

CITY OF WORCESTER HOUSING NEEDS ASSESSMENT

FY2026-2030

PREPARED FOR:

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Draft 11/25/24

FOR DISCUSSION PURPOSES ONLY

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CHAPTER 1: PLANNING PROCESS (TO BE WRITTEN)

CHAPTER 2: HOUSING GOALS AND STRATEGIES (TO BE WRITTEN)

CHAPTER 3: DEMOGRAPHIC PROFILE

KEY FINDINGS

- Worcester's population is expected to grow to over 230,000 residents by 2050, with young professionals and young families moving to the city.
- There has been a 22.5% increase in residents with a Bachelor's degree or higher over the past ten years. This increase is often associated with higher household incomes.
- Worcester has experienced faster growth in higher-income households (55.9%) compared to the county (24.7%) and state (17.3%). The city saw a 43.7% increase in households earning \$100,000-\$149,999 and a 90.9% increase in households earning \$150,000-\$199,999.
- The average household size for renters increased by 2.2% to 2.3 people per household, with larger family households becoming more common.
- Renter households earning over \$100,000 per year increased by 112.6% or 3,700 households, emphasizes the rising home prices that are being experienced, as higher-income individuals increasingly opt to rent rather than purchase homes.
- There is a substantial affordability gap, with nearly one-third of renter households earning less than \$50,000 annually, limiting their ability to afford rising rents.
- Worcester's employment base has increased over the past ten years, adding over 8,000 jobs. Key sectors include Administrative Services, Health Care, and Government, with average earnings per job around \$77,000.
- 40% of Worcester's workforce commutes from nearby communities. The city could see demand for an additional 4,300 housing units if job growth continues.
- The number of residents working from home increased from 3,716 in 2013 to 9,782 in 2022, accelerated by the COVID-19 pandemic.
- Most workers in Worcester's top ten largest occupations cannot afford the median sales price of homes at \$460,000 and median rent of \$1,718.
- Employment projections indicate the potential for Worcester to add 14,000 jobs by 2034, which could further drive housing demand.

POPULATION AND HOUSEHOLD CHARACTERISTICS

Population Growth and Projections

According to the 2022 US Census American Community Survey (ACS) five-year estimates, Worcester's population is approximately 204,191.¹ These estimates indicate that the city has been steadily growing since the year 2000. Between 2000 and 2020, the city's population increased by 20%, or just over 34,000 residents.

Over the same period (2000 – 2020), much of the growth was seen in the age cohorts of 20-34 and 50-64 years-old. These two age cohorts represent strong demographic segments for Worcester: the younger college-aged to early career residents and middle-aged residents possibly becoming empty nesters and edging closer to retirement. Many residents in both age cohorts tend to look for similar housing choices which may include smaller unit sizes located in maintenance-free buildings in a walkable, amenity-rich environment.

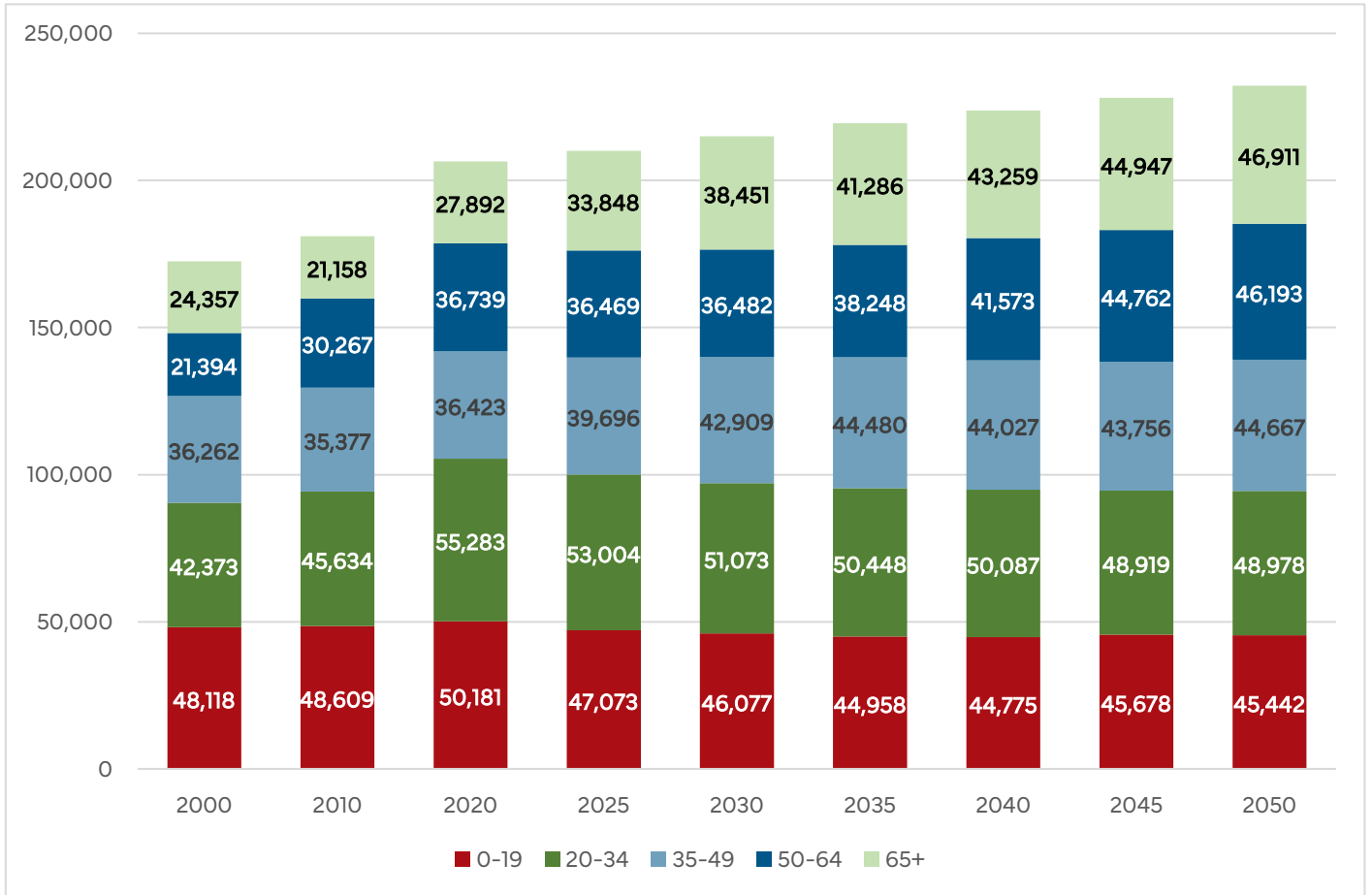
By 2050, Worcester is expected to have a population exceeding 232,000 residents.² There is an expected decline, albeit slight, in the number of residents ages 20-34 as they age into the next cohort (34-49 years old), and the residents who were in the 50-64 cohort age into the 65+ older adult cohort. Additionally, there is expected to be a decline in residents under the age of 19 by 2025. Much of the population growth in Worcester post-2025 is projected to be driven by older adult age cohorts of residents over 50 years of age. The expected trend of declining residents under the age of 19 and the growth of older residents may also signify a growing opportunity for smaller units closer to amenities, healthcare options, and transportation. Figure 1 below presents the population projections.

¹ US Census Bureau ACS 5-year Estimates

² UMass Donahue Institute Population Estimates Program

Figure 1. Population Growth and Projections, City of Worcester 2000 – 2050

Source: UMass Donahue Institute



Age

Recent five-year estimates from the ACS show the population increasing in nearly every age cohort in Worcester except for those residents aged 45-54 which dipped slightly. This is not a surprising finding as the total population of Worcester increased by 10.5% between 2013 and 2022 with large increases in residents under 18, those 35-44, and residents over the age of 55.

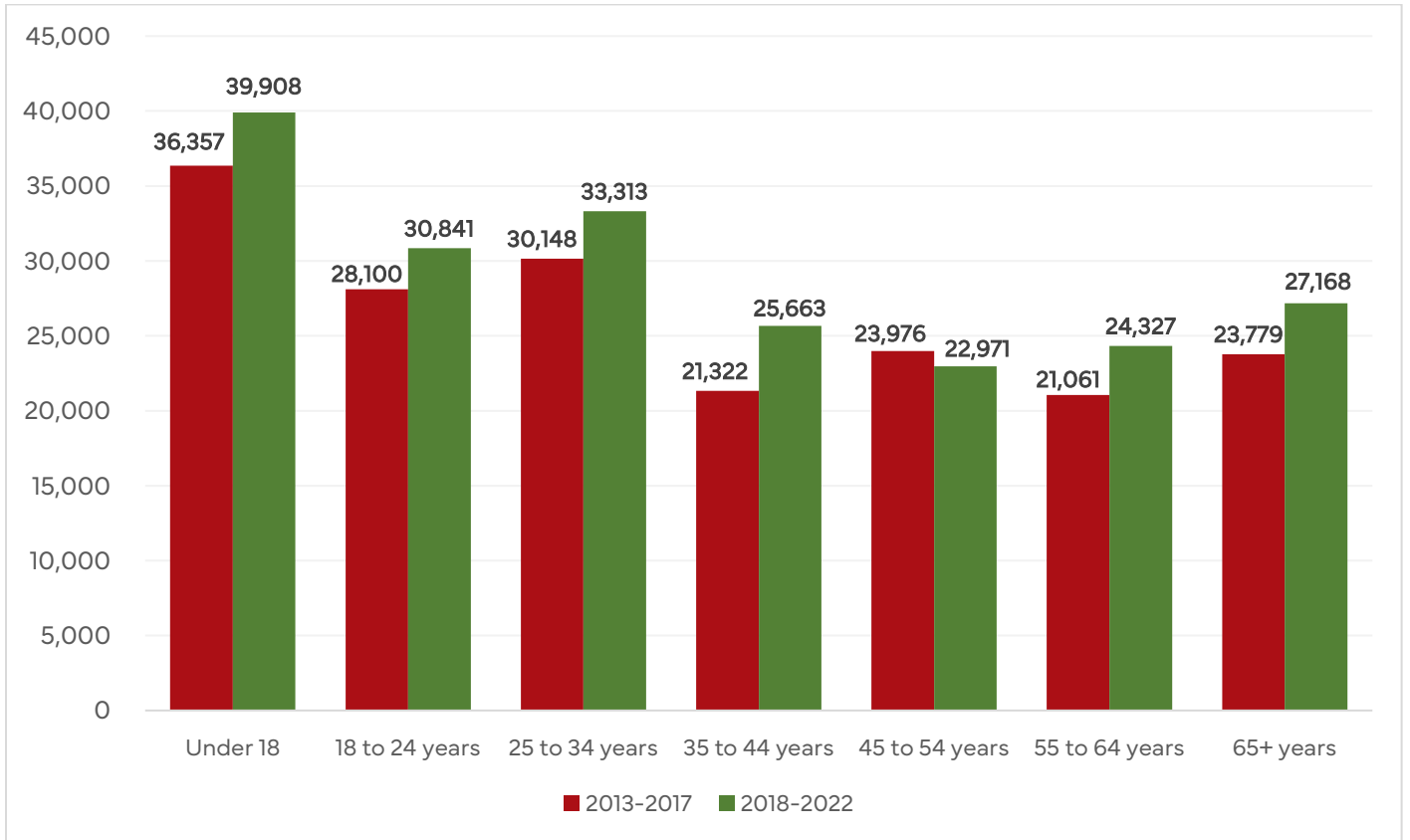
Worcester is an urban city and as such, it is not surprising to see most city residents are under the age of 44. Almost 20% of the city’s resident population is under the age of 18, speaking to the large presence of families with children residing in Worcester.³

The city has numerous education and healthcare anchors, as well as other large private sector employers that provide opportunities for a younger workforce and potential residents.

³ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Figure 2. Worcester Population by Age, 2017 and 2022

Source: US Census Bureau 5-Year Estimates



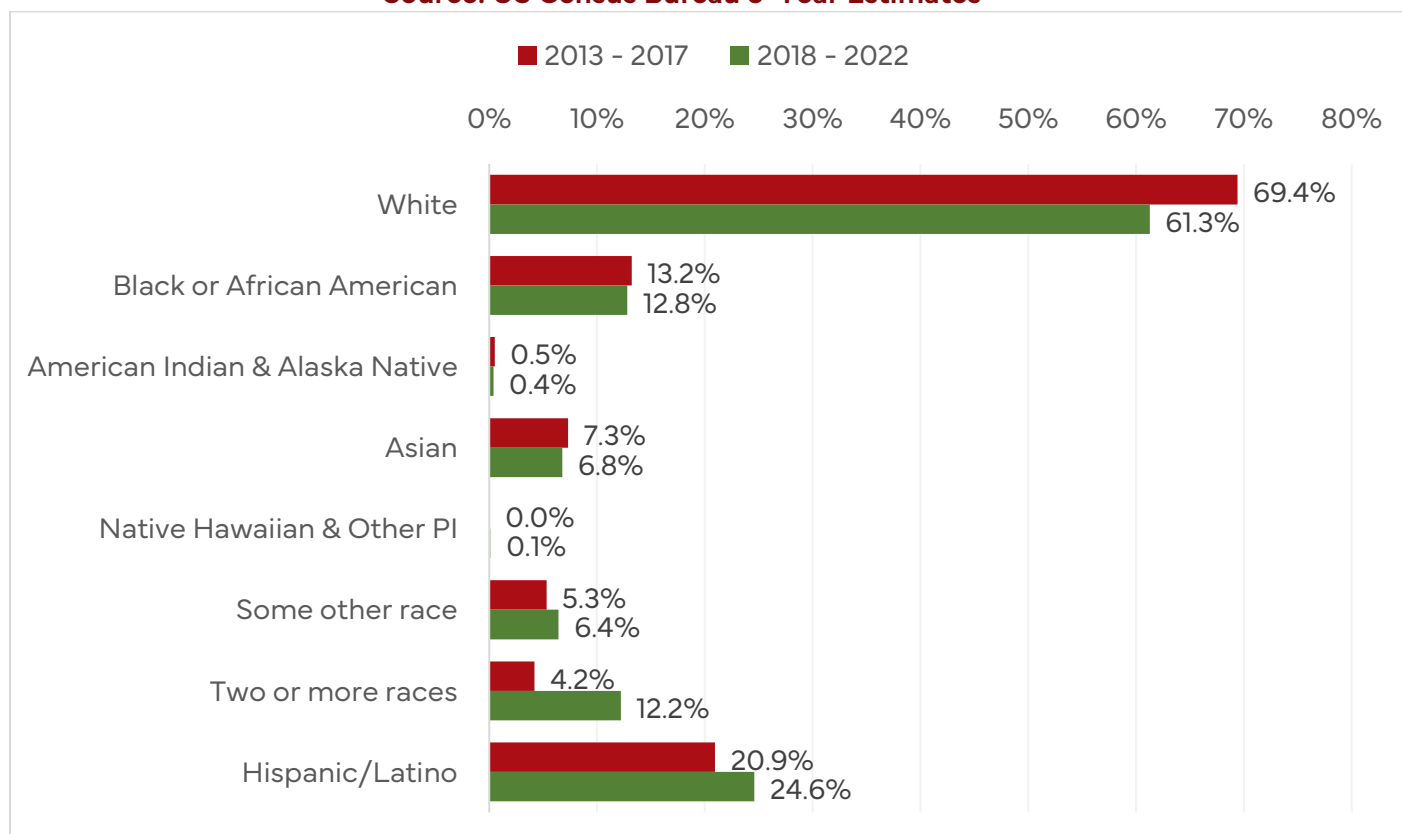
Race and Ethnicity

Worcester’s demographic landscape is evolving to reflect broader societal shifts. Historically predominantly White, the city’s population is becoming increasingly diverse. The Hispanic/Latino community has grown significantly, with its numbers rising by nearly 30%. This trend is complemented by a marked increase in multiracial residents, with over 17,000 individuals now identifying as Two or More races. These shifts underscore Worcester’s evolving identity and its embrace of a richer tapestry of cultural and racial backgrounds.⁴

⁴ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Figure 3. Population by Race/Ethnicity, 2017 and 2022

Source: US Census Bureau 5-Year Estimates



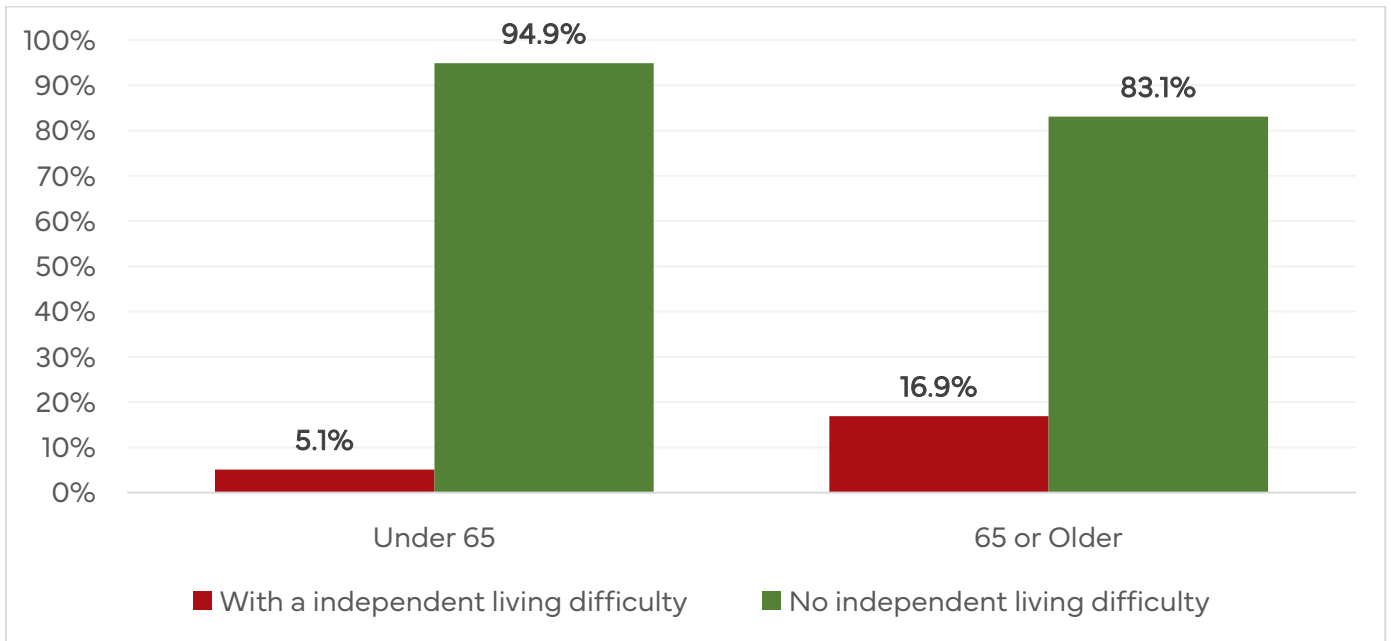
Independent Living

From 2018 to 2022, 22% of Worcester residents faced challenges with independent living, defined as the ability to perform activities of daily living (ADLs) such as self-care, household tasks, and mobility without assistance. This represents a decrease compared to the period from 2013 to 2017, when 26.8% of the population faced similar challenges. Among those experiencing difficulties, 16.9% were 65 years or older between 2018 and 2022. Residents under 65 experienced a decline in independent living difficulties, with an 11.6% reduction, compared to a more modest 5.4% decrease among those aged 65 and over, which is a likely result of the influx of younger residents and families moving into Worcester. This demographic shift is likely contributing to the improved independent living conditions for the overall population, as younger residents generally experience fewer challenges with daily activities.⁵

⁵ US Census Bureau ACS 5-Year Estimates, 2022

Figure 4. Percent of Residents with Independent Living Difficulties, 2022

Source: US Census Bureau ACS 5-Year Estimates



Geographic Mobility

Like Worcester County and the Commonwealth, 85.4% of Worcester residents have remained in their homes from the previous year. It is worth noting that 15% of Worcester residents moved within a year, which is not surprising for a more urban location with a wider range of housing options, price points, and amenities.

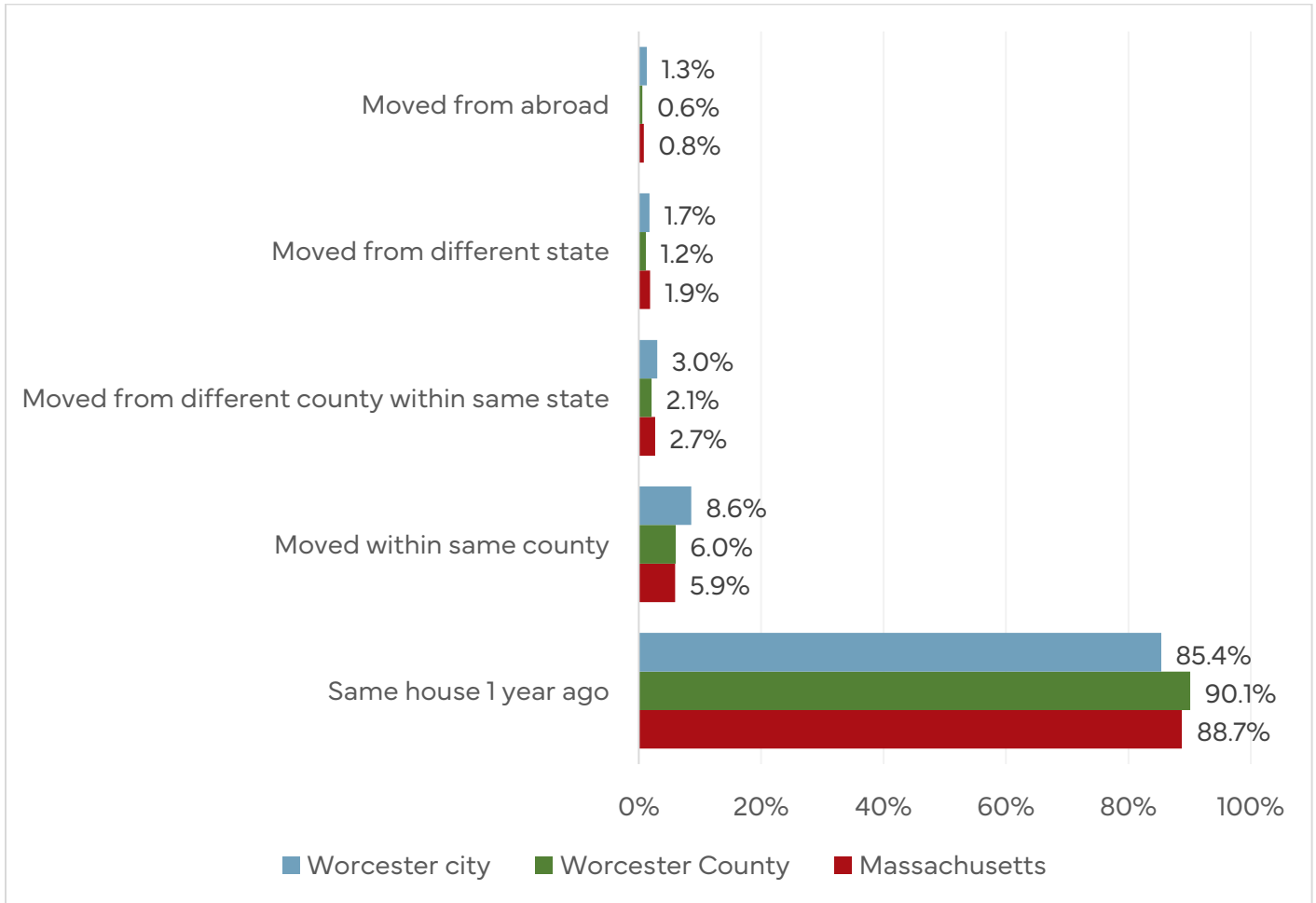
For those who moved into Worcester within the last year, almost 9% of residents moved from somewhere else within Worcester County while 3% moved from a different county within Massachusetts.

Worcester is a diversifying city in terms of the racial and ethnic composition of the population, and that is reinforced by 1.3% of new residents coming from abroad. This compares to only 0.6% for the county and 0.8% for the state.⁶

⁶ US Census Bureau ACS 5-Year Estimates, 2022

Figure 5. City of Worcester Geographic Mobility, 2022

Source: US Census Bureau ACS 5-Year Estimates



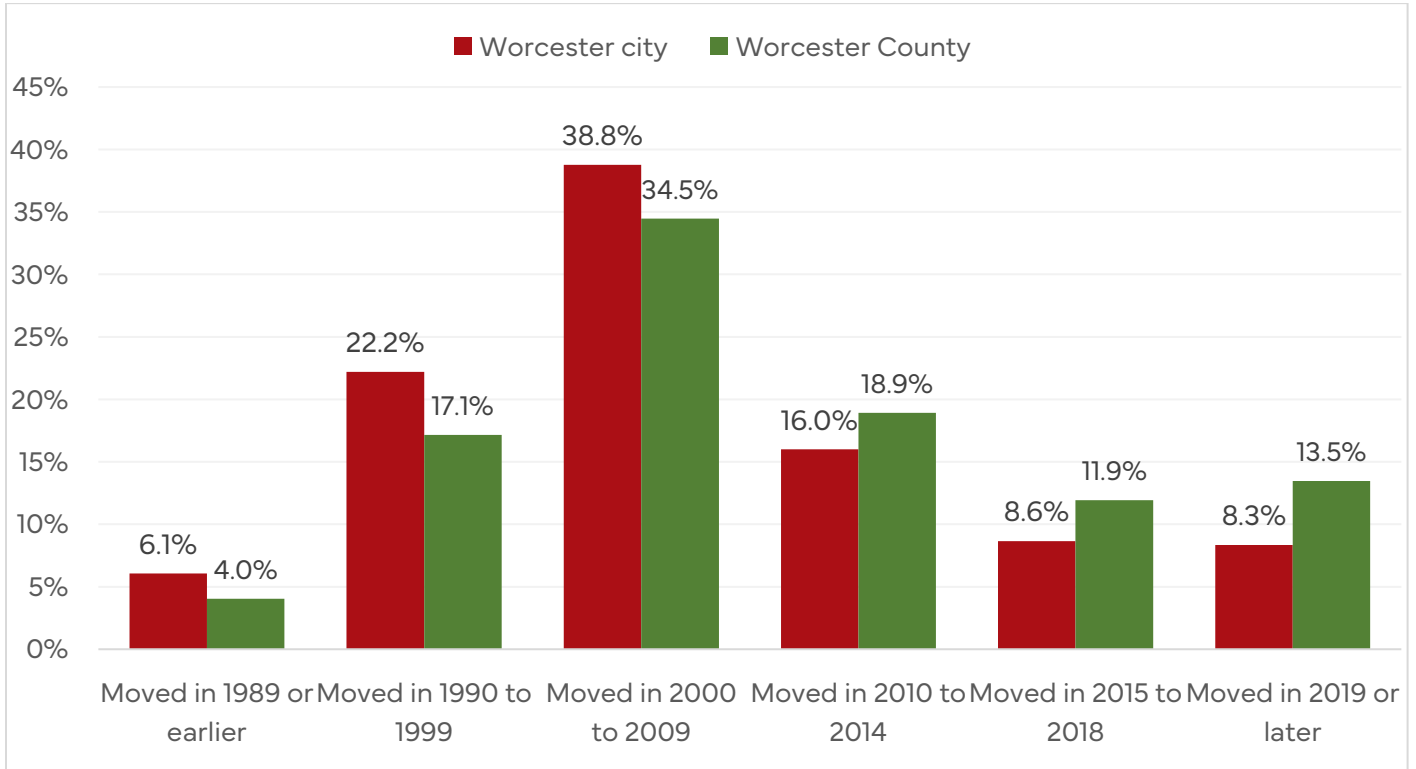
Year Householders Moved In

Interestingly, once Worcester residents move into their homes, they tend to stay there for longer periods compared with residents elsewhere in Worcester County. Figure 6 presents data related to moving. Approximately 66% of Worcester residents have lived in their current home since 2009, or 13 years at the time this 5-year ACS estimate was produced.⁷ As more rental units are built in Worcester the composition of this data may change as renters tend to move more frequently than homeowners.

⁷ US Census Bureau ACS 5-Year Estimates 2022

Figure 6. Year Householder Moved into Unit, 2022

Source: US Census Bureau 5-Year Estimates



Household Composition

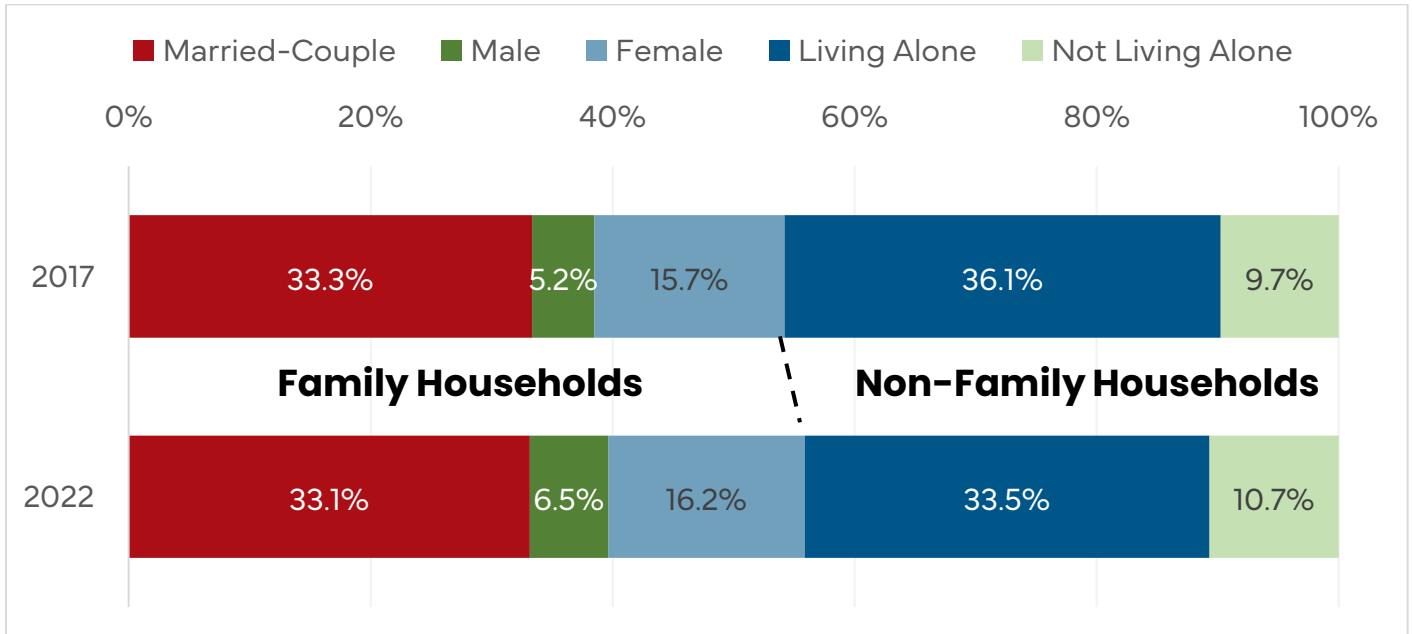
The total number of households increased in Worcester by 8,185 between 2017 and 2022, of the increase 70% of new households were family households. Family households are households with two or more individuals related by blood or marriage. The city saw over 5,700 new family households compared to 2,400 new non-family households. Interestingly, a higher percentage of the family household growth was attributed to single-parent households with children which increased by over 3,100 households.

The growth in non-family households is largely attributed to two or more unrelated individuals living together through a roommate situation or non-married couples. Although there were fewer new single-person households, they still comprise the vast majority of all non-family households in Worcester at over 26,400 or 76% of all non-family households. The city still added over 900 new single-person households between 2017 and 2022 adding to the potential demand for smaller housing units.⁸ The total number of single-person households may continue to grow as the population ages and younger people delay marriage and family formation into later years.

⁸ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Figure 7. Household Composition in Worcester, 2017 and 2022

Source: US Census Bureau ACS 5-Year Estimates



Household Size

Unlike Worcester County and the Commonwealth, the average household size for renter households in Worcester increased over the past ten years from 2.27 to 2.32. This increase was largely driven by more 3-, 4-, and 6- 6-person renter households compared to ten years earlier. The increasing household size for renters may correspond to the increasing number of family households with children as well as non-family households with two or more individuals.⁹

Although the city has seen an increase in larger renter household sizes, many renter households still fall into the 1- and 2-person household size categories. These two categories of renter households comprise over 64% of all renter households in Worcester and make up a large demand segment for multifamily housing.¹⁰

It is also worth noting that as owner-occupied housing prices continue to escalate, it may be more financially attainable for a family to rent in Worcester so having family-sized rental units available is important to supporting the city’s growing population.

⁹ A family household is defined as two or more related individuals, by blood or by marriage, living in the same household.

¹⁰ US Census Bureau 5-Year Estimates, 2017 and 2022

Figure 8. Change in Households by Size and Tenure, 2017 and 2022

Source: US Census Bureau ACS Estimates

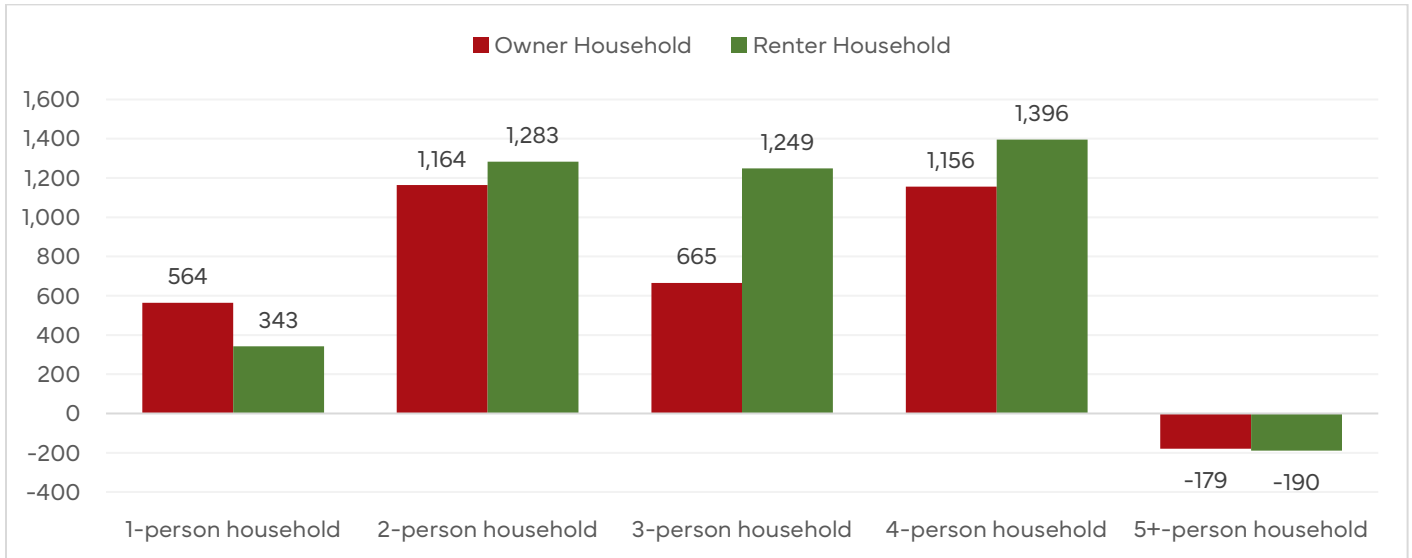
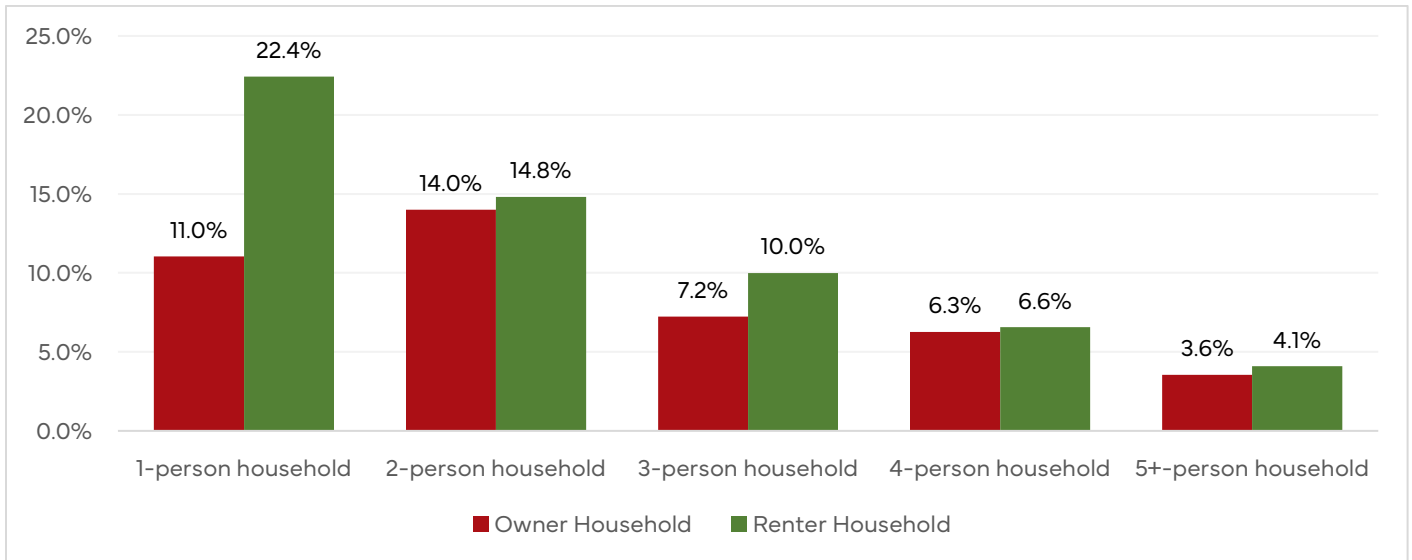


Figure 9. Distribution of Households by Size and Tenure, 2022

Source: US Census Bureau ACS Estimates



Bedroom and Household Size

On both the owner- and renter-occupied sides of the housing stock there are mismatches between the number of households at a given size and the number of bedrooms in a housing unit. In a perfect world, there would be a one-to-one ratio of one-bed units to single-person households. The same could be said for three-bed units where a three-person household could live.

In Worcester, while there is a significant number of one- and two-person owner households, most of the ownership units feature three or more bedrooms. This mismatch may have arisen because many of these homes were constructed between the 1950s and 1990s, a period when families were generally larger, and housing was more affordable. Consequently, as older adults age in place and their children move out, along with smaller households moving in, Worcester now has a housing stock that no longer aligns with the current demand for smaller units. This suggests an opportunity to address the mismatch between current housing stock and household needs by introducing smaller ownership units, such as townhomes, condos, or accessory dwelling units, which would allow those in larger homes to downsize while making room for families to move into the more spacious properties.

On the renter-occupied side, a different issue exists. The number of 4+ person households far outweighs the number of 4+ bedroom rental units available in the city. Most of the rental units in Worcester (and in most places with rental units) have between one and three bedrooms.¹¹

Adding smaller-sized rental units could help older adult households transition from a larger single-family home to a smaller-sized unit, thereby opening up the larger family-sized housing stock for larger households that need them.

