for at least five (5) years in residential and commercial districts and meet the other following requirements:

- The units cannot be divided from the principal structure.
- The units must comply with minimum area requirements that include 250 square feet for studio apartments, 700 square feet for one-bedrooms, 900 square feet for two-bedrooms, 1,200 square feet for three-bedrooms, and 1,400 square feet for four-bedrooms.
- Reduced off-street parking requirements can be approved given compelling information that the parking will be sufficient to address needs.
- Properly screened areas must be provided for the storage of trash and recyclable materials.

²⁴ Dennis Zoning By-law, Section 4.9.

- Only those basements with walkout capabilities may be converted into living space and garage-parking stalls may be converted to living space only if the applicant can demonstrate an efficient and cost-effective method of providing heat and other utilities to the unit created.
- The second unit created, and every fourth unit after that must be deed restricted as permanently affordable units with no fewer than 25% of the units thus restricted.
- All units must be for year-round use.
- Accessory units in residential structures must be on a lot of at least 20,000 square feet.
- The footprint of a residential structure cannot be expanded to accommodate the accessory apartment.
- One unit in the residential dwelling must be owner-occupied on a year-round basis.
- Affordable apartments can be created by converting an existing accessory structure or space within an existing hotel or motel into dwelling units but the new units cannot be less than 250 square feet in size and cannot be in areas that have not been intended for human habitation in the past. Also, no less than 25% of the units created must be one-bedroom units with a minimum floor area of 700 square feet and no more than 25% of the units created may have a minimum floor area of less than 400 square feet. The Planning Board may require up to 10% of the units in a hotel/motel conversion be two-bedroom units with at least 900 square feet. The existing building cannot be expanded to accommodate the apartment(s).

There are also provisions for *Affordable Lots* that do not meet minimum lot size requirements and are not protected as nonconforming lots by law because they are in common ownership with adjoining lots. These lots may be built on if they meet the other following requirements:

- Each lot contains at least 10,000 square feet of land area and satisfies other applicable Board of Health requirements but cannot be located within a Zone II Water Recharge Area.
- Each lot must have safe and adequate access to a public or private way.
- Each lot is similar in size and shape to lots immediately adjacent to and across the street from the lot to be separated.
- The lot cannot be developed into a structure of more than three-bedrooms with a minimum of 5,000 square feet of land area for each bedroom.
- The applicable setbacks will be determined by establishing an average setback based upon the principal structures on the lots immediately adjacent to and across the street from the lot to be built upon as a separate lot.
- Where two lots are held in common ownership, one of the two must be deed restricted as affordable in perpetuity. Where more than two lots are held in common ownership, the second, third and fifty percent of the remaining lots to be built upon under the special permit must be deed restricted as permanently affordable (i.e., the fourth lot may be market rate, fifth affordable, sixth market rate, etc.).
- The by-law states that it will not prevent a lot owner from building a house and then transferring it to an income-eligible family member by gift or inheritance, provided that the restriction is recorded prior to the issuance of the building permit and that the lot owner or immediate family member has owned the lot as of October 18, 2005. It should be noted that recent changes to state guidelines under the Local Initiative Program forbid the transfer of such property by ownership or rental to family members and still be included in the Subsidized Housing Inventory.

The By-law also includes a section, referred to as *Municipally Sponsored Housing Projects*, that is intended to allow the Dennis Board of Selectmen to act as a sponsor for public or public/private joint venture affordable housing developments which:

- Encourage practical residential development in the reuse of existing structures;
- Promote in-fill housing (development of vacant lots in an otherwise built-up area);
- Are compatible with the adjacent neighborhood;
- Encourage development of economically-priced housing and a variety of types of housing; and
- Foster flexibility and creativity in the creation of affordable housing.

If the Board of Selectmen determines that a project is responsive to these criteria, it refers the development to the Planning Board as the Special Permit Granting Authority, which may be able to allow certain regulatory relief including reductions in the minimum area per unit, minimum land area, maximum density, buffer areas and minimum parking requirements. All units that are created must be deed restricted as permanently affordable and at least 50% of the units must be affordable to households earning between 65% and 80% of area median income and the remainder of the units must be affordable to households earning no more than 120% of area median income. All units must be created for year-round use.

- *Open Space Village Development*

The Open Space Village Development bylaw was created to “allow relatively intensive use of land, while at the same time maintaining existing character; to preserve open space for conservation and recreation; to introduce variety and choice into residential development; to meet housing needs; and to facilitate economical and efficient provisions of public service”.²⁵ A special permit by the Planning Board is required and must be determined to be a superior development plan in preserving open space for conservation or recreation; in utilizing the natural features of the land; and allowing more efficient provisions of streets, utilities and other public services than under a conventional subdivision. Some of the major requirements of this cluster development bylaw include:

- Must have at least five (5) acres of upland, which are contiguous though not necessarily under the same ownership.
- Minimum lot area of 10,000 square feet, width of 100 feet, minimum front and rear yard set-backs of 25 feet and minimum side yard set-back of 10 feet, with somewhat more for multi-family dwellings.
- The maximum number of families and bedrooms allowed is calculated based on special formulas in the bylaw.

There are no density bonuses or requirements to integrate affordable housing included in the provisions.

²⁵ Dennis Zoning By-law, Section 4.4.

- *Dennis Port Village Center Zone*
This by-law was enacted to support “the development of the Dennis Port Village Center District surrounding Route 28 and Upper County Road to promote a more functional and attractive community through the use of recognized principles of urban design, the preservation of structures and open space, and by allowing developers and land owners considerable flexibility in land use and site design”.²⁶ The by-law encourages a mix of uses including affordable housing. As such the by-law stipulates that the base residential density of the district is one unit per 40,000 square feet of land area or pre-existing lot of record unless an increase of density is granted by a special permit for the creation of mixed-income housing opportunities requiring a minimum of 25% of the total number of dwellings be affordable with deed restrictions and affordability requirements cited under Section 4.9.4. of the Zoning By-law. This by-law includes architectural design guidelines and makes a considerable effort to promote attractive, smart growth development in this village center.

- *West Dennis Village Zoning Districts*²⁷
As with the Dennis Port Village Center District, the Town of Dennis has a similar purpose in encouraging smart growth and mixed-use development in the West Dennis Village that surrounds Route 28 and School Street. This District has in fact been divided into five distinct areas including:
 - Residential Commercial District is envisioned as a lower density mixed-use area that transitions between the higher density commercial area and the adjacent residential areas.
 - Mixed Use Marine District is envisioned as an area that enhances the traditional waterfront and tourist-oriented services adjacent to the Bass River.
 - Marine Open Space District is a low-density waterfront district promoting open space and water-dependent uses.
 - Village Center Support District is envisioned as a slightly lower density mixture of commercial and residential uses than the West Dennis Village District.
 - West Dennis Village District represents the traditional core of West Dennis and is envisioned to contain mostly ground-floor commercial space with residential units above to provide a critical population to support the commercial component.

Density, allowed uses (allowed by-right), permitted uses (allowed by special permit) and design standards vary by each of the above districts and demonstrate an impressive attempt to plan for smart growth development with standards based on the vision for each specific area. Also as with the Dennis Port Village Center Zone, the by-law stipulates that the base residential density of the district can be increased by a special permit for the creation of mixed-income housing opportunities if a minimum of 25% of the total number of dwellings are affordable with deed restrictions and affordability requirements cited under Section 4.9.4. of the Zoning By-law.

- *Two-family Homes or Duplexes*
Two-unit structures are allowed by right in all zoning districts except the EB, GC-I and I districts.

²⁶ Dennis Zoning By-law, Section 8.1.

²⁷ Dennis Zoning By-law, Section 9.1.

- *Accessory Apartments*²⁸
Accessory apartments are defined as an owner-occupied building containing two (2) units, one of which is the accessory unit with one-bedroom and no more than 600 square feet and includes a kitchen, living room and bath. The unit must be occupied on a year-round basis, except for temporary absences when the unit cannot be rented. Occupancy of the accessory unit is also restricted to the owner’s immediate family, including in-laws (mother, father, brother, sister), and/or a healthcare professional providing a service to the owner’s family.
- *Bulk Regulations*
The Planning Department has placed some Floor Area Ratio (FAR) limits for nonconforming lots into Section 2.4.1.2 of the By-law regarding nonconforming conditions, and is beginning additional work on a bulk regulation to reduce overcrowding, congestion and out-of-scale development in neighborhoods.

Mitigation Measures: This Housing Production Plan emphasizes the continued importance of zoning as a tool for guiding smart growth development that includes affordable housing. Major components of this Plan include the promotion of the Affordable Housing By-law, implementation of the Town’s Land Use Vision as well as potential use of Chapter 40R that focuses on mixed-uses in appropriate locations, including a mandated amount of affordable housing (see Section VI.B).

D. School Enrollment

Many communities are concerned that promoting further housing development will lead to increasing school costs and capacity issues. This should not be an issue in Dennis. While the overall population increased by 15% between 1980 and 2010, those under the age of 18 decreased by 23%. It is not surprising, therefore, that school enrollments have been decreasing. For example, those children enrolled in the Dennis-Yarmouth School District decreased from 4,417 students in the 2000-2001 school year to 3,085 by 2015-16. This trend of decreasing school enrollments is happening in most communities on Cape Cod, particularly those in the mid-Cape to Lower Cape area. Many people with children have moved away due to the high cost of living, lack of jobs, etc., and others are sending their kids to charter schools and private schools in the area.

Mitigation Measures: This Housing Production Plan recognizes the need for a wider range of affordable housing options in Dennis, including first-time homebuyer opportunities for young families. It is likely that this new development will not have a significant impact on school capacity, particularly in light of current and projected declining enrollments. Moreover, approximately 90% of the units included in the production goals focus on small one- or two-bedroom units that are not conducive to large families.

E. Public Transportation

Dennis is bisected from east to west by the Cape’s three main routes including Route 6, Route 6A and Route 28, as well as Route 134 that crosses the community from Route 28 to 6A. The Cape’s Bay Colony rail officially ends in Dennis, the ending point then becoming a bicycle trail, the Cape Cod Rail Trail, which runs all the way to Wellfleet on the former rail right-of-way.

Like most of Cape Cod, Dennis encounters significant problems with traffic congestion, particularly in the summer months when the population quadruples in size. Because Dennis is located mid-Cape, it is greatly impacted by economic, land use and transportation trends affecting the entire Cape. As a result,

²⁸ Dennis Zoning By-law, Section 5 – Definitions.

Dennis has participated in several regional groups that help coordinate regional transportation programs and planning including the Cape Cod Metropolitan Planning Organization (MPO), which is a federally-designated transportation planning organization for Cape communities, staffed by the Cape Cod Commission. The MPO is responsible for developing a transportation funding program, conducting planning studies, ensuring compliance with air quality mandates, and developing a long-range transportation plan to coordinate regional transportation activities, the Cape Cod Transportation Improvement Program (TIP), which is updated each year. Dennis also participates in the Cape Cod Regional Transit Authority that coordinates and provides fixed-route buses throughout the Cape.

Starting in June 2006, a new transportation system was introduced, called Flex-Route, which provides bus service throughout the Outer Cape including Dennis. Those living within a half mile of the route can call the service to arrange pick-up. Twelve buses were purchased through a federal grant obtained by the National Seashore and all participating towns pay the operating expenses, with some support from passengers via a token system.

It should also be noted that Dennis's Council on Aging offers free transportation to area seniors, thus promoting independent living for this part of the population. Nevertheless, public transit remains limited and largely requires residents to have access to automobiles, further increasing the cost of living in Dennis and presenting a barrier to those low- and moderate-income residents who are more likely to feel the financial strains of owning and maintaining a car. The 2014 census estimates indicated that only 112 workers reported using public transportation. While low, this is up from only 62 workers in 2000.

