

Housing Choice Initiative

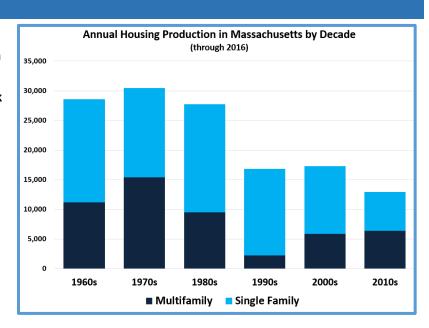
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NEED FOR MORE HOUSING

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.

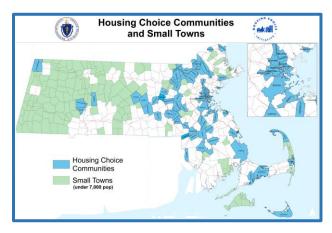
But we can't do it alone: municipalities have control over local zoning and permitting, and they must be partners if the Commonwealth is to successfully overcome these housing challenges. Cities and towns are encouraged to adopt **best practices** and **zoning** that supports sustainable housing production.



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 access to **Housing Choice Capital Grants**, Housing Choice Communities received \$4 million in funding for capital projects in FY 19.

Bonus Points or other considerations for certain Commonwealth funding programs such as Clean Water Trust loans, MassWorks, Seaport Council Grants, Complete Streets, MassDOT capital projects, Energy and Environmental Affairs Planning, LAND and PARC grants.

SMALL TOWN CAPITAL GRANT 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 were awarded to Small Towns for capital projects. Small Towns can also apply for Housing Choice Designation (in 2018, 5 Housing Choice Communities had populations under 7,000).



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NEW AND BETTER COORDINATED TECHNICAL ASSISTANCE

To assist municipalities to achieve Housing Choice status, DHCD's Housing Choice Program Director coordinates existing technical assistance and provide "one-stop shopping" for information about **technical assistance grants** for local governments. In addition, MassHousing established the *Planning for Housing Production* grant program with **\$2 million** in planning assistance to help cities and towns take actions to implement affordable housing goals under Chapter 40B.















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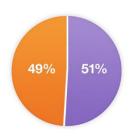
TRACK PROGRESS TOWARD THE HOUSING GOAL

The Housing Choice Initiative is tracking 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



In December 2017, the Administration filed **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 changes 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

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There are two ways to get Housing Choice Designation

#1 High Production

Greater than 5% housing growth OR 500 units over the <u>last 5 years</u>

Housing Choice Communities must have:

Applied for a Community Compact

and

No restrictions on new housing

and

Adopted or commit to develop an ADA Self Evaluation / Transition Plan

#2 Production & Planning

Greater than 3% housing growth OR 300 units over the <u>last 5 years</u> AND

5 of 11 housing best practices (one Affordable)

- Priority scoring for Commonwealth Grant Programs
- Exclusive access to a capital grant program for Housing Choice Communities
- New and better coordinated technical assistance to maintain housing production
- Continue to support sustainable development in order to maintain designation and compete for Housing Choice Grants

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Housing Choice Best Practices

For communities with 3% or 300 unit increases in the last 5 years, must also meet 5 of 11 best practices, one of which must be an Affordable Best Practice

Affordable Best Practices marked with an *

- 1. * Designated local resources for housing such as established an Affordable Housing Trust, donated land, or spent substantial Community Preservation Act (CPA) funds for community housing over the last 5 years
- 2. Selected a housing best practice as part of a Community Compact
- * Have units currently eligible for inclusion in the Subsidized Housing Inventory (SHI) that equal or exceed 10% of total year round housing stock according to the DHCD subsidized housing inventory
- 4. Have zoning that allows mixed use or cluster / Open Space Residential development by right (or can demonstrate a pattern of approving such developments over the last 5 years)
- 5. Have zoning that allows for accessory dwelling units by right (or can demonstrate a pattern of approving ADUs over the last 5 years)
- 6. *Have Inclusionary Zoning that provides for reasonable density increases so that housing is not unreasonable precluded
- 7. * Have an approved 40R Smart Growth or Starter Homes district
- * Participate in the Housing Development Incentive Program, have adopted an Urban Center Housing Tax Increment Financing district, approved District Improvement Financing (DIF) related to housing, have adopted an Urban Renewal Plan that includes a significant Housing element, or have adopted property tax relief programs either as provided for by statute (MGL c. 59 section 5) or through a home rule petition.
- 9. Have at least one zoning district that allows multifamily by right with capacity to add units and that allows for family housing (does not restrict units with more than 2 bedrooms)
- * Have a CERTIFIED Housing Production Plan which means that you have an DHCD approved Housing Production Plan and have subsequently seen an increase of 0.5% or 1% in your year round housing units (see https://www.mass.gov/service-details/chapter-40-b-housing-production-plan for more information)
- 11. Reduced parking requirement for Multi-Family units within the last 5 years, or require no more than 1 parking space per unit for multifamily units.