¹¹ US Census Bureau 5-Year Estimates, 2022

Figure 10. Number of Bedrooms and Household Size: Owner Occupied, 2022

Source: US Census Bureau 5-Year Estimates

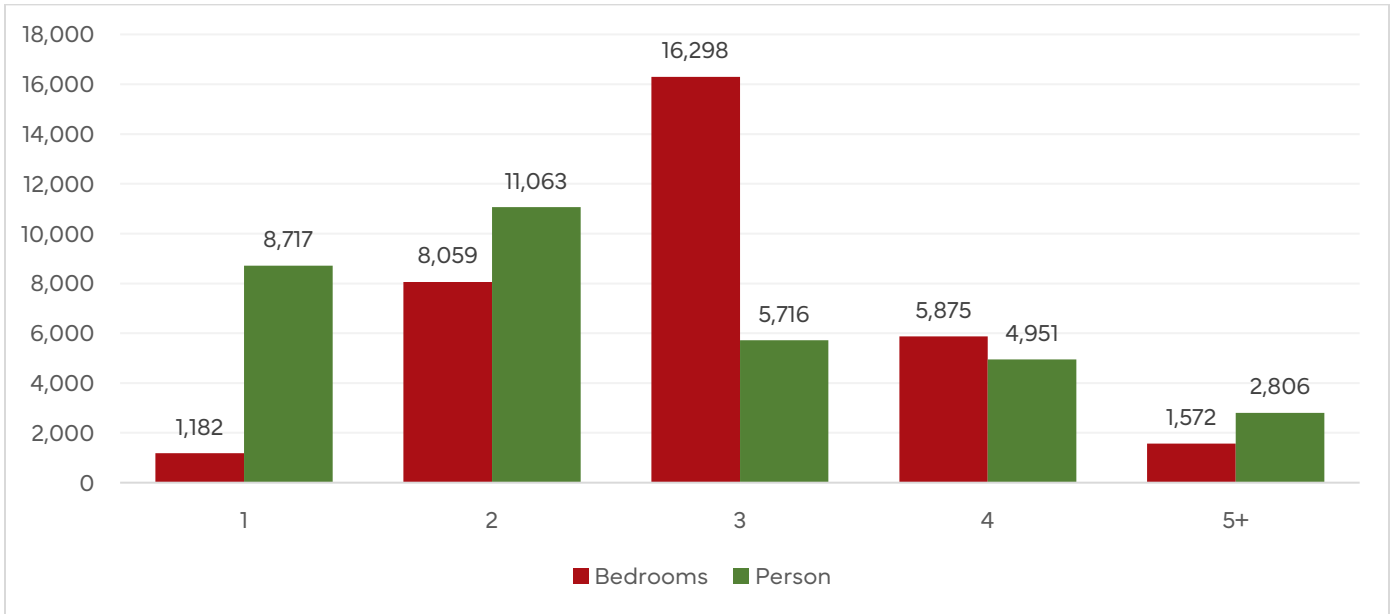
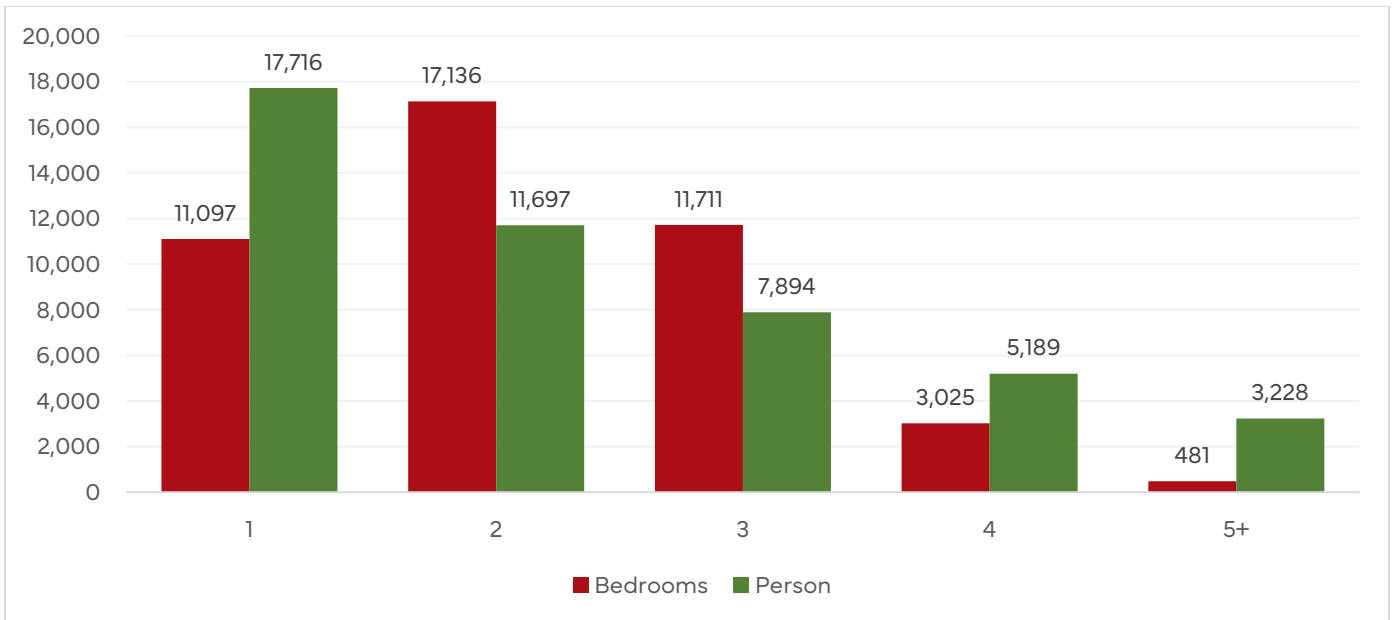


Figure 11. Number of Bedrooms and Household Size: Renter Occupied, 2022

Source: US Census Bureau 5-Year Estimates

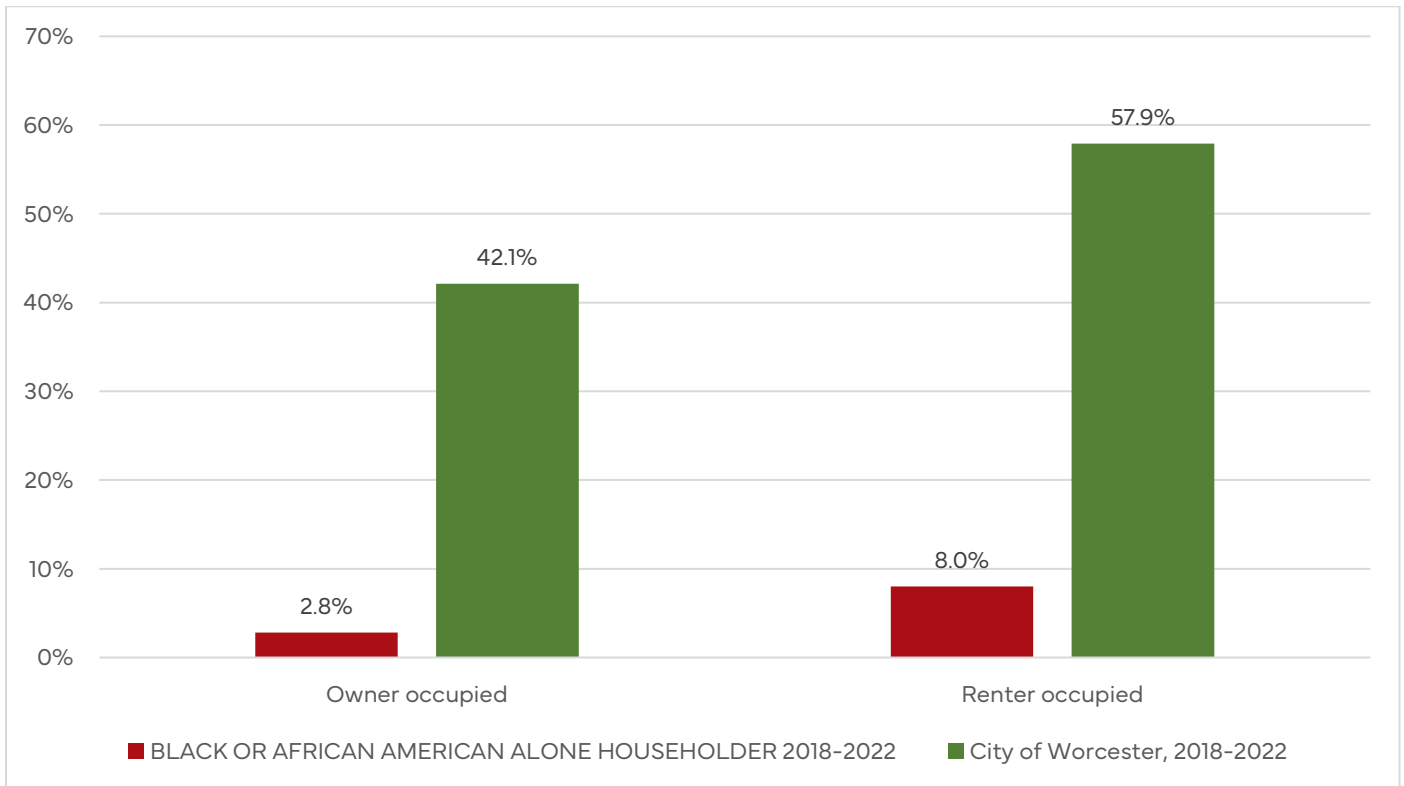


Black or African American Tenure

Black housing ownership in Worcester reveals significant disparities. Despite accounting for about 13.0% of the city's total population, only 2.8% of Black or African American residents own their homes, compared to 42.1% of the total population. Additionally, 8% of Black or African American residents rent their homes, whereas 57.9% of the overall population rents. These figures highlight the substantial barriers faced by Black residents in accessing homeownership, emphasizing the need for targeted policies and support to address these inequities and improve housing opportunities for the community.¹²

Figure 12. Black or African American Alone Householder and Total Population Tenure, 2018 – 2022

Source: US Census Bureau ACS 5-Year Estimates



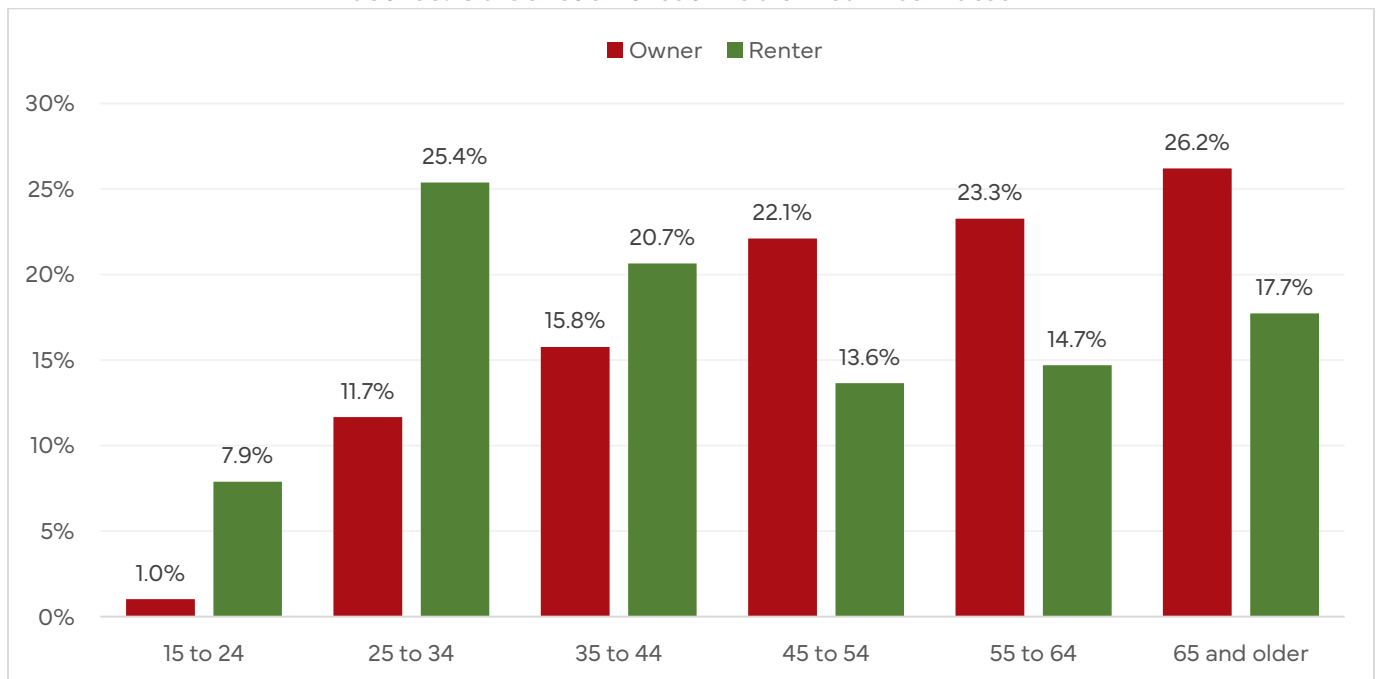
¹² US Census Bureau ACS 5-Year Estimates, 2022

Age of Householder

The graph below in Figure 13, shows the percentage of Worcester households by both age and housing tenure. ACS estimates from 2022 show 71.5% of owner households are over the age of 45 while 53.9% of renter households are under the age of 44.¹³ As the number of adults (45 years or older) owner households grows with time, they will look for other housing options in Worcester (or surrounding communities) that provides them with accessible units and buildings, transportation services, in-building amenities, and low or no maintenance facilities. This may open a market opportunity for additional multifamily housing in Worcester to serve both the growing older adult population as well as maintain/attract the younger age cohort.

Figure 13. Age of Householder by Tenure, 2022

Source: US Census Bureau ACS 5-Year Estimates



¹³ US Census Bureau ACS 5-Year Estimates, 2022

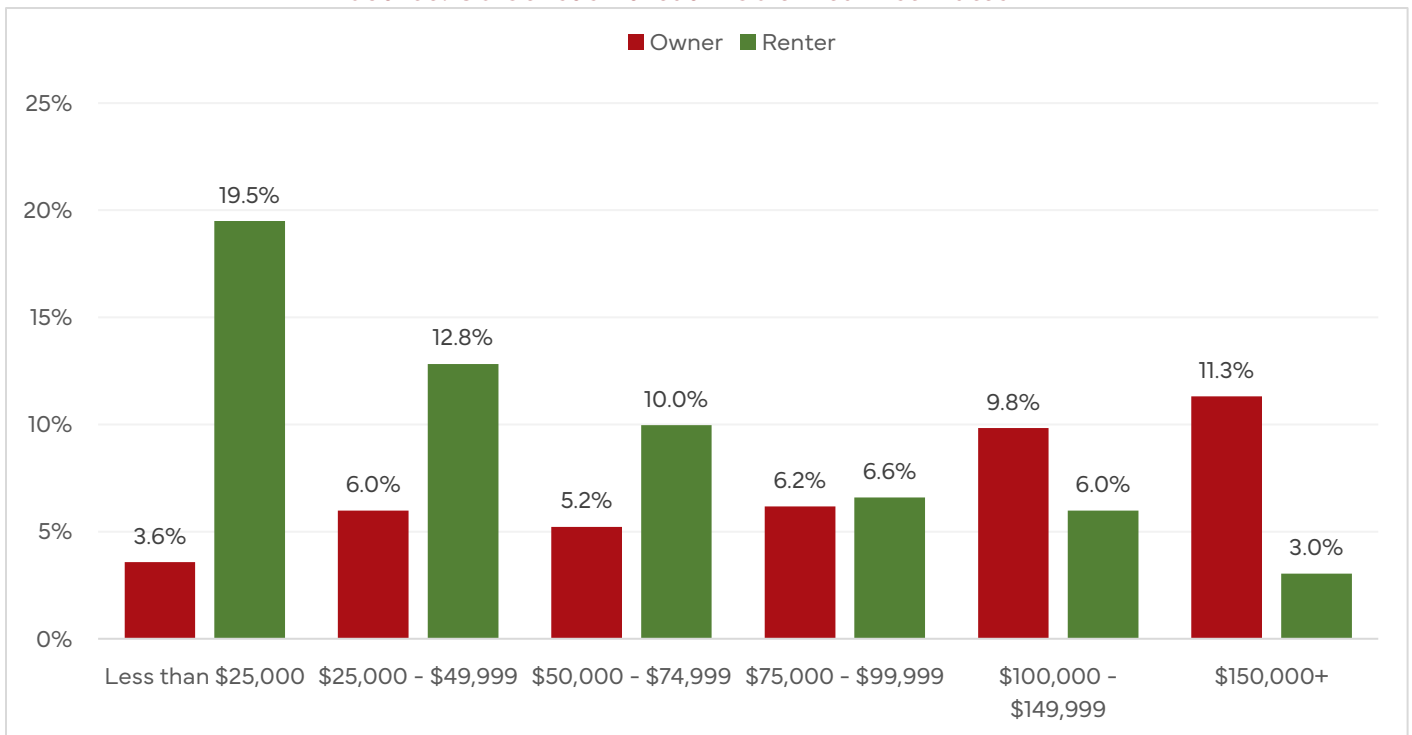
Household Income

The median household income in Worcester increased by \$17,000, or 37%, to \$63,011 between 2013 and 2022 with the largest numerical growth occurring for those households earning between \$100,000 and \$149,000 and those earning over \$200,000 a year.¹⁴ In some respects, growth in household income can be a positive indicator of economic prosperity and the ability to attract more household spending to the local economy. On the other hand, more high-income households may result in higher priced owner and renter housing leading to a reduction in economic diversity and the potential for displacement of lower-income households. This issue is particularly challenging for renter households that already comprise the majority of low- to middle-income households in Worcester. Nearly one-third of Worcester’s renter households earn less than \$50,000 per year which indicates that an affordable monthly rent is approximately \$1,250 per month.

For newly built multifamily, the growth in higher income renter households is a positive sign as they can typically afford top-of-market rents which are required to support today’s high interest rate and construction cost environment. Between 2013 and 2022, Worcester saw an increase of 3,700, or a 112.6% growth, in renter households earning over \$100,000 a year.¹⁵

Figure 14. Household Income by Tenure, 2017 and 2022

Source: US Census Bureau ACS 5-Year Estimates



¹⁴ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

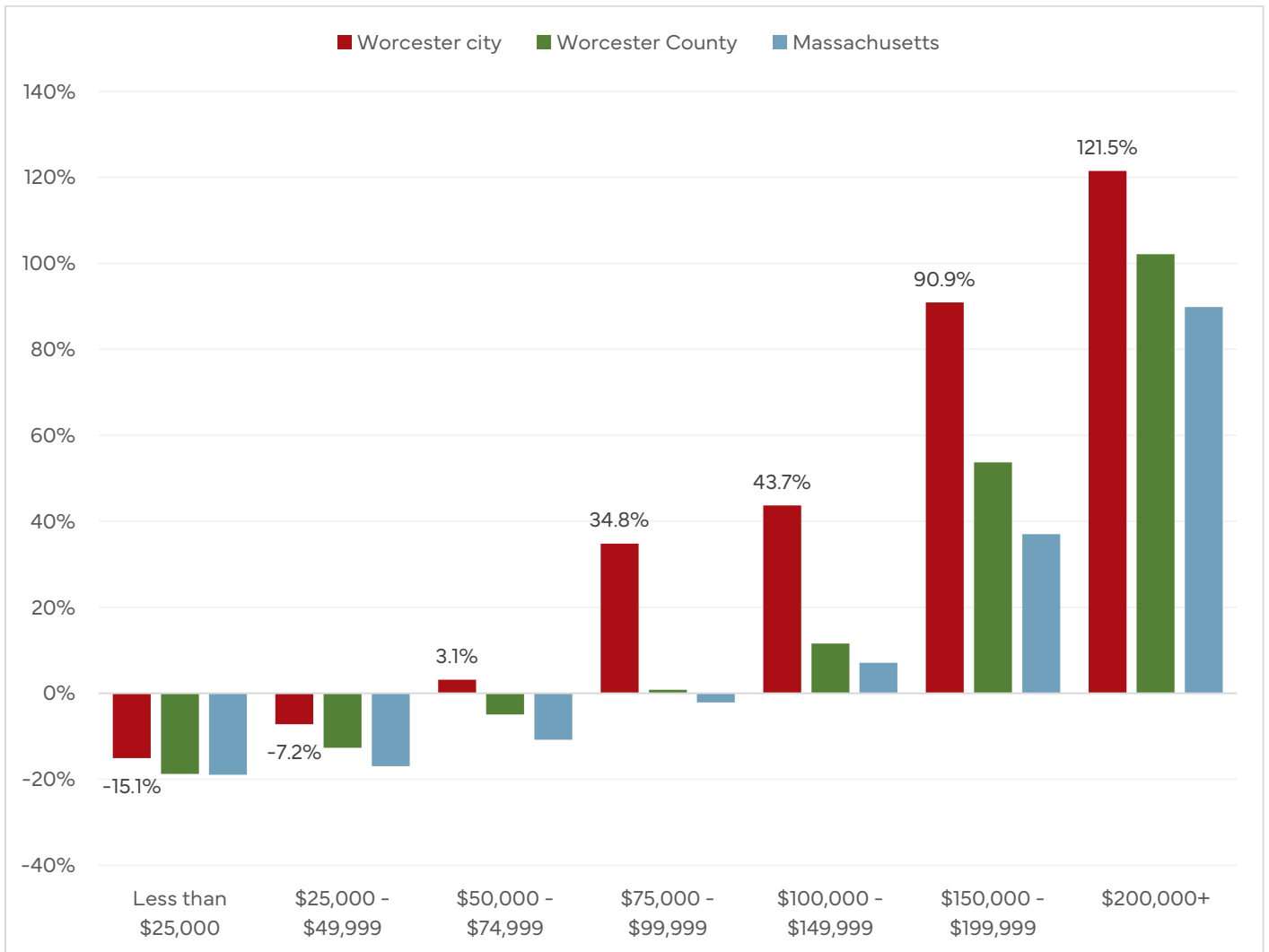
¹⁵ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Change in Household Income

Worcester is experiencing a faster rate of growth in wealth compared to the state and region, particularly for the highest-income households. The city saw 9,600 more households earning over \$100,000 a year compared to ten years ago. At the same time, the city also saw a decrease in the number of households earning less than \$50,000 a year compared to ten years ago.¹⁶ This could be the result of households earning more than they did prior as well as some lower-income households moving out of the city.

Figure 15. Change in Household Income, 2013 – 2022

Source: US Census Bureau ACS 5-Year Estimates



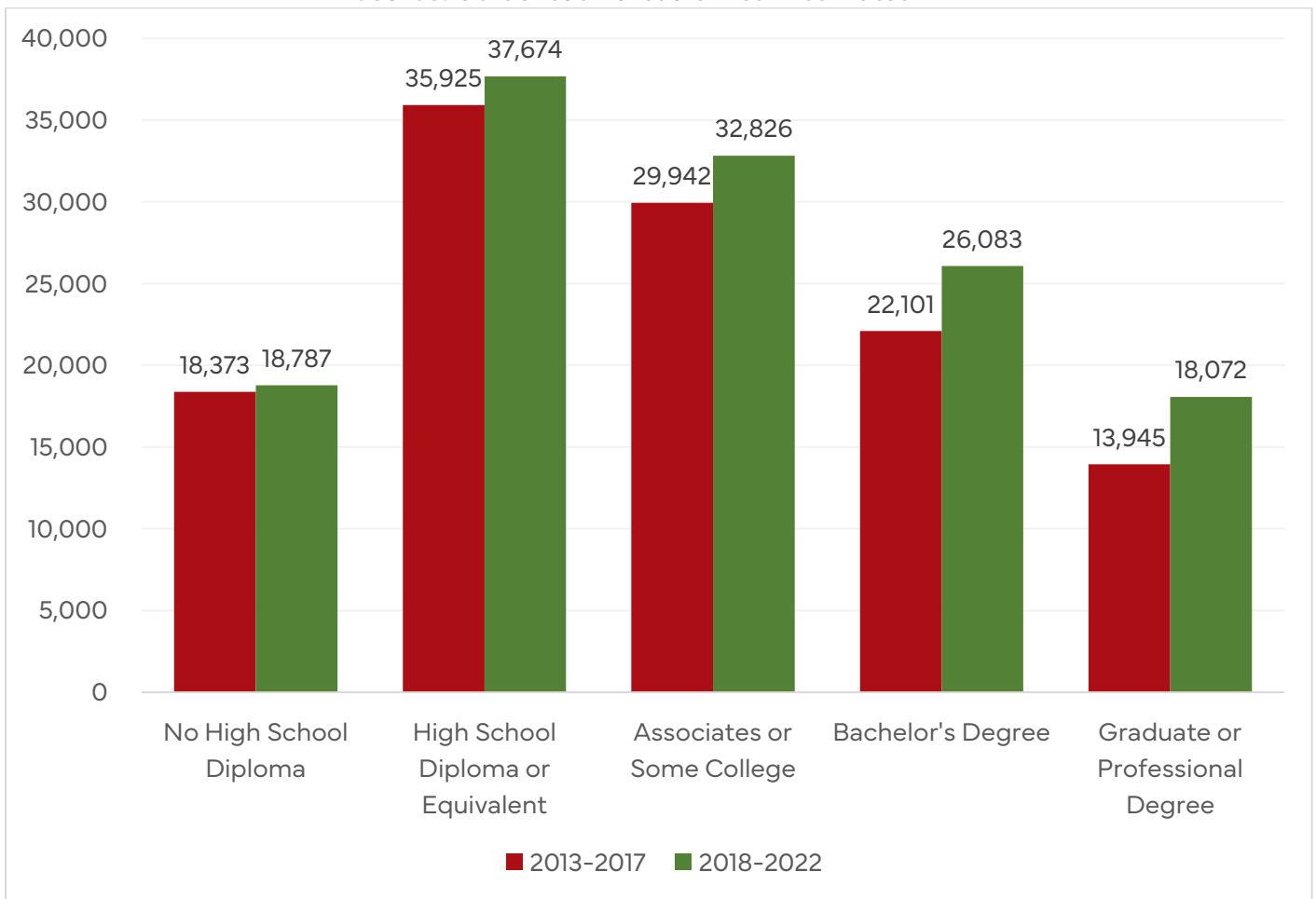
¹⁶ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Educational Attainment

Alongside the increase in median household income are increases in educational attainment for residents over the age of 25. Worcester saw significant gains in the number of residents who achieved a bachelor's degree or higher over the past ten years.¹⁷ Typically, higher educational attainment tracks with higher incomes because of greater employment opportunities. The higher household incomes can support higher housing prices on both the owner and renter side. This is another positive indicator that new households in Worcester may be able to support top-of-market rents for new multifamily housing.

Figure 16. Change in Educational Attainment in the City of Worcester, 2013 – 2022

Source: US Census Bureau 5-Year Estimates



¹⁷ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

ECONOMIC CHARACTERISTICS

Employment and Occupation

In addition to looking at population and household change in Worcester, it is also important to consider how the city's employment base is changing. Employees working in Worcester but living elsewhere represent a potential demand segment for housing as they are already coming into the city to work. Providing the right type of housing at a price point that matches their earnings could help support new multifamily development in the city.

Despite the impacts of the COVID-19 pandemic, Worcester's total employment base continues to grow, adding over 8,000 jobs between 2013 and 2023. Most of those jobs were added in three specific industry sectors: Administrative Services, Health Care, and Government. These sectors have average earnings per job of around \$77,000 a year which equates to an affordable rent of \$1,900 per month.¹⁸

The city has also seen job growth in other high-earning sectors such as Professional and Technical Services and Construction. However, job losses did occur in other high-paying sectors like Information, Finance, Management of Companies, and Manufacturing.

¹⁸ Lightcast, 2024.

Table 1. Changes in Industry, City of Worcester 2013 – 2023

Source: Lightcast, 2024

NAICS Description	2013 Jobs	2023 Jobs	2013 - 2023 Change	2013-2023 % Change	Avg. Earnings Per Job
56 Administrative and Support Services	3,518	6,979	3,462	98.4%	\$59,163
62 Health Care and Social Assistance	28,276	31,277	3,001	10.6%	\$76,119
90 Government	7,378	9,636	2,258	30.6%	\$97,945
54 Professional, Scientific, and Technical Services	2,426	3,224	798	32.9%	\$129,047
72 Accommodation and Food Services	5,787	6,566	779	13.5%	\$31,253
23 Construction	2,305	2,948	643	27.9%	\$101,501
48 Transportation and Warehousing	2,306	2,572	266	11.5%	\$76,157
11 Agriculture, Forestry, Fishing and Hunting	17	91	74	435.3%	\$50,799
22 Utilities	321	386	65	20.2%	\$192,497
81 Other Services (except Public Administration)	2,373	2,428	55	2.3%	\$40,045
53 Real Estate and Rental and Leasing	516	513	(3)	-1%	\$84,678
42 Wholesale Trade	1,939	1,866	(73)	-3.8%	\$98,121
51 Information	1,112	999	(114)	-10.3%	\$157,280
52 Finance and Insurance	4,460	4,206	(254)	-5.7%	\$125,848
71 Arts, Entertainment, and Recreation	874	596	(278)	-29.5%	\$34,589
61 Educational Services	9,099	8,629	(470)	-5.2%	\$64,367
55 Management of Companies and Enterprises	1,076	542	(533)	-49.5%	\$131,661
44 Retail Trade	7,896	7,233	(663)	-8.4%	\$48,736
31 Manufacturing	5,543	4,641	(902)	-16.3%	\$93,535
TOTAL JOBS	87,235	95,331	8,096	9.3%	

Occupational job data looks more specifically at what a worker does for their job compared to the industry sector they work in. This can be helpful in understanding the types of jobs, and more importantly earnings, within each industry sector. For example, within the Healthcare industry, the average earnings may be skewed by highly paid surgeons, doctors, and hospital administrators but

overlook the fact that many workers in healthcare are support staff maintaining day-to-day operations.

The occupation table below highlights the growing segment of the Healthcare industry with Support Occupations increasing by 3,166 jobs. However, these positions have median annual earnings of \$35,800 compared to the average earnings in the Healthcare industry sector of \$76,000. While several of the fastest-growing occupations in Worcester earn less than \$70,000 per year – allowing residents in that income bracket to afford rent up to \$1,750 – there are still several high-growth occupations in Worcester where earnings are over \$90,000 per year.¹⁹

Table 2. Changes in Occupation, City of Worcester 2013 – 2023

Source: Lightcast, 2024

SOC	Description	2013 Jobs	2023 Jobs	2013 - 2023 Change	Median Annual Earnings
31-0000	Healthcare Support Occupations	7,423	10,588	3,166	\$35,798
13-0000	Business and Financial Operations Occupations	3,842	5,290	1,448	\$78,984
11-0000	Management Occupations	5,773	7,111	1,338	\$121,974
35-0000	Food Preparation and Serving Related Occupations	6,349	7,378	1,029	\$32,509
25-0000	Educational Instruction and Library Occupations	7,234	7,994	760	\$68,708
53-0000	Transportation and Material Moving Occupations	5,296	5,930	634	\$39,141
47-0000	Construction and Extraction Occupations	2,161	2,648	488	\$68,408
19-0000	Life, Physical, and Social Science Occupations	1,109	1,475	365	\$92,013
37-0000	Building and Grounds Cleaning and Maintenance Occupations	2,272	2,557	285	\$36,989
15-0000	Computer and Mathematical Occupations	2,020	2,264	244	\$100,646
23-0000	Legal Occupations	538	762	224	\$102,287
33-0000	Protective Service Occupations	1,635	1,835	200	\$59,798
49-0000	Installation, Maintenance, and Repair Occupations	2,234	2,342	108	\$56,580

¹⁹ Lightcast, 2024.

27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	944	1,009	65	\$58,685
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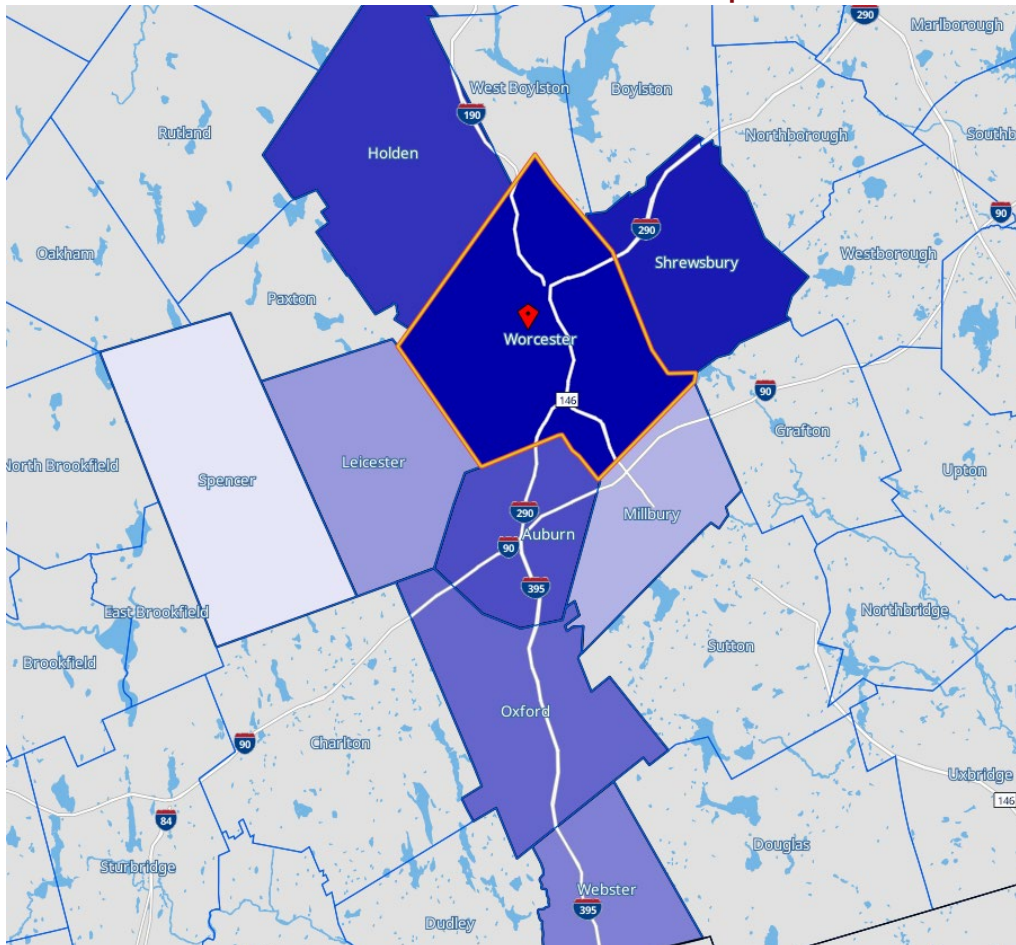
Workers

Data from OnTheMap from 2021 (latest available) shows that 40% of all people working in Worcester (41,000 employees) commute in from surrounding communities, while 31.3% of workers live and work in Worcester.

Employment projections for Worcester over the next ten years show the potential for the city to add another 14,000 jobs through 2034. If 31% of those new workers were to live and work in Worcester, that could equate to demand for another 4,300 housing units. If housing production does not keep pace with job growth, then those working in Worcester will likely have to look for housing options in other communities surrounding Worcester.²⁰

Figure 17. Map of Communities Where Workers Live

Source: U.S. Census Bureau OnTheMap 2021



²⁰ U.S. Census Bureau OnTheMap 2021

Table 3. Top Ten Places of Residence for People Employed in Worcester, 2021

Source: U.S. Census Bureau OnTheMap 2021

Place	Job Count	Share
Worcester, MA	32,111	31.3%
Boston, MA	1,557	1.5%
Southbridge, MA	1,181	1.1%
Leominster, MA	1,071	1.0%
Webster, MA	1,016	1.0%
Fitchburg, MA	1,014	1.0%
Marlborough, MA	845	0.8%
Springfield, MA	825	0.8%
Spencer, MA	677	0.7%
Oxford, MA	627	0.6%

The number of Worcester residents working from home grew by over 5,000 in the past ten years. This trend accelerated with the onset of and recovery from, the COVID-19 pandemic. Workers living in Worcester can live in a more affordable location and commute to jobs in places like Boston where the cost of living is significantly higher. The presence of the commuter rail and highway system provides transportation options for workers who need to come to the office on a hybrid schedule.



CHAPTER 4: HOUSING CONDITIONS

KEY FINDINGS

- Worcester added an estimated 6,700 new housing units over the past decade, with notable growth in single-family homes and buildings with 50+ units.
- The city has shifted toward permitting more multifamily housing in recent years, with over 1,000 multifamily units permitted between 2021 and 2023.
- Approximately 59% of Worcester's housing stock is over 50 years old, with only 7.7% built in the last 20 years. The aging housing stock indicates a prevalence of housing quality issues, a tremendous amount of deferred maintenance, and a significant need for modernization.
- The percentage of vacant units available for sale or rent declined from 3.4% to 2.1% over ten years, reflecting a tighter housing market. A healthy vacancy rate is usually considered as being between 5% and 8%.
- The number of rental units increased by 11.6% over the past decade, with a significant rise in buildings with 50+ units.
- Median home values for owner-occupied units increased by 45.1% over the past ten years, reaching \$305,600 in 2022.
- The city saw a decrease of 7,600 rental units priced under \$1,000 and an increase of 12,300 units priced over \$1,500 from 2013 to 2022.
- Since 2021, Worcester's for-sale housing supply has remained at around one month's inventory, driving up prices.
- New multifamily units have been quickly absorbed, keeping vacancy rates low and rents steadily increasing.
- Multifamily rents increased from \$1,218 to \$1,718 over ten years, with strong demand for new units despite rising costs.
- Worcester's multifamily market is expected to maintain a sub-5% vacancy rate, promoting competition and ongoing rent growth.
- Worcester's strong population and employment projections over the next ten years indicate a need for over 11,000 new rental units.
- Having a mix of unit sizes that can accommodate single-person households, two-person family and non-family households, and some larger family-sized units would help balance supply with current and future demand.
- Deed-restricted affordable units priced to households at or below 80% AMI are in demand today and with demand likely growing as existing housing in Worcester continues to become more expensive over time.

