



April 16th, 2026

Watertown Affordable Housing Trust
124 Watertown Street,
Watertown, MA 02472
Attn: Will Downie & Larry Field, Community Development and Planning

Re: 1060 Belmont St. – Watertown West Metro HOME consortium HUD budget interim capital request

Request: Metro West Collaborative Development (“MWCD”) respectfully requests that Watertown Affordable Housing Trust (“WAHT”) request an amendment to the FY 2026 and FY 2027 HOME funds HUD budget to support property improvements at the 1060 Belmont Street affordable housing property (the “Property”). We request \$112,000 for FY 2026 funds and \$107,000 for FY 2027 funds.

Property Summary: 1060 Belmont St. is a three building 18-unit affordable housing rental community located in Watertown, MA (14 two-bedroom units, three one-bedroom units and one studio unit). The property was an existing rental apartment community acquired by Watertown Community Housing, Inc. on the open market and a moderate renovation was completed in 2010 with a total development cost of \$5.5 million. 1060 Belmont was the first major project developed by Watertown Community Housing, Inc. (now Metro West Collaborative Development). Since 2010, the property has been providing deeply affordable housing to residents of Watertown earning up to 60% of Area Median Income, and all 18 units are included on Watertown’s Subsidized Housing Inventory (SHI). Original funding sources include TC-X (in lieu of LIHTC), City of Watertown HOME funds, Federal Home Loan Bank funds, funds from the Community Economic Development Assistance Corporation (CEDAC), and conventional debt from Watertown Savings Bank. The Property is professionally managed by Maloney Properties. The Watertown HOME loan was retired in January 2026 and the associated restriction expired at the same time.

Challenges: As a small, modest property with deed restrictions ensuring deep affordability, even minor fluctuations in costs can profoundly affect its financial stability. In recent years, the property has faced significant financial challenges due to rapidly increasing costs, the repercussions of the COVID-19 pandemic—including supply chain disruptions and rent freezes—and various other external factors. Despite these challenges, the property has been well-maintained, has been making the required contributions to reserves, and has provided critically needed affordable housing to Watertown’s vulnerable populations. A renovation and recapitalization can be completed at the end of the tax credit compliance period and is in the early planning stages, however, that will likely not take place until 2030 at the earliest given the potential opportunity to join 1060 Belmont with St. Joseph Hall, a 25-unit affordable senior property located in Watertown and controlled by MWCD, to create economies of scale.



Current Opportunities and Request: MWCD brought on a Director of Asset Management (“AM”) in a newly created position in 2024 to provide oversight our growing portfolio. The AM works with the property management teams to identify and execute capital improvements. A Capital Needs Assessment (“CNA”) was completed for 1060 Belmont in 2025 and has provides a roadmap to repairs and improvements at the site in the coming years. A separate Decarbonization Study is in process which will identify improvements specific to energy efficiency and building envelope improvements. We expect much of this work will be folded into a future recapitalization but there is some work that we would like to complete in over the next few years as part of capital improvements plan, on a stand-alone, leveraging outside funding where possible to continue to protect property reserves (see Property Reserves section below).

We would like to utilize HOME funds to improve site drainage and repair and replace exterior stairs on some buildings. Prior to 2025, the Property has spent \$57,000 addressing rainwater intrusion issues in two basement units, including temporary resident relocation. We understand that the City of Watertown recently completed drain cleaning on adjacent city streets and we have not experienced recent water intrusion. We would also utilize funds to repair or replace, as appropriate, exterior front and rear stairs at some buildings. We expect to limit the cost of work, currently estimated to be approximately \$270,000 for drainage and stair repair to available HOME funds, with the property covering any overages through either property cash or reserves. A budget and estimate are attached here as exhibits. We request that Watertown requests a HUD budget amendment to allocate \$219,000 HOME funds (\$112,000 FY 2026 and \$107,000 FY 2027) HUD budget to this work.

Additional Financial Support from Sponsor: MWCD loaned \$60,000 to the Property in 2024 to partially fund the replacement cost of three boilers on-site. This was necessary emergency work due to equipment failure. Through 2025, Metro West CD has deferred \$53,100 in Asset Management Fees due from 1060 Belmont to support prior year operating deficits and allow for a current cash cushion. Metro West CD expects to continue to defer its annual Asset Management fee until such time as Property cash flow can support the cost. Metro West CD also provides resident services to the residents of 1060 Belmont without payment and covers the cost of the annual audit pending the property’s cash balance each year.

Recent Financial Support from WAHT: In 2024, WAHT provided a Grant of \$87,500 to the Property to partially fund the replacement cost of the three boilers on site. The CNA mentioned above was a condition of this grant and MWCD was in full support of engaging the CNA through the Director of AM as these reports are best practice for capital planning.

For Additional Consideration and Discussion: We understand that, if funding is approved, a new HOME affordability restriction will be placed on the Property, most likely requiring up two units HOME units. It is also likely that when it comes time for a comprehensive repositioning, we would request additional HOME funds from the West Metro HOME consortium and/or the State which may require a HUD “troubled project status” waiver if the future request comes more than one year after this work is



completed, which is likely. The number of restricted units will need to be determined pursuant to HOME guidelines

Property Reserves: The property established a \$200,137 Operating Reserve at construction completion and funds \$13,500 annually into a Capital Needs Reserve. As of February 28, 2026, the Operating Reserve Balance is \$82,020 and the Capital Needs Reserve Balance is \$67,918. Due to escalating operating and extraordinary expenses outpacing rent increases, periodic withdrawals from the Operating Reserve have been necessary to support operations and keep the accounts payable balance manageable. Periodic Replacement Reserve withdrawals have been made to provide necessary repairs to the Property, including porch repairs. We are considering site drainage improvements as a use of HOME funds which would add another layer of protection to the site.

We appreciate the Trust's consideration of financial support via HOME funds. This funding will help ensure the stability of a community that provides desperately needed, deeply affordable housing to residents of Watertown.

Preliminary Budget –

Pending civil engineer design, vendor estimates for drainage work begin on next page

Stair Work		
Full Replacement of two sets of front stairs	\$70,000	Property Management estimate, pending quote
Full Replacement of two sets rear stairs and decking	\$65,000	Property Management estimate, pending quote
Drainage Excavator Quote		
Install drainage system along fence line	\$21,950	Vendor estimate
Remove and dispose of asphalt parking and furnish and install 6" of clean gravel material, regrade parking lot away from buildings towards new precast catch basin	\$25,850	Vendor estimate
Parking lot paving and restriping	\$29,900	Vendor estimate
Reset wheel stops	\$3,800	Vendor estimate
Items excluded from quote	\$5,000	MWCD estimate, pending quote
Drainage Civil Engineer		
Site Design Plan	\$12,000	Vendor Estimate
Survey	\$7,000	Vendor Estimate
Soil Testing	\$2,000	Vendor Estimate
Contingency	\$22,150	10%
Legal	\$5,000	MWCD estimate - HOME funding documents
Total Estimated Expense	\$269,650	



53 GILBERT ST. QUINCY MA 02169
Ph:617 472 2020
Email: paddy@seanfarrellexcavation.com

Maloney Properties inc.
27 Mica Lane,
Wellesley, MA 02481

Estimate/Contract

Date	Estimate #
3/11/2026	1060Belmont

Customer #
617-981-0427

Terms	See Below
Estimator	STG
Project	1060 Belmont St Watertown - Draina...

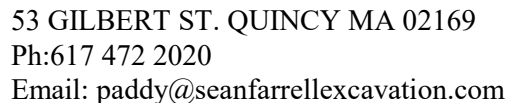
Description	Total
This is budget proposal for site drainage improvements at the properties of 1060 & 1068 Belmont Street and 6 & 8 Prospect Street in Watertown *Please note that SFE cannot guarantee the proposed work will completely resolve the drainage issue and has recommended that a civil engineer be hired to design a full system* **Parking space in the lot will be requested for transporting of equipment and materials to and from site for work to be done efficiently as possible to minimize disturbance to the property**	
Furnish and install a perforated pipe and stone swale from along the fence line directed to the driveway, changing to solid pipe connected to a pair of new concrete drywells surrounded by fabric and stone materials with one inspection port. Also included in line item are allowance to install (x2) separate cultech chambers in (x2) low areas in the rear of the properties connecting as possible to existing trench drains. SFE can remove pavers but it is recommended that a landscaper be retained for re-install/replacement(as some may be damaged)	21,950.00
Remove and dispose of the asphalt parking area, furnish and install ~6" of clean gravel material and regrade parking lot away from buildings and towards a new precast concrete catch basin towards the middle of the parking area connected to another pair of concrete drywells connecting the system mentioned in the previous line item. Additional stone and fabric materials for the infiltration field included here.	25,850.00
Budget allowance for Paving of the parking lot, including the re-stripping of the lot back to (x18) parking spots. (x1) Police details included	29,900.00
Allowance to re-set wheel stops after paving work is completed. Replacement if stops are not salvageable will incur additional costs	3,800.00

Please sign and return this agreement to authorize the commencement of the work.

Total

Signatures of Customer: _____

RESPONSIBILITY: The customer acknowledges that by signing this agreement they agree to be jointly severally liable for all of its terms, conditions and payment obligations.



Email: paddy@seanfarrellexcavation.com

Estimate/Contract

Terms	See Below
Estimator	STG
Project	1060 Belmont St Watertown - Drainage

Please sign and return this agreement to authorize the commencement of the work.

Total	\$81,500.00
--------------	--------------------

Signatures of Customer:

RESPONSIBILITY: The customer acknowledges that by signing this agreement they agree to be jointly severally liable for all of its terms, conditions and payment obligations.

From: [Dana Altobello](#)
To: [Kristen Duffy](#)
Subject: RE: Favor - pricing for potential watertown project
Date: Tuesday, April 14, 2026 11:40:53 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Good morning Kristen,

Sorry for the delay, the survey crew was out until a few weeks ago due to the snow, so they are trying to dig out of the work backlog so it's tough to pin them down!

I came up with a rough estimate as follows:

- Site Plan Design: \$12,000
- Survey for baseplan: \$7,000

I'm assuming there are some sort of soils info available or we can use the USDA soil info but if we needed to do actual soil testing that would be about \$2000 plus the cost of the excavation contractor (Farrell).

Thank you,



Dana M. Altobello, P.E. | Senior Project Manager

E: daltobello@merrillinc.com / O: 781-887-3208

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HANOVER OFFICE: 427 Columbia Road, Hanover, MA 02339

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[@merrillengineersandsurveyors](#)

From: Kristen Duffy <Kristen@metrowestcd.org>
Sent: Thursday, April 9, 2026 10:38 AM
To: Dana Altobello <daltobello@merrillinc.com>
Subject: RE: Favor - pricing for potential watertown project

WARNING: This email originated outside of the organization. USE CAUTION and confirm you recognize the sender before clicking on links or opening attachments.

Email is completely fine, but I may request a proper proposal down the road.

THIS AGENDA PACKET CONTAINS TWO VERSIONS OF THE DRAFT HOUSING PLAN 2026-2030.

THE FIRST IS A “CLEAN” VERSION.

THE SECOND IS A “REDLINE” VERSION THAT IDENTIFIES CHANGES FROM THE LAST PUBLICLY AVAILABLE DRAFT. THE CHANGES WERE MADE BY STAFF, MAINLY IN RESPONSE TO COMMENTS BY THE TRUSTEES AND THE PUBLIC.



Watertown Housing Plan

April 2026

Prepared by:

Watertown Affordable Housing Trust

Clifford Cook, Chair

Jill Hyde

David Leon

Helen Oliver

Leo Patterson

George Proakis (City Manager)

Zoe Weintrobe

City of Watertown

Community Development & Planning

Kenan Rhyne, Assistant City Manager

Willim Downie, Senior Planner

Larry Field, Senior Planner

(With Thanks to Steve Magoon, former
Assistant City Manager)

Photos in order from left: Blvd & Bond, Housing along Galen Street, and Marshall Place

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EXECUTIVE SUMMARY

As the 2023 Comprehensive Plan observed, Watertown is a dynamic community experiencing “growth and change.” Although the pace of economic development has slowed since the Plan was adopted, it is still true that Watertown will continue to see new jobs, “increasing the demand for housing of all types (including affordable housing).¹” Watertown’s diversity continues to deepen. Our vision of an “inclusive and sustainable” city requires that we plan for housing that meets the diverse needs of those who live here, and want to live here, so they can contribute to our community.

The chief purpose of Watertown’s Housing Plan is to set housing goals for the next five years (2026-2030) and identify specific strategies for achieving them. While this plan focuses on affordable housing--homes with deed-restricted affordability--the City’s policies and programs can make it easier for a wide range of households to live and prosper here. The process of goal-setting first requires an analysis of where housing opportunities in Watertown stand today. Our key findings include:

- Watertown is growing slowly in population and growing significantly in diversity.
- Our population skews more to those in the 25-39 and 55+ age ranges.
- A relatively affluent median household income that masks the significant percentage of lower-income households residing here.
- The majority of our housing stock consists of older single-family and two-family homes, but a significant and growing percentage of homes are in larger apartment buildings.
- Approximately 7.5% of our housing stock consists of deed-restricted affordable housing, primarily public housing units and inclusionary units in market rate buildings.

¹ 2023 Comprehensive Plan, <https://portal.laserfiche.com/Portal/DocView.aspx?id=87541&repo=r-5ece5628>

- Rents and home prices continue to rise, with 39% of our renters and 28% of our owners “cost-burdened,” i.e., spending more than 30% of their income on housing.

The Plan also provides information on residential zoning, recent development trends, funding sources for affordable housing, and constraints. The findings include:

- Watertown has zoned for residential growth in the mixed-use districts along the Arsenal Street and Pleasant Street corridors; since the Great Recession, development in these districts has resulted in over 1,700 units.
- The 2024 zoning amendments created new mixed-use districts in Watertown Square, including a by-right overlay district with a zoning capacity of 3,754 units. The new zoning reduced residential parking requirements and provided incentives for affordable developments. This rezoning has triggered a wave of new residential projects in and around the Square.
- Watertown’s inclusionary zoning requirements have produced almost 300 affordable units.
- The City’s capacity to provide local funding for affordable housing has increased substantially in the last five years. Sources now include Community Preservation Act money, city budget allocations, and the potential for linkage fee collections in the future.
- Watertown is aware of natural and physical constraints that may limit particular projects, but with the potential for continued redevelopment of formerly commercial sites these constraints are not a barrier to achieving our housing goals.

Watertown has made significant progress toward the goals set in the 2020 Housing Plan and the housing goals in the 2015 and 2023 Comprehensive Plans. Many of the related strategies identified in those documents have been fully or partly implemented. Nevertheless, there is more to do, and this Plan proposes the following goals and strategies for the next five years:

GOAL 1: Increase, deepen affordability of, and preserve deed-restricted affordable housing

GOAL 2: Encourage the private market to create a variety of housing types at different price points

GOAL 3: Continue to build a welcoming community for all, creating housing opportunities for both residents and those who want to move to

◆ **STRATEGY 1: IDENTIFY POTENTIAL AFFORDABLE HOUSING SITES AND WORK WITH DEVELOPERS ON PROJECTS**

1A: Continue current efforts to identify sites through locational metrics and preliminary assessments by on-call professionals, and through encouraging affordable developers to work in Watertown

1B: Explore additional methods to find suitable sites, such as using a real estate agent, and/or publicly highlighting the site search

1C: In considering opportunities for new affordable housing, consider the need for units that serve a range of households, but with particular focus on households with children and with seniors on a fixed income

◆ **STRATEGY 2: Promote the use of public land for affordable housing development**

2A: Consider locating an affordable housing development on the City's 148 Waltham Street site

2B: Work with the MBTA to consider affordable housing as a significant component of development on its Watertown Yard site

2C: Consider including a significant affordable housing component on the City's parking lots in Watertown Square

◆ **STRATEGY 3: Support the Watertown Housing Authority and others in the effort to rehabilitate public housing inventory and create new units on its existing land.**

3B: Continue to support the proposed Willow Park redevelopment project

3C: Consider financial assistance for other WHA redevelopment and/or modernization projects

◆ **STRATEGY 4: Consider adoption of the measures discussed in the final affordable incentives study report**

◆ **STRATEGY 5: Increase the City's capacity to implement the strategies listed in the Plan**

5A: Employ a full-time housing planner within three years

5B: Continue to include \$250,000 in the annual budget for the affordable housing trust as a bridge to the availability of linkage fees

5C: Consider participating in a regional housing program that would monitor inclusionary zoning units and review requested rent increases for the city

5D: Increase collaboration between the Affordable Housing Trust and Community Preservation Committee, while recognizing each body's particular statutory goals and process

◆ **STRATEGY 6: Promote the production and preservation of housing types that meet the needs of underserved populations**

6A: Encourage affordable developments that include supportive services for seniors and individuals with disabilities

6B: Address the needs of individuals with disabilities by creating (or encouraging higher, as appropriate) universal design and visitability minimum standards for large residential development projects, possibly through the city's design guidelines and/or peer review, in coordination with the Council on Disability (COD)

6C: Encourage the creation of more 3+ bedroom units in both affordable and market rate developments to meet the needs of larger family households

6D: Consider a program to support capital improvements that preserve the viability of older housing stock for households not in deed-restricted affordable housing

◆ **STRATEGY 7: As part of the City's upcoming general zoning review, evaluate the impact of current zoning and parking requirements on residential development and the effectiveness of existing inclusionary zoning policy to address the need for deeper affordability**

7A: Consider changes in current zoning and parking requirements if needed to further housing production in zoning districts where that is consistent with the Comprehensive Plan

7B: Evaluate existing inclusionary zoning policy in light of the growing need for deeper affordability

◆ **STRATEGY 8: Anticipate and potentially help meet the need for capital improvements and/or major recapitalizations in existing affordable housing developments**

8A: Regularly discuss capital needs and funding sources with Watertown's existing affordable housing providers

8B: Plan for potential use of HOME funds (WestMetro consolidated pool and/or Watertown allocation) to minimize the need for emergency funding for critical repairs

◆ STRATEGY 9: Promote fair housing

9A Continue to fund fair housing testing programs and publicize results

9B Continue to work with the Human Rights Commission to offer education to owners, property managers, real estate agents, tenants and the public on fair housing

9C Work with local brokers to promote acceptance of housing vouchers

◆ STRATEGY 10: Help educate cost-burdened tenants and homeowners about available housing resources

10A: Increase and periodically update housing resources identified on the city's website.

10B: Consider ways for the community development and human services departments to work together in providing housing-related educational assistance to income-qualified tenants and homeowners.

◆ STRATEGY 11: Adopt an accessory dwelling unit ordinance.**◆ STRATEGY 12: Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024**



Watertown City Hall

WATERTOWN HOUSING PLAN

INTRODUCTION

The City of Watertown has a strong track record of producing multifamily housing with robust affordability²—and remains acutely aware that an affordability crisis continues both here and throughout the Greater Boston region. Since adopting the City’s 2020 Housing Plan,³ Watertown has worked diligently to expand capacity to address the affordability crisis. The City now has a municipal housing trust, substantially greater ability to fund affordable development through the Community Preservation Act, and anticipates revenue from linkage fees. In 2024 transformative rezoning was adopted for the Watertown Square area.⁴ For the first time since 2012, Watertown has a major affordable project (Willow Park) in the state’s funding round for affordable rental developments. Nevertheless, there remains a pressing need to create housing affordable for households at varying income levels, particularly low incomes.

In formulating this plan, the Trust considered input provided over the last year, as each section came up for discussion at regular monthly meetings. The Trust also considered comments received after the Housing Plan draft was made publicly available in March 2026.

The plan contains: an assessment of Watertown’s housing needs; a description of its zoning, development trends, funding sources, and constraints; places the current plan in the context

² The term “affordable housing” refers to units targeted to and affordable by households that meet specific income eligibility levels, with a legally-enforceable restriction limiting occupancy to households meeting eligibility requirements. This term—and many others—are defined in the Glossary (Appendix A). Affordability can also be achieved through housing vouchers that allow tenants to cover the gap between their incomes and the rent, or through loans or grants that help eligible households purchase homes

³ The 2020 Housing Plan, adopted by the City Council in March 2021, was designed to propose a comprehensive housing strategy for the years 2021-2025. As Watertown has met its obligations under Chapter 40B in 2019 through the 1.5% land area threshold, neither that Plan nor this one is a “Housing Production Plan” under Chapter 40B. Watertown’s status under Chapter 40B is discussed further at Section IB3.

⁴ This rezoning, hereinafter called the “Watertown Square rezoning,” is described at Section IIA5 .

of Watertown's 2023 Comprehensive Plan and the 2020 Housing Plan; sets goals and specific strategies; and includes an implementation plan for the next five years.

The audience for the Plan is local officials, housing experts and the full range of Watertown residents. Since affordable housing is a technical field, a glossary of terms is attached as **Appendix A.**



E. Joyce Munder Apartments

I. CURRENT HOUSING NEEDS⁵

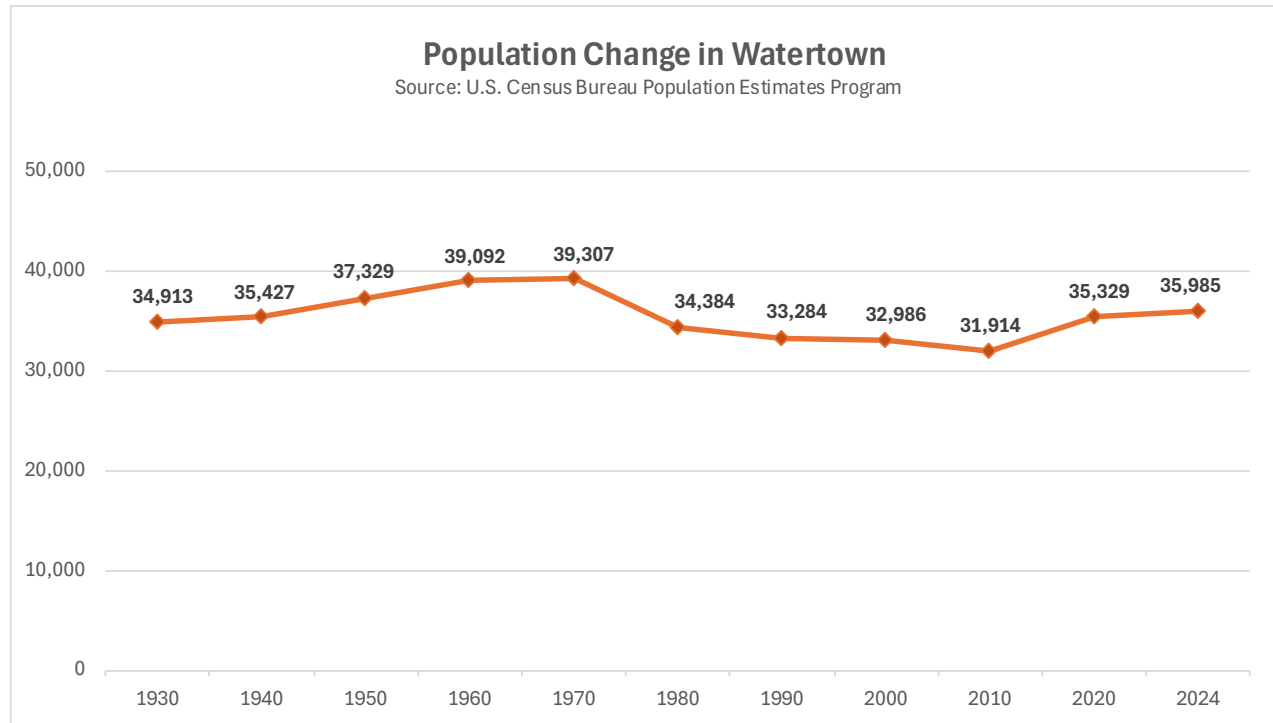
Watertown's housing needs are shaped by both demographic characteristics (size, age distribution, racial and immigrant profile, and household income distribution) and housing market (existing housing stock, subsidized housing inventory, rent and home price trends, and the affordability of its housing compared with household income). Watertown is also part of a region—Greater Boston—and an inner core of communities just outside the City of Boston. Both Watertown and the Greater Boston region face rising costs and declining affordability, which has only become more pronounced since adoption of the 2020 Housing Plan. The growing affordability crisis across the region is driven by converging demographic trends (e.g., smaller household sizes), lower housing production over decades (historically hampered by restrictive zoning), and possibly short-term factors that have increased construction costs and interest rates.

A. Characteristics of the Population and Households

1. Population Growth

Watertown's population peaked in 1970 at about 40,000 residents, then steadily declined over the next decades to 31,915 in 2010. After 2010, the population stabilized and began to increase. In 2020, Watertown's population rose to 35,338, the first period of growth since 1970 and reflecting housing production over the prior decade. American Community Survey (ACS) estimates show that Watertown has continued to grow slowly since 2020, with an estimated population of 35,985 in 2024. (U. S. Census Bureau 2020-2024 American Community Survey (ACS) 5-Year Estimates). The City has already exceeded the Metropolitan-Area Planning Commission (MAPC) population projections for 2035.

⁵ The data in this section comes from a variety of federal, state and local sources. The main source is the U.S. Census Bureau's American Community Survey, 5-year estimates (2014-2018). In order for the Census Bureau to provide data between the census years, it samples data on a rolling 5-year basis. Because this is sampling and not a full count, there is both a margin of error and inclusion of data over a 5-year period.

Figure 1

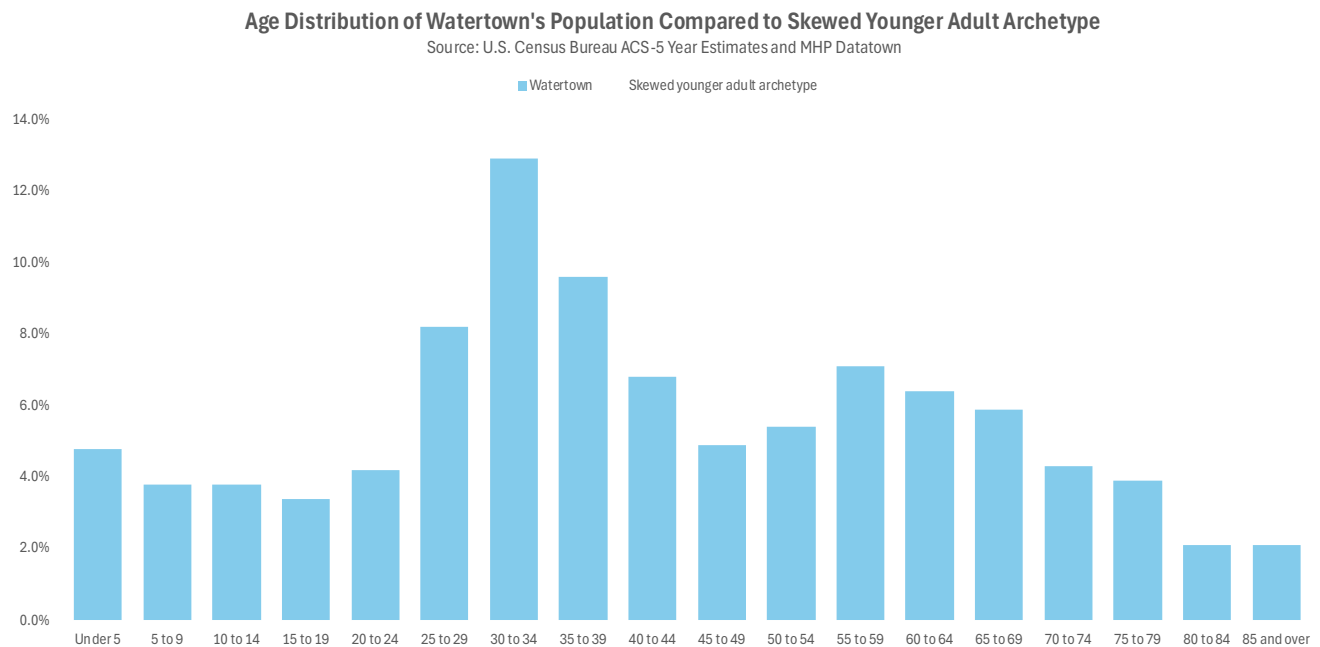
2. Age Distribution of Population and School Enrollment

Watertown's population is currently skewed towards adults in the 25-39 and 55+ ranges. There is also a much lower percentage of school-age children than the state average (11 percent of Watertown's population, compared to 17.4 percent statewide). The Massachusetts Housing Partnership (MHP) identifies Watertown's population profile as part of the "skewed younger adult" archetype used by the MHP,⁶ which reflects Watertown's appeal to Millennials looking for a more affordable place to live within Greater Boston's inner core. Approximately 30 percent of Watertown's population is 55 or older, matching the share across Massachusetts. Watertown is also losing younger adults, as the population shifts away from younger adults. From 2019-2024, the population of adults over the age of 29 grew as a share of the total population (from 68% to 72%), while the share of children and young adults under 30 has declined. The population shift is being driven by both a growing

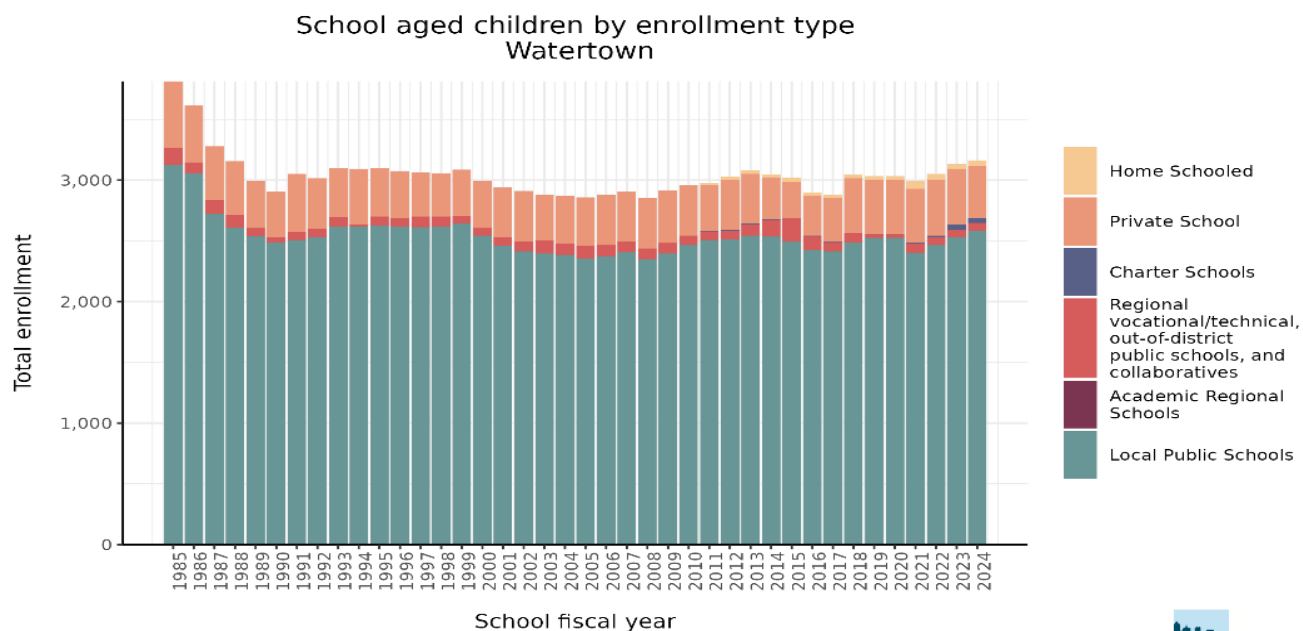
⁶ MHP has identified six population topologies that comprise all Massachusetts towns and cities. (See <https://mhpcenterforhousingdata.shinyapps.io/DataTown/>).

number of adults over 30, and a decline in children and adults under 30. Since 2019, the population of adults over 30 has grown by about 6%, while the number of residents under 30 has declined 11%.