Mitigation Measures: The Town will have to pay particular attention to the projected traffic implications of any new development, working with the developer to resolve problems. The implementation of the land use vision that promotes mixed-uses in village centers has the potential for reducing at least some reliance on the automobile (see Section VI.B.1 for details).

Dennis should also coordinate its transportation planning with neighboring communities through active participation on the Cape Cod Regional Transit Authority and involvement with the Cape Cod Transit Task Force.

F. Availability of Subsidy Funds

Financial resources to subsidize affordable housing preservation and production as well as rental assistance, have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. A representative from the Cape's regional housing non-profit housing agency, the Housing Assistance Corporation (HAC), even suggested that while obtaining site control for new projects might have been the major challenge in the past, it is now obtaining the necessary financing.

Community Preservation funding offers Dennis an important resource for affordable housing production. Between 2008 and 2015 a total of \$655,000 was allocated to housing activities including the Dennis Municipal Affordable Housing Trust (DMAHT), Melpet Farm and Rental Assistance Program. In 2016, \$200,000 was awarded in support of the Veterans Housing project and an additional \$350,000 was allocated to DMAHT to help purchase several properties for conversion to deed-restricted affordable rental housing.

HOME funding from the Barnstable County HOME Consortium is also an important and flexible resource. Dennis has also been able to access federal Community Development Block Grant (CDBG) funding from the state, which supports its Housing Rehabilitation Program and other local initiatives. In fact, the Town was recently identified as a “mini-entitlement” community, which means that it will receive an annual allocation of CDBG funding based on a specific formula.

The Town has also established a Municipal Affordable Housing Trust that manages a dedicated housing fund and has a number of important powers, including the ability to accept tax-exempt donations of land and money. Nevertheless, the Town will continue to strategically invest its limited local resources to leverage substantial support from regional, state and federal resources.

Mitigation Measures: This Housing Plan provides guidance on the use of Community Preservation Funds and Dennis’ Housing Trust Fund for affordable housing initiatives that will enable the Town to support the production of new affordable units and leverage other public and private funding sources. Moreover, like other communities on Cape Cod, Dennis has access to federal HOME subsidies, administered by the Barnstable County HOME Consortium.

G. Community Perceptions

Residents in most communities are concerned about the impacts that any new development will have on local services and quality of life, and many may also have negative impressions of affordable housing in general. Therefore, local opposition to new affordable developments is more the norm than the exception. On the other hand, with high real estate prices, community perceptions have been tilting in the last few years towards the realization that workforce housing is needed in the community. More people are recognizing that the new kindergarten teacher, their grown children, or the elderly neighbor may not be able to afford to live or remain in the community. Housing for seasonal workers is also a serious concern of local employers. Residents are increasingly aware that those who provide local services, whether they are municipal workers, a waitress in a nearby restaurant, or the local handyman, need an affordable place to live without huge commutes.²⁹ It is this growing awareness that is spurring communities such as Dennis to take a more proactive stance in supporting affordable housing initiatives.

Mitigation Measures: Dennis will continue its ongoing educational campaign to better inform local leaders and residents on the issue of affordable housing, to help dispel negative stereotypes, provide up-to-date information on new opportunities and to garner political support (see details on this strategy in Section VI.A.1). It will be important to continue to be sensitive to community concerns and provide opportunities for residents to not only obtain accurate information on housing issues, whether they relate to zoning or new development, but have opportunities for real input. Moreover, this Plan proposes that the Town hold annual housing summits to provide opportunities for local leaders to share information about the status of affordable housing initiatives to better promote municipal communication and cooperation in the implementation of various strategies. A Housing Summit was in fact held in 2015. This Plan also recommends ongoing training opportunities related to affordable housing for appropriate local leaders and staff.

²⁹ The Town of Dennis, through its Municipal Affordable Housing Trust, sponsored a survey of Dennis’ workforce, the results of which are summarized in Section III.C.

V. AFFORDABLE HOUSING PRODUCTION GOALS

The Massachusetts Department of Housing and Community Development (DHCD) introduced the Planned Production Program in December 2002, in accordance with regulations that were meant to provide municipalities with greater local control over housing development. Cities and towns were required to prepare and adopt a Housing Plan that demonstrated the production of an increase of .75% over one year or 1.5% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.³⁰ If DHCD certified that the locality had complied with its annual goals or that it had met two-year goals, the Town could, through its Zoning Board of Appeals, potentially deny what it considered inappropriate comprehensive permit applications for one or two-years, respectively.³¹

Additional changes to Chapter 40B established some new rules.³² For example, Planned Production Plans are now referred to as Housing Production Plans. Moreover, annual goals changed from 0.75% of the community's year-round housing stock, translating into 61 units per year or 121 units over two years for Dennis, to 0.50% of its year-round units, meaning that Dennis will have to now produce at least 38 affordable units annually to meet annual production goals until the 2020 census figures are released and the number of year-round units changes.

Using the strategies summarized under Section VI and priority needs established in Section III.C, the Town of Dennis has developed a Housing Production Program to chart affordable housing activity over the next five (5) years. The projected goals are best guesses at this time, and there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- At a minimum, at least fifty percent (50%) of the units that are developed on publicly-owned parcels should be affordable to households earning at or below 80% of area median income. The rental projects will also target some households earning at or below 60% of area median income and lower depending upon subsidy program requirements. It should also be noted that the Town can provide CPA assistance to subsidize units for those earning between 80% and 100% of area median income, commonly referred to as "community housing" units, however these units cannot count as part of the Subsidized Housing Inventory.
- Projections are based on no fewer than four (4) units per acre, averaging about eight (8) total bedrooms. However, given specific site conditions and financial feasibility it may be appropriate

³⁰ Massachusetts General Law Chapter 40B, 760 CMR 31.07 (1)(i).

³¹ If a community has achieved certification within 15 days of the opening of the local hearing for the comprehensive permit, the ZBA shall provide written notice to the applicant, with a copy to DHCD, that it considers that a denial of the permit or the imposition of conditions or requirements would be consistent with local needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation. If the applicant wishes to challenge the ZBA's assertion, it must do so by providing written notice to DHCD, with a copy to the ZBA, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that a denial or approval with conditions would be consistent local needs, provided, however, that any failure of the DHCD to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

³² Massachusetts General Law Chapter 40B, 760 CMR 56.00.

- to decrease or increase density as long as projects are in compliance with state Title 5 and wetlands regulations.
- Because housing strategies include development on privately owned parcels, production will involve projects sponsored by private developers through the standard regulatory process, the Dennis Affordable Housing By-law in particular, or possibly the “friendly” comprehensive permit process. The Town will continue to work with these private developers to fine-tune proposals to maximize their responsiveness to community interests and to increase affordability to the greatest extent feasible, potentially infusing funding from the Dennis Affordable Housing Trust Fund or CPA where appropriate.
 - The projections involve a mix of rental and ownership opportunities that reflect the priority housing needs in the Housing Needs Assessment (see Section III.C) where about 80% of the units are directed to rentals. The Town will work with developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents.

Table V-1: Dennis Housing Production Program

Strategies by Year	Units< 80% AMI Eligible for SHI	Total # units (includes market units)
Year 1 – 2017		
Development of publicly-owned property/ Veteran’s housing – Rental	5	5
Private property development on Janall Dr./ Affordable Housing Bylaw – Ownership	2	8
Private property development/Dennis Village Duplexes -- Homeownership	6	24
Housing Rehab Program	17	17
<i>Subtotal</i>	30	54
Year 2 – 2018		
Development of publicly-owned property on S. Yarmouth Rd./Habitat for Humanity – Ownership	1	1
Development of publicly-owned property on Hokum Rock Rd./HAC – Special Needs Rental	8	8
Private property redevelopment of Columns House through Affordable Housing Bylaw/ Senior Rental	28	28
Conversion of existing housing – Rental	2	2
Housing Rehab Program	17	17
<i>Subtotal</i>	56	56
Year 3 – 2019		
Private property development on South St. through 40B/Ownership	10	40
Private property development through 40B at Hope Lane/Rental	20	20
Conversion of existing housing – Rental	2	2
Housing Rehab Program	17	17
<i>Subtotal</i>	49	79
Year 4 – 2020		
Private property development/Elkannah Howland Rd. -- Homeownership	9	18
Development of publicly-owned property at Depot Street through Affordable Housing Bylaw/Rental	18	18
Conversion of existing housing – Rental	2	2
Housing Rehab Program	17	17
<i>Subtotal</i>	46	55
Year 5 – 2021		
Private property development/40R – HO	11	51
Public acquisition and development of Brownfield Properties on Route 28/Rental	12	12
Development of publicly-owned property at Bob Crowell Rd. through Affordable Housing Bylaw/Rental	16	16
Conversion of existing housing – Rental	2	2
Housing Rehab Program	17	17
<i>Subtotal</i>	58	98

Total	239	342
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VI. HOUSING STRATEGIES

The strategies outlined below are based on previous plans, reports, studies, the Housing Needs Assessment, local housing goals and input, and the experience of other comparable localities in the area and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Building Local Capacity, Zoning Reforms, and Housing Development – and categorized according to priority as those to be implemented within Years 1 and 2 and those within Years 3 to 5. A summary of these actions is included in Appendix 1.

The strategies also reflect state requirements that ask communities to address all of the following major categories of strategies to the greatest extent applicable:³³

- *Identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating affordable housing developments to meet its housing production goal;*
 - Implement key features of the 2009 Land Use Vision
- *Identification of specific sites for which the municipality will encourage the filing of comprehensive permit projects;*
 - Continue to make suitable public property available for affordable housing
- *Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality;*
 - Continue promoting the Dennis Affordable Housing By-law
 - Continue to partner with private developers or owners on private sites
 - Convert existing housing to affordability

The Town is particularly interested in promoting projects that meet a number of “smart growth” principles such as:

- The redevelopment of existing structures, particularly historic properties or those which could be acquired on the lower end of the range of market prices;
 - Infill site development including small home development as starter housing;
 - Development of housing in underutilized locations with some existing or planned infrastructure;
 - Parcels large enough to accommodate clustered housing;
 - Mixed-use properties in village areas or along commercial corridors;
 - Good carrying capacity for water and septic systems or can accommodate special treatment facilities;
 - Buffer between adjacent properties, and
 - Located along a major road.
- *Municipally owned parcels for which the municipality commits to issue requests for proposals to develop affordable housing.*
 - Continue to make suitable public property available for affordable housing

³³ Massachusetts General Law Chapter 40B, 760 CMR 56.03.4.

- *Participation in regional collaborations addressing housing development*
 - Participate in Barnstable County HOME Consortium (see Section VI.C)
 - Promote homebuyer counseling and other homebuyer services (see strategy VI.A.1)

It will be important to also insure that affordable units produced through this Plan get counted, to the greatest extent possible, as part of the Subsidized Housing Inventory (SHI), applied through the Local Initiative Program (LIP) administered by the state’s Department of Housing and Community Development (DHCD) if another state or federal housing subsidy is not used. In addition to being used for “friendly” 40B projects, LIP can be used for counting those affordable units as part of a Town’s Subsidized Housing Inventory that are being developed through some local action including:

- Zoning-based approval, particularly inclusionary zoning provisions and special permits for affordable housing;
- Substantial financial assistance from funds raised, appropriated or administered by the town; and/or
- Provision of land or buildings that are owned or acquired by the town and conveyed at a substantial discount from their fair market value.

In order to be counted as part of the Subsidized Housing Inventory the units must meet the following criteria:

- A result of municipal action or approval;
- Sold or rented based on procedures articulated in an affirmative fair marketing and lottery plan approved by DHCD;
- Sales prices and rents must be affordable to households earning at or below 80% of area median income; and
- Long-term affordability is enforced through affordability restrictions, approved by DHCD.