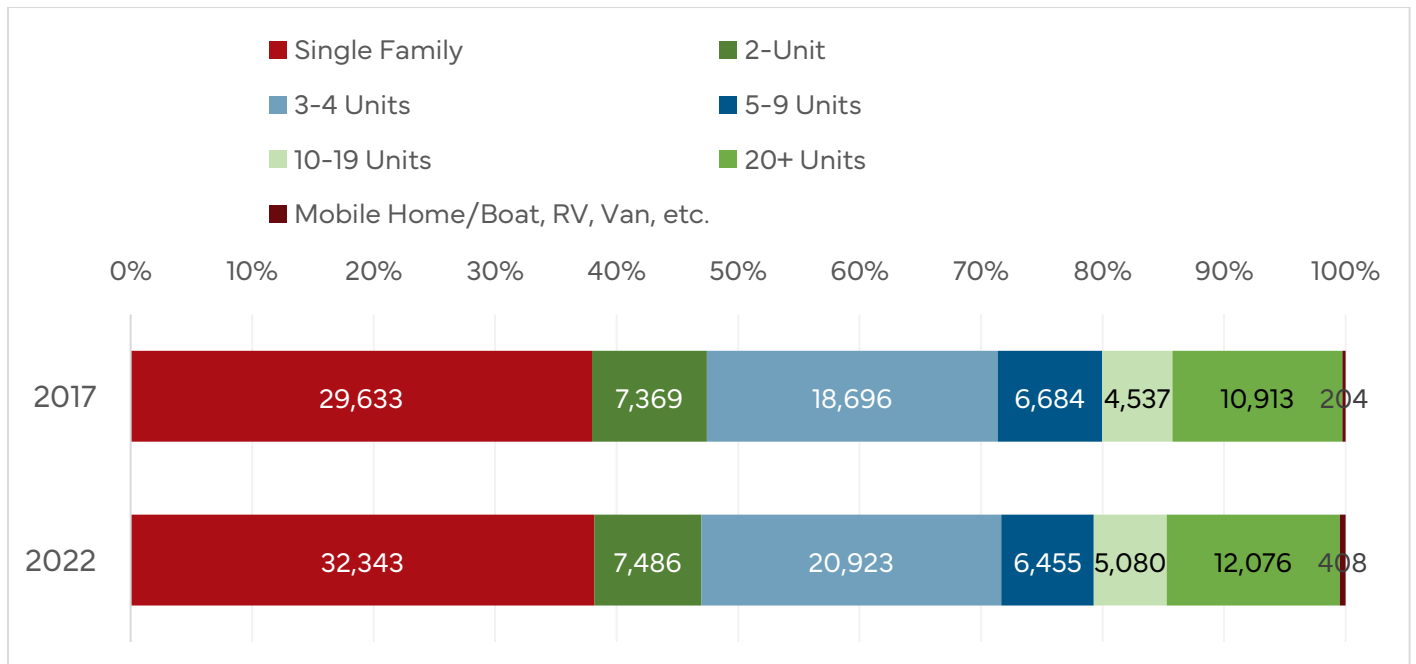
HOUSING STOCK

Units by Building Type

An indicator of housing demand within a local market is the change in total housing units. In a market where housing demand remains high, one would anticipate new housing units being added to meet the demand. In Worcester, an estimated 6,700 new housing units were added across a range of building types from single-family homes to buildings with 20 or more units. Over the past ten years, the city's housing stock increased mostly due to new single-family units (2,710), buildings with 3 to 4 units (2,227), and buildings with 50 or more units (986). Each of those categories grew between 8% and 14%, adding new units to support the city's growing population.²¹

Figure 18. Change in Housing Units by Building Type, 2017 and 2022

Source: US Census Bureau ACS 5-Year Estimates



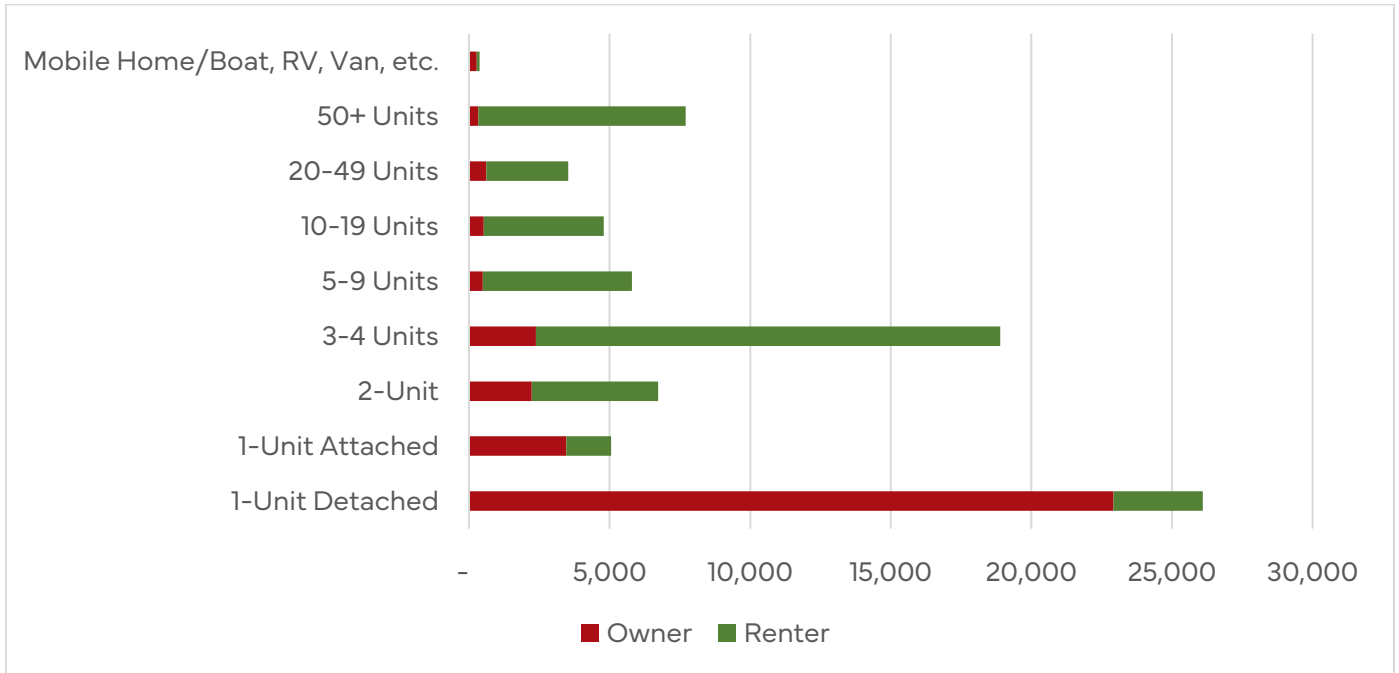
Over the last ten years, more than 4,700 rental units were added to Worcester's housing stock. This figure includes newly-built units as well as the conversion of owner-occupied units to rental units, given the 11.6% increase in renter-occupied units. As shown in the graph below, most of those rental units are in traditional 3-to-4-unit buildings, a dominant building typology in Worcester. There are also over 7,300 rental units in buildings with 50 or more units. That building typology saw a 17.6% increase in units over the past ten years.²²

²¹ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

²² US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Figure 19. Housing Units by Building Type and Tenure, 2022

Source: US Census Bureau ACS 5-Year Estimates

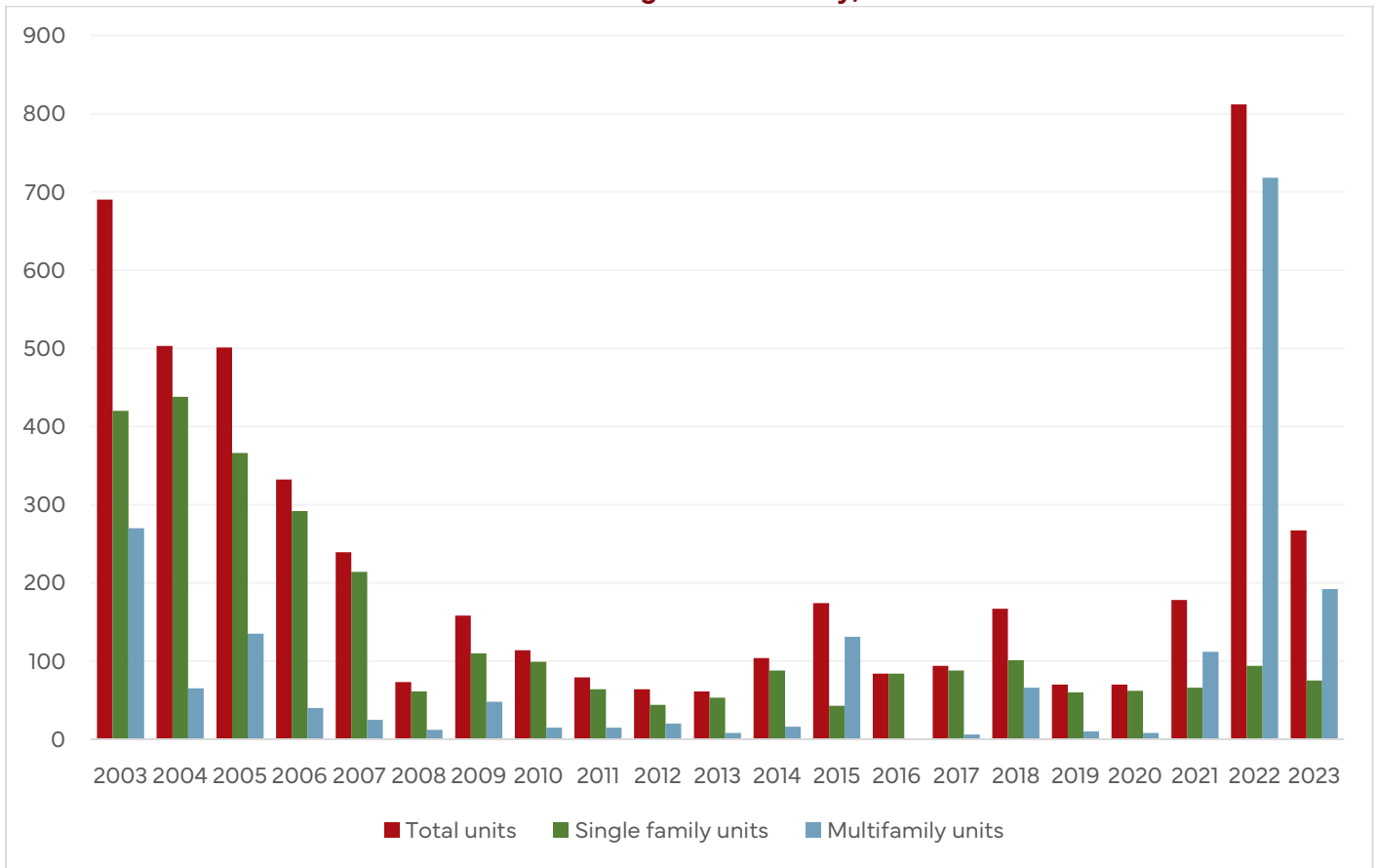


Permitting Activity

Leading into the Great Recession of 2008, Worcester saw a lot of residential building permit activity, but that activity was mostly in the single-family market. With the challenging single-family environment post-2008, the city’s local housing market took time to recover. It wasn’t until 2021 that the city began to see an increase in permitting activity led by the multifamily sector as redevelopment in certain parts of the city took off. According to permit data from the US Census, from 2021 to 2023, Worcester permitted just over 1,000 multifamily units, with over 900 of these in buildings containing five or more units, reflecting an increased demand for housing likely influenced by COVID-19 as people sought affordable, commutable living options near Boston.²³

²³ US Census Building Permit Survey, 2003 - 2023

Figure 20. Building Permit Trends, 2003 – 2023
Source: US Census Building Permit Survey, 2003 - 2023



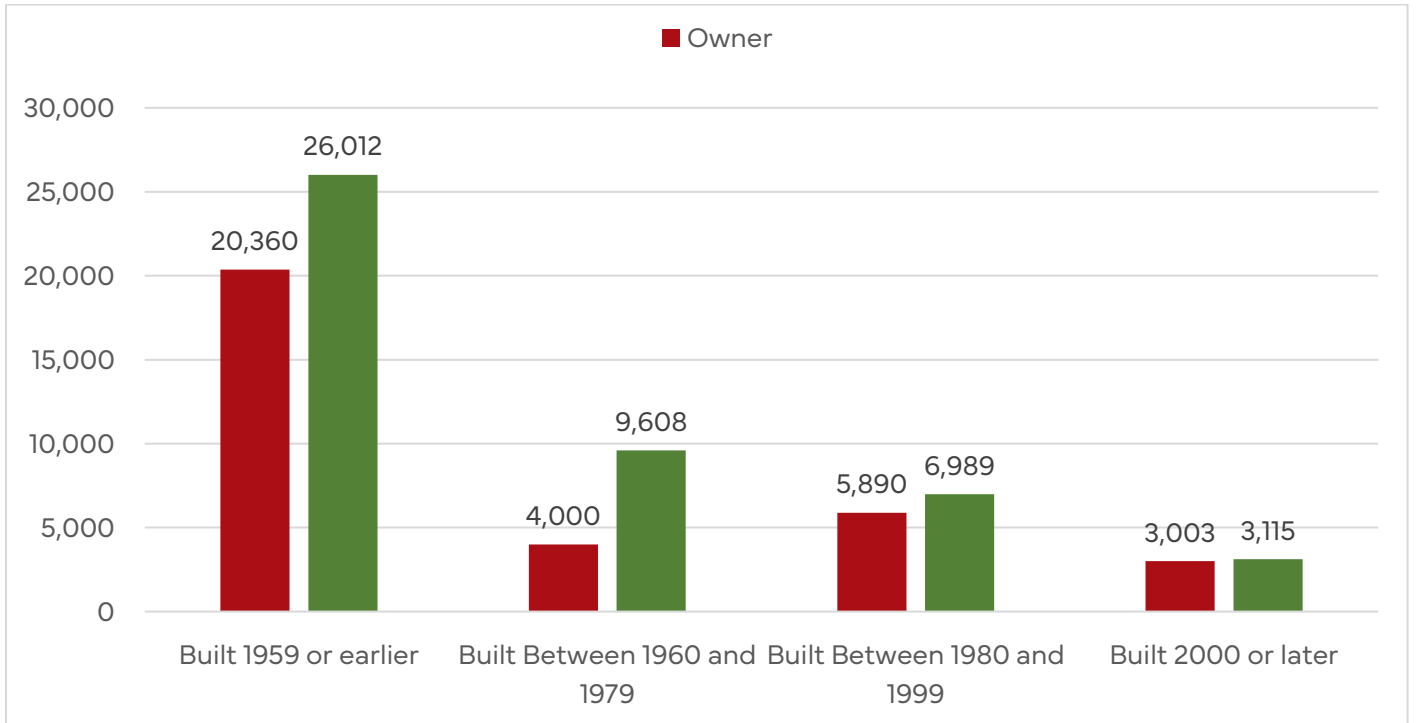
Housing Units by Year Built

Worcester has an aging housing stock with 59% of the housing units constructed prior to 1960, which means that the majority of the units in the city are over 60 years old. Only 7.7% of the city’s housing stock was constructed in the last 20 years with an even split between ownership units and rental units.²⁴ Figure 21 presents information related to housing age. As housing in the city continues to get older, structures will need to be updated and modernized to appeal to both the younger and older generations. These older homes frequently suffer from various issues such as outdated plumbing, high heating costs, poor ventilation, leaking roofs, and mold, all of which stem from their age. These problems can significantly impact tenants, leading to higher utility bills, potential health risks, and an overall diminished quality of living. Newer multifamily buildings can offer modern amenities, elevator access, covered parking, and in-unit accessibility features.

²⁴ US Census Bureau ACS 5-Year Estimates, 2018-2022

Figure 21. Housing Units by Tenure and Year Built, 2022

Source: US Census Bureau ACS 5-Year Estimates



Vacancy

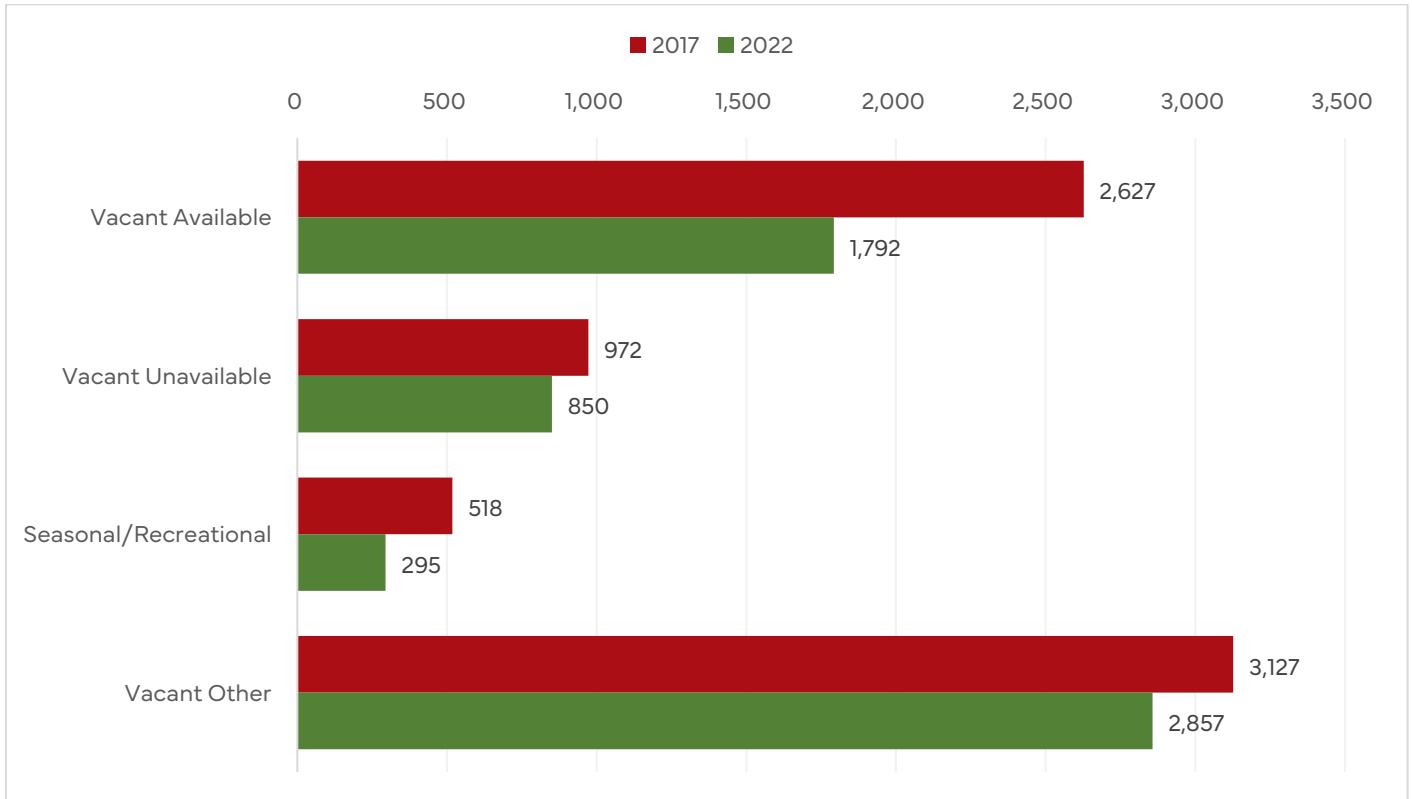
Adding to the challenges of housing availability in Worcester is the declining vacancy rate, particularly for those housing units listed as vacant and available for sale or rent. *Vacant other* refers to properties that are temporarily unoccupied due to various reasons, such as awaiting renovation, probate issues, or legal disputes. It highlights properties that may not be actively listed or marketed but are still part of the housing inventory. In the past 10 years, the percentage of units listed as vacant and available declined from 3.4% of all units to 2.1%. This was a reduction of nearly 1,000 units over 10 years. In fact, the number of vacant units across all categories of vacancy declined.²⁵ While declining vacancy is often a positive sign from a market perspective, when supply is not added to the market to keep vacancy at a reasonable level (5%-8%) prices increase and households can become stuck unable to move up or around in the local market.

The extremely low vacancy rate is not just a Worcester phenomenon but one that is commonly seen across Central and Eastern Massachusetts. This places further stress on the regional housing market with a lack of supply and increasing demand.

²⁵ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Figure 22. Vacant Units by Category, 2013 – 2022

Source: US Census Bureau ACS 5-Year Estimates



MARKET ACTIVITY AND CURRENT PRICING

Home Value

This report section describes the changes in market activity and pricing for both owner-occupied and renter-occupied housing in Worcester. Data from the US Census is used to describe changes in home valuation and gross rent for all owner and renter units in the city. More specific data on recent multifamily developments from CoStar for Worcester and the surrounding residential submarket are also incorporated.

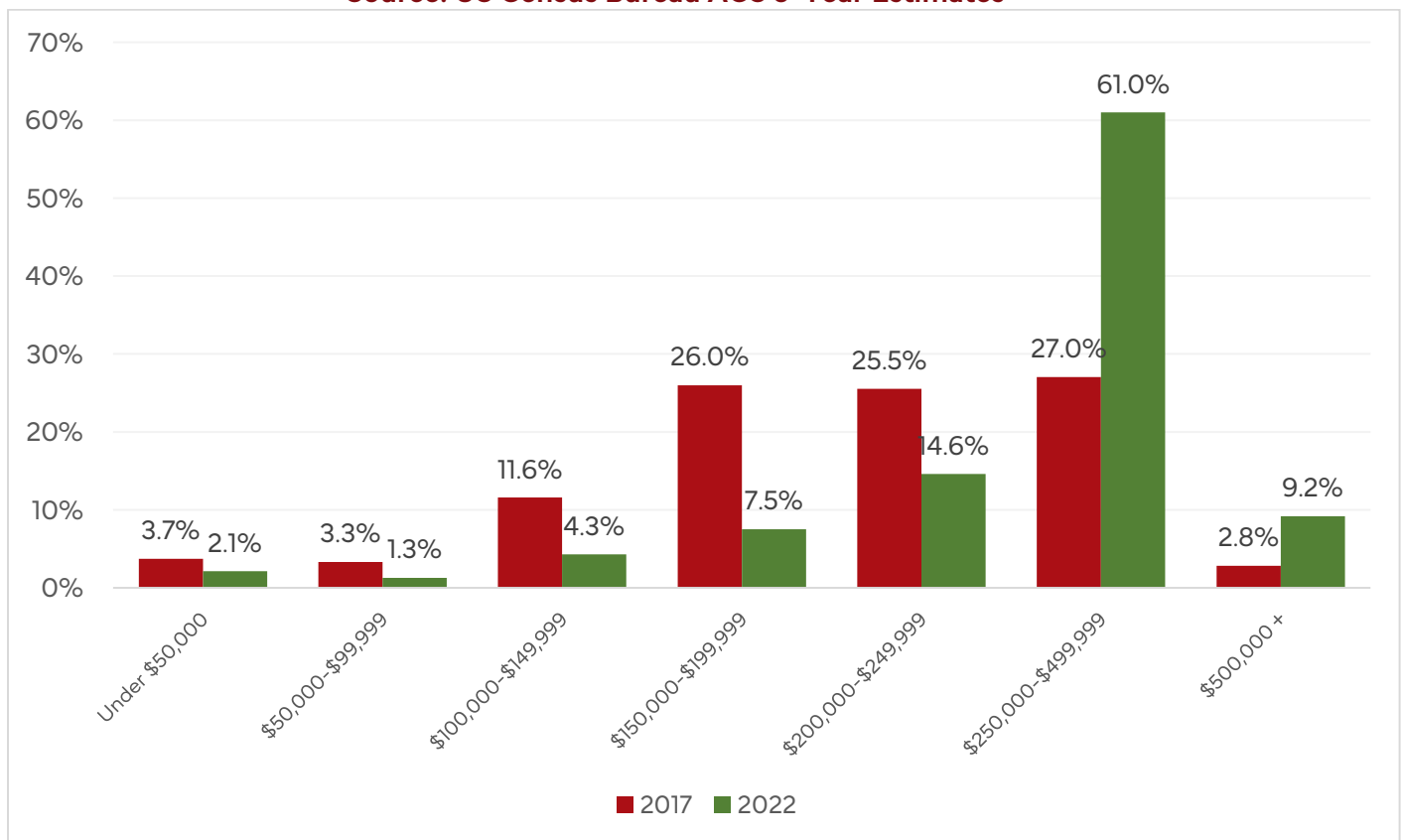
For owner-occupied units in Worcester, the Census estimates median home values have increased 45.1% over the past 10 years to a high of \$305,600 in 2022. Much of that increase was seen in homes valued between \$250,000 and \$499,999 which now comprise 61% of all owner-occupied homes in Worcester.

Over the past decade, Worcester has become less affordable as the number of lower-priced homes has diminished due to increased values, with all value categories experiencing a decline in units

except for homes valued at or above \$250,000, which grew by 14,400. The remaining lower-priced homes often require significant repairs.²⁶

Figure 23. Change in Home Value Distribution, 2013 – 2022

Source: US Census Bureau ACS 5-Year Estimates



Gross Rent

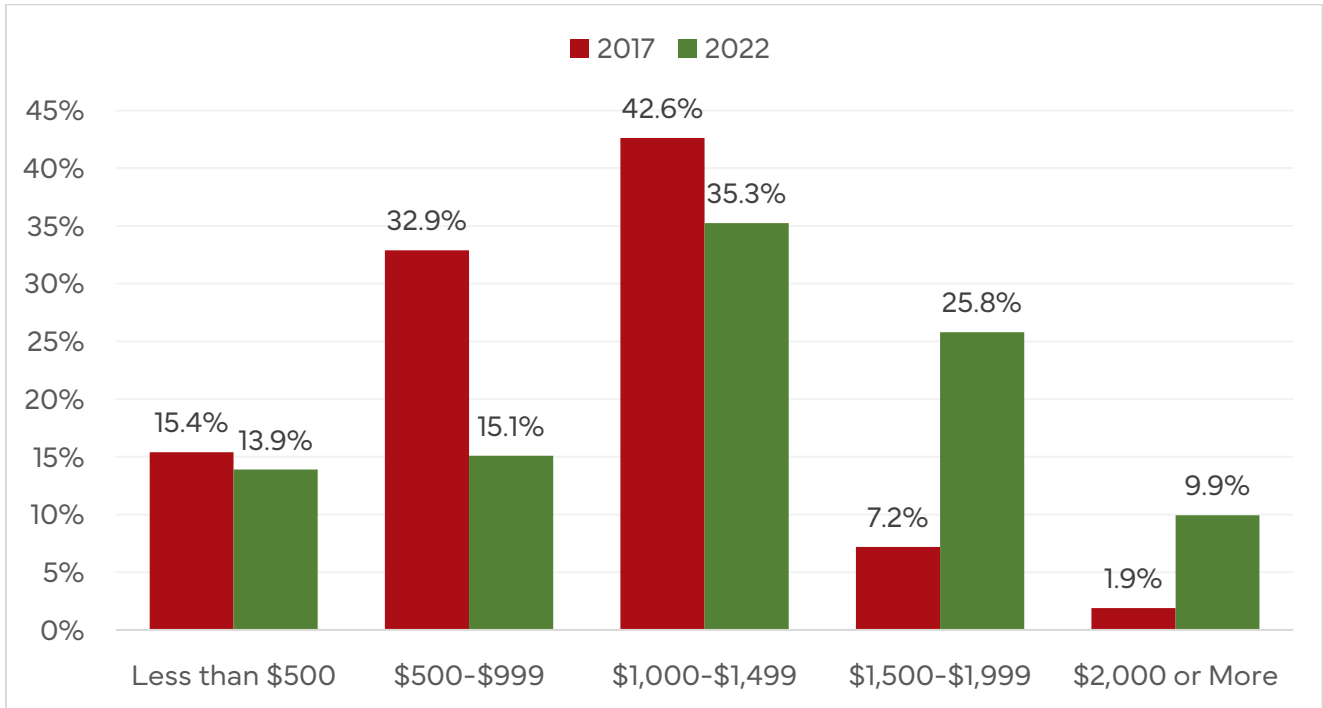
The distribution of rental units by gross rent has changed considerably in Worcester over the past 10 years. From 2013 to 2022, the city saw 7,600 fewer rental units priced at under \$1,000 a month and an increase of 12,300 units priced at over \$1,500 a month. Over that same period units priced at over \$2,000 a month increased by 486% going from 756 units to 4,435 units citywide.²⁷ Some of that increase is related to new construction in the market but much of that is due to general increases in rent of existing units. From a market perspective, the increase in rents can be seen as a positive trend, as higher rents may support new construction despite high interest rates and construction costs. However, it is crucial to address the growing need for affordable housing, as market-rate rents have become unaffordable for many residents.

²⁶ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

²⁷ US Census Bureau ACS 5-Year Estimates, 2017 and 2022

Figure 24. Distribution of Units by Gross Rent, 2013 – 2022

Source: US Census Bureau ACS 5-Year Estimates



Median Sales Price

Over the past ten years, the median sales price in Worcester has increased from \$181,000 in 2014 to \$430,000 in 2024, which marks a 138% increase, with a particularly high percentage increase over the past five years.²⁸ Price increases since 2020 can be linked to the effects of the COVID-19 pandemic and the shortage of available housing options in the area. Job growth in Worcester and the ability to work from home make the city a desirable place to live, particularly for younger professionals who may be priced out of the Boston area but still want to live in a city.

²⁸ Redfin Market Data, 2012-2024

Figure 25. Median Sales Price of All Homes in Worcester, 2012 – 2024

Source: Redfin Market Data



Housing Supply

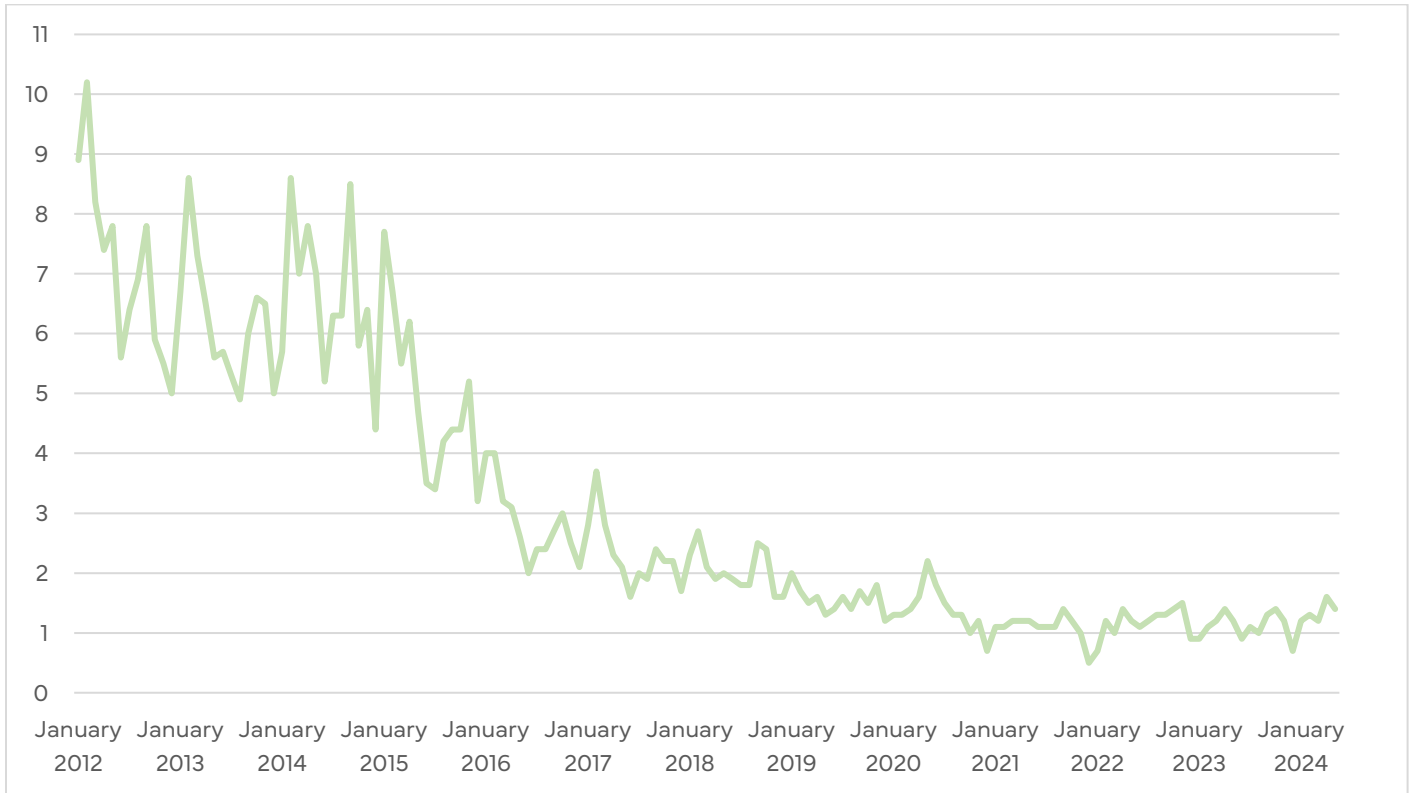
As Worcester became a more desirable place to live the supply of for-sale housing on the market rapidly declined. Since 2021, the Worcester market has about a month's supply of housing inventory available compared with five to six months of supply available back in 2015.²⁹

The lack of inventory on the market since the pandemic has caused prices to rise as demand for housing in Worcester continues. The rise in interest rates has also kept sellers in place, particularly those who have either a low-interest rate mortgage or no mortgage at all. The demand for owner-occupied units and low inventory continues to push prices upward even in a higher interest rate environment.

²⁹ Redfin Market Data, 2012-2024

Figure 26. Months of Supply – For Sale Units, 2012 – 2024

Source: Redfin Market Data



Multifamily Construction

Using data from CoStar we can look more closely at Worcester’s multifamily market which is comprised of 17,800 units tracked by CoStar. The graph below illustrates net new deliveries of units within Worcester (blue bars), how quickly those units are absorbed or leased up (orange bars), and the impact net deliveries and absorption have on vacancy (green line).

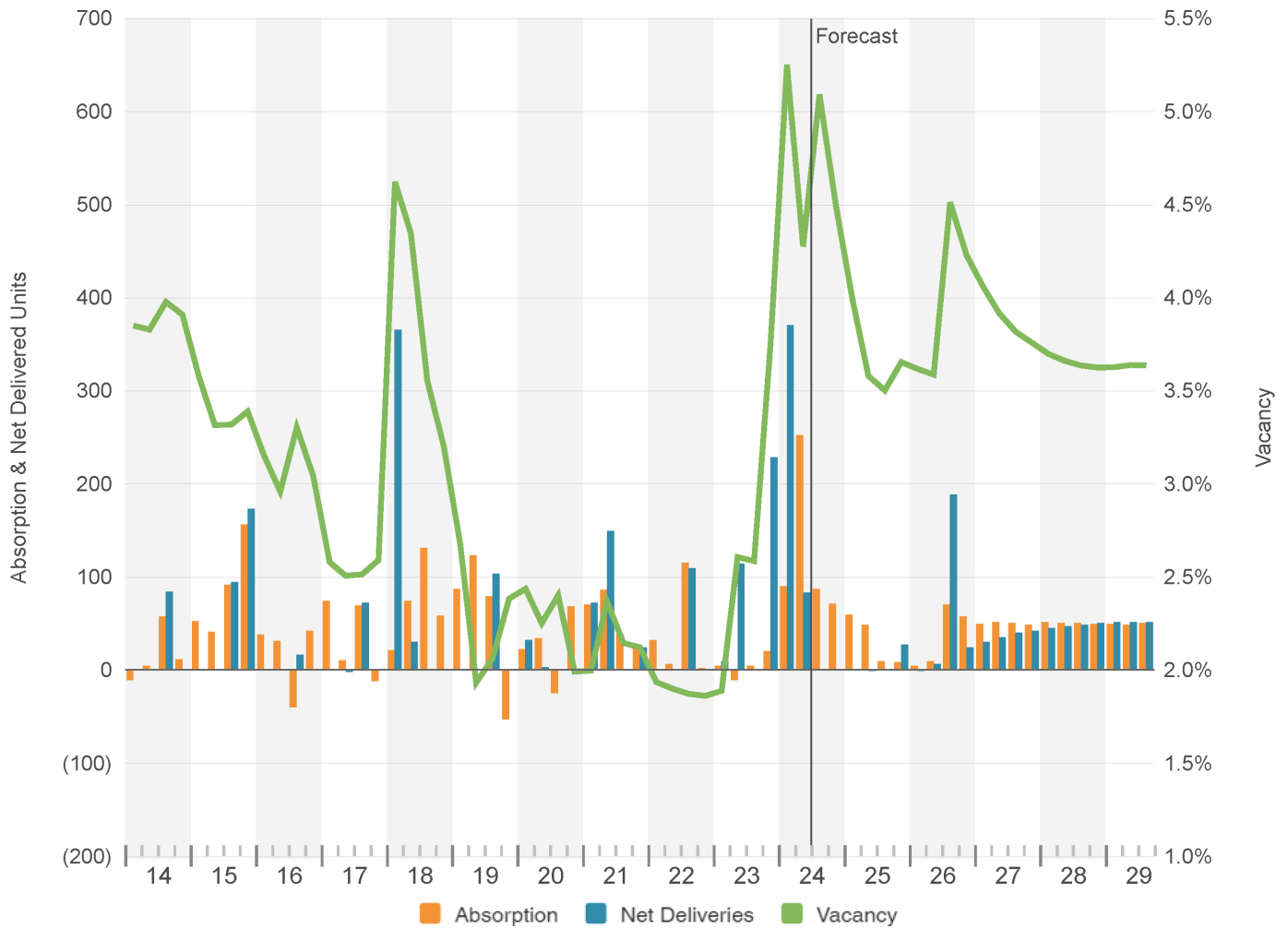
Looking back over the past ten years whenever there is a significant delivery of new multifamily units in Worcester the vacancy rate increases sharply, yet within a few quarters of leasing activity returns to below 2.5%. This demonstrates the demand in Worcester for new multifamily products with most buildings leasing up in two to three quarters.

Although CoStar is forecasting a spike in vacancy in the 2024-2025 timeframe due to the net delivery of over 670 multifamily units, vacancy is only forecast to reach 5.0% before coming back down to 3.5% in late 2025/early 2026. A sub-5.0% vacancy rate is likely to continue to promote competition for available units and year-over-year rent growth in the market.³⁰

³⁰ Costar, Oxford Economics

Figure 27. Net Deliveries, Absorption, and Vacancy for Multifamily Units in Worcester, MA

Source: Costar, Oxford Economics



Market Rents

Monthly rents for multifamily units in Worcester steadily increased from 2014 to the end of 2020. The impact of the pandemic on rental rates began to show in early 2021 when rents for 2- and 3-bedroom units sharply increased. This occurred during a period when new multifamily units were delivered to the market with little long-term impact on vacancies or moderating rent growth.

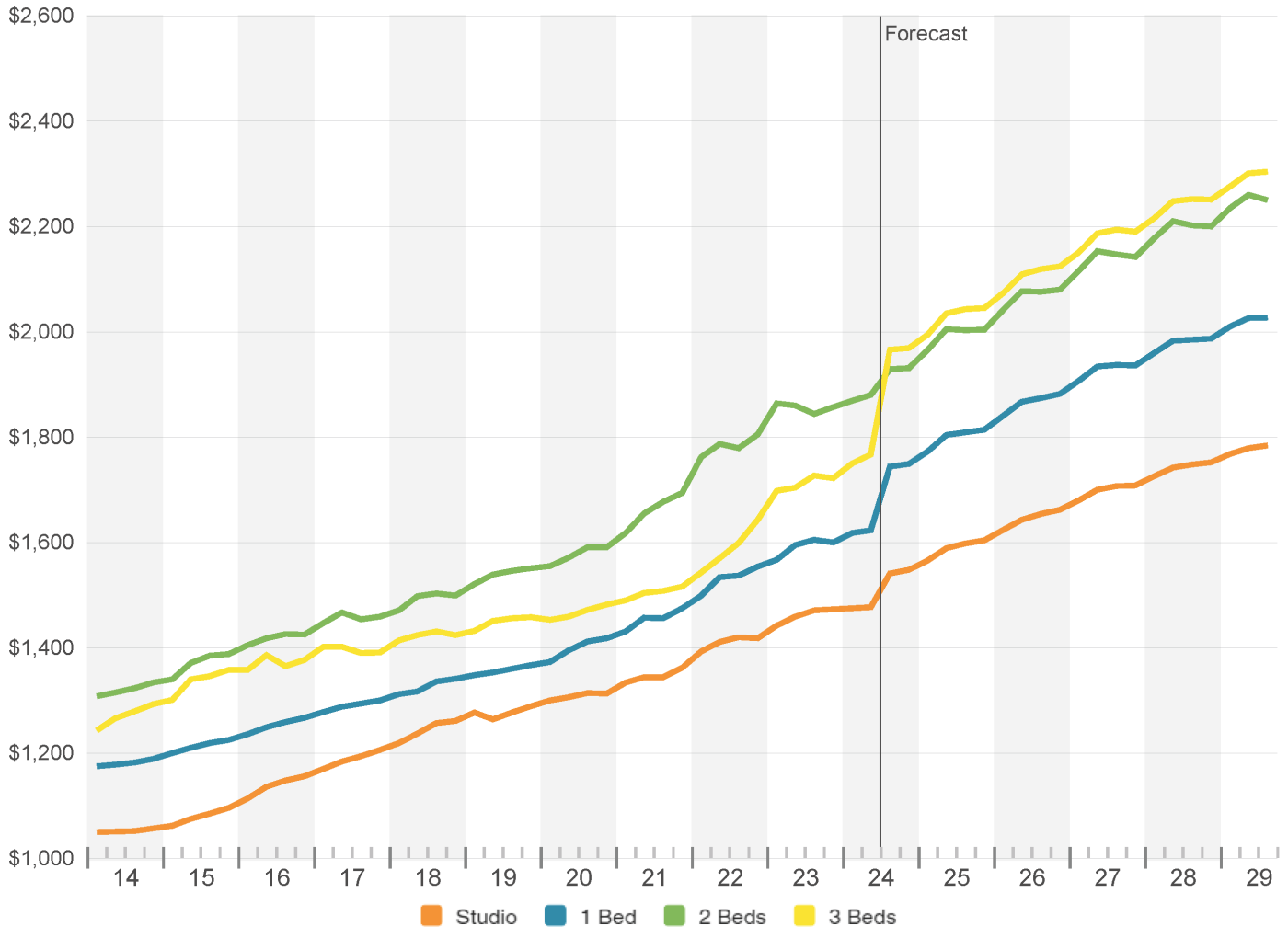
Today, the median rent of a multifamily unit tracked by CoStar is \$1,718 per month up from \$1,218 ten years ago. Although a sizable rent increase for Worcester, it is lower than the change in monthly rent seen in the immediate Boston area or even suburban markets that ring Boston.

Alongside the increase in the city’s median rent, rent levels for all unit types have also been steadily increasing. In Q2 2024, the median asking rent by bedroom type is as follows:

- Studio - \$1,476 or \$1.76 per SF.
- One-Bed - \$1,622 or \$1.94 per SF.
- Two-Bed - \$1,879 or \$2.01 per SF.
- Three-Bed - \$1,766 or \$1.63 per SF.³¹

Figure 28. Changes in Monthly Rent by Bedroom Type for Multifamily Units in Worcester, MA

Source: Costar, Oxford Economics



Market Rent Growth

Worcester’s multifamily market has seen an average year-over-year (YOY) rent growth of around 3.5% for the past 10 years. Periods of sharp rent growth, as shown in the graph below, typically coincide with the delivery of new units to the market. These new units tend to have rents at or above the top of market rents at the time of delivery. Following lease-up activity, annual rent growth returns to historical averages.