Figure 2



While Watertown maintains a large share of young adult residents, the rising share of current seniors, and residents who will become seniors in the next 10-15 years means the City must think carefully about how the needs of this growing population are met. As more of the population ages, the City must ensure there are housing options to meet this group's changing needs. This can mean both housing targeted specifically to seniors, and housing that meets the needs of a range of users, such as smaller housing options, single-story living options, supportive services, and ADA accessible housing.

Figure 3

Source: Massachusetts Department of Elementary and Secondary Education



The age distribution in Watertown is a major factor in the City's stable school enrollment. Most households in Watertown do not include children, and the number of families with children is decreasing. The percentage of family households with children in 2010 was 38.9% and is estimated at 34.7% in 2024. The number of children per household has also declined. Between 2019 and 2024 the number of residents 19 years or younger declined by 5%, driven largely by fewer children under the age of 5.

3. Race, Ethnicity, and National Origin

Consistent with trends experienced across Massachusetts, Watertown is becoming more racially and ethnically diverse. Over the last ten years, the share of Caucasian residents decreased while the share of Asian and Hispanic or Latinx residents increased. Compared to the state overall, Watertown has a much smaller share of African American residents and Hispanic or Latino residents, and a slightly greater share of Asian or Pacific Islander residents. Since the previous Housing Plan, the share of Asian, Black or African American, two or more races, and other populations grew, while the Caucasian and Hispanic or Latino

populations decreased. Watertown is likely to become more diverse overtime, as the children enrolled in the Watertown School District are even more diverse than the population as a whole. In particular, a larger share of school children are Hispanic or Latino (23.7%), and fewer students are white (55%).

Table 1: Race and Ethnicity						
	Watertown			Massachusetts		
	2014	2019	2024	2014	2019	2024
Asian or Pacific Islander	7.4%	9.9%	11.7%	5.8%	6.6%	7.3%
Black or African American	3.3%	1.6%	3.8%	7.0%	7.6%	6.8%
White or Caucasian	83.9%	82.8%	71.3%	80%	78.1%	68.6%
Other (including American Indian or Native)	2.6%	3.0%	4.0%	4.1%	4.2%	6.1%
Two or more races	2.8%	2.5%	9.2%	2.9%	3.3%	11.1%
Hispanic or Latino any race ⁷	8.4%	9.2%	6.0%	10.2%	11.8%	13.3%

Source: American Community Survey 5-Year Estimates 2009– 2014, 2015–2019, and 2020 – 2024.

Table 2: Watertown Public Schools Enrollment by Race & Ethnicity School Year 25-26	
	Percent of Enrolled Students
American Indian or Alaskan Native	0.1%
Asian	8.4%
Black or African American	3.6%
Hispanic or Latino	23.7%
Multi-Race, Not Hispanic or Latino	9.3%
White	55.0%

Source: Massachusetts Department of Elementary and Secondary Education, Watertown Public School District Profile School Year 2025-2026.

Watertown also has a relatively high and increasing percentage of foreign-born residents. The 2024 ACS estimates that 25.7% of Watertown residents were born in another country and 31.7% speak a language other than English at home. Based on ACS data, about 5.8% of Watertown households are limited in their ability to speak English⁸, double the share in 2019.

⁷ The percentages in this chart will not add up to 100% because the Hispanic/Latino percentages are independent of the preceding percentages.

⁸The U.S. Census Bureau determines a household is limited in their ability to speak English if no household member over the age of 14 speaks English “very well.”

Approximately 2.9% of residents self-identify as speaking English “Not Well,” and 1.1% do not speak English at all. Limited English language proficiency in these households may affect their ability to find suitable housing and access services. (ACS 5-Year Estimates 2020-2024).

4. Individuals with a disability

The Census Bureau reports 11.8% of Watertown households include at least one individual with a disability,⁹ consistent with the state-wide rate (12%). It is important to consider this population while thinking about a community’s housing needs, because people with disabilities often need

housing that is accessible or which includes supportive services. Of Watertown’s population, 6.0% have an ambulatory difficulty, 2.8% have a self-care difficulty, and 5.2% have an independent living difficulty. In addition, such households are more likely to be economically vulnerable. Approximately 22% of Watertown residents with a disability live below the poverty line, compared to 7.5% of the population at large. (ACS 5-Year Estimates 2020–2024).

The percentage of those with a disability steeply increases with age, which suggests that with Watertown’s growing 60+ population, this factor remains important for the City to consider in its housing policy. The growing share of adults over the age of 40 also suggests that the share of older adults will continue to increase over the next decades.

Table 3: Age Distribution of Watertown Residents with a Disability	
Age	Percent of age group with a disability
Under 17	4.8%
18 to 64	7.1%
64 to 74	22.2%
Over 75	50.7%

Source: American Community Survey 5-Year Estimates 2020-2024.

⁹ The most common disabilities are: difficulty with independent living, cognitive, ambulatory, hearing, difficulty with self-care, and vision.

5. Household Income

The median household income in Watertown is estimated at \$126,265, slightly below the median for Middlesex County as a whole (\$130,848) (ACS, 5-year estimates, 2020-2024). Median household income, however, obscures the very real differences between households in Watertown and in our region.

The age of the head of household strongly predicts median income. The median income for households

Table 4: Age and Median Income among Watertown Residents	
Head of Household Age	Household Median Income
15-24 years	\$76,161
65 years and over	\$77,060

Source: American Community Survey 5-Year Estimates 2020– 2024.

headed by persons younger than 25, and older than 65 is almost half the City-wide median.

Race and Ethnicity also impact median income. In Middlesex County, the median household income for Black or African American households is 65% (\$84,945) of the county-wide median (\$130,847), and the median household income for Hispanic or Latino households is 70% (\$91,163). White households have a median income 4.5% higher (\$136,859) than the county median. (ACS 5-Year Estimates 2020-2024).

Living as a female alone with children is a strong predictor of lower median income. The median household income for a single-parent female household is less than one-third the median for all family households (\$61,224 v. \$204,231). Most single-parent households are single female headed, comprising 19.2% (1,692) of Watertown family households.

Finally, as is true in many Massachusetts communities, there is a significant difference between the incomes of renters and homeowners in Watertown. The median income of renter households in Watertown was

Table 5: Household Income Distribution for Watertown Renters	
Household Income	Percent of Households
\$0 -- 24,999	16.0%
\$25,000 -- 49,999	9.0%
\$50,000 -- 74,999	8.8%
\$75,000 -- 99,999	13.9%
\$100,000 -- \$149,999	18.1%
\$150,000 +	34.3%

Source: American Community Survey 5-Year Estimates 2020– 2024.

estimated at \$105,360, while the median for owner households was estimated at \$144,712. A

significant portion of renter households have very modest incomes. Approximately 25% of these households are estimated to have incomes of less than \$50,000 annually and about 16% have incomes of less than \$25,000.

A significant percentage of Watertown households fall within the income limits used for determining eligibility for affordable housing programs.¹⁰ The income limits used for most federal and state housing assistance programs are as follows:

- Extremely low-income households (ELI) – Earn at or less than 30% of area median income (AMI), adjusted for household size¹¹
- Very low-income households (VLI) –between 30% and 50% of AMI
- Low-income households (LI) –between 50% and 80% of AMI

In addition, households with incomes from 80% to 100% of area median income are considered “Moderate-income households (MI)” and are eligible for community housing that is funded through the Community Preservation Act (CPA). However, units subsidized for households at this income level are not eligible for inclusion on the Subsidized Housing Inventory.¹²

The percentage of households in Watertown earning less than 80% of area median is about 38.1%. An additional 9.6% of households in Watertown qualify for moderate-income housing. The share of households eligible for affordable housing in Watertown is significant and similar to surrounding communities¹³ but smaller than the state-wide percentages.

¹⁰ While the starting point for these income limits is area median income data from the U.S. Census, there are many adjustments made by the U.S. Department of Housing and Urban Development (HUD). One cannot use the income distribution discussed earlier to determine the percentage of Watertown households falling into the HUD categories identified here.

¹¹ Income limits differ by household size because that income must cover the costs of more household members as the household grows in size. For example, 30% of AMI for a one-person household is \$34,750 while 30% of AMI for a four-person household is \$49,600 (FY2025 HUD income limits).

¹² The Subsidized Housing Inventory (SHI) is used to determine whether a community has met Chapter 40B’s requirement that 10% of each community’s year-round housing be deed-restricted affordable housing. Chapter 40B is discussed further at Section IIA5.

¹³ The WestMetro HOME Consortium’s Analysis of Impediments to Fair Housing puts the percentage at 31.5% for its 13 communities (including Watertown). <http://www.newtonma.gov/civicax/filebank/documents/107601> (11/24/20).

Table 6: Households by Qualifying Housing Income Limits

	ELI Households (<30% AMI)	VLI Households (30-50% AMI)	LI Households (50-80% AMI)	Total ELI, VLI & LI Households	MI (80-100% AMI) Households
Watertown: # of Households	2,085	1,315	2,685	6,085	1,400
Watertown: % of all Households	13.1%	8.2%	16.8%	38.1%	8.7%
Massachusetts: # of Households	444,630	308,665	414,130	1,167,425	269,610
Massachusetts: % of all Households	16.2%	11.2%	15.1%	42.5%	9.8%

Source: 2018-2022, Comprehensive Housing Affordability Strategy Data.

Using a four-person household as the benchmark, an “Extremely Low Income” family is earning at or less than \$49,600 and a “Very Low Income” family is earning \$82,700 (FY2025 HUD income limits). To put these income levels in context, many of the wage earners in households in the “Extremely Low Income” and “Very Low Income” tiers work in healthcare support, food preparation and service, and other major low wage occupations.¹⁴

6. Destination and Origins of Watertown Workers and Residents

2023 U.S. Census Bureau economic data shows that Watertown is a small net generator of employment in the region. Approximately 18,063 workers are employed in Watertown full or part-time, while 18,021 Watertown residents are employed outside the City. Of the 18,067 people employed in Watertown, 9.5% live and work in the City. The other 90.5% live outside the City, and many are residents of adjacent communities. More than a quarter of all Watertown employees live in Boston, Belmont, Cambridge, Newton, or Waltham. Watertown residents are also mostly employed in or near the City. Approximately 8.7% of Watertown residents are employed full or part time in Watertown, and 55.6% are employed in an

¹⁴ Healthcare support, which employs almost 200,000 workers in the state, has a mean annual wage of \$44,900. Other major occupations with low wages include food preparation and service at \$42,040; building and grounds/maintenance at \$47,220; personal care and service at \$46,570; transportation at \$40,930; and production at \$51,470. U.S. Bureau of Labor Statistics, May 2024 State Occupational Employment and Wage Estimates for Massachusetts.

adjacent community. The single largest destinations for Watertown commuters are Boston (29.1%), Cambridge (13.3%), and Watertown (8.7%).

The largest industries by employment in Watertown are Professional, Scientific, and Technical Service (4,177), Health Care and Social Assistance (2,293), Retail (2,131), and Educational Services (1,705). Almost 70% of people employed in Watertown earn more than \$3,333 per month (\$39,996+ per year). The largest employing industries for Watertown residents are Professional, Scientific, and Technical Service (3,406), Health Care and Social Assistance (3,179), Educational Services (2,761), and Retail Trade (1,470). Over 72% of employed Watertown residents earn more than \$3,333 per month. (Longitudinal Employer-Household Dynamics Data, 2023).

Figure 4



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics EHD Data 2023

B. Housing Characteristics and Trends

1. Housing Unit Type

Most of Watertown's land area is occupied by one- and two-family homes. Approximately 27.5% (4,724) of the City's housing units are single-family homes,¹⁵ and an additional 34.7% (5,969) are 2-family homes. The housing stock includes a significant percentage of larger apartment and condo buildings. Approximately 7.9% of units (1,366) are in 3-4 unit buildings. The remaining 29.9% (5,147) of units are in buildings with 5 or more units.

Many of the larger apartment and condo buildings have been added since the Great Recession, as discussed in Section IIB below.

Just under 53% of the Watertown housing stock is renter-occupied. This is higher than the state average and higher than in the previous Housing Plan (48.4%). The

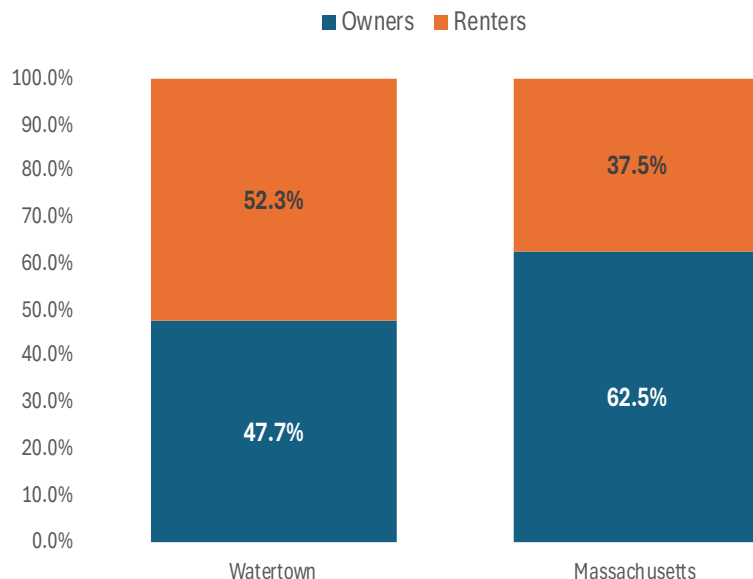
increase in rental households is a common trend over the past decade in Watertown, and across many other Greater Boston communities.

Average household size fell consistently since 2000 and is now estimated at 2.15 persons per household (ACS 5-year Estimates 2020-2024). This is consistent with a similar decline at the state-wide level, though Watertown's average household size remains smaller than the state

Figure 5

Tenure Mix Watertown v. Massachusetts

Source: U.S. Census Bureau ACS 5Year Estimates 2020/2024, Table B25003



¹⁵ The figure for single-family homes includes both single-family detached homes and single-family attached homes, sometimes referred to as townhomes or rowhouses.

average (2.44), and smaller than many surrounding communities.¹⁶ The median family size has also declined over time, though it remains higher than the median household size at 2.8 persons.¹⁷ As suggested by the relatively low median size, a large majority (90.0%) of families with children have two or fewer children, while only 10% have three or more.

2. Age of Housing Stock

About 78% of the housing in Watertown was built prior to 1979 and over 44% was built before World War II. This is a much larger share than in similar communities nearby, or statewide. The age of the housing stock can present challenges related to accessibility, the presence of lead paint and pipes, and energy efficiency, among other considerations.

Table 7: Year Built							
	Built 2020 or Later	Built 2010 to 2019	Built 2000 to 2009	Built 1980 to 1999	Built 1960 to 1979	Built 1940 to 1959	Built 1939 or Earlier
Watertown	1.3%	6.3%	5.5%	9.3%	14.4%	18.9%	44.4%
Massachusetts	1.0%	6.2%	7.1%	18.2%	20.9%	16.0%	30.5%

Source: American Community Survey 5-Year Estimates 2020 – 2024.

3. Subsidized Housing Stock

Watertown has 1,263 units of affordable housing included on the State's Subsidized Housing Inventory (SHI). The SHI is managed by the Executive Office of Housing and Livable Communities (EOHLC), successor to the Department of Housing and Community Development. These units meet the requirements of the state's affordable housing law (Chapter 40B) and are operated and maintained as affordable through long-term deed restrictions, covenants, regulatory and operating agreements, or other restrictions.

Occupants of this housing must meet income eligibility requirements, and the government regulates rents or sales prices. This figure includes the 589 public housing units operated by

¹⁶ The average household size in Middlesex County is 2.49. Watertown's average household size is smaller than Arlington, Belmont, Newton, Waltham, Brookline, and Boston, but larger than Cambridge.

¹⁷ The difference in median size between households and families is due to the Census defining a family as a group of two or more people related by birth, marriage, or adoption residing together, while a household is defined as all individuals who inhabit a housing unit, regardless of their relationship. Therefore, by definition families do not count people living alone or roommate arrangements.

the Watertown Housing Authority.¹⁸ It does not include an additional 28 inclusionary units under construction or recently built.¹⁹

Watertown has complied with Chapter 40B through one of the two statutory benchmarks. The most common metric is for at least 10% of the year-round housing units to be deed-restricted “affordable” units for households earning up to 80% of area median income. Watertown is presently at 7.46%.²⁰ The alternative metric is for 1.5% of its land area to be devoted to affordable housing as defined in Chapter 40B. EOHLC agreed in December 2019 that Watertown has dedicated 2.07% of land area to affordable housing and, therefore, has met the “General Land Area Minimum.”

Although there are affordable units in Watertown on the Commonwealth’s Expiring Use Inventory, these units are not presently at risk. Brigham House (46 assisted living units) is covered by a regulatory agreement and a local permit restricting use of the property. Saint Joseph Hall (25 units) is a Community Housing Development Organization and HOME-assisted property.

Watertown’s affordable units vary in the type of household they are targeted to support. The 589 public housing units serve as a safety net for seniors and families with the lowest incomes (327 and 228 units, respectively, as well as 35 units for individuals with special needs). On the other end, the rental and ownership units created through Watertown’s inclusionary zoning ordinance are based on area median income and not the particular tenant’s income. This has two important implications. First, since properties require new tenants in affordable units to show ability to pay rent, this means that only a narrow band of households can afford the 80% AMI and 65% AMI units.²¹ Second, if a tenant’s income does not keep up with area

¹⁸ There are 539 state-funded public housing units and 50 federally-funded units. The Watertown Housing Authority is proposing to convert the 50 federal units into Section 8 project-based vouchers.

¹⁹ Affordable units under construction include 21 at 104 Main Street and 7 at 101 Morse Street (still operating with a temporary certificate of occupancy).

²⁰ The year-round housing count as of 2020, used in the SHI calculation throughout the decade, was 16,936 units.

²¹ For example, using 2025 maximum rents for a one-person household, if that person’s income is \$60,000, they do not qualify for a 65% AMI unit, but will have difficulty paying for a 80% AMI unit that assumes an income of \$67,400.

median income, it will be increasingly difficult to pay rent increases. Overall, 47% of our subsidized units are in public housing, 24% are inclusionary units in market rate developments, and 29% are in other categories.²² The number of inclusionary units is certain to grow while it is unlikely that the number of public housing units will significantly increase because federal and state policy has shifted away from that model.



Rendering of Willow Park Redevelopment

Notwithstanding the financial limits on growth in public housing units, the Watertown Housing Authority (WHA) has been working to improve its existing housing and expand the supply of affordable units. Recently, WHA partnered with Preservation of Affordable Housing (POAH) to redevelop WHA's Willow Park property. The redevelopment will replace the existing 60 public housing units with new, modernized public housing units and add an additional 78

²² Most of these are in 100% affordable developments such as St. Joseph Hall or Brigham House, but 15 are single family homes.

units of affordable housing affordable to households earning up to 60% and 80% AMI. WHA has also received local funding for the creation of a new group home at 103 Nichols Ave, which will provide supportive housing for 5 adults with disabilities. Both of these projects received critical local funding (the CPC recommended a \$6 million commitment for Willow Park and up to a \$1.5 million commitment for 103 Nichols Avenue; both these recommendations were approved by the City Council).

Appendix C is a complete list of units currently listed on the Subsidized Housing Inventory.

4. Recent Housing Production

Recent development in Watertown has been predominantly either two-family homes or large-scale development of 20 or more units. Based on building and demolition permits issued over the last five years, the number of two-family and large multi-family homes has increased, while Watertown has seen a net loss of single-family homes. Between 2020 and 2025, Watertown permitted a net increase of 295 units. Of those new units, 25% were in two-family homes, and the remaining 79.6% were in large multi-family buildings (Watertown Building and Demolition Permits). The creation of two-family homes has been through a mix of new construction, and the conversion of single-family homes into two-family homes.

Over the last 25 years, Watertown has seen significant multifamily development, concentrated along the Arsenal Street and Pleasant Street corridors. Much of the multi-family development has been on²³ formerly commercial or industrial parcels. While several projects were started prior to the Great Recession,²⁴ most of this development occurred after the Commonwealth emerged from that slump. In the last 13 years, 14 projects representing 1,795 units have been completed²⁵ and another 142 units are under construction.²⁶ The

²³ 33 Mt. Auburn Street (40 rental units) and 108 Water Street (52 condominium units).

²⁴ Completed prior to 2011: Archstone/Watertown Square Apartments (134 units) and Riverbank Lofts (57). Repton Place (179) was under construction before 2011.

²⁵ Construction began 2011 or later: Charlesbank Residences (44), Watertown Mews (206), Riverbend on the Charles (170), Alta/Bell Watertown (155), St. Joseph Hall (25), The Gables (296), Riverpark Lofts (65), Union Market/Elan (282), WaterMills (99) and 385-393 Pleasant (58), Arsenal Yards (302), 101 North Beacon (28), 166 Main Street (34), and 101 Morse Street (36).

²⁶ 53 Pleasant Street/104 Main Street (137 rental units and five renovated townhomes) is under construction.

Watertown Square re-zoning in November 2024 has helped trigger a new round of proposed development, with two projects totaling 92 new units permitted, and multiple projects in the pre-application pipeline.

Watertown's increasing housing production has also led to a number of new affordable units entering the market. New developments brought online since 2020 have created 99 new units of inclusionary housing for the City, with more than a dozen additional units receiving zoning approval in 2025. Development in Watertown is expected to continue, as 2024 zoning changes in Watertown Square and the passage of the Transit Oriented Development Overlay have created considerable residential development interest.

Nearly all of the new units built since 2012 are rental. The bedroom mix has tended toward 1BR and 2BR units. Both are consistent with regional trends. Millennials and Baby Boomers have increased demand for smaller apartments (fewer bedrooms and less square footage) .

Table 8: Net Unit Change Based on Building and Demolition Permits							
Year	Single-family Units	2-family Units	3-4 family Unit	5-19 Units	20+ Units	Total Multi-family Units	Net Total Units
2020	-12	14	0	0	64	78	66
2021	-9	18	0	0	0	18	9
2022	-6	12	0	0	34	46	40
2023	-5	10	-3	0	0	7	2
2024	-6	14	0	0	137	151	145
2025	1	6	0	-11	0	-5	-4
Total	-37	74	-3	-11	235	295	258

Source: City of Watertown Building and Demolition Permits.



166 Main Street

C. Housing Market Characteristics

1. Rent and Home Price Trends

Like all of Greater Boston, Watertown has experienced a significant increase in the price of both rental and homeownership housing over the last 20 years and particularly since 2020. Most researchers have agreed that housing costs have been rising in the region because of population and job growth, changes in preferences for household size and location, and housing production that has not kept up with this demand.²⁷ Since 2020, housing prices began to rise at an even higher rate than pre-pandemic, as construction, materials, and

²⁷ See, e.g., The Greater Boston Housing Report Card 2019, *Supply, Demand and the Challenge of Local Control*, <https://www.tbf.org/news-and-insights/reports/2019/june/greater-boston-housing-report-card-2019>; Urban Institute, Housing and Housing Finance June 2018, <https://www.urban.org/urban-wire/bostons-housing-market-three-charts>; Glaeser EL, Ward BA. *The Causes and Consequences of Land Use Regulation: Evidence from Greater Boston* (2006).

interest rates all increased. Rising housing costs put pressure on households at most income levels throughout the region. Many households must rent for the long-term, as they are unable to buy. Households that cannot afford to rent or buy where they presently live will look for communities that have historically proven more affordable. This, in turn, has increased demand in those more affordable communities (such as Watertown).

Based on 2024 ACS 5-year estimates, over 85% of Watertown renters were paying over \$1,500 in gross monthly rent, significantly more than just five years before (76%).

Table 9: Gap between Income and Price Facing Watertown Renters Trying to Buy			
Unit Type	Price Affordable to Renter Earning Median Household Income	Median Sales Price (2024)	Price Gap
Single-family Home	\$435,000	\$850,000	\$415,000
Condominium	\$370,250	\$675,000	\$304,750

Sources: City of Watertown Assessor's Records FY2026. Affordable purchase prices based on housing costs not to exceed 30% of the monthly income for the median household's income. Monthly mortgage payments for a 30-year fixed rate mortgage assume 6.31% interest, a 5% downpayment, \$1,500 in annual home insurance, and yearly property taxes of \$12.20 per \$1,000 of value. Condominium costs include a \$500 monthly HOA fee.

At the same time, the median sales price of homes in Watertown has increased substantially. By one measure—median home value as estimated by the U.S. Census—values have risen 25% from \$559,700 in the 2019 5-year estimate to \$784,600 in the 2024 5-year estimate. Redfin estimated the November 2025 median sale price for a single-family home at \$815,000 and the median price for a condominium at \$655,250.²⁸

How unattainable is homeownership in Watertown to a renter? The table below shows that there is a substantial gap between what a household with median income can afford and what is available to them. This “price gap” means even a relatively affluent individual or family must stay in the rental market (or look elsewhere). Even with this large price gap, Watertown is considered more affordable for buying a home than many communities in the

²⁸ The U.S. Census and firms like Redfin estimate value or sales price. While actual Watertown data could be compiled or purchased and be more accurate, it would not change the conclusion that home prices are rising substantially.

region.²⁹ A high price gap for renters forces more households to remain in the rental market, increasing demand and limiting supply that would have historically become available to younger and lower-income renters as higher-income renters transitioned into homeownership.

2. Housing Cost Burden and Affordability Analysis

One of the most common measures of housing need is whether a household is cost-burdened, i.e. whether more than 30% of their gross income is spent on housing.³⁰ About 39.3% of Watertown renters and 27.7% of owners are cost burdened. A growing portion of households in Watertown are also considered ‘severely cost-burdened,’ paying more than 50% of their monthly income on housing expenses. In 2024, 20.3% of renters and 11.3% of homeowners were severely cost burdened.³¹

Because cost burden is a direct reflection of household income, the impact of being cost-burdened is more acute for lower-income households that have fewer financial resources available to meet other necessary household expenses (food, transportation, health care, student loans, etc.). While households are cost-burdened across all income groups, most striking is the very high incidence of housing cost burden among those with the lowest incomes. Between 70 and 80% of Watertown residents at the two lowest income levels are cost-burdened.

²⁹ Based on an analysis in WestMetro Consortium’s 2026-2030 Consolidated Plan, Watertown’s price gap was 11th for single families and 9th for condos within the 13 communities using 2023 Warren Group sales data.

³⁰ As discussed earlier, cost burden is measured as the share of household income spent on housing, whether total ownership costs or total rental costs. Households spending more than 30% of their gross income on housing are considered **cost-burdened**; households spending more than 50% of their gross income on housing are considered **severely cost-burdened**.

³¹ U.S. Census Bureau, Comprehensive Housing Affordability Strategy Data (CHAS), 2018-2022.

