



CITY OF WORCESTER HOUSING PRODUCTION PLAN
COMMUNITY FORUM

Welcome!



w: JMGOLDSON.COM

PROJECT STEERING COMMITTEE

- **James Brooks**, Director of Housing Development and Healthy Homes, *City of Worcester*
- **Michelle Smith**, Assistant Chief Development Officer – Planning and Regulatory Services, *City of Worcester*
- **Penn Ruderman, AIA, LEED AP**, Owner/Director, *OPRCH*
- **Leah Bradley**, Executive Director, *Central Massachusetts Housing Alliance*
- **Stephen Teasdale**, Executive Director, *Main South Community Development Corporation*
- **Yvette Dyson**, Executive Director, *Worcester Common Ground*
- **Debbie Maruca Hoak**, Executive Director, *Habitat For Humanity MetroWest/Greater Worcester*
- **Alex Corrales**, Chief Executive Officer, *Worcester Housing Authority*
- **Peter Proulx**, Chief Operating Officer, *Worcester Housing Authority*
- **Andrew Howarth**, Director of Development and Financing, *Worcester Community Housing Resources*

PROJECT TEAM



Jeanette Tozer, AICP

- Affordable Housing Trust Fund Manager
- Project Manager



Eric Halvorsen, AICP

- RKG, Principal



**Jennifer Goldson, AICP
(she/hers)**

- JM Goldson, Project Director



Alison Christensen

- RKG, Market Analyst



**Noah Harper, AICIP
(he/him)**

- JM Goldson, Project Manager

AGENDA

- Kick-off Questions
- Housing Needs
- Housing Constraints
- Q&A
- Next Steps





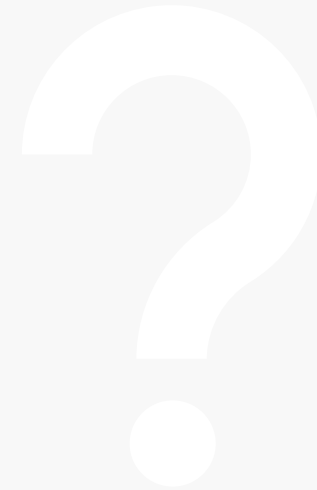
KICK-OFF QUESTIONS

INTERACTIVE

Are you a Worcester resident?

Have you taken the housing survey?

What is at the heart of the matter for housing in Worcester for you?



WHAT IS A HOUSING PRODUCTION PLAN?

- Housing Needs
- Development constraints
- Implementation Capacity
- Goals and Strategies



DEFINITIONS

- **Affordable Housing** is deed-restricted, typically for those earning $\leq 80\%$ Area Median Income.
- **Naturally-Occurring Affordable Housing** – market-rate homes that have lower rents or sales prices but are not deed-restricted.



AREA MEDIAN INCOME (AMI)

- **Area Median Income (AMI)** – The median (middle) income for a region.
- Worcester's 2024 Area Median Income (AMI) for a family of four: **\$117,300.**



WHO QUALIFIES FOR AFFORDABLE HOUSING?

30% AMI

50% AMI

80% AMI

WHO QUALIFIES FOR AFFORDABLE HOUSING?

30% AMI	50% AMI	80% AMI
\$38,600	\$64,350	\$97,800

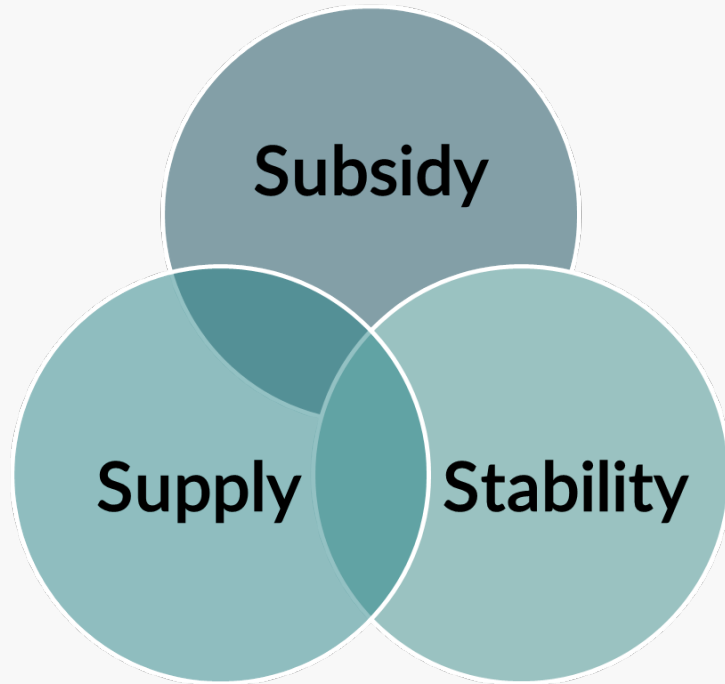
Source: HUD Income Limits, Worcester MA HUD FMR Limit Area 2024.

WHO QUALIFIES FOR AFFORDABLE HOUSING?

30% AMI	50% AMI	80% AMI
\$38,600	\$64,350	\$97,800
Janitors, Dishwashers, Food Prep Workers	Clergy, Social Workers, Guidance Counselors	Physical Therapists, Plumbers, Lab Techs

Sources: HUD Income Limits, Worcester MA HUD FMR Limit Area 2024; Bureau of Labor Statistics, OES Employment and Wage Statistics, Worcester-CT Area, May 2023.

A FRAMEWORK FOR AFFORDABILITY



Source: Shane Phillips, The Affordable City.

- **Supply** – Housing Production
- **Subsidy** – Invest In Affordable Housing
- **Stability** – Help Keep People In The Community

WORCESTER'S HOUSING NEEDS

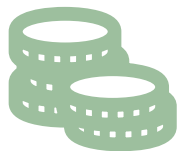
Key Needs Assessment Findings



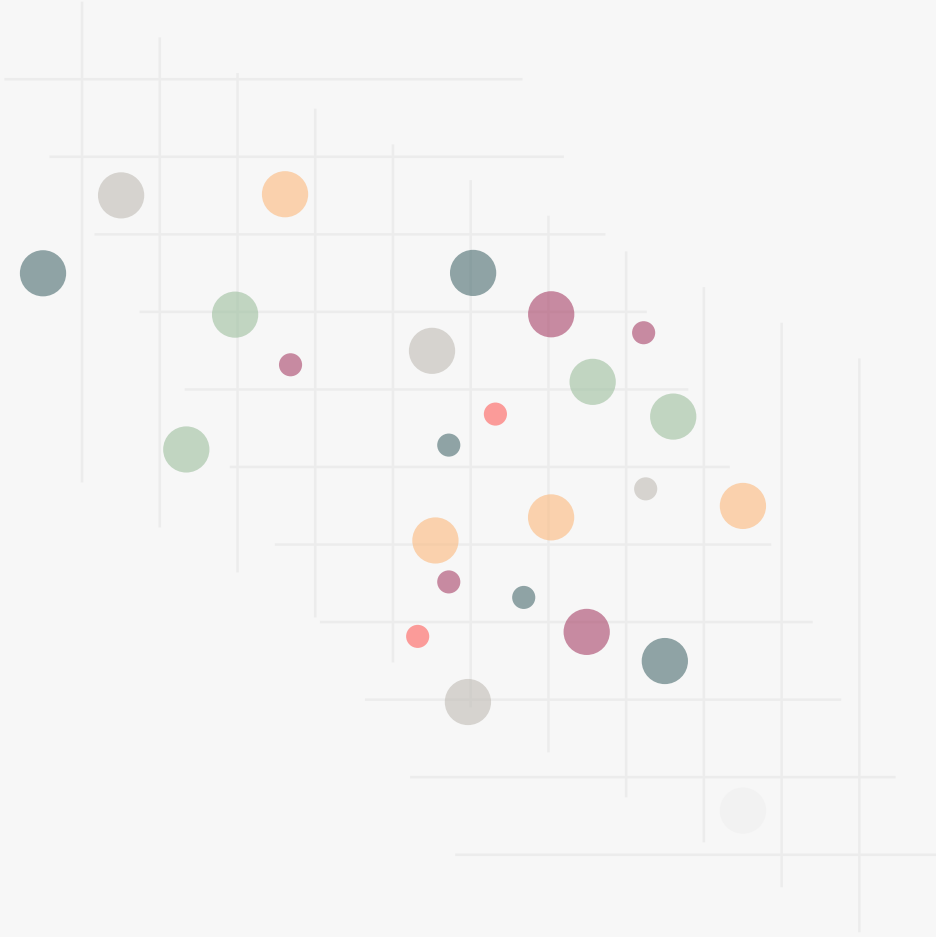
Increase affordable and multi-family housing options through new developments and property revitalization.



Enhance tenant protections and resources to support housing stability.



Expand rental assistance and supportive housing programs to help low-income residents secure and maintain affordable housing.

