

## CHAPTER 5: DEMOGRAPHICS & HOUSING

*Granby provides safe and high quality housing options for its current and future residents. The town ensures that the housing needs of its senior residents are properly addressed in order to afford them the ability to remain in and enjoy Granby. Improvements in the housing inventory will be achieved while protecting and enhancing Granby's small, rural New England town character.*

### OVERVIEW

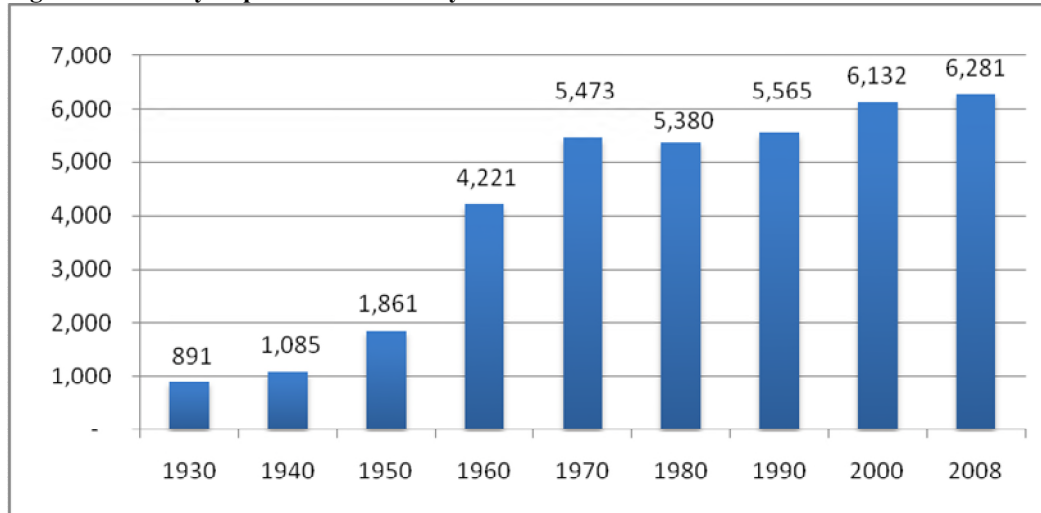
Granby is a rural community located close to the major employment centers in the lower Pioneer Valley. The Town of Granby is growing residentially, and there is an emergent tension in the community between Granby's history as a traditional rural New England town and its developing identity as a residential suburban community. As neighboring communities become more developed and their housing prices increase, Granby will experience increased residential growth pressure.

### EXISTING CONDITIONS

#### *Population*

Throughout the 20th century, Granby has been a growing community and this growth has continued into the present. Between 1980 and 2000 the population grew by 14 percent. During this same period, the Pioneer Valley and the state only grew by 5 percent and 11 percent respectively (Table 1). Building permit data from 2000 to 2008 shows that the volume of residential development from the prior two decades has continued into the 2000s. Between 2000 and 2008, the Granby Building Department issued 212 building permits for new dwelling units. The state data center at the University of Massachusetts Donahue Institute estimated that 6,281 residents lived in Granby in 2008, making Granby the 20th largest town in the Pioneer Valley.

