# Housing

Belvidere, Lowell, Massachusetts

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# Housing

## Section Overview

Belvidere's current housing stock is closely tied to its industrial history. Older homes within the neighborhood are found closer to the Merrimack River, with multifamily housing stock most prevalent in the easternmost quadrant of the neighborhood: Formerly known as Belvidere Village, this area historically supported Lowell's industrial workforce. Today, under its new designation of Lower Belvidere, it continues to support a diverse mix of housing for middle- and low-income residents.
For the rest of the neighborhood, the housing stock is, on average, newer and less diverse. While older homes exist outside of Lower Belvidere, particularly within the Belvidere Hill Historic District, the majority of Upper Belvidere is home to single-family housing stock that was constructed during the mid-twentieth century. Today, 87% of Upper Belvidere's housing stock is single-family homes (a total of 2,775 single-family homes). This is in stark contrast to Lower Belvidere, which boasts just 282 single-family units that comprise 18% of its housing stock.

Zoning within Belvidere mirrors the housing stock, with the majority of Upper Belvidere zoned for suburban single family and the majority of Lower Belvidere zoned for multi-family use. While there are differences in zoning thorough the neighborhood, most of the neighborhood fits within this pattern (Figure 1 on page 6, and upper left "Residential Type" map on page 4).

Belvidere is defined by the dichotomy of Lower Belvidere and the remainder of the neighborhood. Apart from the Belvidere Hill Historic District – a small swath of mid-1800s homes that were originally built for industry magnates – Belvidere's single-family housing stock is not only physically disparate from Lower Belvidere, but also caters to a significantly different demographic group. While Lower Belvidere comprises a sizeable proportion of the city's affordable and subsidized rental properties, with a mix of unit sizes and housing types, Upper Belvidere's mix of historic mansions and characteristic post-war tract-style homes are clearly intended to exclusively serve the affluent or upper-middle income nuclear family. While a diverse array of housing types is critical in any town, the extent to which Upper Belvidere serves the city's moneyed and powerful has been criticized.

This chapter provides an overview of the strengths, opportunities, weaknesses, and threats currently facing Belvidere. It then focuses on three recommendations that operate off its strengths and opportunities, while hoping to overcome its weaknesses and threats. The outlined recommendations include:

1. Weatherization, Heating System, and Appliance Upgrades
2. Accessory Dwelling Units (ADUs)
3. Right of First Refusal





### Housing Stock by Age within Belvidere

## Strengths

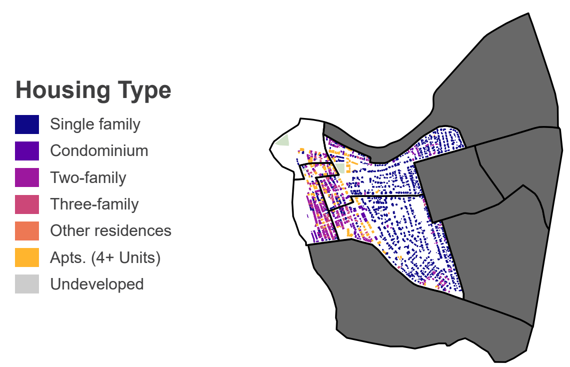
Belvidere is a longstanding valued and desirable neighborhood, with a mix of tenure, resident backgrounds by race, income, and age, and housing type by age and residence.

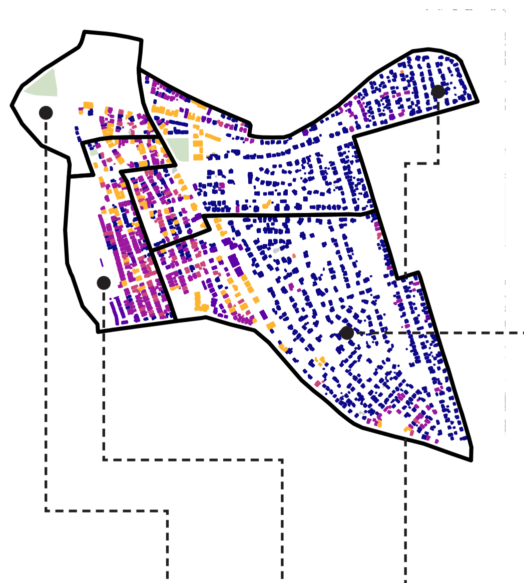
## Weaknesses

However, there is unequal geographic distribution of tenure, resident background, and housing residency type. Renter and owner affordability is poor and housing stock across types is aging.

## Belvidere: High to Medium % Renter Block Groups

*A value that is not significantly higher or lower than the Lowell average does not mean the value is insignificant to understanding the neighborhood.*



| | | | | | Lowell |
|---|---|---|---|---|---|
| % Renter | **95%** | **67%** | 47% | 42% | 58% |
| Spending ≥ 30%, < 50% of Income on Rent | **49%** | 22% | 15% | 14% | 25% |
| Spending ≥ 50% of Income on Rent | 18% | **33%** | **32%** | **25%** | 24% |
| % Change in Median Rents* | **+77%** | +28% | +9% | **+33%** | +29% |
| Eviction Rates** | 3% | **6%** | **4%** | 2% | 3% |
| % Owner | 5% | 33% | **53%** | **58%** | 42% |
| Spending ≥ 30% of Income on Home Costs | n/a | **39%** | 24% | 19% | 27% |
| ≥ 50% of Income on Home Costs | n/a | **13%** | 11% | 6% | 12% |
| % Change in Home Values* | n/a | **-2%** | **+48%** | +9% | +42% |
| | | | | | |
| Asian | **12%** | **12%** | **19%** | 8% | 23% |
| American Indian and Alaska Native | - | - | **8%** | - | 0.6% |
| Black | **3%** | **5%** | **6%** | - | 7% |
| Hispanic or Latino (All Races) | **22%** | **38%** | **32%** | 5% | 18% |
| White | 63% | 40% | 43% | 78% | 49% |
| 2 or More Races | - | 6% | - | - | 2% |
| | | | | | |
| Median Income | **$17.4k** | **$42.5k** | $72.8k | $76.9k | $56.9k |
| | | | | | |
| Population over 65 | **43%** | 8% | 11% | **15%** | 11% |
| Households with No Children under 18 | **87%** | 62% | 64% | 66% | 68% |