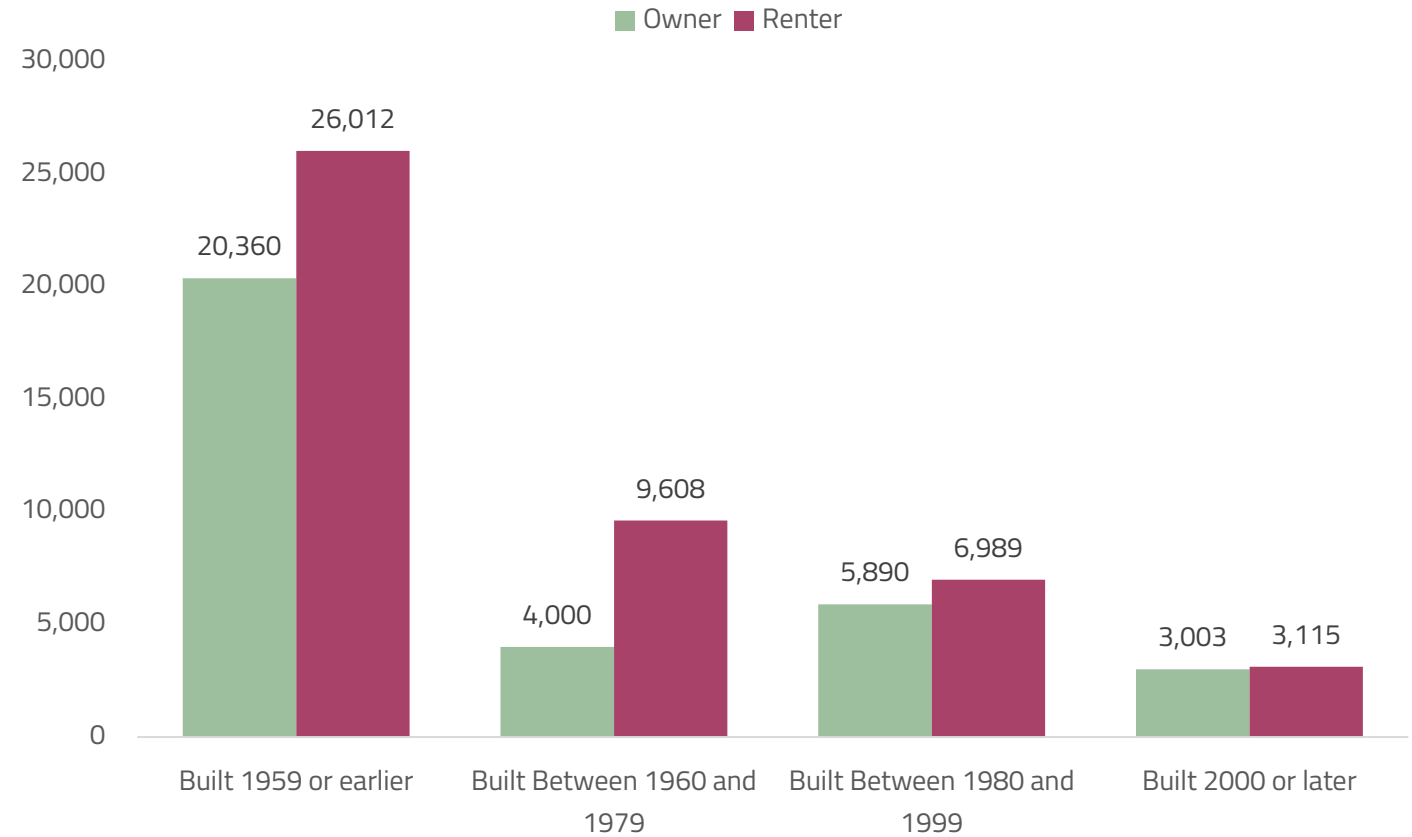


Supply Needs

As an older urban city, Worcester has an older housing stock.

- **Aging Housing Stock:** The majority of Worcester's housing stock was built before 1960.

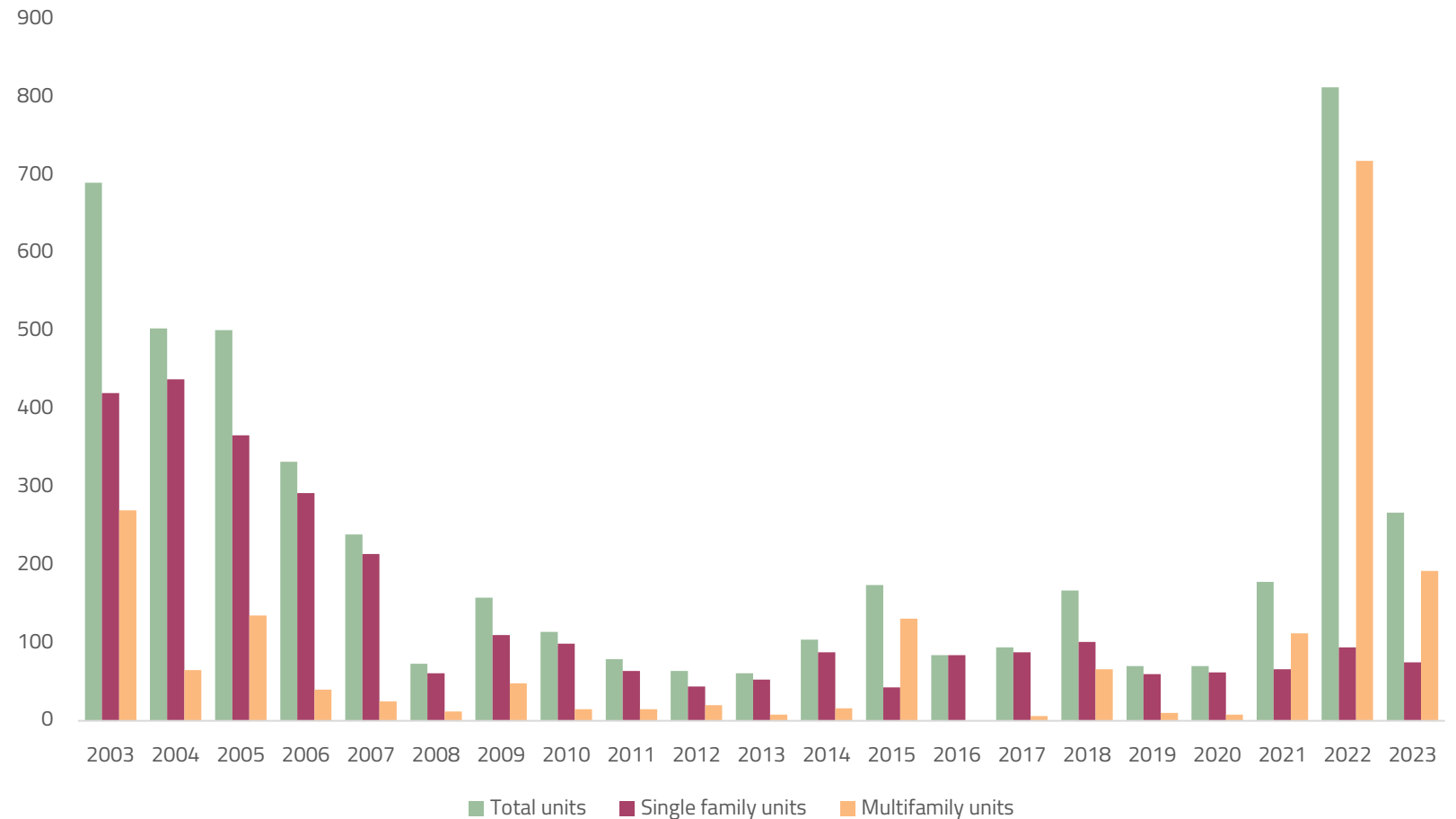
Housing Units by Tenure and Year Built, 2022



The city has continued to permit housing but has shifted to permitting far more multifamily in recent years.

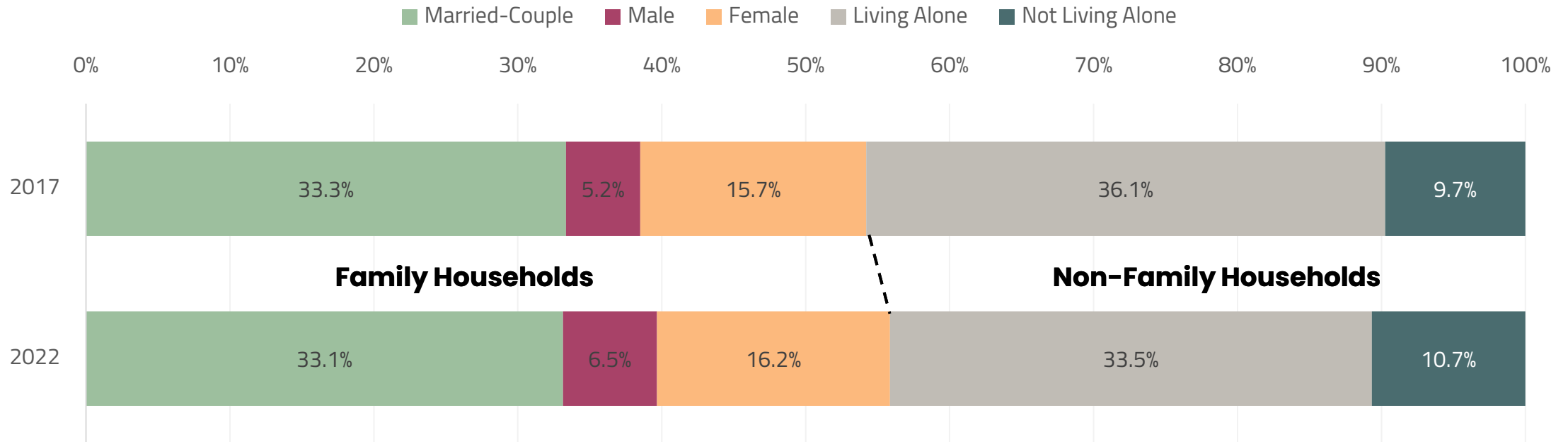
- **Pre-Recession:** Before 2008, Worcester saw a surge in single-family home permits.
- **Post-Recession:** From 2021 to 2023, over 1,000 multifamily units were permitted, mostly in larger buildings.