The Town has worked with a housing and community development consultant, Bailey Boyd Associates, over a number of years to insure, to the greatest extent possible, that all affordable units that should be included on the SHI have the necessary documentation for submission to DHCD. A Requesting New Units Form must be submitted to DHCD with other required documents to insure that these units get counted as part of the SHI.

It is also important to note that up to 70% of the affordable units in most developments can be reserved as local preference units for those who have a connection to the community as defined by Section C of the state’s Affirmative Fair Housing Marketing Plan guidelines, dated June 25, 2008, as they live or work in the community or have children attending local schools.

It should be noted however, that a major goal of this Plan is not only to strive to meet the state’s 10% goal under Chapter 40B, but to also serve local needs. Consequently, there are instances where housing initiatives might be promoted to meet these needs that will not necessarily result in the inclusion of units in the Subsidized Housing Inventory (examples potentially include the promotion of accessory

apartments, conversion of very small units to affordability, or mixed-income housing that includes “community housing” or “workforce housing” units)³⁴.

Within the context of these compliance issues, local needs, existing resources, affordability requirements, community input and the goals listed in Section II of this Plan, the following housing strategies are offered for consideration. ***It is important to note that these strategies are presented as a package for the Town to consider, prioritize, and process, each through the appropriate regulatory channels.*** Moreover, the proposed actions present opportunities to judiciously invest funding from the Affordable Housing Trust Fund or CPA to subsidize actual unit production.

A. Capacity Building Strategies

Dennis is a small town on Cape Cod and unlike most cities or larger communities, does not have substantial state or federal funding to support local housing initiatives nor full-time staff devoted solely to the issue of affordable housing. Nevertheless, Dennis has been making considerable progress on building a local structure to better coordinate housing activities including the following:

- ***Municipal Affordable Housing Trust Fund***
At the 2007 Annual Town Meeting, the Town approved the establishment of a Municipal Affordable Housing Trust Fund to promote diverse solutions to the acknowledged shortage of affordable housing that will further the Town’s goal of creating greater housing choices and ultimately reaching the 10% affordability goal. The Board of Selectmen has appointed six (6) current members³⁵ who work in partnership with other Town boards and committees, as well as the Dennis Housing Authority and other housing-related agencies and organizations, to promote affordable housing. The Housing Trust is the sponsor of this Housing Production Plan.
- ***Housing Production Plan***
This Plan builds on the one that was completed in 2010, which has provided an important blueprint for prioritizing and implementing affordable housing initiatives based on documented local needs, community input and existing resources. The Plan will continue to provide important guidance on how to invest funding from the Housing Trust Fund and CPA for housing and be helpful in making Dennis more competitive for state discretionary funding. The Plan will also provide the Town with a comprehensive resource on housing issues in Dennis that can be readily updated as necessary.
- ***Professional Support***
The Town has a full-time professional Town Planner who has not only been providing substantial technical input into the development of this Plan, but has also been instrumental in developing the Town’s Affordable Housing By-law and its land use vision that are such major components of the Town’s housing agenda. The Town has also contracted with Bailey Boyd Associates on a number of housing efforts including organizing necessary documentation to have affordable units counted in the SHI, units processed through the Town’s Affordable Housing By-law in

³⁴ Community housing generally refers to units directed to those earning between 80% and 100% AMI (still eligible for CPA subsidies), whereas workforce housing refers to units directed to those earning between 80% and 120% AMI, but still priced out of the private housing market.

³⁵ A total of seven (7) members are allowed to be appointed to the Housing Trust.

particular. **Moreover, last year the Town approved CPA funding to cover a part-time Housing Coordinator position to oversee housing activities.**

- *Partnerships*

The successful implementation of this Housing Production Plan will require continued access to a wide range of resources – financial and technical – as well as continued partnerships with a range of organizations, funding agencies, developers and lenders on new initiatives. For more than a decade, Dennis has relied on a number of important organizations for a significant amount of its housing production activity including the Housing Assistance Corporation (HAC), Habitat for Humanity of Cape Cod, the Community Development Partnership (CDP), and Dennis Housing Authority (DHA). The Town should continue to foster these partnerships and reach out to other developers as well via Requests for Proposals (see Section VI.C).

While the following strategy will not directly produce affordable units, it provides important civic engagement in local housing issues and helps build local support for new affordable housing initiatives.

1. Conduct ongoing community education

Timeframe: Years 1-2

Responsible Parties: Dennis Affordable Housing Trust and other sponsors of affordable housing-related initiatives such as the Planning Board and Community Preservation Committee

Current Status: Because most of the housing strategies rely on local approvals, including those of Town Meeting, community support for new initiatives has and will continue to be essential. Strategic efforts to inform residents on the issue of affordable housing and specific new initiatives can build local support, generate a greater understanding of the benefits of affordable housing, reduce misinformation, and dispel negative stereotypes. These outreach efforts are mutually beneficial as they provide useful information to community residents and important feedback to local leaders on local concerns and suggestions.

Next Steps: The presentation of this Housing Production Plan offers an opportunity to bring attention to the issue of affordable housing, offering information on housing needs and proposed strategies that can help attract community support for affordable housing initiatives. Other education opportunities should be pursued such as:

- *Forums on specific new initiatives*

As the Town develops new housing initiatives, the sponsoring entity should hold community meetings to insure a broad and transparent presentation of these efforts to other local leaders and residents, providing important information on what is being proposed and opportunities for feedback before local approvals are formally requested.

- *Annual housing summits*

Annual housing summits can provide an opportunity for the Town to devote a time each year for local leaders to discuss affordable housing issues as well as current and proposed projects. This can improve inter-departmental communication and coordination as well as offer another opportunity to engage other housing stakeholders and interested local residents as well. The Town has been conducting such summits including one in 2015 and another Board of Selectmen hearing in December 2016 involving housing.

- Public information on existing programs and services*

Despite a sluggish housing market, high housing costs are still creating problems for low-income residents. For example, renters continue to confront difficulties finding safe and decent rental units, especially during the summer. Owners, including seniors living on fixed incomes, are finding it increasingly difficult to afford the costs associated with rising taxes, energy costs, insurance and home improvements, and increasingly some may be faced with foreclosure. Additionally, some seniors and those with special needs require handicapped adaptations and repairs to help them remain in their homes. Dennis residents might also benefit from technical and financial support in the case of septic failures and Title 5 compliance issues. The Town should get the word out about existing programs and services that support homeownership, property improvements or help reduce the risk of foreclosure including first-time homebuyer and foreclosure prevention counseling from HAC and the Community Development Partnership (CPD). More detailed descriptions of some of these programs and services are summarized in strategy VI.D.1.
- Educational opportunities for board and committee members*

Local boards such as the Board of Selectmen, Community Preservation Committee, Housing Trust, Zoning Board of Appeals, Planning Board and other interested local leaders, as well as members of the Dennis Housing Authority, should be able to receive ongoing training on affordable housing issues. Well advised and prepared board and committee members are likely to conduct Town business in a more effective and efficient manner. New members without significant housing experience would benefit substantially from some training and orientation. Moreover, requirements keep changing and local leaders must keep up-to-date. Funding for the professional development of staff, including the Town Planner and proposed Housing Coordinator, would also help keep key professionals up-to-date on important new developments, best practices and regulations.

The University of Massachusetts Extension’s Citizen Planner Training Collaborative (CPTC) offers classes periodically throughout the year and will even provide customized training sessions to individual communities. The Massachusetts Housing Partnership conducts at least annually the Massachusetts Housing Institute, which is “an educational program to support municipalities and local participants to better understand the affordable housing development process and have an effective role in initiating and implementing local solutions to increasing housing choices”. Other organizations and agencies, such as DHCD, MHP, CHAPA, and the Community Preservation Coalition, also provide conferences and training sessions on a wide variety of housing issues that would be useful for local officials and staff persons to attend. In addition, there are numerous written resources for localities. For example, DHCD has prepared a procedural “how to” booklet for local communities on the development process, MHP has many technical guides for localities, and CHAPA has a wide variety of reports on many issues related to affordable housing as well.

Resources Required: Volunteer time of members of the Housing Trust to sponsor the necessary forums, track training opportunities, and inform appropriate local leaders. The Planning Board would coordinate public meetings on zoning-related efforts involving affordable housing with the Housing Trust.

B. Planning and Zoning Strategies

To effectively and efficiently address local housing needs and meet production goals, additional changes will be needed in the Town's Zoning By-law to capture more affordable units and better guide new development to specific "smarter" locations.

1. Continue promoting the Dennis Affordable Housing By-law

Timeframe: Years 1-2

Responsible Party: Planning Board with support from the Dennis Affordable Housing Trust

Current Status: The Town of Dennis has been on the cutting-edge of new zoning for affordable housing through its Affordable Housing By-law that was adopted in 2001 and subsequently amended in 2003 and 2005 (see Section III.D.3 for details). This by-law includes a number of components including provisions for promoting affordable accessory apartments in residential and commercial units, motel conversion, nonconforming lots, and projects that the municipality has determined will benefit the community (referred to as municipally-sponsored housing projects). So far, the by-law has resulted in 21 projects that included 90 affordable units and 152 total units since 2002. Examples of projects that have been permitted through this bylaw include:

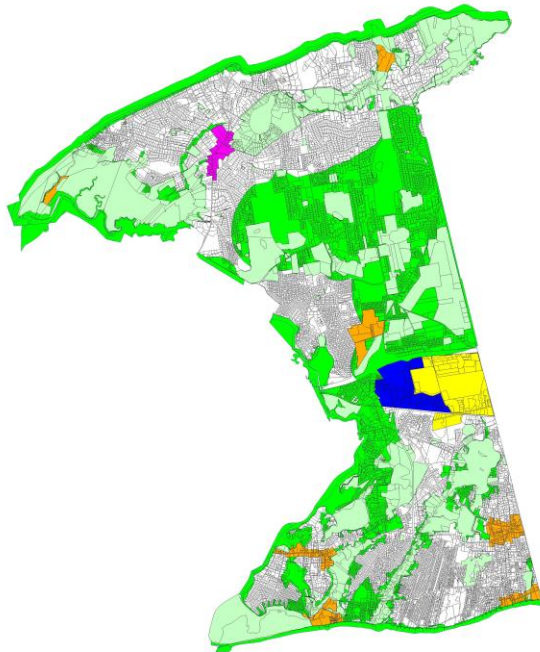
- Two houses that were built by Habitat for Humanity of Cape Cod on Hemlock Lane and Cross Street on former Town-owned property.
- Twenty-seven (27) rental units were developed by the Housing Assistance Corporation (HAC) in partnership with the Preservation of Affordable Housing (POAH). **This project, Melpet Farm, has been awarded several distinctions including the National Association of Homebuilders Best in America Living Design Award and Silver Award in the Best in Affordable Multi-family Development in America (Gold award for Cape Cod). The Builder and Remodelers Industry of Cape Cod awarded the project a Gold for Excellence in Affordable Housing.**
- An accessory apartment on Old Bass River Road (approved by the Planning Board).
- Eight (8) affordable rental units on Route 28 at the Old Plantation Motel with 29 total units. These units were developed as condos and are not likely to count as part of the SHI given that the deed restrictions are not what the state currently requires (approved by the Planning Board).
- A potential eight (8) unit application involving a partial conversion of the Lamplighter Motel. Four (4) of the units will be deed restricted as affordable to those earning at or below 80% of area median income, the remaining units targeted to those earning between 80% and 120% AMI. Because the units are so small, below the state's minimum unit size prescribed under the Local Initiative Program, they will probably not qualify for inclusion in the SHI.
- An 18-unit development (six 3-unit buildings) with nine (9) units as affordable to those earning at or below 80% of area median income with the remaining nine (9) units for those earning between 80% and 120% of area median was approved by the Planning Board. An abutter appealed, suggesting that the Planning Board exceeded its authority with respect to approving certain intensity of use requirements, which the Superior Court ultimately found to be the case. It is likely that the developer will attempt to resubmit a development proposal for this site at some point in the future.
- An 18-unit rental development on Route 134.