* = Comparing ACS 2015-19 and ACS 2005-09 ** = 5-year averages 2012-16 from Eviction Lab data





## Threats

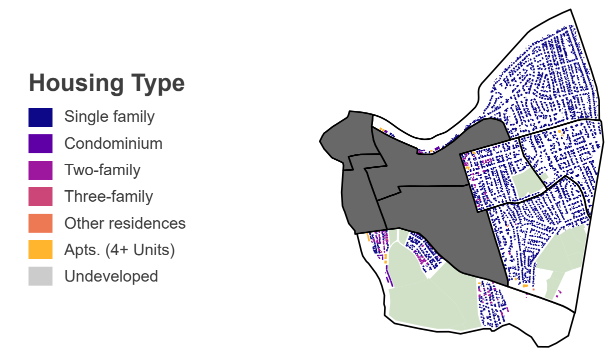
Unaffordability, particularly for renters and residents in or near Lower Belvidere, is severe. A growing mismatch exists between those seeking to rent and those, often in single-family areas or of older generations, who own. Existing housing supply also lacks adequate cost reduction measures.

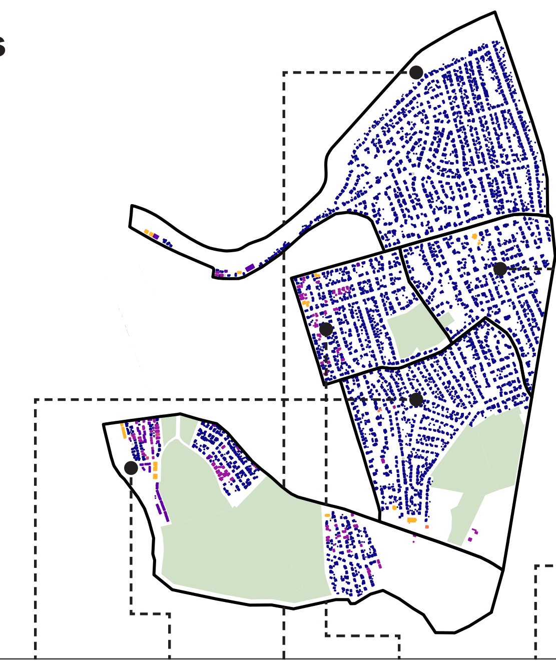
## Opportunities

Belvidere can be made more affordable to more residents of a variety of racial, income, and age backgrounds. This affordability can be achieved through supporting homeownership among newer populations, preserving existing affordable rental housing, and increasing housing supply.

## Belvidere: Low % Renter Block Groups

*A value that is not significantly higher or lower than the Lowell average does not mean the value is insignificant to understanding the neighborhood.*



| | | | | | | Lowell |
|---|---|---|---|---|---|---|
| % Renter | 16% | 9% | 6% | 3% | - | 58% |
| Spending ≥ 30%, < 50% of Income on Rent | **51%** | 100% | - | - | n/a | 25% |
| Spending ≥ 50% of Income on Rent | - | - | **28%** | - | 0% | 24% |
| % Change in Median Rents* | n/a | +30% | **+63%** | n/a | n/a | +29% |
| Eviction Rates** | 1% | | **4%** | 1% | 2% | 3% |
| % Owner | **84%** | **91%** | **93%** | **97%** | **100%** | 42% |
| Spending ≥ 30% of Income on Home Costs | **32%** | 8% | 18% | 16% | **31%** | 27% |
| ≥ 50% of Income on Home Costs | **13%** | 3% | 8% | 10% | **18%** | 12% |
| % Change in Home Values* | +9% | +14% | +1% | +8% | +21% | +42% |
| | | | | | | |
| Asian | 3% | 6% | 4% | 4% | - | 23% |
| American Indian and Alaska Native | - | - | - | - | - | 0.6% |
| Black | - | 1% | 1% | 5% | 2% | 7% |
| Hispanic or Latino (All Races) | 1% | 7% | 3% | 2% | 2% | 18% |
| White | 96% | 86% | 91% | 84% | 97% | 49% |
| 2 or More Races | - | - | 1% | 5% | 1% | 2% |
| | | | | | | |
| Median Income | **$97.2k** | **$71.9k** | **$95.0k** | **$114.1k** | **$93.1k** | $56.9k |
| | | | | | | |
| Population over 65 | **21%** | **16%** | **15%** | **19%** | **34%** | 11% |
| Households with No Children under 18 | **70%** | **72%** | **74%** | **87%** | **83%** | 68% |

* = Comparing ACS 2015-19 and ACS 2005-09 ** = 5-year averages 2012-16 from Eviction Lab data

## Recommendation 1: Increase Availability of Accessory Dwelling Units (ADUs)

An **Accessory Dwelling Unit (ADU)** is an apartment in an owner-occupied, single-family home or lot. The apartment is self-contained, having a kitchen, bathroom, and other necessities for a household to use exclusively.[1] The apartment can either be attached to the main housing unit or in a separate structure on the same property.