Table 10: Cost Burden Incidence by Household Income Group for Renter Households

	ELI	VLI	LI	MI	HI	Total
# renting households in income group	1,540	880	1,385	630	3,340	7,770
# of cost-burdened households in income group	1,110	700	765	220	130	2,925
% of cost-burdened households in income group	72.1%	79.5%	55.2%	34.9%	3.9%	37.6%

Source: Comprehensive Housing Affordability Strategy Data, 2018 – 2022

Table 11: Cost Burden Incidence by Household Income Group for Ownership Households

	ELI	VLI	LI	MI	HI	Total
# households in income group	760	415	765	750	5,215	7,910
# of cost-burdened households in income group	605	335	295	400	630	2,265
% of cost-burdened households in income group	79.6%	80.7%	38.6%	53.3%	12.1%	28.6%

Source: Comprehensive Housing Affordability Strategy Data, 2018 – 2022



The Apartments at Coolidge School

II. DEVELOPMENT REGULATIONS, TRENDS, FUNDING SOURCES AND CONSTRAINTS

A. Residential Zoning

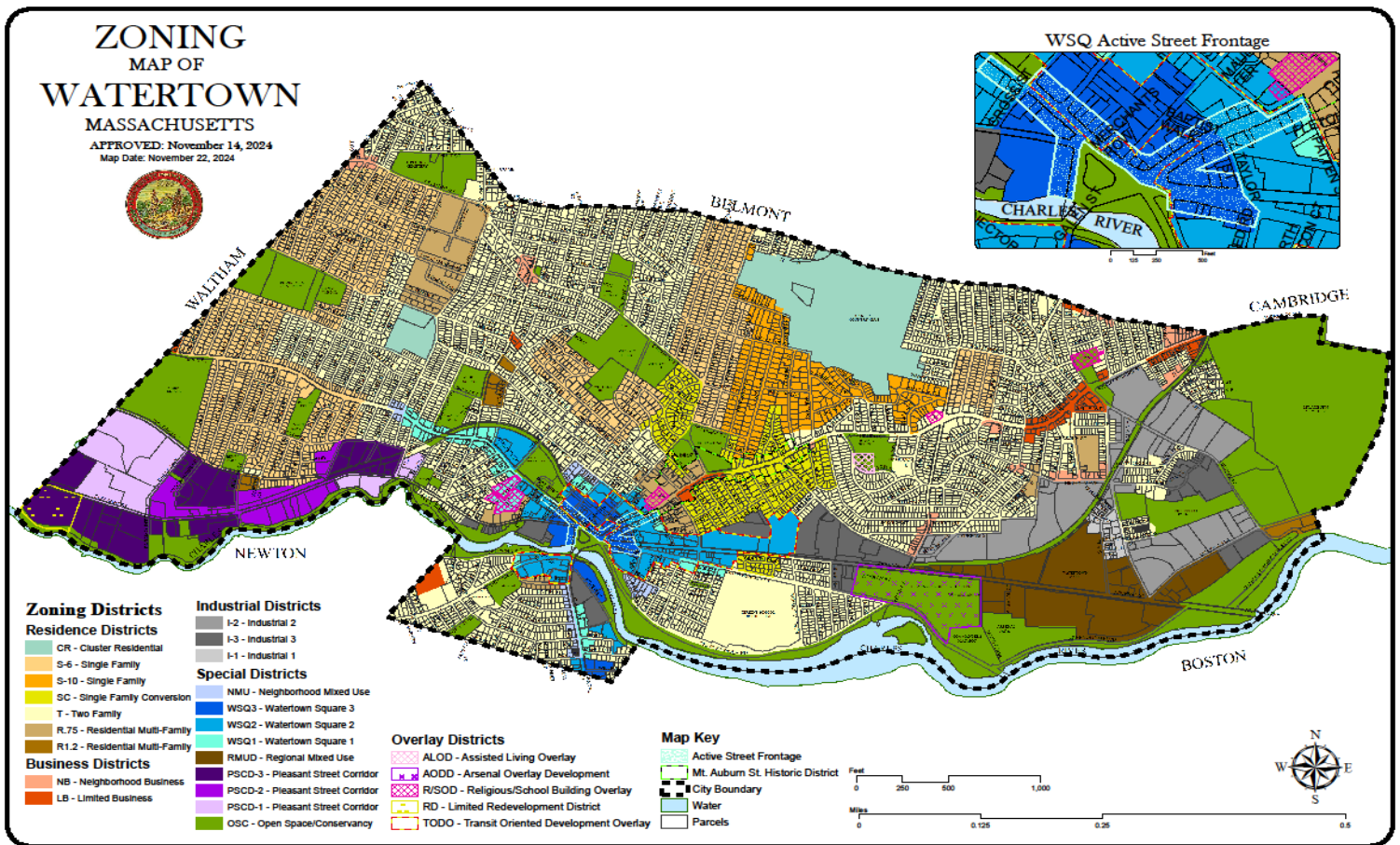
Residential uses are permitted in Watertown either by right, or through a special permit process, within 11 zoning districts. The majority of this land allows only for single-family and two-family structures. However, Watertown has been notable in Greater Boston for creating new and substantial multifamily zoning districts. The Arsenal Street and Pleasant Street corridor districts have been cited as leading examples of planned and well-located “growth districts.”³² The Watertown Square mixed-use districts allow multifamily housing and the “by right” portion of these districts substantially exceed the multifamily unit capacity required by the Commonwealth’s MBTA Communities law.

The zoning districts that allow housing are described below, followed by separate subsections that cover parking requirements, design guidelines and standards, and inclusionary housing requirements that apply to some or all of these districts.



Brigham House

³² Amy Dain, The State of Multi-Family Zoning in Greater Boston, 93-95 (June 2019) <https://ma-smartgrowth.org/resources/resourcesreports-books/>.

Figure 6

1. Single- and Two-Family Zoning Districts

The single-family S-6 and S-10 zoning districts are intended only for single family residential structures. The S-6 district, which sets a minimum lot area of 6,000 sf per dwelling unit, allows for greater densities (approximately 7.25 units per acre) than the S-10 district, which sets a minimum lot area of 10,000 sf per dwelling unit (approximately 4.4 units per acre).³³

The two-family zoning district (T) makes up nearly a third of all land in Watertown and allows for single and two-family dwelling units with a minimum lot area of 5,000 sf (approximately 14 units per acre).

³³ There is also a Cluster Residential District which has an intensity of use similar to the S-10, but is limited to two areas (Oakley Country Club and the former Rosary grounds).

The SC zoning district allows single-family conversion to a two-family structure and new two-family structures, with a Special Permit.

Since nearly all parcels within these districts have already been developed, most of the recent activity in these districts has been either intensifying the existing uses (e.g., conversions to two-family, dormers and additions) or tear downs of single-families within the T zoning district on lots where housing is allowed (5000 sf. or larger with 50 feet of frontage). In the last five years, over 30 lots with single-family homes have been converted to two-family uses by demolition or renovation.

2. Residential Zoning Districts that allow Multifamily Housing

There are two residential zoning districts within Watertown that allow multifamily housing. The R.75 allows multi-family development up to .75 FAR, and the R1.2 allows for a higher density multi-family residential up to 1.2 FAR. However, although these are multi-family districts, only single- and two-family development is allowed as of right. Any development of 3 or more units requires a special permit,– converting an existing structure to a 3-family dwelling requires a special permit, and new construction of 3 or more units requires a special permit with site plan review.



Housing along Summer Street

3. Pleasant Street Corridor District (PSCD)

The Pleasant Street Corridor District (PSCD) was adopted in 2008 to encourage redevelopment of this industrial corridor with more focus on urban design and placemaking.³⁴ A key goal within the corridor is to “facilitate a mix of uses including residential, office, research and development...” and it allows for multifamily residential of 4+ units by special permit with site plan review. After this area resulted in significant residential development without a mix of uses, amendments were adopted in 2015 to encourage several commercial clusters along the corridor.

The amendments created three sub-districts: PSCD-1 allows residential use with changes in dimensional and other requirements; PSCD-2 requires residential projects to include a commercial component of at least 15% of the gross floor area; and PSCD-3 allows for a mix of commercial uses and does not allow for residential use. The base zoning for PSCD-1 provides for FAR of 1.0, with a maximum of up to 1.5 by special permit if certain development incentives are met. The base zoning for PSCD-2 allows FAR between 1.0 and 2.0 if the development incentives are achieved. Both sub-districts require a minimum of 1000 sf/unit.

The PSCD offers adjustments to dimensional requirements and/or parking requirements to projects that achieve one or more of six specified goals: (1) a minimum of 50% of the designated open space is “publicly usable,” (2) a “significant contribution” for connections to the bike path along the Charles River, (3) underground or structured parking, (4) a demonstration of reduced demand for cars (for example, by offering sheltered bicycle parking, participating in a shuttle service, or constructing an on-site bus stop) (5) “significant conformance” with design and environmental sustainability guidelines, and (6) “development of desirable uses” at “key opportunity sites” designated in the corridor plan.

³⁴ While residential had been allowed in the I-3 corridor by special permit since 1988, the PSCD substantially changed the applicable zoning.

4. Regional Mixed-Use District (RMUD)

The Regional Mixed-Use District was created in 2016 for “transformative development” with a “mix of larger and smaller scale retail, office, hospitality, multifamily residential and research and development uses” in a “major gateway.” The district is intended to be of sufficient scale and range of uses to serve regional demand. With respect to housing, the district is intended to provide a “continuum of housing options” with “opportunities for lower- and middle-income households” as one of the particular goals.

While development in the RMUD ordinarily requires a special permit,³⁵ applicants may seek a Master Plan Special Permit with site plan review if the proposed project site is over 2 acres. Under this alternative process, there is approval of a proposed master plan which determines land uses (including mass and scale) and then site review as particular elements are ready for permitting. Applicants may propose a FAR of up to 2.0. There is no minimum lot size per dwelling unit.

5. Watertown Square Mixed-Use Districts

In November 2024, the City created four new mixed-use districts in the Watertown Square area. The City used a “form-based” approach in these districts, with each differing in scale and form requirements. The three core districts are Watertown Square (WSQ) 1, 2 and 3, while the Neighborhood Mixed Use (NMU) was designed as a transitional district.³⁶ WSQ 3 is the most intensive, with a maximum building height of five “plus” floors/82 feet for a flat roof.³⁷ The maximum heights in the other districts are: WSQ 2 four plus floors/66 feet; WSQ 1 three plus floors/53 feet; and NMU three floors/38 feet. The new zoning eliminated the former Central Business (CB) district. As discussed elsewhere, the new zoning included bonuses for affordable housing developments in these districts.

³⁵ There are some by-right uses, such as a drive-in bank or light industry of less than 4,000 sf. However, none of these uses can exceed a 1.0 FAR without seeking a special permit or Master Plan Special Permit.

³⁶ The maximum building height for the NMU and WSQ districts does not include rooftop mechanicals. Mechanicals must be set back at least 10 feet from any façade, must be adequately screened, and may be no taller than the number of feet set back from all façades or 15 feet, whichever is less.

³⁷ The “plus” floor has a seven-foot stepback from the building perimeter. The maximum height of a building with a pitched roof is higher.

The new zoning included a significant Transit-Oriented Development Overlay District that allows multifamily housing by right. The overlay consists of portions of the three WSQ zones and forms an approved MBTA Communities law district. The multifamily housing unit capacity of the TODO District is 3,754 units, above the 1,701 unit requirement under the MBTA Communities law.

6. Other Relevant Zoning Districts

There are two business zoning districts in Watertown – Neighborhood Business (NB), and Limited Business (LB). The NB and LB districts allow multi-family residential of 3 or more units by special permit, and 4+ units by special permit with site plan. All business districts also allow mixed-use structures with up to three residential units by special permit, or mixed-use structures with four or more units by special permit with site plan review.

Multi-family and mixed-use residential development are allowed in the I-3 zoning District by special permit and with site plan review.

The Assisted Living Overlay District (ALOD) allows assisted living residences and other permitted uses at an FAR of 1.0 and a minimum lot size per unit of 1,200 square feet on all development within the overlay district. The Revitalization Overlay District (RO) is a “floating” district that can be applied by special permit to a mixed-use or residential project with a minimum lot size of 10,000 square feet. The maximum FAR is 2.0 for a residential development. So far, the RO has only been applied to parcels around the northern end of the Galen Street corridor.



Watertown Square Apartments

7. Parking Requirements

Except in the new WSQ and NMU Districts, the parking requirements for residential uses are:

- One and two-family homes: 2/unit or 3/unit if more than 4 bedrooms.
- Town and rowhouses: Minimum of 2/unit and maximum of 2.5/unit.
- Multi-family: Minimum of .75 spaces for every studio unit, 1 per 1-BR apartment, 1.5 per 2-BR apartment and 2 per 3+BR apartment. Maximums are 1/studio, 1.25/1BR, 1.75/2BR and 2.25/3BR+.
- Mixed Use: sum of commercial and residential requirements.

The minimum parking requirement for residential uses in the WSQ and NMU Districts is .5 spaces per unit, while the maximum is 1/unit. There is also a parking reduction in these districts for affordable developments (discussed at Section IIB).

The new zoning included a new special permit section allowing flexibility in the minimum and maximum parking requirements based on specified criteria. For minimum parking requirements to be reduced, the criteria include evidence of: reduced parking demand;

shared/offsite parking; the ability to increase the number of residential units with lower requirements; and management that serves to minimize use of on-street parking.

Parking requirements, if excessive, can be a barrier to housing production, as they may decrease the buildable area on a given lot, or create need for structured parking, which is expensive to build. In July 2023, the Metropolitan Area Planning Council released a study done with the WestMetro HOME Consortium on parking utilization rates at new residential developments. The study found a 66% parking utilization rate at the 17 developments built in Watertown since 2000. Over the last 10 years, the City's parking requirements for multifamily development have been substantially reduced and become more flexible.

8. Design Guidelines and Standards

Watertown adopted a comprehensive set of Design Guidelines and Standards in June 2015. The intent is to “enhance building, parking and public realm interface” along the major corridors and Watertown and Coolidge Squares. The City is in the process of formulating design guidelines focused on so-called “missing middle” housing types (smaller multifamily developments). Design standards are increasingly recognized as a critical tool to achieve quality and a more holistic review of new development. It is also important to monitor whether the standards or process used become a development constraint.

9. Inclusionary Zoning

Watertown's zoning ordinance has included a provision for inclusionary housing (Section 5.07) since 1989. The purpose of the ordinance is to encourage the expansion and improvement of Watertown's housing stock; provide housing choices for a diversity of households; prevent displacement of low- and moderate-income residents; provide opportunities for mixed-use development; and more. Inclusionary requirements have increased over time, with the most recent changes in December 2016.

Currently, the inclusionary provision requires all new residential or mixed-use developments with six or more residential units to provide deed-restricted affordable units. Developers of smaller projects (6-10 units) may provide units on site or they can provide a payment-in-lieu

of units.³⁸ Developments with 10+ units must provide units on site. Density bonuses are available to developers who target lower income households. The chart below sets forth the particular requirements.³⁹

Table 12: Watertown's Inclusionary Zoning Requirements			
Total Project Size	Affordable Units	Rental Price	Ownership Price
1 to 5 units	0	N/A	N/A
6 to 10 units	Option for cash in-lieu payment		
6 to 19 units	12.5%	80% AMI	80% AMI
20 and over units	15.0%	No less than 5% of the total units at 65% AMI 10% of total units at 80% AMI	80% AMI

Note: Current HUD income limits are listed in **Appendix B**.

Affordable units must be of comparable size to the market rate units, within a range of 20%. The affordable units also must be comparable to market-rate units with respect to quality of construction, energy efficiency, and exterior finishes and to “base” market-rate units with respect to interior finishes. The deed-restrictions must be permanent.

B. Development Trends

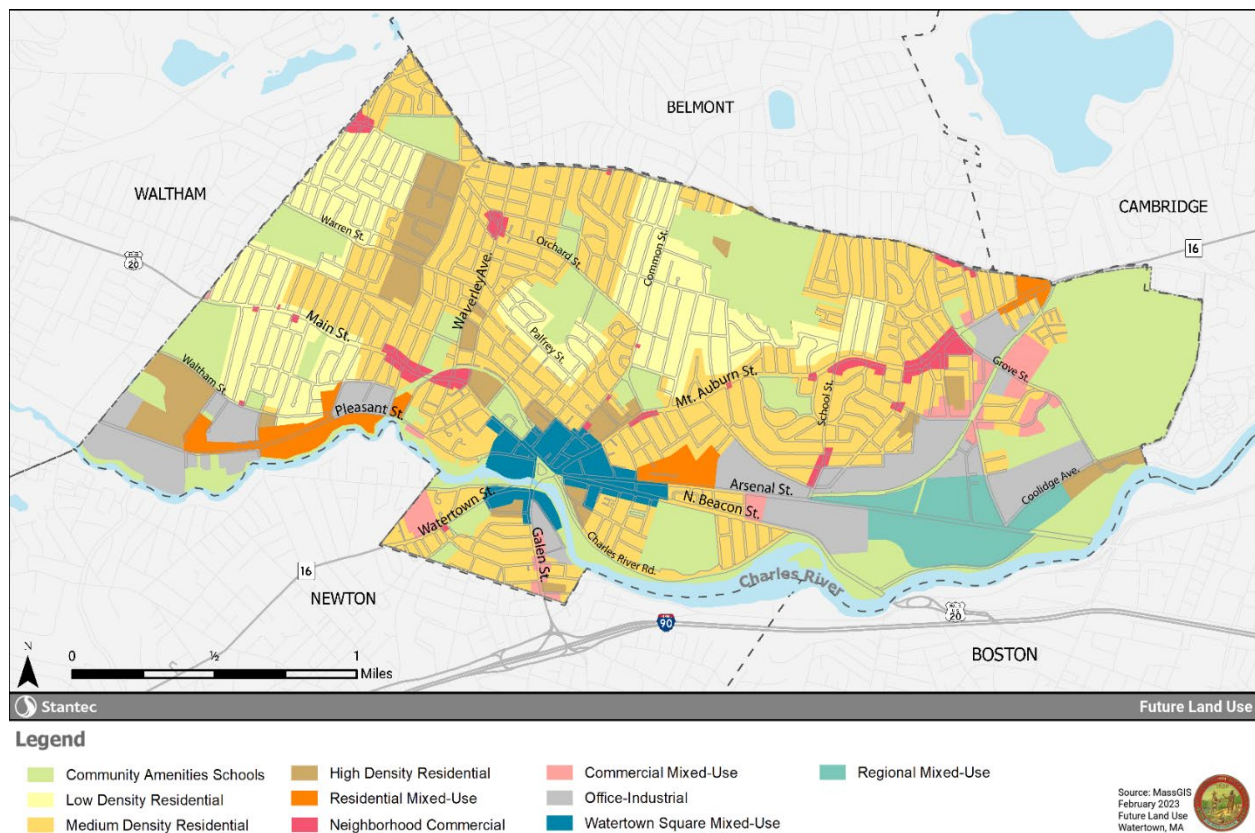
With significant residential development since 2012 and an established life science cluster, it has become hard for affordable developers to find suitable parcels. Over the last three years, the Watertown Affordable Housing Trust has actively searched for affordable housing opportunities. Based on an internal review, City staff has reached out to multiple property owners and used “on-call” professionals to assess promising sites. While there have been useful discussions, this initiative has underscored the need for incentives promoting affordable development.

³⁸ The payment must equal the applicable total development cost/unit in DHCD's Qualified Allocation Plan.

³⁹ Inclusionary requirements are somewhat different for projects with assisted or independent living units. For independent living units, the project size thresholds and affordable unit requirements are the same but 80% AMI applies to all such projects. For assisted living units, there are different size tiers and required percentages, and units serving those with dementia and/or skilled nursing are exempt.

Competition for land in Cambridge—driven by the Kendall Square life sciences cluster—led city leaders there to enact a city-wide affordable housing overlay district in October 2020 with more advantageous dimensional and permitting requirements for 100% affordable proposals. The Watertown Square re-zoning included a targeted version of this approach. The zoning provides two bonuses for “affordable developments,” which are defined as projects with 50% or more of the homes deed-restricted affordable units at 80% AMI or lower.⁴⁰ The first incentive, for all affordable developments, is a lower parking ratio (.25/unit). The second incentive is additional building height: one floor if the project is set at an average of 80% AMI or lower, and an additional floor if the average is below 60% of AMI.

Figure 7



⁴⁰ Developments with that level of affordability require substantial public subsidy and, therefore, have a funding model similar to 100% affordable projects. The 50% threshold allows for the flexibility to include so-called “workforce” housing (typically deed-restricted units at 80 to 100% AMI) and/or market rate units.



104 Main Street Under Construction



101 North Beacon Street

C. Funding Sources for Affordable Housing⁴¹

Other than general funds, existing sources to fund affordable housing are limited. These sources can be divided into two categories: funds that the City controls, and funds that require competitive applications. In the first category, are the following:

- Affordable Housing Trust Fund. The City accumulates funds paid by developers “in lieu of” inclusionary units where the total number of homes in the proposed development are between 6 and 10. There is approximately \$269,000 in this fund.
- City Operating Budget. Since 2022, the City budget has included an annual appropriation of \$250,000 to augment the Affordable Housing Fund. There is currently \$650,000 available from this source.
- Federal HOME Investment Partnerships program. Watertown is allocated around \$110,000/year from the HOME program as a sub-recipient to Newton, which is the lead community in the WestMetro Consortium. The City also has program income totaling around \$120,000 earned through past HOME activity.⁴² HOME funds support building, buying, and/or rehabilitating affordable housing or providing direct rental assistance to low-income people.
- Community Development Block Grant (CDBG) Program Income. The City also has program income totaling approximately \$138,000 earned through past CDBG activity. CDBG monies support local housing and economic opportunity initiatives for low and moderate-income households.
- Community Preservation Act (CPA) Funds. Watertown adopted CPA in 2016, allowing the City to raise money for eligible uses through a local property tax surcharge supplemented by a varying state match. The property tax surcharge/state match is

⁴¹ This sub-section describes only the principal funding sources. There are other sources, e.g., pre-development assistance from the Community Economic Development Assistance Corporation (CEDAC), that can be tapped.

⁴² The City has previously used HOME and CDBG funding to provide homebuyer assistance, with the condition that appreciation upon resale is shared with the City. The funds received by the city are termed “program income.”

likely to produce an annual revenue stream above \$3.5 million. The eligible uses are: open space and recreation, historic preservation and community housing. A municipality must reserve 10% of its annual CPA spending for each of the three eligible uses. CPA funds can be used to acquire, create, preserve or support community housing for households with incomes at or below 100% of AMI, or to rehabilitate such housing acquired or created through CPA. As of March 31, 2026, the City's CPA Fund had an "Available Balance" of \$ 19.436 million. This balance includes the "category" reserves for open space and historic preservation.⁴³.. Access to CPA funds is highly competitive, with proposed projects chosen by the City's Community Preservation Committee and subject to City Council approval.

- Linkage Fees. In 2023, the City Council approved an affordable housing linkage fee on new, large-scale commercial development. The fee attaches upon permitting but is not collected until after occupancy begins. The fee level changes each year based on cost-of-living data, currently \$11.81/sf. Given the current life sciences market, it is unlikely that the City will begin collecting linkage fees before 2030.

In the second category—funds controlled by outside entities—are the following programs:

- Executive Office of Housing and Livable Communities (EOHLC) funding. At least once each year, EOHLC announces funding of proposed affordable housing projects after a statewide competition. EOHLC funding decisions usually include allocation of federal and state tax credits, grants, subsidies, and loans. This is the largest single source of affordable housing resources in the state—and the most competitive. EOHLC last awarded affordable housing money to a Watertown project in 2013.⁴⁴

⁴³ There currently are \$2.538 million in reserves for the open space and historic preservation categories. The \$7.5 million in commitments to the Willow Park and 103 Nichols Avenue projects have "depleted" the existing 10% reserve for community housing.

⁴⁴ Metro West Collaborative Development was awarded \$1.6 million in DHCD housing subsidies and \$153,243 in federal Low Income Housing Tax Credits to preserve 25 units of affordable housing at Saint Joseph Hall. As previously noted, the Willow Park project was invited to apply in the 2026 state funding round.

- EOHLC award of federal CDBG money. While most CDBG funds go directly to certain “entitlement” communities—Watertown is not one of them—the state makes awards to other communities through a competitive round each year.
- “Pooled” federal HOME monies. The WestMetro Consortium pools a certain amount of its HOME monies each year and awards this sum to a non-profit developer proposing a project within the 13 Consortium communities. The pooled monies are generally under \$500,000.⁴⁵

D. Natural and Physical Constraints

For the purposes of this Housing Plan, protected open space and natural resources such as wetlands, surface water, and endangered species habitats may be considered as constraints to potential residential development, and will be discussed as such, since their presence on a parcel may render that portion of the property unbuildable, or may require mitigation measures.

1. Wetlands and Floodplains

Wetlands provide floodwater retention, groundwater recharge and wildlife habitat. However, these areas also constrain housing and other development because development activity that occurs in a Wetland Resource Area is subject to state and City wetlands protection requirements. They often cannot be developed, or significant portions cannot.

According to MassGIS data, there are 87 acres of wetlands in Watertown. The majority are the channel of the Charles River and adjacent land, particularly an unnamed island at Charles River Road and Beacon Street, and another area on the border with Boston at the North Beacon Street Bridge. Additional wetland pockets were identified in other locations near Walker Pond (city-owned) on the western edge of the city between Waltham Road and Pleasant Street, and Sawins and Williams Ponds (both privately-owned) in east Watertown at Arlington Street and Coolidge Avenue. Given the limited wetland areas that are privately-

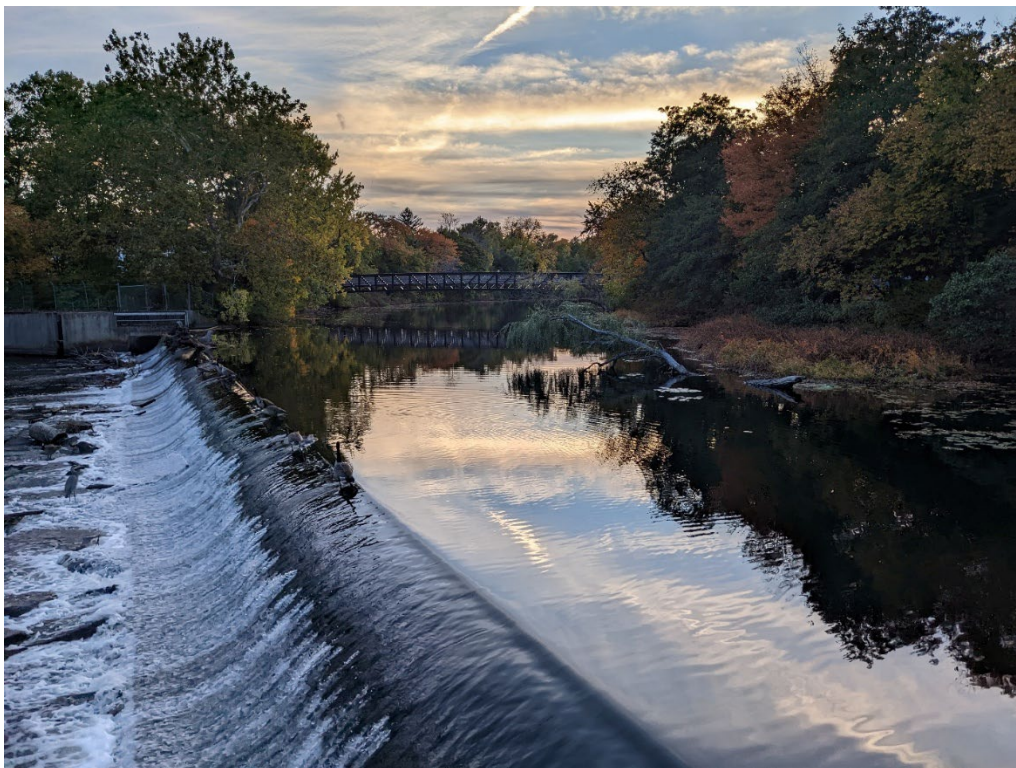
⁴⁵ A Watertown project last received a consolidated pool award in 2022, when the WestMetro HOME Consortium awarded \$224,000 for the St Joseph Hall elevator replacement.

owned within Watertown, they do not act as a significant constraint to residential development.

2. Floodplains and Inland Flooding

Several areas along Watertown's southern border with the Charles River pose 100-year flood hazards. The majority of floodplain affected land is found west of the Watertown Dam with four multi-acre areas between Bacon Street and Paramount Place. The site of the Stop & Shop at the western end of Pleasant Street also includes approximately 11 acres within the 100-year floodplain. East of the Watertown Dam, the 100-year floodplain does not extend beyond the banks of the Charles River with the exception of a section of Greenough Boulevard north of Arsenal Street.

As climate change becomes more severe, Watertown is at risk of increased inland flooding due to extreme storms. Regional efforts are underway to better understand the locations of inland areas most vulnerable to flooding through advanced modeling. This emerging issue may constrain residential development in certain areas of the city or alter how those developments must be designed in order to safeguard inhabitants from flood impacts.



Charles River Greenway at the

3. Rare and Endangered Species Habitat

Estimated Habitats for Rare Wildlife are regulated under the Massachusetts Wetlands Protection Act, and any developments within the Habitat must be reviewed under the State's Natural Heritage and Endangered Species Program. Although the City has no known endangered or threatened species, it is believed that the City includes five potential vernal pools, including three in the Mt. Auburn Cemetery. However, while the Massachusetts Division of Fisheries and Wildlife has identified these sites as potential vernal pools, they are not confirmed and therefore are not protected under Wetland Protection Act regulations.⁴⁶ Vernal pools, which collect water from rain or seasonal flooding, dry up in the later spring and early summer. They provide essential habitat for several species. It is suspected that there may also be undocumented vernal pools near the ponds in the west end of Watertown. However, given the minimal areas noted, endangered species habitats do not act as a significant constraint to residential development.

4. Municipal Infrastructure

The City of Watertown has an older infrastructure system consisting of approximately 72 miles of roadway, 80 miles of water line, 82 miles of drain line, and 84 miles of sewer line. When development projects come before the City, special attention is paid to the impact of the project on the infrastructure system, and mitigation is implemented where warranted.

Stormwater Management is a critical response that is important to the future success and vitality of the Charles River and is practiced and implemented with current and proposed development of infrastructure projects. Although Watertown relies on the Metropolitan Water Resource Authority (MWRA) for its potable water supply, well water was once plentiful and provided both drinking water and irrigation for agricultural ventures. Artesian springs near Whitney Hill were noted in historic journals and were used for irrigation for pear groves along Orchard Street. Because the City no longer depends on groundwater for its sustenance, systematic ground-water testing has not been conducted. The extent to which groundwater

⁴⁶ City of Watertown, Open Space and Recreation Plan 2023-2030, p.34.

has been affected by land use changes and/or industrial/ residential pollution over the past several centuries is not fully known, but testing at the Arsenal site showed significant contamination in that area.

III. EXISTING WATERTOWN PLANS

Watertown's 2023 Comprehensive Plan essentially incorporated and amplified the 2020 Housing Plan's goals and proposed strategies. In addition, the 2024 Watertown Square Area Plan contained many housing-related recommendations. This section briefly summarizes relevant aspects of those plans.

One of the eight 2023 Comprehensive Plan goals is "5. Facilitate a range of housing types and affordability" (pgs 58-62). Strategy 5A is to "implement the Housing Plan and to regularly revisit and update the plan as needed." The other six strategies (with some sub-strategies highlighted) are:

5B: Focus multifamily housing within walking distance of high-frequency transit stops, major employers and daily services. Actions include creating an MBTA Communities law zoning district and evaluating the city's parking requirements.

5C: Maintain and expand the range of housing types. Actions include exploring an accessory dwelling unit ordinance and ways to promote "missing middle" housing.

5D: Participate in regional and state advocacy efforts to support greater housing production and affordability.

5E: Leverage available resources for affordable housing. Actions include use of Community Preservation Funds and, when available, linkage fees, as well as use of underused or surplus municipal land.

