

CHAPTER 3

HOUSING

Introduction

Diverse, affordable housing is important for all communities. After paying housing costs, residents need adequate remaining income to cover other basic expenditures, including food, health care, utilities, and transportation. It is essential for communities to offer a diverse housing stock that provides affordable housing options for all residents, especially those with limited or fixed incomes.

Housing is generally considered to be affordable when households spend no more than 30 percent of their gross income on housing costs. Fortunately, under this definition, housing in Orange is currently affordable for most residents. According to the 2000 U.S. Census, Orange's rents are the lowest in Franklin County, and the Town's housing prices are the second lowest in the County next to Monroe. In addition, Orange has a large supply of long-term affordable housing, and Orange is one of only a few towns in Franklin County, and one of less than 30 communities statewide, to have achieved the 10 percent affordable housing goal established by the Massachusetts Legislature under Chapter 40B.

Orange has a diverse housing stock. Approximately 59 percent of the housing units in town are single-family homes, 11 percent are in duplexes, 21 percent are units in multi-family buildings, and 9 percent are mobile homes. In addition, 31 percent of Orange's housing units are rental housing. Orange's housing is more diverse than that of most other communities in Franklin County. Most Franklin County towns typically have housing that consists of at least 75 to 80 percent single-family homes, and 20 to 25 percent rental units (including single-family homes).

The Town of Orange is strongly committed to addressing community housing issues and to promoting quality housing that is affordable for residents. The Town works closely with the Franklin County Housing and Redevelopment Authority and other regional organizations to establish both long-term and short-term housing strategies. These strategies will help promote future housing development which addresses current housing needs, while also being sustainable and compatible with the Town's vision for its future. The Town of Orange recognizes that despite the diversity and general affordability of housing in Orange, some residents may still have burdensome housing costs or face other housing issues. For example, more than one-quarter of elderly residents ages 65 and over in Orange spend at least 30 percent of their incomes on housing. Another concern is the age and condition of some of Orange's housing stock and the need to maintain and preserve these structures. The Town of Orange, through this Master Plan, and through its Community Development Plan and other planning endeavors and partnerships with regional agencies, is proactively working to

address community housing concerns and to improve housing conditions and options for Orange residents.

This Housing chapter, which was part of Orange's Community Development Plan (2004), presents an overview of housing in the Town of Orange. The chapter discusses how well the current housing supply is meeting demand, evaluates housing affordability, and assesses which areas of Orange may potentially be the most suitable for new residential development.

The Housing chapter is organized into the following main sections:

- A list of goals and objectives for housing in Orange, which were developed during the planning process and through the results of the comprehensive community survey;
- A discussion of the planning and legislative context for affordable housing;
- A summary of Orange's current housing characteristics,
- A review of population characteristics that influence housing demand;
- An assessment of housing affordability in Orange;
- An analysis of which areas of Orange may potentially be the most suitable for new housing development; and
- Recommendations and strategies for helping the Town meet its housing goals and objectives.

Housing Goals and Objectives

The housing goals and objectives for the Master Plan are based on the results of the 2002 Orange Community Survey and input from the Master Planning Committee.

Community Survey Results

As part of Orange's Master Planning process, a community survey of residents' opinions and attitudes on a variety of topics was conducted during the summer of 2002. The survey was mailed to all Orange households and over 350 surveys were returned. One of the first questions in the Orange Community Survey asked respondents to select the top 5 most serious issues currently facing Orange from a list of 19 possible issues, including affordable housing availability. Few survey respondents identified affordable housing as one of the top 5 issues facing Orange. Overall, affordable housing ranked 14th of the 19 issues that were listed. Survey respondents considered the most serious issues facing Orange to be job availability, downtown revitalization, crime, road maintenance, and the quality of the public schools.

A key reason that affordable housing likely did not rank higher as a priority is that Orange already has a large amount of affordable housing and is strongly committed to addressing community housing needs. According to 2000 U.S. Census data, Orange had the lowest rents in Franklin County, and the second to lowest owner-occupied housing prices next to Monroe. Further, one-fifth of Franklin County's guaranteed long-term affordable housing supply is located in Orange, which has 435 such units, and Orange is one of the few towns in the Franklin County that has achieved the 10 percent affordable housing goal established under Chapter 40B. In addition, the Town of Orange works closely with the Franklin County Regional Housing and Redevelopment Authority (HRA) and other regional agencies and organizations to improve housing conditions and affordability within the Town.

The community survey contained four specific questions regarding housing and residential development. The first question asked residents to indicate how important different housing issues are in Orange. The top five housing issues identified were the following:

- residential property taxes;
- the need for preservation of rural character in the Town's rural areas;
- the condition of current housing in Orange;
- the need for programs and funding to assist first-time home buyers; and
- the cost of Title 5 septic system upgrades.

Each of these issues was considered to be "Very Important" or "Important" by at least 60 percent of survey respondents.

The second question asked residents to describe any significant housing issues faced by themselves or their families. The predominant issues cited by respondents were high property taxes and large property tax increases. A review of property tax records indicates that between Fiscal Year (FY) 1992 and FY 2003, the average single-family tax bill in Orange increased by 52 percent, rising from \$1,202 to \$1,823 per year.

The third housing question on the survey asked residents which types of new housing development they support for Orange. The highest favorable ratings were for single-family homes on half-acre to one-acre lots, and for open space residential developments in which homes are clustered together and the rest of the development remains as open space. The lowest ratings were for new multi-family housing and for single-family homes on lots smaller than a half-acre. New multi-family housing (with three or more units per structure) was supported by only 19 percent of survey respondents. Orange already has a diverse housing stock, which no doubt influenced respondents' answer to this question. Twenty-one percent of the housing units in Orange are in multi-family buildings, and Orange has a larger number of multi-family housing units than every community in Franklin County except for Greenfield, Montague, and Sunderland.

The last question asked respondents where in town they would support having new multi-family housing. Suggested locations in the survey included near existing multi-family housing, in existing residential neighborhoods, or in parts of the downtown that currently have commercial uses. None of these locations was favored by a majority of the respondents. The highest favorable percentage (44% of respondents) was for locating new multi-family housing near existing multi-family housing.

Based on the results of the community survey and on input from the Master Planning Committee members, the following housing goals and objectives have been established for Orange.

Goals

- To encourage a mix of housing types, densities, prices, and ownership patterns that serve diverse Orange households while maintaining the community's character.
- To balance residential development with the protection of natural, scenic, and historic resources.
- To reduce the number of non-elderly residents with affordable housing needs by raising household income levels through local economic development initiatives.

Objectives

- Preserve and improve the existing housing stock.
- Increase outreach efforts to help homeowners access programs that offer financial assistance for housing rehabilitation projects, septic system upgrades, and lead paint mitigation.
- Increase publicity about current programs for first-time homebuyers and encourage greater participation by eligible residents.
- Support and initiate grants for the rehabilitation of vacant or underutilized buildings for residential use, especially in the downtown area.
- Encourage the creation of new housing units in and near the downtown center over housing growth in Orange's minimally developed and open space areas.
- Protect areas with sensitive environmental characteristics and significant historic resources from residential development patterns which could be detrimental to these assets.
- Continue and expand the current regional approach to addressing housing issues, through the Town's collaboration with the Franklin County Housing and Redevelopment Authority (HRA), the Franklin Regional Council of Governments (FRCOG), and other regional organizations.

Planning and Legislative Context

This section provides background information and context for this Housing chapter. It gives a brief summary of the State's legislation to encourage affordable housing, including Executive Order 418 and Chapter 40B. It also discusses the Town of Orange's activities to address housing issues in the community.

Legislation to Promote Affordable Housing

Executive Order 418 (EO 418)

Issued in 2000 by former Governor Cellucci, Executive Order 418 continues the Commonwealth's long commitment of encouraging the creation of affordable housing. Entitled "Assisting Communities in Addressing the Housing Shortage," EO 418 provided new incentives and resources for communities to promote affordable housing development. The directive offered funding to create Community Development Plans (CD Plans) to help communities consider the ways they would like to grow in the future, and to assist them in establishing options and strategies for addressing future development. Each CD Plan typically contains the following four elements: housing, economic development, open space and resource protection, and transportation. Orange received a waiver for the open space portion because of the Town's recently completed Open Space and Recreation Plan (2001). The Orange Open Space and Recreation Plan was approved by the Massachusetts Executive Office of Environmental Affairs, Division of Conservation Services.

In addition to encouraging municipal planning, EO 418 also established a new affordable housing certification process. Municipalities must obtain housing certification to be eligible to receive funds through certain grant programs, and to receive bonus rating points for other grant programs. The affected programs are administered by the Department of Housing and Community Development (DHCD), the Executive Office of Environmental Affairs (EOEA), the Department of Economic Development (DED), and the Executive Office of Transportation and Construction (EOTC). The grant programs requiring housing certification provided approximately \$90 million in funding to communities statewide in Fiscal Year 2004 (July 1, 2003 through June 30, 2004). Competitive grant programs which give a rating bonus for housing certification provided an estimated \$485 million.

To receive housing certification, communities need to demonstrate that they are working to increase their supply of housing that is affordable to individuals and families across a broad range of incomes. Housing certification is obtained on an annual basis. Orange received individual housing certification for FY 2001, FY 2002, and FY 2003. For FY 2004, Orange received housing certification through a regional application submitted on behalf of all Franklin County towns by the Franklin Regional Council of Governments and the Franklin County Housing and Redevelopment Authority.

Chapter 40B

In 1969, the Massachusetts Legislature passed the Comprehensive Permit Law (Mass General Laws, Chapter 40B, Sections 20-23) to promote the creation of affordable housing for low and moderate-income households statewide. Known as Chapter 40B, the legislation streamlined the development permit process for affordable housing projects, and established the goal of increasing the amount of long-term affordable housing in each community to 10 percent of the total housing stock. Under Chapter 40B, communities with less than 10 percent long-term affordable housing may be required to allow new housing developments that override local zoning restrictions, such as density and setback requirements. In these communities, a developer can submit an application for a comprehensive permit (a Chapter 40B application) for an affordable housing development that does not adhere to local zoning. Local review of the proposal is limited. This application is acted upon by the local Zoning Board of Appeals (ZBA). If the ZBA denies the permit, the developer may appeal the decision to the State Housing Appeals Committee. The Appeals Committee can overrule the local ZBA decision and allow the housing project to proceed.