Building Permit Trends, 2003 - 2023



Total households in Worcester increased by over 8,100 from 2013-2022.

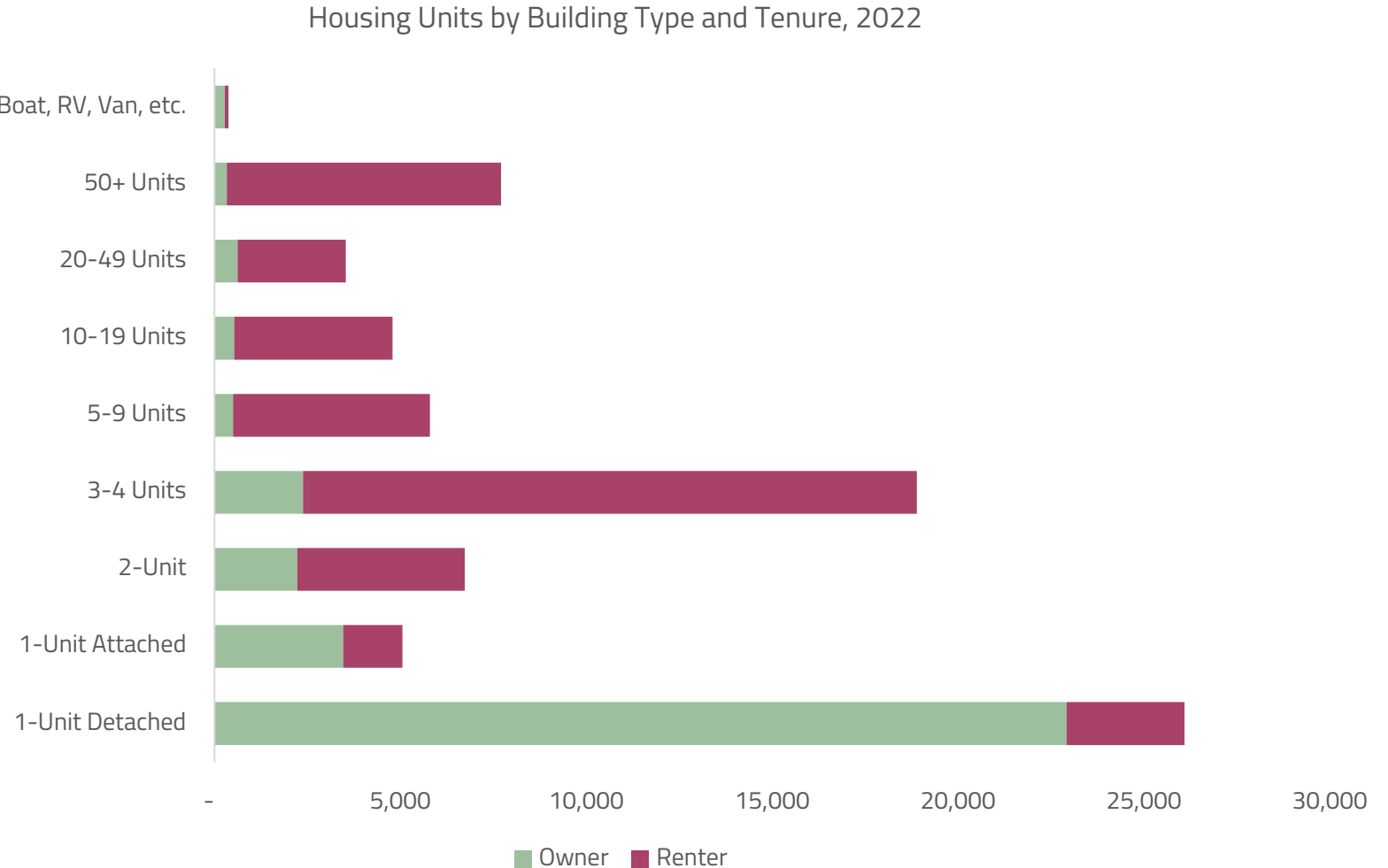
Household Composition in Worcester, 2013 - 2022



- **Overall increase in Family households:** Worcester saw a significant rise in single-parent households.
- **Growth in Non-Family households:** The growth can largely be attributed to an increase in roommates and non-married couples living together.

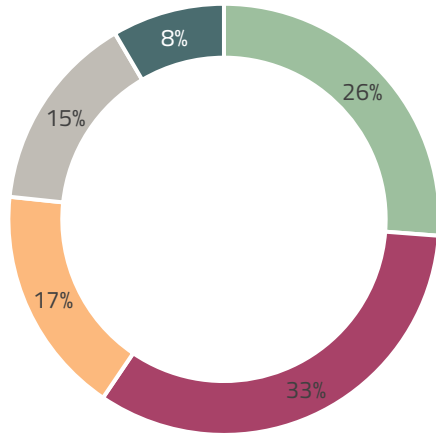
More rental units have been built in the past ten years compared to owner units.

- **Increase in Rental Units:** Worcester added over 4,700 rental units in the past decade, primarily in traditional 3-to-4-unit buildings.
- **Large Building Growth:** Rental units in large buildings (50 or more units) grew by over 1,100 units over the past ten years.



Housing Demand Model estimations show continued demand for smaller renter units to support smaller households.

Owner-Occupied Household Size Breakdown through 2033

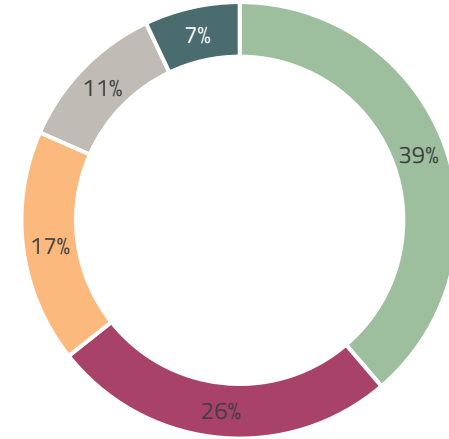


■ 1-Person ■ 2-Person ■ 3-Person ■ 4-Person ■ 5+-Person

Total Demand for New Ownership Housing Units 2022-2033

	Units	% of Total
1-person household	180	26%
2-person household	229	33%
3-person household	118	17%
4-person household	102	15%
5-or-more person household	58	8%
Total	687	100%

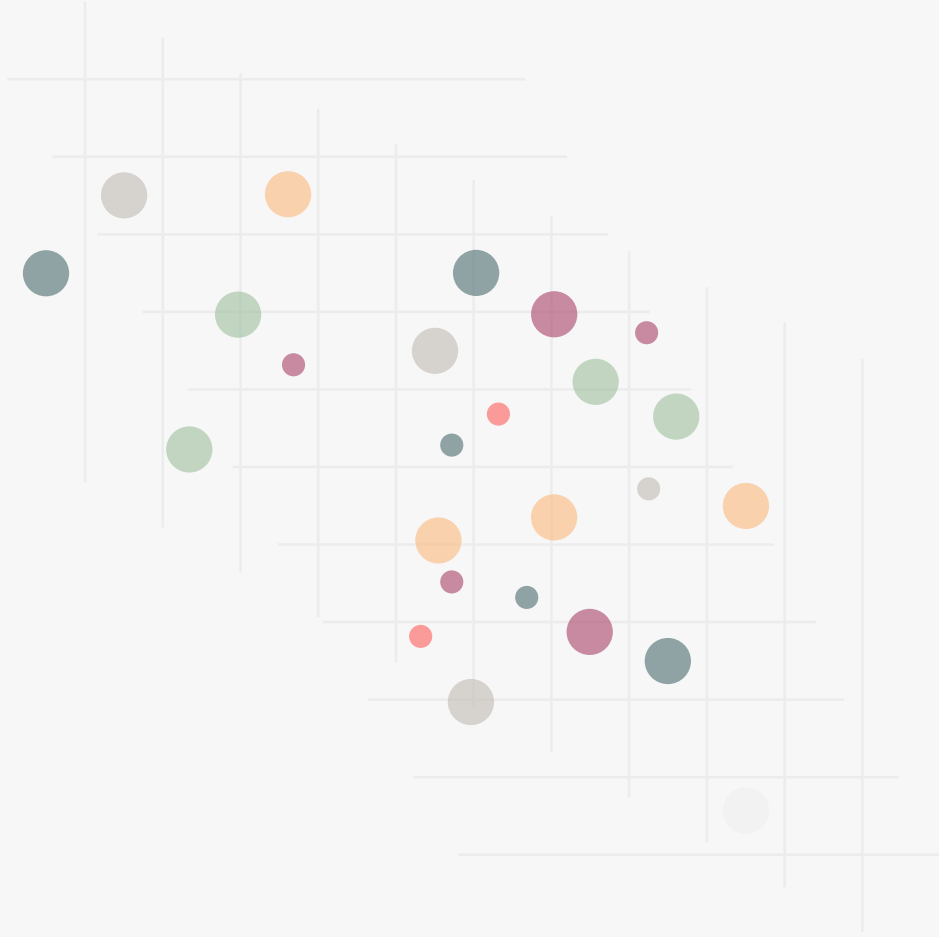
Renter-Occupied Household Size Breakdown through 2033