**Figure 1: Granby Population Growth by Decade**



Source: Massachusetts State Data Center/Donahue Institute, 2009 Projections

**Table 1: Population Growth of Granby and Neighboring Communities**

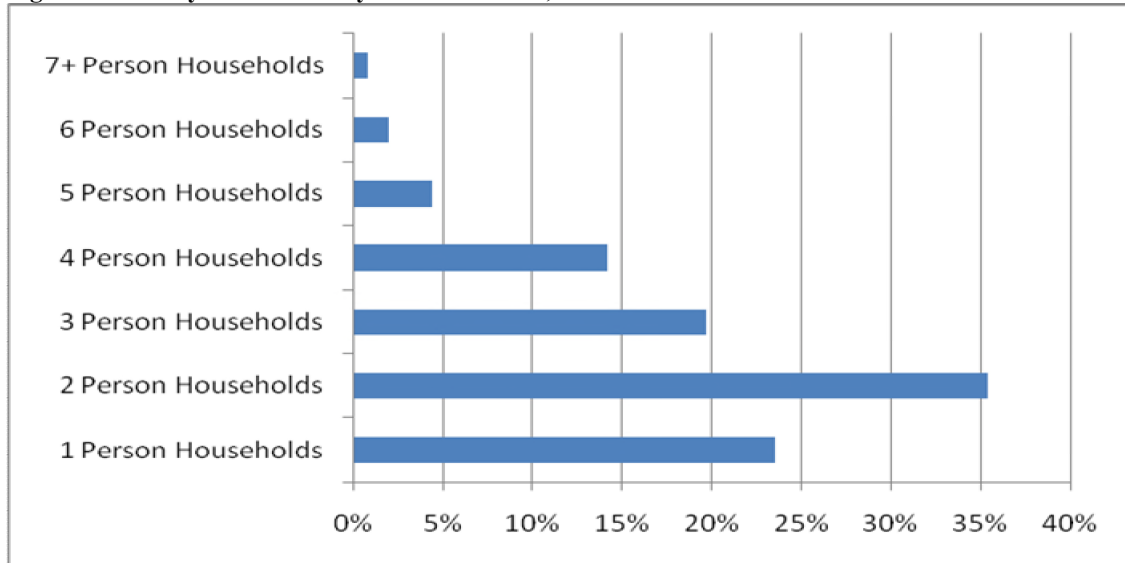
Geography	1980	1990	2000	% Change 1980-2000
Granby	5,380	5,565	6,132	14%
Amherst	33,229	35,228	34,874	5%
Belchertown	8,339	10,579	12,968	56%
Chicopee	55,112	56,632	54,653	-1%
Hadley	4,125	4,231	4,793	16%
Ludlow	18,150	18,820	21,209	17%
South Hadley	16,399	16,685	17,196	5%
Pioneer Valley	581,831	602,878	608,479	5%
State	5,737,037	6,016,425	6,349,097	11%

Source: Massachusetts State Data Center/Donahue Institute, 2009 Projections

### *Household Types*

A variety of household types live in Granby. Out of the 2,357 households in Granby households, only 37 percent had children under the age of 18. One and two person households are the predominant household size in Granby. The elderly population, those over the age of 65 years, is also increasing. Almost eleven percent of Granby residents in 1990 were age 65 and over and this percentage increased to 13 percent in 2009. This data supports the need for a range of housing options to accommodate various household arrangements.

**Figure 2: Granby Households by Household Size, Year 2009**

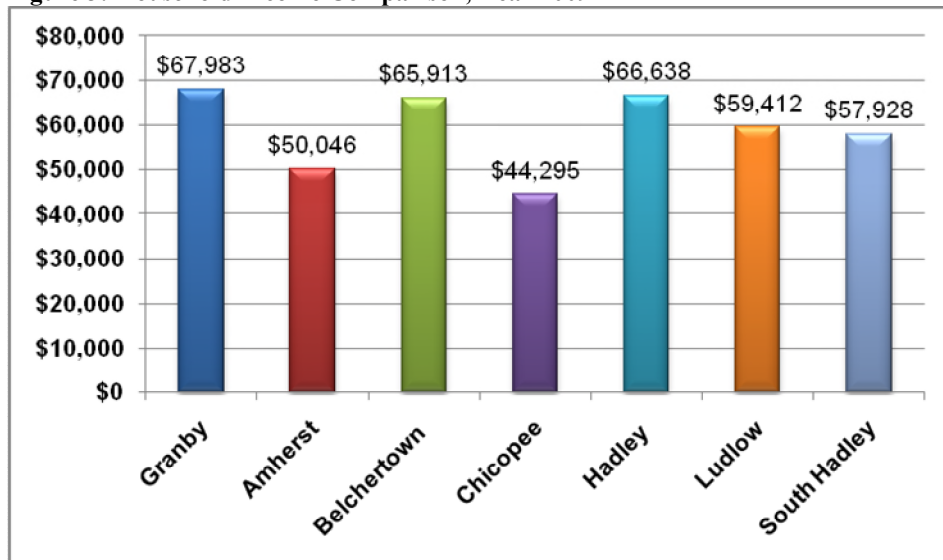


Source: Demographics Now, 2009 Estimates

#### *Household Income & Housing Affordability*

Granby's median household income in 2009 was estimated to be \$67,983, which was higher than the estimated median household in the neighboring communities. As the level of household income is one indicator of economic security for a household, Granby's high median household income suggests that its residents are in a good economic position, especially as the region and nation are in the throes of an economic recession.

**Figure 3: Household Income Comparison, Year 2009**



Source: Demographics Now, 2009 Estimates

A comparison of Granby's 2009 household income estimates to the Springfield Area Median Income (AMI) limit categories for a family of four indicates that Granby does have households that fall into the low and moderate income categories. Fifteen percent of all Granby households earned less than \$30,000 a year and 32 percent earned less than \$50,000 a year (Table 2).