The Chapter 40B definition of “affordable housing” is more restrictive than the general definition based on housing costs not exceeding 30 percent of household income. In determining a town’s total number of affordable housing units under Chapter 40B, the Massachusetts government has historically included only state or federally-subsidized units with guaranteed long-term affordability for low and moderate-income households. Rental units and sales of units must be restricted to affordable levels for at least 30 years after construction. All unsubsidized units have been excluded from Chapter 40B status, even if their monthly costs are less than 30 percent of the average household income. This restriction has been a disadvantage to rural communities, such as in Franklin County, where subsidized housing is less likely to be developed, but where housing costs relative to income are generally lower than in metropolitan areas. Even with these restrictions however, as of October 2001, Orange had achieved 13.4 percent affordable housing (435 housing units) under the Chapter 40B definition. As of 2001, the only other community in Franklin County with over 10 percent is Greenfield (13.9%).¹

The State has recently begun to expand the Chapter 40B definition of affordable housing to count additional types of units towards the 10 percent goal. Among the units that can now count as affordable under Chapter 40B are locally subsidized housing units, long-term housing for the mentally ill or mentally retarded, accessory apartments developed after June 30, 2002, and housing created through the Community Preservation Act.² These types of housing are now considered affordable as long as they low and moderate-income residents

¹ The latest DHCD Chapter 40B housing inventory (October 2001) indicates that Wendell also has over 10 percent affordable housing. However, Wendell’s affordable housing count is overstated, as some of the counted units do not have guaranteed long-term affordability for low and moderate-income households. As a result, DHCD is in the process of revising Wendell’s affordable housing figures. The new numbers may show Wendell to have significantly fewer affordable housing units, and less than 10 percent in total.

² The Community Preservation Act is local option legislation that gives municipalities the ability to impose an additional local property tax to raise funds for affordable housing, open space protection and historic preservation. Communities that adopt the legislation have access to state matching funds for eligible projects. Orange has not adopted the Community Preservation Act as of the writing of this plan.

and have long-term affordability restrictions. Orange's affordable housing percentage under Chapter 40B may increase as a result of these changes.

Further revisions to Chapter 40B are under consideration. In early 2003, Governor Romney established a Chapter 40B Task Force to review the current law and suggest changes. The Task Force's final report and recommendations were released in the Spring of 2003, and are now being reviewed by the Governor and the Legislature.

Regional and Town Initiatives and Policies to Create Affordable Housing

As discussed in Orange's housing certification applications, the Town's community housing strategy is threefold. First, the Town has adopted the Franklin Regional Council of Government's Regional Policy Plan, a policy document to help guide future growth in Franklin County. The Regional Policy Plan contains numerous strategies for promoting appropriate development, including the creation of affordable housing, in the region. Second, Orange works closely with the Franklin County Housing and Redevelopment Authority (HRA) and its affiliated non-profit, Rural Development, Inc., to promote affordable housing in Orange. Third, the Town encourages appropriate and responsible housing development through its planning initiatives and zoning regulations.

Franklin Regional Council of Governments Regional Policy Plan

In 1988, the Franklin Regional Council of Governments (FRCOG) established the Regional Policy Plan to help guide future growth in Franklin County. The Regional Policy Plan includes an assessment of housing affordability on a regional basis. Implementation steps for the Plan's housing-related recommendations include close coordination between communities and the Franklin County Housing and Redevelopment Authority (HRA) (*Please see the Appendix for a listing of the Regional Policy Plan's housing goals and recommendations*). The Plan also addresses transportation and regional land use. It suggests areas that may be suitable for future residential development, and discusses transportation options for serving new homes.

Franklin County Regional Housing and Redevelopment Authority and Rural Development Inc.

The Town of Orange works closely with the Franklin County Housing and Redevelopment Authority (HRA) to address local housing needs. HRA was created in 1973 by the Massachusetts Legislature as the Commonwealth's first regional public housing authority. At that time, the State recognized that the 26 towns of Franklin County, as small communities in the State's most rural county, did not have sufficient access to housing and community development resources, and were unlikely to develop and sustain adequate housing and community development capacity independently. HRA was established to help address housing and development issues and to assist with development projects, both for the region as a whole and for local communities.

HRA works with Orange and other communities in the region on a variety of housing concerns. HRA provides counseling for first-time homebuyers, tenants and landlords, and offers assistance and funding for the rehabilitation of single-family and multi-family structures, compliance with state septic system (Title 5) requirements and municipal infrastructure improvements. HRA works closely with Rural Development Inc. (RDI), an independent, private, non-profit spin-off organization of HRA that builds affordable homes and rental housing for seniors, families and people with special needs. RDI has developed more than \$15 million in single and multi-family housing in the past ten years. Ten to twelve homes are now built each year in the region; more than 60 RDI homes have been constructed in the past seven years. The resources that RDI uses for its projects come from a variety of sources, including the Massachusetts Department of Community Development (DHCD) HOME Program, U.S. Department of Agriculture Rural Development Program, and Self-Help Opportunity Program of the Housing Assistance Council.

To date, HRA and RDI have secured more than \$220 million in housing and community development resources for Franklin County towns. HRA and RDI programs help hundreds of families each year in Franklin County. HRA and RDI are very flexible in working with communities, and try to tailor their programs and projects in each town to the housing issues identified by the individual community.

At the local level, HRA assists Orange with its Community Development Block Grant (CDBG) applications and provides program administration for the grants. CDBG funds come from the U.S. Department of Housing and Urban Development (HUD), and in Massachusetts, are channeled to communities through DHCD. In FY 2003, HRA secured \$700,000 in CDBG funds for Orange. This funding has been used to support housing rehabilitation projects for low and moderate-income residents. It has also been used to help fund: a technical assistance program for micro-enterprise businesses; human services programs such as the New England Learning Center for Women in Transition (NELCWIT) Young Adult Project; and improvements to town water, sewer, sidewalk, and roadway infrastructure.

Other recent HRA and RDI work in Orange includes the rehabilitation of fifteen units of family rental housing and the construction of three new affordable single-family homes. HRA is also just starting a project to rehabilitate a building for the Orange Recovery House, which will house and provide assistance for seven individuals. RDI is also working on a transitional housing project in Orange to help homeless families transition to permanent housing. In addition, HRA, together with the Town of Orange, recently funded a study on the redevelopment potential of the historic Putnam Hall building downtown for residential, retail, and other commercial uses. One potential use being discussed for the building is senior housing.

Town of Orange Activities

As discussed above, the Town of Orange participates in regional housing activities and works closely with regional housing agencies, such as HRA and RDI, to promote affordable housing in Orange.

The Town of Orange encourages appropriate residential development through its zoning regulations, which allow different housing types and densities in different sections of town based on each area's character. Orange has five principal zoning districts: Village Residential (A(r)), Village Residential/Commercial (A(c)), Residential/Commercial (B), Residential (C), and Rural Residential (D). Each district allows single-family and two-family homes by right (Orange Zoning Bylaws, Section 2231). The zoning districts are shown on the development suitability maps at the back of the Economic Development chapter.

The construction of multi-family dwellings is allowed by special permit in all five zoning districts. Non-family accommodations such as boarding houses are allowed by right in the A(r), A(c), and C districts and by special permit in the B and D districts.

The smallest minimum lot size allowed in Orange is 10,000 square feet (0.23 acres) for lots with sewer in the A(r) district. The largest minimum lot size is 43,560 square feet (1 acre) for a single-family dwelling for unsewered lots in the B district, or any lots in the C and D districts. Maximum allowable lot coverage varies from 25 percent in the C and D districts to 70 percent in the A(r) and A(c) districts. Residential buildings can be up to 3 stories in height throughout town except for in the A(r) and A(c) districts where they can be 4 stories.

There is a special overlay district downtown (CARD district) which allows higher density than in permitted anywhere else in Orange. Residential structures in the CARD district can be up to 5 stories in height. The minimum lot size in the district is 5,000 square feet and up to 100 percent lot coverage is permitted. Multi-family dwellings are allowed by right in the CARD district.

By special permit, the Town of Orange allows Open Space Developments in which "houses are sited together into one or more groups within the development, and separated from adjacent properties and other groups by undeveloped land" (Orange Zoning Bylaws, Section 5700). Open Space Developments allow the same overall density as elsewhere but cluster housing together to preserve open space and natural resources, to encourage a less sprawling pattern of development, and to promote the efficient provision of water and sewer services and therefore lower the cost of new housing.

Orange's Zoning Bylaws offer flexibility for future housing development. The Bylaws allow the construction of new-single family and two-family structures by right in all parts of town. The Bylaws also facilitate the building of multi-family housing units as appropriate, and allow alternatives types of residential development such as Open Space Developments which help preserve open space and natural resources.

Current Housing Characteristics

This section summarizes Orange's current housing characteristics, including housing type, housing age, new construction trends, tenancy, and vacancies. The section also compares housing statistics for Orange to those for Franklin County and for Massachusetts overall. The information presented in this section primarily comes from the U.S. Census. The Census information has been supplemented with new home construction data from the Town of Orange Building Inspector.

Housing Supply

Orange experienced modest housing growth during the past two decades. U.S. Census figures indicate that between 1980 and 2000, the number of housing units in Orange increased by 12 percent, growing from 2,957 units (1980) to 3,303 (2000). Table 3-1 shows that Orange experienced less housing growth than did Franklin County and Massachusetts during this same time period. Between 1980 and 2000, the number of homes in both Franklin County and Massachusetts overall grew by almost one-fifth (19%).

Table 3-1: Housing Units in Orange, 1980 to 2000, Comparison to the County and State

Area	Number of Housing Units			Percentage Change		
	1980	1990	2000	1980-1990	1990-2000	1980-2000
Orange	2,957	3,106	3,303	+5.0%	+6.3%	+11.7%
Franklin County	26,832	30,394	31,939	+13.3%	+5.1%	+19.0%
Massachusetts	2,208,146	2,472,711	2,621,989	+12.0%	+6.0%	+18.7%

Sources: U.S. Census Bureau, *Census of Population & Housing, 1980, 1990, and 2000*.

Types of Housing

Housing in Orange is diverse, with a mix of single-family homes, duplexes, mobile homes, and multi-family units (see Table 3-2). Approximately 59 percent of the housing units in town are single-family homes, 11 percent are in duplexes, 21 percent are units in multi-family buildings of three units or more, and 9 percent are mobile homes.

Orange's housing is more diverse than that of most other communities in Franklin County. Most Franklin County towns have housing that consists of at least 75-80 percent single-family homes. Moreover, countywide, multi-family dwellings with three or more units account for 18 percent of the housing stock and mobile homes account for 3 percent. The only communities in Franklin County with a smaller percentage of single-family homes than Orange are Montague (55% single-family), Greenfield (51%), and Sunderland (45%).

Table 3-2: Types of Housing Structures in Orange, 2000

Structure Type	Number of Housing Units	Percent of Total
Single-Unit Building	1,949	59.0%
Two-Unit Building	363	11.0%
3-4 Unit Building	225	6.8%
5-9 Unit Building	254	7.7%
10 or more Unit Building	230	7.0%
Mobile Home	282	8.5%
Total Units	3,303	100.0%

Source: U.S. Census Bureau, *Census of Population and Housing, 2000*.