■ 1-Person ■ 2-Person ■ 3-Person ■ 4-Person ■ 5+-Person

Total Demand for New Renter Housing Units 2022-2033

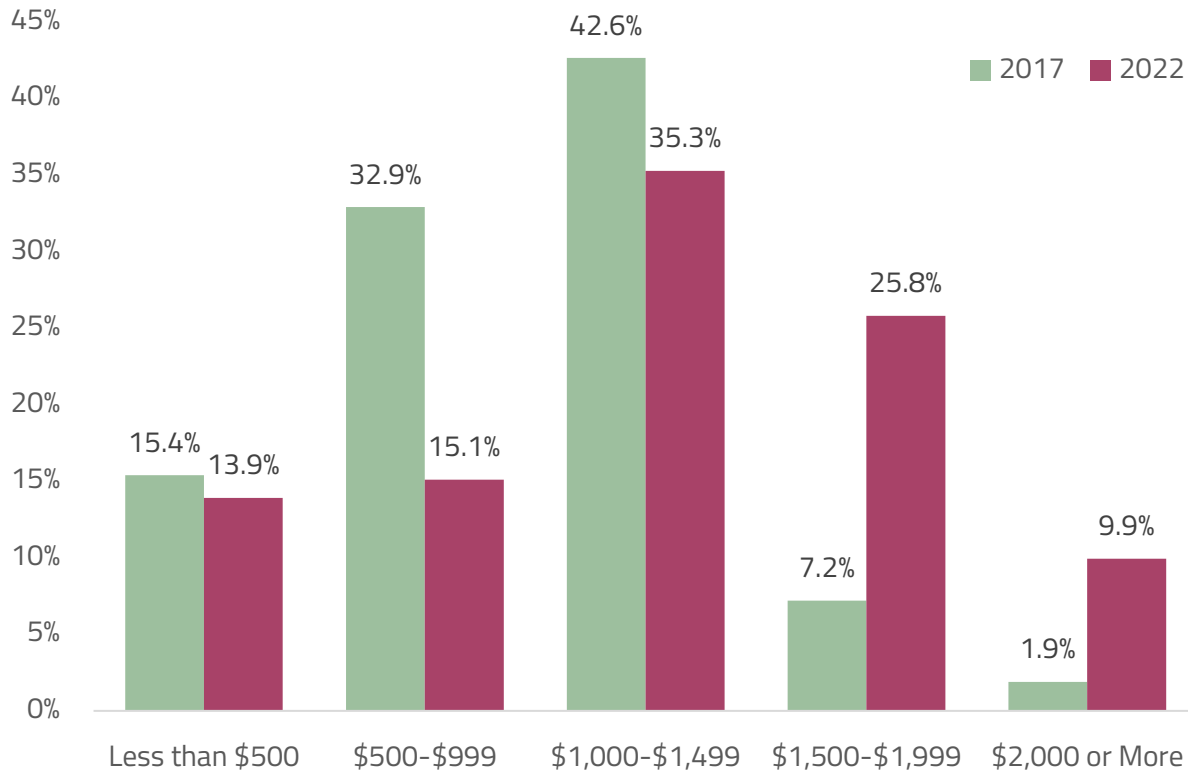
	Units	% of Total
1-person household	4,501	39%
2-person household	2,972	26%
3-person household	2,006	17%
4-person household	1,318	11%
5-or-more person household	820	7%
Total	11,617	100%



Stability Needs

Median sale price in Worcester had been steadily rising since 2013 but jumped considerably starting in 2020.

Distribution of Units by Gross Rent, 2013-2022



- **Shifting Rents:** Between 2013 and 2022, the median gross rent in Worcester increased from \$1,015 to \$1,312.

Median Sales Price of All Homes in Worcester, 2012 - 2024



- **Increase in Median Sales Price:** Worcester's median sales price surged from \$181,000 in 2014 to \$430,000 in 2024.

Market statistics for buildings constructed from 2019-2024.

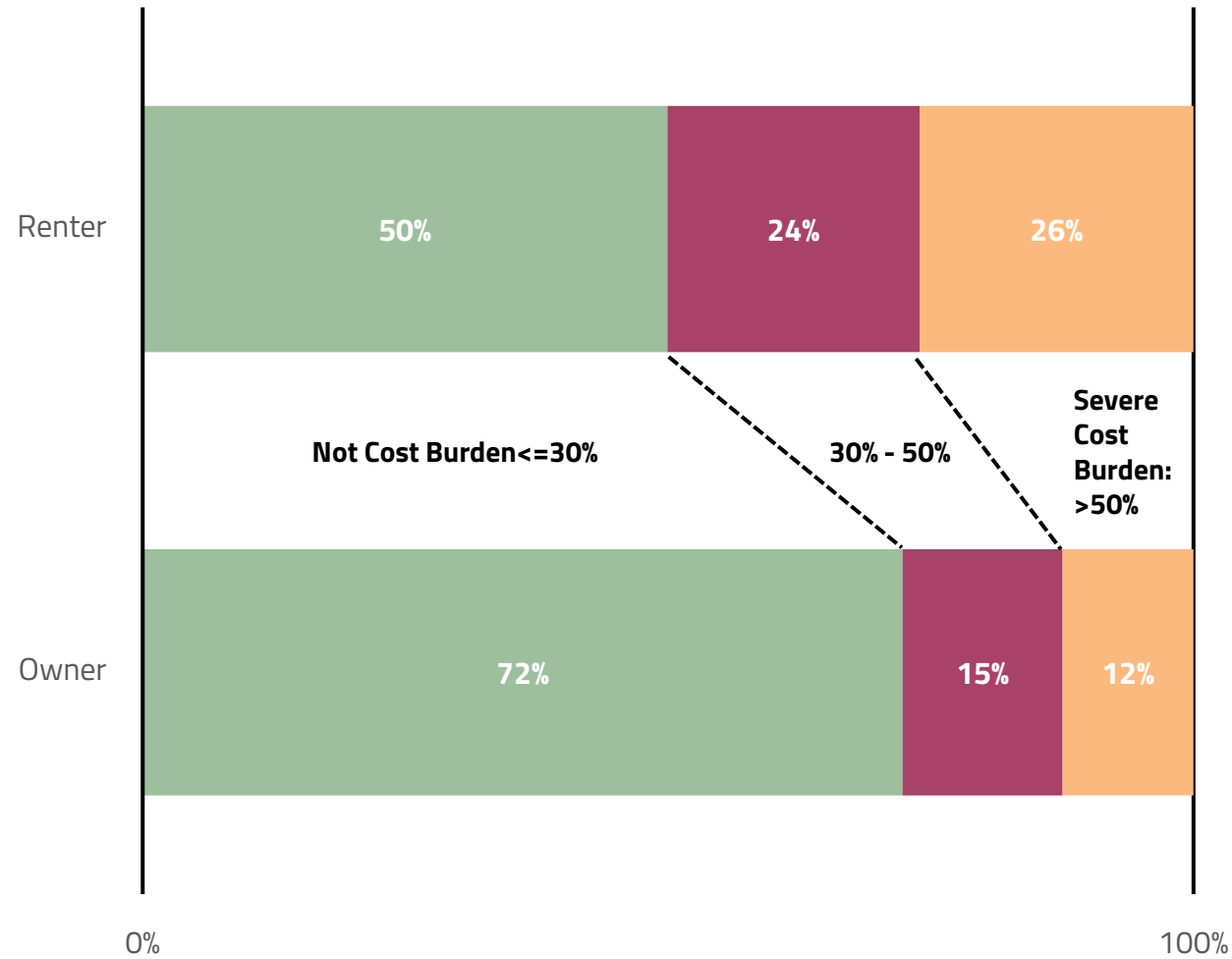
- **Units and Development:** 1,324 units have been delivered since 2019
- **Market Performance:** New developments have an average vacancy rate of 8.9%, with asking rents averaging \$2,310 per unit.