Next Steps: The Planning Board should continue to encourage special permit applications that comply with any of the multiple components of this by-law, insuring to the greatest extent possible that the affordable units count as part of the SHI. It will also be important to work with DHCD on a number of issues related to having the units count as part of the SHI including the state’s low minimum unit sizes for the conversion of motels and the use of HOME Program funding, which requires its own deed rider as opposed to that of the state.

The By-law, approved in 2001, has been amended several times. The Planning Board will continue to monitor the effectiveness of this bylaw and propose appropriate changes as warranted.

Resources Required: The Town Planner has been the key contact for those interested in pursuing special permit applications under this by-law and has worked closely with the Planning Board on the processing of these applications. Staff time from the Town’s Housing Coordinator will be important to insure that all affordable units are appropriately counted in the Subsidized Housing Inventory.

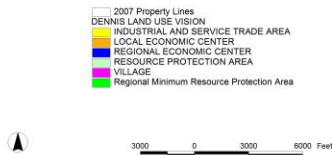
2. Implement key features of the 2009 Land Use Vision



Timeframe: Years 1-2
Responsible Parties: Planning Board in cooperation with other Town boards and committees including the Affordable Housing Trust and Economic Development Committee

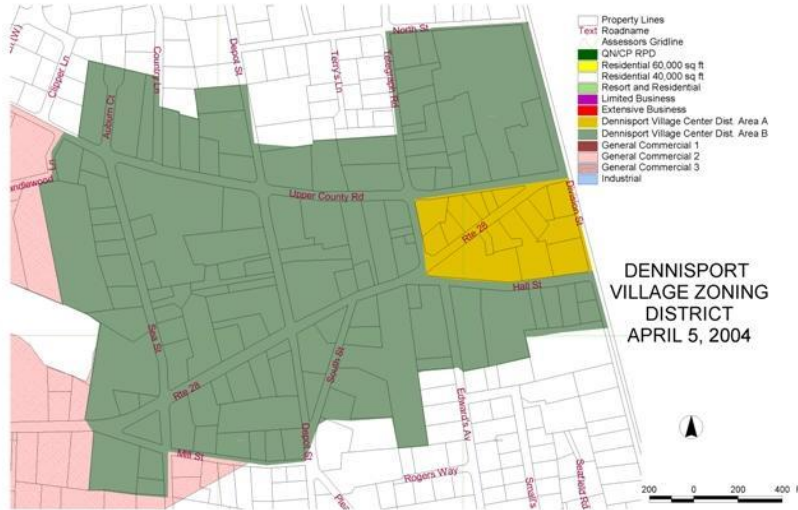
Current Status: The Planning Board prepared a preliminary land use vision that was approved by the Cape Cod Commission as part of its Regional Policy Plan in November 2009, presented in the map below. This vision focuses on ten (10) specific areas of town, ranging from high-density centers to ones targeted to maintaining the character of existing neighborhoods.

Draft
 Town of Dennis
 Land Use Vision Map



As the Town moves forward in its planning and rezoning for this proposed vision, those elements that have the greatest shorter-term implications for affordable housing in tandem with smart growth development include the following:

- *Dennis Port Village Center*



A by-law was enacted in 2004 to support “the development of the Dennis Port Village Center District surrounding Route 28 and Upper County Road to promote a more functional and attractive community through the use of recognized principles of urban design, the preservation of structures and open space, and by allowing developers and land owners considerable flexibility in land use and site design”.³⁶ The by-law encourages a mix of uses including affordable housing through density bonuses (see

Section III.D.3 for more information). At least 25% of the units created through the by-law must be affordable to those earning at or below 80% of area median income.

The Planning Board estimates that the new zoning will increase the existing 304 housing units in the area to as many as 747 under the new zoning at build-out, although the Board projects that a more realistic estimate is a total of about 500 units.

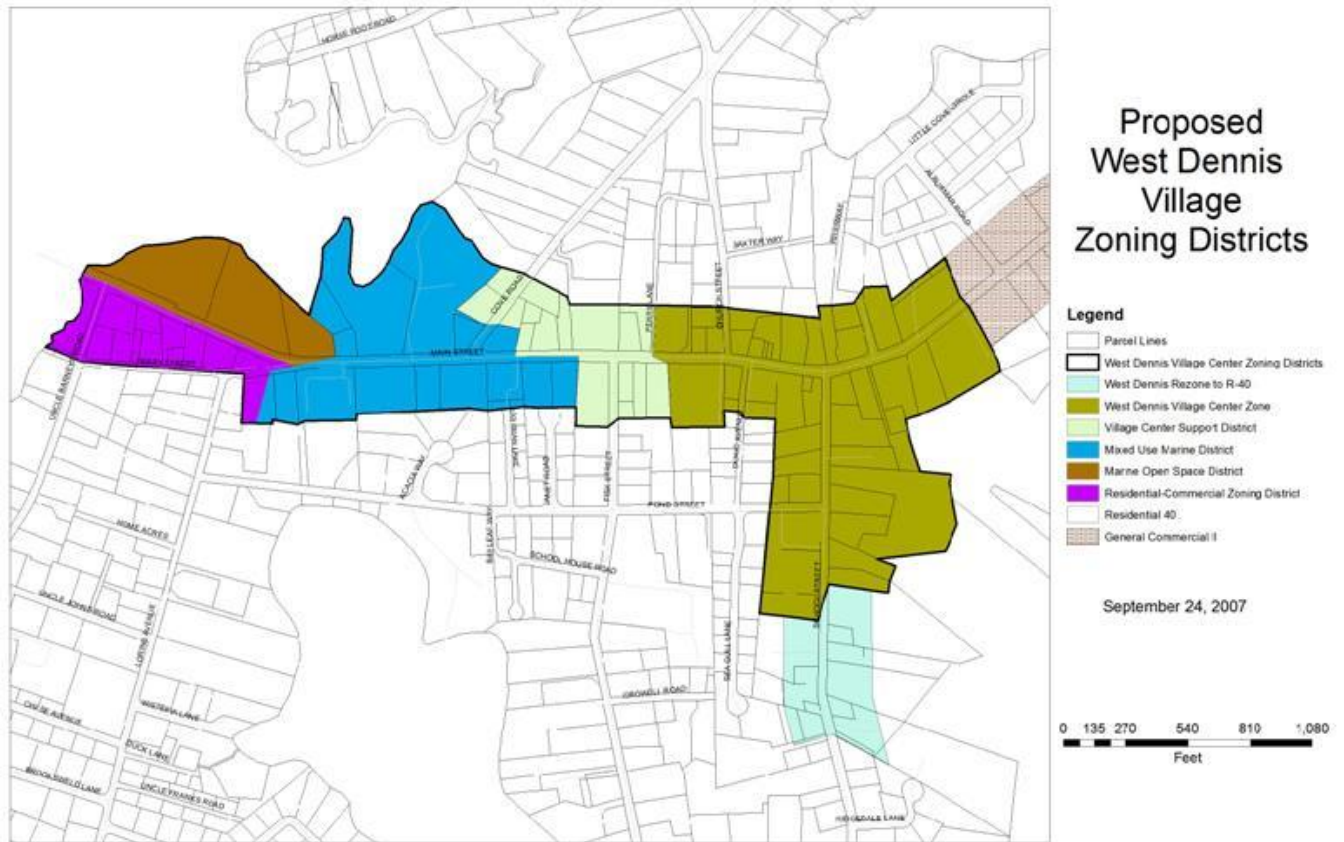
- *West Dennis Village Center*

The West Dennis Village Center is an historic center of commerce and includes a traditional pedestrian-oriented Main Street. As with the Dennis Port Village Center District, the Town of Dennis has a similar purpose in encouraging smart growth and mixed-use development in the West Dennis Village that surrounds Route 28 and School Street.

There are about 175 residential units in the district, but an analysis of the impacts of rezoning indicates that at build-out another approximately 250 units might be accommodated in addition to a mix of other uses. Dennis’ Economic Development Committee believes that the historic building patterns of this area can be complemented by well-planned new development using traditional styles and architectural elements. Additionally, many existing sites are suitable for infill development, which will contribute to the vitality and attractiveness of the district. A preliminary map of the proposed zoning districts is included below.

The existing village center by-law also encourages affordable housing through density bonuses (25% of units must be affordable to those earning at or below 80% of area median income). Multi-family housing is allowed under special permit, and motel expansions are required to provide affordable units or payments in-lieu of actual units.

³⁶ Dennis Zoning By-law, Section 8.1.



Next Steps: This vision represents a very comprehensive and ambitious agenda for guiding Dennis’ future growth, including the development of affordable housing. Over the next several years, the Planning Board, with staff support from the Town Planner, will need to draft the necessary zoning changes, adopt them and submit them to Town Meeting for approval.

Resources Required: The Town Planner will continue to be key in working with the Planning Board and Economic Development Committee to continue to implement the Town’s land use vision. Once again, it will also be necessary for the Town’ Housing Coordinator to insure that all affordable units that are created through the zoning changes are appropriately counted in the Subsidized Housing Inventory.

3. Explore use of 40R/40S

Timeframe: Years 3-5
Responsible Party: Planning Board with support from the Affordable Housing Trust

Current Status: The state enacted Chapter 40R of the Massachusetts General Laws to “provide financial and other incentives to local communities that pass Smart Growth Overlay Zoning Districts that allow the building of single-family homes on smaller lots and the construction of apartments for families at all income levels, and that the state increase its commitment to fund

affordable housing for families of low and moderate income”.³⁷ The statute defines 40R as “a principle of land development that emphasizes mixing land uses, increases the availability of affordable housing by creating a range of housing opportunities in neighborhoods, takes advantage of compact design, fosters distinctive and attractive communities, preserves open space, farmland, natural beauty and critical environmental areas, strengthens existing communities, provides a variety of transportation choices, makes development decisions predictable, fair and cost effective and encourages community and stakeholder collaboration in development decisions.”³⁸

These new districts typically occur in “suitable areas” such as denser town centers or areas already served by transportation. The goal was to address several regional concerns at once: the need for more affordable housing, the need to avoid adding more traffic to roads and highways already choked during commuting hours, and to protect the New England landscape from additional sprawl fostered by large-lot subdivisions. The legislation was also passed in recognition that escalating housing prices, now beyond the reach of increasing numbers of state residents, are forcing college graduates and young professionals to relocate to other areas of the country in search of greater affordability.

The state has approved 36 such districts and other districts are in the process of being established. Natick, for example, has been able to access \$1,434,000 in state funding to support new local development priorities including the building of a new high school and the redevelopment of former Natick Paperboard Factory site into 138 apartments on 12 townhouses by adopting a Chapter 40R Smart Growth Overlay District. The state gave the town \$820,000 towards the costs of its new high school because it was awarded an extra percentage point towards state funding from the Massachusetts School Building Authority due to its approval of Chapter 40R. It has also received \$200,000 from the state as an incentive payment for creating the 40R district and expects to receive another \$414,000 as housing development moves forward. Moreover, the Town is eligible for receiving additional state support from The communities of Easton and Reading have also been able to fend off Chapter 40B developments, largely because the state recognized the communities’ proactive efforts in establishing 40R smart growth zoning.

The key components of 40R include:

- Allows local option to adopt Overlay Districts³⁹ near transit, areas of concentrated development, commercial districts, rural village districts, and other suitable locations;
- Allows “as-of-right” residential development of minimum allowable densities;
- Provides that at least 20% of the units be affordable;
- Allows mixed-use and infill⁴⁰ development;

³⁷ Edward Carman, Barry Bluestone, and Eleanor White for The Commonwealth Housing Task Force, “A Housing Strategy for Smart Growth and Economic Development: Executive Summary,” October 30, 2003, p. 3.