**Table 2: Granby Households by Income Level, Year 2009**

Income Category	All Households	< 25 Years:	25 - 34:	35 - 44:	45 - 54:	55 - 64:	65 +
\$ 0 - \$19,999	8%	23%	8%	5%	3%	5%	15%
\$ 20,000 - \$29,999	7%	13%	9%	6%	4%	6%	12%
\$ 30,000 - \$39,999	9%	18%	13%	8%	7%	7%	12%
\$ 40,000 - \$49,999	8%	13%	10%	8%	6%	6%	9%
\$ 50,000 - \$59,999	9%	5%	12%	11%	8%	9%	7%
\$ 60,000 - \$74,999	17%	15%	20%	20%	17%	15%	13%
\$ 75,000 - \$99,999	18%	15%	15%	20%	21%	20%	12%
\$100,000 - \$124,999	14%	0%	8%	14%	21%	15%	11%
\$125,000 - \$149,999	5%	0%	3%	4%	6%	8%	3%
\$150,000 +	6%	0%	2%	4%	8%	8%	6%
<i>Total Heads of Households</i>	2,357	40	364	429	532	511	481

Source: Demographics Now, 2009 Estimates

An important fact from this data is that over a quarter of households age 65 and over have household incomes that are less than \$30,000 a year and 15 percent of elderly households have household incomes that are less than \$20,000. It is likely that many low-income elderly households own their own homes outright (no mortgage) and as such are cash poor but equity rich. Rising energy prices, insurance costs, and taxes as well as health-care related costs may drive elderly

homeowners from their homes. Granby contains only 54 units of subsidized senior housing, all located at Phin's Hill Manor. According to the director of the Granby Housing Authority, there is currently a waiting list to reside at Phin's Hill Manor, leaving many Granby senior residents with limited housing options. To respond to these needs, the town should consider creating a Congregate Care zoning district, encouraging the construction of senior resident (55+) housing developments, and acquiring land for the creation of subsidized senior housing.

#### *Affordable Housing*

Granby has 80 units on the state's subsidized housing inventory (SHI) for the town, which amounts to 3.0 percent of the town's total year-round housing stock. Fifty-four of these subsidized housing units are located at Phin's Hill Manor and 12 at Hillside Heights. The remaining 14 units are located in group homes. Through Chapter 40B, Massachusetts municipalities are encouraged to increase their overall percentage of affordable units to 10% or more. By not meeting the goal of 10% of affordable housing, Granby is vulnerable to a Comprehensive Permit application.

Housing units listed on this inventory are affordable to individuals and families making 80% or less of the area median income and have a use restriction so that they remain affordable for a period of time. Households are considered to be very low-income if they earn less than 30% of AMI and low income if they earn between 30% to 50% of the AMI. Households earning 50% to 80% of the AMI are considered to be moderate income. Middle income households earn between 80% and 150% of the AMI. The table below shows the current household income limits for the Springfield Metropolitan Statistical Area (MSA) that qualifies a household for affordable housing.

**Figure 4: Area Median Income Limits for Hampden & Hampshire Counties**

Income Limit Area	Area Median Income	FY 2009 Income Limit Category	People per Household					
			1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
Springfield MSA	\$67,200	Very Low (30%)	\$16,300	\$18,650	\$20,950	<b>\$23,300</b>	\$25,150	\$27,050
		Low (50%)	\$27,150	\$31,050	\$34,900	<b>\$38,800</b>	\$41,900	\$45,000
		Moderate (80%)	\$43,450	\$49,700	\$55,900	<b>\$62,100</b>	\$67,050	\$72,050

Source: U.S. Department of Housing & Urban Development, Last updated March 2009

The determination of which households are very-low income, low-income, moderate-income and upper-income is based on the Area Median Household Income limits, which are determined annually by the United States Department of Housing and Urban Development (HUD). Area Median Household Income limits are set for geographic regions called Metropolitan Statistical Areas (MSA's) and not for specific communities. All municipalities in Hampshire and Hampden county are part of the Springfield Metropolitan Statistical Area (MSA).

#### *Housing Unit Supply & Recent Residential Development*

Granby contained 2,295 housing units in 2000. This was an increase of 15 percent from the 2,004 housing units in 1990. This rate of growth was comparable to Hadley, but higher than Granby's neighboring communities with the exception of Belchertown. It was much higher than the rate of growth experienced by the Pioneer Valley and the state which saw an increase of 5 percent and 6 percent respectively (Source: 2000 U.S. Census).