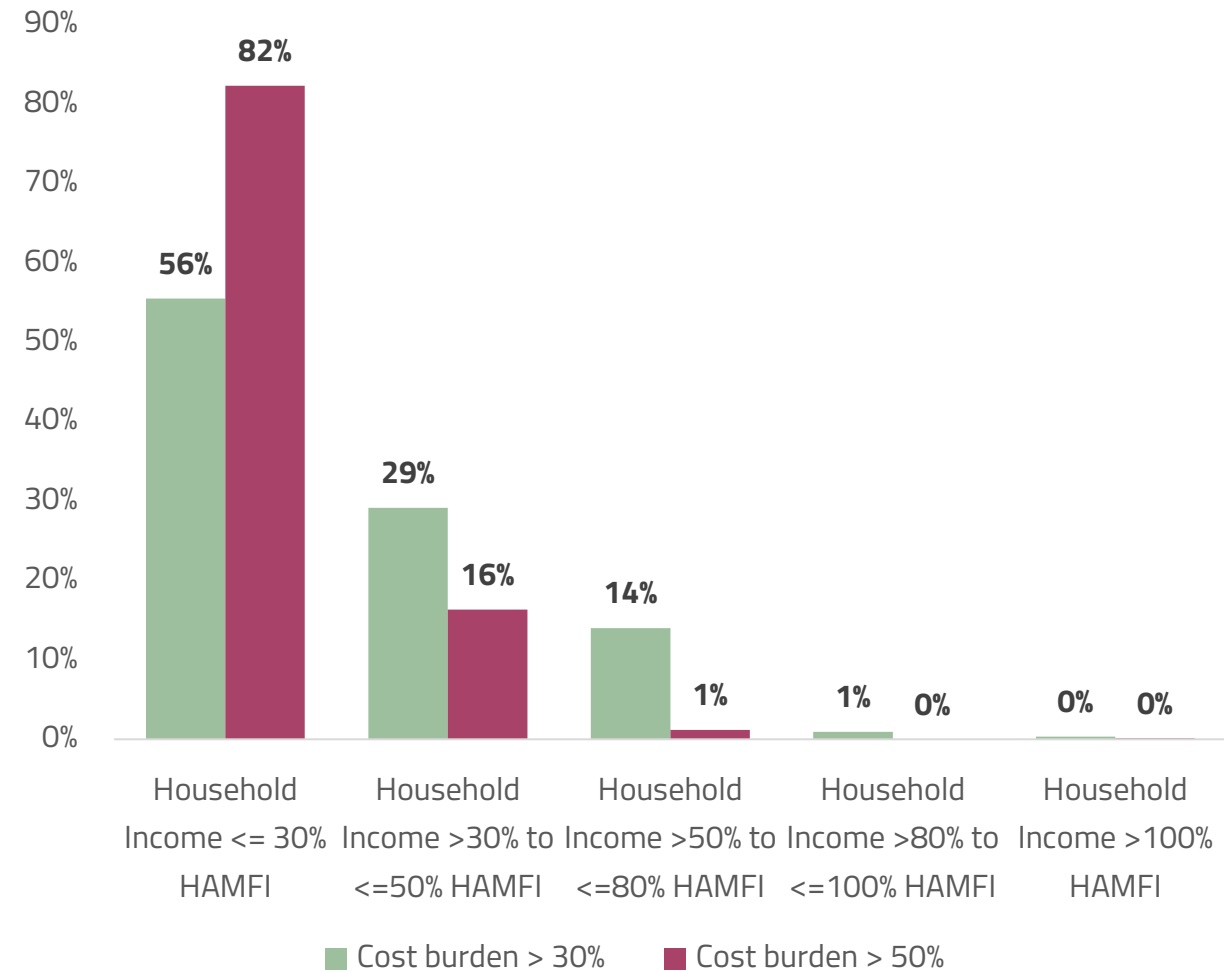
Alta on the Row – 22 Mulberry Street

50% of Renters are Cost Burdened in Worcester.

Cost Burdened Owner vs. Renter Households 2020



Income by Cost Burdened Renters

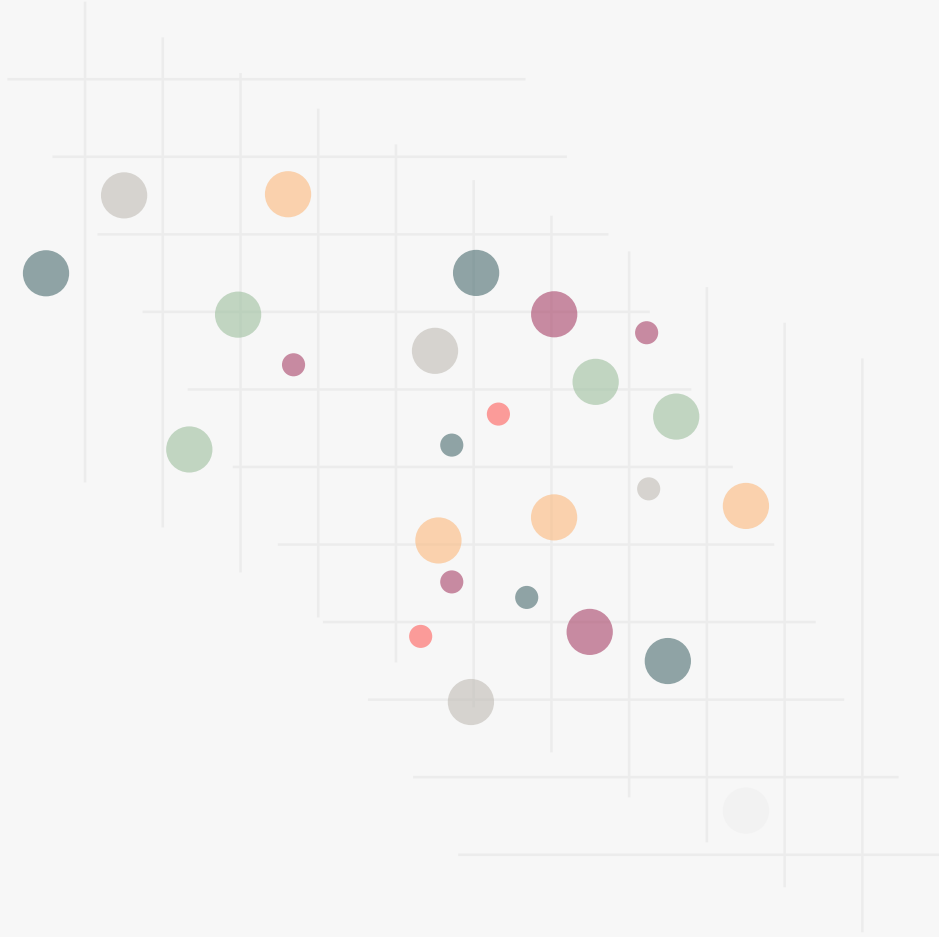


Housing units that are listed as vacant and available for sale or rent shrank by nearly 1,000 units in 10 years.

- **Declining Vacancy Rate:** Worcester's vacancy rate for available housing units has fallen from 3.4% to 2.1% over the past decade.
- **Regional Trend:** This low vacancy trend is also observed across Central and Eastern Massachusetts.

