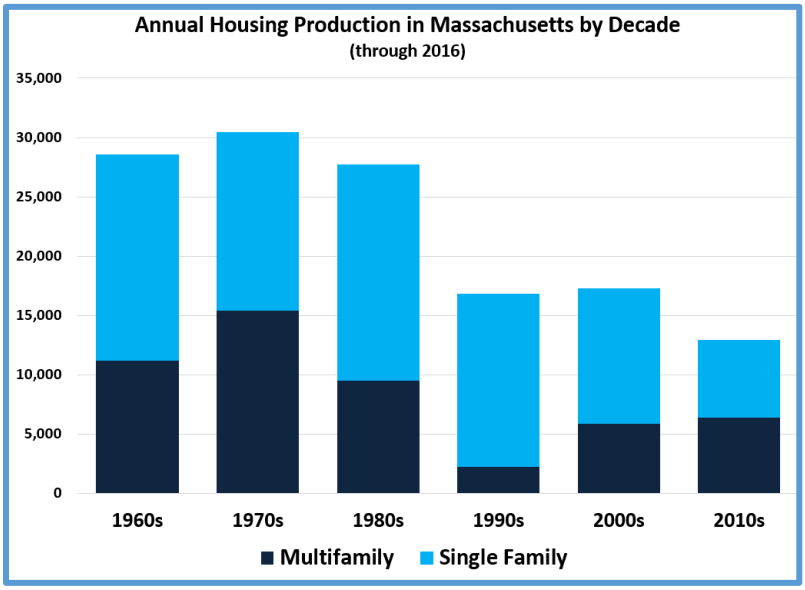
# Housing Choice Initiative

**www.mass.gov/housingchoice**

## NEED FOR MORE HOUSING

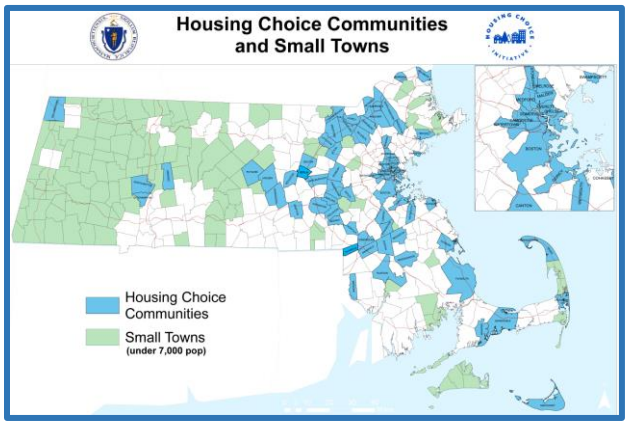
Massachusetts home prices have increased at the fastest rate in the nation, and metropolitan Boston rent prices rank among the highest in the country. **The Commonwealth must add to its housing stock to support a growing economy and provide new housing choices**.

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 proposed, 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 COMMUNITY DESIGNATION




A Housing Choice Community 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 FY19. Governor Baker recently proposed $7 million in the FY20 budget.

**Bonus Points or other considerations** for certain Commonwealth funding programs including 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 set aside funding for a competitive capital grant program **exclusively for towns with population under 7,000**. $1 million in capital grant funding was awarded to Small Towns for capital projects for FY19; a similar amount is proposed in the FY20 budget. Small Towns can also apply for Housing Choice Designation (in 2018, 5 Housing Choice Communities had populations under 7,000).

# Housing Choice Initiative

**www.mass.gov/housingchoice**

## NEW AND BETTER COORDINATED TECHNICAL ASSISTANCE

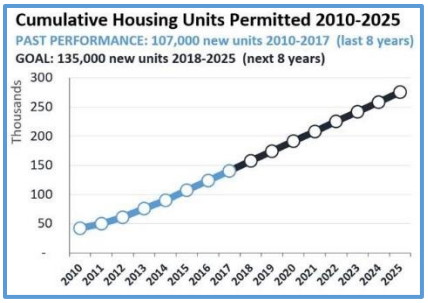
To assist municipalities to achieve Housing Choice status, DHCD's Housing Choice Program Director coordinates existing technical assistance and provide "one-stop shopping" for information about **technical assistance grants** for local governments. In addition, MassHousing established the *Planning for 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.