5F: Evaluate regulatory tools for affordability housing. Actions include re-evaluating the inclusionary zoning requirements and considering ways to promote 100% affordable development.

5G: Expand housing that caters to needs of older residents. Actions include encouraging universal design and visibility standards in new development.

The Watertown Square Area Plan process began in fall 2023 and culminated in final adoption in August 2024.⁴⁷ The effort built off Comprehensive Plan recommendations for the Watertown Square area that covered housing, transportation and economic development elements. The most significant housing recommendations in the Watertown Square Area Plan were:

- Using a form-based zoning approach for four new zoning districts (as previously discussed WSQ 1, 2, 3 and NMU) with specific site and building standards;
- Reducing parking minimums and maximums in the new zoning districts;
- Providing incentives for “affordable development” (defined as developments where 50% or more of the units provide for deed-restricted affordability); and
- An overlay zoning district to comply with the MBTA Communities law.

The City Council adopted the Watertown Square zoning recommendations in November 2024.

Perspective View – Mt Auburn St Looking South



IV. Affordable Housing Incentives Study

During the City Council’s review of the proposed Watertown Square rezoning in November 2024, the City said a study of incentives to further promote affordable developments and promote affordability in market rate developments with inclusionary units would be a next step.

The study consultants, the Metropolitan Area Planning Council (MAPC) provided preliminary findings in December 2025 and March 2026, with the final report expected in late April 2026. MAPC’s study included research into examples around the country, the local housing market, interviews with affordable and market rate developers and the Commonwealth’s main funder of affordable housing, a focus group discussion with Planning and Zoning board members, public comments, and testing of particular incentives in financial models for affordable and market rate development.

The study highlighted certain differences between affordable and market rate developments. Affordable developments require strong local funding—and, therefore, city support-- to leverage the state resources needed to close the funding gap. Measures that increase certainty and reduce development costs are often more attractive to affordable developers than additional units (which decrease the cost/unit but increase the funding gap). Affordable developers often have capacity for—and interest in—serving households who need deeper affordability and supportive services. In comparison, market rate developers receive no local funding, find increased density very attractive, and approach affordable households purely from a business perspective.

Based on the preliminary findings presented to the public staff expect the report to discuss possible incentives in the following categories:

- Measures that could be applied city-wide for affordable developments, such as streamlined permitting, waiver of the first floor commercial requirement, waiver of permit fees and a lower base parking ratio.

- Density and further parking reductions on a district-specific basis for affordable and/or market rate developments with more or deeper affordability. Such incentives for affordable developments are already in place for the Watertown Square zoning districts, but are not available to market rate developments or for affordable developments elsewhere in the city.
- Buy-downs to achieve more and/or deeper affordability of inclusionary units, through cash payments negotiated on a case-by-case basis.
- Further property tax relief for affordable units in new affordable and/or market rate developments. Affordable units are already taxed based on their reduced rents.

A full copy of the MAPC report is available here: [to come]



St. Joseph Hall



Watertown Square looking North from 66 Galen Street

V. GOALS AND STRATEGIES

To achieve its housing vision for 2030, Watertown must make it easier for people to find a home and remain here. This plan articulates three broad goals—and identifies multiple strategies to advance those goals. This section also notes certain key assumptions and continuing responsibilities that should be read as context for the enumeration of strategies.

A. Goals

GOAL 1: Increase, deepen affordability of, and preserve deed-restricted affordable housing

We know that over 38% of Watertown households qualify for federal or state housing assistance because their incomes are at or below 80% of area median income. We know that a high percentage of those residents are struggling with their housing costs. Housing needs are particularly acute for those households that are “very low income” or “extremely low income,” and those with particular housing needs like seniors and individuals with disabilities. Goal 1 is for the City to address these needs by increasing, deepening the affordability of, and preserving deed-restricted affordable housing.

GOAL 2: Encourage the private market to create a variety of housing types at different price points

Deed-restricted affordable housing, though critical, cannot solve the affordability crisis that cuts across income levels alone. The private market plays the central role in increasing housing supply. We know there is a need for a wide variety of housing types and at different price points that has been historically limited by restrictive zoning practices. Goal 2 focuses on encouraging the private market to provide that full range of housing.

GOAL 3: Continue to build a welcoming community for all, creating housing opportunities for both residents and those who want to move to Watertown

Watertown is, and must continue to be, a welcoming community for all. Continuing to uphold fair housing principles is critical to Watertown’s identity. Goal 3 is about creating

housing opportunities so that both current and future residents can find the homes that allow them to grow and retain roots in our community.

B. Key assumptions and relationships

The Trust and city staff operate with certain assumptions and relationships that are key to achieving the Plan's goals. While not separately identified as "strategies," it is useful to articulate them. They include the following:

1. Prioritizing opportunities for Transit-Oriented Development (TOD), as TOD locations are good for tenants and homeowners and serve the City's Climate Plan goals.
2. Promoting consistency between housing development and the City's Comprehensive Plan and Climate Plan
3. Using local resources (land and/or funding) is a key lever to obtain substantial federal and state affordable housing awards.
4. Partnering with affordable housing developers on specific projects and other shared initiatives.
5. Building a strong working relationship between the Affordable Housing Trust and the Community Preservation Committee is important to achieving the City's goals for the production and preservation of affordable housing

C. On-going responsibilities related to housing

The Trust and/or city staff have ongoing regulatory and planning responsibilities related to housing, apart from strategies intended to encourage new housing development. These include the following:

1. Ensuring that proposed developments comply with the city's inclusionary zoning requirements; this includes review of affordable housing plans, Trust recommendations to the permit-granting authority, and obtaining state approval of the inclusionary units.
2. Monitoring affordable housing stock placed on the Subsidized Housing Inventory.
3. Tracking affordable units that have expiring deed-restrictions.

4. Collecting data on affordable housing lotteries, including demographic information that sheds light on the impact of local preference, and periodically re-evaluating local preference policy.
5. Re-evaluating the City's linkage fee policy on a periodic basis.
6. Participating in the WestMetro HOME Consortium, including submission of annual action plans, annual CAPER report, and five-year plans and analysis of fair housing impediments studies.
7. Participating in MAPC's Metro Mayors Housing Task Force, including submission of building permit data and participation in working groups.

D. Strategies

The goals and strategies identified in this plan are for the City as a whole though, because of their expertise and position, many of them will be implemented by the Trust and DCDP staff. Many of the following strategies refer to the Trust when they are to be the lead actor, understanding that they will frequently require cooperation between multiple parties. The Implementation Plan includes a more detailed identification of responsible parties.

STRATEGY 1: Identify potential affordable housing sites and work with developers on projects

1A: Continue current efforts to identify sites through locational metrics and preliminary assessments by on-call professionals, and through encouraging affordable developers to work in Watertown

Over the last three years, the Trust's highest priority has been identifying sites for affordable development. The Trust will continue to use the following methods to find such sites:

- Periodically assessing parcel suitability through locational metrics, such as lot size, zoning, existing uses, and proximity to transit, jobs and daily services;

- Making it known to affordable developers that the City is keen to work with any party with a suitable site and encouraging them to look for Watertown sites;
- Reaching out to property owners of suitable sites to determine their willingness to discuss sale to an affordable developer; and
- Using on-call architectural and/or environmental firms to evaluate particular sites.

1B: Explore additional methods to find suitable sites, such as using a real estate agent, and/or publicly highlighting the site search

The Trust will consider other methods to identify affordable housing sites. These include retaining a “buyer’s agent” to assist in the search and making the Trust’s interest known more generally to property owners and the public.

1C: In considering opportunities for new affordable housing, consider the need for units that serve a range of households, but with particular focus on households with children and with seniors on a fixed income

Watertown needs affordable housing for a range of households. Two significant demographic groups that require particular focus are households with children because of the need for more bedrooms (see Strategy 6C) and households with seniors on a fixed income since senior-oriented developments offer peers and needed services (see Strategy 6A).

STRATEGY 2: Promote the use of public land for affordable housing development

2A: Consider locating an affordable housing development on the City’s 148 Waltham Street site

The City’s ownership of the 148 Waltham Street parcel offers the potential to include an affordable development. The lot is large enough to accommodate more than one use. One combination that would work well is a new senior center and an affordable development geared to seniors. The City is currently studying multiple sites for a future senior center.

2B: Work with the MBTA to consider affordable housing as a significant component of development on its Watertown Yard site

The MBTA and the City have discussed potential redevelopment options for the Watertown Yard for many years. The site is large enough to accommodate both the MBTA's future transit needs and other uses. The site offers excellent proximity to public transit, jobs and daily services. Using part of the site for an affordable development as defined in the Watertown Square zoning (i.e., 50% or more are affordable units) should be strongly encouraged.

2C: Consider including a significant affordable housing component on the City's parking lots in Watertown Square

The Watertown Square Area Plan recommended using the parking lots immediately behind the municipal buildings on Main Street (and several commercial buildings just east of the complex). The site would be an excellent location for an affordable development as defined in the Watertown Square zoning (i.e., 50% or more are affordable units). However, any redevelopment here will require structured parking and other infrastructure; this significant cost will require leveraging the site's private development value. As the City continues to plan for redevelopment, opportunities to include affordable housing should be considered.

STRATEGY 3: Support the Watertown Housing Authority and others in the effort to rehabilitate public housing inventory and create new units on its existing land.

3A: Assist the Watertown Housing Authority in evaluating the potential for redevelopment and expansion at sites of existing properties

The Trust should assist the WHA in evaluating the opportunities for redevelopment and/or modernization of its sites. The Trust can assist in evaluating the funding opportunities necessary for such projects.

3B: Continue to support the proposed Willow Park redevelopment project.

The Willow Park redevelopment project is the City's most significant affordable housing development in decades. The City has supported the WHA and POAH through approval of a Chapter 40B comprehensive permit in May 2025 and significant local funding commitments (\$6M in CPA funds and \$400,000 from the Trust). The City must continue to support the project as it seeks state funding and navigates the present mortgage interest and construction environment, which is challenging for all developers.

3C: Consider financial assistance for other WHA redevelopment and/or modernization projects

As the WHA proposes redevelopment and/or modernization of its sites, the Trust should consider financial assistance that it can provide. The proposed 103 Nichols Avenue group home (which received a commitment for financial support in 2025) is one such site.

STRATEGY 4: Consider adoption of the measures discussed in the final affordable incentives study report

[Sub-strategies to be added]

STRATEGY 5: Increase the City's capacity to implement the strategies listed in the Plan**5A:** Employ a full-time housing planner within three years

The City's planning staff has historically been lean. There has never been a full-time housing planner. As the City continues to grow its planning department to an appropriate level, it is important that such a position be created. Ideally, the position will emerge over the next three years as hiring in other areas allows one planner to focus on the housing work.

5B: Continue to include \$250,000 in the annual budget for the affordable housing trust as a bridge to the availability of linkage fees

Over the last three years, the City budget has included a \$250,000 allocation for affordable housing. This annual allocation has been important for the Trust's ability to act on

affordable housing opportunities. This annual allocation should continue, at least until the Trust begins to collect linkage fees.

5C: Consider participating in a regional housing program that would monitor inclusionary zoning units and review requested rent increases for the city

The City's housing planner monitors affordable units created by the inclusionary zoning ordinance or through public funding of affordable units (excluding housing authority units). A recent MAPC "Metro Mayor's" working group suggested the potential for a third-party monitoring such units on a regional basis. Consolidating the monitoring function would be more efficient and provide more uniformity. This idea should be considered by the City if there is interest elsewhere in the region.

5D: Increase collaboration between the Affordable Housing Trust and Community Preservation Committee, while recognizing each body's particular statutory goals and process

The Trust and the CPC overlap in their role of funding affordable housing projects. Both can fund new affordable development. The CPC, however, is more limited than the Trust in its ability to fund rehabilitation of existing projects. The Trust and CPC have informally coordinated over the last three years and held a joint meeting to hear a presentation on the Willow Park redevelopment project. There are opportunities for the two bodies to collaborate more formally, e.g., through joint application forms, and these should be explored. The Trust should also consider seeking CPA funds for a site control and pre-development reserve to facilitate strong funding applications to the CPC.

STRATEGY 6: Promote the production and preservation of housing types that meet the needs of underserved populations

6A: Encourage affordable developments that include supportive services for seniors and individuals with disabilities

Given the Trust's role in nurturing affordable developments, it should recognize and act on the opportunity to match developers who provide robust supportive services with suitable sites.

6B: Address the needs of individuals with disabilities by creating (or encouraging higher, as appropriate) universal design and visitability minimum standards for large residential development projects, possibly through the city's design guidelines and/or peer review, in coordination with the Council on Disability (COD)

Large residential developments need to comply with federal and state requirements that provide accessibility. The City should consider ways to encourage developments to do more; this would benefit both seniors and individuals with disabilities. Non-binding design guidelines would lay out specific criteria that could inform decisions by the development team early in the process. Use of a peer review and/or coordination with COD throughout the permitting process would allow for case-by-case project evaluation by a third-party expert in the field.

6C: Encourage the creation of more 3+ bedroom units in both affordable and market rate developments to meet the needs of larger family households

There continues to be a need for more 3+ bedroom units in Watertown and throughout the Greater Boston region. The mix of units should continue to be a significant factor in the funding of affordable developments and, where appropriate, the permitting of market rate developments.

6D: Consider a program to support capital improvements that preserve the viability of older housing stock for households not in deed-restricted affordable housing

Watertown's older housing stock often serves owners and renters who cannot afford the cost of newer units. This older housing stock, however, requires capital improvements to maintain its habitability and the cost of those improvements can affect its continued affordability. The City should consider whether targeted assistance is a feasible approach to addressing this issue.

STRATEGY 7: As part of the City's upcoming general zoning review, evaluate the impact of current zoning and parking requirements on residential development and the effectiveness of existing inclusionary zoning policy to address the need for deeper affordability

7A: Consider changes in current zoning and parking requirements if needed to further housing production in zoning districts where that is consistent with the Comprehensive Plan

The City is planning to undertake a general zoning review. As was the case with Watertown Square, this review should include a major focus on how the current zoning and parking requirements affect housing production.

7B: Evaluate existing inclusionary zoning policy in light of the growing need for deeper affordability

The City's inclusionary zoning policy has been highly effective in creating units that are affordable for a certain band of household incomes. These units, however, do not serve those with incomes much lower than 65% AMI. The City should evaluate whether the need for deeper affordability can be addressed without risking future housing production.

STRATEGY 8: Anticipate and potentially help meet the need for capital improvements and/or major recapitalizations in existing affordable housing developments

8A: Regularly discuss capital needs and funding sources with Watertown's existing affordable housing providers

Affordable developments inherently operate with tight margins and may require additional funding to address capital needs as the structures and units age. The City should take a proactive role in discussing these issues with affordable housing providers.

8B: Plan for potential use of HOME funds (WestMetro consolidated pool and/or Watertown allocation) to minimize the need for emergency funding for critical repairs

Virtually all of Watertown's existing affordable housing developments include HOME-assisted units. Capital repairs and improvements on existing developments are not eligible for CPA funds. However, while use of HOME funding for these repairs and

improvements therefore makes sense, the HOME approval process is lengthy and is best suited for planned, rather than emergency, needs.

STRATEGY 9: Promote fair housing

9A: Continue to fund fair housing testing programs and publicize results

The Trust used the City's HOME administrative funds to support the WestMetro HOME Consortium's fair housing testing program, which resulted in a February 2025 report documenting discriminatory conduct. The Trust has approved a further round of testing in 2026. Deterrence-- through testing, referring violations to state agencies, and publicizing results—is one of the best ways to combat housing discrimination. The City should continue using these tools.

9B: Continue to work with the Human Rights Commission to offer education to owners, property managers, real estate agents, tenants and the public on fair housing

The Trust and Human Rights Commission worked together to hold training sessions on fair housing during fall 2025. The two bodies should continue to collaborate on educational programs on fair housing.

9C: Work with local brokers to promote acceptance of housing vouchers

The City should explore collaboration with local real estate agents on fair housing issues. One potential area of collaboration is promoting acceptance of housing vouchers by their clients. Agents can use their access to individual clients to educate them on fair housing law and to address perceived issues in renting to voucher holders.

STRATEGY 10: Help educate cost-burdened tenants and homeowners about available housing resources

10A: Increase and periodically update housing resources identified on the city's website.

The City's website should provide robust information on housing resources. Staff should develop the content, ensure that it stays up to date, and should publicize its availability.

Online content (as well as the educational assistance discussed in Strategy 10B) should be more available to households with limited English language proficiency.

10B: Consider ways for the community development and human services departments to work together in providing housing-related educational assistance to income-qualified tenants and homeowners.

In addition to online housing resources, the City should provide housing-related educational assistance to income-qualified tenants and homeowners. Given the City's limited capacity to provide individual counseling, the community development and human services departments should consider ways to provide assistance through educational programs. Such education should include current information about potential subsidy sources and how to apply for them.

STRATEGY 11: Adopt an accessory dwelling unit ordinance.

The City has adopted "interim" accessory dwelling unit language in November 2024 and has been seeing its first permitted ADUs since the 1990s. Comprehensive language that complies with state law and fits particular circumstances in Watertown is necessary. Watertown should have ADU rules that are easy for owners to use and for the city to administer.

STRATEGY 12: Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024

The City's new Watertown Square zoning (including the by-right overlay) is likely to have a substantial effect on housing production in the next few years. The City should conduct an in-house evaluation of the zoning's impact and, if necessary, consider amendments. Given the time needed to advance individual projects, evaluation during 2029 seems appropriate.

VI. IMPLEMENTATION PLAN

The time frame used in the below implementation plan refers to when the strategy should be implemented. Strategies targeted for the next 1-3 years are “Near-Term,” while those targeted for the next 2-4 years are “Mid-Term” and for the next 3-5 years are “Long-Term.” “Ongoing” refers to continuing a strategy already being pursued.

Housing Implementation Plan, 2026-2030

Strategy	Responsible Entities	Time Frame	Page #
STRATEGY 1: Identify potential affordable housing sites and work with developers on projects			
STRATEGY 1A: Continue current efforts to identify sites through locational metrics and preliminary assessments by on-call professionals, and through encouraging affordable developers to work in Watertown	Department of Community Development & Planning, Affordable Housing Trust	Ongoing	p. 54
STRATEGY 1B: Explore additional methods to find suitable sites, such as using a real estate agent, and/or publicly highlighting the site search	Department of Community Development & Planning, Affordable Housing Trust	Near Term	p. 55
STRATEGY 1C: In considering opportunities for new affordable housing, consider the need for units that serve a range of households, but with particular focus on households with children and with seniors on a fixed income	Department of Community Development & Planning, Affordable Housing Trust	Near Term	p. 55

STRATEGY 2: Promote the use of public land for affordable housing development**STRATEGY 2A:** Consider locating an affordable housing development on the City's 148 Waltham Street site

Department of Community Development & Planning, Affordable Housing Trust, Community Preservation Committee, City Manager, City Council

Mid-Term

p. 55

STRATEGY 2B: Work with the MBTA to consider affordable housing as a significant component of development on its Watertown Yard site

Department of Community Development & Planning, Affordable Housing Trust, MBTA

Long-term

p. 56

STRATEGY 2C: Consider including a significant affordable housing component on the City's parking lots in Watertown Square

Department of Community Development & Planning, Affordable Housing Trust, City Manager, City Council

Long-term

p. 56

STRATEGY 3: Support the Watertown Housing Authority and others in the effort to rehabilitate public housing inventory and create new units on its existing land.**STRATEGY 3A:** Assist the Watertown Housing Authority in evaluating the potential for redevelopment of existing properties

Department of Community Development & Planning, Affordable Housing Trust

Mid- to Long-Term

p. 56

STRATEGY 3B: Continue to support the proposed Willow Park redevelopment project

Department of Community Development & Planning, Affordable Housing Trust

Near-Term

p. 57

STRATEGY 3C: Consider financial assistance for other WHA redevelopment and/or modernization projects

Department of Community Development & Planning, Affordable Housing Trust, Community Preservation Committee

Ongoing

p. 57

STRATEGY 4: Consider adoption of the measures discussed in the final affordable incentives study report

p.

STRATEGY 5: Increase the City's capacity to implement the strategies listed in the Plan			
STRATEGY 5A: Employ a full-time housing planner within three years	Department of Community Development & Planning, City Manager, City Council	Mid-Term	p. 57
STRATEGY 5B: Continue to include \$250,000 in the annual budget for the affordable housing trust as a bridge to the linkage fees	Department of Community Development & Planning, City Manager, City Council	Ongoing	p. 57
STRATEGY 5C: Consider participating in a regional housing program that would monitor inclusionary zoning units and review requested rent increases for the city	Department of Community Development & Planning, Affordable Housing Trust	Mid-Term	p. 58
STRATEGY 5D: Increase collaboration between the Affordable Housing Trust and Community Preservation Committee, while recognizing each body's particular statutory goals and process	Affordable Housing Trust, Community Preservation Committee	Near-Term	p. 58
STRATEGY 6: Promote the production and preservation of housing types that meet the needs of underserved populations			
STRATEGY 6A: Encourage affordable developments that include supportive services for seniors and individuals with disabilities	Department of Community Development & Planning, Affordable Housing Trust, Commission on Disability	Ongoing	p. 58
STRATEGY 6B: Address the needs of individuals with disabilities by creating (or encouraging higher, as appropriate) universal design and visitability minimum standards for large residential development projects, possibly through the city's design guidelines and/or peer review	Department of Community Development & Planning, Affordable Housing Trust, Commission on Disability, Council on Aging, Department of Human Services, Planning Board, Zoning Board of Appeals	Mid-Term	p. 59

STRATEGY 6C: Encourage the creation of more 3+ bedroom units in both affordable and market rate developments to meet the needs of larger family households	Department of Community Development & Planning, Affordable Housing Trust, Planning Board, Zoning Board of Appeals	On-going	p. 59
STRATEGY 6D: Consider a program to support capital improvements that preserve the viability of older housing stock for households not in deed-restricted affordable housing	Department of Community Development & Planning, Affordable Housing Trust	Mid-term	p. 59
STRATEGY 7: As part of the City's upcoming general zoning review, evaluate the impact of current zoning and parking requirements on residential development and consider amendments, as needed			
STRATEGY 7A: Consider changes in current zoning and parking requirements if needed to further housing production in zoning districts where that is consistent with the Comprehensive Plan	Department of Community Development & Planning, Affordable Housing Trust, Planning Board, City Council	Near-Term	p. 60
STRATEGY 7B: Evaluate existing inclusionary zoning policy in light of the growing need for deeper affordability	Community Development & Planning Department, Affordable Housing Trust, Planning Board, City Council	Near-term	p. 60
STRATEGY 8: Anticipate and potentially help meet the need for capital improvements and/or major recapitalizations in existing affordable housing developments			
STRATEGY 8A: Regularly discuss capital needs and funding sources with Watertown's existing affordable housing providers	Department of Community Development & Planning, Affordable Housing Trust	Ongoing	p. 60
STRATEGY 8B: Plan for potential use of HOME funds (WestMetro consolidated pool and/or Watertown allocation) to minimize the need for emergency funding for critical repairs	Department of Community Development & Planning, Affordable Housing Trust	Near-Term	p. 60

STRATEGY 9: Promote fair housing			
STRATEGY 9A: Continue to fund fair housing testing programs and publicize results	Department of Community Development & Planning, Affordable Housing Trust	Near-Term	p. 61
STRATEGY 9B: Continue to work with the Human Rights Commission to offer education to owners, property managers, real estate agents, tenants and the public on fair housing	Department of Community Development & Planning, Affordable Housing Trust, Human Rights Commission	Ongoing	p. 61
STRATEGY 9C: Work with local brokers to promote acceptance of housing vouchers	Community Development & Planning Department, Affordable Housing Trust	Ongoing	p. 61
STRATEGY 10: Help educate cost-burdened tenants and homeowners about available housing resources			
STRATEGY 10A: Increase and periodically update housing resources identified on the city's website	Department of Community Development & Planning, Human Services Department, Affordable Housing Trust	Near-Term then Ongoing	p. 61
STRATEGY 10B: Consider ways for the community development and human services departments to work together in providing educational assistance to income-qualified tenants and homeowners.	Community Development & Planning Department, Human Services Department, Affordable Housing Trust	Near-Term	p. 62
STRATEGY 11: Adopt an accessory dwelling unit ordinance.			
Adopt an accessory dwelling unit ordinance.	Department of Community Development & Planning, Affordable Housing Trust, Planning Board, City Council	Near-Term	p. 62
STRATEGY 12: Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024			
Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024	Department of Community Development & Planning, Affordable Housing Trust	Long-Term	p. 62

APPENDIX A: GLOSSARY OF TERMS

Below is a short list of key terms used in the Housing Plan. Underlined items are terms defined elsewhere in this glossary.

Affordable Housing – Housing targeted to and affordable by households that meet specific income eligibility levels, with a legally-enforceable restriction limiting occupancy to households meeting eligibility requirements. Affordable housing varies by program on such elements as what incomes are eligible, the length of the restriction, and whether the units are owned or rented. “Affordable housing” does not refer to the design, type, or method of construction of a housing unit or development, but to the cost of the housing to the consumer.

American Community Survey or ACS—Since the U.S. Census counts population (and certain other information) only once every ten years, the Census Bureau is continually surveying to provide more timely and comprehensive data. This national program is called the American Community Survey or ACS. Because it is survey, not a count, all ACS data is an estimate with a margin of error. ACS data is released yearly. However, many estimates on a municipal level use multi-year data to increase the sample size and lower the margin of error. This report uses ACS estimates for five-year period covering the years 2020 through 2024. 5-year estimates are released annually.

Area Median Income or AMI – HUD annually publishes area median income limits for local areas, and these are used for eligibility in most housing programs. HUD estimates the median family income for an area for a family of four then adjusts that figure for household size.

Affordable Housing Restriction - There are many forms of restrictions, but they must contain some language to document the income levels of the resident selection, the rent/sale price methodology, the supervising entity and identify on-going compliance requirements. The restrictions are recorded at the registry of deeds. The phrase “deed-restricted” is a shorthand for affordable housing restrictions recorded at the registry of deeds.

Chapter 40B – Massachusetts General Law Chapter 40B was enacted in 1969 to address the shortage of affordable housing statewide by eliminating barriers created by local zoning and approval processes. There are two statutory metrics for complying with Chapter 40B. One is having 10% of the community’s year-round housing stock on the state’s Subsidized Housing Inventory (SHI); units qualify for inclusion if they have a long-term Affordable Housing Restriction that limits occupancy to households at or below 80% of Area Median Income. The other metric is having 1.5% of the community’s land area occupied by units on the SHI. If a community has yet to comply with Chapter 40B and at least 20-25% of the units in a permit application have a long-term affordability restriction, *Chapter 40B* substantially limits the ability of the Board of Appeals to reject or condition the project.

Community Development Block Grants or CDBG-- The Community Development Block Grant (CDBG) Program was created by Congress in 1974 to provide annual grants on a formula basis to states, cities, and counties for housing and community development purposes, principally for low- and moderate-income persons. Certain communities, based on economic indicia, are “entitlement” or “mini-entitlement” communities that receive annual grants. Watertown is neither and must compete with other non-entitlement communities whenever the state advertises a funding opportunity.

Cost Burden – The percentage of household income spent on mortgage costs or gross rent. According to HUD, households spending more than 30% of income on housing costs are considered “cost-burdened,” while those spending more than 50% are “severely cost-burdened.”

Community Preservation Act or CPA – The Community Preservation Act (MGL Ch. 44B) helps communities preserve open space (passive or active), historic resources, and create affordable housing by creating a dedicated funding stream. A minimum of 10% of the annual fund revenues must be reserved for each of the three categories, while the remaining 70% may be allocated to any one of, or any combination of, the allowed uses. Watertown adopted CPA in 2016. Housing units created with CPA funds must be available to households under 100% AMI, and must be deed-restricted.

Comprehensive Housing Affordability Strategy Data or CHAS—Since income data is critical to HUD’s work, the agency obtains a special product from the Census that focuses on the housing needs of lower income households. This product is called Comprehensive Housing Affordability Strategy Data or CHAS. The CHAS provides data about the housing cost burden and other housing problems experienced by different subpopulations.

Executive Office of Housing and Livable Communities or EOHLC – The state agency responsible for promulgating housing regulations, overseeing completed developments and units, and offering programs and funding targeted at income eligible households. EOHLC was formerly a sub-cabinet agency known as the Department of Housing and Community Development (DHCD).

HOME Program – Administered by HUD, the HOME Investment Partnerships Program is the largest Federal block grant to State and local communities used to fund the construction, purchase, and/or rehabilitation of affordable housing units, or direct rental assistance to low-income households. Watertown is one of 13 communities that participate in the HOME program through its membership in the WestMetro HOME Consortium.

HUD – The United States Department of Housing and Urban Development’s (HUD) mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination.

Inclusionary zoning—Many communities, including Watertown, require that new developments above a certain size (typically measured by the number of units) include a certain percentage of Affordable Housing units. Each community designs its own inclusionary zoning requirements and they differ by such elements as the percentage required, the threshold that triggers inclusionary units, the income levels and whether the developer is required to include the units on-site or may pay into a municipal fund to produce units elsewhere.

Income Eligibility Levels / Limits – Various programs use different income levels, or limits, to both qualify the household and to set the rent/sales price, usually tied to some percentage of AMI, adjusted for family size. The most important classifications relating to income limits are 30% AMI, 50% AMI, and 80% AMI. Because HUD “adjusts” the income limits based on a number of factors, the AMI percentages cannot reliably be calculated from 100% AMI.

Local Preference - Local Preference is the term used to denote a local selection preference when offering housing to applicants (typically when a lottery is needed to select between income-eligible applicants). This can be for either rental or ownership housing and for either initial housing lotteries or waiting lists. Local preference must be approved by the state agency subsidizing the project.

Municipal affordable housing trust—State law (M.G.L. Chapter 44, Section 55C) authorizes municipalities to form a municipal affordable housing trust to create and preserve housing for low- and moderate-income households. The trust is governed by a board of trustees appointed by the municipality and is a municipal agency (e.g., it is tax exempt, is subject to public procurement laws, and its trustees are special municipal employees).