³⁸ Massachusetts General Law, Chapter 40R, Section 11.

³⁹ Overlay districts contain additional provisions for special features or conditions, such as historic buildings, affordable housing, wetlands, mixed-uses, etc. as part of the Zoning Bylaw.

⁴⁰ Infill development is the practice of building on vacant or undeveloped parcels in dense areas that promotes compact development and in turn allows undeveloped land to remain open and green.

- Provides two types of payments to municipalities including incentive payments at the time the zoning is approved based on the projected number of units created and bonus payments when building permits are pulled; and
- Encourages open space and protects historic districts.

The state also enacted Chapter 40S under the Massachusetts General Law that provides additional benefits by insuring municipalities that build affordable housing under 40R that they will not be saddled with the extra school costs caused by school-aged children who might move into this new housing. In effect, 40S will hold those communities participating in 40R harmless from costs added to school budgets as a result of the 40R-related development.

The Town's Planning Office has been considering the possible redevelopment of the Northern Paving property off of Upper County Road on Candlewood Lane, adjacent to an existing high density housing development. The idea is to pursue an arrangement that would be mutually beneficial to the property owner and the Town, involving the relocation of the Northern Paving Company and the school bus operation on the site to a more favorable location, opening up an opportunity for new housing development on this 7.34-acre site. The Town is exploring the use of MGL, Chapter 40R and 40S for this redevelopment effort, looking at cottage-style housing models that have become popular as starter housing for small families or for empty nesters looking to downsize.

Next Steps: In an effort to further promote smart growth and mixed-use, mixed-income development, the Town will explore the adoption of 40R/40S and convene a forum to discuss these new regulations and how they could be effectively implemented in Dennis.

A potential area for a Chapter 40R project is the "Innovative Residential Housing Development" scheme on Candlewood Lane in Dennis Port presented below. The Plan preliminarily calls for 51 small single-family homes with a mix of one, two and three-bedroom units with up to 90 bedrooms in total. The area adjacent to the existing cell tower would provide green space and needed parking, and houses would either face onto a common green area or be connected to green areas by sidewalks. Houses are expected to have attached front porches, small private use areas and be separated from each other by at least 15 feet. At least 25% of the units would be affordable, deed restricted in perpetuity. A conceptual design scheme from a similar cottage-style development is presented on page 88.



**Schematic Plan
for a Chapter 40R
Innovative Residential
Housing Development
Candlewood Lane,
Dennisport MA**

PROJECT SPECIFICATIONS
 Housing Units 51 (8 units/acre)
 Bedrooms 90
 Parking Spaces 85
 Upland 6.31 acres
 Wetland 1.03 acres
 Wetland Setback 50 Feet Minimum
 Building Separation 15 ft Minimum

The Town is also considering the potential of rezoning other village areas through Chapter 40R as well, taking advantage of the availability of multiple state subsidies.

The formal steps involved in creating the Smart Growth Overlay Districts under 40R are as follows:

1. The Town holds a public hearing as to whether to adopt an Overlay District per the requirements of 40R;
2. The Town applies to DHCD prior to adopting the new zoning;
3. DHCD reviews the application and issues a Letter of Eligibility if the new zoning satisfies the requirements of 40R;
4. The Town adopts the new zoning through a two-thirds vote of Town Meeting subject to any modifications required by DHCD;
5. The Town submits evidence of approval to DHCD upon the adoption of the new zoning; and

6. DHCD issues a letter of approval, which indicates the number of incentive units and the amount of payment.



Resources Required: The project would take a considerable amount of staff time from the Town Planner and ultimately subsidies for predevelopment work and gap financing. The Town may also want additional technical support and apply for state subsidy funds through the Planning Assistance Toward Housing Program (PATH) to secure the services of a consultant to help implement the adoption of 40R zoning, including important design guidelines.

C. Housing Development Strategies

To accomplish the actions included in this Housing Plan and meet production goals, it will be essential for the Town of Dennis to continue to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources. While some of the units produced may rely on the participation of existing property owners, most of the production will continue to involve joint ventures with developers – for profit and non-profit – to create affordable units.

In addition to the participation of the development community, it will be important for Dennis to actively seek continued support from state and federal agencies. In addition to the state’s Department of Housing and Community Development (DHCD), other state and quasi-public agencies that have resources to support affordable and special needs housing include MassHousing, MassDevelopment, Department of Developmental Services, Department of Mental Health, Community Economic

Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, and Massachusetts Housing Investment Corporation (MHIC). Regional resources, both financial and technical, will continue to be sought as well including the Housing Assistance Corporation (HAC), Habitat for Humanity of Cape Cod, Cod Cape Cod Commission (CCC), Barnstable County HOME Consortium, and Community Development Partnership (CDP) for example. Continued coordination with the Dennis Housing Authority (DHA) is also important. Because affordable housing is rarely developed without private financing, developments remain reliant on private lenders as well.

The following strategies provide the basic components for the Town to meet its housing production goals:

1. Continue to make suitable public property available for affordable housing

Timeframe: Years 1-2

Responsible Parties: Board of Selectmen in coordination with the Dennis Affordable Housing Trust and permitting boards

Current Status: Many communities have made the conveyance of municipally-owned property the primary focus of their affordable housing efforts, preparing Requests for Proposals to select an interested and qualified developer. Such initiatives enable communities to maintain considerable local control over the terms and conditions of the new development, even potentially allowing sites to serve several municipal purposes at once.

There is a strong precedent for doing this in Dennis as the Town has conveyed the following Town-owned properties for affordable housing development:

- *Habitat for Humanity lots*
Two (2) infill lots, one on Hemlock Lane and another on Cross Street, that were conveyed to Habitat for Humanity of Cape Cod to build new homes for first-time homebuyers. The Town had planned to include another lot on Mill Street but discovered it had title problems. Permitting was through the Town's Affordable Housing By-law and \$100,000 in CPA funds (\$50,000 per lot) was made available to help subsidize the units. Both homes are now occupied. Another Town-owned lot was recently conveyed to Habitat for Humanity on South Yarmouth Road.
- *Melpet Farm*
The Town also issued an RFP for the Melpet property in November 2009 that included two (2) components:
Section A: Agricultural Use
Approximately 13 acres have been developed as a working farm and equestrian center, including the renovation of an existing barn. The Town entered into a lease with the selected respondent to the RFP for the production of vegetables, fruit, hay and horticultural crops, and/or for the use of livestock/equestrian purposes in a manner consistent with restoring and continuing to support this property as an important community asset.
Section B: Community Housing
The Town approved about six (6) acres of the property for the development of affordable rental housing. The winning respondent to the RFP was the Housing Assistance Corporation (HAC) in partnership with Preservation of Affordable Housing (POAH). The Town further committed \$155,000 in CPA funding to make the project financially feasible.

- *Hokum Rock Road*
The Town has also donated part of the parcel at Hokum Rock Road and is working with the Housing Assistance Corporation (HAC) to develop eight (8) units of special needs housing for those with autism who have aged out of the state’s system. The Town has also committed \$500,000 in CPA funding towards the project. HAC is working with the organization, FORWARD, to obtain grant funding and approval from the state’s Department of Developmental Services to move the project forward.

The Town is also exploring some affordable housing development on the following Town-owned sites:

- *Veterans housing off of Route 134*
The Town is pursuing development on a site it acquired as a gift in 1990. The parcel is located on Route 134 with about 16,600 square feet with plans to build a fully-accessible residence with five bedrooms for veterans.
- *Bob Crowell Road*
The Town owns about 12 acres on Bob Crowell Road in South Dennis, which was the former DPW site but could be suitable for housing, potentially including a small pocket neighborhood of about 16 rental units clustered about a common green space. The availability of this parcel is pending Town review of its potential suitability for a wastewater treatment facility.
- *Depot Street*
The Town also owns a parcel on Depot Street, south of Route 28 in Dennis Port, which might accommodate approximately 18 units of rental housing in several small multi-family structures.

These lots as well as other potential Town-owned properties for possible development of affordable housing are summarized in Table VI-1.

Table VI-1: Town-owned Housing Parcels

Location	Map/Parcel #	Size	Type of Housing	Comments
Habitat lot/Cross Street (Dennis Port)	58/33		Ownership	Habitat for Humanity project now occupied
Habitat lot/Hemlock Lane (South Dennis)	175/3		Ownership	Habitat for Humanity project now occupied
Melpet (South Dennis)	203/50	5.75 + or - acres	Rental	27 units have been Completed and
Bob Crowell Rd. (South Dennis)	174/9	12 acres	Mixed ownership and rental	Part of site discussed for recreational use
Hokum Rock Road (East Dennis)	335/107	4 acres	Ownership	Some topographical Challenges
Depot Street			Rental	

In addition to currently owned Town parcels, the Town of Dennis may decide to acquire privately owned sites at some time in the future for the purposes of protecting open space, providing for some municipal use, preserving an historic property and developing some amount of housing, including affordable housing. Potential properties could become available on the private market or through tax-foreclosure.

As the Town becomes alert to opportunities for acquiring property that would be suitable for some amount of affordable housing, such properties would ideally meet a number of “smart growth” principles such as:

- The redevelopment of existing structures, particularly historic properties or those which could be acquired on the lower end of the range of market prices;
- Infill site development including small home development as starter housing;
- Development of housing in underutilized locations with some existing or planned infrastructure;
- Parcels large enough to accommodate clustered housing;
- Mixed-use properties in village areas or along commercial corridors;
- Good carrying capacity for water and septic systems or can accommodate special treatment facilities;
- Buffer between adjacent properties, and
- Located along a major road.

There are a number of properties that are available and respond to several of these principles including Potential Brownfields off of Route 28. There are three (3) parcels off of Route 28 that the Town might be able to acquire. With subsidies that become available with affordable housing development, the necessary remediation could be accomplished and the properties developed as affordable housing.

Next Steps: The Housing Trust should continue to work with the other Town boards and committees to identify and pursue surplus municipal property for the development of affordable housing, including possible tax title property. For such properties, when identified, the Town should focus on providing the following types of support including:

- Where appropriate, the Town should support the costs of preliminary feasibility analyses of existing Town-owned parcels or on sites identified at a later time for purchase on the open market or through tax foreclosures that might potentially include some amount of affordable housing. Such analyses could be funded through Community Preservation funds or the Housing Trust Fund.
- As was the case with the Town-owned properties described above, following the necessary approvals for the conveyance of Town-owned properties, the Town’s Chief Procurement Officer and the Town’s Housing Coordinator, potentially with the support of a consultant, should prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town’s specific project requirements and select a developer based also on identified criteria included in the RFP. Projects are likely to require densities or other regulatory relief that can be obtained through the Dennis Affordable Housing By-law or the “friendly” comprehensive permit process through DHCD’s Local Initiative Program (LIP).
- Additionally, the Town will need to be involved in attracting the necessary financial, technical and political support. Evidence of municipal support is often critical when seeking financial or technical assistance from regional, state or federal agencies. Gap funding to support project feasibility can also be provided through CPA allocations or the Housing Trust Fund.
- It will be important for the Town to insure that all affordable units count as part of the Subsidized Housing Inventory to the greatest extent possible and to also monitor affordability.

This includes the compilation of both a Ready Renters List and Ready Buyers List, pursuant to the requirements under the state’s Local Initiative Program (LIP), that provide pre-approved applicants for units as they turn-over in occupancy in the order of ranking based on a lottery system, purged and updated as necessary.

Resources Required: Resources will be required to help subsidize the development. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income households can afford, multiple layers of subsidies are often required to fill the gaps. Even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover. It is likely that a number of financial and technical resources will continue to be required to produce affordable units in Dennis.

The donated time of members of the Housing Trust and other Town boards and committees (such as the Planning Board, Assessing, ZBA, and Community Preservation Committee) will also be important as well as involvement of the Town Planner and the Town’s Housing Coordinator.