Accessory Dwelling Units (ADUs) have been studied and used as one way to increase housing supply in municipalities in Greater Boston and Massachusetts.[2] This housing type increases density in areas that are zoned to serve single families. It is an incremental change that can make neighborhoods more affordable for renters, as units are smaller in size than regular units are. This change can also provide a source of income for future landlords, who may be older, have low or fixed income, and/or have lived in the neighborhood for years and are looking to stay.[3]

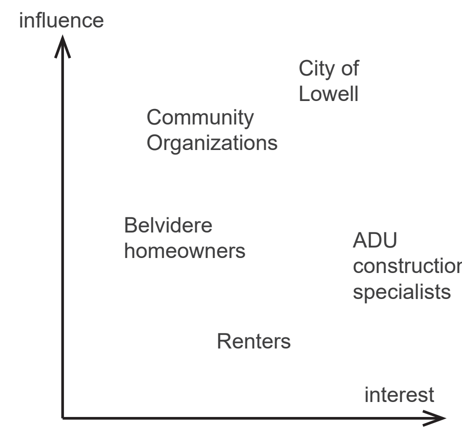
Although the City of Lowell's Zoning Ordinance already allows for ADUs, revisions in the code are needed to make this housing type a more viable housing solution for Belvidere. The following is an overview of Belvidere's potential to accomodate ADUs. The dimensions of analysis are taken from the State of Massachusetts' Smart Growth / Smart Energy Toolkit.

Investment

Timeline

| 05.2021 | 11.2021 | 11.2022 |
|---|---|---|
| Identify those seeking to build ADUs and provide relevant information | Cultivate buy-in from residents and revise Zoning Ordinance based on feedback | Evaluate impact of Ordinance changes |

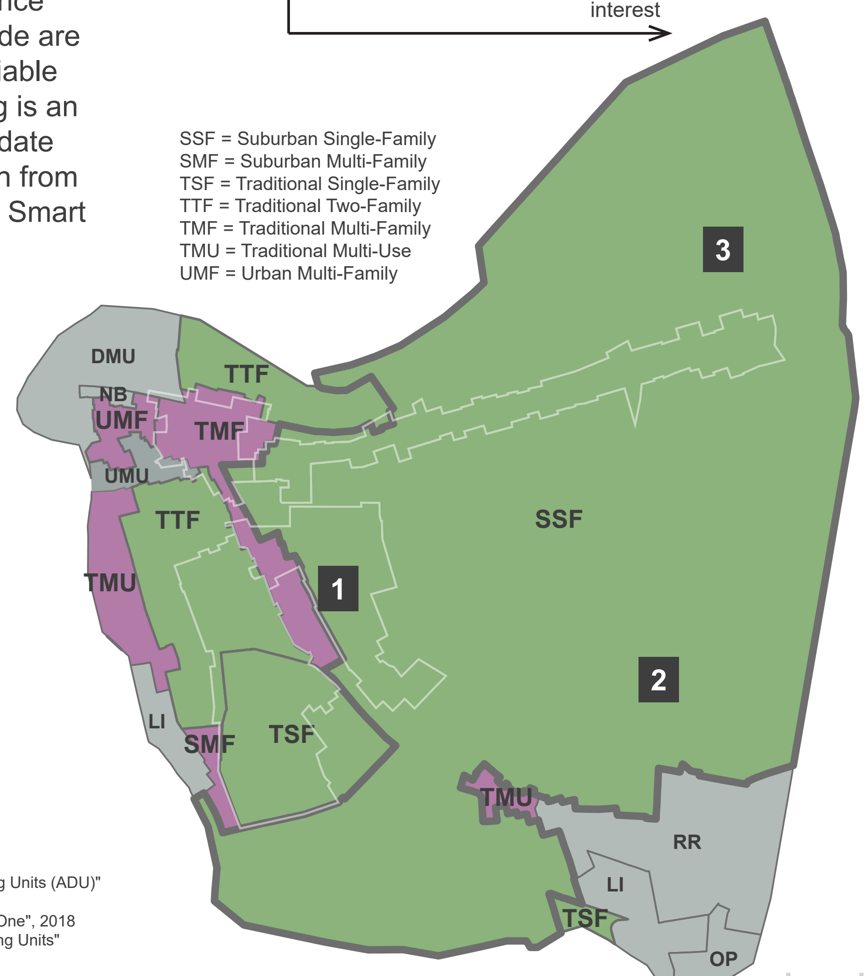
Stakeholders




SSF = Suburban Single-Family
SMF = Suburban Multi-Family
TSF = Traditional Single-Family
TTF = Traditional Two-Family
TMF = Traditional Multi-Family
TMU = Traditional Multi-Use
UMF = Urban Multi-Family

**Figure 1 - Zoning Permissions for ADUs**

- Allowed As-of-Right
- Allowed As-of-Right (but potentially lower utilization)
- Allowed by Discretion
- Not Allowed
- Historic District (special design considerations apply)




1 Mass.gov, "Smart Growth / Smart Energy Toolkit Modules - Accessory Dwelling Units (ADU)"
2 Pioneer Opportunity, "The State of Zoning for Accessory Dwelling Units", 2018
3 Strong Towns, "If You're Going to Allow ADUs, Don't Make it So Hard to Build One", 2018
4 Axonometric images are from Washington County, Oregon, "Accessory Dwelling Units"