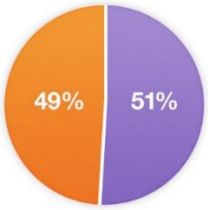
## TRACK PROGRESS TOWARD THE HOUSING GOAL

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 and represents a 26 percent increase in housing production compared to the last eight years
- Keeps pace with projected increases in housing demand
- Aligned with the housing production goals required for designation as a Housing Choice community




## LEGISLATION – AN ACT TO PROMOTE HOUSING CHOICES (H. 3507)




In February 2019, the Administration filed **An Act to Promote Housing Choices** to facilitate housing production and adoption of zoning best practices without mandating that cities and towns adopt any specific zoning practices. The proposed bill incorporates comments from the Joint Committee on Housing, and would 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 in the country. Zoning changes that promote housing best practices and **qualify for a simple majority voting threshold** include:

- Building mixed-use, multi-family, and starter homes, and adopting 40R "Smart Growth" or "Starter Homes" zoning
- 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

Where communities allow **transit oriented multi-family and mixed use projects with at least 10% affordable units**, the bill **reduces the 2/3 vote for special permit approval to a simple majority**. This eases local approvals for new housing near transit and city and town centers.

# There are two ways to get Housing Choice Designation

## #1 High Production

Greater than 5% housing growth OR 500 units over the last 5 years

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 last 5 years 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

www.mass.gov/housingchoice

# 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
3. * 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
8. * 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)
10. * 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.