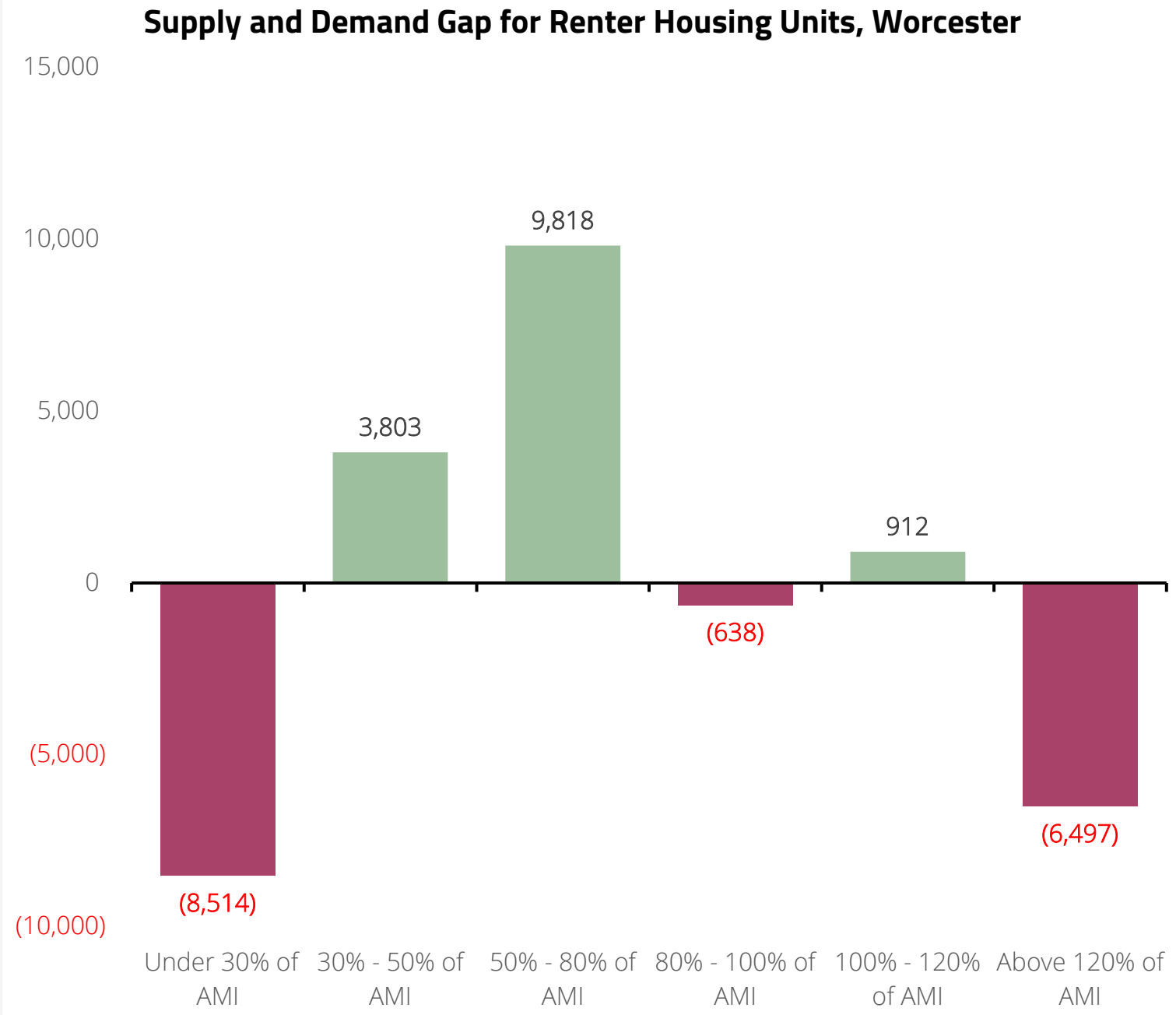
Vacant Units by Category, 2013 – 2022





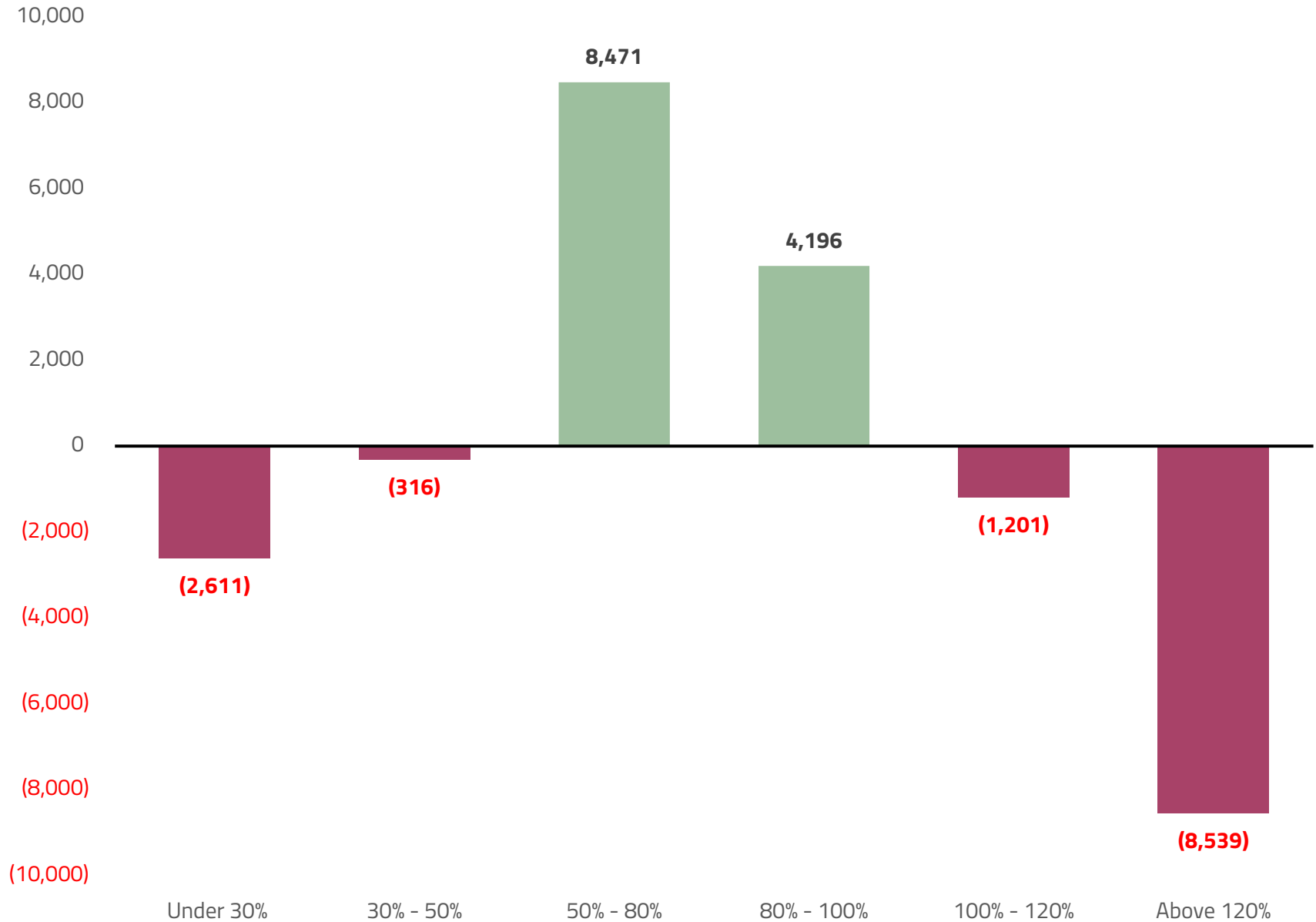
Subsidy Needs

- Income vs. Affordability Gap:**
 Worcester faces a significant shortage of affordable rental units for very low-income households, resulting in many overpaying for housing.
- Surplus in Mid-Income Bracket:**
 Conversely, there is a surplus of rental units for mid-income households, indicating that those in this income range may be opting for more affordable options.



Source: HUD Income Limits, US Census Bureau ACS 5-Year 2022 Estimates, RKG Calculations

Supply and Demand Gap for Ownership Housing Units, Worcester



Source: HUD Income Limits, US Census Bureau ACS 5-Year 2022 Estimates, RKG Calculations

- Shortage for Low-Income Households:** There is a significant shortage of housing units for low-income households.
- Deficit for High-Income Households:** There is a shortage of ownership units for high-income households, indicating a possible market for higher-priced ownership units.

Worcester Housing Authority Waitlist

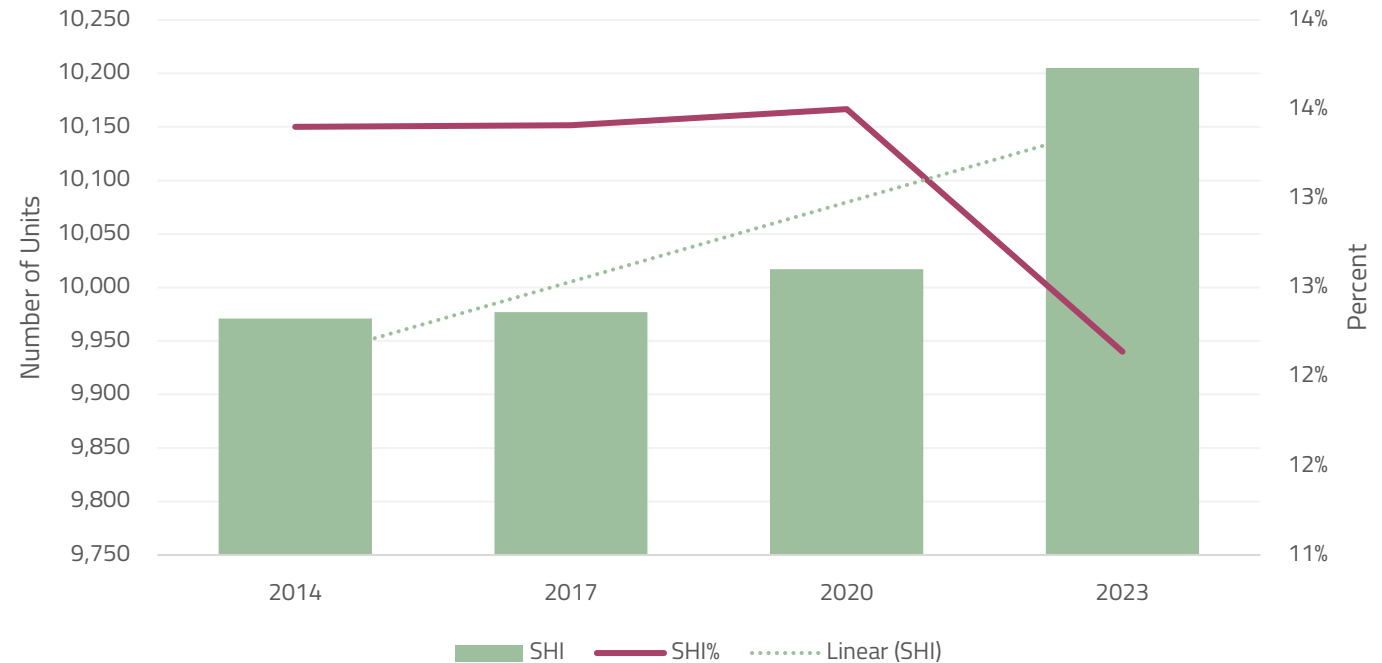
- **Extensive Waitlist:** The Worcester Housing Authority manages 3,005 units but faces a substantial waitlist of 38,468 applicants seeking affordable housing.