## Implementing More ADUs

| | | | |
|---|---|---|---|
| Availability of Housing Stock | ADUs are allowed as-of-right in SSF, TSF, and TTF zones. About 70% of Belvidere is SSF-zoned. ADUs do not have a minimum SF and also cannot exceed 30% of the main unit's SF. Even though TSF and TTF zones have smaller lot sizes, they can still accomodate ADUs. | Owners may not be aware of the as-of-right zoning for ADUs (one survey respondent wished for this already existent zoning).<br><br>Detached ADUs are not allowed, although any lot greater than 5,000 SF can reasonably accomodate detached ADUs. | Provide information to owners about ADU design, construction costs, and landlord responsibilities.<br><br>Allow for detached ADUs in the Zoning Ordinance. ADUs can be as small as 360 SF, including a studio bedroom/living area and full kitchen. |
| Demographic Conditions | Belvidere's population is aging. Some areas have 19-34% of people over the age of 65 (Lowell average: 11%). Some areas also have 5-20% more households with no children under 18 (Lowell average: 68%).<br><br>Belvidere has a diversity of tenureship and residents. | Only certain family members are allowed to occupy an ADU (i.e., mother, father, son, daughter, in-laws, grandmother, grandfather).<br><br>Affordability is threatened in Belvidere, mostly for renters but also for owners throughout the neighborhood. | Eliminate relationship restrictions in the Zoning Ordinance to enlargen pool of potential tenants.<br><br>Include an affordability component in the Zoning Ordinance that considers the needs of renters and owners of different means. |
| Neighborhood Character | Many Belvidere residents find their neighborhoods safe and attractive. Belvidere also has numerous historic districts. While the homes in these districts may not be suitable for ADUs, they add value to the neighborhood and heighten residents' desire to invest in maintaining its overall character. | Owners may oppose ADUs in anticipation that the neighborhood will significantly change visually and lose the current suburban look and feel, in part due to the increased density. | Incorporate ADU design guidelines into the Zoning Ordinance that allow for ADU construction while maintaining visual cohesion, to cultivate owner buy-in.<br><br>Provide examples of successful and innovative ADU designs that complement neighborhoods. |

## ADU Typologies

1 Attached[4]

*Potential: 22 Summit St.*

*Precedent: Seattle, WA*

2 Internal Attic or Basement

*Potential: 36 Gerson Ter.*

*Precedent: Alexandria, VA*

3 Detached (currently not allowed)

*Potential: 24 Holbrook Av.*

*Precedent: Northampton, MA*

# Recommendation 2: Incentivize Preservation and Growth of Affordable Rental Housing Stock via Weatherization, Heating System, and Appliance Upgrades

**Figure 2 - Appx. Change in Median Number of Renter Households: 2010-2014 versus 2015-2019, Lowell Neighborhoods**

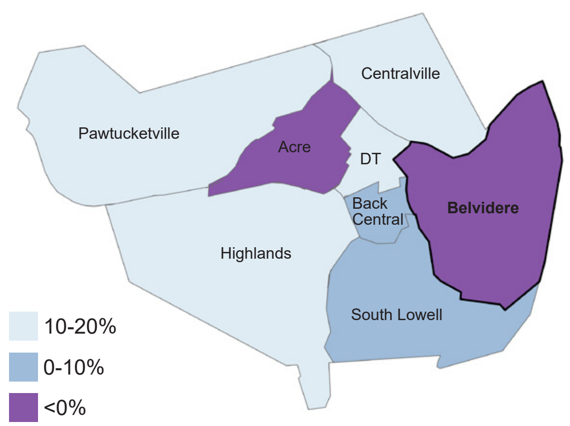
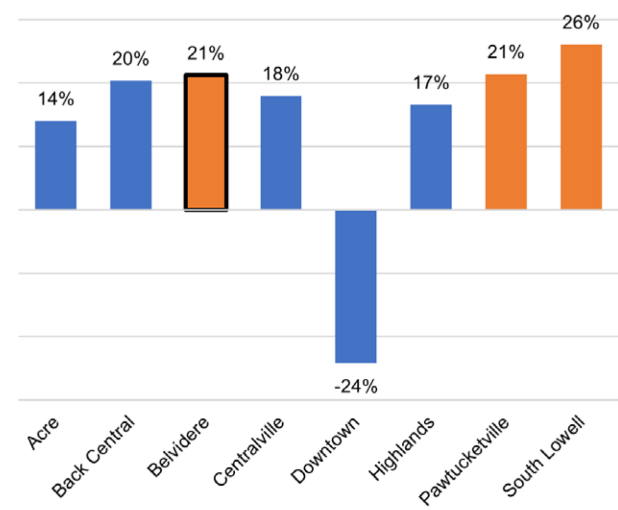



**Figure 3 - Appx. Change in Median Household Rent: 2010-2014 versus 2015-2019, Lowell Neighborhoods**




## Overview

Upgrades to household heating systems and appliances are beneficial for all parties involved. Typically, upgrade programs (including those which currently exist in Lowell) are focused on low-income residents, for whom the upgrades in question represent savings on energy bills and contribute to a more comfortable home. In turn, the city, which provides the necessary capital to support these upgrades, is able to better meet its sustainability and energy efficiency/consumption objectives, thus reducing environmental impact and public health, among other less localized benefits.

While these programs are not without merit, they fail to capitalize on property appreciation gains incurred by property owners as a result of the upgrades in question. These gains may vastly exceed the month-to-month energy savings of the household itself. As such, weatherization, heating system, and appliance upgrades offer a considerable benefit to property owners, low-income or otherwise. While this benefit does not *directly* contribute to increased housing affordability, if effectively leveraged, the resultant savings for low-income households may actually surpass those of conventional renter-facing upgrade programs. This recommendation comprises two modifications to these programs:

1) Expansion of elibility restrictions, thereby allowing program participation by multi-family property owners and single-family homeowners who are eligible for the city's ADU program. While renter-oriented programs will be maintained in their current forms, these changes will be implemented as part of a multifaceted initiative to shift the focus of all programs to property owners, who incur savings in recurring energy costs AND increased property values as a result of participating.