Housing Age

According to the 2000 U.S. Census, 44 percent (1,463 units) of the Town's housing units were constructed more than sixty years ago, before 1940 (*see Table 3-3*).

Table 3-3: Age of Housing Structures in Orange, 2000

Year Constructed	Number of Housing Units	Percent of Total
1999 to March 2000	23	0.7%
1990 to 1998	168	5.1%
1980 to 1989	545	16.5%
1970 to 1979	526	15.9%
1960 to 1969	123	3.7%
1940 to 1959	455	13.8%
1939 or earlier	1,463	44.3%
Total Units	3,303	100.0%
Median Year Constructed	1948	

Source: U.S. Census Bureau, *Census of Population and Housing, 2000*.

One potential issue with older homes is exposure to lead paint. Before 1950, and even until the late 1970s in some places, use of lead paint was widespread. For example, it has been estimated that between 1960 and 1975, lead-based paints were still used in 20 percent of homes nationwide. Exposure to lead paint can contribute to development disabilities and other health problems in young children. The Massachusetts Department of Public Health (DPH) screens children up to age six for lead paint poisoning, and Massachusetts law requires all children to be screened before they can enroll in kindergarten. The latest DPH statistics (2001) show that only 1 of the 307 screened children in Orange that year had an elevated blood lead level.

A related issue is that older houses are often in worse condition and have more potential problems than new homes. Potential problems including code violations, lead paint, and structure deterioration. Older houses frequently offer the most affordable housing options, especially for low and moderate-income families. As a result, low and moderate-income families are the most likely to live in older homes, and face the healthy and safety issues associated with these homes.

It is noteworthy that in Orange, the rental housing stock overall is newer than the homeowner housing stock. Often, rental housing in a community is older than owner-occupied housing, and renters face more of the issues related to older housing. The U.S. Census estimates the median year built for rental housing in Orange at 1963. In comparison, the median year of construction for owner-occupied units is 1945, almost two decades earlier (*see Table B-1 in the Housing Appendix at the back of the chapter for more details on housing age by tenancy*).

Comparisons of the 1990 and 2000 Census data on housing type show that the number and percentage of single-family homes in Orange increased during the 1990-2000 time period (*More details are in Table B-2 in the chapter Appendix*). Building permit data from the Town Building Inspector shows the same trends.

Table 3-4 provides a summary of authorized new housing construction in Orange from 1995 to 2004, based on permit data provided by the Orange Building Inspector. Over the 1995-2004 period, the Building Inspector issued 206 building permits for new house construction (*see Table 3-4*). Almost all the new homes authorized were single-family homes. One permit was issued for a new two-unit home.

Table 3-4: Authorized New Housing in Orange, 1995 to 2004

Year	Building Permits Issued	
	New Single-Family Home*	Other New Housing Units*
2004	67	0
2003	34	0
2002	24	0
2001	15	0
2000	13	0
1999	11	0
1998	5	0
1997	10	0
1996	12	0
1995	15	2
Total	206	2
Average for the 1995-2004 period	20.6	0.2

Source: *Town of Orange Building Permit Records*.

During the 1995-2004 period, there were also approximately 40 building permits issued for new mobile homes. Most of these permits were to replace mobile homes that had been relocated or demolished, and were primarily for the Leisure Woods Mobile Home Park on East River Street. Orange's Zoning Bylaws do not allow new mobile homes outside of the mobile home park anywhere in town.

An important trait of Orange's recent residential growth is its location. Much of the new development is taking place in the outlying, more rural sections of Orange. Top streets for new development during the 1995-2004 period included East Road, Walnut Hill Road, North Main Street, Butterworth Road, Town Farm Road, and Tully Road.

As residential development in Orange becomes more spread out over time, the Town's cost per household of providing services such as police and fire protection, school transportation, snow removal, and road maintenance, may grow due to the larger population density in outlying parts of town and the greater total population. More spread out development will also impact the Town's rural and scenic character.

Housing Tenancy

Housing tenancy refers to whether a house is occupied by a renter or homeowner. The majority of Orange's housing units are occupied by homeowners. According to the 2000 U.S. Census, homeowners inhabit 61 percent of all the Town's housing units, and 66 percent of the occupied housing units (*Table 3-5*). Renters account for 34 percent of Orange's occupied units. This percentage ranks Orange fifth of the 26 towns in Franklin County in terms of the level of renters; only Sunderland, Greenfield, Montague, and Shelburne have higher renter percentages.

Table 3-5: Housing Tenancy in Orange, 1990 and 2000

Unit Type	1990			2000			Change in Occupied Units 1990-2000
	Number of Units	Percent of Occupied Units	Percent of All Units	Number of Units	Percent of Occupied Units	Percent of All Units	
Owner-Occupied	1,932	68.8%	62.2%	2,021	66.4%	61.2%	89
Renter-Occupied	876	31.2%	28.2%	1,024	33.6%	31.0%	148
Total Occupied (Households)*	2,808	100.0%	90.4%	3,045	100.0%	92.2%	237

*Each household occupies one housing unit. The Census Bureau only considers housing units that have year-round residents to be occupied; homes with seasonal or occasional residents are considered to be vacant.

Source: U.S. Census Bureau, *Census of Population and Housing, 1990 and 2000*.

Between 1990 and 2000, the number of occupied housing units in Orange increased by 8 percent (237 units). This includes 89 new owner-occupied units and 148 new rental-occupied units.

Renter and owner-occupied housing in Orange varies significantly. An estimated 84 percent of homeowners in Orange live in single-family homes, 11 percent live in mobile homes, 5 percent live in duplexes, and the remainder (under 1%) live in multi-family buildings of three or more units (*Table 3-6*). In comparison, most renters (63%) live in multi-family housing.

Table 3-6: Housing Units by Tenancy in Orange, 2000

Structure Type	Owner-Occupied		Renter-Occupied		Vacant/Seasonal*	
	Housing Units	Percent of Total	Housing Units	Percent of Total	Housing Units	Percent of Total
Single-Unit Building	1,692	83.7%	121	11.8%	136	52.7%
Two Unit Building	101	5.0%	212	20.7%	50	19.4%
3-4 Unit Building	8	0.4%	181	17.7%	36	14.0%
5+ Unit Building	7	0.3%	462	45.1%	15	5.8%
Mobile Home	213	10.5%	48	4.6%	21	8.1%
Total Units	2,021	100.0%	1,024	100.0%	258	100.0%

*The Census Bureau considers housing that is used only seasonally or occasionally to be vacant.

Source: U.S. Census Bureau, Census of Population and Housing, 2000.

Housing Vacancies

The Census Bureau characterizes as “vacant” any residence that does not have a full-time occupant, even if the residence is used as a second home or vacation home. According to the U.S. Census, in 2000, 99 of the vacant housing units in Orange had seasonal or occasional residents. These homes, which accounted for 38 percent of Orange’s 258 vacant housing units, included summer cottages at Lake Mattawa. In 2000, other vacant housing units in Orange included 66 unoccupied units that were for sale, 39 unoccupied units for rent, and 17 units that had been rented or sold but which had no one living in them. The remaining 37 vacant units were likely uninhabitable or undergoing renovation.

The Census Bureau calculates vacancy rates for towns based on the number of homes and rental units that could be available for new residents to live in year-round. These vacancy rates exclude residences that have seasonal or occasional occupants, as well as homes that are uninhabitable, and homes that have been sold or rented, but which remain unoccupied.

According to the 2000 U.S. Census, the homeowner vacancy rate in Orange is 2.0 percent and the rental vacancy rate is 5.9 percent. A healthy housing market is generally considered to have vacancy rates of 2-3 percent for owner-occupied homes and 4-5 percent for rental properties. Orange’s vacancy rates fall within those ranges.

Substandard Housing

Census indicators of “substandard” housing in a community include overcrowding (defined as more than 1 occupant per room), or a lack of complete plumbing or kitchen facilities.³ According to the 2000 U.S. Census, 36 (1.8%) of occupied owner housing units and 27 (2.7%) of occupied rental units in Orange have overcrowding. None of the occupied housing units lacks complete plumbing facilities, and 9 units (0.3%), all renter-occupied, lack complete kitchen facilities. Among the 258 vacant housing units, 7 lack complete plumbing and 11 lack full kitchens, suggesting that some of the Town’s vacant housing is not habitable.

³ The U.S. Census Bureau defines complete plumbing as including: (1) hot and cold piped water, (2) a flush toilet, and (3) a bathtub or shower. All three facilities must be located in the housing unit. Complete kitchen facilities are defined as including: (1) a sink with piped water, (2) a range or cook top and oven, and (3) a refrigerator. All three must be located in the housing unit, but need not be in the same room (U.S. Census Bureau, Technical Documentation 2000 Census, 2002).

In recent years, the Town of Orange, with HRA and RDI, has worked to renovate and upgrade substandard housing in town, and RDI has rehabilitated a number of dilapidated multi-unit residences. In the recent community survey, the condition of the Town's housing was characterized as a very important issue by 32 percent of survey respondents and an important issue by another 35 percent of respondents. In some cases, substandard housing conditions remain unreported because occupants are afraid of being evicted if they report problems, and of being unable to find other housing they can afford.

Population Characteristics which Influence Housing Demand

This section examines population characteristics that influence housing demand. These characteristics include population size, household size, age distribution, and disabilities and other special needs. This section also discusses potential housing needs, both for Orange's population in general and for particular population segments, such as seniors and low-income families with young children.

Total Population

General population figures and growth trends for Orange for the past two decades are presented in Table 3-7. As of 2000, Orange's population stood at 7,518. Overall between 1980 and 2000, the Town's total population grew by approximately 10 percent (674 people). Over the twenty-year period, Orange's rate of growth was comparable to that for the County and State, each of which grew by 11 percent.

Table 3-7: Population for Orange, 1980 to 2000, Comparison to the County and State

Area	Total Population			% Change 1980-1990	% Change 1990-2000	% Change 1980-2000
	1980	1990	2000			
Orange	6,844	7,312	7,518	6.8%	2.8%	9.8%
Franklin County	64,317	70,092	71,535	+9.0%	+2.1%	+11.2%
Massachusetts	5,737,037	6,016,425	6,349,097	+4.9%	+5.5%	+10.7%

Source: U.S. Census Bureau, Census of Population and Housing, 1980, 1990, and 2000.

Households

The number of households is more important than total population size for determining the amount of housing needed by a community. A household is generally defined as a group of people living together in one housing unit. Changes in the number of households therefore reflect not only changes in population, but also societal shifts that influence average household size.

Nationally, average household size is decreasing. The reduction in people per household is occurring for a variety of reasons. These reasons include a decrease in the average number of children per family and an increase in the number of single-parent households. Other factors are that families today are more mobile and more spread out than in the past and that more

adults now live by themselves. According to the 2000 U.S. Census, 27 percent of Orange households (872 households) consist of one person. These one-person households include 415 elderly adults age 65 or over. These single-person elderly households include seniors living by themselves, and seniors residing in elderly housing.