Projected # Affordable Units Produced: 60 units

2. Continue to partner with private developers on privately owned sites

Timeframe: Years 1-2

Responsible Parties: Dennis Affordable Housing Trust and permitting boards

Current Status: Continuing to work cooperatively with private developers, non-profit and for profit, is a major component of this Housing Production Plan. The Town already has a good track record working with developers on affordable housing, non-profit developers in particular such as the Housing Assistance Corporation (HAC), Harwich Ecumenical Council for Housing (HECH) and Habitat for Humanity of Cape Cod. About 60% of the units included in the Subsidized Housing Inventory were developed on private sites by private developers.⁴¹

Next Steps: The Town will focus on the following approaches for creating **new** affordable units on privately-owned parcels in line with “smart growth” principles:

- **Zoning**
Pivotal to the Town’s housing agenda are the key zoning provisions summarized in Section VI.B including the local Affordable Housing By-law that has offered the community considerable local control over meeting affordable housing needs and the planned rezoning of several areas in town to better promote mixed-uses, including affordable housing. These zoning strategies provide the necessary framework for new development that will include some amount of affordable housing.

⁴¹ Excludes Dennis Housing Authority units as well as those units that were rehabilitated through the subsidized rehab loan program that was operated by the Lower Cape Cod CDC (now called the Community Development Partnership).

- *Chapter 40B*
When the Dennis Affordable Housing By-Law is not appropriate for a particular development, the Town will consider the “friendly” 40B process through the state’s Local Initiative Program (LIP), which has proven to be a useful tool in many communities for projects that require significant waivers of local zoning but meet local needs and priorities. Dennis has used the comprehensive permit process on more than half of the units included in the SHI including Center Street Village, 8 Clipper Lane, Old Bass River Village, Windmill Village, Dennis Commons, and Searsville Road, however these developments were completed prior to the more recent Affordable Housing By-Law, most developed by the Dennis Housing Authority.

Locations where the “friendly” 40B process make the most sense include areas along the Town’s main commercial corridors including Routes 6, 6A, 28 and 134 that are closest to transportation and services. Other opportunities are possible nonresidential properties that might be converted to residential use such as the vacant and for sale Column House property in West Dennis, underutilized properties in or near the marina, and unused commercial space such as upper floors at Harney’s Plaza. The introduction of municipal sewer and water services at some point in the future will also provide opportunities for greater densities in appropriate locations of town. The Economic Center at Exit 9 is the most likely area in the community to support higher densities. The Town will also be exploring opportunities for creating live-work options in the future that might be pursued through the “friendly” 40B process.

- *Infill development*
Dennis has a number of small-scale infill developments that have involved affordable housing, such as Habitat for Humanity houses and group homes, and is interested in supporting additional projects that address affordability and other local priorities.

The Town should continue to reach out to local developers who have been active in producing affordable housing to discuss the Town’s interest in promoting these types of development, possible areas and opportunities for new development, and local guidelines and priorities. To effectively guide development, the Town should also continue to review local housing proposals in their early conceptual stages through its Housing Trust that would provide useful feedback to developers on preliminary plans.

Resources Required: The Town Planner, the Town’s Housing Coordinator, and potentially a consultant (could be paid by CPA funds or through the Town’s CPA fund or Housing Trust Fund) should take the lead in providing important technical input into the local proposal review process, working with developers on the Affordable Housing By-Law special permit process or “friendly” 40B process where appropriate.

Projected # Affordable Units Produced: 86 units

3. Convert existing property to affordability

Timeframe: Years 3-5

Responsible Party: Dennis Affordable Housing Trust

Current Status: “Buy-down” initiatives have been implemented in communities throughout the state to convert existing market housing to long-term affordability, making important property improvements as

well. They have been adapted to first-time homeownership and rental opportunities, utilizing CPA funding and a selected non-profit developer such as HAC.

Because Dennis has a considerable supply of relatively affordable market housing, these buy-down efforts make considerable sense as acquisition prices are more reasonable than other communities on the Cape and hence the subsidy required to bring the units down to affordable levels is correspondingly less. For example, about 8% of single-family homes and more than three-quarters of condos were valued by the Town Assessor at less than \$200,000. Another 37.6% of these units is valued between \$200,000 and \$300,000, still relatively affordable and includes 41.3% of all single-family homes and 14.5% of all condos. Consequently, approximately 55% of the Town's single-family and condo units are assessed below \$300,000, 77% of which are single-family homes.

Next Steps: The Town should provide funding, either through CPA or its Housing Trust Fund, to promote the conversion of existing properties to residential use through the following possible approaches:

- *Rental Buy-down Program*
The Dennis Affordable Housing Trust recently received \$350,000 in CPA funding to purchase several properties in combination with other DMAHT funds and convert these properties to year-round, deed-restricted rental units. It is in the process of developing program guidelines.
- *HAC Homeownership Buy-down Program*
A few years ago, the Housing Assistance Corporation received a commitment of \$30,000 per unit in HOME Program funding from the Barnstable County HOME Consortium and an additional \$160,000 in local CPA funding to acquire market units, make necessary improvements, and convert them to long-term affordability. HAC, however, experienced significant difficulties in finding feasible properties based on the combination of acquisition and rehab costs.

A particular problem emerged in blending the HOME and CPA funds as DHCD would not accept the HOME Program deed rider since they require the Fannie Mae Universal deed rider for all Local Action Units through its Local Initiative Program (LIP). Consequently, if HOME funding was used, the units would not be eligible for inclusion in the SHI. Therefore, the Dennis Affordable Housing Trust allocated \$60,000 to replace the HOME Program commitment and at least temporarily resolve the problem. This conflict in deed riders is also a problem in qualifying a number of affordable units developed under Dennis' Affordable Housing By-law for inclusion in the SHI. It may be worth considering reintroducing this program but higher per unit subsidies would be required, most likely close to \$100,000 per unit.

- *Second Story Program*
Dennis might consider developing a program that has been introduced in Harwich, the Second Story Program. This Program was targeted to the Harwich Port Business District where under current zoning business owners who have second floor expansion capacity can add an affordable rental unit. The Program provides funds for feasibility studies. If it turns out that a unit cannot be produced, the funding becomes a grant. However, if the owner can and is willing to pursue the creation of the unit, the funding becomes a grant. This Program could help support the Village Center zoning in Dennis Port and West Dennis for mixed-use development, including "above the shop" affordable units. Zoning for these Village Centers currently requires housing as part of any commercial construction. The Affordable Housing By-law also encourages

this type of development, and eight (8) units over commercial space at 47 Route 134 have already been produced with two (2) of the units deed restricted as affordable in perpetuity.

- *Group Homes*

Dennis can count eight (8) units through group homes managed by the state’s Department of Mental Retardation (DMR), another eight (8) units through the state’s Department of Mental Health plus eight (8) units at Clipper Lane that are owned by DHA but managed by Fellowship Health Resources. Based on the housing needs established in Section III.C, additional housing for special needs populations is needed in Dennis, and opportunities to convert existing homes to this use, as is done throughout the Commonwealth, should be pursued as a part of this Housing Production Plan. It should be noted that the state counts each bedroom as an affordable unit in the SHI when part of this type of congregate housing.

Resources Required: The Town’s Housing Coordinator will take the lead in developing these programs, likely working with a non-profit organization selected through an RFP process in the implementation of the Rental Buy-down Program.

Projected # Affordable Units Produced: 8 units

D. Direct Assistance to Qualifying Households

While housing in Dennis may be relatively more affordable than many other communities on Cape Cod, high housing costs are still creating problems for many residents, lower income residents in particular. Homeowners, including seniors living on fixed incomes, are finding it increasingly difficult to afford the costs associated with rising taxes, energy costs, insurance and home improvements and some may be faced with foreclosure. Additionally, some seniors and those with special needs require handicapped adaptations and repairs to help them remain in their homes. Dennis residents might also benefit from technical and financial support in the case of septic failures and Title 5 compliance issues in addition to deleading. Renters continue to confront difficulties finding safe and decent rental units, especially during the summer.

1. Help current and prospective homeowners access available housing assistance

Timeframe: Years 1-2

Responsible Party: Dennis Affordable Housing Trust

Current Status: There are a number of important local and regional initiatives that have been developed to provide assistance to current or prospective homeowners including:

- *Housing Rehabilitation Program*

The Town of Dennis has been awarded Community Development Block Grant (CDBG) funding to support the rehabilitation of properties owned or rented by low- or moderate-income residents (earning at or within 80% of area median income) in Dennis, targeted to the Mayfair area of South Dennis. The most recent funding award was for \$750,000 which comes from HUD but is administered by the state’s Department of Housing and Community Development (DHCD). The community development consultant, Bailey Boyd Associates, has prepared the grant applications and the Community Development Partnership (CDP) is coordinating program implementation.

The objective of the program is to address code violations and health and safety concerns in homes and apartments, which are identified through property inspections by licensed construction supervisors. Landlords are required to pay 50% of the costs, and homeowners can receive 100% of the costs up to \$32,000. The grant money is provided as a no-interest deferred loan that is forgivable and declines by 1/15 per year. If the property is sold before the 15 years is up, the landlord or homeowner must repay the unforgiven portion of the loan.

- *Homebuyer Education*
HAC and the Community Development Partnership also offer very informative courses for first-time homebuyers. Financial management and foreclosure prevention workshops are available as well for homeowners interested in better managing their finances to avoid financial hardship.

- *Additional Programs and Services*
Additional programs are available to qualifying homeowners to assist in home improvements including:
 - *HOME Down Payment and Closing Cost (DPCC) Program*
The Housing Assistance Corporation (HAC) is currently administering the Barnstable County HOME Consortium's Down Payment and Closing Cost (DPCC) Program that provides up to a \$10,000 no interest, deferred loan to households earning at or below 80% of area median income, helping them purchase their first home. The loan amount is repaid upon the sale or transfer of the unit. The maximum purchase price is \$309,000 for an existing house and \$342,000 for a newly constructed one.
 - *Existing Homeowner Rehabilitation Assistance Program*
HAC manages this program that provides a no-interest, deferred payment loan to qualifying homeowners, the amount not to exceed \$25,000, and to be repaid upon the sale or refinancing of the property. The maximum house value for participating properties is \$362,000 and the needs of seniors, handicapped and single parents are given priority consideration for funding, as are houses with substantial repair needs.
 - *USDA Mortgages and Repair Loans*
The U.S. Department of Agriculture provides mortgages and home repair financing at discounted rates and terms.
 - *Home Modification Loan Program*
The Southern Middlesex Opportunity Council (SMOC), with an office located in Buzzards Bay, offers financial assistance to persons seeking to make modifications to their home to improve accessibility for the physically disabled.
 - *Barnstable County Septic Management Loan Program*
The County provides 5% interest rate loans with 20-year terms to help property owners comply with Title 5 regulations.
 - *Fuel Assistance*
Discounted fuel cost programs are operated by the South Shore Community Action, Citizens Energy, National Grid, and Cape & Islands Self-Reliance.
 - *Weatherization and Energy Assessments*

HAC also provides free energy audits and funding to help qualifying property owners earning up to 60% AMI make energy-efficient home improvements. Most households that receive fuel assistance also qualify for this program.

- *Heartwap*
HAC operates an emergency repair program for households receiving fuel assistance that require the repair or replacement of the heating system.
- *Cape Light Compact Efficiency Program*
This program offers energy-saving devices (i.e., light bulbs, water conservation and other devices), rebates and technical assistance to qualifying tenants and homeowners on how to save on their electrical bills. Some participants can also qualify for a free refrigerator, freezer.
- *Money Smart Training Modules*
The FDIC offers educational programs at no cost on a wide range of financing issues to guide adults (including special programs for older adults) and businesses in making sound financial decisions. Some banks also provide specialized training on credit, money management and financing options.
- *Local Sustainable Business Development Initiatives*
The Cape Cod Chamber of Commerce have been supportive of approaches to help local businesses develop and maintain affordable housing, particularly in light of a significant seasonal workforce and younger residents leaving the Cape for other more affordable areas with greater employment opportunities.