2) As a tradeoff for these benefits, property owners must make meaningful contribution to increasing the neighborhood's stock of affordable rental properties. The process by which this is accomplished will vary based on the property in question, but will be directly commensurate to the monetary value of the resultant financial savings plus the gain in real property value.

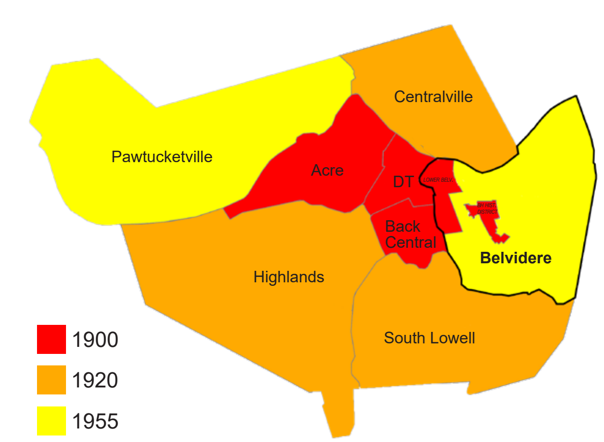
For the city, the benefit is that - unlike many housing affordability subsidies, which often constitute single-household savings and contribute exclusively to affordable housing - this system offers benefits that may be maintained across multiple generations of renters within a given unit of housing, and simultaneously contribute to both affordable housing and sustainability goals.

## Data Justifications

A 2019 study published by the U.S. Department of Energy showed that in Middlesex County, savings resulting from energy efficiency upgrade packages vary widely based on household income. Normalized energy costs grow substantially as household income drops. The same study showed that such packages would provide average savings of approximately $670 per year for the typical family making 200% or less of the regional FPL. Given the aging housing stock in Belvidere; the importance of modern weatherization systems to energy efficiency; and energy expenditures in Massachusetts households relative to the United States at-large, there is reason to believe that the proposed recommendation would yield per-unit savings in excess of the anticipated $670.

While the existence of resale value-based financial appreciation is an important rationale for this recommendation, empirical research in this area is limited. However, a [2016 report] in an industry publication found that one form of weatherization - attic insulation upgrades - produced national average resale value ROIs equal to 116% of the job cost. Furthermore, projects returned the greatest ROI - over 140% - in New England homes.

Further subsidized savings opportunities are offered by the use of modern energy systems which contribute energy back to the grid, such as solar panels. These systems increase the production of sustainable energy and generate added savings by virtue of utility agreements to pay for energy produced in excess of a household's consumption.




Appx. Median Year Built/Developed, Lowell Neighborhoods

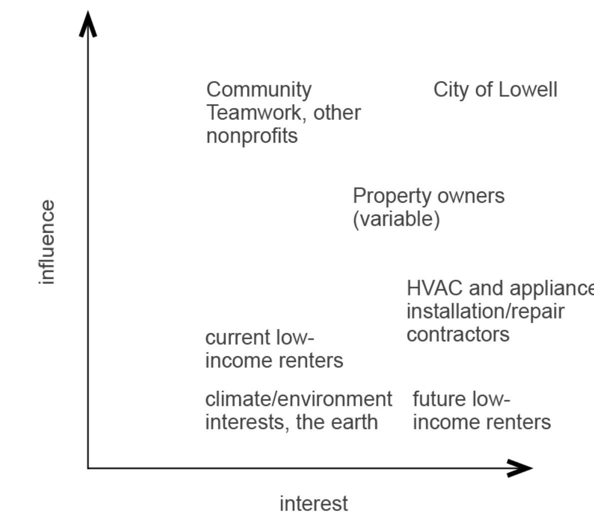
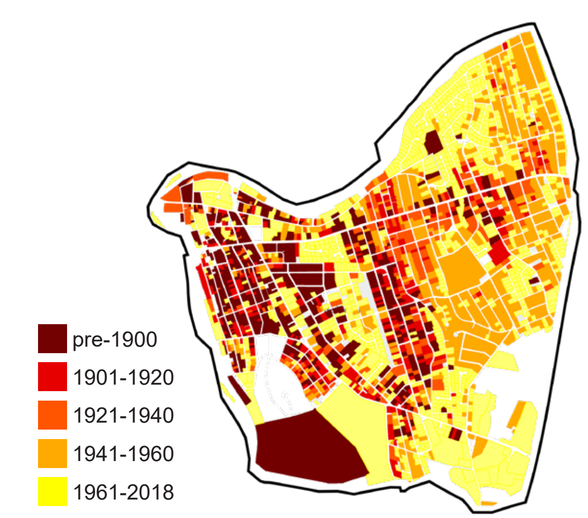




**Figure 4 - (above) provides a graphical comparison of several "typical" stakeholders for the recommendation in question. This analysis, along with the public investment gauge shown below it, can be used as a tool for comparing with recommendations offered for other/past initiatives.**

**Figure 5 - (bottom left) Median Year Built by Neighborhood Areas shown in red - which include Lower Belvidere and the Belvidere Hill Historic District - are likely to be in greater need of energy system upgrades. For reference, Belvidere is outlined in black, with the two aforementioned sub-areas shown within.v**

**Figure 6 - (bottom right) This map shows parcel development year in Belvidere. Dark red parcels are likely to have the greatest potential for applicability under the recommended program.**




Appx. Year Built/Developed, Belvidere Parcels

## Recomendation 3: Right of First Refusal

The Right of First Reufsal (ROFR) provides Belvidere with a low-cost, immediate opprotunity to preserve affordable housing and the neighborhood fabric. Belvidere's renting population makes up a substantial proportion of the neighborhood, and greatly contributes to the racial and ethnic, socio-economic, age diversity within the neighborhood. Specifically, the rental population is concentrated in the neighborhood's western half, particularly within Lower Belvidere. When considering owner- and non-owner occupied units within Belvidere, the divide between Upper and Lower Belvidere is nearly the greatest within Lowell, with 74% of units in Upper Belvidere are owner-occupied, compared to 28% of units in Lower Belvidere (Figure 6).