Table 3-8: Average Household Size in Orange, 1980 to 2000, Comparison to the County and State

Area	Average Number of Persons Per Household			Percentage Change		
	1980	1990	2000	1980-1990	1990-2000	1980-2000
Orange	2.73	2.60	2.46	-4.8%	-5.4%	-9.9%
Franklin County	2.65	2.54	2.43	-4.2%	-4.3%	-8.3%
Massachusetts	2.82	2.68	2.60	-5.0%	-3.0%	-7.9%

Source: U.S. Census Bureau, *Census of Population & Housing, 1980, 1990, and 2000*.

As Table 3-8 indicates, the average household size in Orange declined almost 10 percent between 1980 and 2000, decreasing from 2.73 (1980) to 2.46 (2000). This decline is similar to the 8 percent decrease in household size seen at the county and state levels during the same period.

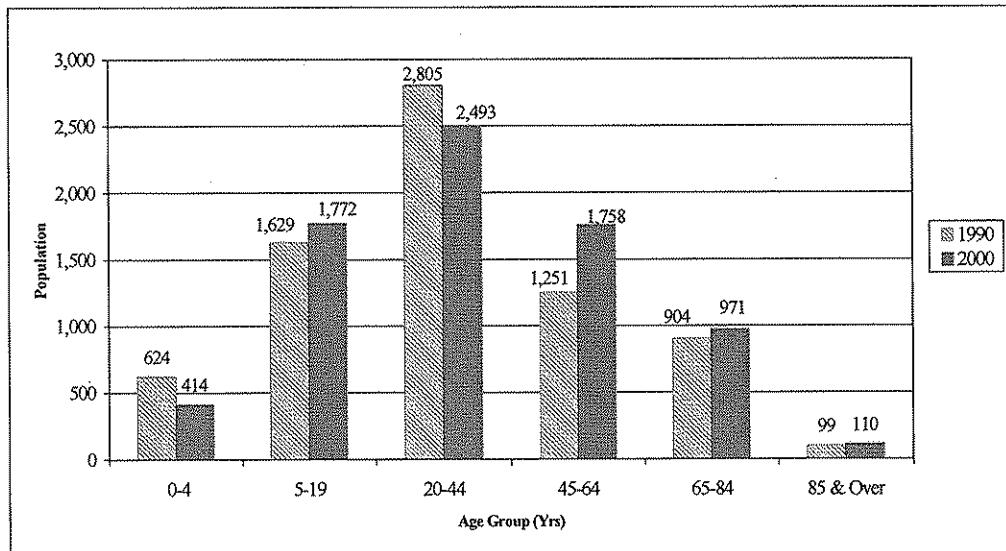
Household size varies between homeowner and renter households in Orange. The average household size for homeowner households is 2.78 people. In comparison, the average household size for rental housing is 1.84 people, about one-third smaller. Some of this difference is related to the kinds of households who typically rent. Renters are most likely to be young or elderly, and tend to have the smallest households. For example, the Census Bureau reported that in 2000, 70 percent of Orange households with a householder (defined as the head of household) under age 25 rented their housing, as did 41 percent of households where the householder was at least 75 years old (*see Table B-5 in the Housing Appendix for more information on tenancy by householder age*). Many of the households in both age groups consist of people living by themselves.

The difference in household size between owners and renters is also related to Orange's housing stock. Most renter-occupied housing in town has four rooms or less (median size: 3.7 rooms), whereas most owner-occupied housing has six rooms or more (median size: 6.2 rooms) (*Appendix Tables B-3 and B-4 contain more info on housing size by tenancy*).

Population Distribution by Age Group

One demographic factor that can affect housing demand is the age distribution of the population, and how it is changing over time. Different age groups have different housing needs. The population distribution for Orange in 1990 and 2000 is shown in Figure 3-1. Table 3-9 shows the population distribution figures for Orange, the County, and the State for the same years. The population information comes from the Census Bureau.

Figure 3-1: Population Distribution by Age Group in Orange, 1990 and 2000



Source: U.S. Census Bureau, *Census of Population and Housing, 1990 and 2000*.

Between 1990 and 2000, the largest population increase in Orange occurred for 45-64 year olds. This increase was driven by the aging of the baby boomer generation (born 1946-1964) who began turning 45 in 1991. The larger population decreases were for children under age 5, and for 20-44 year olds. Some of the decline in these age groups could be related to young families and young workers leaving Orange. Between 1990 and 2000, the number of households in Orange headed by persons under age 35 declined by over 50 percent, falling from 753 (1990) to 500 (2000). The 1990 and 2000 population distributions by age group for Orange were similar to those for Franklin County and Massachusetts as a whole.

Table 3-9: Population Distribution in Orange, 1990 and 2000, Comparison to the County and State

Age Group	Population Distribution (% of total population in each age group)					
	1990			2000		
	Town of Orange	Franklin County	State	Town of Orange	Franklin County	State
Under Age 5	8.5%	7.3%	7.0%	5.5%	5.2%	6.3%
Ages 5-19	22.3%	19.8%	18.9%	23.6%	20.7%	20.1%
Ages 20-44	38.4%	40.9%	42.1%	33.2%	34.0%	37.7%
Ages 45-64	17.1%	17.5%	18.4%	23.4%	25.9%	22.4%
Ages 65-84	12.4%	12.8%	12.0%	12.9%	12.3%	11.7%
Ages 85 & Over	1.4%	1.6%	1.5%	1.5%	1.9%	1.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Sources: U.S. Census Bureau, *Census of Population and Housing, 1990 and 2000*.

Populations with Special Housing Needs

Two population groups that may have special housing needs and that may have the most difficulty finding suitable, affordable housing are the elderly and families with young children. In particular, seniors and families with young children can benefit from housing with good access to services, including stores, health care and community facilities and programs.

Another issue facing the elderly and families with young children is that they often have limited or fixed incomes. For example, according to the 2000 U.S. Census, 11 percent of elderly Orange residents age 65 and over live below the poverty level. Ninety-seven Orange families with children under 18 (9%) also live below the poverty level, with 90 of these families being single-parent households. People with such low incomes may have difficulty finding suitable housing that they can afford.

Residents with Disabilities

The U.S. Census provides basic information on the prevalence of disabilities.⁴ Data on disabilities among Orange residents are presented in Table 3-10. The table excludes people living in institutionalized settings, such as group homes or nursing homes (In 2000, Orange had 24 such residents, all in community group homes). Overall, an estimated 22 percent of Orange's population age 5 and over (equal to 1,546 people) have a disability of some type. Among Orange's elderly population age 65 and over, almost half (47%) (504 people) of Orange's elderly have a disability. The primary disabilities among the elderly population are physical disabilities which affect mobility (experienced by 29% of elderly residents), and sensory disabilities, such as vision and hearing impairments (experienced by 22%). Unfortunately, the U.S. Census provides no qualitative data to determine the relative severity of these disabilities. The proportion of Orange residents with disabilities is higher than in Franklin County as a whole. For Franklin County, it is estimated that 18 percent of the population age 5 and over have a disability of some type.

⁴The U.S. Census Bureau considers people 5 years old and over to have a disability "if they have one or more of the following: (1) blindness, deafness, or a severe vision or hearing impairment; (2) a substantial limitation in the ability to perform basic physical activities, such as walking, climbing stairs, reaching, lifting, or carrying; (3) difficulty learning, remembering, or concentrating, (4) difficulty dressing, bathing, or getting around inside the home. In addition to the above criteria, people 16 years old and over are considered to have a disability if they have difficulty going outside of the home alone to shop or visit a doctor's office, and people 16-64 years old are considered to have a disability if they have difficulty working at a job or business (U.S. Census Bureau, Technical Documentation 2000 Census, 2002).

Table 3-10: Disabilities in the Civilian Non-Institutionalized Population in Orange, 2000

Age Group	Total Population	Number with Disabilities	Percent with Disabilities	Types of Disability (Number of people)*			
				Sensory Disability	Physical Disability	Mental Disability	Self-Care Disability
Age 5-15	1,326	113	8.5%	0	43	77	11
Age 16-64	4,698	929	19.7%	110	414	321	138
Age 65 & Over	1,078	504	46.8%	233	310	99	96
Total Age 5 & Over**	7,102	1,546	21.8%	343	767	497	245

*One person can have multiple disabilities and can be counted in more than one disability category.

**The Census Bureau does not track disabilities in children under age 5.

Sources: U.S. Census Bureau, *Census of Population and Housing, 2000*.

A total of 1,012 cases of disabilities in Orange involve either physical limitations, self-care limitations, or both, indicating that between 750 and 1,000 individuals possess disabilities that could potentially require some form of modified or accessible housing. If it is assumed that 15 percent of this population is severely disabled, then the potential demand for accessible housing may range from 115 to 150 units. It is probable that a percentage of this population already resides in housing that has been modified to accommodate their needs.

The Citizen's Housing and Planning Association (CHAPA) maintains a statewide list of housing with accessible units. This list includes housing that was constructed or rehabbed using federal or state subsidies. Little information is available on private, accessible housing. CHAPA listing for Orange is summarized in Table 3-11. The list shows four apartment complexes in Orange with accessible units. Two of them (Colonial Acres and King James Court) are for low-income households, and one (Pine Crest) has rents that are affordable for low-income and moderate-income households. The fourth (Redbrook Village) has primarily low-income housing and a few market rate units. The accessible units in these complexes are in high demand, and there are often few, if any vacancies, for these units.

Table 3-11: Housing Complexes in Orange with Accessible Units, 2003

Location	Number of Bedrooms	Elevator/ Accessible Ground Floor Access	In Apartment Modifications	Rent Level (Low Income Affordable, Moderate Income Affordable, Market Rate)
Colonial Acres	1-bedroom	Yes	No	Low Income
Pine Crest	1 to 4-bedroom	Yes	No	Low Income; Moderate Income
King James Court	1 to 2-bedroom	Yes	Some	Low Income
Redbrook Village	1 to 2-bedroom	Some	Some	Low Income; a few Market Rate

*Table primarily includes housing which was constructed or rehabbed using federal or state subsidies. Other types of housing is typically excluded from the CHAPA list.

Source: Citizen's Housing and Planning Association, *Massachusetts Accessible Housing Registry, August 2003*.

Orange's housing rehabilitation program offers loans to low- and moderate-income households for housing repairs and renovations, including accessibility improvements. This program is funded with Community Development Block Grant (CDBG) monies and administered by the Franklin County Housing and Redevelopment Authority. The Town of

Orange has also used CDBG funds to increase the accessibility of Town Hall and other town buildings.