Next Steps: Through the community educational campaign recommended in Section VI.A.1, important information on rental assistance, education and counseling services, and housing improvement resources could be disseminated to real estate professionals, local organizations and community residents. The Town, through its Council on Aging and Affordable Housing Trust, should provide the necessary information and referrals to programs listed above.

Resources Required: Donated time of volunteers or some limited staff time from the Council on Aging and support from the Town’s Housing Coordinator.

2. Provide Assistance to Renters

Timeframe: Years 1-2

Responsible Party: Dennis Affordable Housing Trust

Current Status: Beyond rental subsidies that are administered by HAC and the Dennis Housing Authority, most available housing programs and services are provided to homeowners not renters. About 80% of the units included in the production goals are estimated to be rentals, which will support the Town’s great need for workforce housing. However, other sources of support for renters could further help those of limited financial means to access affordable housing in Dennis.

The Dennis Municipal Affordable Housing Trust (DMAHT) developed a Rental Assistance Program to create affordable rental opportunities by “buying down” market rate rents to affordable levels, comparable to programs that are operating in Chatham and Harwich for example. Rental subsidies of up to \$350 are directed to tenants earning at or below 60% of area median income and paid to landlords who provide year-round leases at affordable rents. The Program initially received \$300,000 for a three-year period, and through an RFP process selected Harwich Ecumenical Council for Housing (HECH) and

WE CAN to administer the Program and provide financial literacy classes and other case management support to about a dozen families.

Next Steps: As indicated in the Housing Needs Assessment, year-round rental housing is a top priority. Beyond creating new rental units, finding ways to support the needs of tenants in existing units is key to this Housing Plan.

- *Continue Funding the Rental Assistance Program*
DMAHT will request CPA funds to continue the Rental Assistance Program based on similar program requirements, once again issuing a Request for Proposals to select a non-profit partner for Program administration and supportive services.
- *Renters Revolving Loan Program*
Both Chatham and Harwich have introduced a Rental Assistance Revolving Loan Program to provide qualifying renters with first, last and/or security deposits. The Housing Authorities administer the program. For example, Harwich received initial funding of \$100,000 through the Town's Community Preservation Fund towards the purpose of making it easier for households to access year-round housing.

While these programs would serve a pressing local need to make rental units more affordable, units involved in these initiatives would not be eligible for inclusion in the Subsidized Housing Inventory (SHI) as they do not meet all state Local Initiative Program (LIP) requirements.

Resources Required: Funding would be required from CPA and/or the Housing Trust Fund to provide program subsidies. Administrative support would also be needed to fund program development and management functions, the services of which could be provided by the Town's Housing Coordinator.

APPENDIX 1 Summary of Housing Strategies

Strategies	Priority for Implementation		# Affordable Units	Responsible Party**
	In Years 1-2	In Years 3-5		
A. Capacity Building Strategies				
1. Conduct ongoing community education	X		*	HT
B. Planning and Zoning Strategies				
1. Continue using the Dennis Affordable Housing By-Law	X		*	PB
2. Implement key features of the Town's Land Use Vision	X		*	PB/HT and EDC
3. Pursue use of 40R/40S		X	*	PB/HT
C. Housing Development Strategies				
1. Continue to make suitable public property available for affordable housing	X		60	BOS/HT
2. Continue to partner with private developers on private sites	X		86	HT/PB and ZBA
3. Convert existing housing to affordability		X	8	HT
D. Direct Assistance to Qualifying Households				
1. Help current and prospective homeowners access housing assistance including Housing Rehab Program	X		85	HT
2. Provide rental assistance		X	*	HT

Indicates actions for which units are counted under other specific housing production strategies, have an indirect impact on production, do not add to the Subsidized Housing Inventory, or cannot be counted towards production goals.

****Abbreviations**

Housing Trust = HT

Board of Selectmen = BOS

Planning Board = PB

Zoning Board of Appeals = ZBA

Economic Development Committee = EDC

APPENDIX 2

Local and Regional Organizations

Dennis has a number of important local and regional agencies and organizations available to help support the production of affordable housing and/or provide housing-related services:

Local Entities

Dennis Housing Authority (DHA)

The Dennis Housing Authority (DHA) was established in 1970 and currently owns and manages 144 units of affordable housing including 20 family rental units at Mulhern Drive and in four (4) scattered sites. The Housing Authority also manages 124 units of rental housing for seniors and those with disabilities including 52 units at Center Street Village, 40 units at Windmill Village and 32 units at Old Bass River Village. The wait list for these units includes one to ten-year turn-around times depending on the type of housing as well as priorities and preferences.

In addition to managing housing developments, the Dennis Housing Authority also manages 176 rental subsidies that allow low-income households to secure affordable housing in the private housing market. The subsidies pay the difference from an established Fair Market Rent (FMR) and a percentage of the household's income through the following programs:

- Massachusetts Rental Voucher Program (MRVP) – 62 vouchers
- Department of Mental Health Rental Subsidy Program – 16 vouchers
- Federal Section 8 Housing Choice Voucher Program – 98 vouchers

Moreover, the Housing Authority has been charged with monitoring the affordability of units created through the Town's local 40B bylaw, thus far including 40 housing units, most of which are being documented for counting as part of the SHI. In its role of monitoring agent for these Town-sponsored affordable housing units, the Authority must insure that the units comply with all state requirements under the Local Initiative Program (LIP) and remain eligible for inclusion on the Subsidized Housing Inventory.

Dennis Affordable Housing Trust (DAHT)

The Dennis Affordable Housing Trust was established by the Board of Selectmen to promote diverse solutions to the acknowledged shortage of affordable housing that will further the Town's goal of reaching the 10% affordability goal. The Board of Selectmen has currently appointed five (5) members that will work in partnership with the Dennis Housing Authority and other housing-related agencies and organizations to promote affordable housing including important workforce housing. The Housing Trust sponsored a survey in 2008 that assessed Dennis' workforce housing needs, which is summarized in Section III.C. The Housing Trust is also sponsoring the preparation of this Housing Production Plan.

Dennis Community Preservation Committee (CPC)

In September of 2000, the Community Preservation Act (CPA) was enacted to provide Massachusetts cities and towns with another tool to conserve open space, preserve historic properties and provide affordable housing. This enabling statute established the authority for municipalities in the Commonwealth to create a Community Preservation Fund derived from a surcharge of up to 3% of the property tax with a corresponding state match of potentially up to 100% funded through new fees at the

Registry of Deeds and Land Court. Once adopted the Act requires at least 10% of the monies raised to be distributed to each of the three categories (open space and recreation, historic preservation and affordable housing), allowing flexibility in distributing the majority of the money to any of the three uses as determined by the community. The Act further requires that a Community Preservation Committee of five to nine members be established, representing various boards or committees in the community, to recommend to the legislative body, in this case Town Meeting, how to spend the Community Preservation Fund.

In November 2004, Dennis Town Meeting adopted the CPA and ballot approval occurred in May 2005, with support of 89% of all voters. Dennis approved a 3% surcharge without any exemptions. Like the other communities on Cape Cod, Dennis voted to convert the 3% property tax surcharge that had been committed to the Land Bank for the purchase and conservation of open space into funding to support the Community Preservation Fund. As a result, the Town was able to continue to receive state matching funds, as state support for the Land Bank had run out, without raising additional taxes.

The Community Preservation Committee includes eight (8) members including representatives of the Board of Selectmen, Housing Authority, a Selectmen representing the Park Commission, Historical Commission and Planning Board, each appointed for three-year terms by the Board of Selectmen. The surcharge has raised \$10,548,921 in funding with the state match of about half this amount at \$5,706,332, for a total amount of \$16,255,253 in funding as of 2015. The appropriations by use category include:

- Community Housing = \$965,000
- Open Space Preservation = \$1,771,061
- Recreation = \$626,351
- Historic Preservation = \$1,299,972
- Mixed-use or TBD = \$1,390,074

Dennis Council on Aging (COA)

The Dennis Council on Aging is a Town department that supports the quality of life of Dennis's elders through a wide variety of services. These activities include an information and referral service on a wide range of issues, community-based services to promote independent living such as free shuttle vans to local stores and services, and in-home support services. The Council relies heavily on local volunteers to support its activities and operates a senior center.

The Council on Aging stressed the need for more affordable rental units in the community, whether new Housing Authority units, accessory apartments or other forms of permanent housing. It has received many more inquiries related to housing in the last several years, about 75% from Dennis residents. Not only are seniors contacting COA to discuss their own housing needs, but adult children are also reaching out to COA to explore housing options for their parents.

The Council on Aging is dedicated to helping seniors age in place. Keeping seniors in their own homes is particularly important in Dennis where there are no other options for seniors who require supportive services including assisted living units, only Eagle Pond a long-term care facility. While reverse mortgages have been fairly popular, the COA stresses the need for seniors to work with credible lenders to avoid possible "scams".

The Council on Aging coordinates the Fuel Assistance Program for qualifying area seniors as well as families and other eligible households. This past year it has processed more than 300 new applications for such assistance, demonstrating the need for this type of program. Other programs, such as SNAP, a Food Pantry, social day programs (including programs for caregivers who need a break from their work), and rides to medical appointments have increasingly been needed.

The Council on Aging also works with the Town on a program that abates taxes for qualifying seniors in exchange for services to the Town. The Town currently allows a maximum of \$500 per year to be worked off in exchange for no more than 83.33 hours credited at \$7.25 per hour. In addition to this work program, the Town also operates a variety of tax exemption programs for income-eligible seniors, veterans, surviving spouses, etc. that reduce property tax bills.

Moreover, the Council on Aging receives some limited support from the Friends of Dennis Senior Citizens, Inc., a charitable organization that promotes and supports activities and facilities that benefit Dennis seniors. For example, the Dennis Senior Center was built through the support of numerous private donations coordinated by the Friends of Dennis Senior Citizens. Another support organization, the Supporters of Dennis Council on Aging, has recently been established to provide additional assistance to the COA.

Regional Entities

Barnstable County HOME Consortium

This Consortium includes all municipalities in Barnstable County and provides federal HOME Program funding to support the financing of a wide variety of housing activities. These funds are available to all towns participating in the Consortium, including Eastham, and are administered by the Cape Cod Commission. Since 1994, \$13.6 million in HOME funding has been allocated towards the creation of about 1,350 affordable housing units in Barnstable County. HOME Program funding has also supported a Down Payment and Closing Cost Program and Home Repair Program, both administered by the Housing Assistance Corporation (HAC). (C/O the Cape Cod Commission; 3225 Main Street, Barnstable, MA 02630; 508/362-3828).

Cape Cod Commission (CCC)

The Cape Cod Commission (CCC) was created as the regional planning and regulatory agency for the Cape. In addition to coordinating a wide range of planning and policy activities, the Commission administers the Technical Assistance Program (TAP), which provides funds for consultants to assist communities in promoting affordable housing. The Commission also manages the allocation of a number of housing subsidy funds that can be made available to communities to support affordable housing efforts including the oversight of HOME Program funds on behalf of the Barnstable County HOME Consortium and the DRI Fund Management. (3225 Main Street, Barnstable, MA 02630; 508/362-3828).