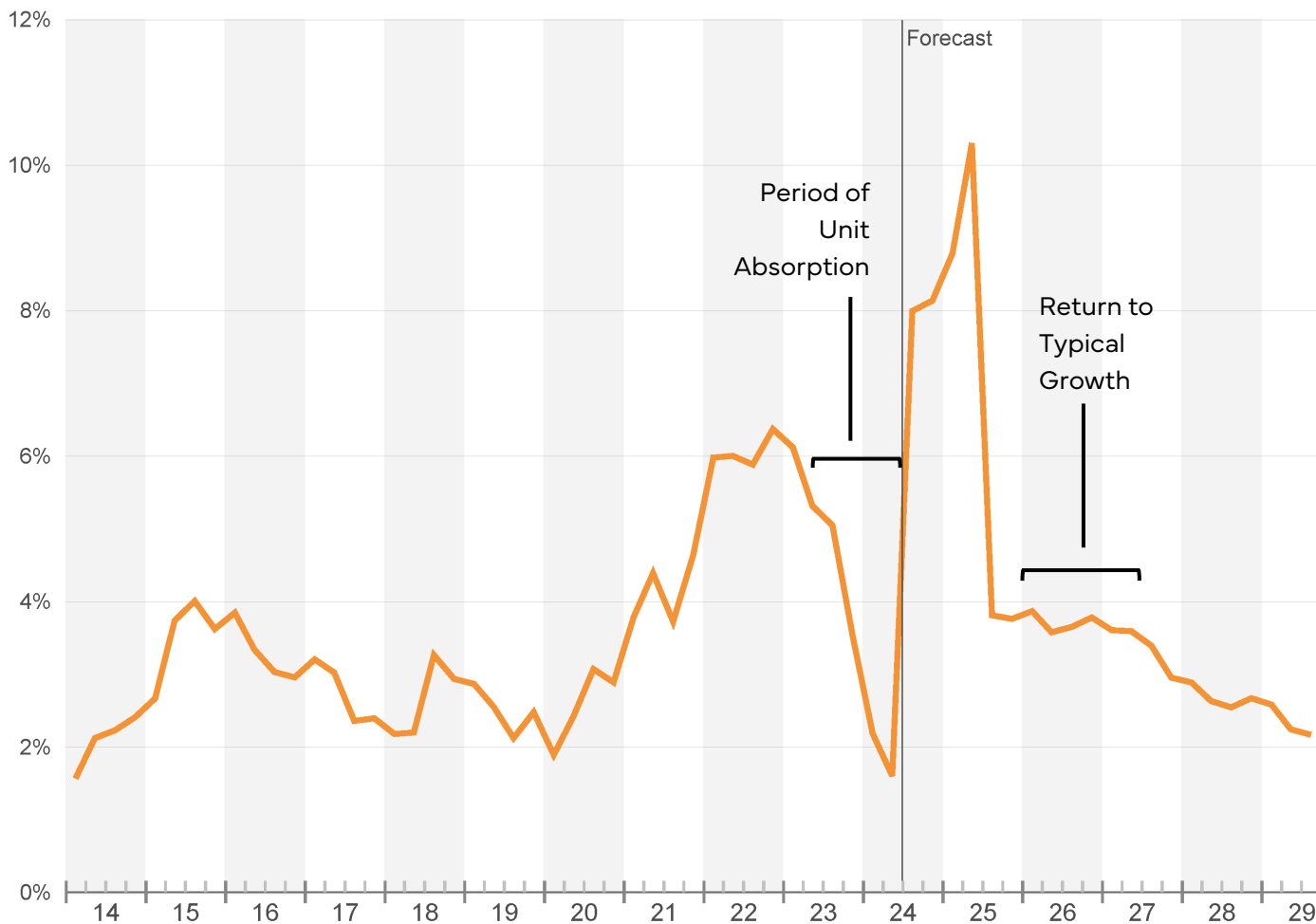
³¹ Costar, Oxford Economics, 2014-2024

The steady stream increase in YOY rent growth from Q1 2020 to Q4 2023 is pandemic-related when demand spiked, and supply was constrained. Building owners were able to increase rents as units turned over or for existing tenants to keep pace with demand.

CoStar projects YOY rent growth to continue in the 3.5% range until 2028 when rent growth dips below the historic averages. This may be a result of little to no new inventory projected to hit the market in those outer years. Past trends indicate that when a new product hits the market, rent growth is shortly elevated and then returns to historic averages.³²

Figure 29. Market Rent Growth (YOY) for Multifamily Units in Worcester, MA

Source: Costar, Oxford Economics



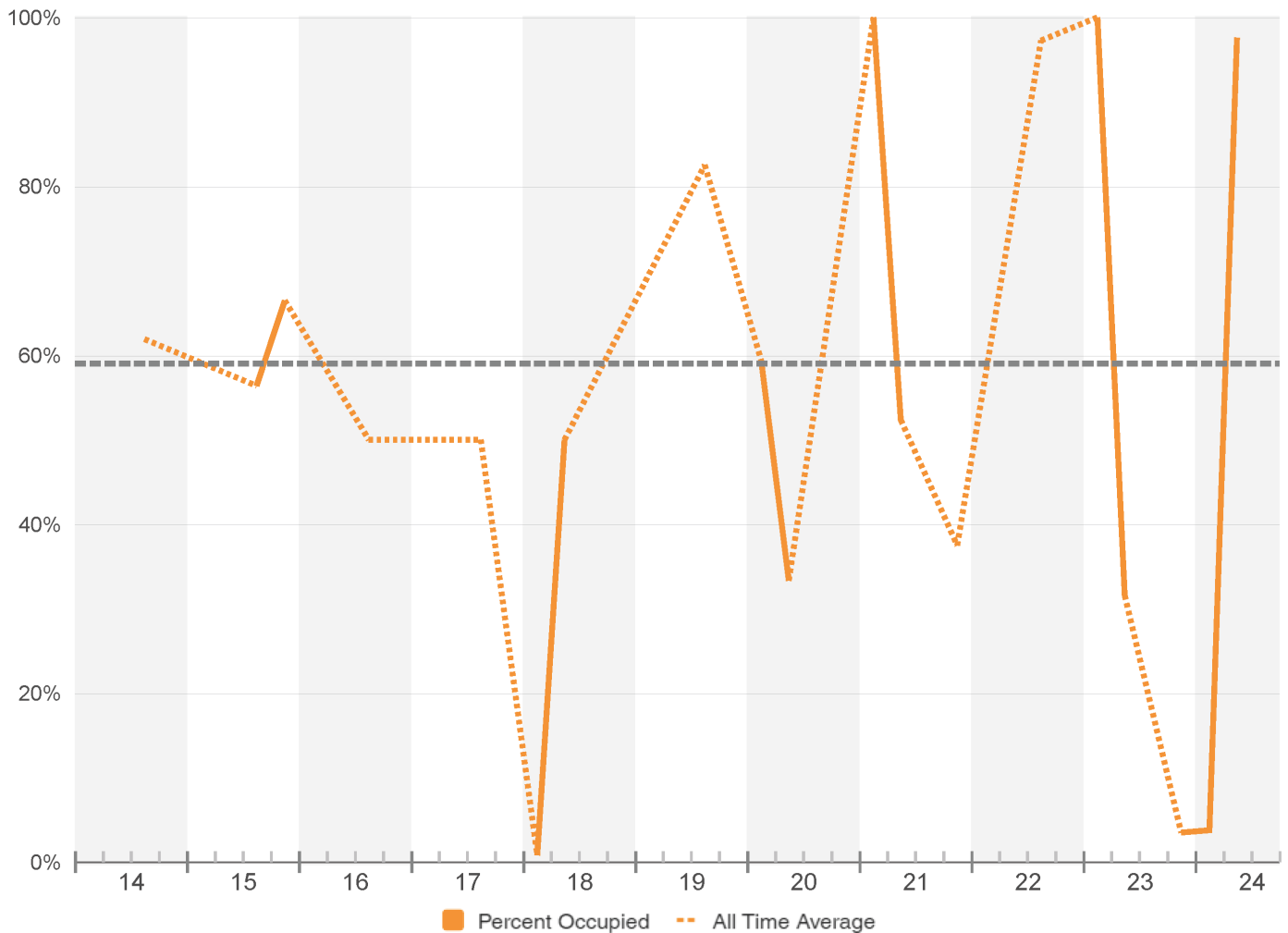
³² Costar, Oxford Economics, 2020-2023

New Multifamily Buildings

Since 2014, the average occupancy rate of new multifamily buildings at delivery is 59% which speaks to the demand for rental housing in Worcester. Buildings that were delivered in 2020 and beyond often had a higher pre-lease percentage, in some cases as high as 100% at delivery.³³

Figure 30. Occupancy at Delivery for New Multifamily Buildings in Worcester, MA

Source: Costar, Oxford Economics



Newly constructed and occupied multifamily buildings in Worcester are performing differently than the market averages for all units tracked in CoStar. The performance difference between newly constructed and occupied multifamily buildings in Worcester and the market averages tracked by CoStar can be attributed to several factors. New buildings often cater to specific market segments with modern amenities and higher rental rates, which can skew performance metrics compared to older units. Additionally, newly constructed properties may have different occupancy rates and

³³ Costar, Oxford Economics, 2014-2023

development quality, impacting their performance relative to the broader market. Location and demand also play a role, as new developments in high-demand areas may perform differently from existing properties.

These factors collectively contribute to the variance in performance between new multifamily buildings and the overall market averages. The following are averages for the multifamily buildings tracked in CoStar that were delivered since 2019.³⁴

- Units Delivered: 1,324
- Average Unit Count per Development: 83
- Average Number of Stories: 4
- Average Vacancy Rate: 8.9%³⁵
- Average Asking Rent per Unit: \$2,310
- Average Asking Rent per SF: \$2.30
- Typical Bedroom Splits:
 - 8 of 15 projects include Studio Units comprising between 10% and 35% of units.
 - 15 of 15 projects include One-Bed units comprising between 25% and 100% of units.
 - 12 of 15 projects include Two-Bed units comprising between 25% and 100% of units.
 - 7 of 15 projects include Three-Bed units comprising between 3% and 35% of units.

³⁴ Costar, Oxford Economics, 2019-2024

³⁵ Average vacancy for buildings built from 2019-2022 is 1.4%. Two new buildings delivered in 2024 are still leasing up and driving vacancy higher than the typical averages.

Figure 31. Alta on the Row – 22 Mulberry Street

Source: Costar, Oxford Economics



HOUSING DEMAND AND GAP ANALYSIS

The purpose of RKG’s housing demand model is to calculate the number of new housing units that could be supported in Worcester between 2023 and 2033. This model takes inputs from a variety of data sources that consider projected changes in population, households, employment, and housing preferences. The model contains two modules:

- Household Model – this model is designed to forecast the total number of owner and renter households in Worcester between 2023 and 2033. The inputs to this model are:
 - Population and population growth.
 - Persons per household by year.
 - Share of households that are owners and renters by year.
- Housing Demand Model – this model calculates the annual and cumulative demand for newly constructed owner and renter units in Worcester. The model is also designed to segment demand by product type (i.e., for-sale townhomes, rental apartments). Demand for owner/renter units comes from two sources:

- New renter/owner households moving to Worcester.
 - Existing renters/owners that move within Worcester (including owners who purchase another home, renters who choose to purchase, renters who rent another unit, and owners who choose to rent).
- The Household Model starts with forward-looking population projections obtained from the UMass Donahue Institute. It also uses the 2017 to 2022 persons per household and tenure distribution change rates from the American Community Survey (ACS) 5-Year Estimates and extrapolates change through 2033.
 - In addition to the Donahue Institute population projections, the Household Model also considers changes in employment in the city and the percentage of future employees who may choose to live in Worcester and need housing. RKG factored in future employment changes using Lightcast employment data and their own proprietary employment projections.
 - Lastly, RKG projected induced population growth from residential construction activity over the next five years from CoStar’s development pipeline. The Household Model uses these inputs together to project the number of renter and owner households per year between 2023 and 2033 that serve as the basis for the Housing Demand Model.
 - The Housing Demand Model then calculates the projected demand for new owner-occupied and renter-occupied housing units, respectively. The Model uses Public Use Microdata Sample (PUMS) data to calculate several assumptions used in the Model. These include the percentage of households that move per year by tenure, the percentage of households that move but stay within Worcester and buy or rent another unit, and the percentage of households that choose a newly constructed unit.
 - Again, demand for new housing units comes from two sources: new renter and owner households moving to Worcester, and existing renters and owners that move to another unit in Worcester. The total demand for new owner-occupied units and renter-occupied units is then calculated and summarized.

Housing Demand Model Estimations

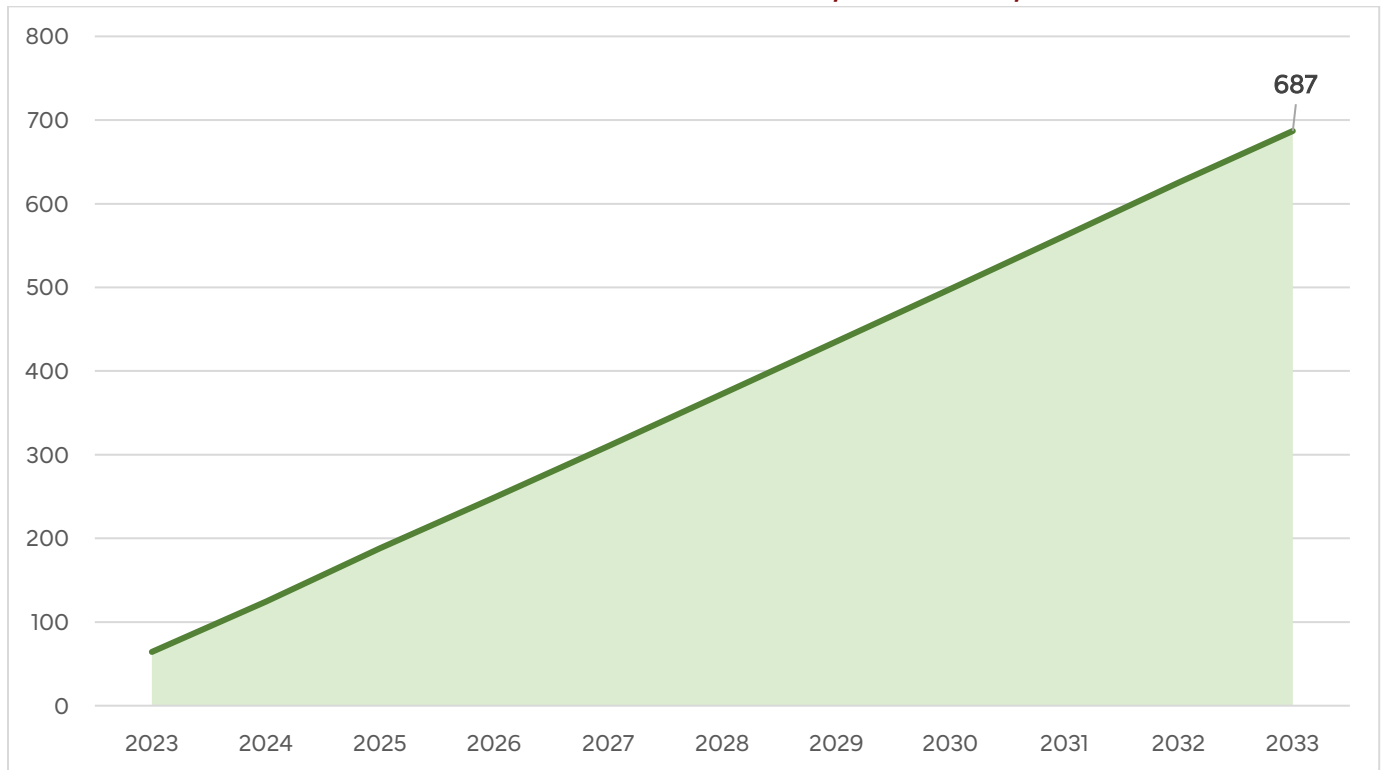
Using population and employment projections provided by the Donahue Institute and Lightcast, as well as Census microdata, the housing demand projections estimate that there is a demand for new owner and renter housing units in Worcester by 2033.

Figures 32 and 33 illustrate the projected demand for both ownership and rental housing in Worcester from 2022 to 2033. Specifically, there is a need for 11,617 new rental units and 854 owner-occupied units, highlighting a strong demand for both types of housing. The high demand for rental units, especially among smaller households, indicates a dynamic rental market, while the need for owner-occupied units shows a notable interest in homeownership. This highlights Worcester's shifting housing needs and the importance of offering diverse housing options to meet the demands of its growing population.

Further details are provided in Figure 34 and Table 4, which show that the demand for new ownership units is primarily for smaller households, with 33% needed for two-person households and 26% for one-person households, totaling 687 new units. This emphasizes the need for smaller homes. Similarly, Figure 35 and Table 5 reveal that the projected demand for rental units also favors smaller households, with 39% of the demand for one-person households and 26% for two-person households, reflecting a clear trend towards smaller rental units.³⁶

Figure 32. Total Cumulative Owner Demand for New Units Year-Over

Source: US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations



In total, there is an estimated demand of 12,304 new units by 2033.³⁷

³⁶ US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

³⁷ US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

Figure 33. Total Cumulative Renter Demand for New Units Year-Over-Year

Source: US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

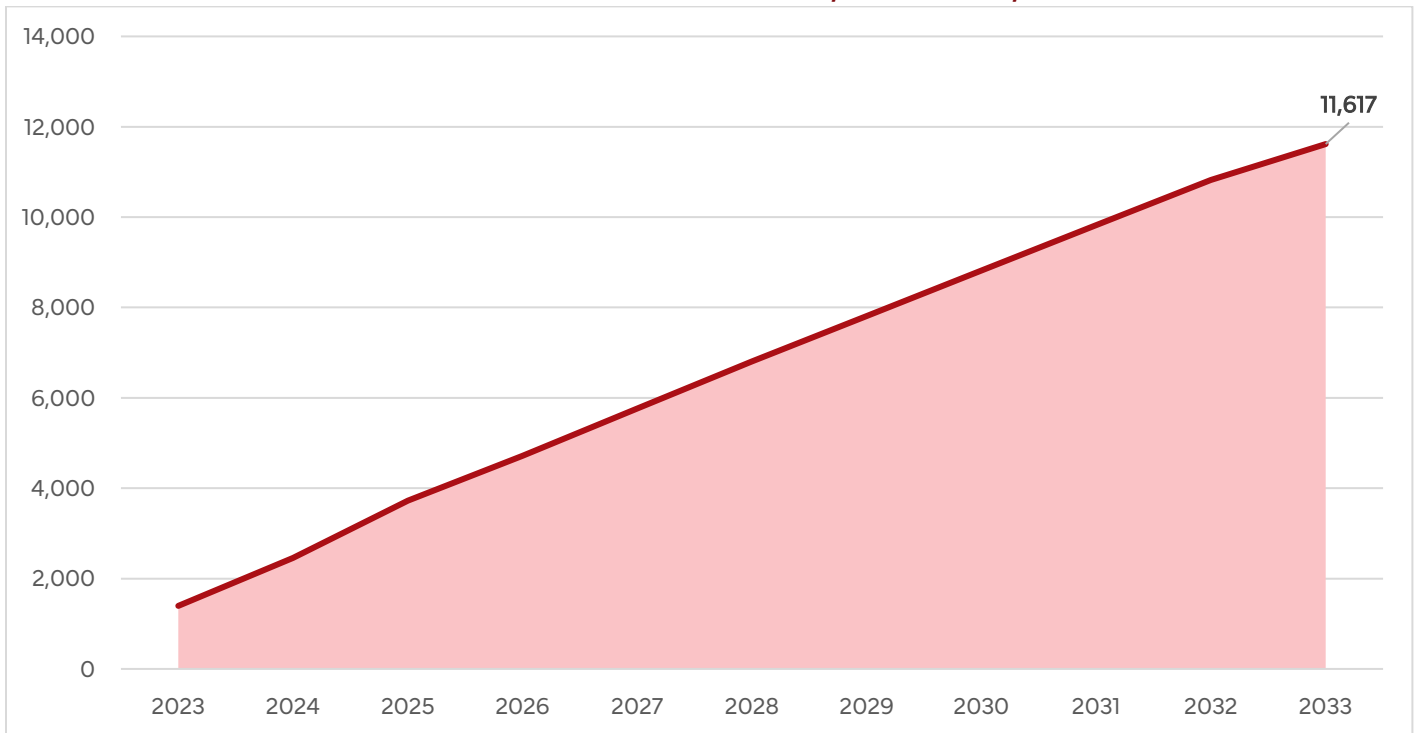


Figure 34. Owner-Occupied Household Size Breakdown through 2033

Source: US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

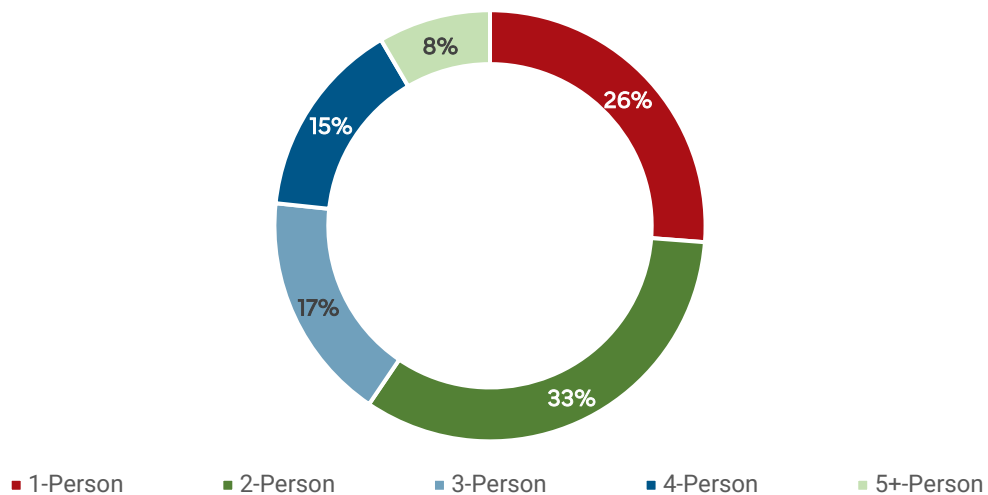


Table 4. Total Demand for New Ownership Housing Units 2022 – 2033

Source: US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

Household Size	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%

Figure 35. Renter-Occupied Household Size Breakdown through 2033

Source: US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

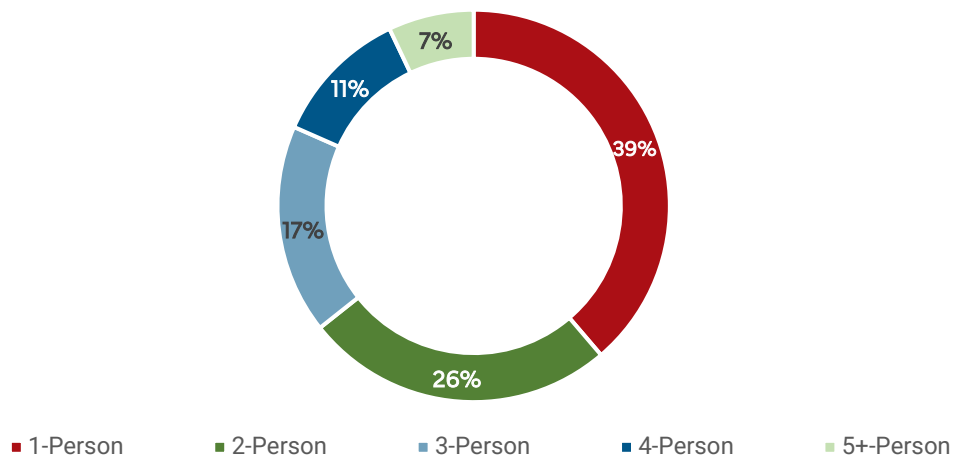


Table 5. Total Demand for New Renter Housing Units 2022 – 2033

Source: US Census Bureau ACS 5-Year 2022 Estimates, IPUMS 2022, RKG Calculations

Housing Units	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%

Cost Burden

In Worcester, renters face a significant cost burden compared to homeowners, with approximately 50% of renter households struggling to afford their housing.³⁸ Many lower-income renters in the city are particularly affected, finding themselves cost-burdened due to the escalating rent prices.³⁹ As the housing market in Worcester becomes increasingly expensive, current residents may experience growing difficulties in managing these higher costs. This trend highlights the financial strain that renters endure as they grapple with rising housing expenses, making it challenging for them to sustain affordable living conditions amidst the growing economic pressure.

³⁸ US Census Bureau ACS 5-Year Estimates, 2018-2022

³⁹ Cost burden occurs when a household spends more than 30% of its gross income on housing expenses, including rent or mortgage payments, property taxes, and utilities. Severely cost burdened households face an even greater financial strain, spending over 50% of their income on these costs.

Figure 36. Cost Burdened Owner vs Renter Households 2022

Source: US Census Bureau ACS 5-Year Estimates

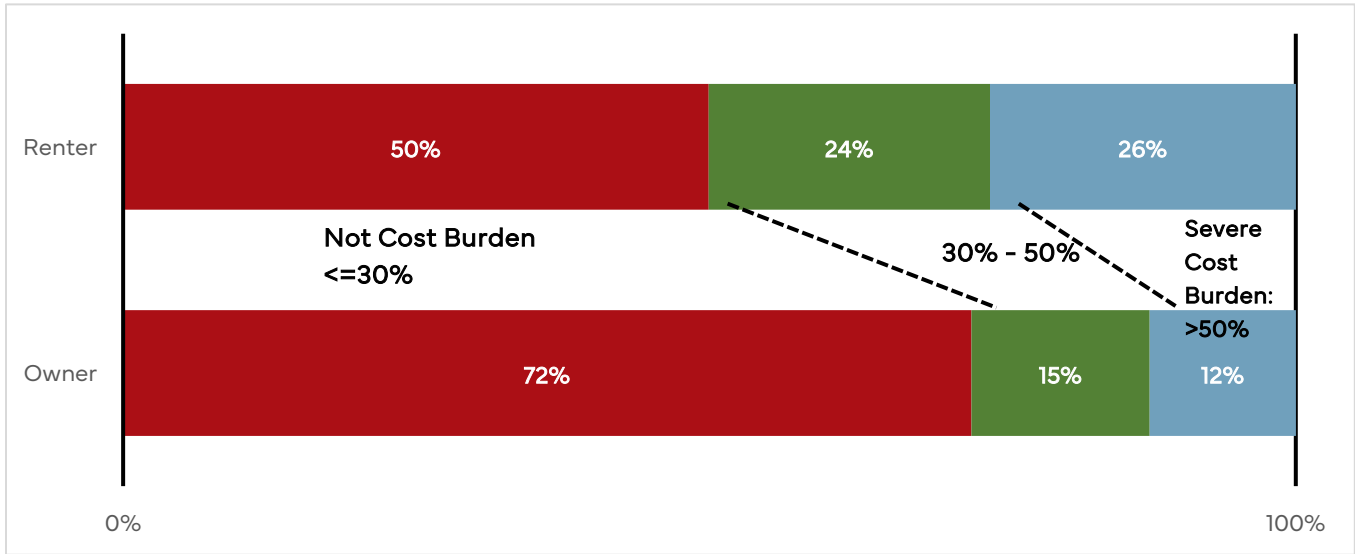
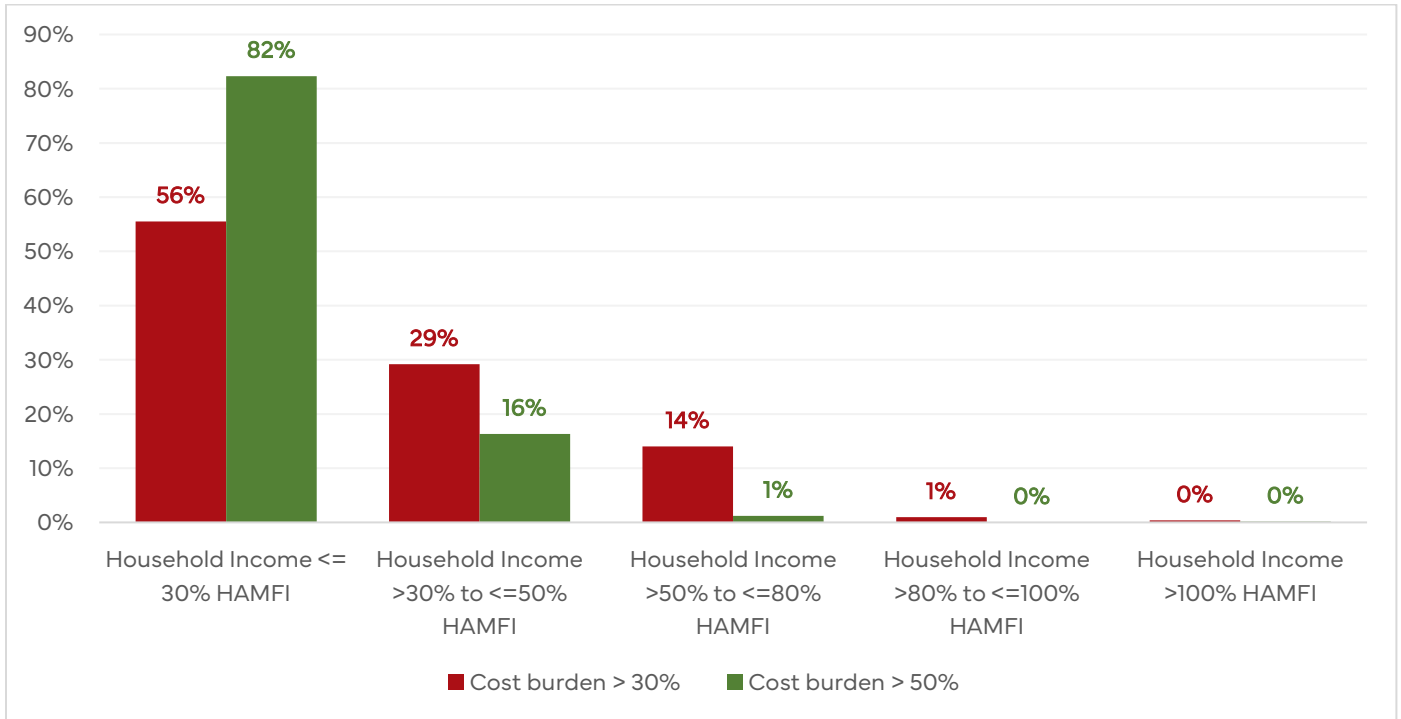


Figure 37. Income by Cost Burdened Renter

Source: Chas 2020



40

⁴⁰ HAMFI, or "Housing Area Median Family Income," is a measure used to set income limits for housing assistance programs, including affordable housing and government-funded initiatives. It evaluates the

Affordable Housing Units

In May 2023, Worcester adopted an Inclusionary Zoning ordinance. The ordinance provides three options for compliance: At least 15% of the units must be affordable to households earning no more than 80% of the Area Median Income (AMI), at least 10% of the units must be affordable to households earning no more than 60% of the AMI, or a proportional combination of units at the 60% and 80% AMI levels. For rental units, rents may not exceed 30% of annual household income OR the fair market rent, whichever is lower. Units for sale must not exceed the median sale price at the time of sale in MLS OR the price a lender is willing to lend for that household income, whichever is lower.⁴¹

To this end, it is important to discuss the need for deed-restricted affordable housing in Worcester as part of the housing needs assessment. Estimates in 2022 show 74% of all renter households in Worcester have incomes at or below 80% AMI. That equates to over 33,000 renter households that can affordably pay rents of less than \$2,000 a month with the majority of those households being able to afford rents of up to \$1,286 a month.

New market-rate units are delivering at well above \$2,000 a month for a one- or two-bedroom unit bringing most new market-rate units out of reach of 74% of existing Worcester renter households. This speaks to the important role that affordable housing plays in the city and the demand for those units when they come online.⁴²

Area Median Income (AMI) refers to the midpoint of a region's income distribution where half the households in a region earn more than the median and half earn less than the median. For housing, AMI thresholds set the limits for households eligible to live in income-restricted housing units and how much those units can be rented or sold for.

financial capacity of families in a specific area, serving as a benchmark to classify income levels as low, moderate, or high in terms of housing affordability.

⁴¹ Inclusionary Zoning, City of Worcester

⁴² HUD Income Limits, US Census Bureau ACS 5-Year 2022 Estimates, RKG Calculations

Table 6. Affordable Rents for Area Median Income Thresholds

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

Area Median Income Threshold	Income (2-person household)	Renter Households		Affordable Monthly Rent
		#	%	
30% AMI (Extremely Low Income)	\$30,900	17,855	39.0%	\$773
50% AMI (Very Low Income)	\$51,450	8,128	17.8%	\$1,286
80% AMI (Low Income)	\$78,250	8,097	17.7%	\$1,956
100% AMI (Moderate Income)	\$102,900	4,801	10.5%	\$2,573
120% AMI (Moderate Income)	\$123,480	1,943	4.2%	\$3,087
Above 120% AMI (Middle Income +)	\$123,481+	4,900	10.7%	\$3,088+

Rental Gap Analysis

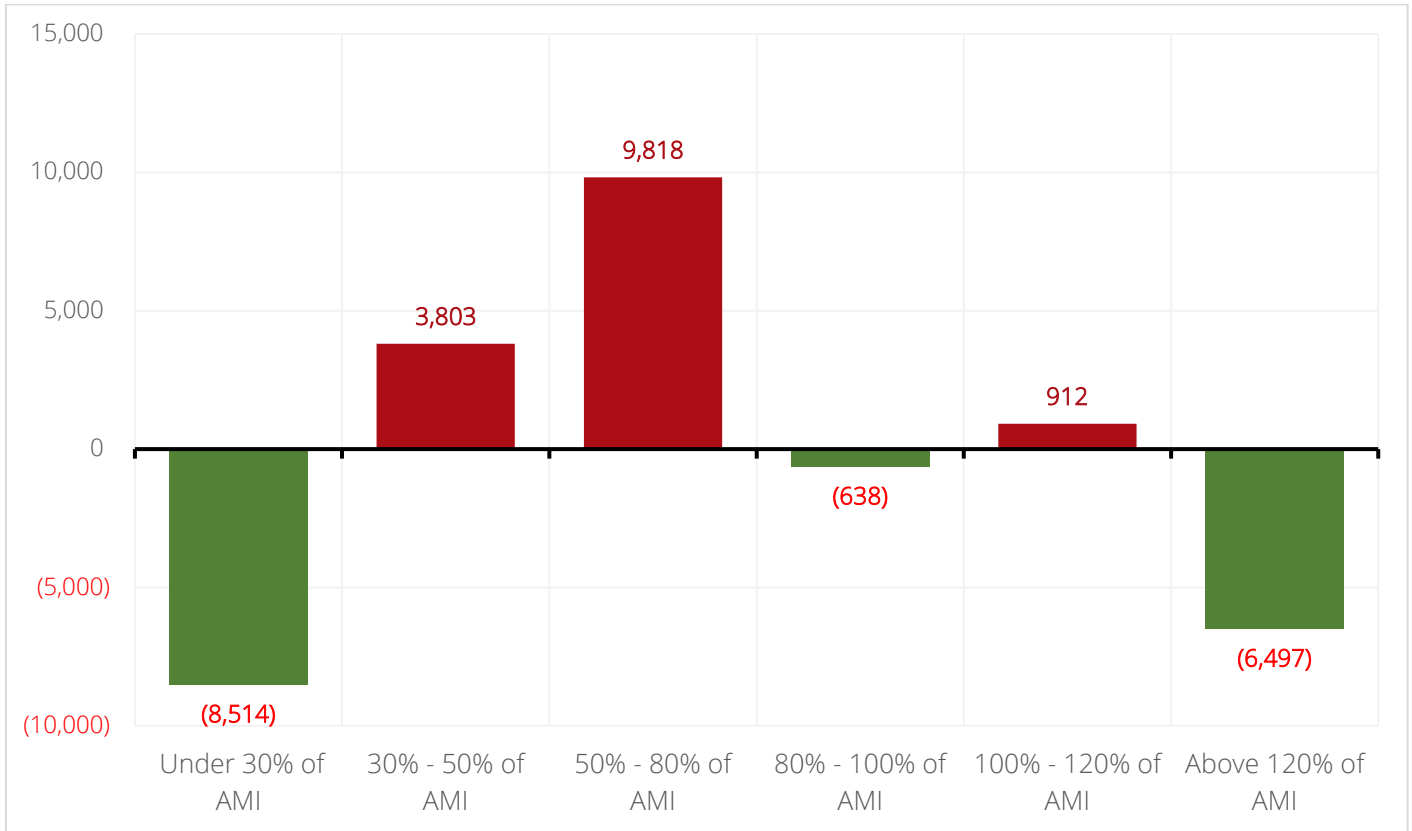
The graph below compares the number of households in Worcester at different AMI levels to the number of rental units priced to what those households can afford to pay. Subtracting the number of households in each income bracket from the number of units in each bracket produces a surplus or gap number depending on if there are more households or more units in each income bracket. For example, renter households at or below 30% AMI have an extremely difficult time finding units that are affordable to their household income. There are an estimated 8,514 more households at this income level in Worcester than there are rental units affordably priced to those households.

Conversely, there are 9,818 more rental housing units priced affordably to households between 50% and 80% AMI than there are households. This does not mean those units are sitting vacant. It likely means households at 30% AMI and those above 120% AMI are paying more than they should for housing or are paying less than they technically could afford due to lack of supply for those households. This ends up creating pressure on units priced for households in the 30% to 80% AMI range driving up competition for a scarce commodity.⁴³

⁴³ HUD Income Limits, US Census Bureau ACS 5-Year 2022 Estimates, RKG Calculations

Figure 38. Rental Supply and Demand Gap, City of Worcester

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



Ownership Gap Analysis

FHA (Federal Housing Administration) lending is a type of mortgage that is backed by the government. This means it allows buyers to make smaller down payments and have more flexible credit requirements, making it a good option for first-time homebuyers or those with less-than-perfect credit. On the other hand, conventional lending refers to private mortgages that don't have government backing. These typically require higher credit scores and larger down payments but can offer competitive interest rates for those with strong credit histories. When assessing housing affordability, we look at both FHA and conventional loan options. For households earning 50% or less of the Area Median Income (AMI), there is a significant shortage of affordable housing units available under both loan types.

For homes priced between 50-80% of AMI, there are more units available than needed in both FHA (2,275) and conventional (8,471) scenarios, indicating a good supply for this income range.

In the 80-100% AMI range, there's a healthy surplus of homes available under both types of lending (4,531 in the FHA scenario, and 4,196 in the conventional lending scenario), suggesting that higher-income households are likely buying down in the market, tightening the market.

However, for homes priced between 100-120% of AMI, there's a surplus of 3,004 units in FHA loans but a shortage of 1,201 units in conventional loans, indicating that conventional financing might be harder for average buyers to access.