Subsidized Housing Inventory or SHI – The Subsidized Housing Inventory (SHI) is the official measure of a community’s stock of low-or moderate-income housing for the purposes of Chapter 40B. While housing developed under Chapter 40B is eligible for inclusion on the SHI, many other types of housing also may qualify to count toward a community’s affordable housing stock.

APPENDIX B: HUD INCOME LIMITS

Below is a chart showing the income limits used by the United States Department of Housing and Urban Development (HUD) in Fiscal Year 2025 for the area including Watertown (the Boston-Cambridge-Quincy region). Income limits in each tier are adjusted by HUD and not solely derived from the 100% Area Median Income (AMI) figure. HUD has limits that vary for each household size, not just the four shown below for illustrative purposes.

	One-person	Two-person	Three-person	Four-person
30% AMI	\$26,850	\$30,700	\$34,550	\$38,350
50% AMI	\$44,800	\$51,200	\$57,600	\$63,950
60% AMI	\$53,760	\$61,440	\$69,120	\$76,740
65% AMI	\$58,240	\$66,560	\$74,880	\$83,135
80% AMI	\$67,400	\$77,000	\$86,650	\$96,250
100% AMI	\$83,300	\$95,200	\$107,100	\$119,000

APPENDIX C: SUBSIDIZED HOUSING INVENTORY (WATERTOWN UNITS)

Below is the Watertown portion of the Subsidized Housing Inventory (SHI) used by the Executive Office of Housing and Livable Communities (EOHLC, formerly DHCD) to track subsidized housing units. The SHI does not include units until they receive a certificate of occupancy from the municipality and are approved by EOHLC for inclusion. This document therefore does not include a number of units currently under construction or with temporary certificates of occupancy, including, respectively, 142 units at 104 Main Street and 36 units at 101 Morse Street.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY							
Watertown							
DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
3276	100 Warren St	100 Warren Street	Rental	50	Perp	No	HUD
3277	Lexington Gardens	Lexington/Garden/Quimby	Rental	168	Perp	No	DHCD
3278	Willow Park	Willow Park	Rental	60	Perp	No	DHCD
3279	100 Warren St State Building	100 Warren Street	Rental	72	Perp	No	DHCD
3280	McSherry Gardens	Quirk/Forest/Waverly	Rental	40	Perp	No	DHCD
3281	Woodland Towers	Waverly Ave.	Rental	164	Perp	No	DHCD
3282	n/a	Union St.	Rental	7	Perp	Yes	DHCD
3283	n/a	Green St.	Rental	16	Perp	Yes	DHCD
3284	n/a	scattered sites	Rental	10	Perp	No	DHCD
3285	n/a	Siena Village	Rental	2	Perp	No	DHCD
3286	Arsenal Apartments	465 Arsenal Street	Rental	156	2033*	No	MassHousing
3287	Beaverbrook STEP	16 Irving St.	Rental	14	2021	No	HUD
3290	St. Joseph's Hall	2 Rosary Drive	Rental	25	2054	No	DHCD
3733	Brigham House Assisted Living	341 Mount Auburn Street	Rental	62	2052	No	DHCD
3734	Quimby Street Condominiums	28, 30, 32 and 34 Quimby Street	Ownership	4	2101	No	DHCD
4499	DDS Group Homes	Confidential	Rental	65	N/A	No	DDS
4618	DMH Group Homes	Confidential	Rental	0	N/A	No	DMH

11/20/2019

Watertown
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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY

Watertown

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
4790	First Time Homebuyers	Rutland Avenue	Ownership	1	2092	No	HUD
4791	First Time Homebuyers	Piermont Street	Ownership	1	2092	No	HUD
4792	First Time Homebuyers	Pieroe Street	Ownership	1	2092	No	HUD
4793	First Time Homebuyers	Copeland Street	Ownership	1	2092	No	HUD
4794	First Time Homebuyers	Rutland Street	Ownership	1	2092	No	HUD
4795	First Time Homebuyers	Spring Street	Ownership	1	2092	No	HUD
4796	First Time Homebuyers	Mt. Auburn Street	Ownership	3	2092	No	HUD
4797	First Time Homebuyers	Berkeley Street	Ownership	1	2092	No	HUD
4798	First Time Homebuyers	Hillside Road	Ownership	1	2092	No	HUD
4799	First Time Homebuyers	Pleasant Street	Ownership	1	2092	No	HUD
4800	First Time Homebuyers	Ralph Street	Ownership	1	2092	No	HUD
4802	First Time Homebuyers	Walnut Street	Ownership	1	2092	No	HUD
4803	First Time Homebuyers	Riverside Street	Ownership	1	2092	No	HUD
4804	First Time Homebuyers	Russell Street	Ownership	1	2092	No	HUD
4805	First Time Homebuyers	Berkeley Street	Ownership	1	2092	No	HUD
4807	First Time Homebuyers	Highland Avenue	Ownership	1	2092	No	HUD
7884	Marshall Place Apartments	120 Mt. Auburn St	Rental	11	Perp	NO	HUD
8099	Repton Place	555 Pleasant St	Ownership	28	Perp	NO	DHCD
9548	120 Pleasant Street	120 Pleasant Street	Rental	4	Perp	NO	DHCD

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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY

Watertown

DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
9549	Nally Estates	Waverly Avenue	Rental	2	Perp	NO	DHCD
9557	1060 Belmont	1060 Belmont Street	Rental	18	2041	NO	DHCD
9578	The Coolidge	319 Arlington Street	Rental	38	Perp	NO	DHCD
							HUD
							MasaHousing
							MHP
9838	Alta at the Estate	Waltham Street (aka Woodview Way)	Rental	16	Perp	NO	DHCD
9839	Riverbend on the Charles	270 Pleasant Street	Rental	17	Perp	NO	DHCD
9882	Mill Creek/Watertown Mews	555 Pleasant Street	Rental	32	Perp	NO	DHCD
10277	The Gables	202-204 Arsenal St	Rental	30	Perp	NO	DHCD
10355	River Park Lofts	45 Bacon St/60 Howard St	Rental	7	Perp	NO	DHCD
10356	Elan Union Market	56 Irving St/284 Arsenal St	Rental	35	Perp	NO	DHCD
Watertown Totals				1,171	Census 2010 Year Round Housing Units		15,521
					Percent Subsidized		7.54%

11/20/2019

Watertown
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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

APPENDIX D: INCLUSIONARY ZONING UNITS

Development Name	Address	Total units	Affordable	Approval	Tenure	Notes
Watertown Square Apts	20 Watertown St	134	13	2001	Rental	
Riverbank Lofts	290 Pleasant St	57	7	2004	Ownership	
Repton Place	555 Pleasant St	179	28	2006	Ownership	
Nally Estates	77 Waverly Ave	18	2	2008	Rental	
Riverbend	270 Pleasant St	170	17	2011	Rental	
Charles Bank Residences	120-140 Pleasant St	44	4	2011	Rental	
Mews	555 Pleasant St (3 Repton Cr)	206	32	2012	Rental	
Alta/Bell Properties	10-300 Woodview Way	155	16	2012	Rental	
River Park Lofts	60 Howard St & 45 Bacon St	65	7	2013	Rental	
Gables	204 Arsenal St	296	30	2014	Rental	
Elan	160 Arsenal St	282	35	2015	Rental	
Watermills	330-350 Pleasant St	99	15	2017	Rental	
The Aver	345-385 Pleasant St	58	8	2018	Rental	
The Beacon	101 N. Beacon St	28	4	2019	Ownership	
101 Morse St	101 Morse St	36	6	2019	Rental	
166 Main St	166 Main St	34	5	2020	Rental	
Arsenal Yards	485 Arsenal St	302	45	2017	Rental	Date of Master Plan approval
The Maximillian	53 Pleasant St/104 Main St	142	21	2023	Rental	Under construction
		1,861	295			



Watertown Housing Plan

April 2026

Prepared by:

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Photos in order from left: Blvd & Bond, Housing along Galen Street, and Marshall Place

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EXECUTIVE SUMMARY

As the 2023 Comprehensive Plan observed, Watertown is a dynamic community experiencing “growth and change.” Although the pace of economic development has slowed since the Plan was adopted, it is still true that Watertown will continue to see new jobs, “increasing the demand for housing of all types (including affordable housing).”¹ Watertown’s diversity continues to deepen. Our vision of an “inclusive and sustainable” city requires that we plan for housing that meets the diverse needs of those who live here, and want to live here, so they can contribute to our community

The chief purpose of Watertown’s Housing Plan is to set housing goals for the next five years (2026-2030) and identify specific strategies for achieving them. While this plan focuses on affordable housing--homes with deed-restricted affordability—the City’s policies and programs can make it easier for a wide range of households to live and prosper here. The process of goal-setting first requires an analysis of where housing opportunities in Watertown stand today. Our key findings include:

- Watertown is growing slowly in population and growing significantly in diversity.
- Our population skews more to those in the 25-39 and 55+ age ranges.
- A relatively affluent median household income that masks the significant percentage of lower-income households residing here.
- The majority of our housing stock consists of older single-family and two-family homes, but a significant and growing percentage of homes are in larger apartment buildings.
- Approximately 7.5% of our housing stock consists of deed-restricted affordable housing, primarily public housing units and inclusionary units in market rate buildings.

¹ 2023 Comprehensive Plan, <https://portal.laserfiche.com/Portal/DocView.aspx?id=87541&repo=r-5ece5628>

- Rents and home prices continue to rise, with 39% of our renters and 28% of our owners “cost-burdened,” i.e., spending more than 30% of their income on housing.

The Plan also provides information on residential zoning, recent development trends, funding sources for affordable housing, and constraints. The findings include:

- Watertown has zoned for residential growth in the mixed-use districts along the Arsenal Street and Pleasant Street corridors; since the Great Recession, development in these districts has resulted in over 1,700 units.
- The 2024 zoning amendments created new mixed-use districts in Watertown Square, including a by-right overlay district with a zoning capacity of 3,754 units. The new zoning reduced residential parking requirements and provided incentives for affordable developments. This rezoning has triggered a wave of new residential projects in and around the Square.
- Watertown’s inclusionary zoning requirements have produced almost 300 affordable units.
- The City’s capacity to provide local funding for affordable housing has increased substantially in the last five years. Sources now include Community Preservation Act money, city budget allocations, and the potential for linkage fee collections in the future.
- Watertown is aware of natural and physical constraints that may limit particular projects, but with the potential for continued redevelopment of formerly commercial sites these constraints are not a barrier to achieving our housing goals.

Watertown has made significant progress toward the goals set in the 2020 Housing Plan and the housing goals in the 2015 and 2023 Comprehensive Plans. Many of the related strategies identified in those documents have been fully or partly implemented. Nevertheless, there is more to do, and this Plan proposes the following goals and strategies for the next five years:

GOAL 1: Increase, deepen affordability of, and preserve deed-restricted affordable housing

GOAL 2: Encourage the private market to create a variety of housing types at different price points

GOAL 3: Continue to build a welcoming community for all, creating housing opportunities for both residents and those who want to move to Watertown

◆ **STRATEGY 1: IDENTIFY POTENTIAL AFFORDABLE HOUSING SITES AND WORK WITH DEVELOPERS ON PROJECTS**

1A: Continue current efforts to identify sites through locational metrics and preliminary assessments by on-call professionals, and through encouraging affordable developers to work in Watertown

1B: Explore additional methods to find suitable sites, such as using a real estate agent, and/or publicly highlighting the site search

1C: In considering opportunities for new affordable housing, consider the need for units that serve a range of households, but with particular focus on households with children and with seniors on a fixed income

◆ **STRATEGY 2: Promote the use of public land for affordable housing development**

2A: Consider locating an affordable housing development on the City's 148 Waltham Street site

2B: Work with the MBTA to consider affordable housing as a significant component of development on its Watertown Yard site

2C: Consider including a significant affordable housing component on the City's parking lots in Watertown Square

◆ **STRATEGY 3: Support the Watertown Housing Authority and others in the effort to rehabilitate public housing inventory and create new units on its existing land.**

3B: Continue to support the proposed Willow Park redevelopment project

3C: Consider financial assistance for other WHA redevelopment and/or modernization projects

◆ **STRATEGY 4: Consider adoption of the measures discussed in the final affordable incentives study report**

◆ **STRATEGY 5: Increase the City's capacity to implement the strategies listed in the Plan**

5A: Employ a full-time housing planner within three years

5B: Continue to include \$250,000 in the annual budget for the affordable housing trust as a bridge to the availability of linkage fees

5C: Consider participating in a regional housing program that would monitor inclusionary zoning units and review requested rent increases for the city

5D: Increase collaboration between the Affordable Housing Trust and Community Preservation Committee, while recognizing each body's particular statutory goals and process

◆ **STRATEGY 6: Promote the production and preservation of housing types that meet the needs of underserved populations**

6A: Encourage affordable developments that include supportive services for seniors and individuals with disabilities

6B: Address the needs of individuals with disabilities by creating (or encouraging higher, as appropriate) -universal design and visitability- minimum-standards for large residential development projects, possibly through the city's design guidelines and/or peer review, in coordination with the Council on Disability (COD)

6C: Encourage the creation of more 3+ bedroom units in both affordable and market rate developments to meet the needs of larger family households

6D: Consider a program to support capital improvements that preserve the viability of older housing stock for households not in deed-restricted affordable housing

◆ **STRATEGY 7: As part of the City's upcoming general zoning review, evaluate the impact of current zoning and parking requirements on residential development and consider amendments, as needed the effectiveness of**

existing inclusionary zoning policy to address the need for deeper affordability

7A: Consider changes in current zoning and parking requirements if needed to further housing production in zoning districts where that is consistent with the Comprehensive Plan

7B: Evaluate existing inclusionary zoning policy in light of the growing need for deeper affordability

◆ STRATEGY 8: Anticipate and potentially help meet the need for capital improvements and/or major recapitalizations in existing affordable housing developments

8A: Regularly discuss capital needs and funding sources with Watertown's existing affordable housing providers

8B: Plan for potential use of HOME funds (WestMetro consolidated pool and/or Watertown allocation) to minimize the need for emergency funding for critical repairs

◆ STRATEGY 9: Promote fair housing

9A Continue to fund fair housing testing programs and publicize results

9B Continue to work with the Human Rights Commission to offer education to owners, property managers, real estate agents, tenants and the public on fair housing

9C Work with local brokers to promote acceptance of housing vouchers

◆ STRATEGY 10: Help educate cost-burdened tenants and homeowners about available housing resources

10A: Increase and periodically update housing resources identified on the city's website.

10B: Consider ways for the community development and human services departments to work together in providing housing-related educational assistance to income-qualified tenants and homeowners.

◆ STRATEGY 11: Adopt an accessory dwelling unit ordinance.**◆ STRATEGY 12: Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024**



Watertown City Hall

WATERTOWN HOUSING PLAN

INTRODUCTION

The City of Watertown has a strong track record of producing multifamily housing with robust affordability²—and remains acutely aware that an affordability crisis continues both here and throughout the Greater Boston region. Since adopting the City’s 2020 Housing Plan,³ Watertown has worked diligently to expand capacity to address the affordability crisis. The City now has a municipal housing trust, substantially greater ability to fund affordable development through the Community Preservation Act, and anticipates revenue from linkage fees. In 2024⁴ transformative rezoning was adopted for [the Watertown Square area](#).⁴ For the first time since 2012, Watertown has a major affordable project (Willow Park) in the state’s funding round for affordable rental developments. Nevertheless, there remains a pressing need to create housing affordable for households at varying income levels, particularly low incomes.

In formulating this plan, the Trust considered input provided over the last year, as each section came up for discussion at regular monthly meetings. The Trust also considered comments received after the Housing Plan draft was made publicly available in March 2026.

The plan contains: an assessment of Watertown’s housing needs; a description of its zoning, development trends, funding sources, and constraints; places the current plan in the context

² The term “affordable housing” refers to units targeted to and affordable by households that meet specific income eligibility levels, with a legally-enforceable restriction limiting occupancy to households meeting eligibility requirements. This term—and many others—are defined in the Glossary (Appendix A). Affordability can also be achieved through housing vouchers that allow tenants to cover the gap between their incomes and the rent, or through loans or grants that help eligible households purchase homes.

³ The 2020 Housing Plan, adopted by the City Council in March 2021, was designed to propose a comprehensive housing strategy for the years 2021-2025. As Watertown has met its obligations under Chapter 40B in 2019 through the 1.5% land area threshold, neither that Plan nor this one is a “Housing Production Plan” under Chapter 40B. Watertown’s status under Chapter 40B is discussed further at Section IB3.

⁴ [This rezoning, hereinafter called the “Watertown Square rezoning,” is described at Section IIA5.](#)

of Watertown's 2023 Comprehensive Plan and the 2020 Housing Plan; sets goals and specific strategies; and includes an implementation plan for the next five years.

The audience for the Plan is local officials, housing experts and the full range of Watertown residents. Since affordable housing is a technical field, a glossary of terms is attached as

Appendix A.



E. Joyce Munder Apartments

I. CURRENT HOUSING NEEDS⁵

Watertown's housing needs are shaped by both demographic characteristics (size, age distribution, racial and immigrant profile, and household income distribution) and housing market (existing housing stock, subsidized housing inventory, rent and home price trends, and the affordability of its housing compared with household income). Watertown is also part of a region—Greater Boston—and an inner core of communities just outside the City of Boston. Both Watertown and the Greater Boston region face rising costs and declining affordability, which has only become more pronounced since adoption of the 2020 Housing Plan. [The growing affordability crisis across the region is driven by converging demographic trends \(e.g., smaller household sizes\), lower housing production over decades \(historically hampered by restrictive zoning\), and possibly short-term factors that have increased construction costs and interest rates.](#) ~~The growing affordability crisis across the region is driven largely by increased demand from a growing population of smaller households and a limited supply that has been historically hampered by restrictive zoning.~~

A. Characteristics of the Population and Households

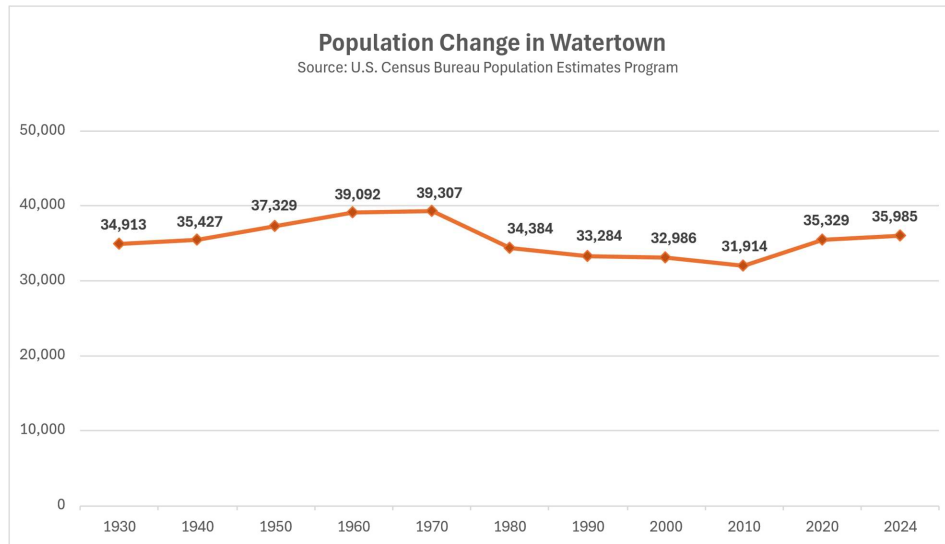
1. Population Growth

Watertown's population peaked in 1970 at about 40,000 residents, then steadily declined over the next decades to 31,915 in 2010. After 2010, the population stabilized and began to increase. In 2020, Watertown's population rose to 35,338, the first period of growth since 1970 and reflecting housing production over the prior decade. American Community Survey (ACS) estimates show that Watertown has continued to grow slowly since 2020, with an estimated population of 35,985 in 2024. (U. S. Census Bureau 2020-2024 American Community Survey (ACS) 5-Year Estimates). The City has already exceeded the Metropolitan-

⁵ The data in this section comes from a variety of federal, state and local sources. The main source is the U.S. Census Bureau's American Community Survey, 5-year estimates (2014-2018). In order for the Census Bureau to provide data between the census years, it samples data on a rolling 5-year basis. Because this is sampling and not a full count, there is both a margin of error and inclusion of data over a 5-year period.

Area Planning Commission (MAPC) population projections for 2035.

Figure 1

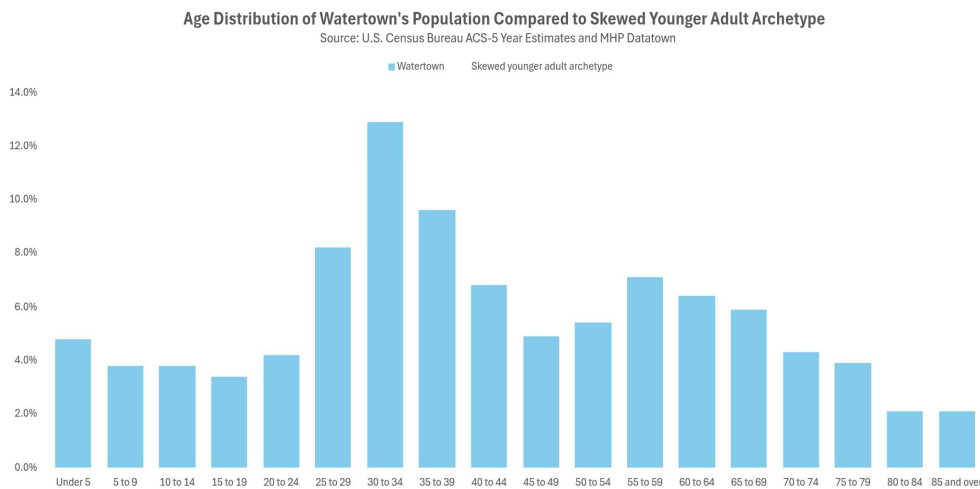


2. Age Distribution of Population and School Enrollment

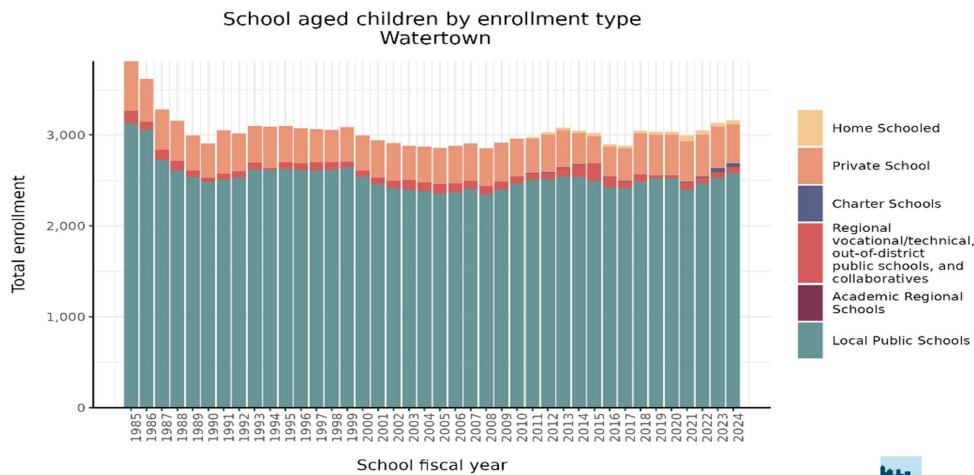
Watertown's population is currently skewed towards adults in the 25-39 and 55+ ranges. There is also a much lower percentage of school-age children than the state average (11 percent of Watertown's population, compared to 17.4 percent statewide). The Massachusetts Housing Partnership (MHP) identifies Watertown's population profile as part of the "skewed younger adult" archetype used by the MHP,⁶ which reflects Watertown's appeal to Millennials looking for a more affordable place to live within Greater Boston's inner core. Approximately 30 percent of Watertown's population is 55 or older, matching the share across Massachusetts. [Watertown is also losing younger adults, as the population](#)

⁶ MHP has identified six population topologies that comprise all Massachusetts towns and cities. (See <https://mhpcenterforhousingdata.shinyapps.io/DataTown/>).

shifts away from younger adults. From 2019-2024, the population of adults over the age of 29 grew as a share of the total population (from 68% to 72%), while the share of children and young adults under 30 has declined. The population shift is being driven by both a growing number of adults over 30, and a decline in children and adults under 30. Since 2019, the population of adults over 30 has grown by about 6%, while the number of residents under 30 has declined 11%.

Figure 2

While Watertown maintains a large share of young adult residents, the rising share of current seniors, and residents who will become seniors in the next 10-15 years means the City must think carefully about how the needs of this growing population are met. As more of the population ages, the City must ensure there are housing options to meet this group's changing needs. This can mean both specific housing targeted specifically to seniors, and housing that meets the needs of a range of users which also benefit seniors, such as smaller housing options, single-story living options, supportive services, and ADA accessible housing.

Figure 3

The age distribution in Watertown is a major factor in the City's stable school enrollment. Most households in Watertown do not include children, and the number of families with children is decreasing. The percentage of family households with children in 2010 was 38.9% and is estimated at 34.7% in 2024. The number of children per household has also declined. Between 2019 and 2024 the number of residents 19 years or younger declined by 5%, driven largely by fewer children under the age of 5.

3. Race, Ethnicity, and National Origin

Consistent with trends experienced across Massachusetts, Watertown is becoming more racially and ethnically diverse. Over the last ten years, the share of Caucasian residents decreased while the share of Asian and Hispanic or Latinx residents increased. Compared to the state overall, Watertown has a much smaller share of African American residents and Hispanic or Latino residents, and a slightly greater share of Asian or Pacific Islander residents. Since the previous Housing Plan, the share of Asian, Black or African American, two or more races, and other populations grew, while the Caucasian and Hispanic or Latino

populations decreased. Watertown is likely to become more diverse overtime, as the children enrolled in the Watertown School District are even more diverse than the population as a whole. In particular, a larger share of school children are Hispanic or Latino (23.7%), and fewer students are white (55%).

Table 1: Race and Ethnicity

	Watertown			Massachusetts		
	2014	2019	2024	2014	2019	2024
Asian or Pacific Islander	7.4%	9.9%	11.7%	5.8%	6.6%	7.3%
Black or African American	3.3%	1.6%	3.8%	7.0%	7.6%	6.8%
White or Caucasian	83.9%	82.8%	71.3%	80%	78.1%	68.6%
Other (including American Indian or Native)	2.6%	3.0%	4.0%	4.1%	4.2%	6.1%
Two or more races	2.8%	2.5%	9.2%	2.9%	3.3%	11.1%
Hispanic or Latino any race ⁷	8.4%	9.2%	6.0%	10.2%	11.8%	13.3%

Source: American Community Survey 5-Year Estimates 2009– 2014, 2015-2019, and 2020 – 2024.

Table 2: Watertown Public Schools Enrollment by Race & Ethnicity School Year 25-26

	Percent of Enrolled Students
American Indian or Alaskan Native	0.1%
Asian	8.4%
Black or African American	3.6%
Hispanic or Latino	23.7%
Multi-Race, Not Hispanic or Latino	9.3%
White	55.0%

Source: Massachusetts Department of Elementary and Secondary Education, Watertown Public School District Profile School Year 2025-2026.

Watertown also has a relatively high and increasing percentage of foreign-born residents. The 2024 ACS estimates that 25.7% of Watertown residents were born in another country and 31.7% speak a language other than English at home. Based on ACS data, about 5.8% of Watertown households are limited in their ability to speak English⁸, double the share in 2019.

⁷ The percentages in this chart will not add up to 100% because the Hispanic/Latino percentages are independent of the preceding percentages.

⁸The U.S. Census Bureau determines a household is limited in their ability to speak English if no household member over the age of 14 speaks English “very well.”

Approximately 2.9% of residents self-identify as speaking English “Not Well,” and 1.1% do not speak English at all. Limited English language proficiency in these households may affect their ability to find suitable housing and access services. (ACS 5-Year Estimates 2020-2024).

4. Individuals with a disability

The Census Bureau reports 11.8% of Watertown households include at least one individual with a disability,⁹ consistent with the state-wide rate (12%). It is important to consider this population while thinking about a community’s housing needs, because people with disabilities often need

housing that is accessible or which includes supportive services. Of Watertown’s population, 6.0% have an ambulatory difficulty, 2.8% have a self-care difficulty, and 5.2% have an independent living difficulty. In addition, such households are more likely to be economically vulnerable. Approximately 22% of Watertown residents with a disability live below the poverty line, compared to 7.5% of the population at large. (ACS 5-Year Estimates 2020–2024).

The percentage of those with a disability steeply increases with age, which suggests that with Watertown’s growing 60+ population, this factor remains important for the City to consider in its housing policy. The growing share of adults over the age of 40 also suggests that the share of older adults will continue to increase over the next decades.

Table 3: Age Distribution of Watertown Residents with a Disability	
Age	Percent of age group with a disability
Under 17	4.8%
18 to 64	7.1%
64 to 74	22.2%
Over 75	50.7%

Source: American Community Survey 5-Year Estimates 2020-2024.

⁹ The most common disabilities are: difficulty with independent living, cognitive, ambulatory, hearing, difficulty with self-care, and vision.

5. Household Income

The median household income in Watertown is estimated at \$126,265, slightly below the median for Middlesex County as a whole (\$130,848) (ACS, 5-year estimates, 2020-2024). Median household income, however, obscures the very real differences between households in Watertown and in our region.

The age of the head of household strongly predicts median income. The median income for households

Table 4: Age and Median Income among Watertown Residents	
Head of Household Age	Household Median Income
15-24 years	\$76,161
65 years and over	\$77,060

Source: American Community Survey 5-Year Estimates 2020– 2024.

headed by persons younger than 25, and older than 65 is almost half the City-wide median.

Race and Ethnicity also impact median income. In Middlesex County, the median household income for Black or African American households is 65% (\$84,945) of the county-wide median (\$130,847), and the median household income for Hispanic or Latino households is 70% (\$91,163). White households have a median income 4.5% higher (\$136,859) than the county median. (ACS 5-Year Estimates 2020-2024).

Living as a female alone with children is a strong predictor of lower median income. The median household income for a single-parent female household is less than one-third the median for all family households (\$61,224 v. \$204,231). Most single-parent households are single female headed, comprising 19.2% (1,692) of Watertown family households.