Habitat for Humanity of Cape Cod

Habitat for Humanity is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need that has grown over the past two decades into one of the largest private homebuilders in the world. The organization has almost 1,600 U.S. affiliates and over 2,000 affiliates worldwide, including one on the Cape that has been able to build about 100 new homes for first-time homebuyers through donated land, materials, labor and funding as well as other special financing strategies. The organization has developed two (2) new affordable homes in Dennis on former

municipally owned land and \$105,000 in Community Preservation funding and will be beginning a third on South Yarmouth Road. (658 Main Street, West Yarmouth, MA 02673; 508/775-3559)

Harwich Ecumenical Council for the Homeless (HECH)

Harwich Ecumenical Council for the Homeless (HECH) was formed in 1991 by clergy and lay people from seven (7) Harwich churches for the purpose of providing housing for homeless families with children. HECH has developed programs in homelessness prevention, mortgage foreclosure prevention, childcare, and youth counseling. In 1996, HECH began purchasing its own rental housing and has purchased homes or condos as well to keep a family housed. The organization raises funds from individual donors and through special events. HECH developed the Woodcock and Sachem Village project that included eight (8) rental units in four duplex structures. It also administered the first round of the Rental Assistance Program. (P.O. Box 86, West Harwich, MA 02671; (508) 432-0015).

Housing Assistance Corporation (HAC)

The Housing Assistance Corporation (HAC) has proclaimed its mission to “promote and implement the right of all people on Cape Cod and the Islands to occupy safe and affordable housing”. This non-profit organization is working throughout the Cape as a sponsor of affordable housing developments and has a wide range of financial and educational resources available for renters, existing homeowners and first-time homebuyers including HOME Program funding and rental subsidies. HAC, in partnership with Preservation of Affordable Housing (POAH) developed the 27 units at Melpet Farm and is developing eight (8) units of special needs housing on Hokum Rock Road. (460 West Main Street, Hyannis, MA 02601; 508/771-5400)

Bailey Boyd Associates (BBA)

For over twenty years, Bailey Boyd Associates has been successfully funding and implementing community development activities related to community housing, large infrastructure projects and sustainable employment opportunities, working as a consultant with a wide range of clients in the private, public and non-profit sectors. In regard to housing, BBA has helped dozens of municipalities and community groups plan, fund and build affordable housing. They have provided consulting services on an annual and project basis, creating and updating housing plans, preparing pro formas, completing environmental reviews and RFP’s, and securing funding or financing. BBA has also implemented a wide range of housing initiatives including elder housing, first-time homebuyer programs, affordable rental programs, friendly 40B developments and LIP projects, and have qualified thousands for affordable units. They have worked closely with the Town of Dennis on numerous projects and affordable housing issues, including successfully applying for CDBG funding for the Housing Rehab Loan Program and other qualifying special projects (see Section III.B.4 for more information). (P.O. Box 215, West Harwich, MA 02671; 508/430-4499)

Community Development Partnership (CDP)

The Community Development Partnership (CDP), formerly known as the Lower Cape Cod Community Development Corporation (LCCDC), was established in 1992 to promote affordable housing and economic development, particularly in the towns of the Lower Cape. In regard to affordable housing, the organization recognized that the dwindling supply of affordable housing was becoming a critical problem and focused creating new, year-round, affordable housing units by purchasing existing units or building new units.

In conjunction with other nearby communities, including Harwich, the Town received Community Development Block Grant (CDBG) funding from the state to operate a Housing Rehabilitation Program,

which is administered by CDP. Funding is provided as a 0%, deferred forgivable loan to make critical home repairs, including the correction of all code violations.

Community Action Committee of Cape Cod and the Islands, Inc.

The Community Action Committee of Cape Cod and the Islands, Inc. (CACCI), founded in 1965 as one of the state's Community Action Agencies, is a private, non-profit organization that helps low- and moderate-income people improve their quality of life through a wide range of programs and services. The agency's efforts are focused primarily in the areas of housing, emergency shelter, advocacy for elders, and childcare.

CACCI is also the convener for the *Leadership Council to End Homelessness on Cape Cod and the Islands*, which is part of the national system of Continuums of Care supported by the federal Department of Housing and Urban Development (HUD) to provide an ongoing comprehensive, long-term strategic planning effort to maintain a seamless continuum of shelter, housing and supportive services to end homelessness. The Leadership Council has over 35 participating groups and organizations that creates a network of support for its activities including homeless service providers, non-profit agencies, private businesses, housing developers, public housing authorities, representatives from local, county, and state government, the faith-based community and formerly homeless individuals. Primary activities include:

- Oversees the submission of annual funding applications to HUD (the SuperNOFA/Vento Homeless Assistance grant application process which has brought more than \$3 million to the region and includes the creation of 19 new permanent supportive housing beds for homeless and disabled individuals and maintains over 100 beds for homeless individuals and families);
 - Oversees the implementation and monitoring of the Council's Ten Year Plan to End Homelessness;
 - Conducts the annual "point in time" count of the number of homeless; and
 - Facilitates monthly meetings and the coordination of various subcommittees
- (115 Enterprise Road, Hyannis, MA 02601; 508/771-1727)

APPENDIX 3

Glossary of Housing Terms⁴²

Affordable Housing

A subjective term, but as used in this Plan, refers to housing available to a household earning no more than 80% of area median income at a cost that is no more than 30% of total household income.

Area Median Income (AMI)

The estimated median income, adjusted for family size, by metropolitan area (or county in nonmetropolitan areas) that is adjusted by HUD annually and used as the basis of eligibility for most housing assistance programs. Sometimes referred to as “MFI” or median family income.

Chapter 40B

The state’s comprehensive permit law, enacted in 1969, which established an affordable housing goal of 10% for every community. In communities below the 10% goal, developers of low- and moderate-income housing can seek an expedited local review under the comprehensive permit process and can request a limited waiver of local zoning and other restrictions, which hamper construction of affordable housing. Developers can appeal to the state if their application is denied or approved with conditions that render it uneconomic, and the state can overturn the local decision if it finds it unreasonable in light of the need for affordable housing.

Chapter 44B

The Community Preservation Act Enabling Legislation that allows communities, at local option, to establish a Community Preservation Fund to preserve open space, historic resources and community housing, by imposing a surcharge of up to 3% on local property taxes. The state provides matching funds from its own Community Preservation Trust Fund, generated from an increase in certain Registry of Deeds’ fees.

Comprehensive Permit

Expedited permitting process for developers building affordable housing under Chapter 40B “anti-snob zoning” law. A comprehensive permit, rather than multiple individual permits from various local boards, is issued by the local zoning boards of appeals to qualifying developers.

Department of Housing and Community Development (DHCD)

The state’s lead agency for housing and community development programs and policy. It oversees state-funded public housing, administers rental assistance programs, provides funds for municipal assistance, and funds a variety of programs to stimulate the development of affordable housing.

Fair Housing Act

Federal legislation, first enacted in 1968, that provides the Secretary of HUD with investigation and enforcement responsibilities for fair housing practices. It prohibits discrimination in housing and lending based on race, color, religion, sex, national origin, handicap, or familial status. There is also a Massachusetts Fair Housing Act, which extends the prohibition against discrimination to sexual

⁴² Heudorfer, Bonnie, “Taking the Initiative: A Guidebook on Creating Local Affordable Housing Strategies”, Citizens Housing and Planning Association with funding from the Massachusetts Housing Partnership Fund, November 2002.

orientation, marital status, ancestry, veteran status, children, and age. The state law also prohibits discrimination against families receiving public assistance or rental subsidies, or because of any requirement of these programs.

Inclusionary Zoning

A zoning ordinance or bylaw that requires a developer to include affordable housing as part of a development or contribute to a fund for such housing.

Infill Development

The practice of building on vacant or undeveloped parcels in dense areas, especially urban and inner suburban neighborhoods. Promotes compact development, which in turn allows undeveloped land to remain open and green.

Local Initiative Program (LIP)

A state program under which communities may use local resources and DHCD technical assistance to develop affordable housing that is eligible for inclusion on the state Subsidized Housing Inventory (SHI). LIP is not a financing program, but the DHCD technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. At least 25% of the units must be set-aside as affordable to households earning less than 80% of area median income.

MassHousing (formerly the Massachusetts Housing Finance Agency, MHFA)

A quasi-public agency created in 1966 to help finance affordable housing programs. MassHousing sells both tax-exempt and taxable bonds to finance its many single-family and multi-family programs.

Metropolitan Statistical Area (MSA)

The term is also used for CMSAs (consolidated metropolitan statistical areas) and PMSAs (primary metropolitan statistical areas) that are geographic units used for defining urban areas that are based largely on commuting patterns. The federal Office of Management and Budget defines these areas for statistical purposes only, but many federal agencies use them for programmatic purposes, including allocating federal funds and determining program eligibility. HUD uses MSAs as its basis for setting income guidelines and fair market rents.

Mixed-Income Housing Development

Development that includes housing for various income levels.

Mixed-Use Development

Projects that combine different types of development such as residential, commercial, office, industrial and institutional into one project.

Overlay Zoning

A zoning district, applied over one or more other districts that contains additional provisions for special features or conditions, such as historic buildings, affordable housing, or wetlands.

Public Housing Agency (PHA)

A public entity that operates housing programs: includes state housing agencies (including DHCD), housing finance agencies and local housing authorities. This is a HUD definition that is used to describe

the entities that are permitted to receive funds or administer a wide range of HUD programs including public housing and Section 8 rental assistance.

Regional Non-profit Housing Organizations

Regional non-profit housing organizations include nine private, non-profit housing agencies, which administer the Section 8 Program on a statewide basis, under contract with DHCD. Each agency serves a wide geographic region. Collectively, they cover the entire state and administer over 15,000 Section 8 vouchers. In addition to administering Section 8 subsidies, they administer state-funded rental assistance (MRVP) in communities without participating local housing authorities. They also develop affordable housing and run housing rehabilitation and weatherization programs, operate homeless shelters, run homeless prevention and first-time homebuyer programs, and offer technical assistance and training programs for communities. The Housing Assistance Corporation (HAC) serves as Dennis's regional non-profit housing organization.

Regional Planning Agencies (RPAs)

These are public agencies that coordinate planning in each of thirteen regions of the state. They are empowered to undertake studies of resources, problems, and needs of their districts. They provide professional expertise to communities in areas such as master planning, affordable housing and open space planning, and traffic impact studies. With the exception of the Cape Cod and Nantucket Commissions, however, which are land use regulatory agencies as well as planning agencies, the RPAs serve in an advisory capacity only. The Cape Cod Commission serves as Dennis's regional planning agency.

Request for Proposals (RFP)

A process for soliciting applications for funding when funds are awarded competitively or soliciting proposals from developers as an alternative to lowest-bidder competitive bidding.

Section 8

Refers to the major federal (HUD) program – actually a collection of programs – providing rental assistance to low-income households to help them pay for housing. Participating tenants pay 30% of their income (some pay more) for housing (rent and basic utilities) and the federal subsidy pays the balance of the rent. The Program is now officially called the Housing Choice Voucher Program.

Smart Growth

The term used to refer to a rapidly growing and widespread movement that calls for a more coordinated, environmentally sensitive approach to planning and development. A response to the problems associated with unplanned, unlimited suburban development – or sprawl – smart growth principles call for more efficient land use, compact development patterns, less dependence on the automobile, a range of housing opportunities and choices, and improved jobs/housing balance.

Subsidy

Typically refers to financial assistance that fills the gap between the costs of any affordable housing development and what the occupants can afford based on program eligibility requirements. Many times multiple subsidies from various funding sources are required, often referred to as the “layering” of subsidies, in order to make a project feasible. In the state's Local Initiative Program (LIP), DHCD's technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. Also, “internal subsidies”

refers to those developments that do not have an external source(s) of funding for affordable housing, but use the value of the market units to “cross subsidize” the affordable ones.

Subsidized Housing Inventory (SHI)

This is the official list of units, by municipality, that count toward a community’s 10% goal as prescribed by Chapter 40B comprehensive permit law.

U.S. Department of Housing and Urban Development (HUD)

The primary federal agency for regulating housing, including fair housing and housing finance. It is also the major federal funding source for affordable housing programs.

APPENDIX 4

Map of Dennis Villages