Subsidized Housing and Rental Assistance

- High Demand for Rental Assistance:** Worcester's rental assistance program shows high demand, with many low-income applicants seeking significant support.
- Declining Subsidized Housing Share:** Although subsidized units have increased, their share is declining as market-rate housing growth outpaces affordable options.

Subsidized Housing Inventory, City of Worcester 2014-2023



RAFT Applications Received	Applicants at or below ELI (\$24,600 annually)	Average Assistance Requested	Median Household Income	Total Assistance Requested
3,574	1,505	\$3,875	\$20,000	\$13,849,395.57

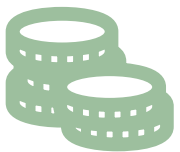
Key Findings



Increase affordable and multi-family housing options through new developments and property revitalization.



Enhance tenant protections and resources to support housing stability.



Expand rental assistance and supportive housing programs to help low-income residents secure and maintain affordable housing.

INTERACTIVE

What about the presentation surprised you?

What are you curious to learn more about?



DEVELOPMENT CONSTRAINTS



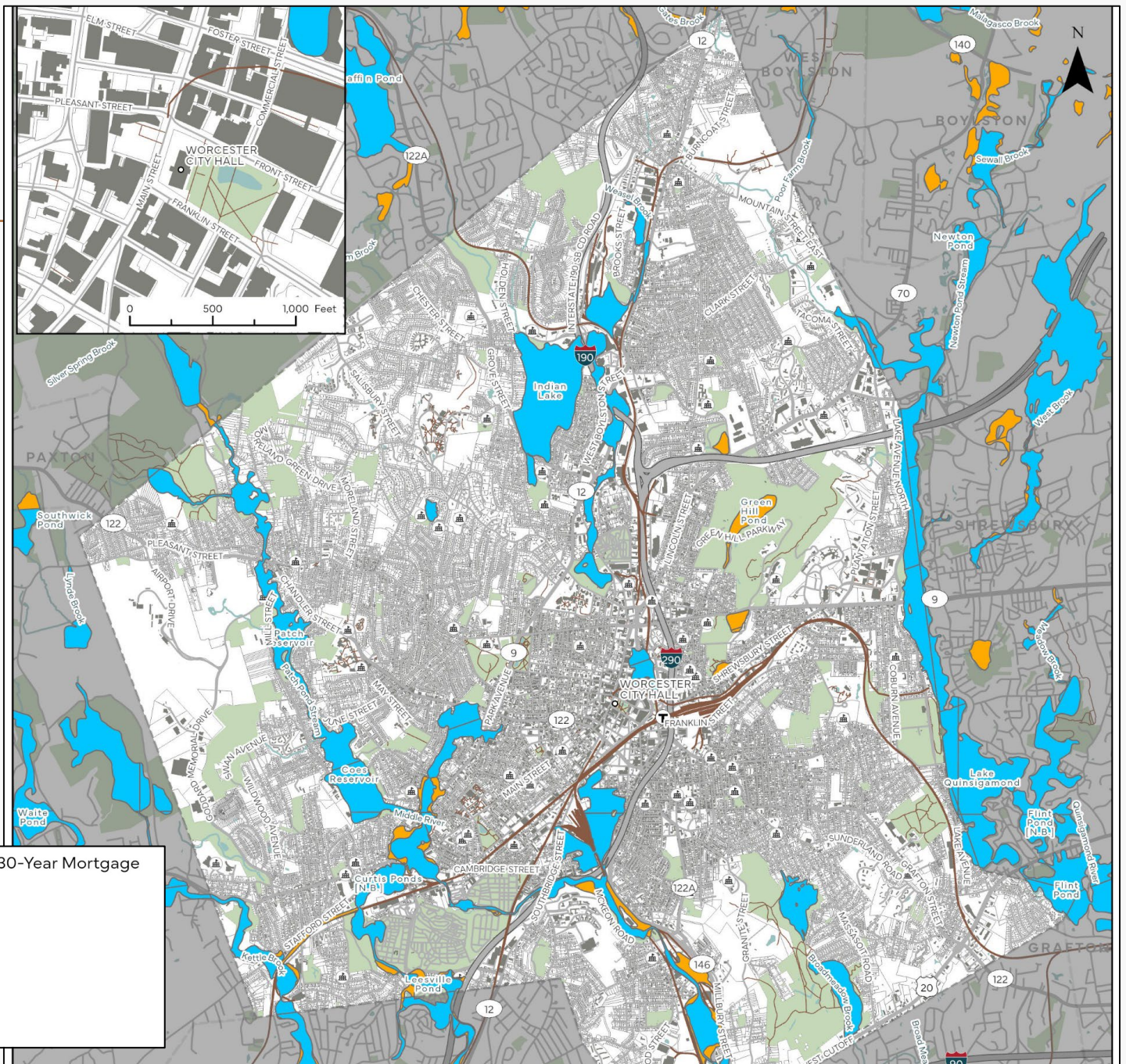
BARRIERS TO FUTURE HOUSING PRODUCTION

INTERACTIVE

What do you think are the biggest barriers for housing production in Worcester?



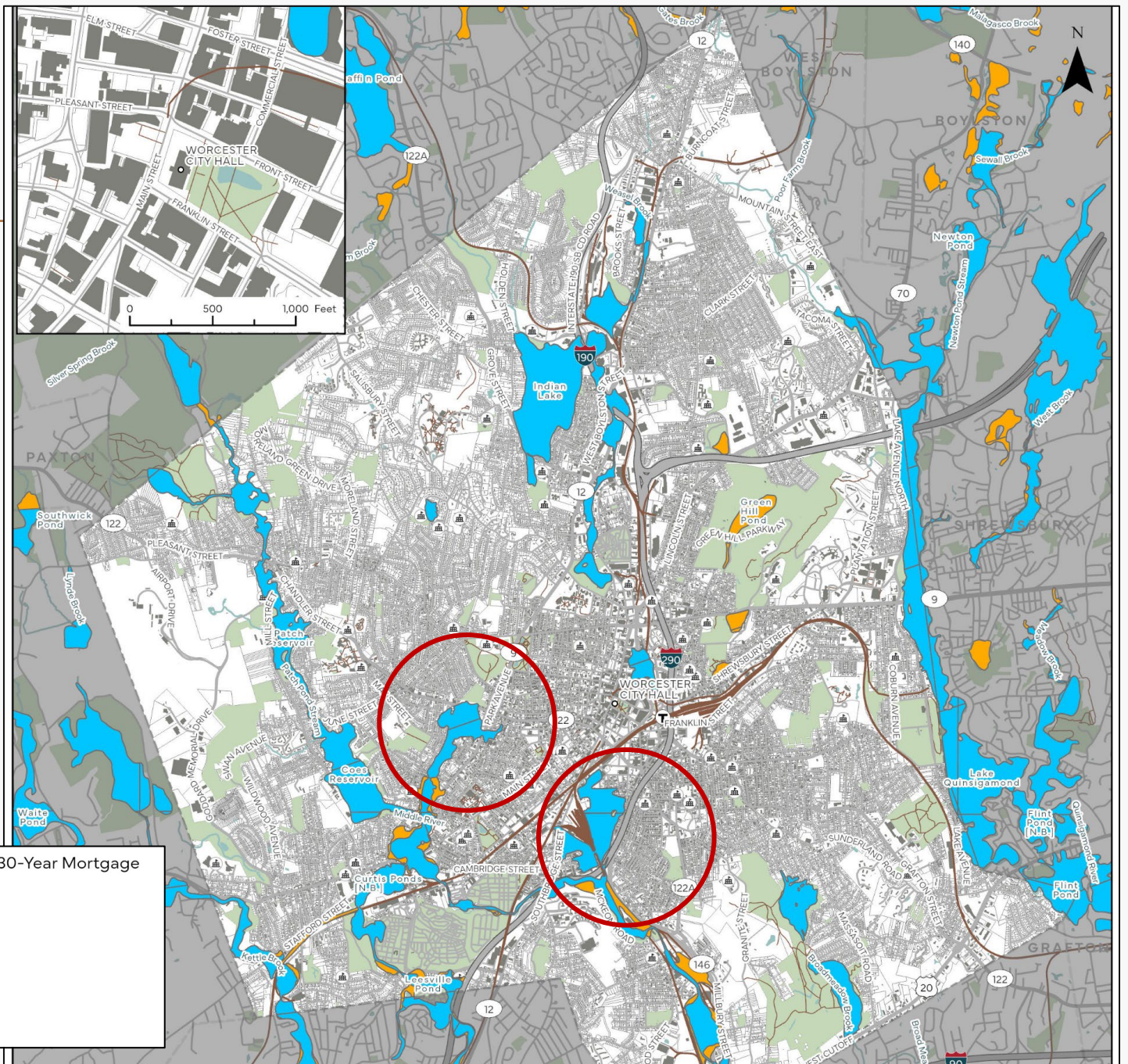
FLOODING



Special Flood Hazard Area (Zones A or V) - 1 in 4 Chance of Flooding During 30-Year Mortgage