**Table 3: Housing Units Comparison, 1990-2000**

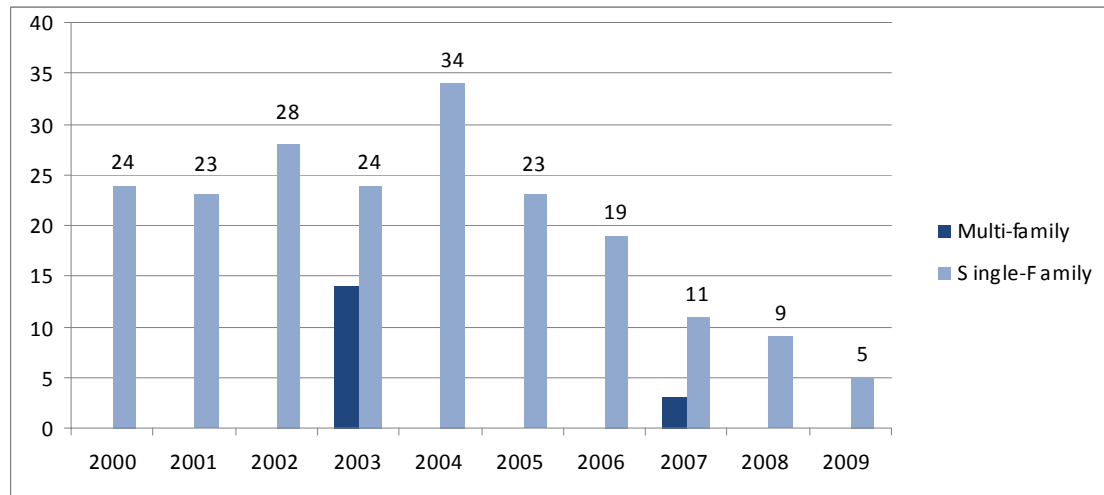
Year	Granby	Amherst	Belchertown	Chicopee	Hadley	Ludlow	South Hadley
1990	2,004	8,815	3,988	23,690	1,715	7,190	6,233
2000	2,295	9,427	5,050	24,424	1,953	7,841	6,784
% change	15%	7%	27%	3%	14%	9%	9%

Source: U.S. Census Bureau, Census 1990 & Census 2000

Residential construction continued throughout the 2000s, with 200 building permits issued for single family homes and 17 building permits issued for multiple dwelling units from 2000 through 2009. During this decade, residential construction reached its peak in 2004 with 34 building permits issued, but

steadily decreased thereafter. Since 2005 the volume of residential construction has decreased significantly in Granby as in most of the Commonwealth and indeed the nation.

**Figure 5: Number of Building Permits Issued: 2000 through 2009**



Source: Town of Granby Building Department

The town recorded five subdivision plans during the 2000s, that included 66 units at full build-out, but few of these units were ever constructed. The predominant residential development trend in Granby has been the construction of single family homes along existing roads, also known as ‘Approval Not Required’ (ANR) lots.<sup>1</sup>

In total, the number of residential parcels in Granby increased 11% from 2000 to 2009. According to 2009 data from the Granby Assessor’s Office, most residential parcels (92%) are single-family homes, followed by condos (5%), and two-family and three family homes (2%). The majority of houses in Granby sit on lots that are between one-half acre to one acre in size. There are eight parcels in town with apartments on them.

#### *Housing Occupancy*

Granby has one of the highest owner-occupancy rates in the region. The majority, 83 percent, of housing units in Granby were owner-occupied while 15 percent were renter-occupied in the year 2000. Housing stock with less than 30 percent

<sup>1</sup> ‘Approval Not Required’ (ANR) lots refers to residential development plans that do not require Planning Board or Town approval under subdivision control law.

rental-occupied units typically indicates a need for additional rental housing units in the community. Few housing units in town were vacant in the year 2000.