Another potential source of funding for accessibility improvements is the Farmers Home 504 Program, which offers low-interest loans for accessibility modifications to low-income elderly and handicapped residents. The Stavros Center for Independent Living and the Massachusetts Rehabilitation Commission sometimes also have funds available.

Housing Costs and Affordability

This section explores the cost of housing in Orange for renters and owners and the degree to which housing is affordable to households of different incomes. One of the main goals of EO 418 is to encourage the creation of new affordable housing for people across a range of incomes, including low, middle, and moderate incomes.

Housing is generally defined to be “affordable” when households spend no more than 30 percent of their gross income on housing costs. For renters, housing costs include rent and utilities, such as hot water, electricity, and heat. For homeowners, housing costs include mortgage principal, mortgage interest, mortgage insurance, property taxes, and property insurance. Households that spend over 30 percent of their income on housing are considered to be “cost-burdened.”

Data on housing costs show that housing in Orange is affordable for most residents, but that some residents, especially low-income residents, may be cost-burdened by their housing expenditures.

The housing costs described here, reported in the 2000 U.S. Census, may differ from market-rate home and rental prices. There are a number of explanations for this. Market-rate prices reflect only what is being charged to new homeowners and renters, not the housing costs for households that have lived in the same dwelling for a long-term. For example, rents for long-term tenants are often well below the rents charged to new tenants. In addition, a key limitation of the Census information is that it is only updated every 10 years, and therefore does not reflect recent changes in the housing market and in housing-related costs, such as rising property taxes. Although it becomes somewhat dated over the decade, the U.S. Census still represents the most reliable available information concerning overall housing costs in the community. When available, more recent rents and housing prices are presented in this section.

Housing Costs

This section presents information on owner and renter housing costs in Orange, and on these costs relative to household income. The data presented here are from the 2000 U.S. Census, and reflect the costs of all housing in the community, not just the housing that is available for sale or rent. According to the 2000 Census, Orange has the lowest rents and second lowest home prices (next to Monroe) of any community in Franklin County (*the Housing Appendix*

(provides more detailed information on Census-reported housing costs in Orange and nearby communities than what is presented in this section).

The 2000 Census estimated monthly housing costs for 1,457 owner-occupied homes in Orange, 1,050 (72%) of which have mortgages. Homeowner costs can vary considerably depending on whether or not the home is mortgaged. For example, according to Census, in 2000, the median monthly total housing cost in Orange for homes without mortgages was \$295, and the median total cost for homes with mortgages was \$816, more than 2.7 times as great. Similarly, 79 percent of un-mortgaged homes had monthly costs under \$400 compared to only 6 percent of mortgaged homes. Over half (52%) of Orange homeowners with mortgages had expenditures of \$800 or more per month.

For rental housing, the Census reported the monthly expenditures for 986 rental units in Orange, and found the median rental housing costs to be \$430 per month. Estimated total housing costs for rental housing in Orange ranged from under \$200 to over \$1,000. Half (50%) of the units had monthly costs between \$300 and \$599, and only 2 percent (20 units) had expenditures above \$1,000 per month (*see Appendix Table B-7 for more info*). In addition to the 986 rental homes with estimated housing costs, there were also 38 additional rental units without cash rents.

A review of market rate rents based on classified listings in the Athol Daily News during July, August, and September 2003, showed apartments in Orange renting for \$500-\$650 for a one-bedroom unit, and \$600 to \$800 for a two-bedroom unit.

Housing Values

The Census Bureau gathers data on housing values by asking owners what they believe their homes, including land, to be worth in the current real-estate market. Table 3-12 contains data on housing values reported in the 2000 Census. According to this information, in 2000, 66 percent of owner-occupied homes in Orange were valued under \$100,000, and another 26 percent were valued between \$100,000 and \$150,000. On the high end, 17 homes (0.8%) had values above \$300,000.

Table 3-12: Housing Values for Owner-Occupied Homes in Orange, 2000

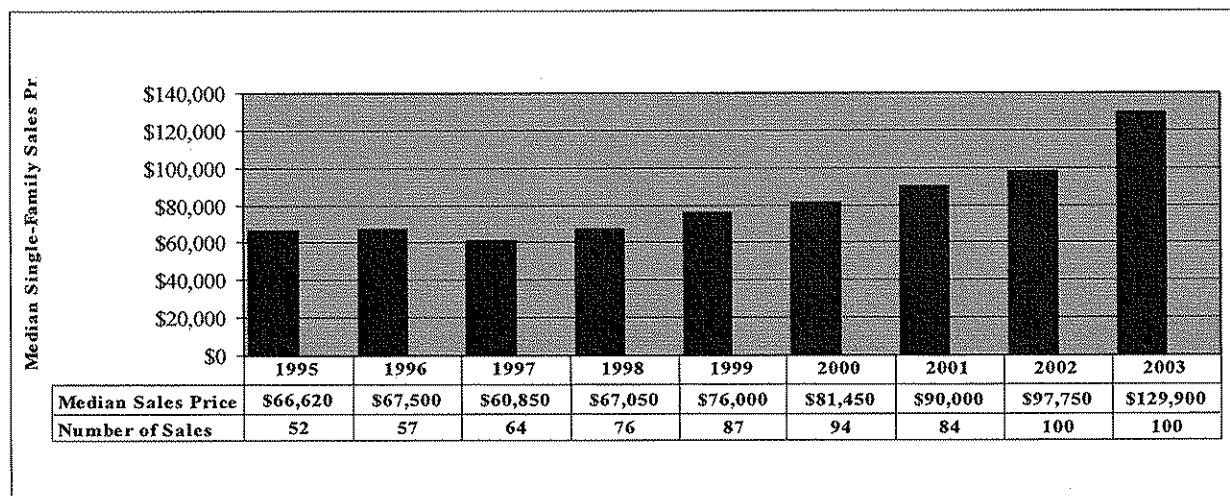
Housing Value	Number of Homes	Percent of Homes with Estimated Values
Under \$60,000	324	16.0%
\$60,000 to \$99,999	1,018	50.4%
\$100,000 to \$149,999	521	25.8%
\$150,000 to \$199,999	82	4.1%
\$200,000 to \$299,999	59	2.9%
\$300,000 to \$399,999	8	0.4%
\$400,000 and Over	9	0.4%
Total with Estimated Housing Value	2,021	100.0%
Median Housing Value	\$86,800	

Source: U.S. Census Bureau, *Census of Population and Housing, 2000*.

Residential Sales

The Warren Group collects town-level residential sales data for much of New England on a monthly and annual basis. Its data combine local Assessors' records and its own home sales records. The Warren Group's numbers show that since 1997, housing prices in Orange have steadily increased (*Figure 3-2*). Beginning in 2003, the median sales price for a single-family home surpassed \$100,000 for the first time. The increase in prices, combined with a growing number of sales, suggests that the demand for housing in Orange is rising. Some of this new demand could be related to people from eastern Massachusetts moving west in search of less expensive housing. Located on Route 2, Orange is within potential commuting distance to Interstate 495 and the Boston metro area.

Figure 3-2: Single-Family Home Sales in Orange, 1995 to 2003



Source: The Warren Group, *Town Statistics*, www.thewarrengroup.com, downloaded June 2004.

Housing Affordability

This section assesses Orange's housing prices and costs in terms of how affordable housing is for residents based on household incomes.

Number of Low, Moderate, and Middle-Income Households

The first step in assessing housing affordability in Orange involves estimating the number of low, moderate, and middle-income households that reside in the town. Under EO 418, low income households are considered to be those making 50 percent or less of the area-wide median income, moderate-income households are those making up to 80 percent of the area-wide median income, and middle-income households are those making up to 150 percent of the area-wide median income. The area-wide median income is defined as the median family income⁵ in the county where the housing units are located. For Fiscal Year (FY) 2004, the median income used for Orange's EO 418 housing certification, and that of most other Franklin County towns, is \$48,400.⁶

With this median income level, low-income households are considered to be those households earning \$24,200 or less. Moderate-income households earn between \$24,200 and \$38,700, middle-income households earn between \$38,700 and \$72,600, and upper income households earn \$72,600 or more.

Table 3-13 estimates the number of Orange households in each income category, based on the incomes reported in the 2000 U.S. Census. The Census does not break incomes out into income categories which match the above groupings exactly, so approximate groupings are used. The table shows that one-third (33%) of Orange households are low income, another 22 percent are moderate income, and 34 percent are middle income. The final 11 percent are upper income. (*Additional details on household income distribution in Orange are given in Appendix Table B-8*).

Low-income status is the most prevalent among elderly households. Over 60 percent of households where the householder (head of household) is age 65 or over have incomes under \$25,000. A large percentage (37%) of the youngest households, headed by someone under age 25, also have low incomes. For households in the middle age groups, with householders ages 25-44 and 44-64, the largest number of households are middle income. An estimated 46 percent and 37 percent of those households respectively, fall into the middle income category.

⁵ The EO 418 guidelines focus on the median income for families. There are many households that are not considered families, including people living alone and non-related individuals living together. These types of households often have lower incomes than families. This report primarily uses household income for its analysis, instead of family income, because of the more inclusive nature of the household data.

⁶ A different median income is used for housing certification for the Town of Sunderland. Sunderland is considered part of the Springfield metropolitan region, the only Franklin County town regarded as such. That region has a slightly higher median income (\$50,700) and therefore, slightly higher affordability thresholds for certification.

Table 3-13: Households by Income Level, by Householder Age, in Orange, 1999

Income Level	Total		Age of Householder							
			Under Age 25		Age 25 to 44		Age 45 to 64		Age 65+	
	#	%	#	%	#	%	#	%	#	%
Low Income (\$24,999 or less)	1,018	33.5%	38	37.2%	212	19.6%	252	24.6%	516	61.8%
Moderate Income (\$25,000 to \$39,999)	658	21.6%	21	20.6%	269	24.9%	219	21.4%	149	17.8%
Middle Income (\$40,000 to \$74,999)	1,034	34.0%	23	22.5%	501	46.4%	381	37.2%	129	15.4%
Upper Income (\$75,000 or above)	332	10.9%	20	19.6%	98	9.1%	173	16.9%	41	4.9%
Total	3,042	100.0%	102	100.0%	1,080	100.0%	1,025	100.0%	835	100.0%

Sources: U.S. Census Bureau, *Census of Population and Housing, 2000*.

Affordability of Home Ownership for Low and Moderate-Income Households

One important measure of housing affordability is the purchasing power for prospective first-time home buyers who are currently renting in the community. According to the 2000 U.S. Census, approximately 75 percent of renter households in Orange are of low or moderate income, and earn under \$40,000 per year (gross income of \$3,225 per month) or less.

An average moderate-income household, with annual earnings of \$30,000 (\$2,500 per month) can afford up to \$750 per month for housing costs. With the following assumptions regarding a potential home purchase, a household with an income of \$2,500 per month could afford to buy a house valued up to \$79,500.