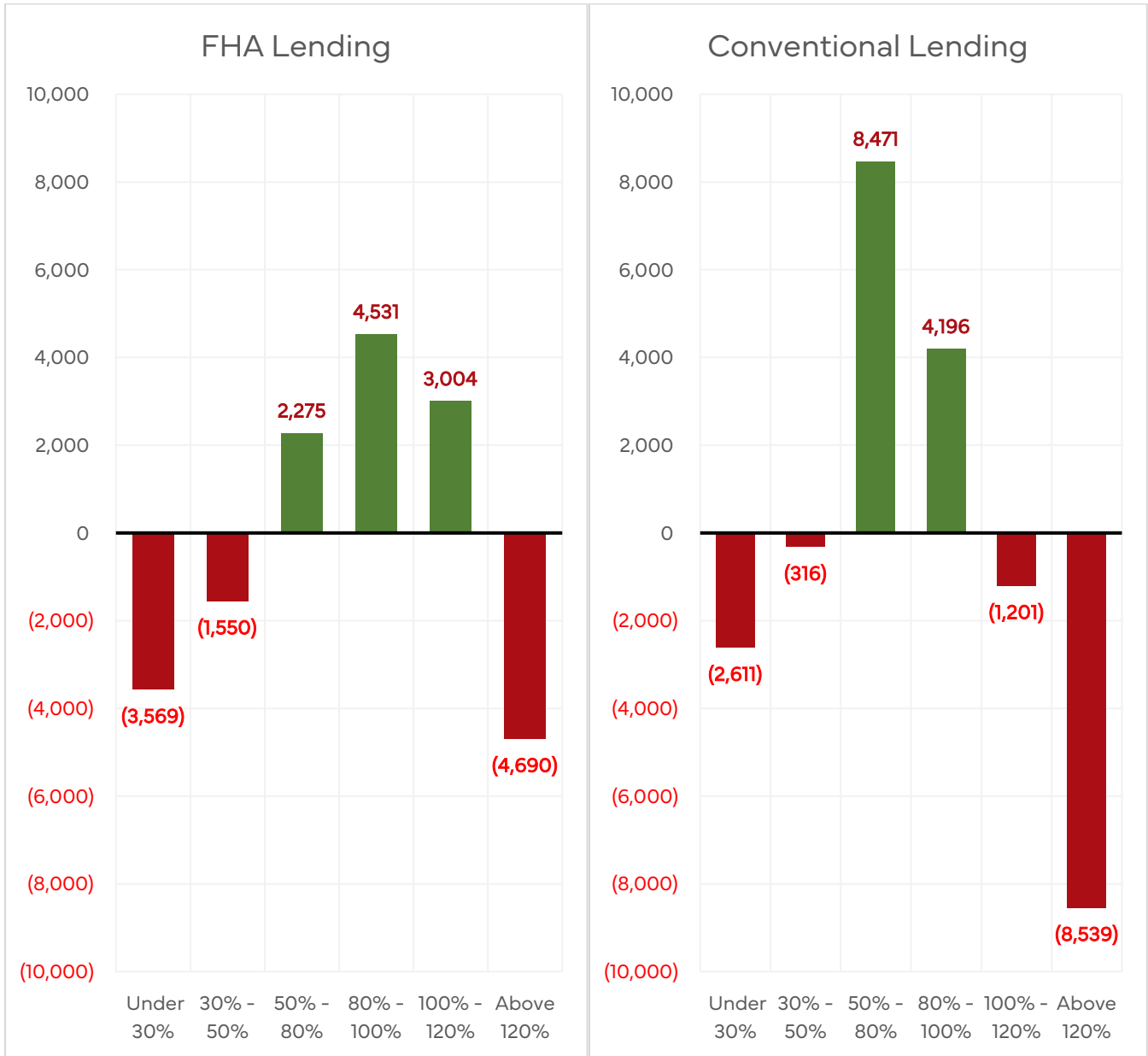
For homes above 120% of AMI, there is a significant shortage in both lending scenarios (4,690 units in the FHA scenario and 8,539 in the conventional lending scenario), highlighting a potential opportunity to build new higher-priced homes, which could help balance the market and provide options for higher-income buyers.⁴⁴

Overall, the data suggests that average buyers may find it challenging to purchase homes in higher price ranges, especially with conventional financing.

⁴⁴ HUD Income Limits, US Census Bureau ACS 5-Year 2022 Estimates, RKG Calculations

Figure 39. Ownership Supply and Demand Gap, City of Worcester

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



SUBSIDIZED HOUSING AND HOMELESSNESS

Worcester's subsidized housing inventory and rental assistance program provides crucial support to low-income residents, as evidenced by year-to-date data on rental assistance. To date, the program has received 3,574 Residential Assistance for Families in Transition (RAFT) applications, with applicants seeking an average of \$3,875 in assistance each. The median household income of applicants is notably low, at \$20,000, highlighting the high level of need within this community. Of these applicants, 1,505 have incomes at or below 30% of the Area Median Income (AMI), which is \$24,600 annually, reflecting a significant demand for affordable housing solutions among Worcester's most vulnerable residents.⁴⁵

Table 7. RAFT Assistance, June 2023

Source: Central Massachusetts Housing Alliance

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

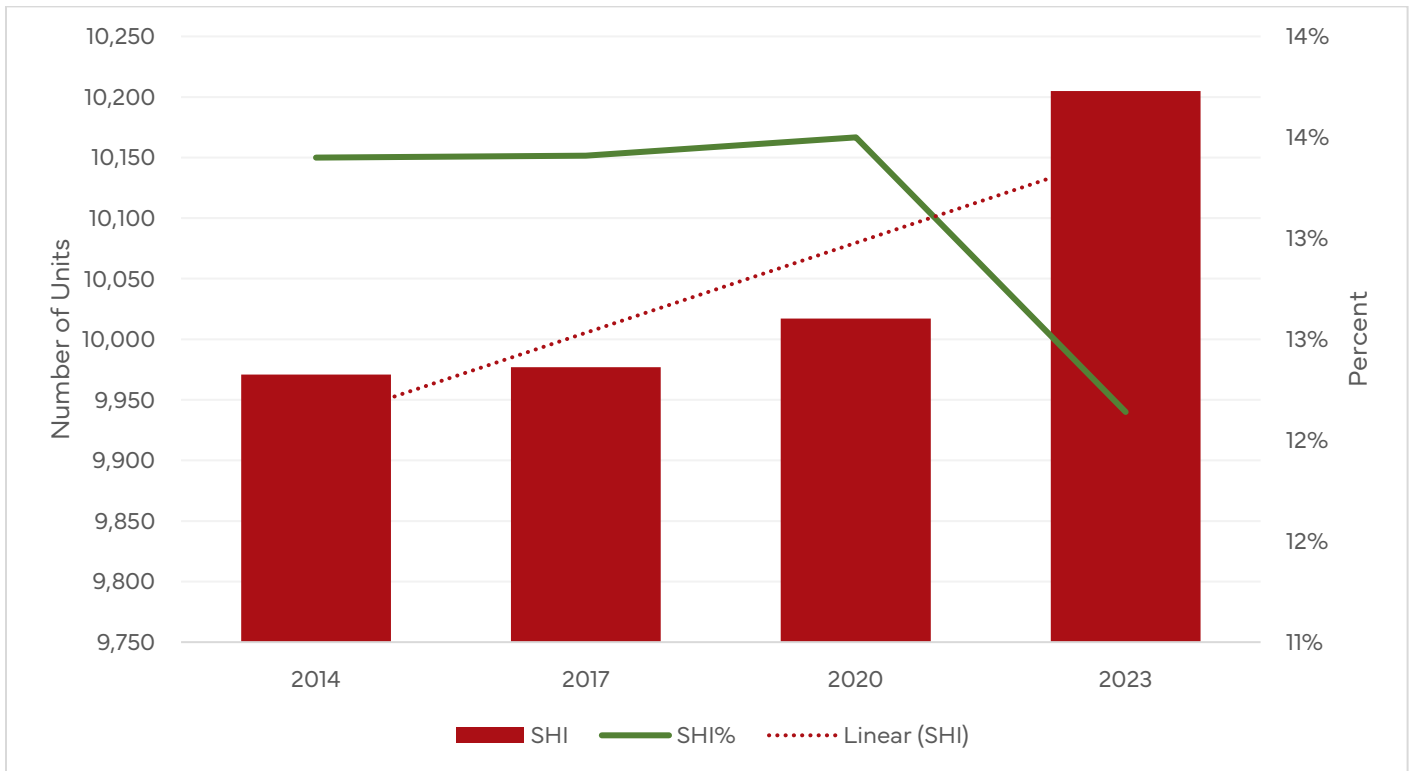
SHI (Subsidized Housing Inventory) is a list of housing units subsidized by government programs to ensure affordability for low- and moderate-income individuals. It is essential for tracking affordable housing availability, assessing needs, and identifying gaps in the housing supply. The SHI helps policymakers and housing authorities plan and allocate resources to address housing shortages and affordability issues effectively. The graph below demonstrates that the number of subsidized units in Worcester is rising, yet the SHI percentage is declining. This trend suggests that the growth in market-rate housing is outpacing the addition of affordable units.⁴⁶ This data underscores the ongoing need for expanded rental assistance and subsidized housing options to support those struggling with housing instability.

⁴⁵Central Massachusetts Housing Alliance, Inc.

⁴⁶ MAPC DataCommon

Figure 40. Subsidized Housing Inventory, City of Worcester 2014 – 2023

Source: MAPC DataCommon



Housing Authority

The Worcester Housing Authority (WHA) plays a pivotal role in managing and providing affordable housing options in Worcester. As a key agency, the WHA oversees a range of programs aimed at addressing the housing needs of low- and moderate-income residents. This includes administering public housing developments, such as apartment complexes and rental units, and managing housing choice voucher programs that help individuals and families secure rental housing in the private market. The WHA is the second largest housing authority in New England, managing a total of 3,005 units to date, and administers the Housing Choice Voucher Program, which provides additional support for securing rental housing in the private market.

The WHA is committed to ensuring access to safe, affordable, and quality housing, working to reduce homelessness and improve living conditions across the city. Through various initiatives and partnerships, the Authority strives to enhance community well-being and support sustainable housing solutions for Worcester's diverse population.⁴⁷ Table 8 presents a listing of all the housing authority units owned and operated by WHA.

⁴⁷ Worcester Housing Authority

Table 8. Worcester Housing Authority Properties

Source: Worcester Housing Authority

Name	Type	Apartment Type	Units
Elm Park Tower Apartments	Federal Public Housing Senior Only	One- and two-bedroom	195
Lincoln Park Tower Apartments	Federal Public Housing Senior Only	Studio, and one-bedroom	199
Webster Square Towers East and West Apartments	Federal Public Housing Senior Only	studio, one- and two-bedroom	432
Pleasant Tower Apartments	Federal Public Housing Senior/Disabled/Mixed	Studio, one- bedroom and two-bedroom	134
Murray and Wellington Apartments	Federal Public Housing Senior/Disabled/Mixed	Studio and one-bedroom	72
Belmont Tower Apartments	Federal Public Housing Senior/Disabled/Mixed	One- and two-bedroom	166
Mill Pond Apartments	Federal Public Housing Senior/Disabled/Mixed	One-bedroom	75
Addison Apartments	Federal Public Housing Senior/Disabled/Mixed	Studio and one-bedroom	51
Mayside Apartments	Federal Public Housing Senior/Disabled/Mixed	Studio and one-bedroom	48
Lafayette Place	Federal Public Housing Senior/Disabled/Mixed	one-bedroom	66
Curran Terrace	Federal Public Housing Senior/Disabled/Mixed	Studio and one-bedroom	50
Booth Apartments	Federal Public Housing Senior/Disabled/Mixed	One-bedroom	45

Great Brook Valley Gardens	Federal Public Housing Family	one-, two-, three-, four- and five-bedroom	561
Lakeside Apartments	Federal Public Housing Family	one-, two- and three-bedroom	205
Hooper Street Apartments	Federal Public Housing Family	two- and three-bedroom	26
Southwest Gardens	Federal Public Housing Family	three, four and five bedroom	27
North, Sigourney & Providence Street Apartments	Federal Public Housing Family	three- and four-bedroom	29
Curtis Apartments	State Family	One-, two- and three-bedroom	372
Main South Gardens	State Family	Duplexes	24
Scattered Sites	State Family	Two- and three-bedroom	16
Greenwood Gardens	State Public Housing Elderly/Disabled	One-bedroom	61

The WHA’s waitlist for affordable housing is notably extensive, with 38,468 applicants currently waiting for placement. Among these, 3,576 are non-elderly handicapped individuals, highlighting a significant need for accessible housing solutions.⁴⁸ This large waitlist reflects the high demand for affordable housing in Worcester and the challenges many residents face in securing stable, affordable living conditions. The substantial number of applicants underscores the urgent need for increased housing resources and support to address both general and specific needs within the community. Below is a graph of the waitlist by race/ethnicity demographics and type of program.

⁴⁸ Worcester Housing Authority

Figure 41. Demographics of the Worcester Housing Authority Waitlist

Source: Worcester Housing Authority

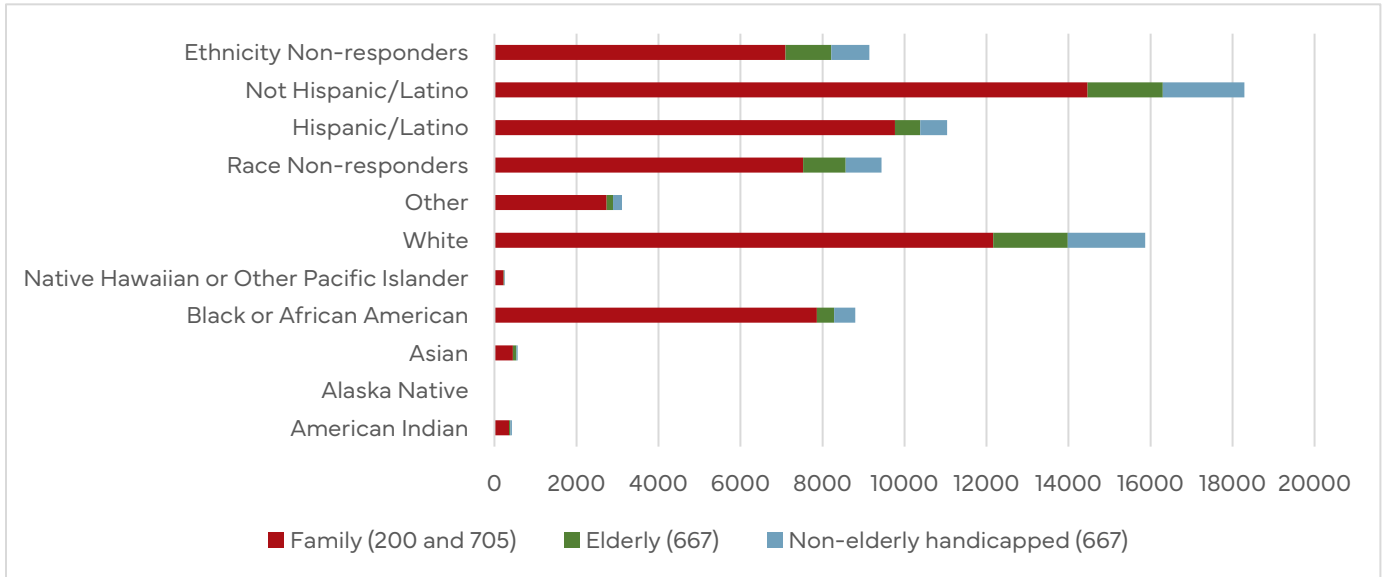
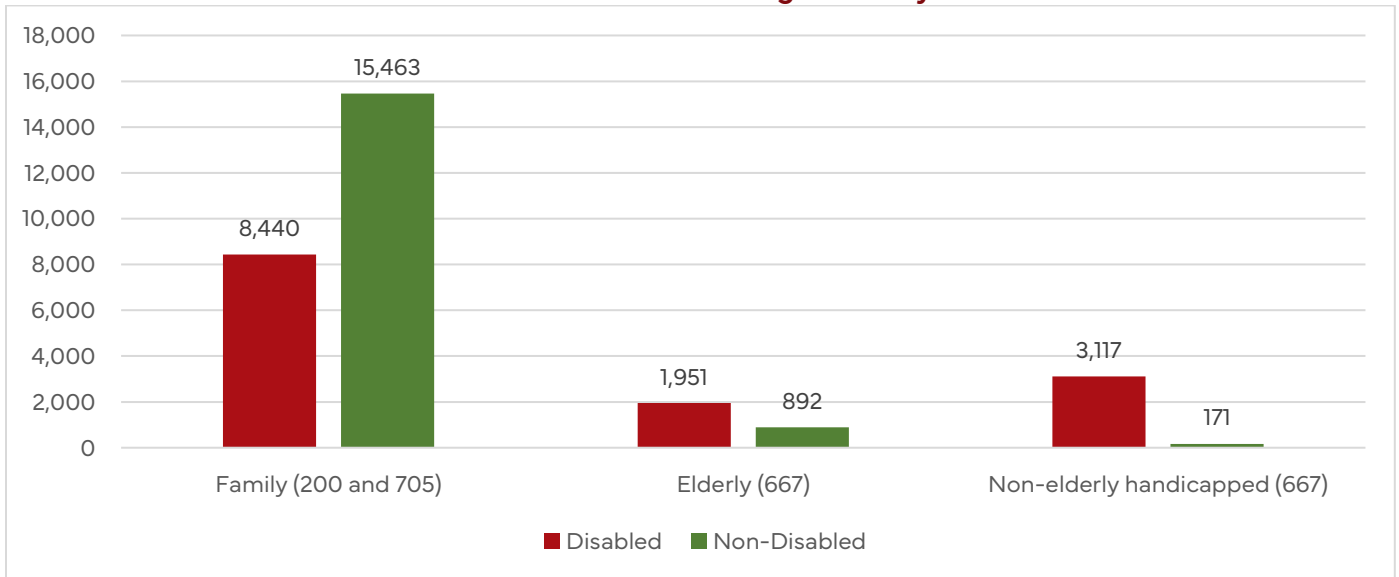


Figure 42. Type of Program by Applicant Disability Status

Source: Worcester Housing Authority

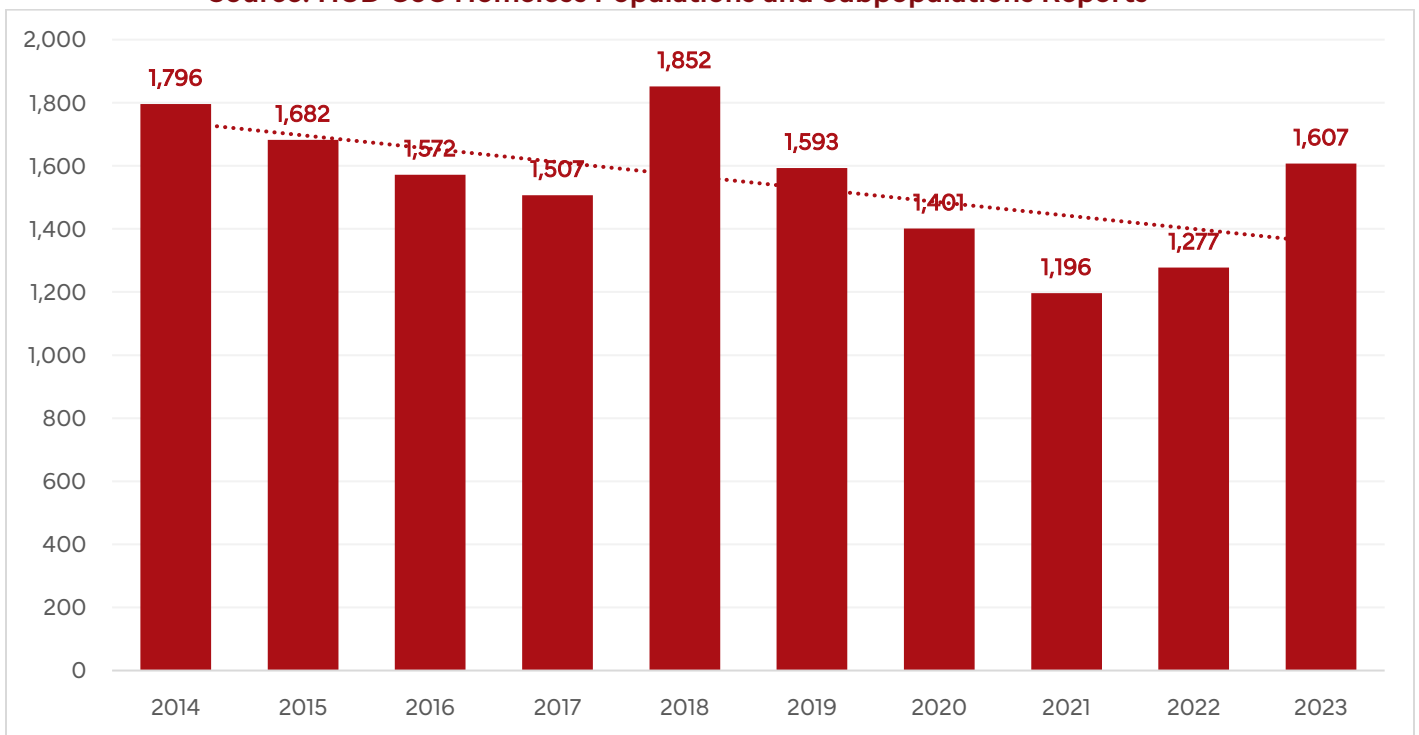


Homelessness

The Worcester City and County Continuum of Care (CoC) 2023 Homeless Populations and Subpopulations Report offers an in-depth analysis of homelessness in the Worcester region. Based on point-in-time data submitted to HUD by Continuums of Care, the report outlines the extent and demographics of the homeless population.⁴⁹ It specifically covers key subpopulations, including families, veterans, and individuals facing chronic homelessness, providing a detailed understanding of their unique needs and challenges. Over the past decade, Point-in-Time counts have experienced fluctuations but generally show a downward trend.⁵⁰

Figure 43. Point-in-Time Total Homeless Population in Worcester City and County CoC, 2014 – 2023

Source: HUD CoC Homeless Populations and Subpopulations Reports



The City of Worcester Adult Shelter Bed Summary provides an overview of available shelter resources for adults experiencing homelessness in Worcester. It details the number of beds allocated across various shelters. This summary helps to identify gaps in capacity and service, aims to enhance the efficiency of its homelessness response, and ensures that all individuals have access

⁴⁹ Point-in-time data refers to a snapshot of homelessness collected during a specific, single night or short period, typically through a survey. This data provides a count of individuals and families experiencing homelessness at that moment, including those in shelters, transitional housing, and on the streets. It helps assess the current scale of homelessness, identify trends, and inform policy decisions and resource allocation.

⁵⁰ HUD CoC Homeless Populations and Subpopulations Reports, 2014-2023

to safe and supportive shelter options. The City of Worcester has a total of 195 adult shelter beds, Table 9 below presents details about adult shelters.

Table 9. City of Worcester Adult Shelter Bed Summary

Source: Central Massachusetts Housing Alliance, Inc.

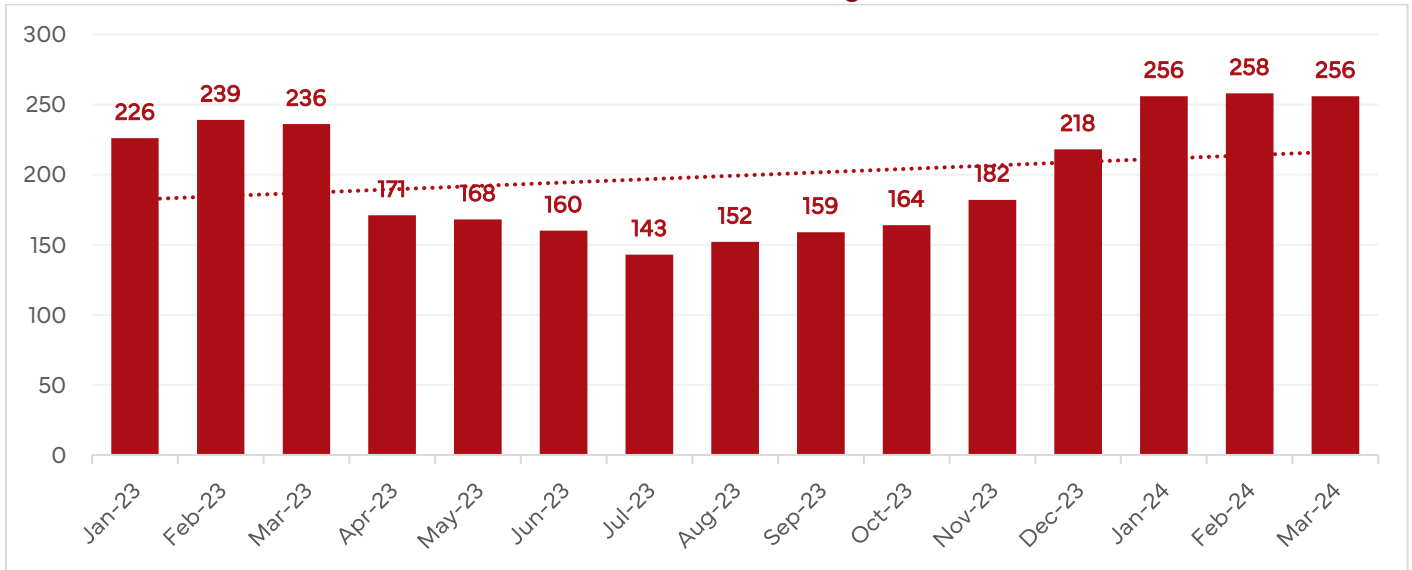
Shelter Type	Name	Beds	Subtotal Beds
Adult Shelter	Triage Center and MLK	90	90
Adult Shelter	Veterans Inc	23	23
Adult Shelter	Abbys House	2	2
Adult Shelter Subtotal			115
Overflow	Triage Overflow	20	20
Overflow Subtotal			20
Seasonal Shelter		60	60
Winter Shelter Subtotal			60
Grand Total City of Worcester Adult Shelter Beds			195

The graph below illustrates the average daily attendance at shelters in the City of Worcester from January 2023 to March 2024. It shows a decline in attendance from April to November 2023, with the lowest figures recorded in July. This reduction can be attributed to several factors: warmer weather typically lessens the immediate need for emergency shelter as outdoor conditions become more pleasant, while summer vacations and seasonal employment might cause temporary relocations or changes in housing needs for some individuals. Additionally, the increased availability of daytime services and outreach programs during the summer provides alternative support options, further contributing to the decrease in shelter usage.⁵¹

⁵¹ Central Massachusetts Housing Alliance, Inc., 2023-2024

Figure 44. Average Daily Sheltered Attendance – Summarized Monthly – City of Worcester Shelters Count

Source: Central Massachusetts Housing Alliance, Inc

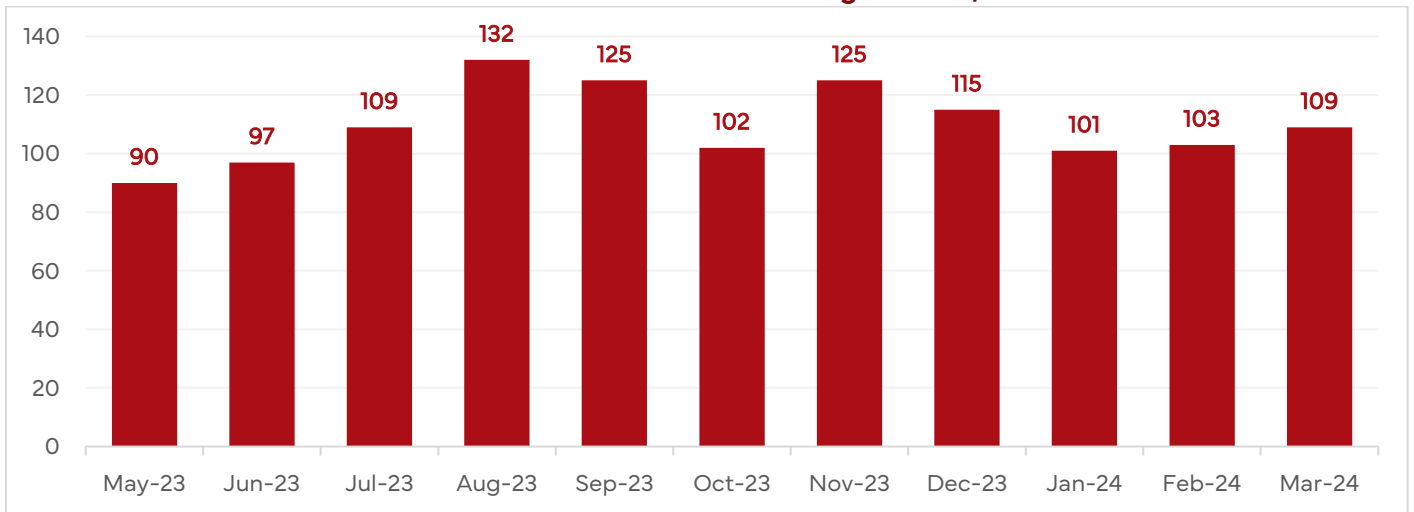


In the City of Worcester, active enrollments for individuals not appearing in shelters, also known as the unsheltered population, present a significant challenge. These individuals often face various barriers to accessing formal shelter systems, including a lack of awareness about available services, transportation issues, or reluctance to engage with institutional settings. As a result, many remain outside the formal shelter network, living in less stable conditions. The graph below illustrates the monthly figures of the unsheltered population in the City of Worcester from May 2023 to March 2024. It reveals that August 2023 recorded the highest number of unsheltered individuals (132 people); a trend associated with the decline in sheltered attendance during that month.⁵²

⁵² Central Massachusetts Housing Alliance, Inc., 2023-2024

Figure 45. City of Worcester Active Enrollments for People not Appearing in Shelter (the Unsheltered) – Summarized Monthly Counts

Source: Central Massachusetts Housing Alliance, Inc.



FINDINGS AND CONCLUSIONS

The findings of the Housing Needs Assessment point to a city that continues to grow in population and employment. The city recently hit a high-water mark for total population, exceeding its previous high from several decades ago. Worcester is the second most populous city in Massachusetts and New England which can be attributed to several factors including:

- The shortage of affordable and attainable housing within the I-495 beltway
- The ability to work from home or accommodate a hybrid work schedule
- A public transportation connection to Boston
- A growing and diversifying employer base attracts residents with a range of skills, interests, and incomes
- A smaller city than Boston, but one that has attractive entertainment, sports, retail, and restaurant options appealing to both younger and older residents

As the city's population and employment base continues to grow over the next ten years, housing starts must keep pace if the city wants to attract and retain new residents and workers. Record low vacancy rates and rising rents and sale prices in Worcester are making it more difficult for households of even moderate-income to afford housing. Providing more housing in the city can help moderate vacancy, help stabilize year-over-year rent growth, and add both market-rate and deed-restricted affordable housing units. New housing developments built since 2019 are often delivering with at least half the units pre-leased and achieving occupancy within a few quarters bringing vacancy back down to historic lows and leaving new residents with few options for renting.

In summary, the housing needs assessment for the City of Worcester highlights a pressing need for a strategic and multifaceted approach to address the city's evolving housing challenges. The assessment identifies a critical gap in affordable housing options, particularly impacting low- to moderate-income households, and emphasizes the need for a diverse range of housing types to serve Worcester's varied population. The findings underscore the importance of implementing targeted zoning reforms, increasing investments in affordable housing, and exploring innovative development solutions. By adopting these measures and fostering collaboration among stakeholders, Worcester can advance towards a more inclusive, equitable, and sustainable housing framework that effectively supports the city's long-term growth and meets the needs of all residents.

CHAPTER 5: DEVELOPMENT CONSTRAINTS



Source: Jason Ouellet, Destination Worcester.

In this chapter, Worcester’s development constraints are reviewed across three categories: **Environment**, **Infrastructure**, and **Regulatory** considerations. **Environmental Constraints** include physical characteristics, such as open space, wetlands, and topography. **Infrastructural Constraints** often involve public facilities, such as drinking water and wastewater capacity and a place’s transportation network. **Regulatory Constraints** can include zoning, historic preservation, and other rules that might limit housing production.

In this analysis, Worcester’s flooding potential, aging infrastructure, limited public transit, and outdated zoning and parking regulations are identified as key constraints to the production of additional housing in the City.

KEY FINDINGS

ENVIRONMENT

- From a development perspective, approximately 12 percent of the City is designated as Open Space, with the vast majority of this land (99 percent) being legally protected from development.
- As physical barriers, Worcester's wetlands and surface water bodies constrain development. State and local environmental regulations provide additional protections, requiring development review in certain areas adjacent to water and wetlands.
- Six and a half percent of the City's total land area is classified as a FEMA Special Hazard Flood Area. In these areas, there is a one-in-four chance of flooding over the term of a conventional mortgage. This adds risk to potential development in these areas.
- There are 63 Known Oil and Hazardous Material Disposal Sites in Worcester, and 152 sites with Activity and Use Limitations (AULs), and tend to be concentrated along the City's rail and other commercial corridors. Development and redevelopment at these sites may face the need for remediation and land use restrictions.

INFRASTRUCTURE

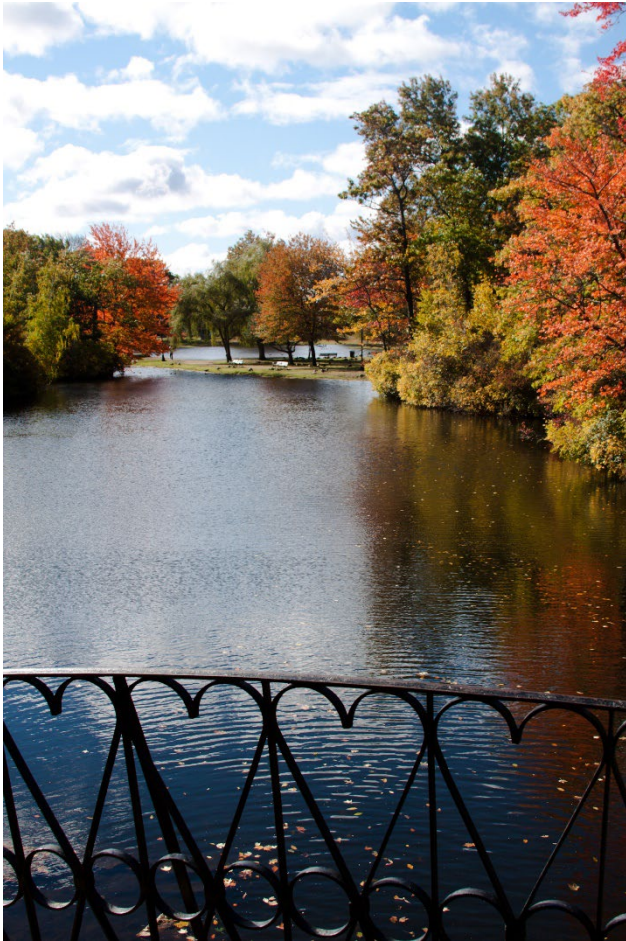
- The City of Worcester is well-served by its municipal water infrastructure. Almost all the City's non-public parcels have access to service, except for a small portion of southeastern Worcester, where unimproved lots would require future connections.
- The City possesses an extensive wastewater treatment system, with an estimated four hundred miles of sewer. About one-third of the system has exceeded its useful life, and the City's recent *Now / Next* Comprehensive Plan calls for analyses of current and future capacity to support planned growth.
- Limited frequent transit service limits the potential for car-light households, while the City's *Mobility Action Plan* (MAP) will enhance active transportation opportunities in the future.

REGULATORY

- Development in Worcester’s four Local Historic Districts is regulated by the Worcester Historical Commission. The Commission also administers the City’s 12-month Demolition Delay Ordinance for designated historic buildings. Projects that utilize state or federal funds (or require state permits) are subject to Massachusetts Historical Commission review.
- Approximately 44 percent of Worcester is zoned for single-family homes (RS-10 and RS-7 districts). Although Accessory Dwelling Units (ADUs) are also permitted by-right in these districts, this does constrain a considerable portion of land in the City.
- Worcester’s zoning prohibits larger-scale density (defined as four units or more, and tiered into low- and high-rise multi-family) in 75 percent and 79 percent of the City, respectively.
- Dimensional requirements written in the City’s zoning tends to conflict with existing housing. This makes it difficult to recreate existing housing types.
- Particularly outside of Worcester’s downtown, parking minimums for residential development in all districts may limit development and redevelopment potential.
- There is an overreliance on Special Permits (SPs) for development rather than by-right applications for development.
- Key housing types for vulnerable community members, such as Temporary Shelters, Mobile Homes, and Lodging Houses are not permitted by-right anywhere in the City.
- An Economic Feasibility Analysis conducted in May 2024 found that while 12, 25, and 50-unit properties were feasible (with 15% affordable units), while 100 and 200-unit rental properties, and a 20-unit ownership scenario were not.

ENVIRONMENT

Open Space



Elm Park Pond. *Source: JoeyBagODonuts, Wikimedia.*

Key Development Constraints: From a development perspective, approximately 12 percent of the City is designated as Open Space, with the vast majority of this land (99 percent) being legally protected from development.

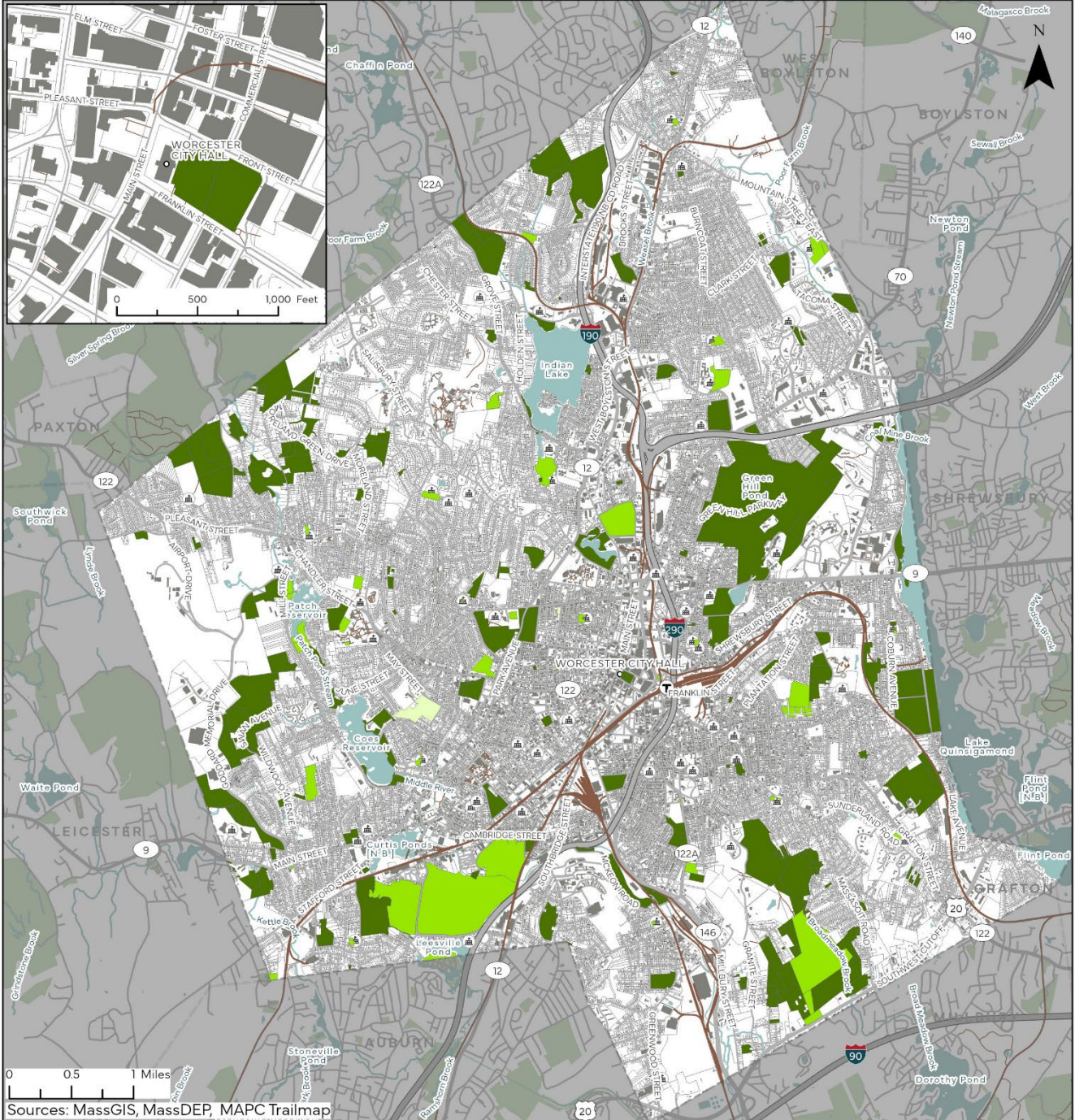
Twelve percent of Worcester’s land area is classified by the Massachusetts Bureau of Geographic Information Systems (MassGIS) as Open Space. These include large reserves, such as Green Hill Park and Crow Hill, which are protected in perpetuity.

According to the City’s 2021 Open Space and Recreation Plan, Worcester has over 3,700 acres of open space.

CITY OF WORCESTER - OPEN SPACE

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- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Protected in Perpetuity
- Limited Protection
- Unprotected

Wetlands and Surface Water Bodies



Institute Park. *Source: Joe Shlabotnik, Flickr.*

Key Development Constraints: As physical barriers, Worcester’s wetlands and surface water bodies constrain development. State and local environmental regulations provide additional protections, requiring development review in certain areas adjacent to water and wetlands.

