



What is Inclusionary Zoning?

An Inclusionary Zoning Bylaw or Ordinance requires new housing developments in the municipality to include a certain percentage of units dedicated to low- and moderate-income households. It is a useful tool for increasing the supply of affordable housing, particularly when market rate housing construction is active locally. Through inclusionary zoning, the supply of affordable housing can be increased within the private development community, lessening the burden on local housing non-profits and municipalities to fund all affordable housing development.

Typically, the bylaw or ordinance states that a certain percentage of the units, in developments of a certain size, must be affordable. These are then deed restricted to remain affordable long term. Inclusionary zoning creates neighborhoods that have a range of housing types, with housing units for a variety of incomes.

An inclusionary zoning bylaw or ordinance may focus on only certain types of development, such as developments over a certain number of units. Or it may be applicable only to certain zoning districts.

Some inclusionary zoning bylaws and ordinances provide an option to the developer whereby a payment to the municipality, in lieu of providing affordable units, is made. In these cases, the developer pays the municipality a fee for each unit that otherwise would have been affordable. Other options in the bylaw or ordinance may allow rehabilitating existing buildings or building affordable units outside of the proposed development. These can be useful options for both the housing developer and the municipality but should be scrutinized by the permit granting authority based on the goals of the community. If the municipality needs additional funding to finance a separate project, in lieu of payments may be an advantageous choice. However, the goal of inclusionary zoning is to make sure that new neighborhoods can be inclusive places for a range of incomes.

Considerations

While there may be some concerns from the development community on any requirements for the inclusion of affordable units, this must be balanced by the public benefit of a range of housing options within the community.

Inclusionary vs. Incentive

Inclusionary zoning is distinct from incentive zoning. Incentive zoning offers incentives to developers to encourage the inclusion of affordable units. The incentives may include items such as density bonuses, which means additional market rate units would be allowed if the affordable units are also included. Inclusionary zoning, on the other hand, simply requires the inclusion of affordable units.

BRPC PROGRAM

Community Planning Program
berkshireplanning.org/programs

Examples of inclusionary zoning can be obtained from the Berkshire Regional Planning Commission.

Benefits of Inclusionary Zoning

The benefits of inclusionary zoning include providing a mix of housing types for the local workforce. Additionally, the business community is better positioned to retain and attract employees when suitable housing is available nearby.

Communities undergoing a master plan or considering zoning changes can utilize inclusionary zoning as a means of encouraging additional housing in the most suitable locations of the community, such as close to existing infrastructure, public transportation, schools, and services.

Inclusionary Zoning in Practice

Approximately 150 communities in Massachusetts have inclusionary zoning.

Lenox

The purpose of the residential inclusionary development bylaw in the town of Lenox is to ensure that new residential development generates affordable housing as well. The bylaw recognizes that a full mix of housing types is in the public interest of the town. New residential development that consists of 16 to 20 units requires one unit to be affordable while 21-30 units requires two units to be affordable. In those developments over 31 units, 10% of the units must be affordable. Developers have some options such as rehabilitating existing structures as affordable units or providing a cash payment to the affordable housing trust fund.

Pittsfield

In Pittsfield, within the Smart Growth Overlay district, projects of more than 12 dwelling units must have not less than 20% of the housing units affordable.

Establishing an Inclusionary Zoning Bylaw

An inclusionary zoning bylaw or ordinance is established by town meeting or city council. It is best established as part of a master planning or strategic planning process that considers the housing needs of the community, suitable locations for additional housing and how the zoning districts need to be revised to meet the housing goals.

Sample Projects



Inclusionary Zoning is a requirement of the Downtown Creative District in Pittsfield



Presidential Apartments in Amherst created 54 units of housing. As part of the Inclusionary Zoning Bylaw, six affordable units were required.



As part of this 36-unit residential development on University Drive in Amherst, 4 affordable units were required.