Assumptions:

- The home will be bought with a 30-year mortgage with 6.0 percent interest;
- 10 percent of the purchase price will be paid as a down payment;
- Annual property taxes and property insurance costs will equal 2.05 percent of the house value (tax rate of 1.9% (\$19/\$1,000 valuation) and property insurance rate of 0.15%);
- Mortgage insurance costs will equal 0.7 percent of the borrowed principal; and
- Utilities will cost approximately \$150 per month.

As shown in data from the U.S. Census and the Warren Group, there are many houses in Orange valued in this price range. However, because of the increase in housing prices in Orange during the last few years (*Figure 3-2*), there are less of these homes now than there used to be.

For a household of low income, earning \$20,000 per year (\$1,667 per month), homeownership is less affordable. A household earning \$20,000 annually, can afford to spend \$500 per month on housing costs. Using the same assumptions as above, such a household could afford to buy a home valued at \$46,000 or less. According to the 2000 U.S. Census, approximately 10 percent of single-family homes in Orange are valued in this price range.

The issue of housing affordability for low-income households is not unique to this area. Nationwide, home ownership is often unaffordable or unattainable for people in this income bracket. According to the 2000 U.S. Census, in the United States as a whole, 37 percent of households with incomes under \$20,000 own their homes. An estimated 60 percent of these homeowners spend over 30 percent of their incomes on housing costs. Together, these figures indicate that only 15 percent of households nationwide with incomes under \$20,000 own a home they can afford. For Massachusetts, this number is even lower; only 7 percent of Massachusetts households earning under \$20,000 own a home and spend less than 30 percent of their incomes on their housing costs.

Although there are only a limited number of homes in Orange that are affordable for low-income residents to purchase, the town has a larger supply of rental housing that may be affordable to low-income households.

Median Housing Costs

Table 3-14 reviews the median monthly housing costs for households in Orange, Franklin County, and Massachusetts overall, based on tenancy. These costs are from the last U.S. Census. According to the Census, in 2000, the median monthly housing costs for Orange households totaled \$816 for homeowners with a mortgage, \$295 for homeowners without a mortgage, and \$430 for renters. On average, these housing costs represented 22 percent of gross household income for owners with a mortgage, 12 percent of household income for owners without a mortgage, and 24 percent of income for renters. These percentages are all below 30 percent, the general threshold for affordability. This indicates that, in 2000, a majority of Orange households, both renters and homeowners, have housing that is affordable based on their incomes. As discussed earlier, recent data indicate that Orange's housing costs and prices have increased in the last few years. However, it is still believed that a majority of Orange households have housing that is affordable based on their incomes.

Table 3-14: Median Housing Costs as a Percentage of Gross Income for Orange, 1999, Comparison to the County and State

Area	For owners with mortgage		For owners without mortgage		For renters	
	Median Monthly Costs	Median % of Income Spent on Housing	Median Monthly Costs	Median % of Income Spent on Housing	Median Monthly Costs	Median % of Income Spent on Housing
Orange	\$816	21.7%	\$295	11.5%	\$430	23.7%
Franklin County	\$978	21.7%	\$336	12.2%	\$541	26.1%
Massachusetts	\$1,353	21.9%	\$406	12.4%	\$684	25.5%

Source: U.S. Census Bureau, Census of Population and Housing, 2000.

A comparison of Orange's median housing costs with those for Franklin County and Massachusetts overall show that Orange homeowners with mortgages spend about the same proportion of their incomes as homeowners with mortgages in the County and State as a whole. Orange homeowners without mortgages and Orange renters spend slightly less.

Housing Costs Compared to Incomes

Although housing in Orange is affordable for many residents, some low-income residents, especially renters, are cost-burdened by their housing. The 2000 U.S. Census estimated housing costs relative to income for 2,419 (79%) of the Town's households (*shown in Appendix Table B-9*). Of those households with cost and income data, 250 homeowner households (17%) and 278 renter households (29%) spend 30 percent or more of the incomes on their housing. Combining renters and homeowners, it is estimated that 22 percent of Orange households have burdensome housing costs.

The Census data indicate that lower income households in Orange have greater rates of burdensome housing costs than higher income households. The data also show that for most income categories, homeowner households have higher levels of unaffordable housing than renter households. Contributing to this trend could be the rising costs of homeownership beyond the home purchase price, including property taxes and utilities. These costs can end up being greater than families anticipated, and some families may be stretching themselves to buy homes they cannot truly afford.

The Census Bureau collects data on housing expenditures as a percentage of income, by age group. Table 3-15 summarizes this information for Orange. The table shows that the highest rates of burdensome housing costs occur among elderly households (with a householder age 65 or older). In Orange, an estimated 23 percent of elderly homeowners and 32 percent of elderly renters spend at least 30 percent of their incomes on their housing.

Table 3-15: Percentage of Income Spent on Housing Costs, by Householder Age, 1999

Tenancy and Householder Age	Households with Cost Data*	Housing Costs as a Percentage of Household Income (Number of Households)				Total Households with Unaffordable Housing (Housing Costs are 30%+ of Income)	
		Under 25%	25-29%	30-34%	35% or More	# of Hshds	% for Income Group*
Owners							
Under Age 25	18	18	0	0	0	0	0.0%
Age 25 to 44	517	338	95	50	34	84	16.2%
Age 45 to 64	602	439	70	48	45	93	15.4%
Age 65 or Over	313	218	22	15	58	73	23.3%
Total for Owners	1,450	1,013	187	113	137	250	17.2%
Renters							
Under Age 25	63	35	18	0	10	10	15.9%
Age 25 to 44	369	219	51	44	55	99	26.8%
Age 45 to 64	286	178	19	16	73	89	31.1%
Age 65 or Over	251	86	85	19	61	80	31.9%
Total for Renters	969	518	173	79	199	278	28.7%

*Percentages are calculated based on the total number of households in each age category with cost percentage data. Housing costs relative to income were estimated for 72 percent of the Town's owner-occupied housing units, and 95 percent of the Town's rental units. Housing costs relative to income were not calculated for the 3 percent of the Orange's rental housing units without cash rents, and for households without income and/or housing cost figures.

Source: U.S. Census Bureau, *Census of Population and Housing, 2000*.

There is a small, but significant, number of households in Orange who expend more than 50 percent of their incomes on housing. These households are considered to be severely cost-burdened by their housing expenditures. In Orange, the severely cost-burdened group consists of at least 147 households, including 106 renters, and 41 homeowners with mortgages. Households that are severely cost-burdened by housing expenditures may find themselves with little money left over to pay for other necessities, including food, health care, transportation and home maintenance costs.

Overall, it is estimated that at least 528 low, moderate, or middle-income households in Orange have burdensome housing costs. This is approximately one-quarter of the households in these income groups. It is important that these households have sufficient options and opportunities to decrease their housing cost burdens. One approach is to create better employment opportunities for those residents who want to work full-time, but who are presently under-employed or unemployed, or who currently have low paying jobs. The Town is working to enhance employment opportunities and job prospects in Orange, which could lead to higher incomes for residents. A key issue with home affordability in Orange is that many households have low incomes. In terms of housing prices, housing in Orange is more affordable than most other communities in the region.

Through its current housing programs, the Town of Orange is working to reduce the housing cost burdens for residents and to maintain its current affordable housing supply. The Orange Housing Rehabilitation Program, administered through the Franklin County Housing and Redevelopment Authority (HRA), provides no-interest loans for low and moderate-income homeowners to repair and renovate their properties. HRA and its partner RDI have also rehabilitated a number of dilapidated multi-unit residences in Orange. Additionally, in 2002, funding was committed by MassHousing to help preserve upgrade and preserve Orange's two largest affordable housing complexes: King James Court and Pine Crest. These complexes, which might have been converted to market rate units without MassHousing's intervention, will now contain 100 percent affordable housing for low and moderate-income households for at least 18 years, and at least 75 percent affordable housing for 99 years.

Affordable Housing under EO 418

To achieve housing certification under Executive Order 418 (EO 418), towns are required to demonstrate that they are working to increase their supply of housing that is affordable to residents, and to address the community's identified housing needs.

Housing certification is obtained on an annual basis. Orange received individual housing certification in FY 2001, FY 2002, and FY 2003. In FY 2004, Orange was granted housing certification through a regional housing certification application submitted through the Franklin Regional Council of Governments and the Franklin County Housing and Redevelopment Authority. To count for housing certification, new housing units must be affordable to middle income households, and can either be for renters or homeowners. Qualifying rental units for housing certification must be affordable to families earning 100

percent of the area-wide median income, and qualifying homeownership units must be affordable to families earning 150 percent of the area-wide median income.

The qualifying rental and home sales prices for housing certification are shown in Table 3-16. For FY 2004, new homes must cost \$228,927 or less to count as affordable, and new apartments must have monthly rents of no more than \$1,210. According to 2000 U.S. Census, few homes and rental units in Orange have costs above these thresholds; thus nearly all the housing in Orange is affordable by the EO 418 definition. In 2000, only 2 percent of rental units in Orange had total monthly costs of \$1,000 or more. Similarly, slightly less than 4 percent (3.8%) of Orange's owner-occupied homes had housing values above \$200,000.

Table 3-16: Affordable Housing Rents and Purchase Prices under Executive Order 418 for Non-Metro Franklin County,* FY 2004

Area Median Family Income (Non-Metro Franklin County)*	\$48,400
150% of Area Median Family Income	\$72,600
Affordable Homeowner Units	
Home Price Affordable for Middle-Income Households (150% of Median Family Income)	\$228,927
Affordable Rental Units	
Monthly Rents Affordable for Middle-Income Households (100% of Median Family Income)	\$1,210

**Non-Metro Franklin County includes all Franklin County towns except Sunderland. For EO 418 housing certification, Sunderland is considered part of the Springfield metropolitan area. The area median family income for the Springfield metropolitan area is \$50,700.*

Source: Massachusetts Department of Housing and Community Development, Instructions for Completion of FY 2004 Request for Housing Certification, 2003.

Affordable Housing under Chapter 40B

Chapter 40B of the Massachusetts General Laws, enacted in 1969, was the State's first major legislation to promote affordable housing. It encouraged towns to increase their amount of long-term affordable housing to 10 percent of their total housing units. As was discussed earlier, the Chapter 40B definition of "affordable housing" is more restrictive than the general definition of affordability which is based on housing costs not exceeding 30 percent of household income. Despite this restricted definition, Orange has achieved over 10 percent affordable housing under Chapter 40B, and is one of the few communities in Franklin County to do so. The Massachusetts Department of Housing and Community Development (DHCD) estimates that Orange had 435 units of Chapter 40B affordable housing as of 2001.