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Housing Choice Communities 2018

MUNICIPALITY

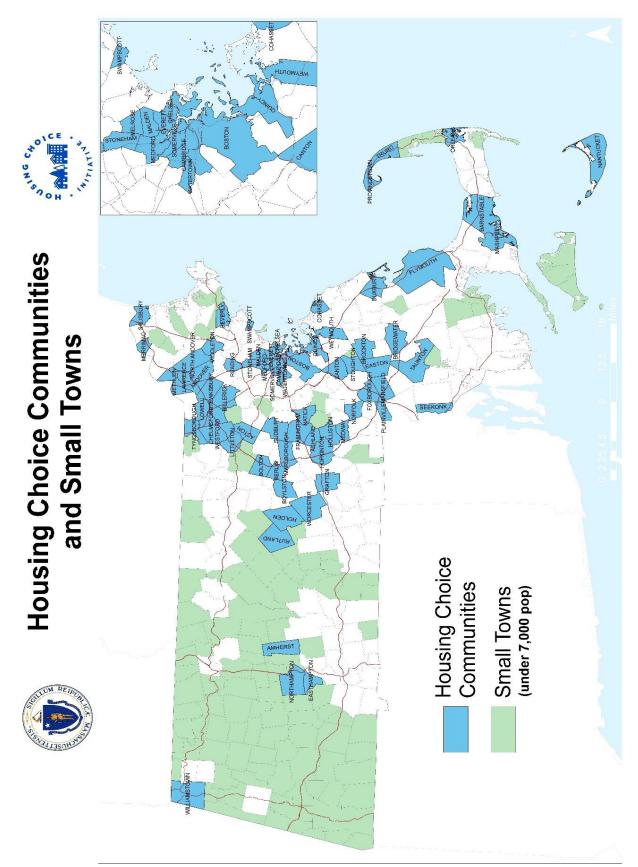
MUNICIPALITY		
1	Acton	
2	Amherst	
3	Andover	
4	Ashland	
5	Barnstable	
6	Berlin	
7	Beverly	
8	Billerica	
9	Bolton	
10	Boston	
11	Boylston	
12	Bridgewater	
13	Brockton	
14	Cambridge	
15	Canton	
16	Chelmsford	
17	Chelsea	
18	Cohasset	
19	Duxbury	
20	Easthampton	
21	Easton	
22	Everett	
23	Foxborough	
24	Framingham	
25	Grafton	
26	Holden	
27	Holliston	
28	Hopkinton	
29	Lawrence	
30	Littleton	
31	Lowell	
32	Malden	
33	Mansfield	
34	Marlborough	
35	Mashpee	
36	Medford	

MUNICIPALITY

	WONCH ALIT
37	Medway
38	Melrose
39	Merrimac
40	Methuen
41	Middleton
42	Nantucket
43	Natick
44	Norfolk
45	North Andover
46	Northampton
47	Orleans
48	Plainville
49	Plymouth
50	Provincetown
51	Quincy
52	Reading
53	Rutland
54	Salisbury
55	Seekonk
56	Somerville
57	Stoneham
58	Stoughton
59	Sudbury
60	Swampscott
61	Taunton
62	Tewksbury
63	Truro
64	Tyngsborough
65	Watertown
66	Westford
67	Weymouth
68	Williamstown
69	Worcester



Housing Choice Communities 2018





Housing Choice and Small Town Grant Awards





Housing Ch	oice Co	mmunity
	nt Awar	
Acton	\$	165,000
Amherst	\$	190,000
Barnstable	\$	250,000
Beverly	\$	150,000
Chelmsford	\$	225,000
Easthampton	\$	225,000
Easton	\$	225,000
Framingham	\$	250,000
Lawrence	\$	206,500
Littleton	\$	250,000
Melrose	\$	168,000
Northampton	\$	225,300
Provincetown	\$	250,000
Quincy	\$	250,000
Reading	\$	50,000
Salisbury	\$	225,000
Somerville	\$	200,000
Taunton	\$	245,200
Williamstown	\$	250 000

Small Town	Grant	Awards
Boylston	\$	83,500
Clarksburg	\$	21,500
Eastham	\$	100,000
Egremont	\$	100,000
Great Barrington	\$	100,000
Hadley	\$	95,000
Leverett	\$	100,000
Mattapoisett	\$	88,426
Mendon	\$	26,500
Merrimac	\$	100,000
Sunderland	\$	71,438
Tisbury	\$	98,500
Total	\$	984,864

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