An estimated two percent of Worcester’s land area is comprised of bodies of water, including Coes and Patch reservoirs, Green Hill and Curtis ponds, Indian Lake, and Lake Quinsigamond.

About five percent of land area (4.8 percent) in Worcester is classified as a wetland or body of water.

The Massachusetts Wetlands Protection Act (310 CMR 10.00) requires an additional development permit, or Order of Conditions, from Worcester’s Conservation Commission for proposed work in wetlands, floodplains, riverfront, and other adjacent areas. In addition, the City’s Wetlands Protection Ordinance supplements the state Wetlands Protection Act, requiring a development permit or determination from the Worcester Conservation Commission for work proposed in or within 100 feet of a wetland resource area.

Worcester’s Conservation Commission also regulates proposed development within 100 feet of storm drains, catch basins, or other storm drain system components that drain into a lake, pond, river, stream, or wetland.⁵³

The City’s Wetlands Protection Ordinance defines the “Buffer Zone” of a Wetland Resource Area as “all land within one hundred (100) horizontal feet of any bank, freshwater wetland, marsh, swamp, creek, river, stream, pond, bog, lake, or bordering vegetated wetland.”⁵⁴

Excluding additional protections for storm drain inlets, about 11 percent of land in Worcester (2,663 acres) of land in Worcester would require an Order of Conditions from the Conservation Commission for development.

Permits from the Conservation Commission are not discretionary; however, work must meet the state and City’s defined performance standards for each resource area and provide appropriate protections for the sensitive natural systems present both during and after construction.



Coes Pond. *Source: Sean, Flickr.*

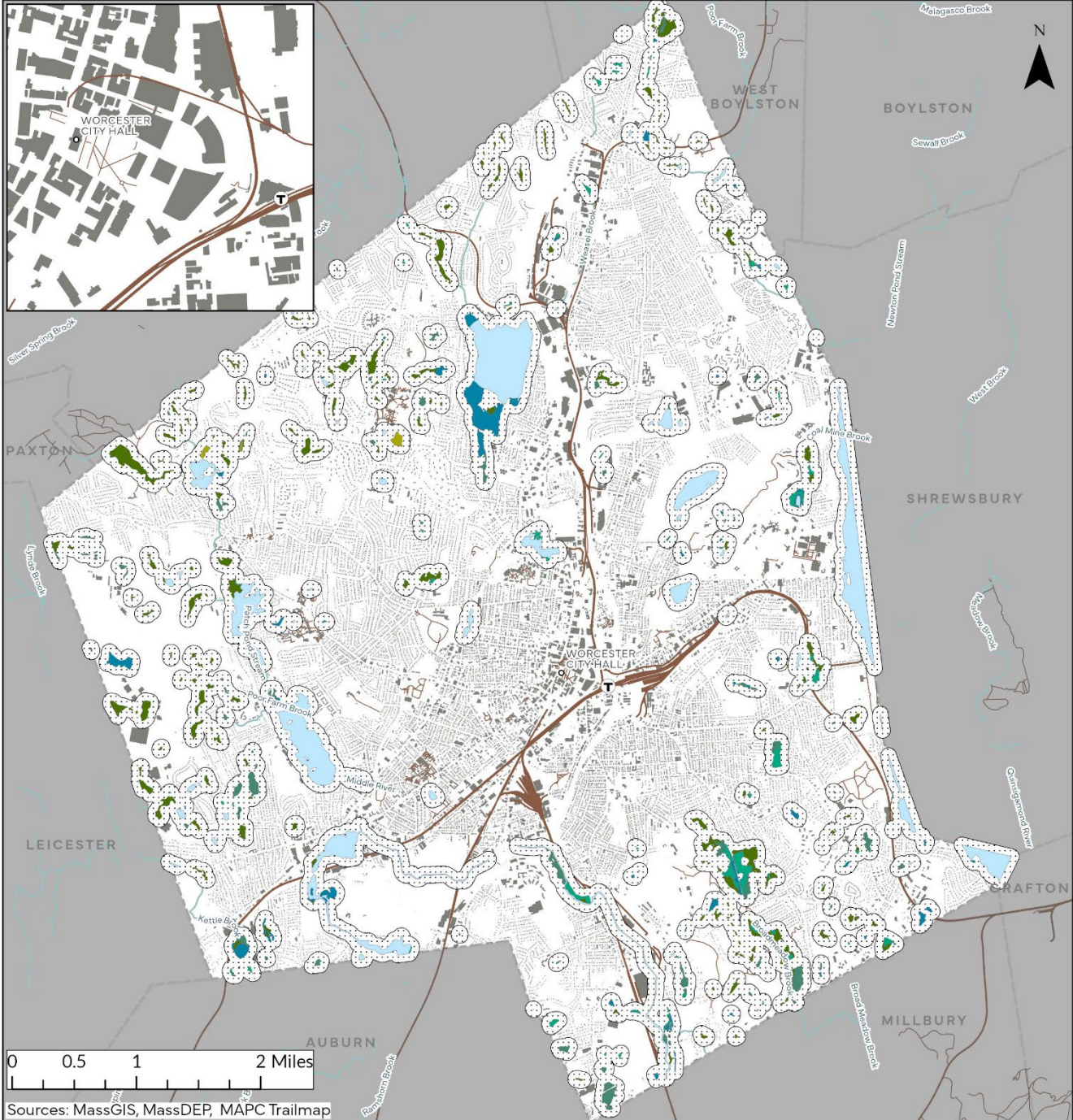
⁵³ Worcester’s Wetlands Protection Ordinance exempts development projects that might otherwise trigger review due to draining into a lake, pond, river, stream, or wetland. These projects are exempt from Conservation Commission review if they utilize a combined sewer system, are in the Downtown Commercial Area Revitalization District (CARD), or are involve less than 10,00 square feet of ground disturbance on a lot with less than 15% slope—unless there is an impact to one of these systems during construction.

⁵⁴ Massachusetts Department of Environmental Protection, “Protecting Wetlands in Massachusetts,” 2024, *Massachusetts Department of Environmental Protection*, <https://www.mass.gov/info-details/protecting-wetlands-in-massachusetts>

CITY OF WORCESTER - WETLANDS AND BUFFER ZONES

Prepared by JM Goldson LLC

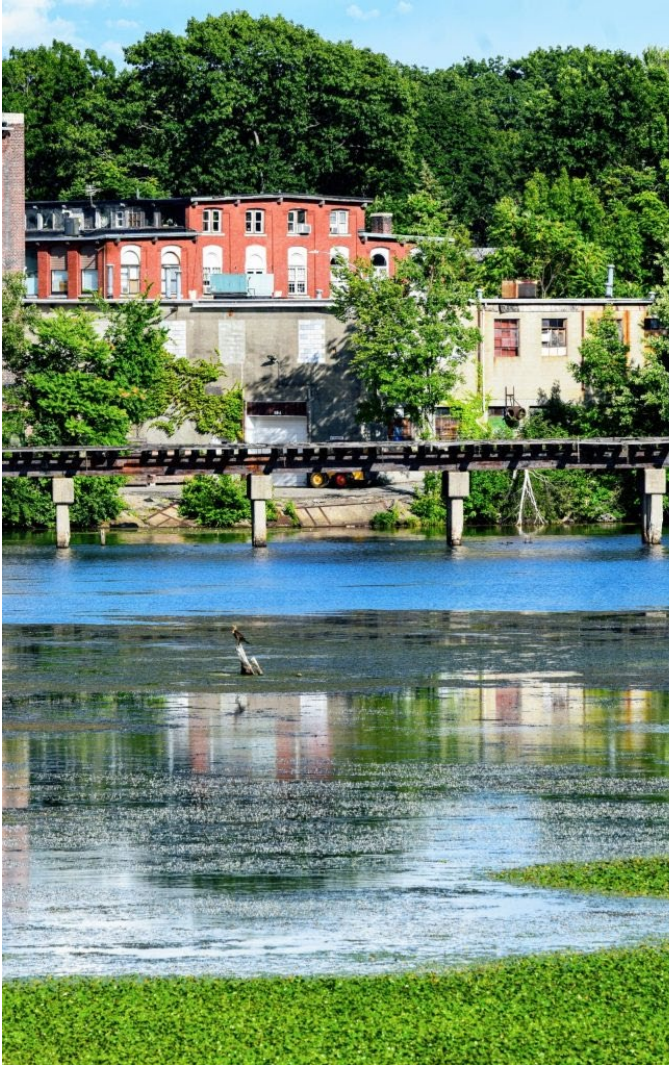
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Sources: MassGIS, MassDEP, MAPC Trailmap

- | | | |
|------------|---------------------------------|-----------------------------|
| Schools | Wooded Swamp Deciduous | Deep Marsh |
| Building | Wooded Swamp Mixed Trees | Open Water |
| Parcel | Order of Conditions Buffer Area | Shallow Marsh Meadow or Fen |
| Trail | | Shrub Swamp |
| Water Body | | |
| Open Space | | |

Flooding



Curtis Pond, a Special Hazard Flood Area where this is a one percent annual chance of flooding. *Source: Greater Worcester Land Trust.*

FEMA, the Federal Emergency Management Agency, creates Flood Insurance Risk Maps (FIRMs) that indicate the 100- and 500-year flood hazard areas in the City. In what are called Special Hazard Flood Areas (SHFAs), property owners with federally insured mortgages are required to purchase flood insurance.

In Worcester, about 6.5 percent of the overall

Key Development Constraints: Six and a half percent of the City's total land area is classified as a FEMA Special Hazard Flood Area. In these areas, there is a one-in-four chance of flooding over the term of a conventional mortgage. This adds risk to potential development in these areas.

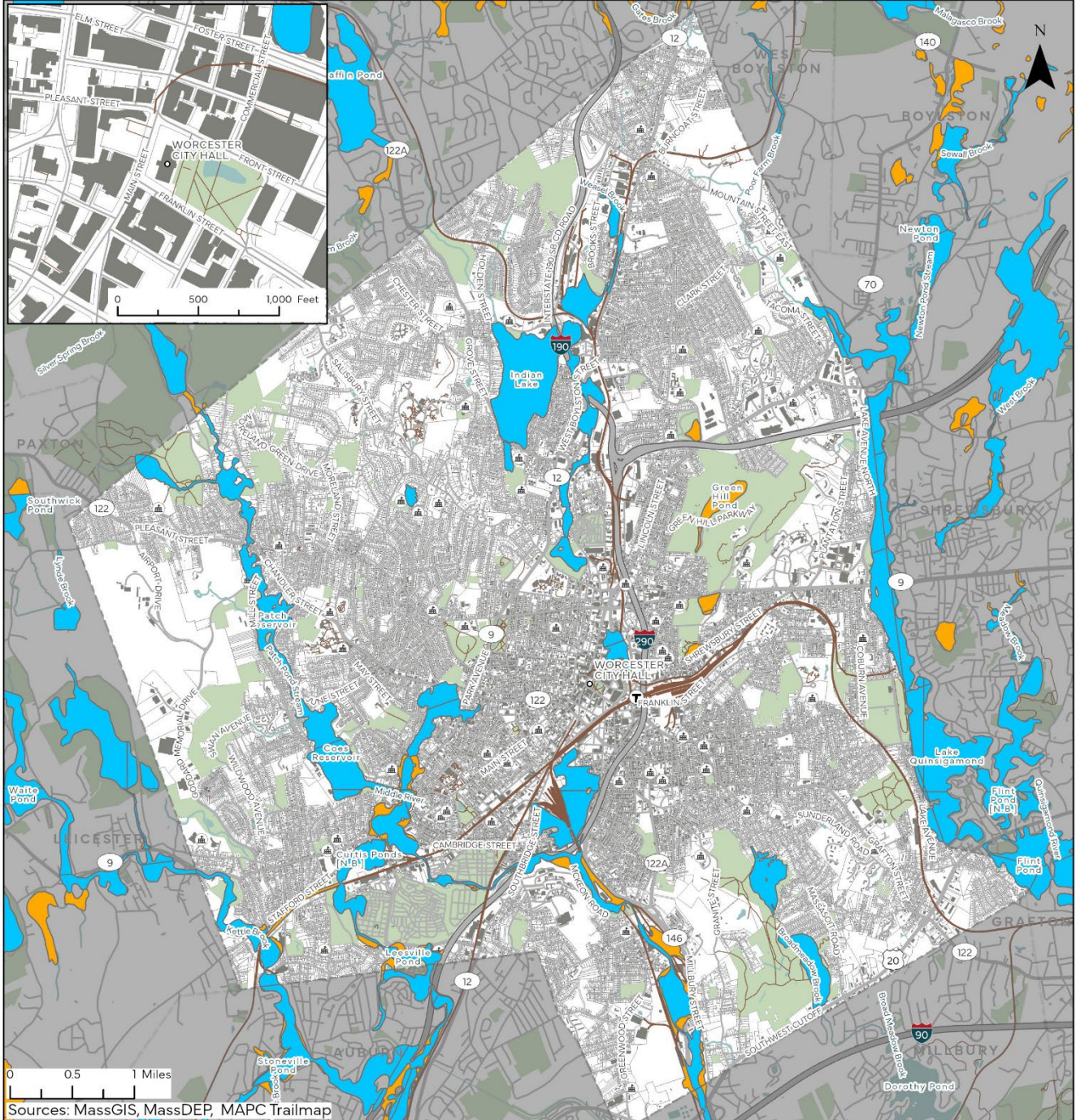
land area falls within designated Special Flood Hazard Areas, while about one percent is categorized as a Non-Special Flood Hazard Area, with a moderate-to-low risk of flooding. Spatially, SHFA's are concentrated along Worcester's bodies of water and waterways, such as Beaver, Broadmeadow, and Tatnuck Brooks.

In particular, an

CITY OF WORCESTER - FEMA FLOOD HAZARD ZONES

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Sources: MassGIS, MassDEP, MAPC Trailmap

- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Special Flood Hazard Area (Zones A or V) - 1 in 4 Chance of Flooding During 30-Year Mortgage
- Moderate-To-Low Floor Risk (Zone X)

Vegetation and Rare Species



God's Acre, part of the Tetasset Ridge property of the Greater Worcester Land Trust. *Source: Greater Worcester Land Trust.*

Key Development Constraints: Nearly nine percent of the City (2,145) is classified as a Priority Habitat of Rare Species, or an Estimated Habitat of Rare Wildlife. Most, but not all, of these areas are in open space with conservation restrictions.

Under the provisions of the MA Endangered Species Act (321 CMR 10) and the MA Wetlands Protection Act (310 CMR 10), projects or activities that fall within a Priority Habitat of Rare Species must file with NHESP before commencing work.

Worcester's Priority Habits of Rare Species include land in Lake Park, God's Acre, Broad Meadow Brook Wildlife Sanctuary, Cook's Woods, Worcester Regional Airport, and a parcel at the terminus of Nipnapp Trail.

Projects or activities in these Priority Habitats of Rare Species (such as Lake Park, or Perkins Farm) would require filing directly with the Massachusetts Division of Fisheries & Wildlife's Natural Heritage and Endangered Species Program.

Two sites in Worcester (Crow's Hill and a small portion of Mass Audubon's Broad Meadow Brook Wildlife Sanctuary) are both Priority Habitats of Rare Species and Estimated Habitats of Rare Wildlife. A hypothetical development project (highly unlikely as both are protected open spaces) would also require a Notice of Intent (NOI) under the provisions of the Massachusetts Endangered Species Act.

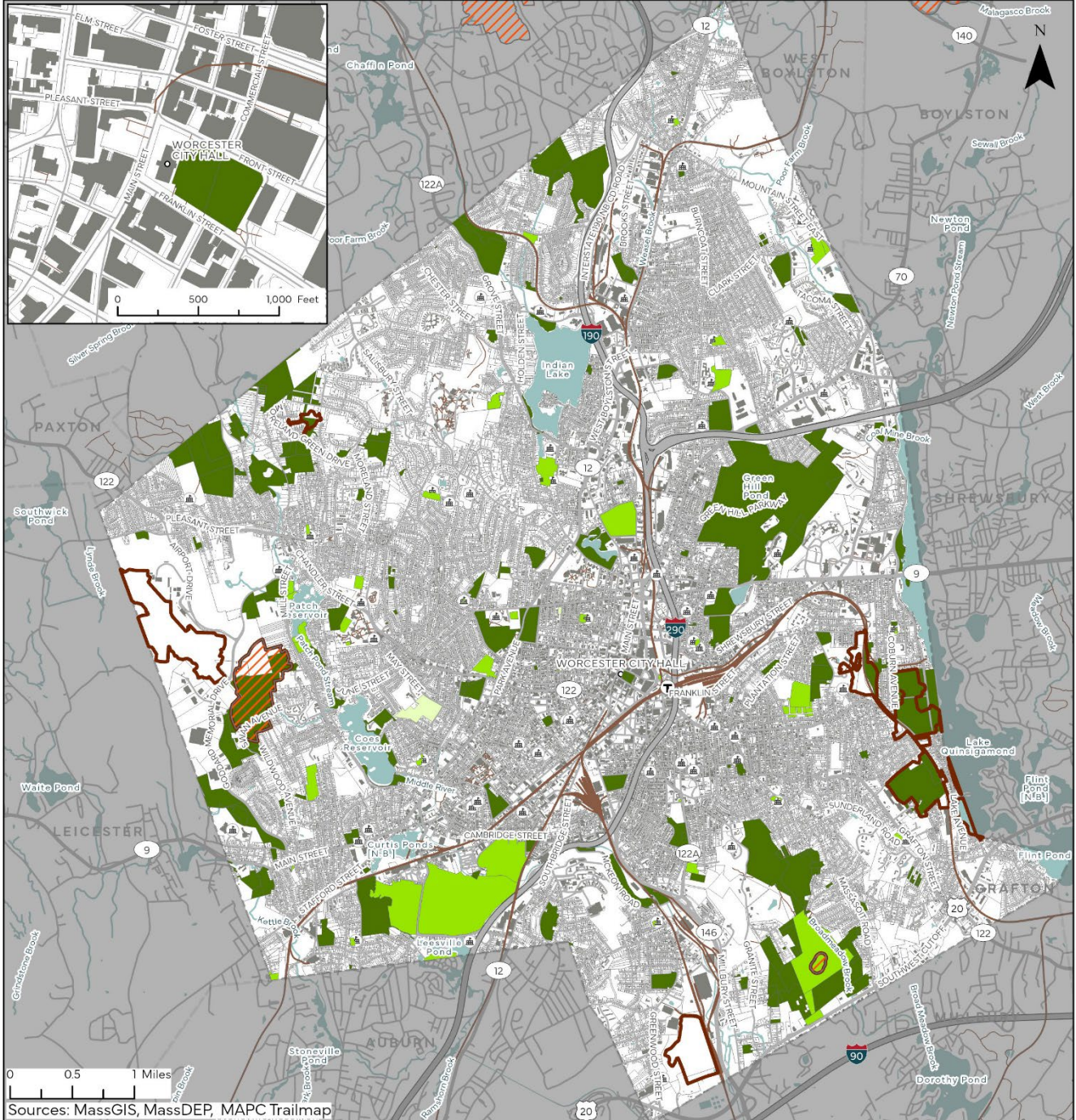


Lake Park, on the shores of Lake Quinsigamond, is host to a designated Priority Habitat of Rare Species. *Source: John Phelan, Wikimedia.*

CITY OF WORCESTER - HABITAT & OPEN SPACE

Prepared by JM Goldson LLC

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Sources: MassGIS, MassDEP, MAPC Trailmap

- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Priority Habitat of Rare Species
- Estimated Habitat of Rare Wildlife
- Protected in Perpetuity
- Limited Protection
- Unprotected

Waste Sites



The former Worcester Slipper Company (370 Park Avenue), now the site of an Activity and Use Limitation (AUL).
Source: Bmzukerman, Wikimedia.

Key Development Constraints: There are 63 Known Oil and Hazardous Material Disposal Sites in Worcester, and 152 sites with Activity and Use Limitations (AULs), and tend to be concentrated along the City's rail and other commercial corridors. Development and redevelopment at these sites may face the need for remediation and land use restrictions.

There are 152 sites in Worcester listed in the Executive Office of Energy and Environmental Affairs (EEA) Activity and Use Limitations (AULs) database.

Worcester's waste sites are distributed across the core of the City, tending to be located alongside rail lines or former rail rights-of-way, harkening back to the City's industrial roots.

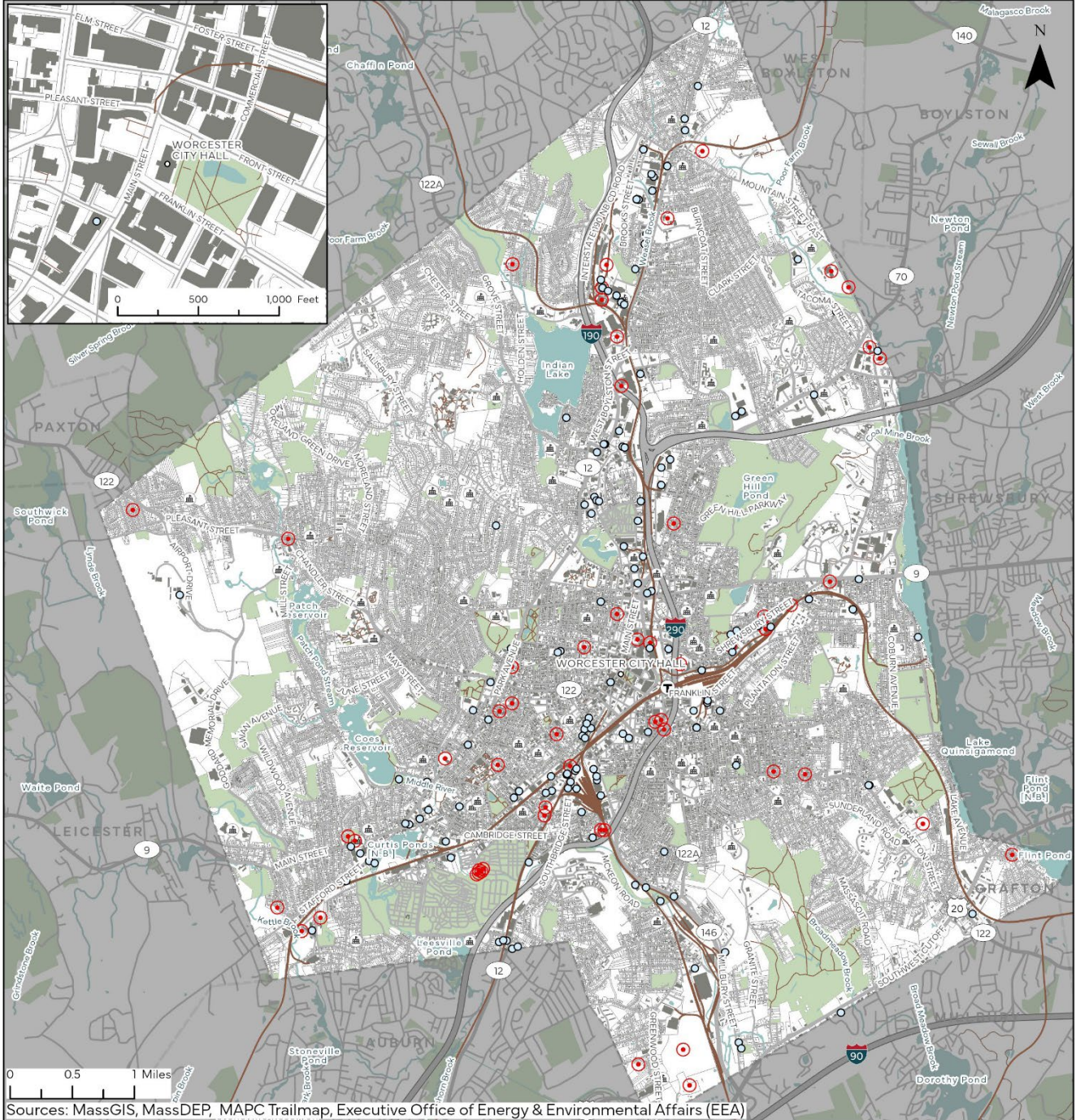
In addition, there are also 63 active Chapter 21E Tier-Classified Oil and/or Hazardous Material Disposal Sites.

Oil and Hazardous Material Disposal Sites range from gas stations, oil companies, and former manufacturing facilities, such as the former Write Machine Corporation at 69 Amory Street in South Worcester.

CITY OF WORCESTER - OIL & HAZARDOUS MATERIALS SITES

Prepared by JM Goldson LLC

J M GOLDSON



Sources: MassGIS, MassDEP, MAPC Trailmap, Executive Office of Energy & Environmental Affairs (EEA)

- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Activity and Use Limitation (AUL) Site
- Active Chapter 21E Tier-Classified Oil and/or Hazardous Material Disposal Site
- Rail Network
- Interstate
- US or State Route
- Local Road

INFRASTRUCTURE

Drinking Water

Key Development Constraints: The City of Worcester is well-served by its municipal water infrastructure. Almost all the City's non-public parcels have access to service, except for a small portion of southeastern Worcester, where unimproved lots would require future connections.

GIS data from the City of Worcester indicates that virtually the entirety of the City is served by municipal water. The City's drinking water network extensively serves both the urban core and more suburban developments at the edges. Of note, however, are small gaps in service, particularly at the southeastern corner of the City on unimproved parcels (see inset map).

Drinking water is obtained from ten reservoirs located outside of the City, with additional inactive connections to the Quabbin aqueduct, Wachusett reservoir, and wells in Worcester and Shrewsbury.⁵⁵

For future drinking water capacity (as well as wastewater treatment), the City's Department of Public Works & Parks developed Clean Worcester Waters, an Integrated Water Resource Management Plan completed in 2019 that is helping to guide future investments and improvements in the municipal water and wastewater systems.⁵⁶

The City's recent comprehensive plan, *Worcester Now/Next* calls for dedicated infrastructure capacity needs assessments to confirm current and future capacity from the City's sewer infrastructure, as well as for electrical and sewer systems.⁵⁷

⁵⁵ City of Worcester Water Operations, "2023 Water Quality Report," 2023, *City of Worcester*, <https://www.worcesterma.gov/uploads/0d/f5/0df5cd91ea7cdcb7b26c785d091e24fd/water-quality-report.pdf>

⁵⁶ City of Worcester Department of Public Works & Parks, "Clean Worcester Waters," 2024, *City of Worcester*, <https://www.worcesterma.gov/uploads/2a/20/2a208e48d2eeaa5b18afb489fe0ad982/cww-one-pager.pdf>

⁵⁷ City of Worcester, "Worcester Now | Next" 2024, City of Worcester, https://issuu.com/utiledesign/docs/worcester_now_next_draft_plan_for_public_comment

CITY OF WORCESTER - WATER MAINS

Prepared by JM Goldson LLC

J M GOLDSON



- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- City of Worcester Water Mains

Wastewater



An aerial view of the Upper Blackstone Treatment Plant in Millbury, where Worcester's wastewater is treated.

Source: *Upper Blackstone Clean Water*.

Key Development Constraints: The City possesses an extensive wastewater treatment system, with an estimated four hundred miles of sewer. About one-third of the system has exceeded its useful life, and the City's recent *Now / Next* Comprehensive Plan calls for analyses of current and future capacity to support planned growth.

The City of Worcester is well-served by wastewater treatment infrastructure, with an extensive system covering most of the City. However, segments of the southeastern part of the City, such as sections of Granite Street, lack sewer mains and connectivity to the rest of the system. This would impact (or potentially inhibit) future housing production in this area.

Worcester's wastewater is treated in Green Island (part of the combined sewer system), and in nearby Millbury, at the Upper Blackstone Water Treatment Plant.

Some segments of the City are not served by sewer mains, such as in Worcester's southeast along portions of Granite Street. This would be a barrier to development in this area.

According to the City's Department of Public Works & Parks, wastewater treatment rates at the Upper Blackstone plant have increased by more than 400 percent in recent years. The Department's 2019 Integrated Water Resource Management Plan estimates that more than one-third of the City's wastewater treatment infrastructure has exceeded its useful life.

Additionally, about 15 percent of the system utilizes an outdated Combined Sewer Overflow (CSO) system, where, in significant rain events, sewage can be discharged into the Blackstone River. To improve

current conditions, the Clean Worcester Waters plan calls for prioritized investments in pipe renewal and upgrading the City's CSO infrastructure, helping to renew aging infrastructure and prevent contaminants from flooding into bodies of water.⁵⁸

Wellheads & Title 5

Title 5 (310 CMR 15.00) governs septic systems in Massachusetts, with the goal of protecting water and soil quality. In particular, the law works to protect public water supplies from contamination from septic systems. Designated Wellhead Protection Areas include progressively larger buffer areas, and each Zone (ranging from I to III) contains certain restrictions and requirements for land use.

According to MassGIS data, Worcester contains only one Zone I Wellhead Protection Area—Coal Mine Brook Well—managed by the City's Water Supply Division and located adjacent to Lake Quinsigamond south of Interstate 290. However, West Boylston's Zone I Wellhead Protection Area also extends nearby into the City (see map below).

Title 5 restrictions, which govern the siting of septic systems, would likely only affect development on the fringe of the City, such as the southeastern portion of Worcester in the following inset map.

⁵⁸ City of Worcester Department of Public Works & Parks, "Integrated Water Resources Management Plan," 2019, *City of Worcester*, <https://www.worcesterma.gov/cww/integrated-plan.pdf>

CITY OF WORCESTER - MUNICIPAL SEWER

Prepared by JM Goldson LLC

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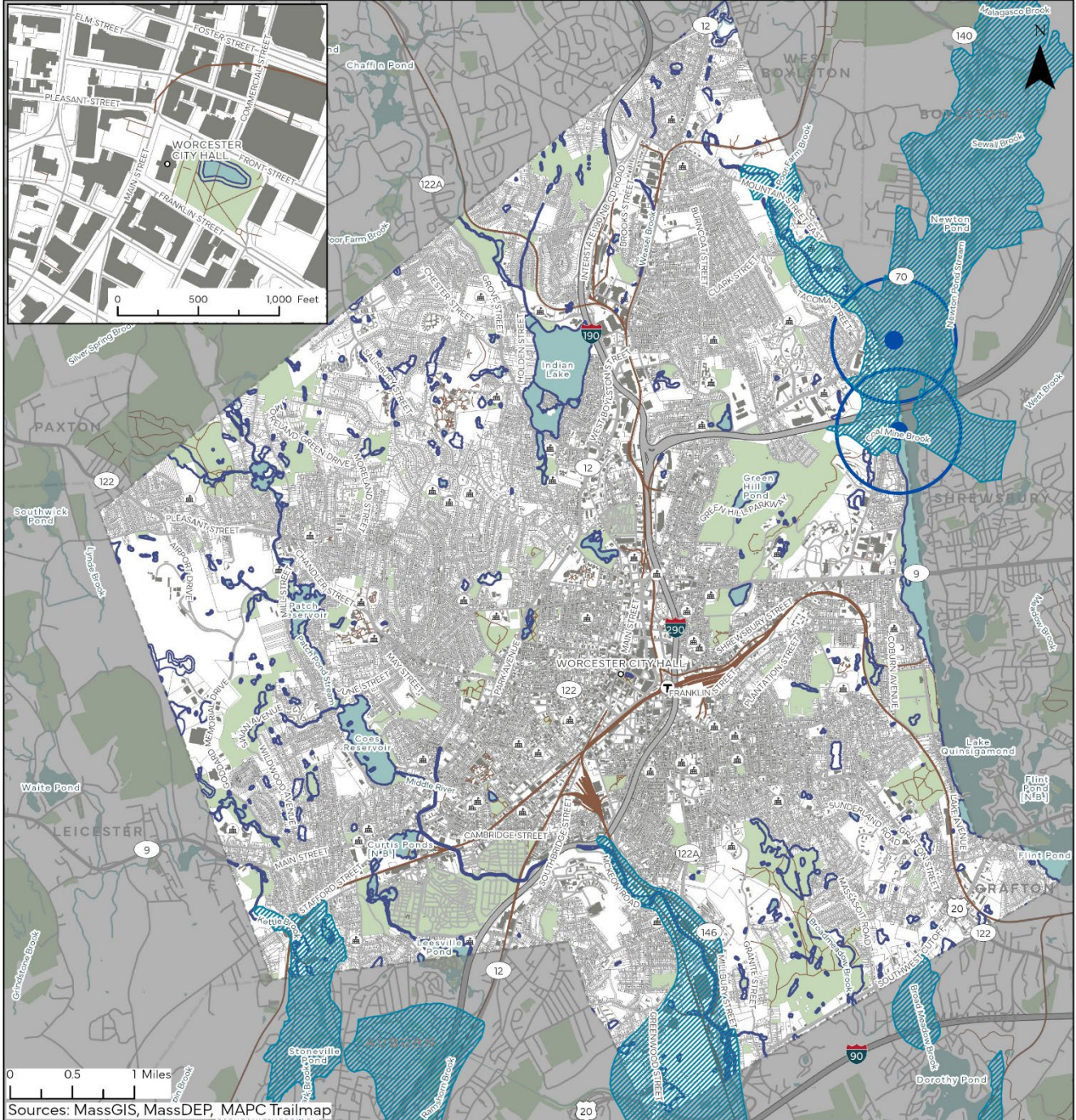


- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- City of Worcester Municipal Sewer

CITY OF WORCESTER - TITLE 5 BUFFER ZONES & WELLHEADS

Prepared by JM Goldson LLC

J M GOLDSON



Sources: MassGIS, MassDEP, MAPC Trailmap

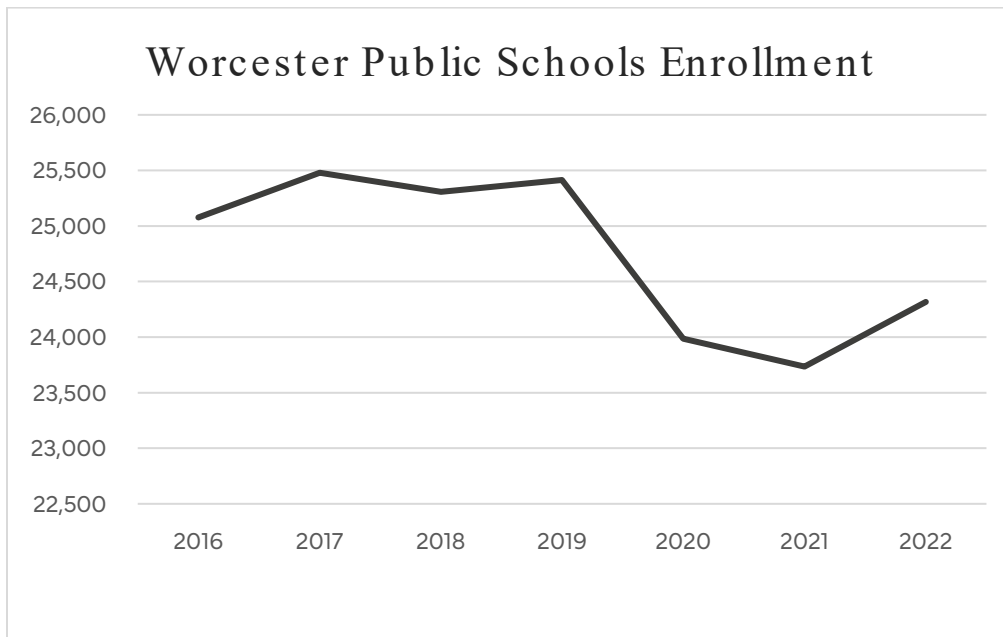
- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Zone I Wellhead Protection Area
- Zone II Wellhead Protection Area
- Interim Wellhead Protection Area
- Title 5 Setback Area

SCHOOLS

Key Development Constraints: Worcester’s schools have capacity for growth. Worcester’s Public School system saw a decline in enrollment during the COVID-19 pandemic—after a peak in 2017—and has been slowly recovering.

Worcester Public Schools consists of 34 elementary schools, six middle schools, and six high schools. According to the Department of Elementary and Secondary Education, Worcester Public Schools enrolled 24,318 students and employed 1,715 teachers in 2023.⁵⁹ The City hit a historic peak in enrollment in 2017 with 25,479 students.

Public school enrollment in Worcester declined at the onset of the COVID-19 pandemic, but the student population appears to be recovering.



Source: Massachusetts Department of Elementary and Secondary Education, "2023 District Report Card," 2023, *Massachusetts Department of Elementary and Secondary Education*, <https://reportcards.doe.mass.edu/2023/DistrictReportcard/03480000>

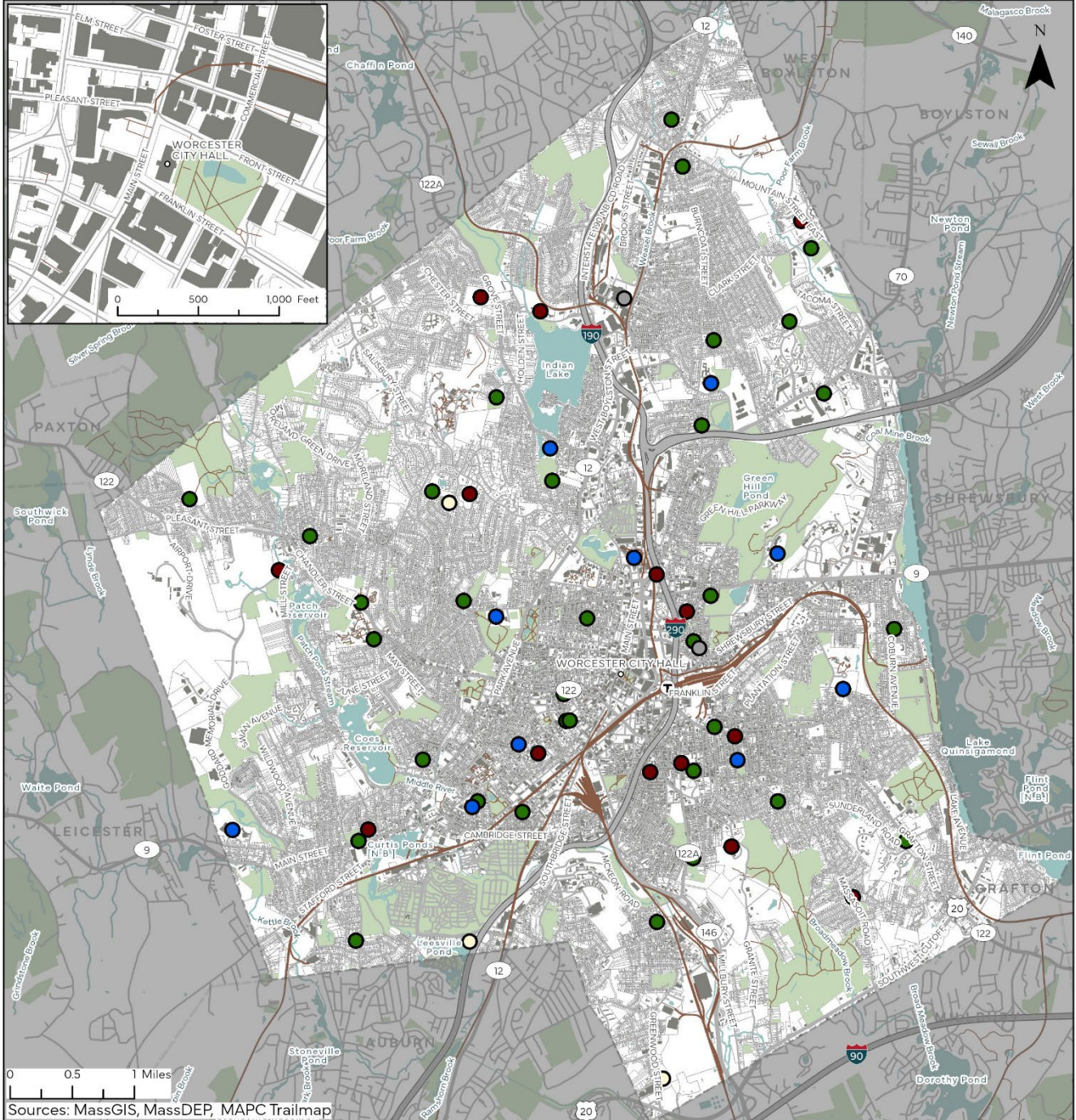
Worcester Public Schools spent \$18,449 dollars per student in 2022, slightly lower than the state average of \$19,714. As a point of comparison, in 2022, Springfield Public Schools spent \$21,375 per student, Cambridge Public Schools \$34,398 per student, and Lowell Public Schools \$18,287. Worcester’s cost per student increased by 30 percent between 2018 and 2022.

