

Baker-Polito Administration Announces New Housing Choice Initiative

Initiative will spur significant housing production, and provide municipalities with tools and incentives to drive the creation of 135,000 new units by 2025

BOSTON, MA – December 11, 2017 – Today, the Baker-Polito Administration announced a comprehensive new initiative to substantially increase housing production across the Commonwealth. The Administration’s Housing Choice Initiative creates a new system of incentives and rewards for municipalities that deliver sustainable housing growth; creates a new technical assistance toolbox, to empower cities and towns to plan for new housing production; and proposes legislative changes, through *An Act to Promote Housing Choices*, to deliver smart, effective zoning at the local level.

Massachusetts home prices have increased at the fastest rate in the nation, and metropolitan Boston rent prices rank among the highest in the country. In order to address the challenges facing Massachusetts, the Housing Choice Initiative will deliver more than \$10 million in incentives, grant funding and technical assistance per year, and enable Massachusetts to realize a new goal of creating 135,000 new housing units by 2025.

“Our growing economy demands a robust and diverse supply of housing to support the Commonwealth’s continued growth and success,” **said Governor Charlie Baker**. “This initiative will maximize collaboration between state agencies, support innovation and data-driven policies, and provide municipalities with the user-friendly tools needed to create more housing where it’s needed. We look forward to working with the legislature and partnering with cities and towns to deliver much needed housing to regions across Massachusetts, while respecting our long-standing home rule tradition. “

“The Housing Choice Initiative we announced today will ensure that Massachusetts remains a great place to live, raise a family, and grow a business by removing barriers to responsible housing development,” **said Lt. Governor Karyn Polito**. “The Commonwealth’s cities and towns are instrumental in our efforts to create more housing, and the Housing Choice Initiative will provide municipalities with the tools and incentives needed to drive meaningful housing production that is appropriate for their community, maximizes land-use and creates opportunities for smart development.”

Modeled after Massachusetts’ successful [Green Communities](#) program, The Housing Choice Initiative will provide a powerful new set of incentive-based tools for local governments. The Housing Choice Initiative will reward communities that are producing new housing units and have adopted best practices to promote sustainable housing development, use land efficiently, protect natural resources and conserve energy, with a new Housing Choice designation. The Housing Choice Designation is designed to be simple, flexible and achievable for municipalities. Cities and towns that receive the Housing Choice Designation will be eligible for new financial resources, including exclusive access to new Housing Choice Capital Grants, and preferential treatment for many state grant and capital funding programs, including MassWorks, Complete Streets, MassDOT capital projects and PARC and LAND grants.

"Access to affordable housing is one of the greatest challenges facing cities across the Commonwealth," **said Mayor Martin J. Walsh**. "I am proud of our work in Boston in teaming up with other cities across the region to increase our affordable housing stock and continue creating homes for all. Together with the support of the Commonwealth through the new Housing Choice Initiative, cities and towns, including Boston, will have a new set of tools at our disposal to continue delivering more housing for the people we serve."

"Our region is in a housing crisis. Solving it will require bold action and a comprehensive solution set," **said Mayor Joseph Curtatone, City of Somerville and Chair of the Metro Mayor’s Coalition**. “That is why the Metro Mayors Coalition just this month launched a regional housing partnership. And that’s why I’m thrilled that Governor Baker and Lt. Governor Polito are creating the Housing Choice program and filing legislation to spur the production of housing for people across the economic spectrum. I support this program and endorse the legislation, and I’m excited to work with the Administration so the region and the Commonwealth can lead the way in tackling the most pressing issue we face today."

“The Baker-Polito Administration is to be congratulated for its Housing Choice program which creates incentives for cities and towns to expand housing opportunities for those who live and work in our communities,” **said Littleton Town Administrator Keith Bergman, who serves also as President of the Metropolitan Area Planning Council.** “Littleton has a strong housing market and its total housing stock has increased by over 10% since 2010. Littleton’s subsidized housing inventory of 12.9% surpasses the 10% goal under Chapter 40B. The Town is committed to remaining above that goal by being proactive. With the leadership of its Board of Selectmen and Planning Board, town meeting voters recently approved a package of housing strategies contained in the Town’s updated Master Plan, including many best practices of the Housing Choice program.”

“The South Shore Chamber of Commerce views new housing as an economic development tool for the suburbs,” **said Peter Forman, President & CEO of the South Shore Chamber of Commerce.** “The Administration’s proposal will help towns create a housing agenda that makes sense for their own communities rather than having the state set zoning decisions for them.”