Moderate-to-Low Flood Risk (Zone X)







FLOODING



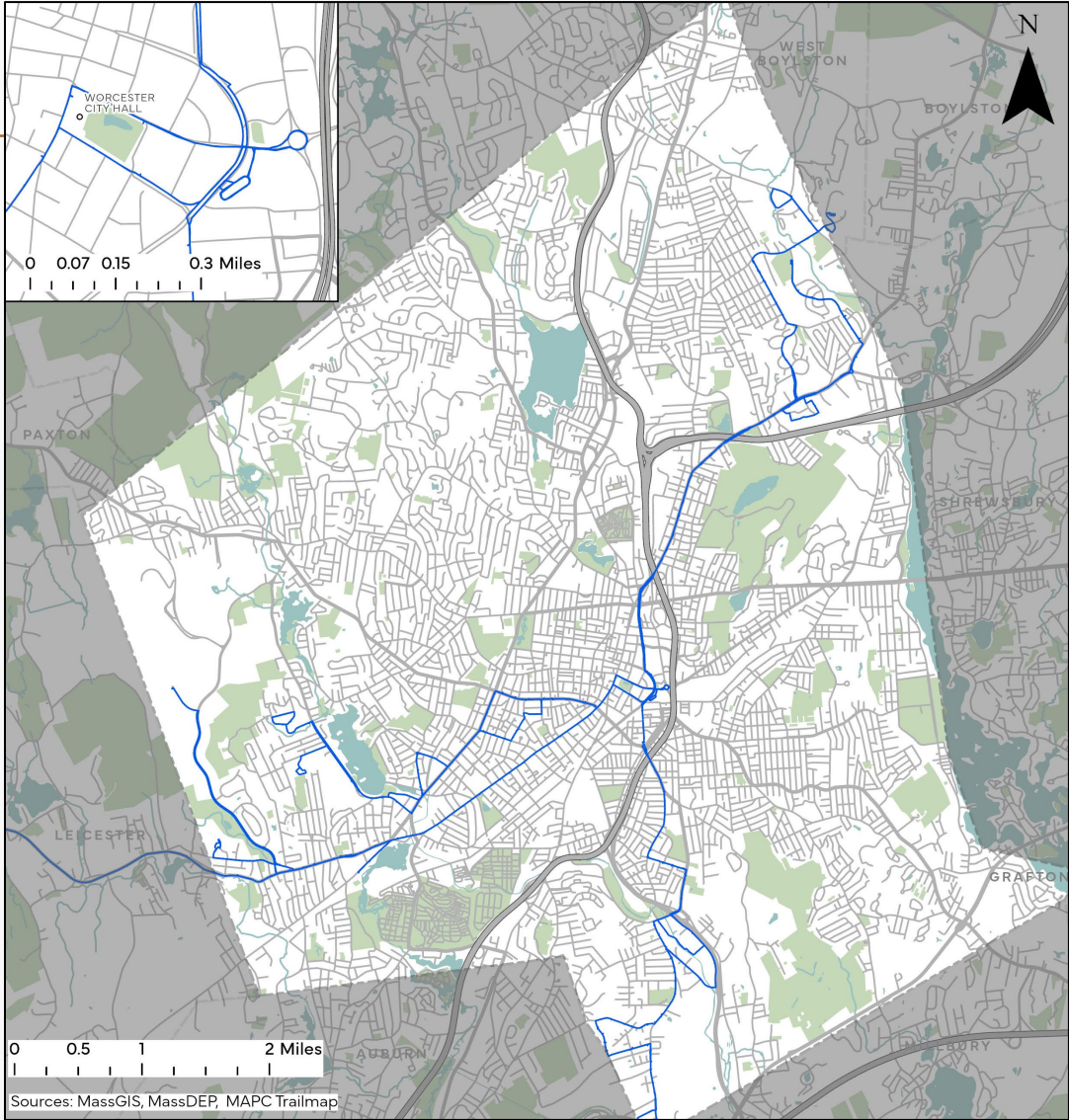
Special Flood Hazard Area (Zones A or V) - 1 in 4 Chance of Flooding During 30-Year Mortgage

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TRANSIT FREQUENCY

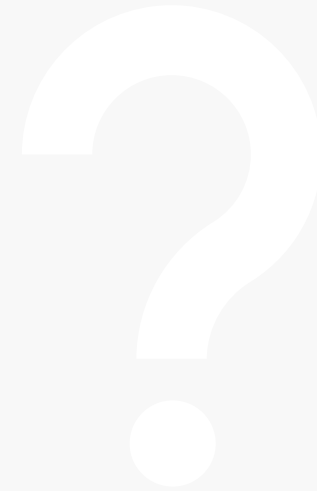
	Schools
	Building
	Parcel
	Trail
	Water Body
	Open Space

**Worcester Regional
Transportation
Authority (WRTA)
Frequent Bus Routes
(Every 30 Minutes or
Better, All Day)**



ZONING

- **Mismatch** between zoning regulations and what's built on the ground.



ZONING

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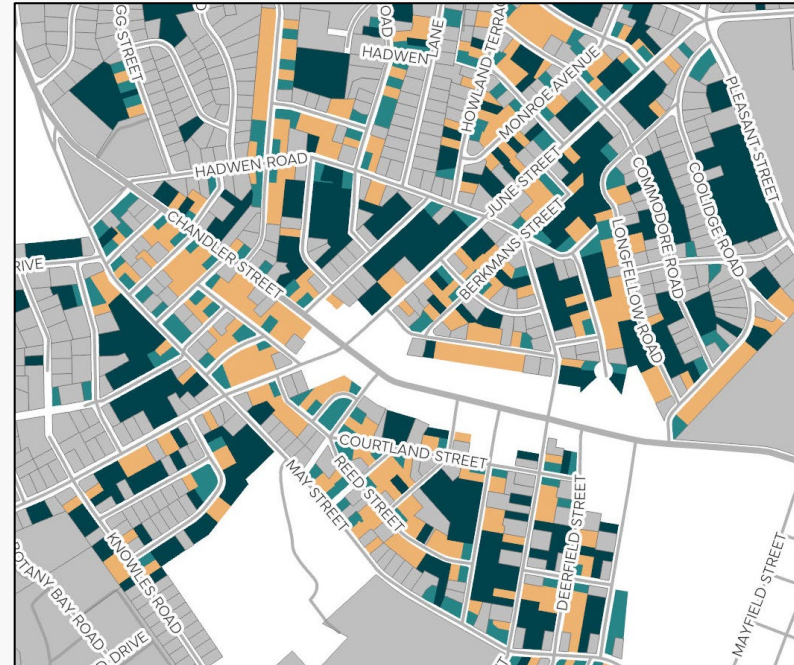
Zone	B01
Use	Multifamily Low-Rise
Parking	2/du
Frontage	40 ft / du
Front	15 ft
Side	10 ft
Rear	10 ft
Height	40 ft

ZONING



All Residential Districts Parcels

Dimensional Compliance	Number of Parcels	Percentage (%)	Area (Acres)	Percentage (%)
Both Compliant	21,689	57.9%	12,109.88	81.6%
Both Non-Compliant	7,525	20.1%	853.08	5.8%
Only Frontage Compliant	4,129	11.0%	500.48	3.4%
Only Lot Size Compliant	4,097	10.9%	1,370.43	9.2%
Total	37,440	100.0%	14,833.87	100.0%



- Both Non-Compliant
- Only Frontage Compliant
- Only Lot Size Compliant
- Both Compliant

ZONING

- Zoning makes it **difficult to build housing types that already exist.**



INTERACTIVE

How do you think Worcester can address its housing challenges?



Q&A

NEXT STEPS

- **Take the Survey!** (Closes 11/8)
- **Forum #2:** (12/9 @ 5:30pm)



Scan with your phone
to take the survey.

Or go to:

[surveymonkey.com/r
/WorcesterHPP](https://surveymonkey.com/r/WorcesterHPP)

THANK YOU!

Jennifer Goldson, AICP

Eric Halvorsen, AICP

Noah Harper, AICP

Alison Christensen

JM Goldson LLC

617-221-4003

noah@jmgoldson.com

w: JMGOLDSON.COM