⁵⁹ Massachusetts Department of Elementary and Secondary Education, "2023 District Report Card," 2023, *Massachusetts Department of Elementary and Secondary Education*, <https://reportcards.doe.mass.edu/2023/DistrictReportcard/03480000>

Worcester also hosts eight colleges and universities, which pose unique challenges in terms of housing.

CITY OF WORCESTER - SCHOOLS

Prepared by JM Goldson LLC



Sources: MassGIS, MassDEP, MAPC Trailmap

- | | | | | |
|--|------------|--------------------|-------------------|-------------------|
| | Schools | School Type | | Public Elementary |
| | Building | | Public Secondary | |
| | Parcel | | Charter | |
| | Trail | | Private | |
| | Water Body | | Special Education | |
| | Open Space | | | |

TRANSPORTATION



Worcester's Union Station, with commuter service to Boston, as well as Amtrak service to Springfield, Pittsfield, and points further west. *Source: John Phelan, Wikimedia Commons.*

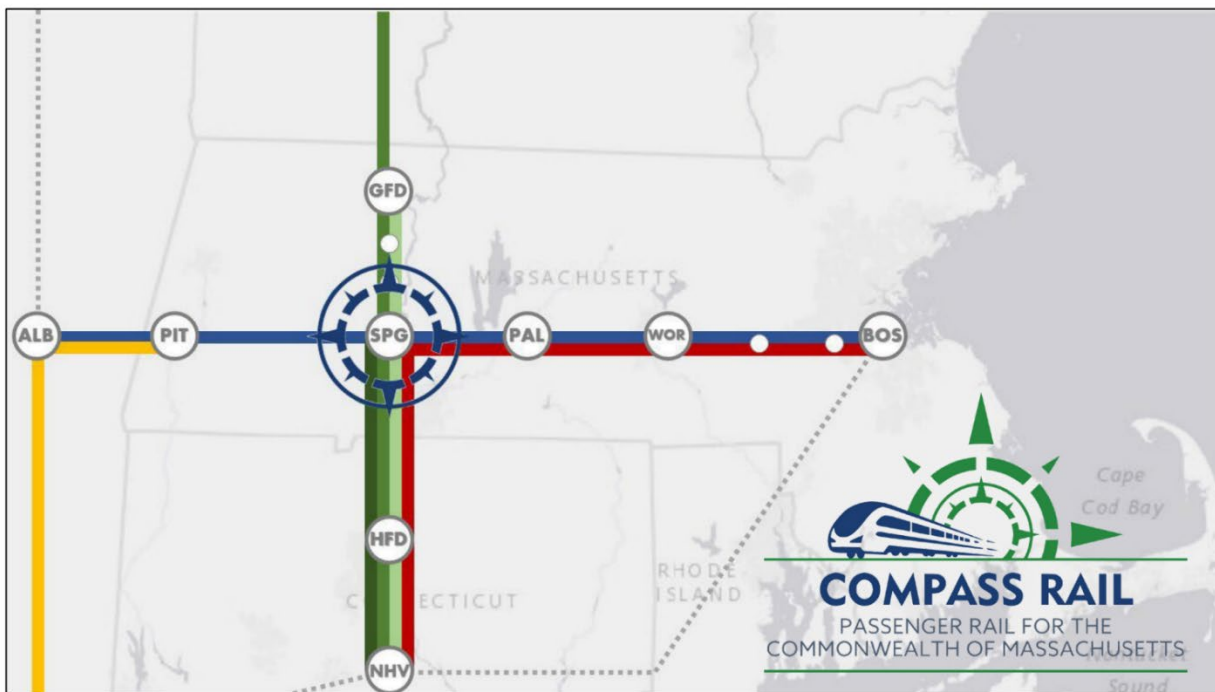
Key Development Constraints: Limited frequent transit service limits the potential for car-light households, while the City's Mobility Action Plan (MAP) will enhance active transportation opportunities in the future.

As the "Heart of the Commonwealth," Worcester is well-connected to regional transportation corridors. Interstate 290, which runs north-south through the City, provides connectivity—while also serving as a barrier—to the Massachusetts Turnpike (I-90). Interstate 190 branches off from I-290 north of downtown, linking with Route 2 in Leominster. Route 9 serves as an east-west corridor, running through the Center of Worcester to points east and west.

Public transportation is provided by the Worcester Regional Transit Authority (WRTA), which operates 26 routes in the region. WRTA currently offers fare-free service, through June 2025. WRTA also operates Americans with Disabilities Act (ADA) compliant paratransit for the region. Service is somewhat limited

and often critiqued by the accessibility community. The Pioneer Valley Transportation Authority (PVTa) operates a student-oriented shuttle from Worcester to Amherst throughout the year, with coordinated departures with MBTA train arrivals each weekday, Thursday through Sunday.

In July 2024, the MBTA completed its Worcester Union Station track improvement project, creating a new and accessible high-level center platform, allowing for more than one train to serve the station.⁶⁰ The MBTA offers hourly train service to Boston, with several semi-express and express trains in each direction each weekday. With the advent of MassDOT's Compass Rail program, Worcester may see additional Amtrak service at Union Station, with new Inland Route trains to New York City serving the city, as well as extended service to western parts of the state.⁶¹ In 2023, the state secured \$100 million in federal funds for passenger rail improvements between Springfield and Worcester.⁶²



MassDOT's Compass Rail Program will bring additional rail transit connections to Worcester. *Source: MassDOT.*

⁶⁰ Massachusetts Bay Transportation Authority, "Worcester Union Station Improvements," 2024, *Worcester Union Station Improvements*, <https://www.mbta.com/projects/worcester-union-station-improvements>

⁶¹ MassDOT, "Compass Rail: Passenger Rail for the Commonwealth," October 2023, *MassDOT*, <https://www.mass.gov/doc/compass-rail-passenger-rail-for-the-commonwealth-presentation-to-the-board-on-october-18-2023/download>

⁶² Governor Maura Healey and Lt. Governor Kim Driscoll, "Healey-Driscoll Administration Secures More Than \$108 Million for Train Corridor Improvements Between Springfield and Worcester," 2023, *Governor Maura Healey and Lt. Kim Driscoll*, <https://www.mass.gov/news/healey-driscoll-administration-secures-more-than-108-million-for-train-corridor-improvements-between-springfield-and-worcester>

The City of Worcester’s Mobility Action Plan (MAP) is a long-range planning effort that was motivated by the recent *Now/Next* comprehensive Plan. The draft MAP recommends 46 strategies to increase safety, equity, and sustainability in transportation in Worcester. Key recommendations include bicycle and pedestrian safety treatments, as well as several Transit Priority Corridors in the City.

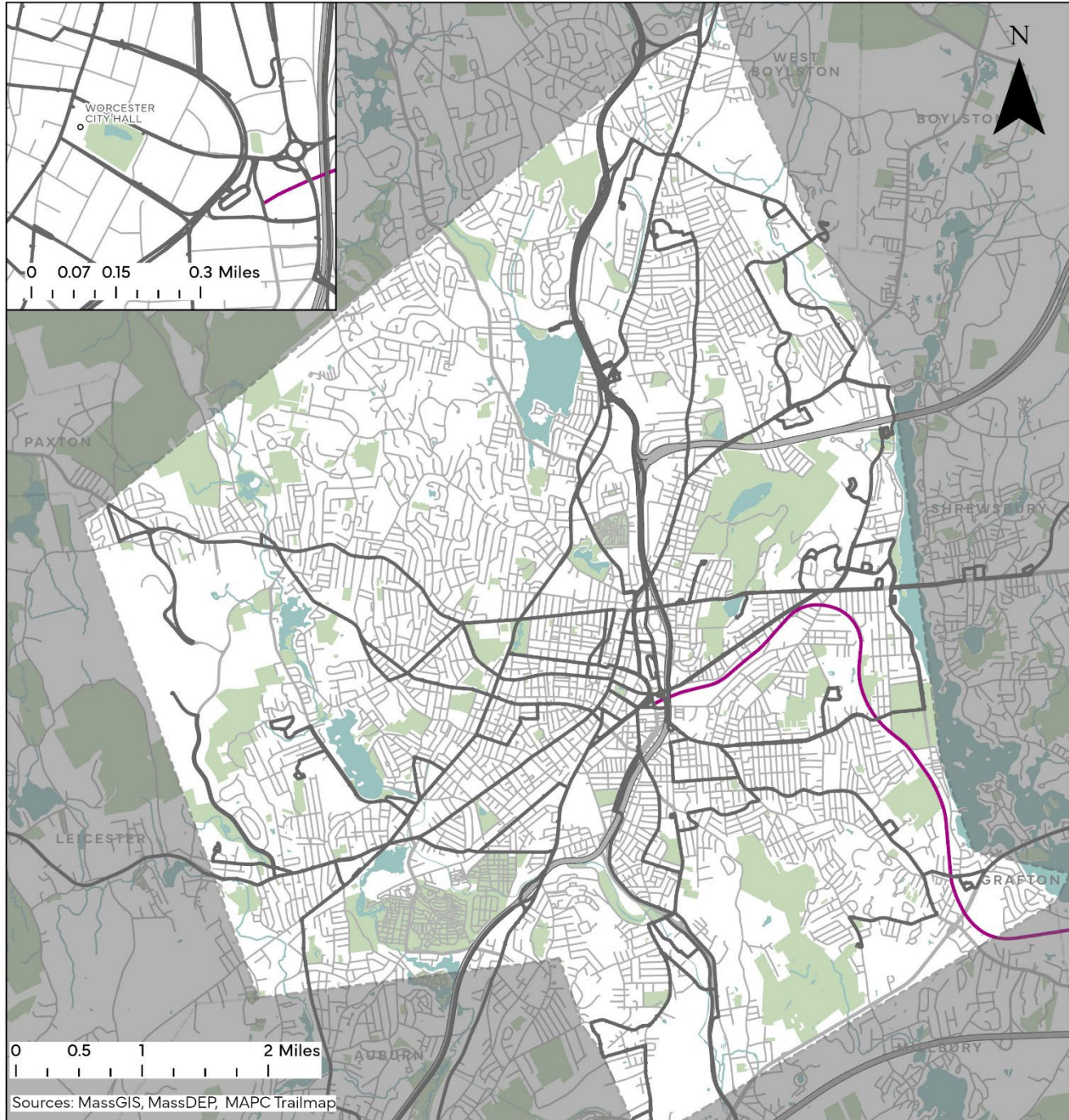


The Canal District’s Kelley Square, one of MassDOT’s “top crash locations” between 2014 and 2016, was redesigned in 2021 to emphasize safety for all users. *Source: MassDOT.*

CITY OF WORCESTER - PUBLIC TRANSIT

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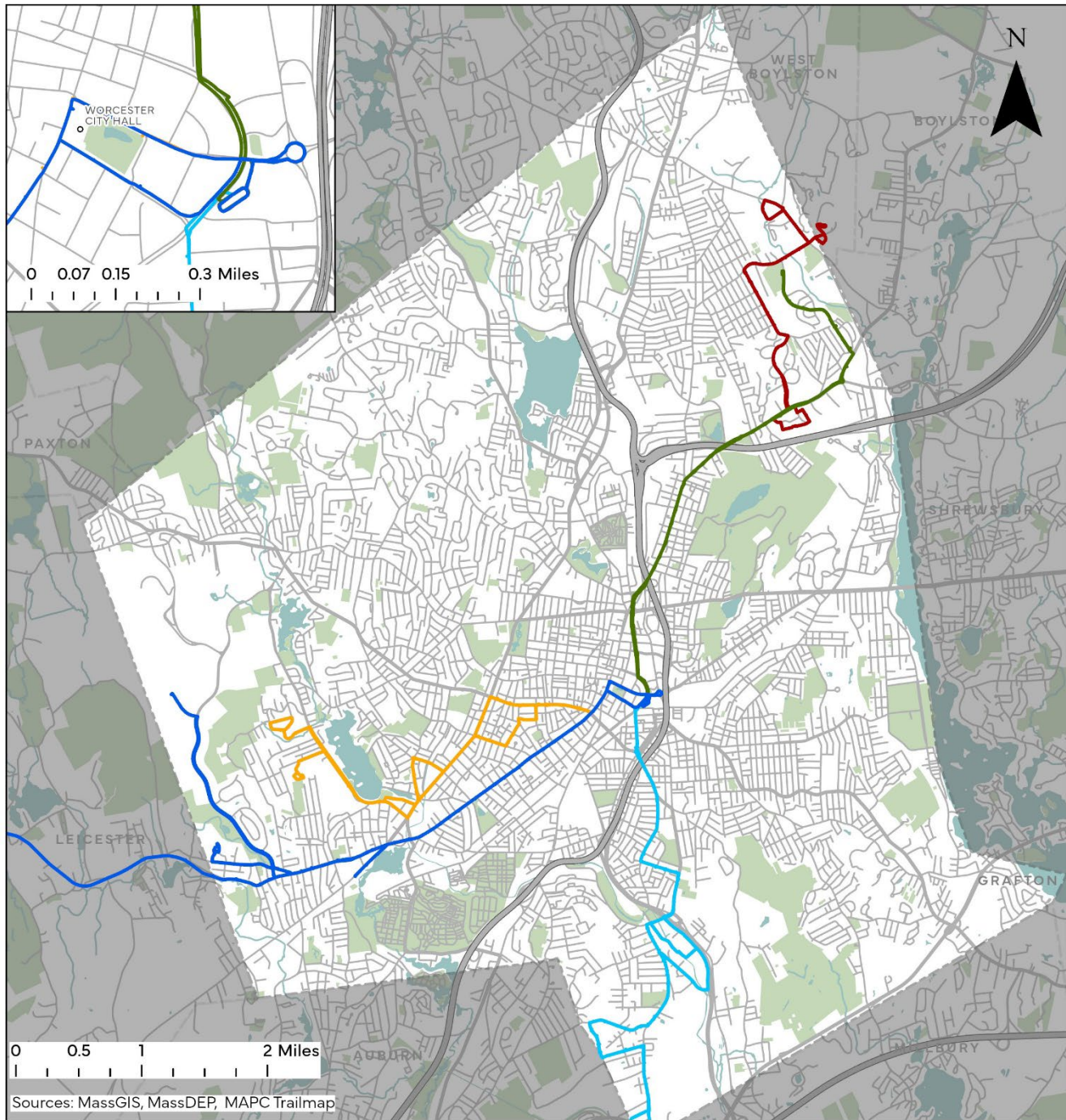
J M G O L D S O N



- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Worcester Regional Transit Authority Routes**
-
- MBTA Commuter Rail**
-

CITY OF WORCESTER - HALF-HOURLY TRANSIT

Prepared by JM Goldson LLC



- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space

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

- WRTA Route 7

- WRTA Route 11
- WRTA Route 19
- WRTA Route 26
- WRTA Route 23

Historic and Cultural Resources



A home in the Elm Park Local Historic District. *Source: John Phelan, Wikimedia.*

Key Development Constraints: Development in Worcester's four Local Historic Districts is regulated by the Worcester Historical Commission. The Commission also administers the City's 12-month Demolition Delay Ordinance for designated historic buildings. Projects that utilize state or federal funds (or require state permits) are subject to Massachusetts Historical Commission review.

There are currently four Local Historic Districts (LHDs) in Worcester: Crown Hill, Massachusetts Avenue, Montvale, and Elm Park. The Elm Park Local Historic District is the newest district, created in September 2023.

Development in Worcester's Local Historic Districts is regulated by M.G.L. 40C, the City's General Revised Ordinances, and the City's Rules and Regulations for Local Historic Districts.⁶³ Construction or

⁶³ City of Worcester, "Rules and Regulations for Local Historic Districts," 1975, *City of Worcester*, <https://www.worcesterma.gov/uploads/73/7a/737a62c5446ae97db59b8c4fe71cdd25/local-historic-districts-rules.pdf>

alterations must undergo a mandatory review by the Commission to review if the work requires a full design review, resulting in a Certificate of Appropriateness. These projects are generally subject to the Commission's design guidelines.

The National Register of Historic Places lists thirty-four honorary historic districts in Worcester (in addition to the four Local Historic districts) including the Wellington Street Apartment House District in Main South, and the Southbridge-Sargent Manufacturing District, bordering the Canal District. At the state level, the Massachusetts Historical Commission reviews "new construction, renovation, or demolition projects that require funding, license, permit, or approval from any state or federal governmental agency." In addition, the Worcester Historical Commission plays a consulting part in these reviews. This ensures that development in historic districts, or on historic properties, is properly vetted for potential adverse impacts.⁶⁴

Listing on the National Register of Historic Places qualifies a structure for Historic Preservation Tax Credits, which may be used to support rehabilitation and re-use of historic structures.

Designated historic buildings, designed as buildings listed on the National Register of Historic Places, the State Register of Historic Places, or buildings pending to be listed (or on the National Register Eligible List), are also subject to Worcester's Demolition Delay Ordinance. Demolition is applied to any historic material, encompassing smaller details (i.e. a window) in addition to larger renovation projects.

After a hearing by the Historical Commission and a determination of historical significance, a period of up to one year may elapse before a demolition permit may be issued. However, according to City staff, in the vast majority of cases, a waiver to this 1-year delay is approved. This applies to approximately 251 structures in the City.

⁶⁴ Massachusetts Historical Commission, "Review and Compliance," 2024, *Massachusetts Historical Commission*, <https://www.sec.state.ma.us/divisions/mhc/technical/review-compliance.htm>

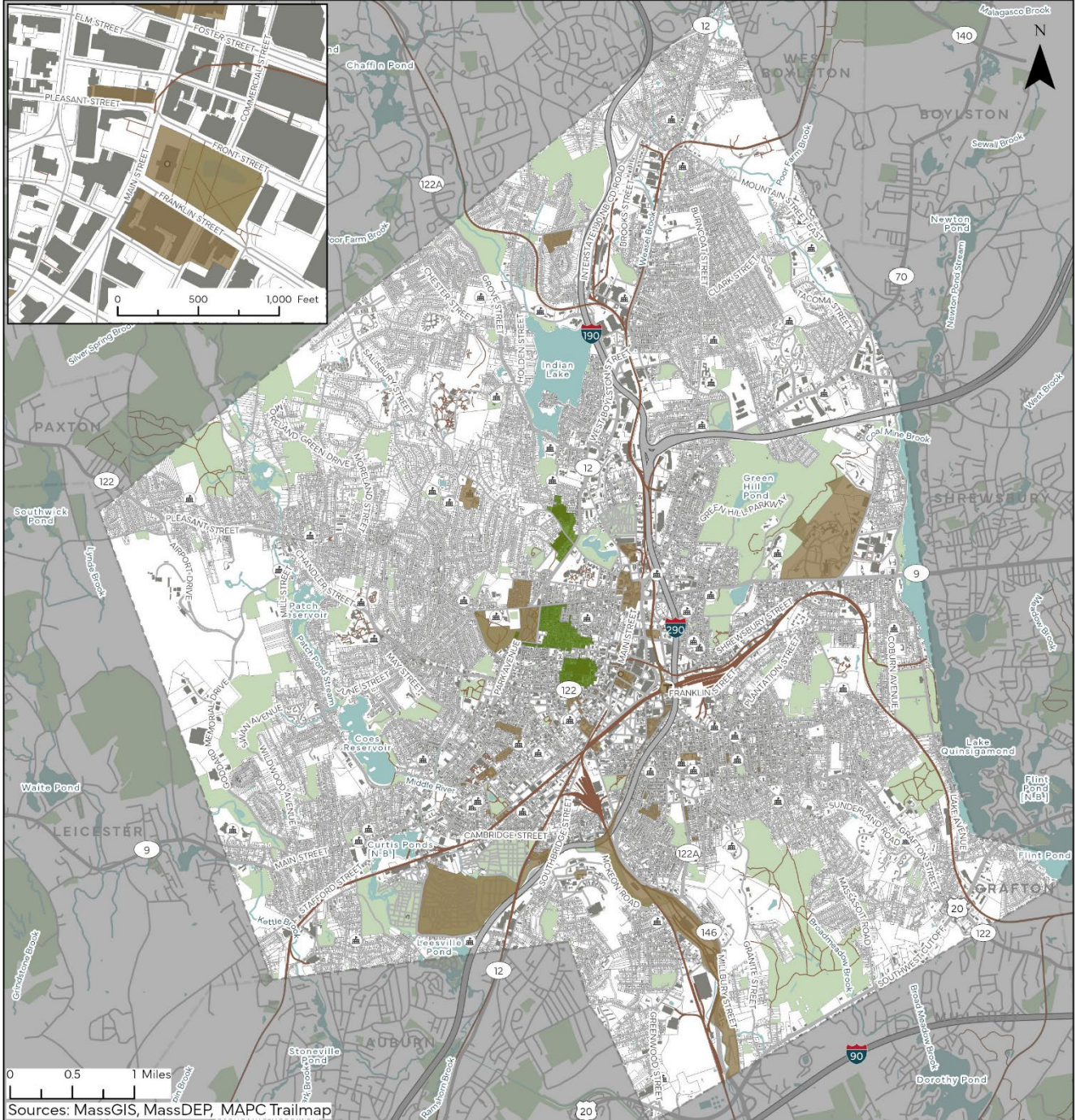


Bancroft Tower (1900), which is listed on the National Register of Historic Places. *Source: Marccantlin, Wikimedia.*

CITY OF WORCESTER - HISTORICAL RESOURCES

Prepared by JM Goldson LLC

J M GOLDSON



- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- Local Historic District
- National Register of Historic Places Historic District

Zoning Regulations



Zoning is a land use regulation that limits what can be built where. *Source: Claudia Snell, Flickr.*

Key Development Constraints:

- Approximately 44 percent of Worcester is zoned for single-family homes (RS-10 and RS-7 districts). Although Accessory Dwelling Units (ADUs) are also permitted by-right in these districts, this does constrain a considerable portion of land in the City.
- Worcester's zoning prohibits larger-scale density (defined as four units or more and tiered into low- and high-rise multi-family) in 75 percent and 79 percent of the City, respectively.
- Dimensional requirements written in the City's zoning tends to conflict with existing housing. This makes it difficult to recreate existing housing types.
- Particularly outside of Worcester's downtown, parking minimums for residential development in all districts may limit development and redevelopment potential.
- There is an overreliance on Special Permits (SPs) for development rather than by-right applications for development.
- Key housing types for vulnerable community members, such as Temporary Shelters, Mobile Homes, and Lodging Houses are not permitted by-right anywhere in the City.
- An Economic Feasibility Analysis conducted in May 2024 found that while 12, 25, and 50 unit properties were feasible (with 15% affordable units), while 100 and 200-unit rental properties, and a 20-unit ownership scenario were not.

Districts

Most, but not all, of Worcester’s zoning districts permit housing. The largest district by far is RS-7, at 37 percent of the City’s land area. However, the highest density form of housing permitted in this district is Single-Family Detached. Both low and high-rise multi-Family housing (defined in Worcester’s zoning ordinance as a dwelling with four or more units) is allowed by right in the RG-5 district, as well as in all but one Business district, comprising about 21 percent of the City.

Only detached single-family homes and accessory dwelling units are permitted in 44 percent of Worcester (RS-10 and RS-7 districts).

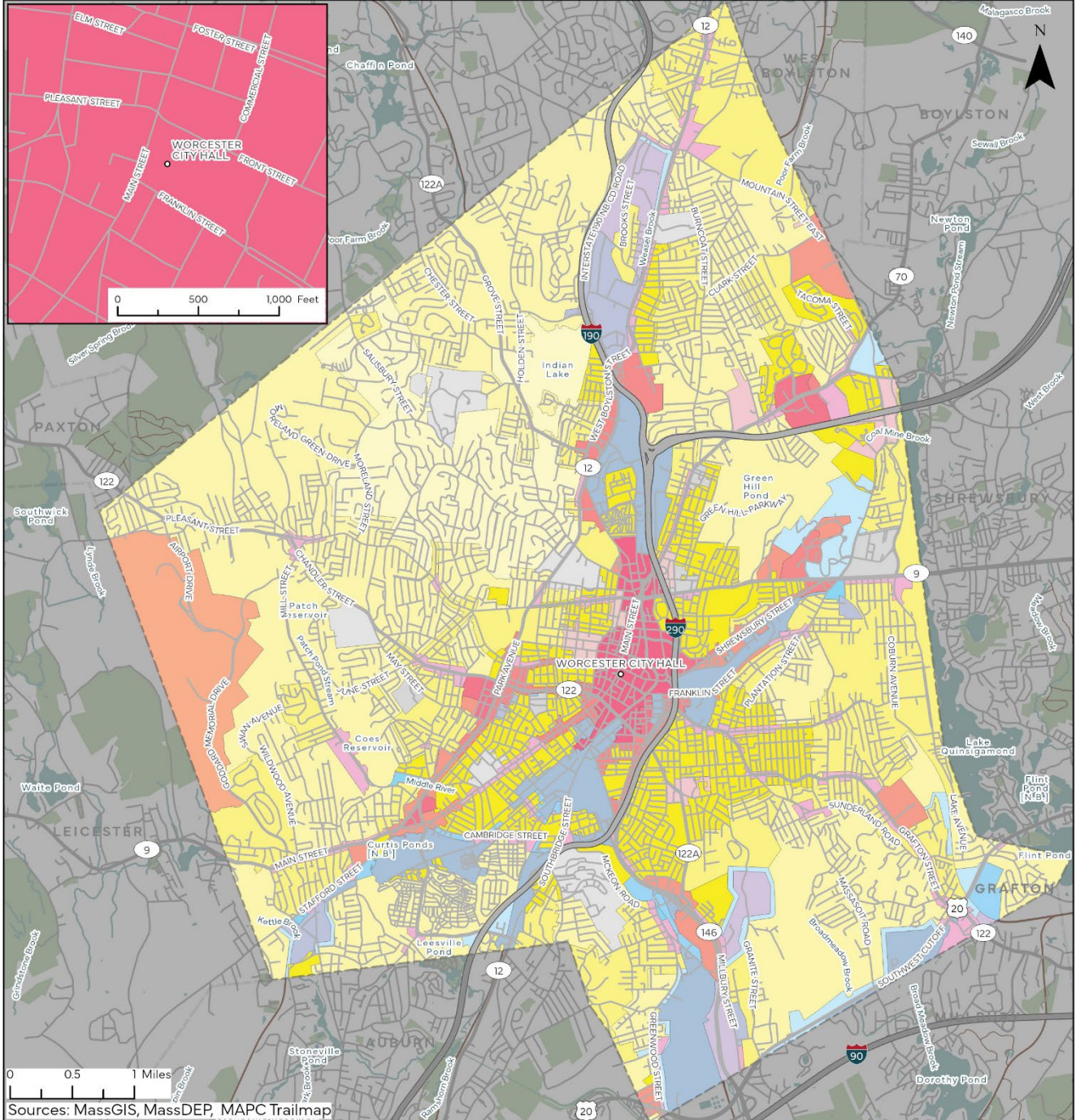
Zone	District Name	Percentage
RS-7	Residence, Single Family	37.7%
RL-7	Residence, Limited	16.9%
RG-5	Residence, General	10.8%
RS-10	Residence, Single Family	7.0%
MG-2	Manufacturing, Limited	5.1%
A	Airport	3.4%
BL-1.0	Business Limited	3.2%
INS	Institutional, Educational	2.2%
BG-2.0	Business, General	2.1%
ML-0.5	Manufacturing, Limited	2.0%
BG-3.0	Business, General	2.0%
BG-6.0	Business, General	1.7%
MG-0.5	Manufacturing, Limited	1.5%
MG-1.0	Manufacturing, Limited	1.3%
BG-4.0	Business, General	0.8%
BO-2	Business, Office	0.7%
INH	Institutional, Medical	0.7%
ML-2.0	Manufacturing, Limited	0.6%
BO-1.0	Business, Office	0.4%
ML-1.0	Manufacturing, Limited	0.1%

Source: City of Worcester GIS Data, July 22, 2024.

Spatially, the single-family focused districts are concentrated at the edges of the City, while districts permitting multi-family are generally more centrally-located, including the downtown and key commercial corridors.

CITY OF WORCESTER - ZONING

Prepared by JM Goldson LLC

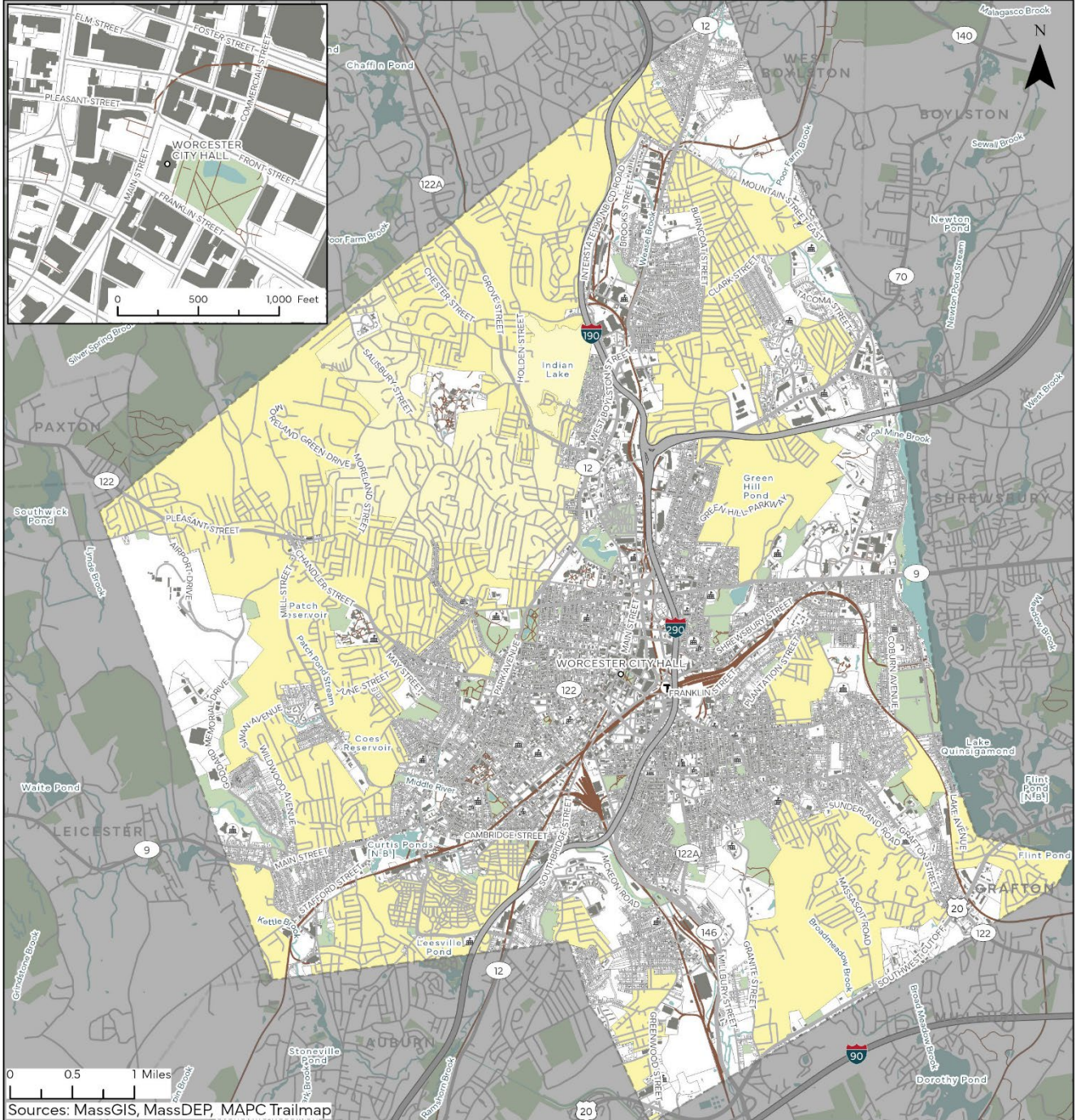


Sources: MassGIS, MassDEP, MAPC Trailmap

- | | | |
|------------|---------------------------------------|--|
| Schools | Airport District (A-1) | Manufacturing General, 0.5 to 1 FAR (MG-0.5) |
| Building | Business General, 2 to 1 FAR (BG-2.0) | Manufacturing General, 1 to 1 FAR (MG-1.0) |
| Parcel | Business General, 3 to 1 FAR (BG-3.0) | Manufacturing General, 2 to 1 FAR (MG-2.0) |
| Trail | Business General, 4 to 1 FAR (BG-4.0) | Manufacturing Limited, 0.5 to 1 FAR (ML-0.5) |
| Water Body | Business General, 6 to 1 FAR (BG-6.0) | Manufacturing Limited, 1 to 1 FAR (ML-1.0) |
| Open Space | Business Limited, 1 to 1 FAR (BL-1.0) | Manufacturing Limited, 2 to 1 FAR (ML-2.0) |
| | Business Office, 1 to 1 FAR (BO-1.0) | Residence General, 5,000 SF Min. Lot Size (RG-5) |
| | Business Office, 2 to 1 FAR (BO-2.0) | Residence Limited, 7,000 SF Min. Lot Size (RL-7) |
| | Medical (IN-H) | Residence Single-Family, 7,000 SF Min. Lot Size (RS-7) |
| | Educational (IN-S) | Residence Single-Family, 10,000 SF Min. Lot Size (RS-10) |

CITY OF WORCESTER - PRIMARILY SINGLE-FAMILY ZONING

Prepared by JM Goldson LLC



Sources: MassGIS, MassDEP, MAPC Trailmap

- | | | |
|------------|---------------------------------------|--|
| Schools | Airport District (A-1) | Manufacturing General, 0.5 to 1 FAR (MG-0.5) |
| Building | Business General, 2 to 1 FAR (BG-2.0) | Manufacturing General, 1 to 1 FAR (MG-1.0) |
| Parcel | Business General, 3 to 1 FAR (BG-3.0) | Manufacturing General, 2 to 1 FAR (MG-2.0) |
| Trail | Business General, 4 to 1 FAR (BG-4.0) | Manufacturing Limited, 0.5 to 1 FAR (ML-0.5) |
| Water Body | Business General, 6 to 1 FAR (BG-6.0) | Manufacturing Limited, 1 to 1 FAR (ML-1.0) |
| Open Space | Business Limited, 1 to 1 FAR (BL-1.0) | Manufacturing Limited, 2 to 1 FAR (ML-2.0) |
| | Business Office, 1 to 1 FAR (BO-1.0) | Residence General, 5,000 SF Min. Lot Size (RG-5) |
| | Business Office, 2 to 1 FAR (BO-2.0) | Residence Limited, 7,000 SF Min. Lot Size (RL-7) |
| | Medical (IN-H) | Residence Single-Family, 7,000 SF Min. Lot Size (RS-7) |
| | Educational (IN-S) | Residence Single-Family, 10,000 SF Min. Lot Size (RS-10) |

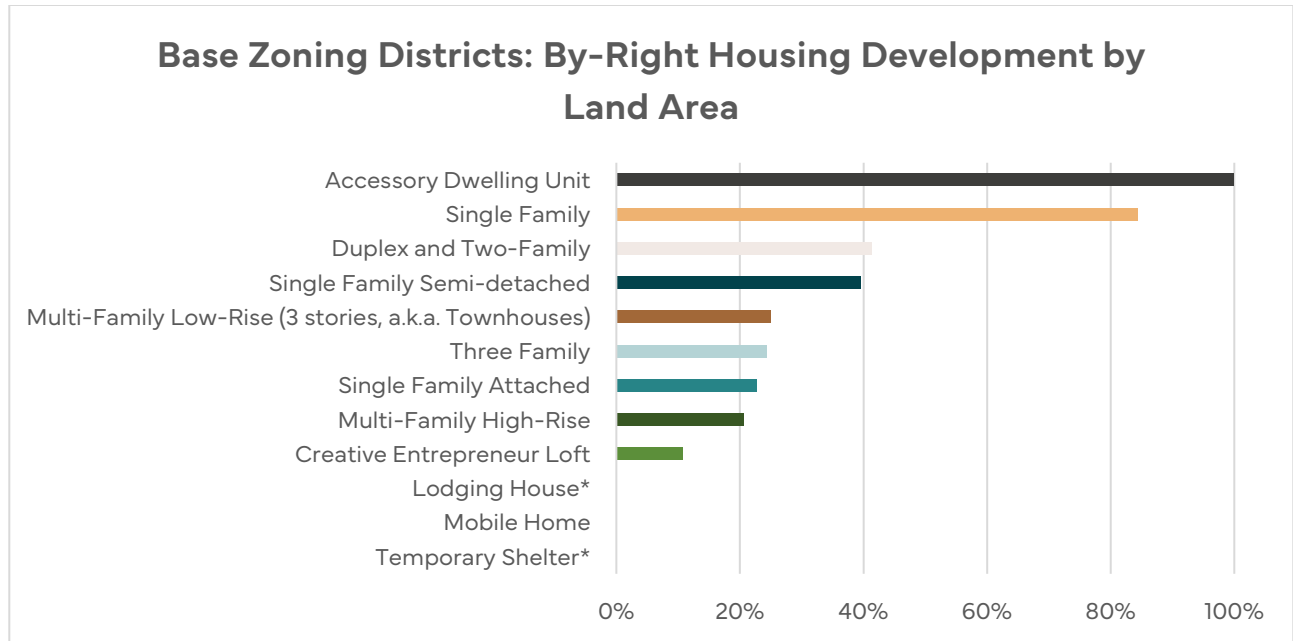
Permitted Housing TTypes



A mixed-use development in Worcester’s Kelley Square, in the burgeoning Canal District. *Source: Google Maps.*

Accessory dwelling units are the most broadly permitted housing type, allowed by right throughout Worcester⁶⁵. Conversely, Temporary Shelter and Lodging Houses are allowed only with a discretionary Special Permit, and Mobile Homes allowed only a temporary basis. These housing types typically offer shelter to the most vulnerable residents.

⁶⁵ With the passage of the Affordable Homes Act (2024), Accessory Dwelling Units are to be permitted by-right in all single-family zoning districts statewide. Worcester’s existing ADU zoning surpasses this by allowing ADU’s in 100 percent of the City, though small changes will be required (such as lifting the owner-occupancy requirement).



* Allowed by Special Permit only. Source: City of Worcester GIS Data, July 22, 2024.

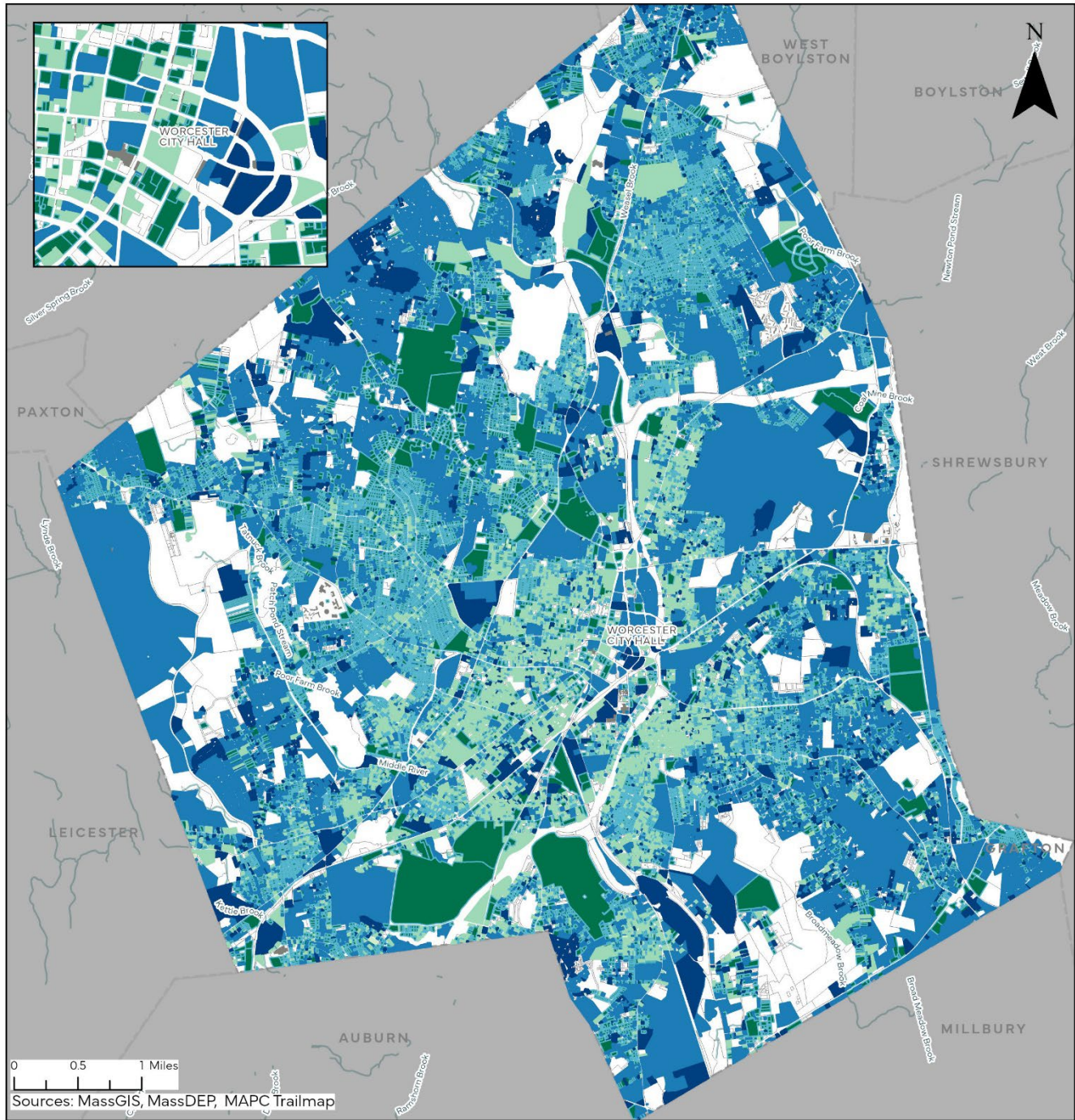
Worcester’s zoning ordinance regulates types of multi-family housing by height and density. While ADUs and detached single-family homes are the most widely permitted, two-family homes (either detached or semi-attached) are allowed in 41 percent of the City, and three-family homes in 24 percent. Single-family attached structures (commonly rowhouses and townhouses) are permitted in 23 percent of Worcester.