The Housing Choice Initiative introduces new and better coordinated technical assistance for municipalities to reach housing production goals and pursue a Housing Choice Program Designation. The Department of Housing and Community Development (DHCD) will provide communities with a clear, single-entry point for coordinated technical assistance across agencies. In coordination with the Housing Choice Initiative, MassHousing will make \$2 million in new technical assistance funding available, to help communities progress toward and achieve housing production goals under the state’s Chapter 40B affordable housing law. The Housing Choice Initiative will also track progress towards a new statewide goal of producing 135,000 new housing units by 2025, to ensure that new housing production keeps pace with projected increases in housing demand.

“We are committed to supporting inclusive communities throughout the Commonwealth, and increasing housing production at every level is a critical component of this effort. This initiative will support a healthy housing market that meets the needs of our diverse population, including our young families, older adults and growing workforce,” **said Housing and Community Development Undersecretary Chrystal Kornegay.** “We are excited to provide this new set of tools to give communities more resources, and work closely with cities and towns to achieve this ambitious housing production goal.”

“MassHousing is excited to support the Administration’s Housing Choice Initiative, by committing \$2 million in new funding to help cities and towns deliver new housing that is consistent with their local planning goals,” **said MassHousing Acting Executive Director Tom Lyons.** “Our new Planning for Housing Production Program will help make Chapter 40B development less contentious and more collaborative, by empowering municipalities to implement housing solutions driven by local goals and values.”

As part of the Housing Choice Initiative, the Administration is proposing legislation that will remove barriers to improved land use and new housing, by promoting the adoption of local zoning best practices. This legislative proposal, *An Act to Promote Housing Choices*, would allow cities and towns to adopt certain zoning best practices by a simple majority vote, rather than the current two-thirds supermajority. Massachusetts is currently one of only ten states to require a supermajority to change local zoning; all other northeastern states rezone through simple majority votes.

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;
- Allowing the development of accessory dwelling units, or “in-law” apartments;
- Granting increased density through a special permit process;
- Allowing for the transfer of development rights and enacting natural resource protection zoning; and
- Reducing parking requirements and dimensional requirements, such as minimum lot sizes.

An Act to Promote Housing Choices does not mandate that cities and towns make any of these zoning changes. The legislation allows municipalities that want to rezone for responsible housing growth to do so more easily, and in a way that is consistent with peer states.

The Baker-Polito Administration today also announced \$1,296,219 in grant funding for [37 projects](#) through the new Planning Assistance Grant Program. Funded through spending authorized in the Environmental Bond Bill, the Planning Assistance Grant Program is part of an effort to encourage municipalities to implement land use regulations that are consistent with the Baker-Polito Administration's land conservation and development objectives including reduction of land, energy, and natural resource consumption, provision of sufficient and diverse housing, and mitigation of and preparation for climate change.

The Baker-Polito Administration is deeply committed to meeting this housing challenge, through key investments, new initiatives and program reforms. [In April, Governor Baker filed a housing bond bill seeking \\$1.287 billion](#) in additional capital authorization to advance the administration's commitment to affordable housing and we have increased funding for affordable housing by 19% and is on course to invest \$1.1 billion over five years in affordable housing. The highly effective MassWorks Infrastructure Program continues to be a key catalyst for housing production, supporting the creation of more than 3,000 housing units. The Open for Business Initiative will drive the production of more than 2,200 units of housing on state land. MassHousing's \$100 million Workforce Housing Initiative has advanced the development of 1809 housing units across a range of incomes, including 510 workforce housing units. And, through *An Act Relative to Job Creation and Workforce Development*, the administration reformed the Housing Development Incentive Program, which is on track to facilitate 630 new units in Gateway Cities, and renewed our commitment to the 40R Smart Growth Zoning Program.

Statements regarding Baker-Polito Housing Announcement on 12/11/17

"The Governor's Housing Initiative is comprehensive, creative, and collaborative. The Massachusetts Competitive Partnership offers its full endorsement of the Initiative." -- **Dan O'Connell, President and CEO, Massachusetts Competitive Partnership**

"We are here today to express our enthusiasm for Governor Baker's framework and approach to solving the housing production challenge. The Governor is 100% correct – this is an issue that requires a partnership between the state and our cities and towns. Community leaders need resources, tools, incentives and flexibility, and they also need to preserve their decision-making authority, because there are no one-size-fits-all solutions. We applaud the Governor's Housing Choice Program, because he is standing with cities and towns, and offering resources and tools that are necessary to make real progress together." - **Geoff Beckwith, Executive Director & CEO, Massachusetts Municipal Association**

"More homes in town centers and walkable locations are critical to grow our economy, preserve our environment, promote public health, and meet the needs of our residents across income levels. Governor Baker's initiative shows real support for our communities to create opportunities for much needed housing production," -- **Rachel Heller, CEO of Citizens' Housing and Planning Association (CHAPA)**