**Table 4: Housing Units by Occupancy Type**

	Granby	Amherst	Belchertown	Chicopee	Hadley	Ludlow	South Hadley
<b>2000 Housing Units</b>							
Owner-Occupied	83%	44%	78%	56%	72%	76%	72%
Renter-Occupied	15%	54%	19%	38%	25%	22%	25%
Vacant	2%	3%	3%	5%	3%	2%	3%
<b>1990 Housing Units</b>							
Owner-Occupied	82%	39%	73%	56%	70%	74%	68%
Renter-Occupied	15%	57%	23%	40%	25%	23%	27%
Vacant	3%	4%	4%	5%	5%	3%	6%

Source: U.S. Census Bureau, Census 2000 & Census 1990

#### *Age of Housing Stock*

The age of a town's housing stock and areas with concentrated numbers of older housing are important to consider when developing housing strategies as certain public monies may be available to improve the condition of substandard housing. The median year of construction of an owner-occupied unit in the year 2000 was 1985 and 1958 for a renter-occupied unit, which was comparable to Granby's neighboring communities. A little less than half of Granby's total housing stock was constructed before 1960, which means that the town may be eligible for Community Development Block Grant funding to implement a housing rehabilitation program.

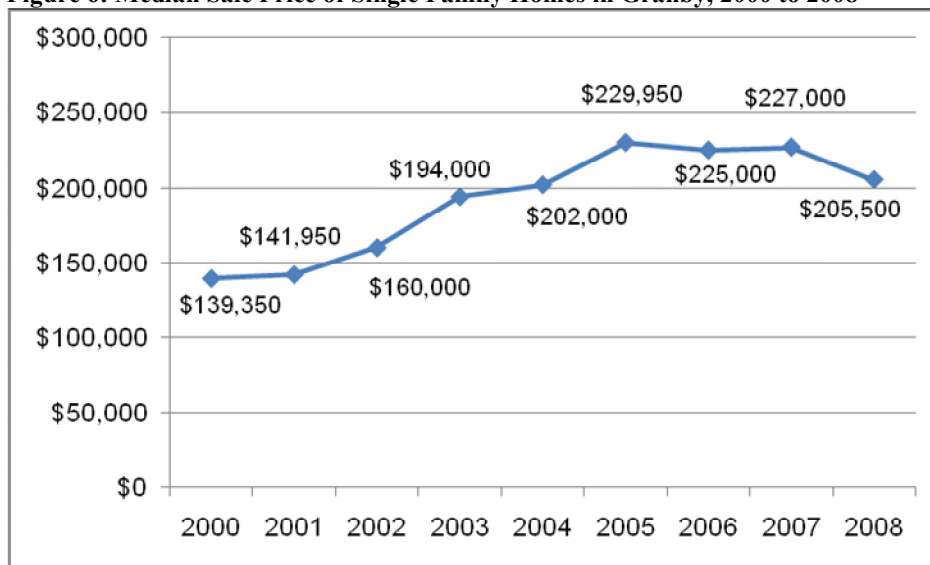
The lack of recent rental housing production indicates there is a need for newer rental housing. A community dependent on older rental housing stock will typically experience more deteriorated properties, which are more likely to have lead paint, code violations and substandard conditions. By nature of the market, the production of new rental units in a community will put pressure on the owners of existing rental units to keep their investment competitive.

#### *Homeownership Market and Housing Costs*



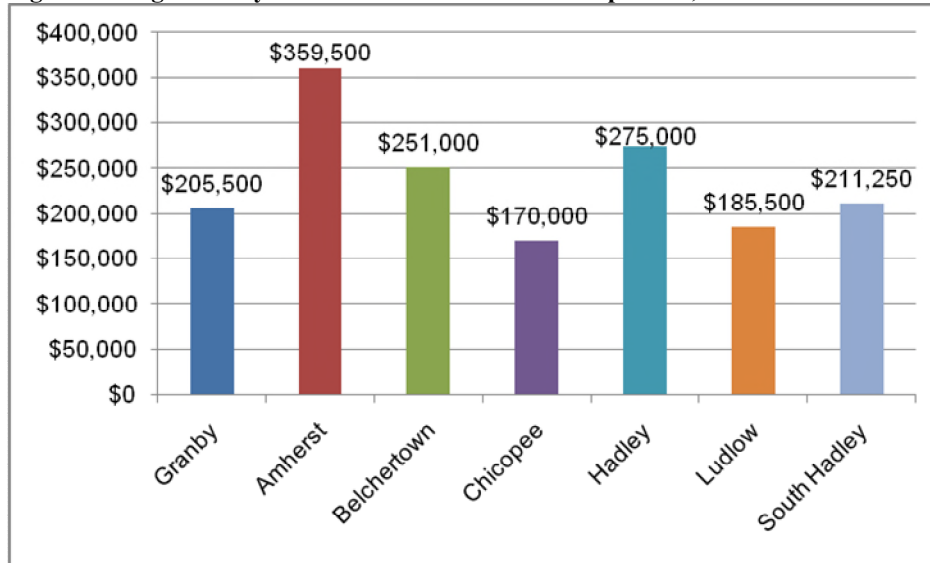
The median sales price for a single family home in Granby dramatically increased in the last decade. Over eight years, the median sale price increased 47 percent from \$139,350 in the year 2000 to \$205,500 in the year 2008. This upward increase was consistent with regional and state housing trends. Since the nationwide downturn of the housing market that started 2007, median sales prices have shown a slight decrease. Sale prices range widely between Granby and its neighboring communities with Granby in the middle. Compared to the other 42 municipalities in the Pioneer Valley region, Granby had the 27<sup>th</sup> highest median sale price for a single family home in 2008.