While renter-occupied units grew in the northern part of Lower Belvidere from 2005 to 2009 and 2015 to 2019, most of the neighborhood saw a substantial loss of renter-occupied units during this time (Figure 5). This loss occurred in conjunction with increases in home value across both neighborhoods (Figure 7). Coupled with the demand and increased prices of homes within the neighborhood, protections must be put in place to guarantee renters the ability to remain in their homes.

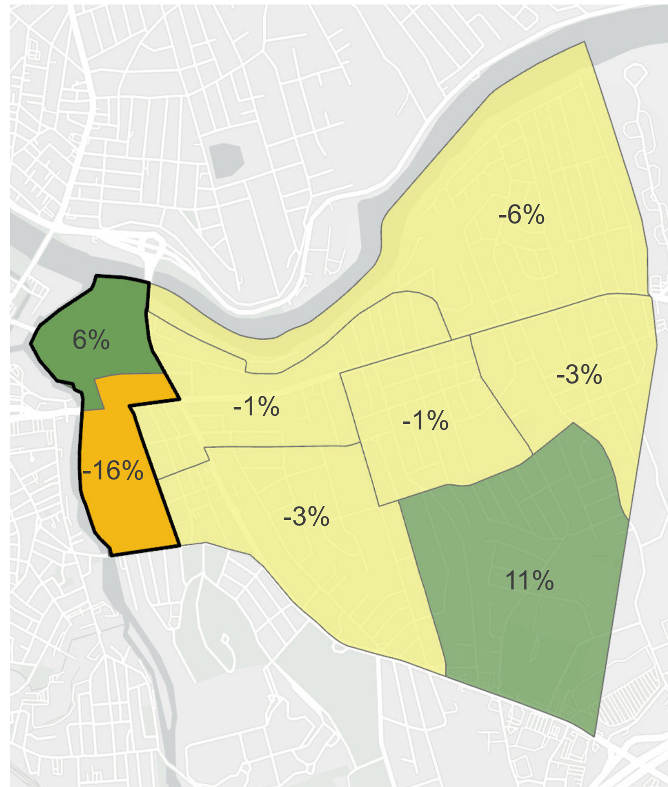



**Figure 7 - Percent change in Renter-Occupied Units, 2005-2009 compared to 2014-2019. While renter-occupied units grew in the northern part of Lower Belvidere during this time, most of this part of Belvidere saw a substantial loss of renter-occupied units.**

### Timeline

| 05.2021 | 09.2021 | 01.2022 |
|---|---|---|
| Begin landlord ROFR educational campaign | ROFR clause lease requirement begins | Host monthly workshops for LB renters |

### Public investment

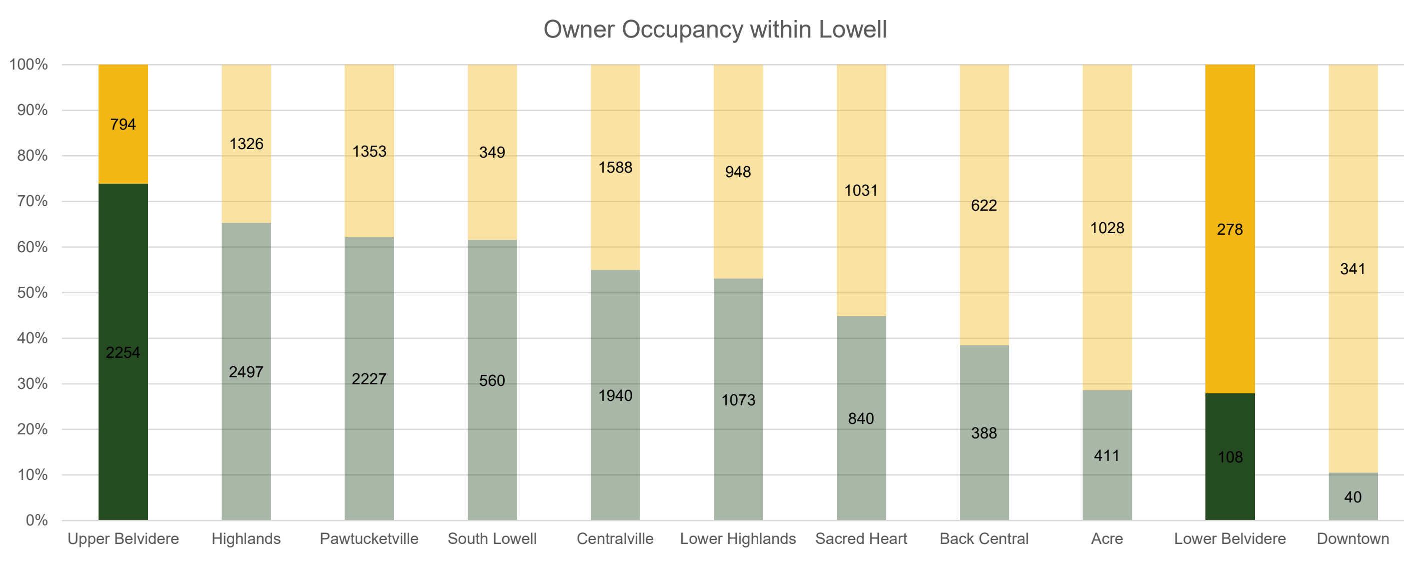



**Figure 8 - Residental owner occupancy by neighborhood within Lowell. When considering owner- and non-owner occupied units within Belvidere, the divide between Upper and Lower Belvidere is nearly the greatest within Lowell, with 74% of units in Upper Belvidere are owner-occupied, compared to 28% of units in Lower Belvidere (Figure 20).**