"A few weeks ago, the Foundation's 15th annual [Greater Boston Housing Report Card](#) noted that incentives and streamlined permitting processes are producing more multi-unit and affordable housing in city of Boston. But even so, as a region we are not yet meeting the demand for housing in Greater Boston. With this package of incentives and assistance, Governor Baker is taking a leadership role for responsible housing development, making affordable options possible in communities across the Commonwealth." -- **Boston Foundation President and CEO Paul Grogan.**

"We applaud Governor Baker for taking this important step toward stabilizing Greater Boston's housing market. As a region, we are fortunate to be adding lots of jobs and attracting new residents. In order to keep the local economy strong, we must provide incentives to produce enough housing to keep pace with demand. Expanding the housing supply is also a critical step in preventing the displacement of seniors, families, and working class residents. The

Housing Choice Program is one more step in demonstrating that Governor Baker is very serious about achieving these goals.” – **Marc Draisen, Executive Director, Metropolitan Area Planning Council.**

“History tells us that the best state policy is one that encourages local communities to act in the interest of the entire Commonwealth. The Governor’s *Housing Choice Initiative* does precisely this. It embodies carefully crafted incentives to encourage each of our cities and towns to take local action toward meeting the urgent need across the state for new housing development for our residents and to maintain our economic prosperity.” – **Barry Bluestone, Professor, Northeastern University**

Governor Baker again has shown that he understands how important housing is to Massachusetts, and especially how vital it is to keeping the Massachusetts economy thriving. We applaud his leadership to tackle this issue, and look forward to working with him and the Legislature to create more places for the hard working people of the Commonwealth to live. – **Greg Vasil, CEO Greater Boston Real Estate Board**

“Housing Choice will encourage communities to build more of the homes that we need in walkable and welcoming places. We are very pleased that the Baker-Polito Administration recognizes the fundamental role that zoning reform plays in solving our housing crisis. Local leaders, business groups and residents from all across the state have been asking for an incentive program for cities and towns for many years and kudos to the Governor for making it happen.” -- **André Leroux, Executive Director of the Massachusetts Smart Growth Alliance and spokesman for the Great Neighborhoods campaign**

“We are very excited about the Governor’s Housing Choice Initiative and look forward to working with his Administration to make the program a success throughout the Commonwealth. Our non-profit, community-led member organizations have built over 18,000 homes and we are eager to build more. This program will provide the tools and supports to build more homes for a wide range of households and to build them in good locations.” - **Joseph Kriesberg, President of the Massachusetts Association of Community Development Corporations**

“NAIOP believes the production of workforce housing is critical for the continued growth of the Massachusetts economy. We look forward to working with the Baker Administration and the legislature to advance the many concepts in this bill that help to achieve that goal.” -**Tamara C. Small , Senior Vice President, Government Affairs NAIOP Massachusetts**

“We thank the administration for moving to address housing needs in a way that protects our environment. We look forward to working with them as the program unfolds to help meet that goal.” -- **Nancy Goodman, VP for Policy, Environmental League of Massachusetts**

“We are pleased with the Baker Administration's pro-active and strategic approach to help communities meet housing needs and apply best practices to conserving natural resources. Encouraging housing in areas already developed along with natural resources protection zoning will help the Commonwealth meet both housing and conservation goals.” -- **Wayne Klockner state director of the Nature Conservancy in Massachusetts**

“Today's announcement of the Housing Choice Initiative is proof of the governor's commitment to expanding housing opportunities for persons of all ages and incomes and a recognition that the lack of new housing production is one of the greatest challenges facing the commonwealth. We look forward to working with the Baker-Polito Administration, the Legislature and municipal officials to produce much needed new housing. Our collective goal should be to widen housing choices for our citizens, from young families of modest means looking for their first home to downsizing seniors who want to stay near their children and grandchildren. The American dream of owning a home is still the best way for middle class families to build wealth for their future.” -- **Gary Campbell, Chief Executive Officer at Gilbert Campbell Real Estate and President of the Home Builders and Remodelers Association of Massachusetts**

“The Greater Boston Chamber and our members understand the critical need in greater Boston for housing that our workforce can afford. The Governor’s proposal takes a step towards addressing the region’s housing shortage

by balancing our need for housing with existing municipal authority. In particular, we are encouraged to see that the Governor's plan links housing development and transportation investment by providing a funding opportunity for communities that increase housing production. Cost of living in Greater Boston, including the cost of housing, affects the Greater Boston business community because it impacts our region's competitiveness as we work to attract and retain a talented workforce. We look forward to working with the governor, legislators and our communities in advancing this important issue." -- **James E. Rooney, President and CEO, Greater Boston Chamber of Commerce**

"We are pleased that the Baker Administration's approach to meeting the Commonwealth's housing needs will incorporate sustainable development practices and natural resource protection. We look forward to working with them to ensure the program meets these goals." -- **Deanna Moran, Director of Environmental Planning for the Conservation Law Foundation**