**Figure 6: Median Sale Price of Single Family Homes in Granby, 2000 to 2008**



Source: Warren Group, 2009

**Figure 7: Single Family Home Median Sale Price Comparison, Year 2008**



Source: Warren Group, 2009

Granby residents feel a greater tax burden than residents do in many of the other communities in the Pioneer Valley. The average household tax bill in Granby in 2009 was \$3,260, which was the 16<sup>th</sup> highest in the region. High tax bills can make the annual costs of owning a home prohibitively expensive. Granby adopted an Exemption Reimbursement Program—a program established by state statute and then locally adopted—that exempts particular categories of people from the obligation to pay all or a portion of their property taxes. Persons who may qualify for this exemption program include veterans, blind individuals, surviving spouses, and persons over 70 years of age. The town granted a total of 104 exemptions for fiscal year 2009, twenty-two of which were exemptions for elderly individuals. Some communities in the Pioneer Valley additionally have created property tax work-off programs to help alleviate this financial burden for struggling elderly households. The town may want to consider working through the Council on Aging to establish such a program.

### *Foreclosures*

Due to the recent collapse of the housing market, predatory lending practices, and job layoffs, households nationwide are close to defaulting on their mortgages or have mortgages that have already gone into foreclosure. The foreclosure problem in Granby is limited in scope. Unlike other municipalities in the region, the number of foreclosures has not dramatically risen since the onset of the nationwide foreclosure crisis. Only four Granby homes went into foreclosure in 2009.

**Table 5: Number of Foreclosures by Year**

<b>Year</b>	<b>Granby</b>	<b>Southampton</b>	<b>Belchertown</b>	<b>Hampshire County</b>
2000	2	2	7	45
2001	3	4	8	64
2002	4	2	5	49
2003	1	1	4	40
2004	1	2	3	26
2005	1	1	4	33
2006	2	3	1	43
2007	2	3	13	80
2008	4	1	14	104
2009	4	2	13	99

Source: Hampshire County Registry of Deeds

### *Housing Affordability in Today's Housing Market*

The following table highlights how expensive it is for households to purchase a home, especially for first-time homebuyers. The maximum sales price a Granby Public School teacher earning the median salary could afford to purchase is \$163,000, which is substantially less than the \$205,000 median sale price in 2008. With a twenty-percent down payment this teacher could afford slightly more, up to a \$187,000 house.

<b>Maximum Sale Price of a House that a Household Earning the Median Teacher's Salary in the Granby Public School System Could Afford to Purchase</b>	
<b>Median Salary (2009)</b>	<b>\$50,939</b>
<b>Target Monthly Housing Cost (30% of Monthly Household Income)</b>	<b>\$1,273</b>
<b>Sales Price</b>	<b>\$163,000</b>
5% Down payment	\$8,150
Mortgage	\$154,850
Interest rate	5.00%
Amortization	30
Monthly P&I Payments	\$831
Granby Tax Rate	\$13.45
Monthly property tax	\$183
Hazard insurance	\$54
PMI	\$101
Condo/HOA fees (if applicable)	\$100
<b>Monthly Housing Cost</b>	<b>\$1,269</b>

*Source: MA Department of Housing and Community Development & PVPC*

### *Granby Zoning Bylaw*

The development patterns described above resulted from land use decisions codified by the community in the Granby Zoning Bylaw. Granby's current zoning by-laws facilitate significant consumption of land for residential uses. The Residential Single-Family District (covering 95.8% of Granby) requires a minimum of 40,000 square feet lot size with a road frontage of 150 feet and for estate lots a minimum 80,000 square feet with a frontage of 40 feet. The town allows cluster developments by special permit in this district, but developers have not made use of this development opportunity.