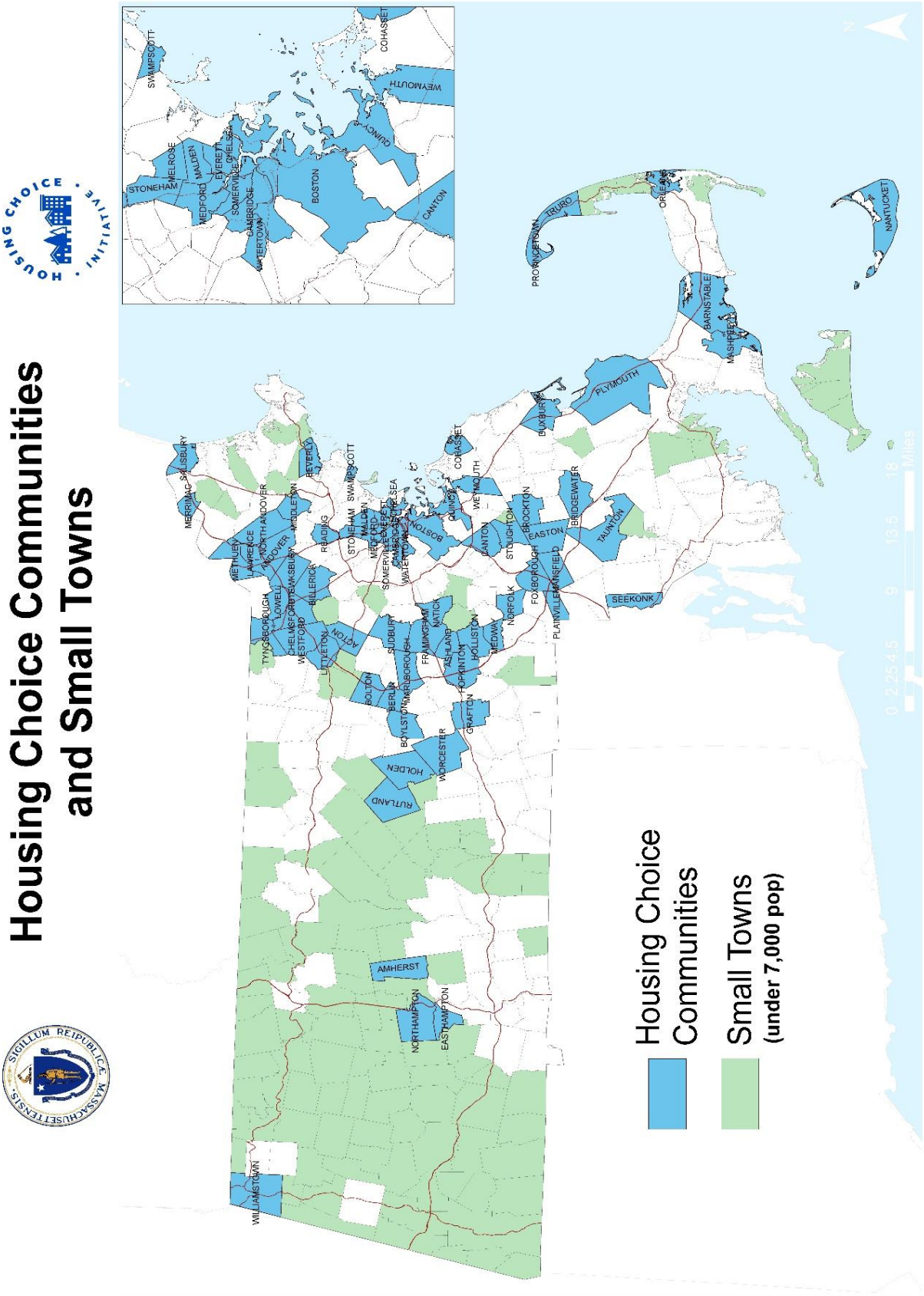
**www.mass.gov/housingchoice**

# Housing Choice Communities 2018

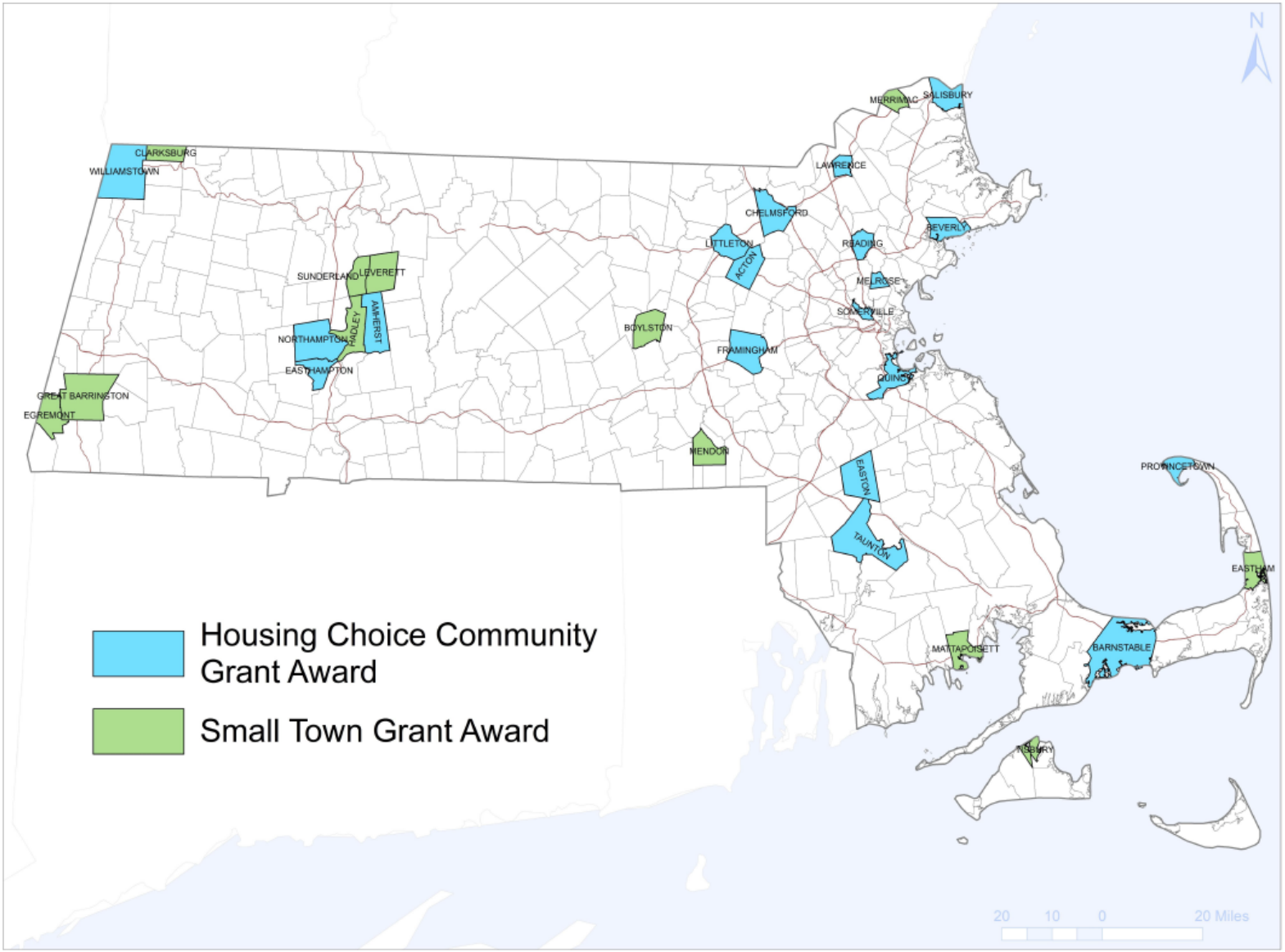
| | MUNICIPALITY |
|---|---|
| 1 | Acton |
| 2 | Amherst |
| 3 | Andover |
| 4 | Ashland |
| 5 | Barnstable |
| 6 | Berlin |
| 7 | Beverly |
| 8 | Billerica |
| 9 | Bolton |
| 10 | Boston |
| 11 | Boylston |
| 12 | Bridgewater |
| 13 | Brockton |
| 14 | Cambridge |
| 15 | Canton |
| 16 | Chelmsford |
| 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 |
|---|---|
| 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 Choice Community Grant Awards | | |
|---|---|---|
| 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 |
| **Total** | **$** | **4,000,000** |

| 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** |