Orange's Chapter 40B affordable housing supply includes a number of apartment complexes: King James Court (120 units of elderly/disabled housing), Pine Crest Apartments (114 units of family housing), and the Orange Housing Authority's apartments at Colonial Acres (56 units of elderly/disabled housing) and Macintosh Court (8 units of family housing). The Chapter 40B affordable housing supply also includes Redbrook Village (64 units), and the multi-family dwellings (15 units) and special needs housing owned by HRA. Single-family homes built for low-income families by RDI can count as Chapter 40B if they have long-term deed restrictions to guarantee their affordability. Unfortunately, none of the RDI units built to

date in Orange have the 30-year deed restriction on affordability required to be counted in the 40B inventory.

Table 3-17: Residential Units in Orange and Neighboring Towns that Count as Affordable under Chapter 40B, 2001

Town	Year-Round Housing Units (2000 U.S. Census)	Ch 40B Affordable Housing Units*	Percent of Units that are Affordable, Ch. 40B Definition
Orange	3,236	435	13.4%
Athol	4,775	227	4.8%
Erving	625	2	0.3%
New Salem	399	0	0.0%
Royalston	470	3	0.6%
Warwick	314	2	0.6%
Wendell	405	n/a**	n/a**

*Count as of October 1, 2001.

**Wendell's affordable housing count is overstated, as some of the counted units do not have guaranteed long-term affordability for low and moderate-income households. As a result, the Department of Housing and Community Development is in the process of reviewing and revising Wendell's affordable housing figures.

Source: MA Department of Housing and Community Development, 2002.

Table 3-17 gives the percentage of housing in each of the neighboring towns around Orange that is affordable according to Chapter 40B. Orange has a higher percentage of affordable housing than any of its neighboring towns, including Athol, which has only 5 percent affordable housing. In Erving, Royalston, Warwick, and New Salem, less than one percent of the year-round housing stock is considered to be affordable. New Salem has no units that count as affordable under Chapter 40B.

The State has recently begun to expand the Chapter 40B definition of affordable housing to count additional types of units towards the 10 percent goal. Among the units that can now count as affordable are the following: locally subsidized housing units; long-term housing for the mentally ill or mentally retarded; housing created through the Community Preservation Act; and accessory apartments constructed after June 30, 2002. These types of housing all now count as affordable as long as they have guaranteed long-term affordability for low or moderate-income residents. Orange's affordable housing percentage under Chapter 40B could increase as a result of these changes. In addition, further expansions in Chapter 40B's definition of affordable housing are also being considered, including the possibility of including mobile homes in the affordable housing counts. These changes could raise Orange's percentage of Chapter 40B affordable housing even further.

Population Projections and Future Housing Demand

This section discusses population projections for Orange and the anticipated future demand for housing within the Town.

MISER Population Projections

The Massachusetts Institute of Social and Economic Research (MISER) develops population projections for all Massachusetts towns. MISER, located at the University of Massachusetts, serves as the U.S. Census Bureau's main data center for the Commonwealth. MISER's latest projections (2003) forecast population levels out through 2020, and are based on 1990 and 2000 Census data, and on current birth, death, and migration trends. In forecasting future population, MISER develops projections by age and race for each town in the State. In its population forecasts, MISER creates low, middle, and high projections, each with slightly different assumptions. MISER's projections for Orange for 2010 and 2020, and estimated population change between 2000 and 2020 are shown in Table 3-18. According to the latest U.S. Census, in 2000, Orange's population stood at 7,512. MISER's projections suggest that Orange's population will either decrease or increase slightly during the 2000-2020 period.

Table 3-18: MISER Population Projections for Orange, 2000 to 2020

	Projected Population 2010	Projected Population 2020	Population Change (%) 2000-2020
Total Population 2000 (U.S. Census)	7,518		
Low Projection		7,213	-4.1%
Middle Projection	7,520	7,610	+1.2%
High Projection	7,709	8,023	+6.7%

Source: Massachusetts Institute of Social and Economic Research, Population Projections for Massachusetts, 2000-2020, released 2003.

FRCOG Population Projections

The Franklin Regional Council of Governments developed its own population projections out to 2025, as part of its 2003 Regional Transportation Plan. These population projections were based on historic population trends for the 1970 to 2000 period. The FRCOG population projections estimated that by 2020, Orange's population would grow to approximately 8,640, adding approximately 1,120 new residents over the current population.

With the FRCOG population projections, the greatest population increase is expected for the elderly residents aged 65 and over (*see Table 3-19*). This age group is projected to grow by over 400 people by 2020. Much of the elderly population growth is driven by the aging of the "baby boom" generation. By 2020, many baby boomers will be at least 65 years old.

Table 3-19: Estimated Population Change in Orange by Age Group, 2000 to 2020, under FRCOG Projections

Age Group	2000	2020	Change 2000-2020	
			#	%
Under Age 5	414	463	49	11.8%
Age 5 to 19	1,772	1,932	160	9.0%
Age 20 to 24	362	480	118	32.6%
Age 25 to 64	3,889	4,280	391	10.1%
Age 65 & Over	1,081	1,485	404	37.4%
Total	7,518	8,640	1,122	14.9%

Source: Franklin Regional Council of Governments, Population Projections for Franklin County for 2000 to 2025, 2003.

Future Housing Demand

According to the FRCOG projections, Orange's population is expected to grow by approximately 1,120 people between 2000 and 2020. Assuming an average household size of 2.35 people per household in 2020, the 1,120 additional residents will make up approximately 475 households, each of which will need housing.

Though some of the new population can probably be accommodated in existing housing, for example, renovated older homes, new accessory apartments, or converted seasonal housing, it is still likely that most of the population growth will necessitate new residential construction. The current pace of new construction is expected to meet this demand. In 2004 alone, building permits were taken out for 67 new homes; during the 1995-2004 period, an average of 20.6 new homes were authorized each year.

The elderly, the fastest growing segment of Orange's population may have special housing needs. By 2020, the number of elderly residents in Orange is forecasted to stand at almost 1,500. Assuming also that 10 percent of the seniors may be interested in traditional senior housing, there may be a demand for up to 150 senior housing units by 2020. Currently, 38 percent of elderly residents in Orange live in households by themselves, and many reside in the community's housing complexes for seniors and the disabled. These complexes include King James Court (120 housing units) and Colonial Acres (56 units). King James Court is privately owned. The Orange Housing Authority owns and manages Colonial Acres, and reports that the current waiting list for the complex is 6 to 12 months. In the future, there is also likely to be a demand and need for other types of housing for seniors, including appropriate rental units (including market-rate units) and other low-maintenance housing styles such as condominiums.

Summary of Orange's Housing Assets and Issues

Based on the information that has been gathered about Orange's housing, the following primary housing assets and issues have been identified.

Housing Assets

- Housing diversity. Orange's housing stock contains a range of housing types, including single-family homes, duplexes, mobile homes, and multi-family units. Approximately 59 percent of the housing units in town are single-family homes, 11 percent are in duplexes, 21 percent are units in multi-family units, and 9 percent are mobile homes. Orange also contains a mix of rental and homeowner housing, with rental units accounting for 31 percent of the Town's housing stock.
- Low housing costs. As of 2000, Orange had the lowest rents in Franklin County, and the second to lowest owner-occupied housing prices in the County next to Monroe.
- Large long-term affordable housing supply. Orange's level of guaranteed long-term affordable housing (13.4% of its housing stock) is larger than that of any other Franklin County community besides Greenfield (13.9%). Orange is also one of the less than 30 communities statewide to have achieved the 10 percent affordable housing goal established by the Massachusetts Legislature under Chapter 40B. Orange currently provides 20 percent of the Chapter 40B affordable housing in Franklin County. Orange's level of affordable housing demonstrates the Town's longstanding commitment to providing affordable housing options for residents.
- Historic homes. Orange is fortunate to have a number of historic buildings and homes and historic village centers. The Town's historic village centers include downtown Orange, West Orange, North Orange, and the Tully area. North Orange and downtown Orange are currently under consideration for designation as National Historic Districts on the National Register of Historic Places. In the Orange Community Survey (2002) conducted for this Plan, almost 80 percent of respondents indicated that it was important or very important to preserve and protect Orange's historic residential homes.

Housing Issues

- The need for more housing for seniors. It is projected that the number of elderly residents in Orange will increase to 1,500 people by 2020. Orange currently has two main senior housing complexes including King James Court (120 housing units) and Colonial Acres (56 units), but it is anticipated that more housing for seniors may be needed in the future. This would likely include both market-rate and subsidized housing.

- The need for additional affordable housing options for low-income residents. It is estimated that approximately 45 percent of low-income residents in Orange have unaffordable housing costs. This problem is not unique to Orange, as low-income households across Massachusetts and nationwide have difficulty finding homes and apartments they can afford.

Low-income residents in Orange could particularly benefit from more access to programs to make the current housing more affordable. Such programs can include assistance for first-time home buyers and housing rehabilitation loans to help low and moderate-income residents make home repairs and bring their houses up to code. Orange residents, through the Town's partnership with the Franklin County Housing and Redevelopment Authority, currently have access to both types of programs. These programs could be expanded as funding allows. Another option is the creation of new low-cost or subsidized housing for cost-burdened residents. It is worth noting that since over 60 percent of elderly residents in Orange are considered low-income, any strategy to assist low-income residents will also help the community's seniors.

Low-income residents could also benefit from economic programs aimed at creating new job opportunities for Orange residents and at encouraging employers which pay a living wage and benefits to come to Orange. A key issue with housing affordability in Orange has been low incomes, more than high housing prices. As noted above, Orange's housing prices are among the lowest in the region.

- Orange's property tax increases may be unaffordable to residents on fixed or limited incomes. Between FY 1992 and 2003, Orange's average single-family tax bill grew from \$1,202 to \$1,823, an increase of 51 percent. In the community survey, property taxes were identified as an important or very important issue in Orange by 89 percent of respondents. Large tax increases can place a great burden on residents with limited and fixed incomes, and can leave them with little money for necessary home repairs and maintenance, or for other important expenditures, such as food, health care, and transportation.
- The need to balance future residential development with natural, scenic, and historic resource protection. One important construction trend in Orange is that the current pattern of residential development includes growth into previously undeveloped areas containing open space and natural habitats. This pattern of growth can be detrimental to Orange's rural character and natural resources. It can also lead to higher fiscal service costs for the Town. As residential development in Orange becomes more spread out over time, the Town's cost per household of providing services such as police and fire protection, school transportation, snow removal, and road maintenance, may grow due to the larger population density in outlying parts of town and the greater total population.

Quantifying Orange's Housing Needs

Earlier in this chapter, there was an examination of the percentage of income spent on housing costs for different income groups and age groups. Table 3-20 on the next page summarizes the findings of this analysis.

Orange has a total of 2,180 low, moderate, and middle-income households with Census housing cost data (According to the 2000 Census, there are 2,710 total households in these income categories, combined. The collected data represents 80% of them). An estimated 528 of these households (24%) have burdensome housing costs. These burdened households include 385 low-income households, 99 moderate-income households, and 44 middle-income households.