Finally, as is true in many Massachusetts communities, there is a significant difference between the incomes of renters and homeowners in Watertown. The median income of renter households in Watertown was

Table 5: Household Income Distribution for Watertown Renters	
Household Income	Percent of Households
\$0 -- 24,999	16.0%
\$25,000 -- 49,999	9.0%
\$50,000 -- 74,999	8.8%
\$75,000 -- 99,999	13.9%
\$100,000 --\$149,999	18.1%
\$150,000 +	34.3%

Source: American Community Survey 5-Year Estimates 2020– 2024.

estimated at \$105,360, while the median for owner households was estimated at \$144,712. A significant portion of renter households have very modest incomes. Approximately 25% of these households are estimated to have incomes of less than \$50,000 annually and about 16% have incomes of less than \$25,000.

A significant percentage of Watertown households fall within the income limits used for determining eligibility for affordable housing programs.¹⁰ The income limits used for most federal and state housing assistance programs are as follows:

- Extremely low-income households (ELI) – Earn at or less than 30% of area median income (AMI), adjusted for household size¹¹
- Very low-income households (VLI) –between 30% and 50% of AMI
- Low-income households (LI) –between 50% and 80% of AMI

In addition, households with incomes from 80% to 100% of area median income are considered “Moderate-income households (MI)” and are eligible for community housing that is funded through the Community Preservation Act (CPA). However, units subsidized for households at this income level are not eligible for inclusion on the Subsidized Housing Inventory.¹²

The percentage of households in Watertown earning less than 80% of area median is about 38.1%. An additional 9.6% of households in Watertown qualify for moderate-income housing.

¹⁰ While the starting point for these income limits is area median income data from the U.S. Census, there are many adjustments made by the U.S. Department of Housing and Urban Development (HUD). One cannot use the income distribution discussed earlier to determine the percentage of Watertown households falling into the HUD categories identified here.

¹¹ Income limits differ by household size because that income must cover the costs of more household members as the household grows in size. For example, 30% of AMI for a one-person household is \$34,750 while 30% of AMI for a four-person household is \$49,600 (FY2025 HUD income limits).

¹² The Subsidized Housing Inventory (SHI) is used to determine whether a community has met Chapter 40B’s requirement that 10% of each community’s year-round housing be deed-restricted affordable housing. Chapter 40B is discussed further at Section IIA5.

The share of households eligible for affordable housing in Watertown is significant and similar to surrounding communities¹³ but smaller than the state-wide percentages.

Table 6: Households by Qualifying Housing Income Limits

	ELI Households (<30% AMI)	VLI Households (30-50% AMI)	LI Households (50-80% AMI)	Total ELI, VLI & LI Households	MI (80-100% AMI) Households
Watertown: # of Households	2,085	1,315	2,685	6,085	1,400
Watertown: % of all Households	13.1%	8.2%	16.8%	38.1%	8.7%
Massachusetts: # of Households	444,630	308,665	414,130	1,167,425	269,610
Massachusetts: % of all Households	16.2%	11.2%	15.1%	42.5%	9.8%

Source: 2018-2022, Comprehensive Housing Affordability Strategy Data.

Using a four-person household as the benchmark, an “Extremely Low Income” family is earning at or less than \$49,600 and a “Very Low Income” family is earning \$82,700 (FY2025 HUD income limits). To put these income levels in context, many of the wage earners in households in the “Extremely Low Income” and “Very Low Income” tiers work in healthcare support, food preparation and service, and other major low wage occupations.¹⁴

6. Destination and Origins of Watertown Workers and Residents

2023 U.S. Census Bureau economic data shows that Watertown is a small net generator of employment in the region. Approximately 18,063 workers are employed in Watertown full or part-time, while 18,021 Watertown residents are employed outside the City. Of the 18,067

¹³ The WestMetro HOME Consortium’s Analysis of Impediments to Fair Housing puts the percentage at 31.5% for its 13 communities (including Watertown). <http://www.newtonma.gov/civicax/filebank/documents/107601> (11/24/20).

¹⁴ Healthcare support, which employs almost 200,000 workers in the state, has a mean annual wage of \$44,900. Other major occupations with low wages include food preparation and service at \$42,040; building and grounds/maintenance at \$47,220; personal care and service at \$46,570; transportation at \$40,930; and production at \$51,470. U.S. Bureau of Labor Statistics, May 2024 State Occupational Employment and Wage Estimates for Massachusetts.

people employed in Watertown, 9.5% live and work in the City. The other 90.5% live outside the City, and many are residents of adjacent communities. More than a quarter of all Watertown employees live in Boston, Belmont, Cambridge, Newton, or Waltham. Watertown residents are also mostly employed in or near the City. Approximately 8.7% of Watertown residents are employed full or part time in Watertown, and 55.6% are employed in an adjacent community. The single largest destinations for Watertown commuters are Boston (29.1%), Cambridge (13.3%), and Watertown (8.7%).

The largest industries by employment in Watertown are Professional, Scientific, and Technical Service (4,177), Health Care and Social Assistance (2,293), Retail (2,131), and Educational Services (1,705). Almost 70% of people employed in Watertown earn more than \$3,333 per month (\$39,996+ per year). The largest employing industries for Watertown residents are Professional, Scientific, and Technical Service (3,406), Health Care and Social Assistance (3,179), Educational Services (2,761), and Retail Trade (1,470). Over 72% of employed Watertown residents earn more than \$3,333 per month. (Longitudinal Employer-Household Dynamics Data, 2023).

Figure 4



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics EHD Data 2023

B. Housing Characteristics and Trends

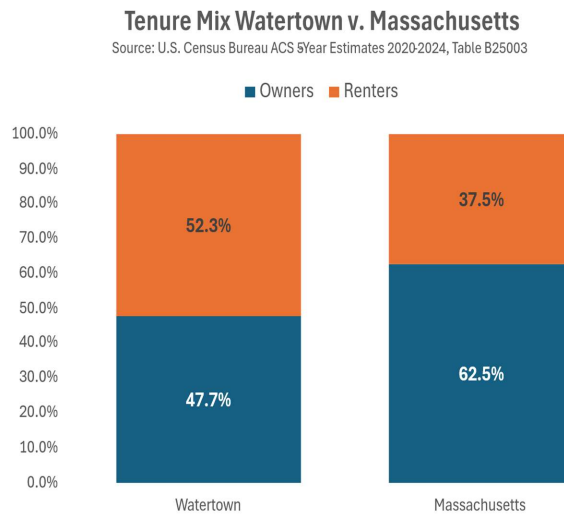
1. Housing Unit Type

Most of Watertown's land area is occupied by one- and two-family homes. Approximately 27.5% (4,724) of the City's housing units are single-family homes,¹⁵ and an additional 34.7% (5,969) are 2-family homes. The housing stock includes a significant percentage of larger apartment and condo buildings. Approximately 7.9% of units (1,366) are in 3-4 unit buildings. The remaining 29.9% (5,147) of units are in buildings with 5 or more units. Many of the larger apartment and condo buildings have been added since the Great Recession, as discussed in Section IIB below.

Just under 53% of the Watertown housing stock is renter-occupied. This is higher than the state average and higher than in the previous Housing Plan (48.4%). The increase in rental households is a common trend over the past decade in Watertown, and across many other Greater Boston communities.

Average household size fell consistently since 2000 and is now estimated at 2.15 persons per household (ACS 5-year Estimates 2020-2024). This is consistent with a similar decline at the state-wide level, though Watertown's average household size remains smaller than the state

Figure 5



¹⁵ The figure for single-family homes includes both single-family detached homes and single-family attached homes, sometimes referred to as townhomes or rowhouses.

average (2.44), and smaller than many surrounding communities.¹⁶ The median family size has also declined over time, though it remains higher than the median household size at 2.8 persons.¹⁷ As suggested by the relatively low median size, a large majority (90.0%) of families with children have two or fewer children, while only 10% have three or more.

2. Age of Housing Stock

About 78% of the housing in Watertown was built prior to 1979 and over 44% was built before World War II. This is a much larger share than in similar communities nearby, or statewide. The age of the housing stock can present challenges related to accessibility, the presence of lead paint and pipes, and energy efficiency, among other considerations.

Table 7: Year Built							
	Built 2020 or Later	Built 2010 to 2019	Built 2000 to 2009	Built 1980 to 1999	Built 1960 to 1979	Built 1940 to 1959	Built 1939 or Earlier
Watertown	1.3%	6.3%	5.5%	9.3%	14.4%	18.9%	44.4%
Massachusetts	1.0%	6.2%	7.1%	18.2%	20.9%	16.0%	30.5%

Source: American Community Survey 5-Year Estimates 2020 – 2024.

3. Subsidized Housing Stock

Watertown has 1,263 units of affordable housing included on the State's Subsidized Housing Inventory (SHI). The SHI is managed by the Executive Office of Housing and Livable Communities (EOHLC), successor to the Department of Housing and Community Development. These units meet the requirements of the state's affordable housing law (Chapter 40B) and are operated and maintained as affordable through long-term deed restrictions, covenants, regulatory and operating agreements, or other restrictions. Occupants of this housing must meet income eligibility requirements, and the government

¹⁶ The average household size in Middlesex County is 2.49. Watertown's average household size is smaller than Arlington, Belmont, Newton, Waltham, Brookline, and Boston, but larger than Cambridge.

¹⁷ The difference in median size between households and families is due to the Census defining a family as a group of two or more people related by birth, marriage, or adoption residing together, while a household is defined as all individuals who inhabit a housing unit, regardless of their relationship. Therefore, by definition families do not count people living alone or roommate arrangements.

regulates rents or sales prices. This figure includes the 589 public housing units operated by the Watertown Housing Authority.¹⁸ It does not include an additional 28 inclusionary units under construction or recently built.¹⁹

Watertown has complied with Chapter 40B through one of the two statutory benchmarks. The most recognized-common metric is for at least 10% of the year-round housing units to be deed-restricted “affordable” units for households earning up to 80% of area median income. Watertown is presently at 7.46%.²⁰ The alternative metric is for 1.5% of its land area to be devoted to affordable housing as defined in Chapter 40B. EOHLC agreed in December 2019 that Watertown has dedicated 2.07% of land area to affordable housing and, therefore, has met the “General Land Area Minimum.”

Although there are affordable units in Watertown on the Commonwealth’s Expiring Use Inventory, these units are not presently at risk. Brigham House (46 assisted living units) is covered by a regulatory agreement and a local permit restricting use of the property. Saint Joseph Hall (25 units) is a Community Housing Development Organization and HOME-assisted property.

Watertown’s affordable units vary in the type of household they are targeted to support. The 589 public housing units serve as a safety net for seniors and families with the lowest incomes (327 and 228 units, respectively, as well as 35 units for individuals with special needs). On the other end, the rental and ownership units created through Watertown’s inclusionary zoning ordinance are based on area median income and not the particular tenant’s income. This has two important implications. First, since properties require new tenants in affordable units to show ability to pay rent, this means that only a narrow band of households can afford the

¹⁸ There are 539 state-funded public housing units and 50 federally-funded units. The Watertown Housing Authority is proposing to convert the 50 federal units into Section 8 project-based vouchers.

¹⁹ Affordable units under construction include 21 at 104 Main Street and 7 at 101 Morse Street (still operating with a temporary certificate of occupancy).

²⁰ The year-round housing count as of 2020, used in the SHI calculation throughout the decade, was 16,936 units.

80% AMI and 65% AMI units.²¹ Second, if a tenant's income does not keep up with area median income, it will be increasingly difficult to pay rent increases. ~~generally support households that are between 60% and 80% of area median income.~~ Overall, 47% of our subsidized units are in public housing, 24% are inclusionary units in market rate developments, and 29% are in other categories.²² The number of inclusionary units is certain to grow while it is unlikely that the number of public housing units will significantly increase because federal and state policy has shifted away from that model.



Rendering of Willow Park Redevelopment

²¹ For example, using 2025 maximum rents for a one-person household, if that person's income is \$60,000, they do not qualify for a 65% AMI unit, but will have difficulty paying for a 80% AMI unit that assumes an income of \$67,400.

²² Most of these are in 100% affordable developments such as St. Joseph Hall or Brigham House, but 15 are single family homes.

Notwithstanding the financial limits on growth in public housing units, the Watertown Housing Authority (WHA) has been working to improve its existing housing and expand the supply of affordable units. Recently, WHA partnered with Preservation of Affordable Housing (POAH) to redevelop WHA's Willow Park property. The redevelopment will replace the existing 60 public housing units with new, modernized public housing units and add an additional 78 units of affordable housing affordable to households earning up to 60% and 80% AMI. WHA has also received local funding for the creation of a new group home at 103 Nichols Ave, which will provide supportive housing for 5 adults with disabilities. [Both of these projects received critical local funding \(the CPC recommended a \\$6 million commitment for Willow Park and up to a \\$1.5 million commitment for 103 Nichols Avenue; both these recommendations were approved by the City Council\).](#)

Appendix C is a complete list of units currently listed on the Subsidized Housing Inventory.

4. **Recent Housing Production**

Recent development in Watertown has been predominantly either two-family homes or large-scale development of 20 or more units. Based on building and demolition permits issued over the last five years, the number of two-family and large multi-family homes has increased, while Watertown has seen a net loss of single-family homes. Between 2020 and 2025, Watertown permitted a net increase of 295 units. Of those new units, 25% were in two-family homes, and the remaining 79.6% were in large multi-family buildings (Watertown Building and Demolition Permits). The creation of two-family homes has been through a mix of new construction, and the conversion of single-family homes into two-family homes.

Over the last 25 years, Watertown has seen significant multifamily development, concentrated along the Arsenal Street and Pleasant Street corridors. Much of the multi-family development has been on²³ formerly commercial or industrial parcels. While several

²³ [33 Mt. Auburn Street \(40 rental units\) and 108 Water Street \(52 condominium units\).](#)

projects were started prior to the Great Recession,²⁴ most of this development occurred after the Commonwealth emerged from that slump. In the last 13 years, 14 projects representing 1,795 units have been completed²⁵ and another 142 units are under construction.²⁶ The Watertown Square re-zoning in November 2024 has helped trigger a new round of proposed development, with two projects totaling 92 new units permitted, and multiple projects in the pre-application pipeline.

Watertown's increasing housing production has also led to a number of new affordable units entering the market. New developments brought online since 2020 have created 99 new units of inclusionary housing for the City, with more than a dozen additional units receiving zoning approval in 2025. Development in Watertown is expected to continue, as 2024 zoning changes in Watertown Square and the passage of the Transit Oriented Development Overlay have created considerable residential development interest.

Nearly all of the new units built since 2012 are rental. The bedroom mix has tended toward 1BR and 2BR units. Both are consistent with regional trends. Millennials and Baby Boomers have increased demand for smaller apartments ([fewer bedrooms and less square footage](#)).

Table 8: Net Unit Change Based on Building and Demolition Permits

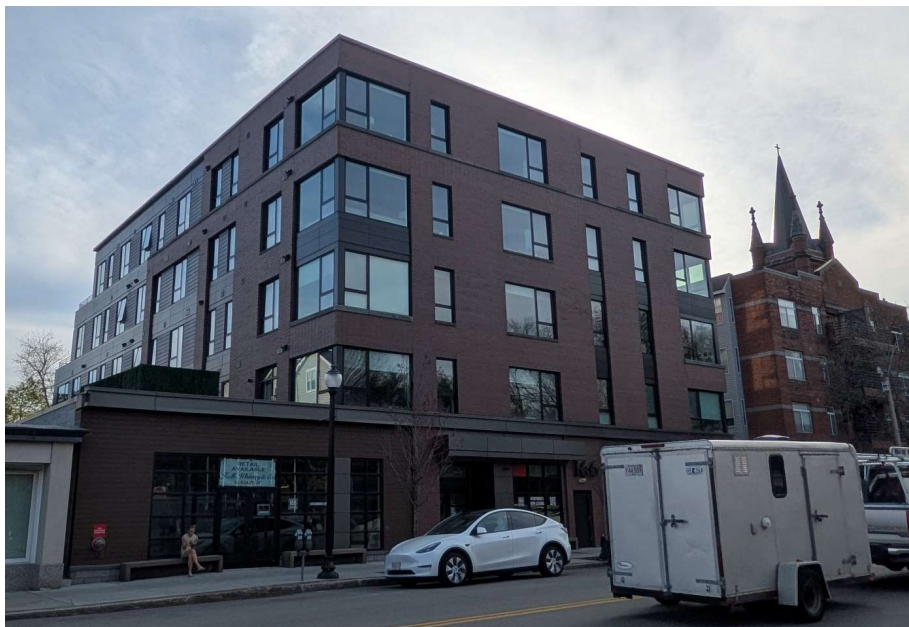
Year	Single-family Units	2-family Units	3-4 family Unit	5-19 Units	20+ Units	Total Multi-family Units	Net Total Units
2020	-12	14	0	0	64	78	66
2021	-9	18	0	0	0	18	9
2022	-6	12	0	0	34	46	40
2023	-5	10	-3	0	0	7	2
2024	-6	14	0	0	137	151	145
2025	1	6	0	-11	0	-5	-4
Total	-37	74	-3	-11	235	295	258

Source: City of Watertown Building and Demolition Permits.

²⁴ Completed prior to 2011: Archstone/Watertown Square Apartments (134 units) and Riverbank Lofts (57). Repton Place (179) was under construction before 2011.

²⁵ Construction began 2011 or later: Charlesbank Residences (44), Watertown Mews (206), Riverbend on the Charles (170), Alta/Bell Watertown (155), St. Joseph Hall (25), The Gables (296), Riverpark Lofts (65), Union Market/Elan (282), WaterMills (99) and 385-393 Pleasant (58), Arsenal Yards (302), 101 North Beacon (28), 166 Main Street (34), and 101 Morse Street (36).

²⁶ 53 Pleasant Street/104 Main Street (137 rental units and five renovated townhomes) is under construction.



166 Main Street

C. Housing Market Characteristics

1. Rent and Home Price Trends

Like all of Greater Boston, Watertown has experienced a significant increase in the price of both rental and homeownership housing over the last 20 years and particularly since 2020. Most researchers have agreed that housing costs have been rising in the region because of population and job growth, changes in preferences for household size and location, and housing production that has not kept up with this demand.²⁷ Since 2020, housing prices

²⁷ See, e.g., The Greater Boston Housing Report Card 2019, *Supply, Demand and the Challenge of Local Control*, <https://www.tbf.org/news-and-insights/reports/2019/june/greater-boston-housing-report-card-2019>; Urban Institute, Housing and Housing Finance June 2018, <https://www.urban.org/urban-wire/bostons-housing-market-three-charts>; Glaeser EL, Ward BA. *The Causes and Consequences of Land Use Regulation: Evidence from Greater Boston* (2006).

began to rise at an even higher rate than pre-pandemic, as construction, materials, and interest rates all increased. Rising housing costs put pressure on households at most income levels throughout the region. Many households must rent for the long-term, as they are unable to buy. Households that cannot afford to rent or buy where they presently live will look for communities that have historically proven more affordable. This, in turn, has increased demand in those more affordable communities (such as Watertown).

Based on 2024 ACS 5-year estimates, over 85% of Watertown renters were paying over \$1,500 in gross monthly rent, significantly more than just five years before (76%).

Table 9: Gap between Income and Price Facing Watertown Renters Trying to Buy			
Unit Type	Price Affordable to Renter Earning Median Household Income	Median Sales Price (2024)	Price Gap
Single-family Home	\$435,000	\$850,000	\$415,000
Condominium	\$370,250	\$675,000	\$304,750

Sources: City of Watertown Assessor's Records FY2026. Affordable purchase prices based on housing costs not to exceed 30% of the monthly income for the median household's income. Monthly mortgage payments for a 30-year fixed rate mortgage assume 6.31% interest, a 5% downpayment, \$1,500 in annual home insurance, and yearly property taxes of \$12.20 per \$1,000 of value. Condominium costs include a \$500 monthly HOA fee.

At the same time, the median sales price of homes in Watertown has increased substantially. By one measure—median home value as estimated by the U.S. Census—values have risen 25% from \$559,700 in the 2019 5-year estimate to \$784,600 in the 2024 5-year estimate. Redfin estimated the November 2025 median sale price for a single-family home at \$815,000 and the median price for a condominium at \$655,250.²⁸

How unattainable is homeownership in Watertown to a renter? The table below shows that there is a substantial gap between what a household with median income can afford and what is available to them. This “price gap” means even a relatively affluent individual or family must stay in the rental market (or look elsewhere). Even with this large price gap, Watertown is considered more affordable for buying a home than many communities in the

²⁸ The U.S. Census and firms like Redfin estimate value or sales price. While actual Watertown data could be compiled or purchased and be more accurate, it would not change the conclusion that home prices are rising substantially.

region.²⁹ A high price gap for renters forces more households to remain in the rental market, increasing demand and limiting supply that would have historically become available to younger and lower-income renters as higher-income renters transitioned into homeownership.

2. Housing Cost Burden and Affordability Analysis

One of the most common measures of housing need is whether a household is cost-burdened, i.e. whether more than 30% of their gross income is spent on housing.³⁰ About 39.3% of Watertown renters and 27.7% of owners are cost burdened. A growing portion of households in Watertown are also considered ‘severely cost-burdened,’ paying more than 50% of their monthly income on housing expenses. In 2024, 20.3% of renters and 11.3% of homeowners were severely cost burdened.³¹

Because cost burden is a direct reflection of household income, the impact of being cost-burdened is more acute for lower-income households that have fewer financial resources available to meet other necessary household expenses (food, transportation, health care, student loans, etc.). While households are cost-burdened across all income groups, most striking is the very high incidence of housing cost burden among those with the lowest incomes. Between 70 and 80% of Watertown residents at the two lowest income levels are cost-burdened.

²⁹ Based on an analysis in WestMetro Consortium’s 2026-2030 Consolidated Plan, Watertown’s price gap was 11th for single families and 9th for condos within the 13 communities using 2023 Warren Group sales data.

³⁰ As discussed earlier, cost burden is measured as the share of household income spent on housing, whether total ownership costs or total rental costs. Households spending more than 30% of their gross income on housing are considered **cost-burdened**; households spending more than 50% of their gross income on housing are considered **severely cost-burdened**.

³¹ U.S. Census Bureau, Comprehensive Housing Affordability Strategy Data (CHAS), 2018-2022.

Table 10: Cost Burden Incidence by Household Income Group for Renter Households

	ELI	VLI	LI	MI	HI	Total
# renting households in income group	1,540	880	1,385	630	3,340	7,770
# of cost-burdened households in income group	1,110	700	765	220	130	2,925
% of cost-burdened households in income group	72.1%	79.5%	55.2%	34.9%	3.9%	37.6%

Source: Comprehensive Housing Affordability Strategy Data, 2018 – 2022

Table 11: Cost Burden Incidence by Household Income Group for Ownership Households

	ELI	VLI	LI	MI	HI	Total
# households in income group	760	415	765	750	5,215	7,910
# of cost-burdened households in income group	605	335	295	400	630	2,265
% of cost-burdened households in income group	79.6%	80.7%	38.6%	53.3%	12.1%	28.6%

Source: Comprehensive Housing Affordability Strategy Data, 2018 – 2022



The Apartments at Coolidge School

II. DEVELOPMENT REGULATIONS, TRENDS, FUNDING SOURCES AND CONSTRAINTS

A. Residential Zoning

Residential uses are permitted in Watertown either by right, or through a special permit process, within 11 zoning districts. The majority of this land allows only for single-family and two-family structures. However, Watertown has been notable in Greater Boston for creating new and substantial multifamily zoning districts. The Arsenal Street and Pleasant Street corridor districts have been cited as leading examples of planned and well-located “growth districts.”³² The Watertown Square mixed-use districts allow multifamily housing and the “by right” portion of these districts substantially exceed the multifamily unit capacity required by the Commonwealth’s MBTA Communities law.

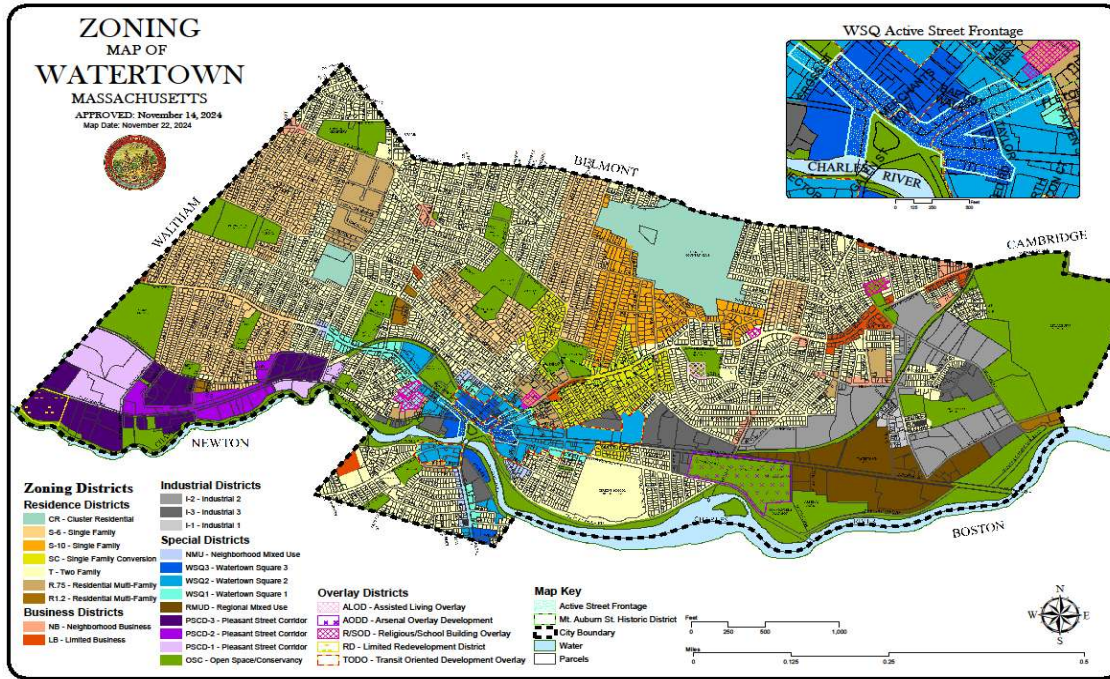
The zoning districts that allow housing are described below, followed by separate subsections that cover parking requirements, design guidelines and standards, and inclusionary housing requirements that apply to some or all of these districts.



Brigham House

³² Amy Dain, The State of Multi-Family Zoning in Greater Boston, 93-95 (June 2019) <https://ma-smartgrowth.org/resources/resourcesreports-books/>.

Figure 6



1. Single- and Two- Family Zoning Districts

The single-family S-6 and S-10 zoning districts are intended only for single family residential structures. The S-6 district, which sets a minimum lot area of 6,000 sf per dwelling unit, allows for greater densities (approximately 7.25 units per acre) than the S-10 district, which sets a minimum lot area of 10,000 sf per dwelling unit (approximately 4.4 units per acre).³³

The two-family zoning district (T) makes up nearly a third of all land in Watertown and allows for single and two-family dwelling units with a minimum lot area of 5,000 sf (approximately 14 units per acre).

³³ There is also a Cluster Residential District which has an intensity of use similar to the S-10, but is limited to two areas (Oakley Country Club and the former Rosary grounds).

The SC zoning district allows single-family conversion to a two-family structure and new two-family structures, with a Special Permit.

Since nearly all parcels within these districts have already been developed, most of the recent activity in these districts has been either intensifying the existing uses (e.g., conversions to two-family, dormers and additions) or tear downs of single-families within the T zoning district on lots where housing is allowed (5000 sf. or larger with 50 feet of frontage). In the last five years, over 30 lots with single-family homes have been converted to two-family uses by demolition or renovation.

2. Residential Zoning Districts that allow Multifamily Housing

There are two residential zoning districts within Watertown that allow multifamily housing. The R.75 allows multi-family development up to .75 FAR, and the R1.2 allows for a higher density multi-family residential up to 1.2 FAR. However, although these are multi-family districts, only single- and two-family development is allowed as of right. Any development of 3 or more units requires a special permit,– converting an existing structure to a 3-family dwelling requires a special permit, and new construction of 3 or more units requires a special permit with site plan review.



Housing along Summer Street

3. Pleasant Street Corridor District (PSCD)

The Pleasant Street Corridor District (PSCD) was adopted in 2008 to encourage redevelopment of this industrial corridor with more focus on urban design and placemaking.³⁴ A key goal within the corridor is to “facilitate a mix of uses including residential, office, research and development...” and it allows for multifamily residential of 4+ units by special permit with site plan review. After this area resulted in significant residential development without a mix of uses, amendments were adopted in 2015 to encourage several commercial clusters along the corridor.

The amendments created three sub-districts: PSCD-1 allows residential use with changes in dimensional and other requirements; PSCD-2 requires residential projects to include a commercial component of at least 15% of the gross floor area; and PSCD-3 allows for a mix of [commercial](#) uses and does not allow for residential use. The base zoning for PSCD-1 provides for FAR of 1.0, with a maximum of up to 1.5 by special permit if certain development incentives are met. The base zoning for PSCD-2 allows FAR between 1.0 and 2.0 if the development incentives are achieved. Both sub-districts require a minimum of 1000 sf/unit.

The PSCD offers adjustments to dimensional requirements and/or parking requirements to projects that achieve one or more of six specified goals: (1) a minimum of 50% of the designated open space is “publicly usable,” (2) a “significant contribution” for connections to the bike path along the Charles River, (3) underground or structured parking, (4) a demonstration of reduced demand for cars (for example, by offering sheltered bicycle parking, participating in a shuttle service, or constructing an on-site bus stop) (5) “significant conformance” with design and environmental sustainability guidelines, and (6) “development of desirable uses” at “key opportunity sites” designated in the corridor plan.

³⁴ While residential had been allowed in the I-3 corridor by special permit since 1988, the PSCD substantially changed the applicable zoning.

4. Regional Mixed-Use District (RMUD)

The Regional Mixed-Use District was created in 2016 for “transformative development” with a “mix of larger and smaller scale retail, office, hospitality, multifamily residential and research and development uses” in a “major gateway.” The district is intended to be of sufficient scale and range of uses to serve regional demand. With respect to housing, the district is intended to provide a “continuum of housing options” with “opportunities for lower- and middle-income households” as one of the particular goals.