Higher-density multi-family is separated into two categories (low-rise and high-rise), with the “Multi-Family” designation applying at four units or more. “Low-Rise” is limited to three stories or fewer, with “High-Rise” applying to structures greater than three stories. Multi-Family Low-Rise development is allowed by right in 25 percent of the City, while Multi-Family High-Rise is permitted by right in 21 percent. Spatially, zoning permissions for by-right multi-family development are concentrated in the inner-core neighborhoods of Worcester, where development occurred in the late nineteenth and early twentieth centuries.

CITY OF WORCESTER - AGE OF HOUSING

Prepared by JM Goldson LLC

J M GOLDSON



Dimensional Requirements

The following page includes a GIS analysis of two key dimensional controls—minimum lot size and frontage—that shape the built environment and Worcester’s housing production. While nearly 60 percent of Worcester’s residential lots are conforming, the smaller lots at the heart of the City, which feature a variety of multi-family housing types, tend to be nonconforming.

In particular, 56 percent of lots in the RL-7 district are non-compliant in at least one way, as well as 42 percent of lots in the RG-5 district.

The discrepancy between the reality of the existing built environment and zoning regulations reveals a mismatch between zoning controls and the City’s historic fabric. In these cases, even just recreating existing buildings would require significant discretionary approvals.

Compliance By Residential Zoning District

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%

Source: City of Worcester GIS Data, July 22, 2024.

RL-7 District Compliance

Dimensional Compliance	Number of Parcels	Percentage (%)	Area (Acres)	Percentage (%)
Both Compliant	4,408	43.4%	2,547.18	75.2%
Both Non-Compliant	3,317	32.7%	382.10	11.3%
Only Frontage Compliant	1,173	11.6%	144.16	4.3%
Only Lot Size Compliant	1,249	12.3%	312.45	9.2%
Total	10,147	100.0%	3,385.89	100.0%

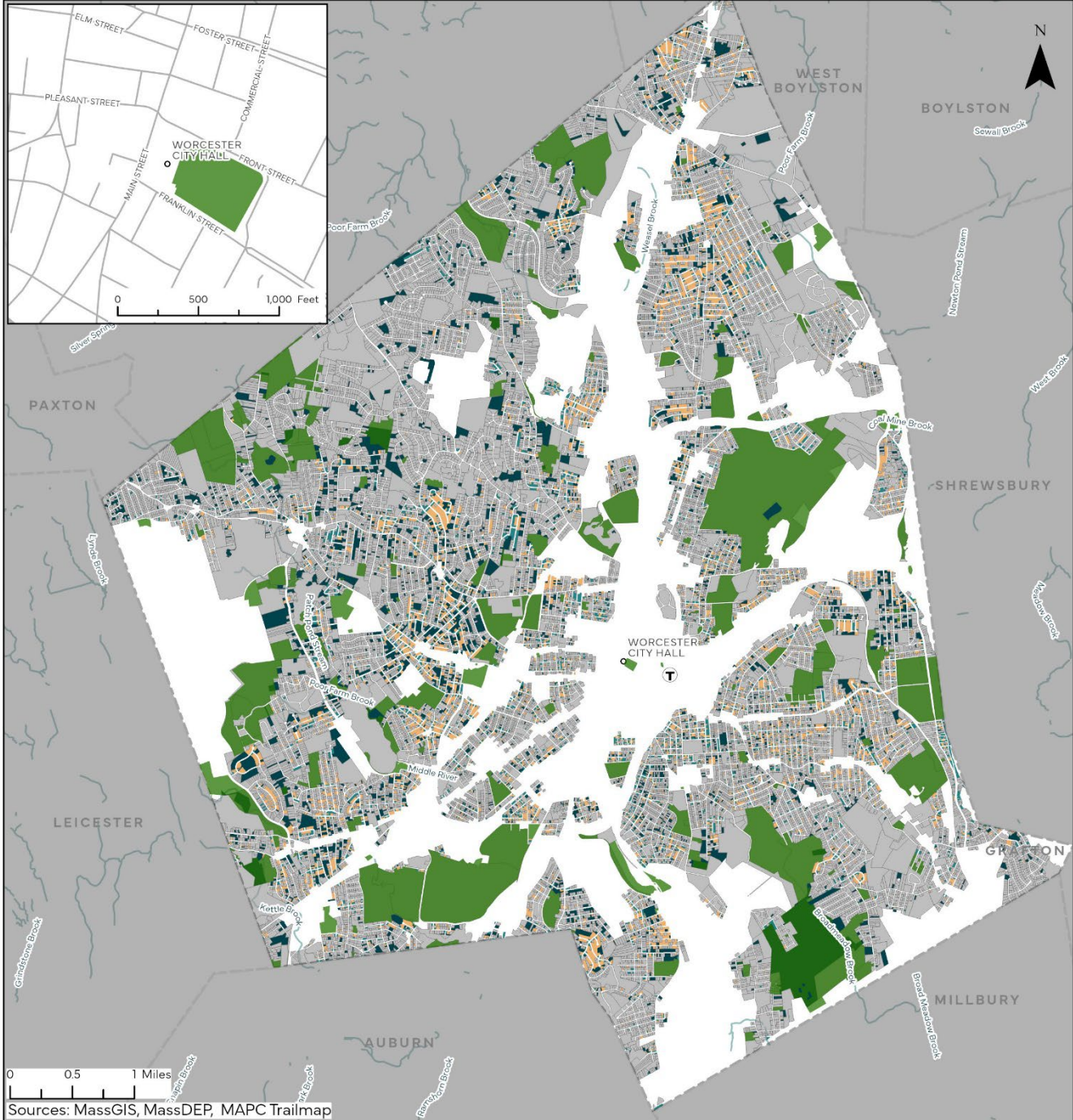
RG-5 District Compliance

Dimensional Compliance	Number of Parcels	Percentage (%)	Area (Acres)	Percentage (%)
Both Compliant	5,077	57.4%	1,715.82	82.2%
Both Non-Compliant	1,688.00	19.1%	142.46	6.8%
Only Frontage Compliant	1,370	15.5%	128.46	6.2%
Only Lot Size Compliant	713	8.1%	101.37	4.9%
Total	8,848	100.0%	2,088.11	100.0%

CITY OF WORCESTER - RESIDENTIAL DISTRICTS DIMENSIONAL COMPLIANCE

J M GOLDSON

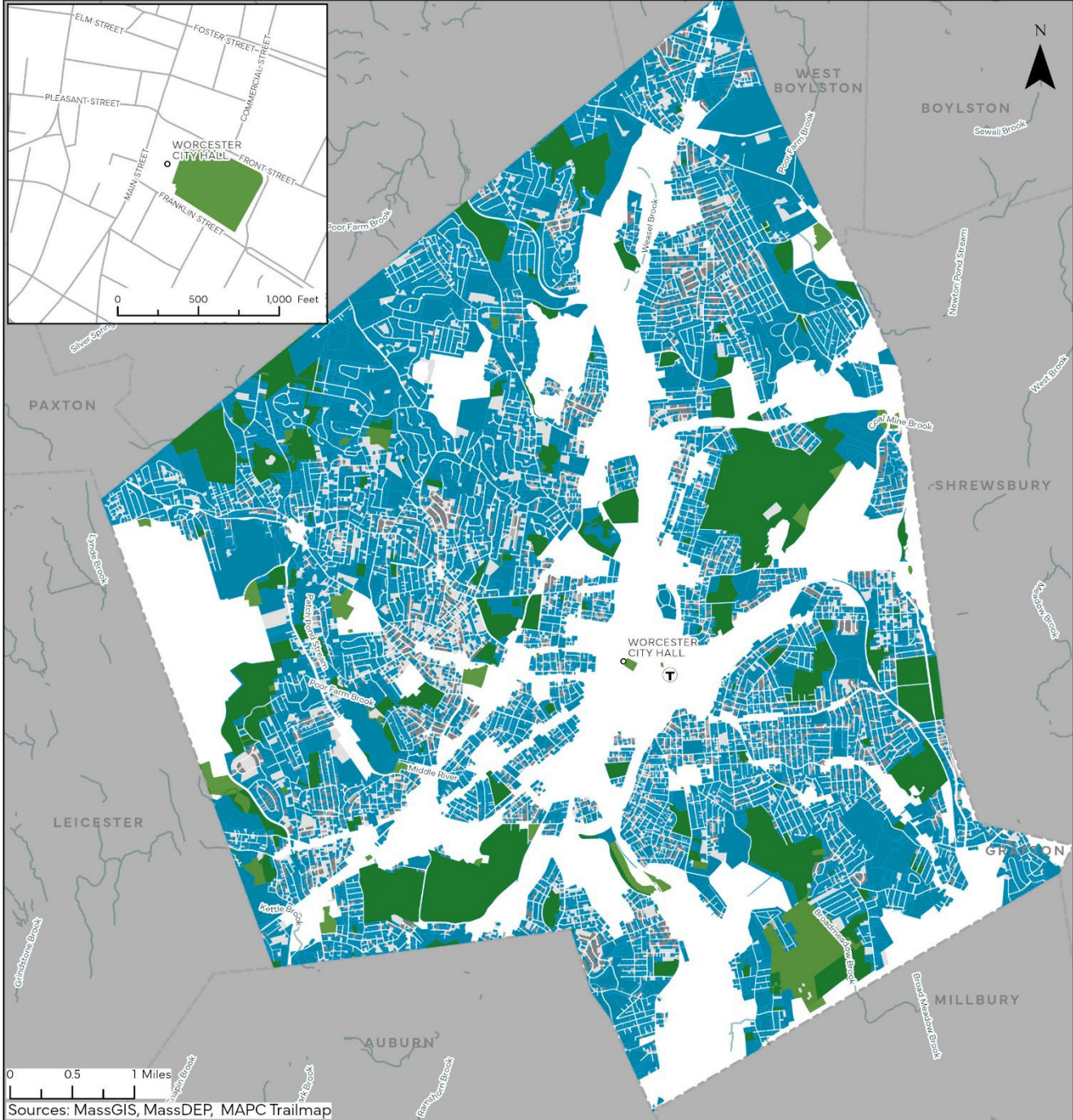
Prepared by JM Goldson LLC



CITY OF WORCESTER - DIMENSIONALLY-COMPLIANT RESIDENTIAL PROPERTIES

J M GOLDSON

Prepared by JM Goldson LLC



Sources: MassGIS, MassDEP, MAPC Trailmap

- | | |
|------------|-------------------------|
| Schools | Open Space |
| Building | Both Non-Compliant |
| Parcel | Only Frontage Compliant |
| Trail | Only Lot Size Compliant |
| Water Body | Both Compliant |
| Open Space | |

Overlay Districts

Overlays are zoning districts that supplement existing zoning, allowing for a property owner to build according to a base district, adding either new restrictions or provisions to allow flexibility in development on top of those of the base district.

The Commercial Corridor Overlay District imposes parking maximums, as well as reduced dimensional controls, such as smaller front, side, and rear setbacks.

Worcester has eight overlay districts, with three particularly affecting housing development: the Commercial Corridors Overlay and Subareas, the Water Resource Protection Overlay District, and the Adaptive Reuse Overlay District.

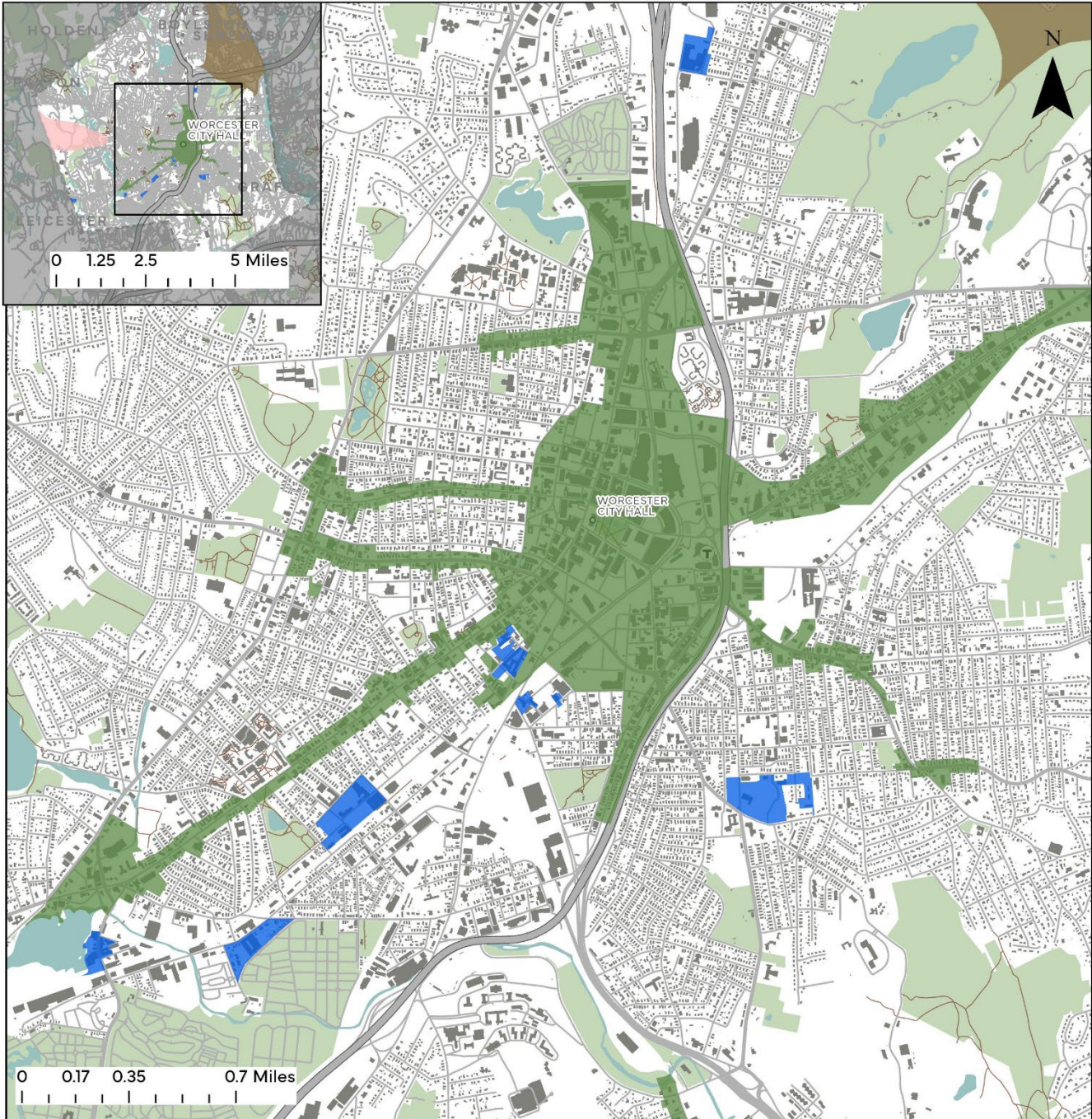
<i>District</i>	<i>Purpose</i>	<i>Effects on Development</i>
Commercial Corridors Overlay District (four subareas)	Creates a Special Permit pathway for compact, mixed-use, pedestrian-oriented development.	Expands potential for mixed-use (with Special Permit) where not allowed by base zoning.
Water Resources Protection Overlay District	Protects existing groundwater supplies, aquifers, and resource areas.	May trigger Special Permit requirement for development activities, such as commercial earth excavation.
Adaptive Reuse	Encourages adaptive reuse for existing structures.	Expands potential for multi-family dwellings by-right where district applies.

Source: City of Worcester, "Zoning Ordinance," January 2024, *City of Worcester*, <https://www.worcesterma.gov/uploads/d9/84/d98416d31a75df36b9f6c81177ad48ef/zoning-ord.pdf>

CITY OF WORCESTER - ZONING OVERLAY DISTRICTS DOWNTOWN

J M GOLDSON

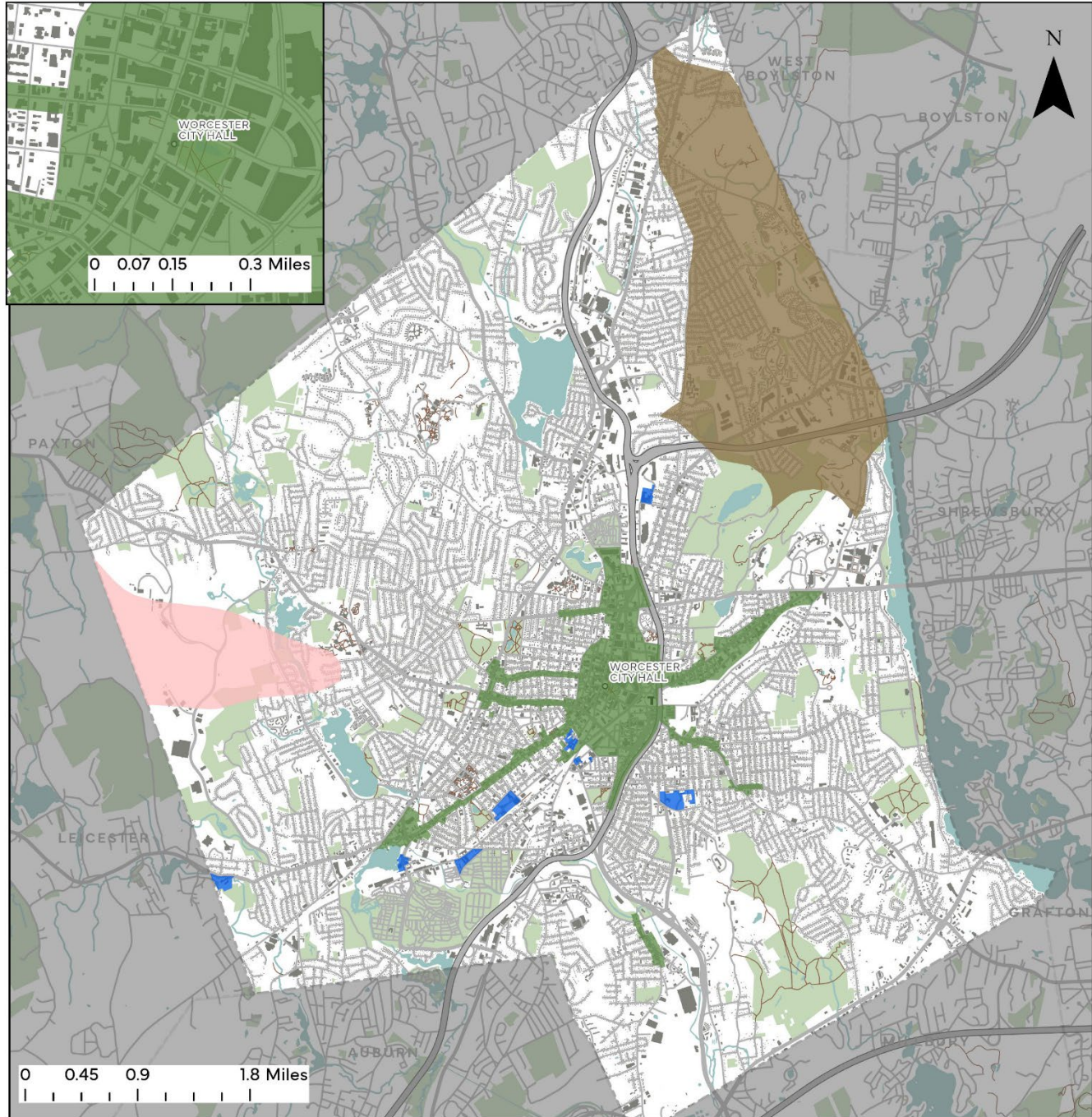
Prepared by JM Goldson LLC



- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- CCOD - Commercial Corridors Overlay District
- AE - Airport Environs
- AR - Adaptive Reuse
- WR - Water Resource Protection Overlay District

CITY OF WORCESTER - ZONING OVERLAY DISTRICTS

Prepared by JM Goldson LLC



- Schools
- Building
- Parcel
- Trail
- Water Body
- Open Space
- CCOD - Commercial Corridors Overlay District
- AE - Airport Environs
- AR - Adaptive Reuse
- WR - Water Resource Protection Overlay District

Parking Requirements

Residential parking requirements in Worcester vary by housing type. Single, two-family, and three-family and higher-density multi-family residences are required to provide two off-street spaces per dwelling unit. Inclusionary Zoning and the AROD offer alternatives to the set parking requirements.

<i>Type of Residence</i>	<i>Spaces Required</i>	<i>Unit of Measurement</i>
Single, Two or Three Family Dwelling	2	Dwelling unit
Multi-Family Dwelling	2	Dwelling unit
Group Residence	0.25	Bed
Lodging House	0.5	Bed
Housing For Elderly (Subsidized)	1	Dwelling unit
Dormitory	0.33	Dwelling unit
Continuing Care Retirement Community	1	Dwelling unit
Temporary Shelter	0.1	Bed
All other Residential, including Hotel & Motel	1	Bed

Source: City of Worcester, "Zoning Ordinance," January 2024, *City of Worcester*, <https://www.worcesterma.gov/uploads/d9/84/d98416d31a75df36b9f6c81177ad48ef/zoning-ord.pdf>

As documented extensively by UCLA professor Donald Shoup, off-street parking requirements contribute to development costs and have been correlated as a key constraint for housing production. For example, parking requirements can add ten to twenty percent to overall construction costs.⁶⁶ In recent years, many municipalities across the country have been reducing or “right-sizing” their parking minimums, often converting them to maximums, with many cities eliminating them entirely.⁶⁷

In Worcester, the Commercial Corridors Overlay District includes reduced parking minimums and imposes maximums. Development in these areas—including multi-family—is generally required to provide at least one space per dwelling unit but no more than two spaces per dwelling unit. Inclusionary zoning also allows for reductions in parking by-right for certain levels of affordability.

Special Permit Granting Authority

⁶⁶ Litman, Todd, “Parking Requirement Impacts on Housing Affordability,” February 2024, *Victoria Transport Policy Institute*, <https://vtpi.org/park-hou.pdf>

⁶⁷ Wamsley, Laurel, “From Austin to Anchorage, U.S. cities opt to ditch their off-street parking minimums” January 2024, *National Public Radio*, <https://www.npr.org/2024/01/02/1221366173/u-s-cities-drop-parking-space-minimums-development>

The Zoning Board of Appeal is designated by Worcester’s Zoning Ordinance as the primary Special Permit Granting Authority (SPGA). This means that—for uses that are allowed only by Special Permit (marked with SP in the Table of Permitted Uses)—the Zoning Board of Appeals is given the discretion to determine whether to issue an approval, after both public notice and a hearing at which parties of interest have been allowed to be heard. This approval is subject to appeal. The Zoning Board of Appeal also grants variances upon demonstration of a hardship.

For example, the Zoning Board of Appeal might determine whether a high or low-rise multi-family dwelling might be allowed in the Institutional, Medical (IN-H) district. Lodging houses are allowed only by Special Permit in a handful of zoning districts in the City, while Temporary Shelter may be constructed citywide with a Special Permit. The Planning Board also made the SPGA for certain items in the Ordinance, such as Special Permits in the Commercial Corridors Overlay District.

Site Plan Review

Residential development of more than five units is required to undergo Site Plan Review with the Planning Board prior to application approval. At Site Plan Review, the Planning Board will review the arrangement of the development including impacts on adjacent properties, vehicular access, and “general site compatibility of buildings.” This also applies to lodging houses, and any residential development with a 15 percent slope or greater, or on or abutting a National Register property.

Worcester requires Site Plan Review—which includes a public meeting—for residential projects with five units or more.



The Thomas Giguere Three-Decker (circa 1926), located in the City's Greendale neighborhood. *Source: Magicpiano, Wikimedia Commons.*

Other Applicable Bylaws

Priority Development Sites - Massachusetts General Law Chapter 43D allows for streamlined permitting for development projects. The City of Worcester has opted into Chapter 43D, and the City Council has designated four sites (49 Canterbury, City Square, Gateway Park, and North Main) as Priority Development Sites.⁶⁸ In these locations, permitting application decisions are guaranteed within 180 days.

Recent research has shown that discretionary approvals can lead to delays in housing production. One 2023 research paper, published in the *Journal of the American Planning Association*, found that by-right projects that did not require discretionary approvals were permitted 28 percent faster than their counterparts. Furthermore, the authors found that "the faster approval times, moreover, have been accompanied by an increase in average project size and the number of units reserved for low-income households."⁶⁹

Cluster Zoning - Cluster Zoning allows for compact development that often preserves adjacent land for conservation. Worcester's Cluster Zoning provisions require that at least 25 percent of the net site be dedicated as permanent open space and that a maximum of 40 percent of a lot can be impervious surface. This is offered in lieu of the conventional regulations offered under the subdivision control law.

Inclusionary Zoning - Worcester's Inclusionary Zoning ordinance applies to the development of 12 or more dwelling units, with 15 percent of the total units required to be reserved at 80 percent Area Median Income (AMI), or ten percent at 60 percent AMI for ownership units. A density bonus of up to 25 percent, as well as dimensional relief, is offered to projects that dedicate at least five percent of the overall units to households earning no more than 60 percent (AMI), or \$77,220 for a family of four in 2024.⁷⁰ Submission of a TDM Plan provides for an automatic 25 percent reduction in required parking, which may be further reduced by SP of the Planning Board.

A 2024 Economic Feasibility Analysis found that, with Inclusionary Zoning, both 100 and 200-unit rental development scenarios, and a 20-unit ownership development scenario, were infeasible. Smaller development scenarios with 15 percent of units at 80 percent AMI, at 12, 25, and 50 units, were feasible.

⁶⁸ Executive Office of Economic Development, "Chapter 43D Communities," 2024, *Executive Office of Economic Development*, <https://www.mass.gov/info-details/chapter-43d-communities>

⁶⁹ Manville, M., Monkkonen, P., Gray, N., and Phillips, S., "Does Discretion Delay Development?", *Journal of The American Planning Association*, <https://www.tandfonline.com/doi/full/10.1080/01944363.2022.2106291#abstract>

⁷⁰ Department of Housing and Urban Development, "FY 2024 Income Limits Summary," 2024, *Department of Housing and Urban Development*, https://www.huduser.gov/portal/datasets/il/il2024/2024summary.odn?STATES=25.0&INPUTNAME=METRO49340M49340*2502782000%2BWorcester+city&stalist=&stname=Massachusetts&wherefrom=%24wherefrom%24&statefp=25&year=2024&ne_flag=&selection_type=county&incpath=%24incpath%24&data=2024&SubmitButton=View+County+Calculations

Stretch Code – In July 2024, both the Stretch Code and Specialized Stretch Code for new buildings and additions in Worcester went into effect.⁷¹ The Stretch Code requires new structures to conform with a performance-based HERS energy efficiency rating, while the Specialized Stretch Code calls for buildings to be “pre-wired” for future electrification. A 2023 joint report by MIT and Wentworth Institute of Technology found a cost premium of up to 3.8 percent for single-family construction, and 2.4 percent for multi-family construction.⁷² These short-term increases in capital costs are likely to be offset in the long term due to cost savings from heating and cooling.



A mixed-use apartment building located in the Main South neighborhood. *Source: Kenneth C. Zirkel, Wikimedia Commons.*

⁷¹ City of Worcester, “Specialized Stretch Energy Building Code,” 2024, *City of Worcester*, <https://www.worcesterma.gov/sustainability-resilience/renewable-energy-efficiency/specialized-stretch-energy-building-code#:~:text=Stretch%20Code%20vs.-,Specialized%20Stretch%20Code,envelope%20requirements%20and%20other%20requirements>.

⁷² Bakshi, et. al., “Public Policy for Net Zero Homes and Affordability,” May 2023, *Home Builders & Remodelers Association of Massachusetts*, <https://hbrama.com/wp-content/uploads/2023/05/Public-Policy-for-Net-Zero-Homes-and-Affordability-Final-6-14-23.pdf>

Zoning Summary

Worcester's 2024 *Now/Next* Comprehensive Plan advocates for a zoning overhaul in its 3-5 year implementation priorities, "to align the zoning map with the Growth Framework established through this plan, to address aspects of the current ordinance that perpetuate segregation and inequity or undermine the viability of desired development throughout the city, and to improve the clarity and user-friendliness of the ordinance." The findings of this section should serve to further advocate for this initiative.

Misalignments between the City's code and existing and potential future housing types can serve as barriers to housing production. In a presentation on this chapter, the consultant team shared an example of a multi-family apartment building on Elm Street that could not be built today, due to parking and dimensional requirements. Additionally, staff cited an overreliance on Special Permits for development approvals, signaling that sufficient by-right development pathways were not available for housing production.

A comprehensive zoning overhaul can help to heal some of the discrepancies in the current zoning map and advance the City's housing production goals.

Potential Future Growth

Another geospatial analysis was conducted, looking at properties in Worcester that may be likely to be redeveloped in the near future. Using local tax assessment data, an improvement-to-land ratio was calculated, using the assessed value of the structural improvement on the parcel, and the value of the land itself. Locations where that ratio was low (particularly between 0 and 0.5) were deemed as having the potential to be redeveloped in the future. This analysis was conducted using MassGIS assessor's data from July, 2024.

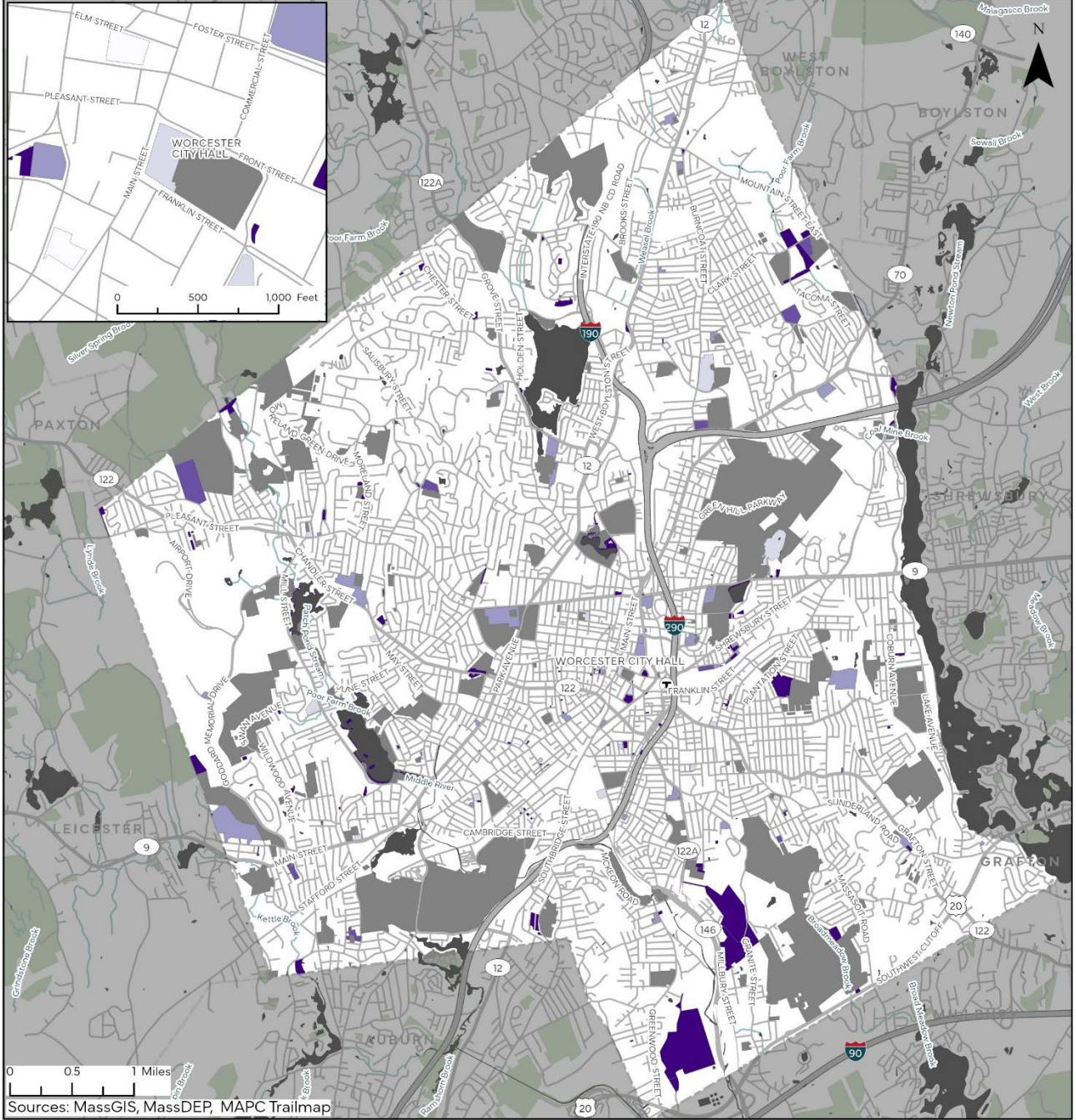
The following maps include the improvement to land ratio for both municipal and private land. While most municipal land with a low ratio (shown in deep purple) is not likely to be redeveloped, there are a variety of private parcels that may hold promise for redevelopment. A few examples are given below:

- 165 Southbridge Street, the site of a former transportation hub with a ratio of 0.21.
- 20 Quinsigamond, a current industrial site with a ratio of 0.16
- 6 Library Lane, a downtown parking lot with a ratio of 0 (there is no building on the lot).
- 5 Salem Square, a vacant downtown parcel with a ratio of 0.
- 10 Salisbury Street, a vacant lot to the east of Worcester Polytechnical Institute, also with a ratio of 0.

CITY OF WORCESTER - IMPROVEMENT TO LAND RATIO, MUNICIPAL PARCELS

J M GOLDSON

Prepared by JM Goldson LLC



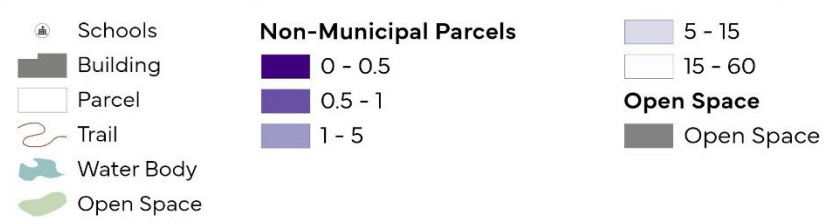
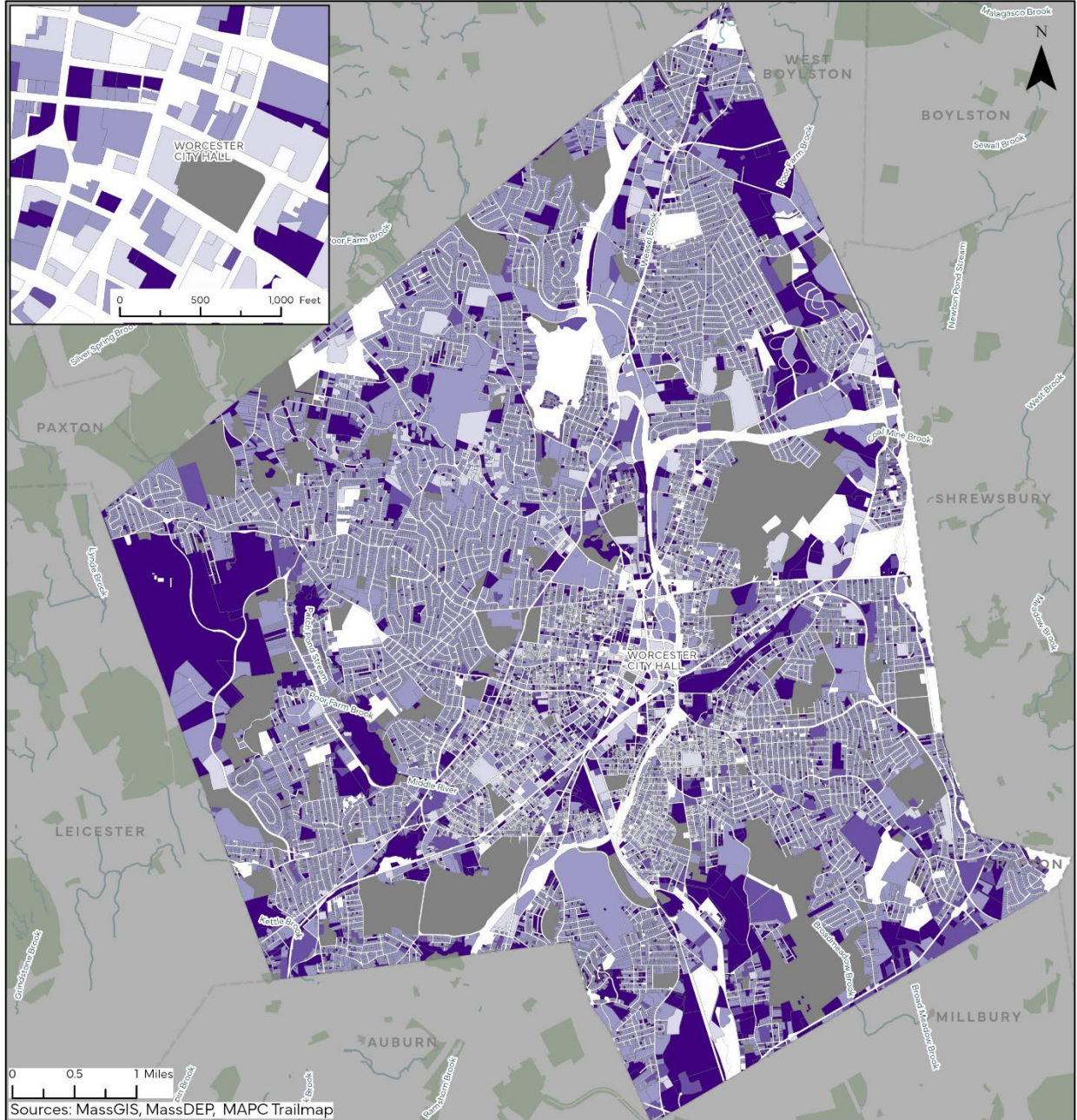
Sources: MassGIS, MassDEP, MAPC Trailmap

Schools	Open Space	0.5 - 1
Building	Open Space	1 - 5
Parcel	City Land	5 - 15
Trail	0 - 0.5	15 - 60
Water Body		
Open Space		

CITY OF WORCESTER - IMPROVEMENT TO LAND RATIO, PRIVATE PARCELS

J M GOLDSON

Prepared by JM Goldson LLC



CHAPTER 6: LOCAL AND REGIONAL CAPACITY (TO BE WRITTEN)

APPENDICES (TO BE ADDED)