Overall, it is estimated that 278 renters and 250 homeowner households have housing affordability needs. Approximately 41 percent of the households with burdensome housing expenditures are elderly.

Table 3-20: Current Estimates of Low, Moderate, and Middle-Income Households with Affordability Needs, by Age and Tenancy, 1999

Household Types	Low Income	Moderate Income	Middle Income	All Income Eligible Households EO 418
Households with Housing Cost Data				
Homeowners	273	338	648	1,259
Renters	571	175	175	921
Total	844	513	823	2,180
Elderly Households with Affordability Needs				
Homeowners	54	14	5	73
Renters	77	3	0	80
Total Elderly	131	17	5	153
Non-Elderly Households with Affordability Needs				
Homeowners	76	62	39	177
Renters	178	20	0	198
Total Non-Elderly	244	82	39	375
Total Homeowners with Affordability Needs	130	76	44	250
Total Renters with Affordability Needs	255	23	0	278
Total Households with Affordability Needs	385	99	44	528

Estimates prepared by FRCOG. The estimates are based on data from the 2000 U.S. Census, Summary File 3.

Potentially Suitable Locations for Future Residential Development

This section discusses a methodology for identifying the suitable locations for future residential development. This section builds upon the preliminary analysis conducted as part of the Natural Resources and Open Space chapter (Chapter 1) and the framework it laid out for identifying the potentially suitable areas for new development.

The Land Use Suitability Map in the Natural Resources and Open Space chapter identifies which areas in Orange are potentially developable based on absolute environmental and protected open space constraints.

From the potentially developable area shown on the Land Use Suitability Map, additional criteria have been chosen to identify the areas which the Master Planning Committee feels could potentially be most suitable for future residential development. These criteria include:

- Sewer and water access; and
- Location near current services and civic/public activities.

Current water and sewer lines are shown on the Land Use Suitability Map (Chapter 1), and on the development suitability maps in the Economic Development chapter (Chapter 2). Presently developed areas are also shown.

Because of its current water and sewer access, and services such as stores, offices, Town Hall, and the main library, the Master Planning Committee believes that the downtown could be an appropriate location for infill development, new residential growth, and mixed residential and business development. The downtown has currently has a number of unutilized and underutilized buildings and sites, and some of these could be redeveloped as residences, or for a mix of residential and business uses. For example, one potential use which has been discussed for the historic Putnam Hall building is senior housing.

In addition to its support for downtown residential development, the Master Plan has identified two other areas which is considers to be the most suitable for new homes. These areas are both close to the downtown and to current town water and sewer services, which could reduce potential site development costs and impacts. These sites are shown on the Small Commercial and Residential Development Suitability Map (Chapter 2) and identified with yellow stars. The first site is located between Walnut Hill Road and South Main Street near Hickory Club Road. This site is considered suitable for residential development as is allowed in the Residential (C) zoning district. The other site is located off of North Main Street and is considered suitable for Rural Residential development (zoning district D). Both zoning districts C and D allow one and two-family homes by right and multi-family dwellings by special permit. The minimum required lot size in both districts is 43,560 square feet (1 acre) for a single-family home.

Housing Recommendations

These recommendations are proposed to help address Orange's housing concerns, and to achieve the goals and objectives outlined earlier.

Zoning Recommendations

- Promote the use of Orange's Open Space Residential Development Bylaw, which allows developments to have smaller lot sizes in exchange for land being set aside as open space. Consider requiring open space residential developments (cluster housing) in some areas, such as zoning district D.
- Encourage the adoption of a Phased Growth Bylaw. A Phased Growth Bylaw phases residential construction to allow for a gradual expansion of municipal services to meet increased demand due to population growth, without the need for large property tax increases. A Phased Growth Bylaw also helps balance residential growth with natural resource protection. The bylaw could include exemptions for housing that addresses identified community needs, such as senior housing, or for especially desired types of new housing, such as open space residential development.
- Consider increasing the minimum required lot size in the Rural Residential District (D) from 1 acre to 2 acres.
- Consider establishing new overlay districts for sensitive natural and scenic resources to prevent development that could be detrimental. Important resources to protect include the public water supply Zone II areas, prime farmland soils, and scenic landscapes.

Other Strategies

- Encourage the reuse and revitalization of current vacant historic buildings for residential purposes, and the building of new homes in the identified most suitable areas for residential development, as feasible.
- Limit sewer and water services to the areas where Orange wishes to encourage new residential construction.
- Work to increase housing affordability in Orange for low-income families, in part, through economic development and the creation of new job opportunities with higher wages. Participate in regional and state employment initiatives. For many low-income households in Orange, housing costs are burdensome not because housing costs are unreasonably high, but because household income levels relative to housing costs are low.

- Develop strategies to reduce housing cost burdens for residents on fixed incomes. Such strategies can include having a program in which elderly residents to volunteer for the Town of Orange in exchange for a partial abatement of their property taxes (as allowed under Massachusetts General Laws, Chapter 59, Section 5K) or promoting the creation of accessory apartments. Accessory apartments can provide both an income stream for a homeowner, and an affordable rental housing option for a young worker or a senior resident.
- Continue to work with HRA, RDI, and other regional agencies, to address housing issues. Encourage qualifying residents to participate in housing rehabilitation loan programs to help low and moderate-income seniors, non-elderly homeowners and rental property owners, who do not have the financial resources to fund home improvements and repairs on their own. Use the housing rehabilitation program to help maintain and preserve Orange's current affordable housing stock.
- Work with legislators to encourage the State to continue revising Chapter 40B to provide additional flexibility and local control in the creation of affordable housing.

Projected Impacts of These Strategies on Orange's Affordable Housing Supply

This section summarizes the projected impacts of strategies and recommendations which have been proposed to expand Orange's affordable housing supply. Many of these strategies do not involve the construction of new housing. Rather, they look at options for upgrading and increasing the affordability of the Town's current housing stock. These options can include housing rehabilitation loans, the creation of accessory apartments in existing homes, and property tax abatements for low-income seniors who volunteer for the Town.

The proposed strategies to promote housing affordability for homeowners are outlined in Table 3-21, and the strategies to promote affordability for renters are shown in Table 3-22. These strategies will help increase housing affordability for low, moderate, and middle-income households in Orange who currently face burdensome housing expenditures. These strategies will also help address other concerns of the community regarding recent development patterns and the need to preserve the Town's open space, scenic, and historic resources. The strategies presented here focus on preserving the existing housing stock through housing rehabilitation projects, using the current housing to the extent possible to meet the community's housing needs, and developing new housing primarily in areas which are served by town water and sewer.

The potential impacts of these strategies in addressing affordable housing issues are given in the tables. The potential impacts shown are for a 10-year time period. This time horizon is used to recognize that some years may have less affordable housing creation than other years, and to give the community some flexibility for promoting housing affordability.

Table 3-21: Proposed Strategies to Promote Housing Affordability for Homeowners, and their Potential Impacts over a 10-Year Period

Strategy	Impact of Strategies (number of units impacted over a 10 year period)		
	Low Income Households	Moderate Income Households	Middle Income Households
Total Homeowners with Affordability Needs (in 2000)	130	76	44
Housing Rehabilitation Loan Program Available to low and moderate income households	10-15	10-15	
Market-Driven New Residential Construction Continuing to Occur at the Current Rate (15 new units/year average for the last 9 years) Estimated 60% of new homes for middle-income households Estimated 30% of new homes for moderate income households			90 45
New Low and Moderate-Income Affordable Single-Family Homes Built by affordable housing developers such as Rural Development Inc.	3-5	3-5	
Encourage the Creation of New Accessory Apartments, Income generated to Homeowners from these Apartments	5-10	10-15	
Tax-Abatement Program for Low-Income Seniors who Volunteer for the Town	10-15		
Total Projected Impact of These Strategies	28-45	68-80	90

Table 3-22: Proposed Strategies to Promote Housing Affordability for Renters, and their Potential Impacts over a 10-Year Period

Strategy	Impact of Strategies (number of units impacted over a 10 year period)		
	Low Income Households	Moderate Income Households	Middle Income Households
Total Renters with Housing Affordability Needs (in 2000)	255	23	0
Rehabilitation of Existing Structures to Create New Rental Housing For Low-Income Households	10-20		
First-Time Homebuyer Assistance Programs to Help Rental Households Purchase Homes	10-15	10-15	
New Market Rate Rental Units in and near downtown Orange		3-5	8-10
New Accessory Apartments For Low and Moderate-Income Households	10-15	5-10	
Creation of New Low-Income Elderly Apartments	15-20		
Total Projected Impact of These Strategies	45-70	18-30	8-10

Orange has shown its support for affordable housing through the large number of long-term affordable units (435 units) located in the community. One-fifth of the long-term affordable housing in Franklin County is located in Orange, and Orange is one of the few towns in the County that have exceeded the 10 percent affordable housing goal established under Chapter 40B.

Orange's continued commitment to affordable housing is demonstrated through the strategies outlined in the tables above. These strategies are ambitious, and could reduce the number of

Orange households with affordable housing needs significantly within just a decade. These strategies strongly demonstrate Orange's continuing commitment to addressing housing issues in the community and to providing appropriate, affordable housing for town residents. Many of these strategies rely on Orange working with regional organizations such as the Franklin County Housing and Redevelopment Authority, and its partner, Rural Development Inc. HRA and RDI can assist the Town with affordable housing development and can help the Town find and leverage funding for affordable housing projects. HRA also provides counseling and other resources for low and moderate-income homeowners and renters, and for landlords.

The proposed strategies presented above are projected to create establish at least 185 affordable homeowner housing units and 70 affordable rental units for low, moderate, and middle-income households within the next 10 years.

These strategies also look at providing sufficient housing not only for Orange's current population, but for the projected population growth through 2015. The FRCOG has estimated that Orange's population will grow by an estimated 830 residents between 2000 and 2015, and that the Town will need approximately 23 housing units per year to accommodate that growth. In the last 10 years (1995-2004), new residential construction in Orange occurred at the rate of 20.6 units per year. In the past few years, residential growth has accelerated; in 2004, 67 new single-family homes were authorized by the Orange Building Inspector. The current rate of housing growth, combined with the proposed strategies for low and moderate-income housing rehabilitation, accessory apartments, and new affordable development, should be more than sufficient to meet the projected housing demand in 2015. Expanding the number of housing units and increasing housing affordability with the existing housing stock is of great interest to the Town. The Town has concerns that too much growth would be unsustainable in terms of municipal services and costs, in terms of current infrastructure constraints, and in terms of the growth's impact on the character of the community. The Master Planning Committee feels that infill development and the reuse of existing structures is more desirable and more sustainable than growth in currently undeveloped areas.