NEED FOR MORE HOUSING

Massachusetts home prices have increased at the fastest rate in the nation, and metropolitan Boston rent prices rank among the highest in the country. The Commonwealth must add to its housing stock to support a growing economy and provide new housing choices.

But we can’t do it alone: municipalities have control over local zoning and permitting, and they must be partners if the Commonwealth is to successfully overcome these housing challenges. Cities and towns should be encouraged to adopt best practices and zoning that supports sustainable housing production.

The Housing Choice Initiative provides incentives, rewards, technical assistance and targeted legislative reform to encourage and empower municipalities to plan and build the diverse housing stock that the Commonwealth needs to continue to thrive.

HOUSING CHOICE DESIGNATION

A Housing Choice Designation rewards communities that are producing new housing and have adopted best practices to promote sustainable housing development. Housing Choice designation provides:

- **Exclusive admission** to new Housing Choice Capital Grants, Housing Choice Communities will be eligible for a major new capital grant program.
- **Bonus points** or other considerations for certain Commonwealth funding programs such as MassWorks, Seaport Council Grants, Complete Streets, MassDOT capital projects, and LAND and PARC grants.

NEW AND BETTER COORDINATED TECHNICAL ASSISTANCE

To assist municipalities to achieve Housing Choice status, DHCD’s Housing Choice Program Director will coordinate existing technical assistance and provide “one-stop shopping” for information about technical assistance grants for local governments. In addition, MassHousing will provide **$2 million** in planning assistance to help cities and towns achieve their affordable housing goals under Chapter 40B through its new “Planning for Production” program.
SMALL TOWN PROGRAM

Recognizing that small towns face different challenges, the Housing Choice Initiative will set aside funding for a competitive capital grant program exclusively for towns with population under 7,000. $1 million in capital grant monies are expected to be available in the first year, to grow thereafter. Small Towns can also apply for Housing Choice Designation.

TRACK PROGRESS TOWARD THE HOUSING GOAL

The Housing Choice Initiative will track progress toward a goal of 135,000 new housing units statewide by 2025, or about 17,000 new units per year.

- This goal requires sustaining the level of production over the last three years
- Represents a 26 percent increase in housing production compared to the last eight years
- Keeps pace with projected increases in housing demand
- Closely aligned with the housing production goals required for designation as a Housing Choice community

LEGISLATION – AN ACT TO PROMOTE HOUSING CHOICES

The Administration will file An Act to Promote Housing Choices, to facilitate housing production and adoption of zoning best practices. It eliminates barriers to building new housing and improving land use without mandating that cities and towns adopt any specific zoning practices. The Act will change state law to reduce the required vote from 2/3 “supermajority” to a simple majority for certain zoning changes. This change makes Massachusetts more consistent with current practice in most states. Zoning changes that promote best practices that would qualify for the simple majority threshold include:

- Building mixed-use, multi-family, and starter homes, and adopting 40R “Smart Growth” zoning in town centers and near transit
- Clustering new homes to permanently preserve open space and protect natural resources
- Reducing parking requirements and dimensional requirements such as minimum lot sizes
- Allowing for transfer of development rights (TDR) zoning and natural resource protection zoning
- Allowing for increased density through a Special Permit process, promoting more flexible development
- Allowing accessory dwelling units or “in-law” apartments
An Act to Promote Housing Choices – House Bill #4290
Currently before the House Ways and Means Committee

Massachusetts home prices have increased at the fastest rate in the nation, and metropolitan Boston rent prices rank among the highest in the country. The Commonwealth must build enough diverse housing stock — single family homes, multi-family units, and small apartments — to support our growing economy and to provide our growing population with housing choices. **Massachusetts must find new ways to encourage housing development.**

This new housing production should be concentrated in environmentally sound ways. Massachusetts laws should make it easier to build housing that supports transit-oriented development, revitalizes downtowns, uses existing infrastructure, preserves natural land where possible, and avoids unnecessary environmental impacts. The Baker-Polito Administration’s Housing Choice Initiative encourages and rewards municipalities for taking actions that result in housing production. **An Act to Promote Housing Choices** complements the Housing Choice Initiative by lowering barriers to sustainable housing production and adoption of planning and zoning best practices. **At the same time, the legislation respects the role of local decision-making.**

Massachusetts is an extreme outlier in requiring a supermajority vote of its local legislative bodies to change zoning laws, and we are the only state in New England that requires a 2/3 vote to change local zoning. In order to facilitate adoption of zoning best practices and appropriate housing production, **An Act to Promote Housing Choices** lowers the voting threshold to a majority vote for specific best practices.

The following local zoning would require only a majority vote of the local legislative body:
- Reducing dimensional requirements, such as minimum lot sizes, to allow homes to be built closer together.
- Reducing required parking ratios, which can lower the cost of building new housing and accommodate development on a smaller footprint.
- Creating mixed-use zoning in town centers, and creating multi-family and starter home zoning in town centers, near transit, and in other smart locations.
- Adopting “Natural Resource Protection Zoning” and “Open Space Residential Development.” These zoning techniques allow the clustering of new development while protecting open space or conservation land.
- Adopting provisions for Transfer of Development Rights (TDR), which protects open space while creating more density in suitable locations.
- Adopting 40R “Smart Growth” zoning, which provides incentives for dense, mixed-use development in town centers, near transit, and in other “smart” locations.
- Allowing accessory dwelling units or “in-law” apartments — small apartments in the same building or on the same lot as an existing home.
- Allowing for increased density through a Special Permit process promoting more flexible development.
- Approving special permits by simple majority where multifamily housing is built near transit or in town and city centers, if at least 10% of the units are affordable.

**This legislation does not mandate that any town adopt these zoning best practices; it simply removes the barrier of having to convince a supermajority of the legislative body to adopt them.** In addition, the legislation authorizes adjacent municipalities to enter into agreements for sites that span multiple communities.