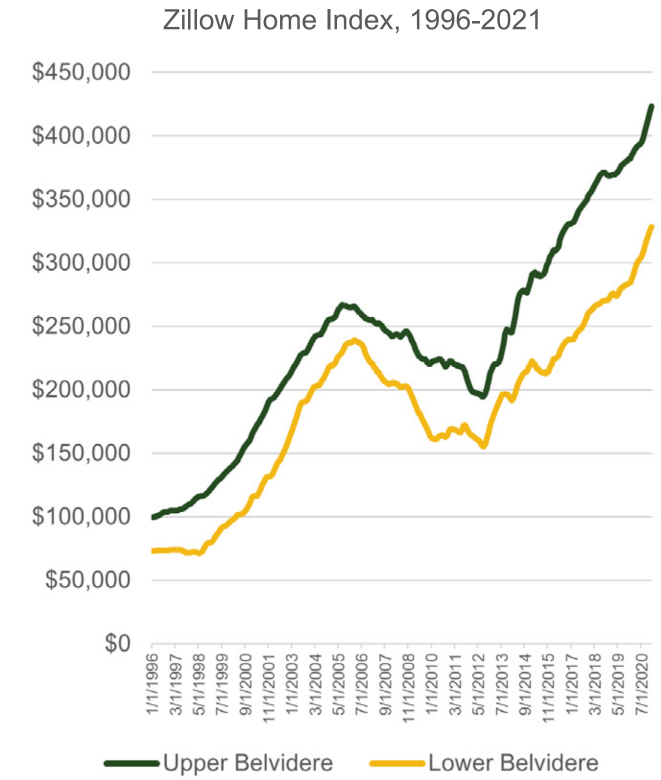
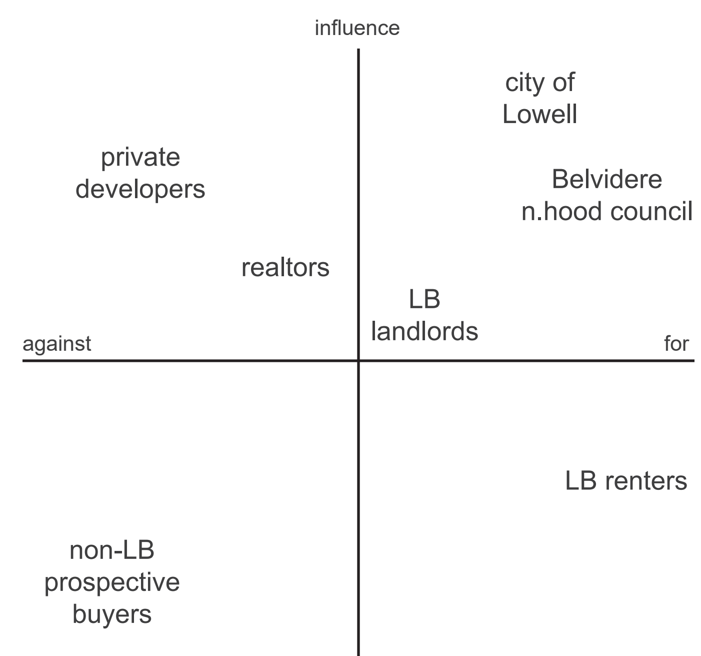



**Figure 9 - Zillow Home Value Index (in USD), 1996 to 2021. Homes in February 2021 have a ZHI of $423,263 in Upper Belvidere and $328,270 in Lower Belvidere, which are substantial increases especially over the last decade.**

The Right of First Refusal (ROFR) provides renters with a choice to remain in their homes through a transfer of homeownership. Specifically, the ROFR would exist as a clause within a lease agreement and detail the specifics so that if a landlord decided to sell their property, they would have to accept a reasonable offer made by the tenant. ROFR details in the lease agreement would outline:

1. The definition of the property in question. Most often this will be the unit(s) being rented by the tenant.
2. How and when the owner will notify the tenant that the property is going up for sale
3. How long the tenant will have to declare their intention to exercise their right of refusal and purchase the property.
4. How the tenant will notify the landlord regarding their decision to exercise the ROFR.
5. How the purchase price will be determined. This may include a fully defined purchase price or the establishment of a calculation.
6. Which party will be responsible for the brokerage fee, and how much this will cost.

### Stakeholder mapping
*with anticipated support and influence*




### Precedent
*at the city level within the U.S.*

**Baltimore, Maryland**

**§ 42–3404.08. Right of first refusal.**

In addition to any and all other rights specified in this subchapter, a tenant or tenant organization shall also have the right of first refusal during the 15 days after the tenant or tenant organization has received from the owner a valid sales contract to purchase by a third party. If the contract is received during the negotiation period pursuant to § 42-3404.09(c)(4), § 42-3404.10(2), or § 42-3404.11(2), the 15-day period will begin to run at the end of the negotiation period. In exercising rights pursuant to this section, all rights specified in this subchapter shall apply except the minimum negotiation periods specified in §§ 42-3404.09(c)(4), 42-3404.10(2), and 42-3404.11(2).