The Residential Multi-Family District (0.3% of Granby's total land area), which despite its name, only allows multi-family housing by special permit. There are two locations in town with this zoning, but they do not have room for additional housing units as they are already built-out. Multifamily housing developments are also permitted by special permit in the Residential Single-Family District. The town does not allow mixed uses, forms of elderly housing, or accessory dwelling units.

The master planning process identified strong support zoning and land use changes that would direct growth to appropriate locations in town and result in senior (55+) housing, mixed-use developments, and accessory apartments. Almost 70 percent of survey respondents said that the town should adopt development strategies that direct development toward areas that are already developed to preserve open space. The former St. Hyacinth's Seminary and Five Corners were identified as possible locations for concentrating residential and commercial use. There was public support for the adoption of a mixed-use zoning overlay district at these two sites as well as for senior (55+) housing at the former St. Hyacinth's Seminary. Such an adoption would eventually facilitate the construction of mixed-use developments at the two gateways to Granby on Route 202. These two sites also offer the potential to be the location for a vibrant village center. Over half of the respondents in the community survey stated that they would like Granby to evolve into small town with a vibrant village center.

Granby residents also strongly supported allowing home owners to create "accessory apartments" or "accessory dwelling unit" on the community survey. Accessory apartments are independent housing units within existing residential structures. Adopting an accessory apartment bylaw would allow new, affordable housing units in areas that are already developed, thus preserving open space. ADUs can also help keep seniors in their homes as they can have assistance from the people living in the accessory unit as well as the extra income from the rental unit to help make ends meet. Accessory apartments generally are not subsidized housing; however the state does allow accessory apartment units to be included on the Subsidized Housing Inventory (SHI) if they meet the affordability and fair marketing requirements set by the state.

## OPPORTUNITIES AND CHALLENGES

Residents support zoning and land use changes that would direct growth to appropriate locations in town and create senior (55+) housing, mixed-use developments, and accessory apartments.

The community must strive to expand housing choice and affordability. There are limited funds available to increase subsidized housing. An option could be to create a senior tax work off program to allow seniors to supplement their income and be able to remain in Granby.

There is a variety of household types and sizes in town but zoning bylaws appear to primarily supports large houses on large lots. There is a need for a range of housing options to accommodate various household arrangements. For example, Granby should explore whether a sufficient number of quality town-house style units are available to elderly residents seeking to downsize to more maintenance free residence.

There exist a limited supply of subsidized affordable and market-rate affordable housing in Granby. Currently, there are 68 units on the state's subsidized housing inventory (SHI) for the town, which amounts to 3.0 percent of the town's total year-round housing stock. Fifty-four of these subsidized housing units are located at Phin's Hill Manor and Hillside Heights.

The residential development trend in Granby has been the construction of single family homes on 'Approval Not Required' (ANR) lots. The majority of houses in Granby sit on lots that are between one-half acre to one acre in size.

## GOALS AND STRATEGIES

**Goal 1:** Balance residential development with the protection of the town's natural, scenic and historic resources.

Strategy 1: Adopt a mixed-use commercial/residential zoning overlay district and work with property owners to apply it (as appropriate)

Few housing options besides single family homes exist in town. The master planning process identified public support for the adoption of a mixed-use zoning overlay district at Hyacinth's Seminary and Five Corners. Such an adoption would eventually facilitate the construction of mixed-use developments at the two gateways to Granby on Route 202. These two sites also offer the potential to be the location for a vibrant village center. Over half of the respondents in the community survey stated that they would like Granby to evolve into small town with a vibrant village center.

### *Action Steps*

Responsible Party: Planning Board

Resources Needed:

Target Date for Completion:

Strategy 2: Selectively invest in infrastructure improvements to direct new residential units to areas the community has identified for growth

Population and development trends indicate that Granby will continue to experience residential growth. Almost 70 percent of survey respondents wrote that the town should adopt development strategies that direct development toward areas that are already developed to preserve open space.

### *Action Steps*

Responsible Party: Board of Selectmen, Highway Department

Resources Needed:

Target Date for Completion:

Strategy 3: Promote the use of Granby's existing cluster development by-law and consider strengthening it and targeting it to areas with sewer and town water

The majority of houses in Granby sit on lots that are between one-half acre to one acre in size. The town allows cluster developments by special permit, but developers have not made use of this zoning opportunity.