While development in the RMUD ordinarily requires a special permit,³⁵ applicants may seek a Master Plan Special Permit with site plan review if the proposed project site is over 2 acres. Under this alternative process, there is approval of a proposed master plan which determines land uses (including mass and scale) and then site review as particular elements are ready for permitting. Applicants may propose a FAR of up to 2.0. There is no minimum lot size per dwelling unit.

5. Watertown Square Mixed-Use Districts

In November 2024, the City created four new mixed-use districts in the Watertown Square area. The City used a “form-based” approach in these districts, with each differing in scale and form requirements. The three core districts are Watertown Square (WSQ) 1, 2 and 3, while the Neighborhood Mixed Use (NMU) was designed as a transitional district.³⁶ WSQ 3 is the most intensive, with a maximum building height of five “plus” floors/82 feet for a flat roof.³⁷ The maximum heights in the other districts are: WSQ 2 four plus floors/66 feet; WSQ 1 three plus floors/53 feet; and NMU three floors/38 feet. The new zoning eliminated the former

³⁵ There are some by-right uses, such as a drive-in bank or light industry of less than 4,000 sf. However, none of these uses can exceed a 1.0 FAR without seeking a special permit or Master Plan Special Permit.

³⁶ The maximum building height for the NMU and WSQ districts does not include rooftop mechanicals. Mechanicals must be set back at least 10 feet from any façade, must be adequately screened, and may be no taller than the number of feet set back from all façades or 15 feet, whichever is less.

³⁷ The “plus” floor has a seven-foot stepback from the building perimeter. The maximum height of a building with a pitched roof is higher.

Central Business (CB) district. As discussed elsewhere, the new zoning included bonuses for affordable housing developments in these districts.

The new zoning included a significant Transit-Oriented Development Overlay District that allows multifamily housing by right. The overlay consists of portions of the three WSQ zones and forms an approved MBTA Communities law district. The multifamily housing unit capacity of the TODO District is 3,754 units, above the 1,701 unit requirement under the MBTA Communities law.

6. Other Relevant Zoning Districts

There are two business zoning districts in Watertown – Neighborhood Business (NB), and Limited Business (LB). The NB and LB districts allow multi-family residential of 3 or more units by special permit, and 4+ units by special permit with site plan. All business districts also allow mixed-use structures with up to three residential units by special permit, or mixed-use structures with four or more units by special permit with site plan review.

Multi-family and mixed-use residential development are allowed in the I-3 zoning District by special permit and with site plan review.

The Assisted Living Overlay District (ALOD) allows assisted living residences and other permitted uses at an FAR of 1.0 and a minimum lot size per unit of 1,200 square feet on all development within the overlay district. The Revitalization Overlay District (RO) is a “floating” district that can be applied by special permit to a mixed-use or residential project with a minimum lot size of 10,000 square feet. The maximum FAR is 2.0 for a residential development. So far, the RO has only been applied to parcels around the northern end of the Galen Street corridor.



Watertown Square Apartments

7. Parking Requirements

Except in the new WSQ and NMU Districts, the parking requirements for residential uses are:

- One and two-family homes: 2/unit or 3/unit if more than 4 bedrooms.
- Town and rowhouses: Minimum of 2/unit and maximum of 2.5/unit.
- Multi-family: Minimum of .75 spaces for every studio unit, 1 per 1-BR apartment, 1.5 per 2-BR apartment and 2 per 3+BR apartment. Maximums are 1/studio, 1.25/1BR, 1.75/2BR and 2.25/3BR+.
- Mixed Use: sum of commercial and residential requirements.

The minimum parking requirement for residential uses in the WSQ and NMU Districts is .5 spaces per unit, while the maximum is 1/unit. There is also a parking reduction in these districts for affordable developments (discussed at Section IIB).

The new zoning included a new special permit section allowing flexibility in the minimum and maximum parking requirements based on specified criteria. For minimum parking requirements to be reduced, the criteria include evidence of: reduced parking demand;

shared/offsite parking; the ability to increase the number of residential units with lower requirements; and management that serves to minimize use of on-street parking.

Parking requirements, if excessive, can be a barrier to housing production, as they may decrease the buildable area on a given lot, or create need for structured parking, which is expensive to build. In July 2023, the Metropolitan Area Planning Council released a study done with the WestMetro HOME Consortium on parking utilization rates at new residential developments. The study found a 66% parking utilization rate at the 17 developments built in Watertown since 2000. Over the last 10 years, the City's parking requirements for multifamily development have been substantially reduced and become more flexible.

8. Design Guidelines and Standards

Watertown adopted a comprehensive set of Design Guidelines and Standards in June 2015. The intent is to “enhance building, parking and public realm interface” along the major corridors and Watertown and Coolidge Squares. The City is in the process of formulating design guidelines focused on so-called “missing middle” housing types (smaller multifamily developments). Design standards are increasingly recognized as a critical tool to achieve quality and a more holistic review of new development. It is also important to monitor whether the standards or process used become a development constraint.

9. Inclusionary Zoning

Watertown's zoning ordinance has included a provision for inclusionary housing (Section 5.07) since 1989. The purpose of the ordinance is to encourage the expansion and improvement of Watertown's housing stock; provide housing choices for a diversity of households; prevent displacement of low- and moderate-income residents; provide opportunities for mixed-use development; and more. Inclusionary requirements have increased over time, with the most recent changes in December 2016.

Currently, the inclusionary provision requires all new residential or mixed-use developments with six or more residential units to provide deed-restricted affordable units. Developers of

smaller projects (6-10 units) may provide units on site or they can provide a payment-in-lieu of units.³⁸ Developments with 10+ units must provide units on site. Density bonuses are available to developers who target lower income households. The chart below sets forth the particular requirements.³⁹

Table 12: Watertown's Inclusionary Zoning Requirements

Total Project Size	Affordable Units	Rental Price	Ownership Price
1 to 5 units	0	N/A	N/A
6 to 10 units	Option for cash in-lieu payment		
6 to 19 units	12.5%	80% AMI	80% AMI
20 and over units	15.0%	No less than 5% of the total units at 65% AMI 10% of total units at 80% AMI	80% AMI

Note: Current HUD income limits are listed in **Appendix B**.

Affordable units must be of comparable size to the market rate units, within a range of 20%. The affordable units also must be comparable to market-rate units with respect to quality of construction, energy efficiency, and exterior finishes and to “base” market-rate units with respect to interior finishes. The deed-restrictions must be permanent.

B. Development Trends

With significant residential development since 2012 and an established life science cluster, it has become hard for affordable developers to find suitable parcels. Over the last three years, the Watertown Affordable Housing Trust has actively searched for affordable housing opportunities. Based on an internal review, City staff has reached out to multiple property owners and used “on-call” professionals to assess promising sites. While there have been

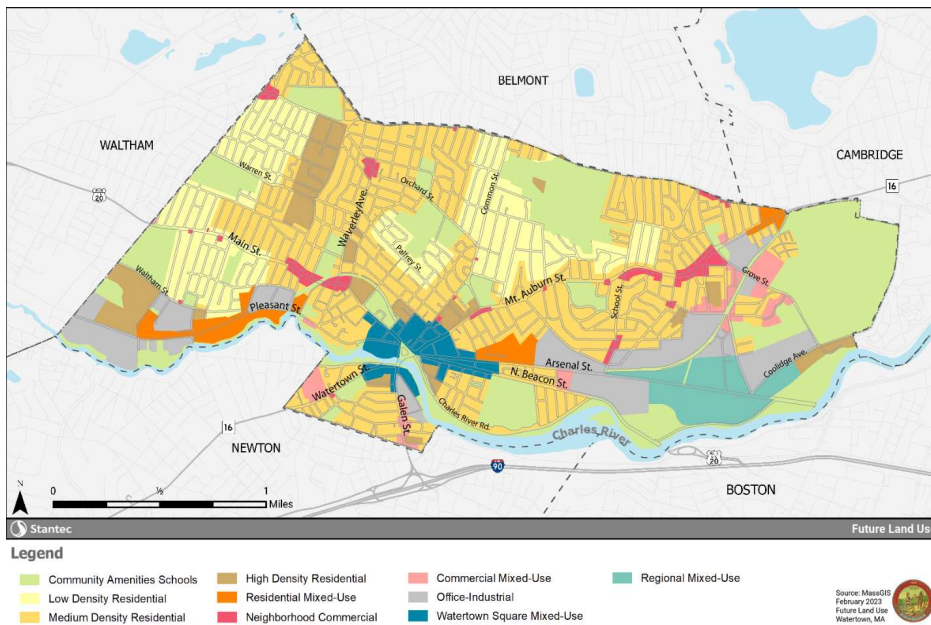
³⁸ The payment must equal the applicable total development cost/unit in DHCD's Qualified Allocation Plan.

³⁹ Inclusionary requirements are somewhat different for projects with assisted or independent living units. For independent living units, the project size thresholds and affordable unit requirements are the same but 80% AMI applies to all such projects. For assisted living units, there are different size tiers and required percentages, and units serving those with dementia and/or skilled nursing are exempt.

useful discussions, this initiative has underscored the need for incentives promoting affordable development.

Competition for land in Cambridge—driven by the Kendall Square life sciences cluster—led city leaders there to enact a city-wide affordable housing overlay district in October 2020 with more advantageous dimensional and permitting requirements for 100% affordable proposals. The Watertown Square re-zoning included a targeted version of this approach. The zoning provides two bonuses for “affordable developments,” which are defined as projects with 50% or more of the homes deed-restricted affordable units at 80% AMI or lower.⁴⁰ The first incentive, for all affordable developments, is a lower parking ratio (.25/unit). The second incentive is additional building height: one floor if the project is set at an average of 80% AMI or lower, and an additional floor if the average is below 60% of AMI.

Figure 7



⁴⁰ Developments with that level of affordability require substantial public subsidy and, therefore, have a funding model similar to 100% affordable projects. The 50% threshold allows for the flexibility to include so-called “workforce” housing (typically deed-restricted units at 80 to 100% AMI) and/or market rate units.



104 Main Street Under Construction



101 North Beacon Street

C. Funding Sources for Affordable Housing⁴¹

Other than general funds, existing sources to fund affordable housing are limited. These sources can be divided into two categories: funds that the City controls, and funds that require competitive applications. In the first category, are the following:

- Affordable Housing Trust Fund. The City accumulates funds paid by developers “in lieu of” inclusionary units where the total number of homes in the proposed development are between 6 and 10. There is approximately \$269,000 in this fund.
- City Operating Budget. Since 2022, the City budget has included an annual appropriation of \$250,000 to augment the Affordable Housing Fund. There is currently \$650,000 available from this source.
- Federal HOME Investment Partnerships program. Watertown is allocated around \$110,000/year from the HOME program as a sub-recipient to Newton, which is the lead community in the WestMetro Consortium. The City also has program income totaling around \$120,000 earned through past HOME activity.⁴² HOME funds support building, buying, and/or rehabilitating affordable housing or providing direct rental assistance to low-income people.
- Community Development Block Grant (CDBG) Program Income. The City also has program income totaling approximately \$138,000 earned through past CDBG activity. CDBG monies support local housing and economic opportunity initiatives for low and moderate-income households.
- Community Preservation Act (CPA) Funds. Watertown adopted CPA in 2016, allowing the City to raise money for eligible uses through a local property tax surcharge supplemented by a varying state match. The property tax surcharge/state match is likely to produce an annual revenue stream above \$3.5 million. The eligible uses are: open space and recreation, historic preservation and community housing. A municipality must reserve 10% of its annual CPA spending for each of the three eligible uses. CPA funds can be used to acquire, create, preserve or support community housing for households with incomes at or below 100% of AMI, or to rehabilitate such housing acquired or created through CPA. As of ~~January 9~~ March 31, 2026, the City’s CPA Fund had an ~~“Available bBalance”~~ of ~~\$25.37~~ \$19.436 million. ~~This~~

⁴¹ This sub-section describes only the principal funding sources. There are other sources, e.g., pre-development assistance from the Community Economic Development Assistance Corporation (CEDAC), that can be tapped.

⁴² The City has previously used HOME and CDBG funding to provide homebuyer assistance, with the condition that appreciation upon resale is shared with the City. The funds received by the city are termed “program income.”

[balance includes the “category” reserves for open space and historic preservation.⁴³; this balance is reduced by \\$7.5 million by commitments to the Willow Park and 103 Nichols Avenue projects.](#) Access to CPA funds is highly competitive, with proposed projects chosen by the City’s Community Preservation Committee and subject to City Council approval.

- Linkage Fees. In 2023, the City Council approved an affordable housing linkage fee on new, large-scale commercial development. The fee attaches upon permitting but is not collected until after occupancy begins. The fee level changes each year based on cost-of-living data, currently \$11.81/sf. Given the current life sciences market, it is unlikely that the City will begin collecting linkage fees before 2030.

In the second category—funds controlled by outside entities—are the following programs:

- Executive Office of Housing and Livable Communities (EOHLC) funding. At least once each year, EOHLC announces funding of proposed affordable housing projects after a statewide competition. EOHLC funding decisions usually include allocation of federal and state tax credits, grants, subsidies, and loans. This is the largest single source of affordable housing resources in the state—and the most competitive. EOHLC last awarded affordable housing money to a Watertown project in 2013.⁴⁴
- EOHLC award of federal CDBG money. While most CDBG funds go directly to certain “entitlement” communities—Watertown is not one of them—the state makes awards to other communities through a competitive round each year.
- “Pooled” federal HOME monies. The WestMetro Consortium pools a certain amount of its HOME monies each year and awards this sum to a non-profit developer proposing a project within the 13 Consortium communities. The pooled monies are generally under \$500,000.⁴⁵

D. Natural and Physical Constraints

For the purposes of this Housing Plan, protected open space and natural resources such as wetlands, surface water, and endangered species habitats may be considered as constraints

⁴³ [There currently are \\$2.538 million in reserves for the open space and historic preservation categories. The \\$7.5 million in commitments to the Willow Park and 103 Nichols Avenue projects have “depleted” the existing 10% reserve for community housing.](#)

⁴⁴ Metro West Collaborative Development was awarded \$1.6 million in DHCD housing subsidies and \$153,243 in federal Low Income Housing Tax Credits to preserve 25 units of affordable housing at Saint Joseph Hall. [As previously noted, the Willow Park project was invited to apply in the 2026 state funding round.](#)

⁴⁵ A Watertown project last received a consolidated pool award in 2022, when the WestMetro HOME Consortium awarded \$224,000 for the St Joseph Hall elevator replacement.

to potential residential development, and will be discussed as such, since their presence on a parcel may render that portion of the property unbuildable, or may require mitigation measures.

1. Wetlands and Floodplains

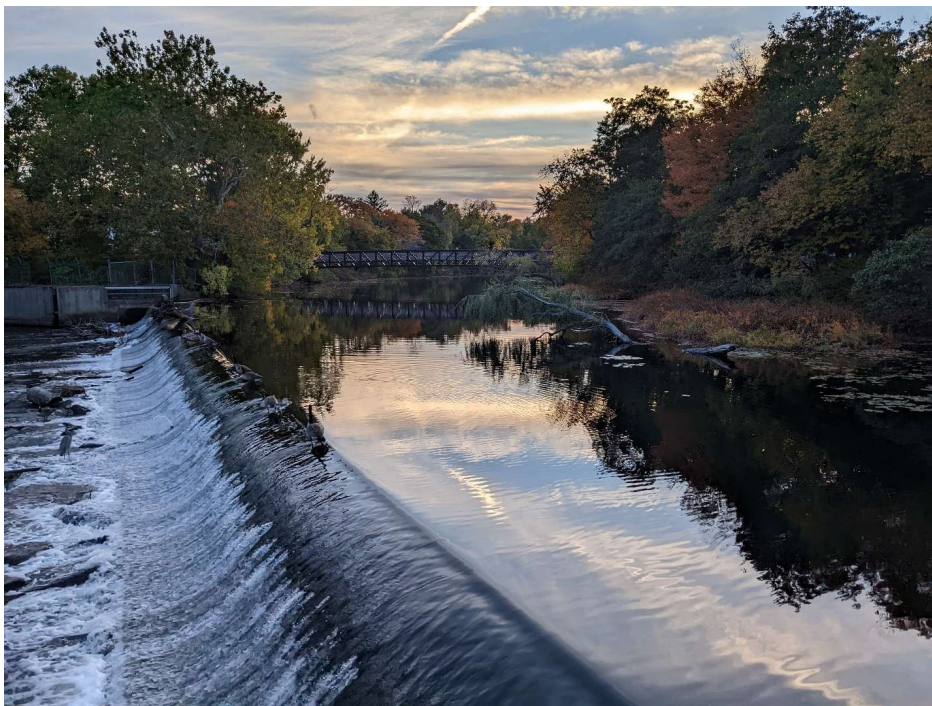
Wetlands provide floodwater retention, groundwater recharge and wildlife habitat. However, these areas also constrain housing and other development because development activity that occurs in a Wetland Resource Area is subject to state and City wetlands protection requirements. They often cannot be developed, or significant portions cannot.

According to MassGIS data, there are 87 acres of wetlands in Watertown. The majority are the channel of the Charles River and adjacent land, particularly an unnamed island at Charles River Road and Beacon Street, and another area on the border with Boston at the North Beacon Street Bridge. Additional wetland pockets were identified in other locations near Walker Pond (city-owned) on the western edge of the city between Waltham Road and Pleasant Street, and Sawins and Williams Ponds (both privately-owned) in east Watertown at Arlington Street and Coolidge Avenue. Given the limited wetland areas that are privately-owned within Watertown, they do not act as a significant constraint to residential development.

2. Floodplains and Inland Flooding

Several areas along Watertown's southern border with the Charles River pose 100-year flood hazards. The majority of floodplain affected land is found west of the Watertown Dam with four multi-acre areas between Bacon Street and Paramount Place. The site of the Stop & Shop at the western end of Pleasant Street also includes approximately 11 acres within the 100-year floodplain. East of the Watertown Dam, the 100-year floodplain does not extend beyond the banks of the Charles River with the exception of a section of Greenough Boulevard north of Arsenal Street. ~~The eastern section of the Charles River is contained within its banks with the exception of a section of Greenough Boulevard north of Arsenal Street.~~

As climate change becomes more severe, Watertown is at risk of increased inland flooding due to extreme storms. Regional efforts are underway to better understand the locations of inland areas most vulnerable to flooding through advanced modeling. This emerging issue may constrain residential development in certain areas of the city or alter how those developments must be designed in order to safeguard inhabitants from flood impacts.



Charles River Greenway at the Watertown Dam

3. Rare and Endangered Species Habitat

Estimated Habitats for Rare Wildlife are regulated under the Massachusetts Wetlands Protection Act, and any developments within the Habitat must be reviewed under the State's Natural Heritage and Endangered Species Program. Although the City has no known

endangered or threatened species, it is believed that the City includes five potential vernal pools, including three in the Mt. Auburn Cemetery. However, while the Massachusetts Division of Fisheries and Wildlife has identified these sites as potential vernal pools, they are not confirmed and therefore are not protected under Wetland Protection Act regulations.⁴⁶ Vernal pools, which collect water from rain or seasonal flooding, dry up in the later spring and early summer. They provide essential habitat for several species. It is suspected that there may also be undocumented vernal pools near the ponds in the west end of Watertown. However, given the minimal areas noted, endangered species habitats do not act as a significant constraint to residential development.

4. Municipal Infrastructure

The City of Watertown has an older infrastructure system consisting of approximately 72 miles of roadway, 80 miles of water line, 82 miles of drain line, and 84 miles of sewer line. When development projects come before the City, special attention is paid to the impact of the project on the infrastructure system, and mitigation is implemented where warranted.

Stormwater Management is a critical response that is important to the future success and vitality of the Charles River and is practiced and implemented with current and proposed development of infrastructure projects. Although Watertown relies on the Metropolitan Water Resource Authority (MWRA) for its potable water supply, well water was once plentiful and provided both drinking water and irrigation for agricultural ventures. Artesian springs near Whitney Hill were noted in historic journals and were used for irrigation for pear groves along Orchard Street. Because the City no longer depends on groundwater for its sustenance, systematic ground-water testing has not been conducted. The extent to which groundwater has been affected by land use changes and/or industrial/ residential pollution over the past several centuries is not fully known, but testing at the Arsenal site showed significant contamination in that area.

⁴⁶ City of Watertown, Open Space and Recreation Plan 2023-2030, p.34.

III. EXISTING WATERTOWN PLANS

Watertown's 2023 Comprehensive Plan essentially incorporated and amplified the 2020 Housing Plan's goals and proposed strategies. In addition, the 2024 Watertown Square Area Plan contained many housing-related recommendations. This section briefly summarizes relevant aspects of those plans.

One of the eight [2023](#) Comprehensive Plan goals is "5. Facilitate a range of housing types and affordability" (pgs 58-62). Strategy 5A is to "implement the Housing Plan and to regularly revisit and update the plan as needed." The other six strategies (with some sub-strategies highlighted) are:

5B: Focus multifamily housing within walking distance of high-frequency transit stops, major employers and daily services. Actions include creating an MBTA Communities law zoning district and evaluating the city's parking requirements.

5C: Maintain and expand the range of housing types. Actions include exploring an accessory dwelling unit ordinance and ways to promote "missing middle" housing.

5D: Participate in regional and state advocacy efforts to support greater housing production and affordability.

5E: Leverage available resources for affordable housing. Actions include use of Community Preservation Funds and, when available, linkage fees, as well as use of underused or surplus municipal land.

5F: Evaluate regulatory tools for affordability housing. Actions include re-evaluating the inclusionary zoning requirements and considering ways to promote 100% affordable development.

5G: Expand housing that caters to needs of older residents. Actions include encouraging universal design and visibility standards in new development.

The Watertown Square Area Plan process began in fall 2023 and culminated in final adoption in August 2024.⁴⁷ The effort built off Comprehensive Plan recommendations for the

⁴⁷ Watertown Square Area Plan, <https://portal.laserfiche.com/Portal/DocView.aspx?id=88699&repo=r-5e5628>

Watertown Square area that covered housing, transportation and economic development elements. The most significant housing recommendations in the Watertown Square Area Plan were:

- Using a form-based zoning approach for four new zoning districts (as previously discussed WSQ 1, 2, 3 and NMU) with specific site and building standards;
- Reducing parking minimums and maximums in the new zoning districts;
- Providing incentives for “affordable development” (defined as developments where 50% or more of the units provide for deed-restricted affordability); and
- An overlay zoning district to comply with the MBTA Communities law.

The City Council adopted the Watertown Square zoning recommendations in November 2024.

Perspective View - Mt Auburn St Looking South



IV. Affordable Housing Incentives Study

During the City Council’s review of the proposed Watertown Square rezoning in November 2024, the City said a study of incentives to further promote affordable developments and promote affordability in market rate developments with inclusionary units would be a next step.

The study consultants, ~~(the Metropolitan Area Planning Council or~~ (MAPC) provided preliminary findings in December 2025 and March 2026, with the final report expected in late April 2026. MAPC’s study included research into examples around the country, the local housing market, interviews with affordable and market rate developers and the Commonwealth’s main funder of affordable housing, a focus group discussion with Planning and Zoning board members, public comments, and testing of particular incentives in financial models for affordable and market rate development.

The study highlighted certain differences between affordable and market rate developments. Affordable developments require strong local funding—and, therefore, city support-- to leverage the state resources needed to close the funding gap. Measures that increase certainty and reduce development costs are often more attractive to affordable developers than additional units (which decrease the cost/unit but increase the funding gap). Affordable developers often have capacity for—and interest in—serving households who need deeper affordability and supportive services. In comparison, market rate developers receive no local funding, find increased density very attractive, and approach affordable households purely from a business perspective.

Based on the preliminary findings ~~presented to the public,~~ staff expect the report to discuss possible incentives in the following categories:

- Measures that could be applied city-wide for affordable developments, such as streamlined permitting, waiver of the first floor commercial requirement, waiver of permit fees and a lower base parking ratio.
- Density and further parking reductions on a district-specific basis for affordable and/or market rate developments with more or deeper affordability. Such incentives for affordable developments are already in place for the Watertown Square zoning districts, but are not available to market rate developments or for affordable developments elsewhere in the city.
- Buy-downs to achieve more and/or deeper affordability of inclusionary units, through cash payments negotiated on a case-by-case basis.
- Further property tax relief for affordable units in new affordable and/or market rate developments. Affordable units are already taxed based on their reduced rents.

A full copy of the MAPC report is available here: [to come]



St. Joseph Hall



Watertown Square looking North from 66 Galen Street

V. GOALS AND STRATEGIES

To achieve its housing vision for 2030, Watertown must make it easier for people to live here, find a home, and remain here. This plan articulates three broad goals—and identifies multiple strategies to advance those goals. This section also notes certain key assumptions and continuing responsibilities that should be read as context for the enumeration of strategies.

A. Goals

GOAL 1: Increase, deepen affordability of, and preserve deed-restricted affordable housing

We know that over 38% of Watertown households qualify for federal or state housing assistance because their incomes are at or below 80% of area median income. We know that a high percentage of those residents are struggling with their housing costs. Housing needs are particularly acute for those households that are “very low income” or “extremely low income,” and those with particular housing needs like seniors and individuals with disabilities. Goal 1 is for the City to address these needs by increasing, deepening the affordability of, and preserving deed-restricted affordable housing.

GOAL 2: Encourage the private market to create a variety of housing types at different price points

Deed-restricted affordable housing, though critical, cannot solve the affordability crisis that cuts across income levels alone. The private market plays the central role in increasing housing supply. We know there is a need for a wide variety of housing types and at different price points that has been historically limited by restrictive zoning practices. Goal 2 focuses on encouraging the private market to provide that full range of housing.

GOAL 3: Continue to build a welcoming community for all, creating housing opportunities for both residents and those who want to move to Watertown

Watertown is, and must continue to be, a welcoming community for all. Continuing to uphold fair housing principles is critical to Watertown's identity. Goal 3 is about creating housing opportunities so that both current and future residents can find the homes that allow them to grow and retain roots in our community.

B. Key assumptions and relationships

The Trust and city staff operate with certain assumptions and relationships that are key to achieving the Plan's goals. While not separately identified as "strategies," it is useful to articulate them. They include the following:

1. Prioritizing opportunities for Transit-Oriented Development (TOD), as TOD locations are good for tenants and homeowners and serve the City's Climate Plan goals.
2. Promoting consistency between housing development and the City's Comprehensive Plan and Climate Plan
3. Using local resources (land and/or funding) is a key lever to obtain substantial federal and state affordable housing awards.
4. Partnering with affordable housing developers on specific projects and other shared initiatives.
5. Building a strong working relationship between the Affordable Housing Trust and the Community Preservation Committee is important to achieving the City's goals for the production and preservation of affordable housing

C. On-going responsibilities related to housing

The Trust and/or city staff have ongoing regulatory and planning responsibilities related to housing, apart from strategies intended to encourage new housing development. These include the following:

1. Ensuring that proposed developments comply with the city's inclusionary zoning requirements; this includes review of affordable housing plans, Trust

recommendations to the permit-granting authority, and obtaining state approval of the inclusionary units.

2. Monitoring affordable housing stock placed on the Subsidized Housing Inventory.
3. Tracking affordable units that have expiring deed-restrictions.
4. Collecting data on affordable housing lotteries, including demographic information that sheds light on the impact of local preference, and periodically re-evaluating local preference policy.
5. Re-evaluating the City's linkage fee policy on a periodic basis.
6. Participating in the WestMetro HOME Consortium, including submission of annual action plans, annual CAPER report, and five-year plans and analysis of fair housing impediments studies.
7. Participating in MAPC's Metro Mayors Housing Task Force, including submission of building permit data and participation in working groups.

D. Strategies

The goals and strategies identified in this plan are for the City as a whole though, because of their expertise and position, many of them will be implemented by the Trust and DCDP staff. Many of the following strategies refer to the Trust when they are to be the lead actor, understanding that they will frequently require cooperation between multiple parties. The Implementation Plan includes a more detailed identification of responsible parties.

STRATEGY 1: Identify potential affordable housing sites and work with developers on projects

1A Continue current efforts to identify sites through locational metrics and preliminary assessments by on-call professionals, and through encouraging affordable developers to work in Watertown

Over the last three years, the Trust's highest priority has been identifying sites for affordable development. The Trust will continue to use the following methods to find such sites:

- Periodically assessing parcel suitability through locational metrics, such as lot size, zoning, existing uses, and proximity to transit, jobs and daily services;
- Making it known to affordable developers that the City is keen to work with any party with a suitable site and encouraging them to look for Watertown sites;
- Reaching out to property owners of suitable sites to determine their willingness to discuss sale to an affordable developer; and
- Using on-call architectural and/or environmental firms to evaluate particular sites.

1B: Explore additional methods to find suitable sites, such as using a real estate agent, and/or publicly highlighting the site search

The Trust will consider other methods to identify affordable housing sites. These include retaining a "buyer's agent" to assist in the search and making the Trust's interest known more generally to property owners and the public.

1C: In considering opportunities for new affordable housing, consider the need for units that serve a range of households, but with particular focus on households with children and with seniors on a fixed income

Watertown needs affordable housing for a range of households. Two significant demographic groups that require particular focus are households with children because of the need for more bedrooms (see Strategy 6C) and households with seniors on a fixed income since senior-oriented developments offer peers and needed services (see Strategy 6A).

STRATEGY 2: Promote the use of public land for affordable housing development

2A: Consider locating an affordable housing development on the City's 148 Waltham Street site

The City's ownership of the 148 Waltham Street parcel offers the potential to include an affordable development. The lot is large enough to accommodate more than one use. One combination that would work well is a new senior center and an affordable development geared to seniors. The City is currently studying multiple sites for a future senior center.

2B: Work with the MBTA to consider affordable housing as a significant component of development on its Watertown Yard site

The MBTA and the City have discussed potential redevelopment options for the Watertown Yard for many years. The site is large enough to accommodate both the MBTA's future transit needs and other uses. The site offers excellent proximity to public transit, jobs and daily services. Using part of the site for an affordable development as defined in the Watertown Square zoning (i.e., 50% or more are affordable units) should be strongly encouraged.

2C: Consider including a significant affordable housing component on the City's parking lots in Watertown Square

The Watertown Square Area Plan recommended using the parking lots immediately behind the municipal buildings on Main Street (and several commercial buildings just east of the complex). The site would be an excellent location for an affordable development as defined in the Watertown Square zoning (i.e., 50% or more are affordable units). However, any redevelopment here will require structured parking and other infrastructure; this significant cost will require leveraging the site's private development value. As the City continues to plan for redevelopment, opportunities to include affordable housing should be considered.

STRATEGY 3: Support the Watertown Housing Authority and others in the effort to rehabilitate public housing inventory and create new units on its existing land.

3A: Assist the Watertown Housing Authority in evaluating the potential for redevelopment and expansion at sites of existing properties

The Trust should assist the WHA in evaluating the opportunities for redevelopment and/or modernization of its sites. The Trust can assist in evaluating the funding opportunities necessary for such projects.

3B: Continue to support the proposed Willow Park redevelopment project

The Willow Park redevelopment project is the City's most significant affordable housing development in decades. The City has supported the WHA and POAH through approval of a Chapter 40B comprehensive permit in May 2025 and significant local funding commitments (\$6M in CPA funds and \$400,000 from the Trust). The City must continue to support the project as it seeks state funding and navigates the present mortgage interest and construction environment, which is challenging for all developers.

3C: Consider financial assistance for other WHA redevelopment and/or modernization projects

As the WHA proposes redevelopment and/or modernization of its sites, the Trust should consider financial assistance that it can provide. [The proposed 103 Nichols Avenue group home \(which received a commitment for financial support in 2025\) is one such site.](#)

STRATEGY 4: [Consider adoption of the measures discussed in the final affordable incentives study report](#)

[Sub-strategies to be added]

STRATEGY 5: Increase the City's capacity to implement the strategies listed in the Plan

5A: Employ a full-time housing planner within three years

The City's planning staff has historically been lean. There has never been a full-time housing planner. As the City continues to grow its planning department to an appropriate level, it is important that such a position be created. Ideally, the position will emerge over the next three years as hiring in other areas allows one planner to focus on the housing work.

5B: Continue to include \$250,000 in the annual budget for the affordable housing trust as a bridge to the availability of linkage fees

Over the last three years, the City budget has included a \$250,000 allocation for affordable housing. This annual allocation has been important for the Trust's ability to act on affordable housing opportunities. This annual allocation should continue, at least until the Trust begins to collect linkage fees.

5C: Consider participating in a regional housing program that would monitor inclusionary zoning units and review requested rent increases for the city

The City's housing planner monitors affordable units created by the inclusionary zoning ordinance or through public funding of affordable units (excluding housing authority units). A recent MAPC "Metro Mayor's" working group suggested the potential for a third-party monitoring such units on a regional basis. Consolidating the monitoring function would be more efficient or and provide more uniformity. This idea should be considered by the City if there is interest elsewhere in the region.

5D. Increase collaboration between the Affordable Housing Trust and Community Preservation Committee, while recognizing each body's particular statutory goals and process

The Trust and the CPC overlap in their role of funding affordable housing projects. Both can fund new affordable development. The CPC, however, is more limited than the Trust

in its ability to fund rehabilitation of existing projects. The Trust and CPC have informally coordinated over the last three years and held a joint meeting to hear a presentation on the Willow Park redevelopment project. There are opportunities for the two bodies to collaborate more formally, e.g., through joint application forms, and these should be explored. [The Trust should also consider seeking CPA funds for a site control and pre-development reserve to facilitate strong funding applications to the CPC.](#)

STRATEGY 6: Promote the production [and preservation](#) of housing types that meet the needs of underserved populations

6A: Encourage affordable developments that include supportive services for seniors and individuals with disabilities

Given the Trust's role in nurturing affordable developments, it should recognize and act on the opportunity to match developers who provide robust supportive services with suitable sites.

6B: Address the needs of individuals with disabilities by [creating \(or encouraging higher, as appropriate\)-universal design and visitability](#) [minimum](#) standards for large residential development projects, possibly through the city's design guidelines and/or peer review, [in coordination with the Council on Disability \(COD\)](#)

Large residential developments need to comply with federal and state requirements that provide accessibility. The City should consider ways to encourage developments to do more; this would benefit both seniors and individuals with disabilities. Non-binding design guidelines would lay out specific [criteria](#) that could inform decisions by the development team early in the process. Use of a peer review [and/or coordination with COD throughout the permitting process](#) would allow for case-by-case project evaluation by a third-party expert in the field.

6C: Encourage the creation of more 3+ bedroom units in both affordable and market rate developments to meet the needs of larger family households

There continues to be a need for more 3+ bedroom units in Watertown and throughout the Greater Boston region. The mix of units should continue to be a significant factor in the funding of affordable developments and, where appropriate, the permitting of market rate developments.

6D: Consider a program to support capital improvements that preserve the viability of older housing stock for households not in deed-restricted affordable housing

Watertown's older housing stock often serves owners and renters who cannot afford the cost of newer units. This older housing stock, however, requires capital improvements to maintain its habitability and the cost of those improvements can affect its continued affordability. The City should consider whether targeted assistance is a feasible approach to addressing this issue.

STRATEGY 7: As part of the City's upcoming general zoning review, evaluate the impact of current zoning and parking requirements on residential development and ~~consider amendments, as needed~~ the effectiveness of existing inclusionary zoning policy to address the need for deeper affordability

7A: Consider changes in current zoning and parking requirements if needed to further housing production in zoning districts where that is consistent with the Comprehensive Plan

The City is planning to undertake a general zoning review. As was the case with Watertown Square, this review should include a major focus on how the current zoning and parking requirements affect housing production.

7B: Evaluate existing inclusionary zoning policy in light of the growing need for deeper affordability

The City's inclusionary zoning policy has been highly effective in creating units that are affordable for a certain band of household incomes. These units, however, do not serve

those with incomes much lower than 65% AMI. The City should evaluate whether the need for deeper affordability can be addressed without risking future housing production.

STRATEGY 8: Anticipate and potentially help meet the need for capital improvements and/or major recapitalizations in existing affordable housing developments

8A: Regularly discuss capital needs and funding sources with Watertown’s existing affordable housing providers

Affordable developments inherently operate with tight margins and may require additional funding to address capital needs as the structures and units age. The City should take a proactive role in discussing these issues with affordable housing providers.

8B: Plan for potential use of HOME funds (WestMetro consolidated pool and/or Watertown allocation) to minimize the need for emergency funding for critical repairs

Virtually all of Watertown’s existing affordable housing developments include HOME-assisted units. Capital repairs and improvements on existing developments are not eligible for CPA funds. However, while use of HOME funding for these repairs and improvements therefore makes sense, the HOME approval process is lengthy and is best suited for planned, rather than emergency, needs.

STRATEGY 9: Promote fair housing

9A Continue to fund fair housing testing programs and publicize results

The Trust used the City’s HOME administrative funds to support the WestMetro HOME Consortium’s fair housing testing program, which resulted in a February 2025 report documenting discriminatory conduct. The Trust has approved a further round of testing in 2026. Deterrence-- through testing, referring violations to state agencies, and publicizing results—is one of the best ways to combat housing discrimination. The City should continue using these tools.

9B Continue to work with the Human Rights Commission to offer education to owners, property managers, real estate agents, tenants and the public on fair housing

The Trust and Human Rights Commission worked together to hold training sessions on fair housing during fall 2025. The two bodies should continue to collaborate on educational programs on fair housing.

9C Work with local brokers to promote acceptance of housing vouchers

The City should explore collaboration with local real estate agents on fair housing issues. One potential area of collaboration is promoting acceptance of housing vouchers by their clients. Agents can use their access to individual clients to educate them on fair housing law and to address perceived issues in renting to voucher holders.

STRATEGY 10: Help educate cost-burdened tenants and homeowners about available housing resources

10A: Increase and periodically update housing resources identified on the city's website.

The City's website should provide robust information on housing resources. Staff should develop the content, ensure that it stays up to date, and should publicize its availability. [Online content \(as well as the educational assistance discussed in Strategy 10B\) should be more available to households with limited English language proficiency.](#)

10B: Consider ways for the community development and human services departments to work together in providing housing-related educational assistance to income-qualified tenants and homeowners.

In addition to online housing resources, the City should provide housing-related educational assistance to income-qualified tenants and homeowners. Given the City's limited capacity to provide individual counseling, the community development and human services departments should consider ways to provide assistance through educational

programs. Such education should include current information about potential subsidy sources and how to apply for them.

STRATEGY 11: Adopt an accessory dwelling unit ordinance.

The City has adopted “interim” accessory dwelling unit language in November 2024 and has been seeing its first permitted ADUs since the 1990s. Comprehensive language that complies with state law and fits particular circumstances in Watertown is necessary. Watertown should have ADU rules that are easy for owners to use and for the city to administer.

STRATEGY 12: Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024

The City’s new Watertown Square zoning (including the by-right overlay) is likely to have a substantial effect on housing production in the next few years. The City should conduct an in-house evaluation of the zoning’s impact and, if necessary, consider amendments. Given the time needed to advance individual projects, evaluation during 2029 seems appropriate.

VI. IMPLEMENTATION PLAN

The time frame used in the below implementation plan refers to when the strategy should be implemented. Strategies targeted for the next 1-3 years are “Near-Term,” while those targeted for the next 2-4 years are “Mid-Term” and for the next 3-5 years are “Long-Term.” “Ongoing” refers to continuing a strategy already being pursued.

Housing Implementation Plan, 2026-2030

Strategy	Responsible Entities	Time Frame	Page #
STRATEGY 1: Identify potential affordable housing sites and work with developers on projects			
STRATEGY 1A: Continue current efforts to identify sites through locational metrics and preliminary assessments by on-call professionals, and through encouraging affordable developers to work in Watertown	Department of Community Development & Planning Department , Affordable Housing Trust	Ongoing	p.
STRATEGY 1B: Explore additional methods to find suitable sites, such as using a real estate agent, and/or publicly highlighting the site search	Department of Community Development & Planning Department , Affordable Housing Trust	Near Term	p.
STRATEGY 1C: <u>In considering opportunities for new affordable housing, consider the need for units that serve a range of households, but with particular focus on households with children and with seniors on a fixed income</u>	Department of Community Development & Planning Department , <u>Affordable Housing Trust</u>	<u>Near Term</u>	<u>p.</u>
STRATEGY 2: Promote the use of public land for affordable housing development			
STRATEGY 2A: Consider locating an affordable housing development on the City's 148 Waltham Street site	Department of Community Development & Planning Department , Affordable Housing Trust, Community Preservation Committee, City Manager, City Council	Mid-Term	p.

STRATEGY 2B: Work with the MBTA to consider affordable housing as a significant component of development on its Watertown Yard site	<u>Department of</u> Community Development & Planning- <u>Department</u> , Affordable Housing Trust, MBTA	Long-term	p.
STRATEGY 2C: Consider including a significant affordable housing component on the City's parking lots in Watertown Square	<u>Department of</u> Community Development & Planning- <u>Department</u> , Affordable Housing Trust, City Manager, City Council	Long-term	p.
STRATEGY 3: Support the Watertown Housing Authority and others in the effort to rehabilitate public housing inventory and create new units on its existing land.			
STRATEGY 3A: Assist the Watertown Housing Authority in evaluating the potential for redevelopment of existing properties	<u>Department of</u> Community Development & Planning- <u>Department</u> , Affordable Housing Trust	Mid- to Long-Term	p.
STRATEGY 3B: Continue to support the proposed Willow Park redevelopment project	<u>Department of</u> Community Development & Planning- <u>Department</u> , Affordable Housing Trust	Near-Term	p.
STRATEGY 3C: Consider financial assistance for other WHA redevelopment and/or modernization projects	<u>Department of</u> Community Development & Planning- <u>Department</u> , Affordable Housing Trust, Community Preservation Committee	Ongoing	p.
STRATEGY 4: <u>Consider adoption of the measures discussed in the final affordable incentives study report</u>			
			p.
STRATEGY 5: Increase the City's capacity to implement the strategies listed in the Plan			
STRATEGY 5A: Employ a full-time housing planner within three years	<u>Department of</u> Community Development & Planning- <u>Department</u> , City Manager, City Council	Mid-Term	p.
STRATEGY 5B: Continue to include \$250,000 in the annual budget for the affordable housing trust as a bridge to the linkage fees	<u>Department of</u> Community Development & Planning- <u>Department</u> , City Manager, City Council	Ongoing	p.

STRATEGY 5C: Consider participating in a regional housing program that would monitor inclusionary zoning units and review requested rent increases for the city	Department of Community Development & Planning Department , Affordable Housing Trust	Mid-Term	p.
STRATEGY 5D: Increase collaboration between the Affordable Housing Trust and Community Preservation Committee, while recognizing each body's particular statutory goals and process	Affordable Housing Trust, Community Preservation Committee	Near-Term	p.
STRATEGY 6: Promote the production <u>and preservation</u> of housing types that meet the needs of underserved populations			
STRATEGY 6A: Encourage affordable developments that include supportive services for seniors and individuals with disabilities	Department of Community Development & Planning Department , Affordable Housing Trust, Commission on Disability	Ongoing	p.
STRATEGY 6B: Address the needs of individuals with disabilities by <u>creating (or encouraging higher, as appropriate) universal design and visitability minimum</u> standards for large residential development projects, possibly through the city's design guidelines and/or peer review	Department of Community Development & Planning Department , Affordable Housing Trust, Commission on Disability, Council on Aging , Department of Human Services , Planning Board , Zoning Board of Appeals	Mid-Term	p.
STRATEGY 6C: Encourage the creation of more 3+ bedroom units in both affordable and market rate developments to meet the needs of larger family households	Department of Community Development & Planning Department , Affordable Housing Trust, Planning Board , Zoning Board of Appeals	On-going	p.
STRATEGY 6D: <u>Consider a program to support capital improvements that preserve the viability of older housing stock for households not in deed-restricted affordable housing</u>	Department of Community Development & Planning Department , Affordable Housing Trust	<u>Mid-term</u>	<u>p.</u>
STRATEGY 7: As part of the City's upcoming general zoning review, evaluate the impact of current zoning and parking requirements on residential development and consider amendments, as needed			

STRATEGY 7A: Consider changes in current zoning and parking requirements if needed to further housing production in zoning districts where that is consistent with the Comprehensive Plan	<u>Department of</u> Community Development & Planning Department , Affordable Housing Trust, <u>Planning Board, City Council</u>	Near-Term	p.	
STRATEGY 7B: Evaluate existing inclusionary zoning policy in light of the growing need for deeper affordability	<u>Community Development & Planning Department</u> , Affordable Housing Trust, <u>Planning Board, City Council</u>	<u>Near-term</u>	<u>p.</u>	
STRATEGY 8: Anticipate and potentially help meet the need for capital improvements and/or major recapitalizations in existing affordable housing developments				
STRATEGY 8A: Regularly discuss capital needs and funding sources with Watertown's existing affordable housing providers	<u>Department of</u> Community Development & Planning Department , Affordable Housing Trust	Ongoing	p.	
STRATEGY 8B: Plan for potential use of HOME funds (WestMetro consolidated pool and/or Watertown allocation) to minimize the need for emergency funding for critical repairs	<u>Department of</u> Community Development & Planning Department , Affordable Housing Trust	Near-Term	p.	
STRATEGY 9: Promote fair housing				
STRATEGY 9A: Continue to fund fair housing testing programs and publicize results	<u>Department of</u> Community Development & Planning Department , Affordable Housing Trust	Near-Term	p.	
STRATEGY 9B: Continue to work with the Human Rights Commission to offer education to owners, property managers, real estate agents, tenants and the public on fair housing	<u>Department of</u> Community Development & Planning Department , Affordable Housing Trust, Human Rights Commission	Ongoing	p.	
STRATEGY 9C: Work with local brokers to promote acceptance of housing vouchers	Community Development & Planning Department, Affordable Housing Trust	Ongoing	p.	

STRATEGY 10: Help educate cost-burdened tenants and homeowners about available housing resources				
STRATEGY 10A: Increase and periodically update housing resources identified on the city's website	Department of Community Development & Planning Department , Human Services Department, Affordable Housing Trust	Near-Term then Ongoing	p.	
STRATEGY 10B: Consider ways for the community development and human services departments to work together in providing educational assistance to income-qualified tenants and homeowners.	Community Development & Planning Department, Human Services Department, Affordable Housing Trust	Near-Term	p.	
STRATEGY 11: Adopt an accessory dwelling unit ordinance.				
Adopt an accessory dwelling unit ordinance.	Department of Community Development & Planning Department , Affordable Housing Trust, Planning Board , City	Near-Term	p.	
STRATEGY 12: Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024				
Evaluate the housing production impact of new city zoning at appropriate intervals, including the Watertown Square re-zoning in November 2024	Department of Community Development & Planning Department , Affordable Housing Trust	Long-Term	p.	

APPENDIX A: GLOSSARY OF TERMS

Below is a short list of key terms used in the Housing Plan. Underlined items are terms defined elsewhere in this glossary.

Affordable Housing – Housing targeted to and affordable by households that meet specific income eligibility levels, with a legally-enforceable restriction limiting occupancy to households meeting eligibility requirements. Affordable housing varies by program on such elements as what incomes are eligible, the length of the restriction, and whether the units are owned or rented. “Affordable housing” does not refer to the design, type, or method of construction of a housing unit or development, but to the cost of the housing to the consumer.

American Community Survey or ACS—Since the U.S. Census counts population (and certain other information) only once every ten years, the Census Bureau is continually surveying to provide more timely and comprehensive data. This national program is called the American Community Survey or ACS. Because it is survey, not a count, all ACS data is an estimate with a margin of error. ACS data is released yearly. However, many estimates on a municipal level use multi-year data to increase the sample size and lower the margin of error. This report uses ACS estimates for five-year period covering the years 2020 through 2024. 5-year estimates are released annually.

Area Median Income or AMI – HUD annually publishes area median income limits for local areas, and these are used for eligibility in most housing programs. HUD estimates the median family income for an area for a family of four then adjusts that figure for household size.

Affordable Housing Restriction - There are many forms of restrictions, but they must contain some language to document the income levels of the resident selection, the rent/sale price methodology, the supervising entity and identify on-going compliance requirements. The restrictions are recorded at the registry of deeds. The phrase “deed-restricted” is a shorthand for affordable housing restrictions recorded at the registry of deeds.

Chapter 40B – Massachusetts General Law Chapter 40B was enacted in 1969 to address the shortage of affordable housing statewide by eliminating barriers created by local zoning and approval processes. There are two statutory metrics for complying with Chapter 40B. One is having 10% of the community’s year-round housing stock on the state’s Subsidized Housing Inventory (SHI); units qualify for inclusion if they have a long-term Affordable Housing Restriction that limits occupancy to households at or below 80% of Area Median Income. The other metric is having 1.5% of the community’s land area occupied by units on the SHI. If a community has yet to comply with Chapter 40B and at least 20-25% of the units in a permit application have a long-term affordability restriction, *Chapter 40B* substantially limits the ability of the Board of Appeals to reject or condition the project.

Community Development Block Grants or CDBG-- The Community Development Block Grant (CDBG) Program was created by Congress in 1974 to provide annual grants on a formula basis to states, cities, and counties for housing and community development purposes, principally for low- and moderate-income persons. Certain communities, based on economic indicia, are “entitlement” or “mini-entitlement” communities that receive annual grants. Watertown is neither and must compete with other non-entitlement communities whenever the state advertises a funding opportunity.

Cost Burden – The percentage of household income spent on mortgage costs or gross rent. According to HUD, households spending more than 30% of income on housing costs are considered “cost-burdened,” while those spending more than 50% are “severely cost-burdened.”

Community Preservation Act or CPA – The Community Preservation Act (MGL Ch. 44B) helps communities preserve open space (passive or active), historic resources, and create affordable housing by creating a dedicated funding stream. A minimum of 10% of the annual fund revenues must be reserved for each of the three categories, while the remaining 70% may be allocated to any one of, or any combination of, the allowed uses. Watertown adopted CPA in 2016. Housing units created with CPA funds must be available to households under 100% AMI, and must be deed-restricted.

Comprehensive Housing Affordability Strategy Data or CHAS—Since income data is critical to HUD’s work, the agency obtains a special product from the Census that focuses on the housing needs of lower income households. This product is called Comprehensive Housing Affordability Strategy Data or CHAS. The CHAS provides data about the housing cost burden and other housing problems experienced by different subpopulations.

Executive Office of Housing and Livable Communities or EOHLC – The state agency responsible for promulgating housing regulations, overseeing completed developments and units, and offering programs and funding targeted at income eligible households. EOHLC was formerly a sub-cabinet agency known as the Department of Housing and Community Development (DHCD).

HOME Program – Administered by HUD, the HOME Investment Partnerships Program is the largest Federal block grant to State and local communities used to fund the construction, purchase, and/or rehabilitation of affordable housing units, or direct rental assistance to low-income households. Watertown is one of 13 communities that participate in the HOME program through its membership in the WestMetro HOME Consortium.

HUD – The United States Department of Housing and Urban Development’s (HUD) mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination.

Inclusionary zoning—Many communities, including Watertown, require that new developments above a certain size (typically measured by the number of units) include a certain percentage of Affordable Housing units. Each community designs its own inclusionary zoning requirements and they differ by such elements as the percentage required, the threshold that triggers inclusionary units, the income levels and whether the developer is required to include the units on-site or may pay into a municipal fund to produce units elsewhere.

Income Eligibility Levels / Limits – Various programs use different income levels, or limits, to both qualify the household and to set the rent/sales price, usually tied to some percentage of AMI, adjusted for family size. The most important classifications relating to income limits are 30% AMI, 50% AMI, and 80% AMI. Because HUD “adjusts” the income limits based on a number of factors, the AMI percentages cannot reliably be calculated from 100% AMI.

Local Preference - Local Preference is the term used to denote a local selection preference when offering housing to applicants (typically when a lottery is needed to select between income-eligible applicants). This can be for either rental or ownership housing and for either initial housing lotteries or waiting lists. Local preference must be approved by the state agency subsidizing the project.

Municipal affordable housing trust—State law (M.G.L. Chapter 44, Section 55C) authorizes municipalities to form a municipal affordable housing trust to create and preserve housing for low- and moderate-income households. The trust is governed by a board of trustees appointed by the municipality and is a municipal agency (e.g., it is tax exempt, is subject to public procurement laws, and its trustees are special municipal employees).

Subsidized Housing Inventory or SHI – The Subsidized Housing Inventory (SHI) is the official measure of a community’s stock of low-or moderate-income housing for the purposes of Chapter 40B. While housing developed under Chapter 40B is eligible for inclusion on the SHI, many other types of housing also may qualify to count toward a community’s affordable housing stock.

APPENDIX B: HUD INCOME LIMITS

Below is a chart showing the income limits used by the United States Department of Housing and Urban Development (HUD) in 2020 for the area including Watertown (the Boston-Cambridge-Quincy region). Income limits in each tier are adjusted by HUD and not solely derived from the 100% Area Median Income (AMI) figure. HUD has limits that vary for each household size, not just the four shown below for illustrative purposes.

	One-person	Two-person	Three-person	Four-person
30% AMI	\$26,850	\$30,700	\$34,550	\$38,350
50% AMI	\$44,800	\$51,200	\$57,600	\$63,950
60% AMI	\$53,760	\$61,440	\$69,120	\$76,740
65% AMI	\$58,240	\$66,560	\$74,880	\$83,135
80% AMI	\$67,400	\$77,000	\$86,650	\$96,250
100% AMI	\$83,300	\$95,200	\$107,100	\$119,000

APPENDIX C: SUBSIDIZED HOUSING INVENTORY (WATERTOWN UNITS)

Commented [LF2]: We will confirm and include the most current SHI for Watertown.

Below is the Watertown portion of the Subsidized Housing Inventory (SHI) used by the Executive Office of Housing and Livable Communities (EOHLC, formerly DHCD) to track subsidized housing units. The SHI does not include units until they receive a certificate of occupancy from the municipality and are approved by EOHLC for inclusion. This document therefore does not include a number of units currently under construction or with temporary certificates of occupancy, including, respectively, 142 units at 104 Main Street and 36 units at 101 Morse Street.

Watertown							
DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
3276	100 Warren St	100 Warren Street	Rental	50	Perp	No	HUD
3277	Lexington Gardens	Lexington/Garden/Quimby	Rental	168	Perp	No	DHCD
3278	Willow Park	Willow Park	Rental	60	Perp	No	DHCD
3279	100 Warren St State Building	100 Warren Street	Rental	72	Perp	No	DHCD
3280	McSherry Gardens	Quirk/Forest/Waverly	Rental	40	Perp	No	DHCD
3281	Woodland Towers	Waverly Ave.	Rental	164	Perp	No	DHCD
3282	n/a	Union St.	Rental	7	Perp	Yes	DHCD
3283	n/a	Green St.	Rental	16	Perp	Yes	DHCD
3284	n/a	scattered sites	Rental	10	Perp	No	DHCD
3285	n/a	Siena Village	Rental	2	Perp	No	DHCD
3286	Arsenal Apartments	465 Arsenal Street	Rental	156	2033*	No	MasoHousing
3287	Beaverbrook STEP	16 Irving St.	Rental	14	2021	No	HUD
3290	St. Joseph's Hall	2 Rosary Drive	Rental	25	2054	No	DHCD
3733	Brigham House Assisted Living	341 Mount Auburn Street	Rental	62	2062	No	DHCD
3734	Quimby Street Condominiums	28, 30, 32 and 34 Quimby Street	Ownership	4	2101	No	DHCD
4499	DDS Group Homes	Confidential	Rental	65	N/A	No	DDS
4618	DMH Group Homes	Confidential	Rental	0	N/A	No	DMH

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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY							
Watertown							
DHCD ID #	Project Name	Address	Type	Total SHI Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
4790	First Time Homebuyers	Rutland Avenue	Ownership	1	2092	No	HUD
4791	First Time Homebuyers	Piermont Street	Ownership	1	2092	No	HUD
4792	First Time Homebuyers	Pieroe Street	Ownership	1	2092	No	HUD
4793	First Time Homebuyers	Copeland Street	Ownership	1	2092	No	HUD
4794	First Time Homebuyers	Rutland Street	Ownership	1	2092	No	HUD
4795	First Time Homebuyers	Spring Street	Ownership	1	2092	No	HUD
4796	First Time Homebuyers	Mt. Auburn Street	Ownership	3	2092	No	HUD
4797	First Time Homebuyers	Berkeley Street	Ownership	1	2092	No	HUD
4798	First Time Homebuyers	Hillside Road	Ownership	1	2092	No	HUD
4799	First Time Homebuyers	Pleasant Street	Ownership	1	2092	No	HUD
4800	First Time Homebuyers	Ralph Street	Ownership	1	2092	No	HUD
4802	First Time Homebuyers	Walnut Street	Ownership	1	2092	No	HUD
4803	First Time Homebuyers	Riverside Street	Ownership	1	2092	No	HUD
4804	First Time Homebuyers	Russell Street	Ownership	1	2092	No	HUD
4805	First Time Homebuyers	Berkeley Street	Ownership	1	2092	No	HUD
4807	First Time Homebuyers	Highland Avenue	Ownership	1	2092	No	HUD
7884	Marshall Place Apartments	120 Mt. Auburn St	Rental	11	Perp	NO	HUD
8699	Repton Place	555 Pleasant St	Ownership	28	Perp	NO	DHCD
9548	120 Pleasant Street	120 Pleasant Street	Rental	4	Perp	NO	DHCD

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This data is derived from information provided to the Department of Housing and Community Development (DHCD) by individual communities and is subject to change as new information is obtained and use restrictions expire.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CH40B SUBSIDIZED HOUSING INVENTORY							
Watertown							
DHCD ID #	Project Name	Address	Type	Total SHU Units	Affordability Expires	Built w/ Comp. Permit?	Subsidizing Agency
9549	Nally Estates	Waverly Avenue	Rental	2	Perp	NO	DHCD
9557	1060 Belmont	1060 Belmont Street	Rental	18	2041	NO	DHCD
9578	The Coolidge	319 Arlington Street	Rental	38	Perp	NO	DHCD
							HUD
							MasoHousing
							MHP
9838	Alta at the Estate	Waltham Street (aka Wood/New Way)	Rental	16	Perp	NO	DHCD
9839	Riverbend on the Charles	270 Pleasant Street	Rental	17	Perp	NO	DHCD
9852	Mill Creek/Watertown Mews	555 Pleasant Street	Rental	32	Perp	NO	DHCD
10277	The Gables	202-204 Arsenal St	Rental	30	Perp	NO	DHCD
10355	River Park Lofts	45 Bacon St/80 Howard St	Rental	7	Perp	NO	DHCD
10356	Elan Union Market	56 Irving St/284 Arsenal St	Rental	35	Perp	NO	DHCD
Watertown Totals				1,171	Census 2010 Year Round Housing Units		15,521
					Percent Subsidized		7.54%

APPENDIX D: INCLUSIONARY ZONING UNITS

Development Name	Address	Total units	Affordable	Approval	Tenure	Notes
Watertown Square Apts	20 Watertown St	134	13	2001	Rental	
Riverbank Lofts	290 Pleasant St	57	7	2004	Ownership	
Repton Place	555 Pleasant St	179	28	2006	Ownership	
Nally Estates	77 Waverly Ave	18	2	2008	Rental	
Riverbend	270 Pleasant St	170	17	2011	Rental	
Charles Bank Residences	120-140 Pleasant St	44	4	2011	Rental	
Mews	555 Pleasant St (3 Repton Cr)	206	32	2012	Rental	
Alta/Bell Properties	10-300 Woodview Way	155	16	2012	Rental	
River Park Lofts	60 Howard St & 45 Bacon St	65	7	2013	Rental	
Gables	204 Arsenal St	296	30	2014	Rental	
Elan	160 Arsenal St	282	35	2015	Rental	
Watermills	330-350 Pleasant St	99	15	2017	Rental	
The Aver	345-385 Pleasant St	58	8	2018	Rental	
The Beacon	101 N. Beacon St	28	4	2019	Ownership	
101 Morse St	101 Morse St	36	6	2019	Rental	
166 Main St	166 Main St	34	5	2020	Rental	
Arsenal Yards	485 Arsenal St	302	45	2017	Rental	Date of Master Plan approval
The Maximillian	53 Pleasant St/104 Main St	142	21	2023	Rental	Under construction
		1,861	295			