**Washington, D.C.**

**§ 2B-34. Right of first refusal.**

(a) *In general.*

The City and designated housing providers have a right of first refusal to purchase or rent up to one-third of affordable units provided in a residential project under this subtitle.

(b) *Designated housing providers.*

(1) From time to time, the Housing Commissioner may designate housing providers authorized to purchase or rent affordable units under this section, according to regulation and procedures adopted by the Commissioner.

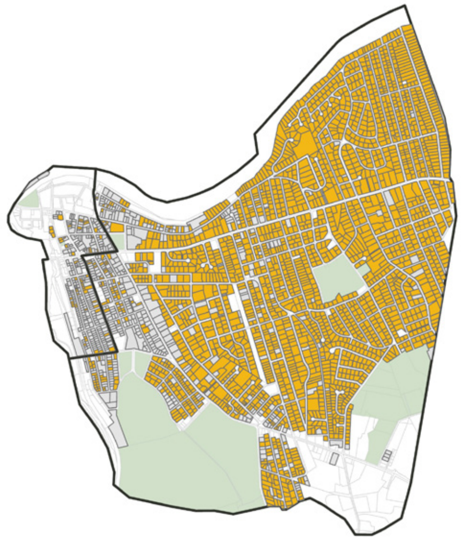
(2) The City or designated housing providers may rent or resell units acquired under this section to eligible households.

(c) *Time for exercise.*

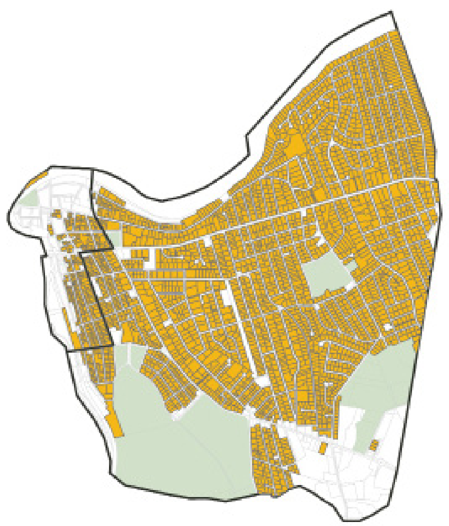
The City or designated housing provider must decide whether to exercise its right of first refusal within 45 days of submission by a developer, pursuant to the rules and regulations adopted under this subtitle, of an offer to sell the affordable units.

*(Ord. 07-474.)*

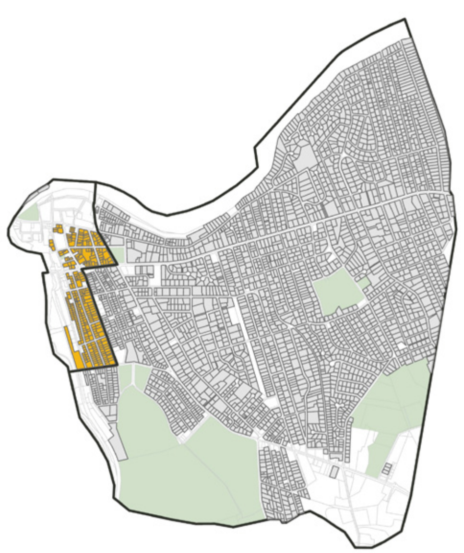
# Recommendation Overview



**Recomendation 1: Accessory Dwelling Units (ADUs).** The ADU is a housing structure that enables the increase of rental housing supply in areas that are zoned for single families. Offering an ADU can also provide additional income for older populations. The City of Lowell's existing as-of-right ADU ordinance is an exciting opportunity to further develop and refine a policy that can be applied to single-family zones, which Belvidere is primarily composed of.



**Recomendation 2:** Weatherization, heating system, and appliance upgrades incentivize the preservation of affordable rental housing stock. Specifically, by doing so, Belvidere's rental stock is likely to increase with the adoption of the ADU program (Recommendation 1), while the current stock will be preserved through the incentivized commitments to long-term affordability by owners.



**Recomendation 3: Right of First Refusal.** Targeting renters within Lower Belvidere, this recomendation seeks to preserve the rental community while also increasing home ownership opprotunity. By requiring Right of First Refusal (ROFR) in lease agreements for Lower Belvidere homes, the City will provide Lower Belvidere residents with an option to remain in their home.





# Conclusion

The housing stock of Belvidere has evolved through the centuries of Lowell's history. To continue to support the current and future residents of Belvidere, policy and programming must also continue to evolve. Specifically, our recommendations target three key areas central to Belvidere's continued success: its affordable rental stock, its multifamily properties, and its single-family homes located on larger lots. Through these recommendations, we hope to accomplish three main objectives:

- Increased unit-per-parcel density and greater dispersion of affordable rental units throughout Upper Belvidere and the Belvidere Hill Historic District.
- Preservation of the limited remaining affordable rental stock across both Lower and Upper Belvidere (as noted, rental stock in Upper Belvidere is disproportionately concentrated on the easternmost edge of the area).
- Protection of renters within Lower Belvidere.

Together, the recommendations bring together diverse stakeholders with varying levels of interest and support, accompanied by different levels of overall cost. Through these differences, our hope is to provide practical solutions to enable immediate change for all Belvidere residents.

## Works Cited

ACS 5-Year Estimates, 2009-2019

U.S. Census

City of Lowell

PolicyMap

Zillow Home Value Index