*Action Steps*

Responsible Party: Planning Board

Resources Needed:

Target Date for Completion:

**Goal 2: Expand Housing Opportunities in Granby**

Strategy 1: Adopt an Accessory Apartments By-law

Accessory apartments are a local affordable housing option that is popular in many communities because it creates additional rental housing while using little or no additional land in already developed areas. Accessory apartments generally are not subsidized housing; however the state does allow accessory apartment units to be included on the Subsidized Housing Inventory (SHI) if they meet the affordability and fair marketing requirements set by the state.

*Action Steps*

Responsible Party: Planning Board

Resources Needed:

Target Date for Completion:

Strategy 2: Adopt an Inclusionary Zoning Bylaw

Granby is a growing community, and, for this reason, the town should consider increasing its supply of affordable housing through the normal course of real estate development by adopting an inclusionary zoning bylaw. This method would allow Granby to increase its affordable housing inventory while integrating homebuyers or renters whose income is below the regional median household income into a market-rate



development project. Inclusionary zoning bylaws typically require developments of 10 units or more to include at least one affordable unit, but the percentage could be set by Granby as there is no state requirement. Many communities also allow developers to give money or land to a local fund instead of actually building the affordable unit. Towns have created both mandatory and voluntary inclusionary zoning programs. Mandatory programs require the provision of affordable units or payment-in-lieu-of while voluntary programs provide developers with density bonuses if they provide affordable housing units or pay into an affordable housing fund. The PVPC can provide examples of inclusionary zoning bylaws to the town.

*Action Steps*

Responsible Party: Planning Board

Resources Needed:

Target Date for Completion:

Strategy 3: Research Zoning for Congregate Care, Assisted Living Facilities, and other types of senior housing in town.

The senior population in Granby is growing. Almost eleven percent of Granby residents in 1990 were age 65 and over and this percentage increased to 13 percent in 2009. Senior apartments, townhouses, assisted-living facilities and other forms of congregate elderly housing offer vital housing choices for elders.

*Action Steps*

Responsible Party: Planning Board

Resources Needed:

Target Date for Completion:

Strategy 4: Adopt the Community Preservation Act (CPA)

Revenue generated from the adoption of the Community Preservation Act (CPA) could help to create affordable senior housing or affordable housing in Granby. If adopted, the CPA would allow Granby to impose a property tax surcharge of 1-3%, which, depending on the percentage, is matched either whole or in part by state funds. The Act requires that the

revenue generated from this fund be directed toward historic preservation, recreation, and opens space projects and the creation of affordable housing. Over half of survey respondents indicated that they would be willing to support the adoption of the Community Preservation Act.

*Action Steps*

Responsible Party: Board of Selectmen

Resources Needed:

Target Date for Completion:

Strategy 5: Apply for Community Development Block Grant funding for a Housing Rehabilitation Program

Almost half of Granby residences were built before 1960, which suggests that there may be houses in need of minor or substantial repair. Housing rehabilitation programs assist low-to-moderate income residents improve their housing situation. Eligible households are provided with deferred payment loans that range from \$5,000 to \$35,000 to make home repair and home improvements. Rehabilitation programs are typically funded with Community Development Block Grants (CDBG) and, more recently, Community Preservation Act funds. Municipalities rarely, if at all, fund housing programs with general funds.

*Action Steps*

Responsible Party: Board of Selectmen

Resources Needed:

Target Date for Completion:

Strategy 6: Identify suitable property for the development of affordable housing, mixed income housing, mixed-use housing and assisted living housing.

The Planning Board should work with the Housing Authority and other town boards to select sites most appropriate for affordable housing development, including: mixed-income housing, mixed-use housing, and assisted living facilities. The Planning Board and Housing Authority should also review existing non-conforming lots in town.

*Action Steps*

Responsible Party: Planning Board & Housing Authority

Resources Needed:

Target Date for Completion:

Strategy 7: Publicize and conduct outreach on existing affordable housing resources.

Granby does have low-to-moderate income households as well as special needs populations such as first-time home-buyers, households in danger of foreclosure, individuals with disabilities, and elderly residents.

However, town residents may not know of their options. The Granby Housing Authority should work with town staff to create and maintain a list of housing resources and post this list at the Granby Town Hall. When the town creates a website, this information should also be posted on a “housing” webpage. The Housing Authority should also consider conducting routine outreach to the local Council on Aging and local school department staff as a way to continually evaluate housing and financial need in town.

*Action Steps*

Responsible Party: Granby Housing Authority

Resources Needed:

Target Date for Completion: