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What is the Housing Choice Initiative?

The Commonwealth established a goal of creating approximately 17,000 new housing units per year until 2025. The Department of Housing and Community Development oversees the Housing Choice Initiative to provide cities and towns with tools and funding to promote new housing development.

The initiative creates new funding opportunities, rewards municipalities for significant progress in creating new housing, and changes voting thresholds to make it easier for communities to implement zoning changes that support housing.

Housing Choice Designation?

The Department of Housing and Community Development rewards communities enabling greater housing production through the Housing Choice Designation.

A municipality can apply for the designation if it is has had greater than 5% or 500 new units added to the market over the last five years or has had greater than 3% or 300 units added to the market and adopted at least four of the Commonwealth's best practices for housing.

Designated communities receive exclusive access to capital grant programs, priority scoring on grant applications, and enhanced technical assistance to maintain a high level of housing production.

For example, the town of Great Barrington increased housing production by greater than 3% in the last five years and adopted several of the Commonwealth's best practices to become designated. The designation aligned the town to receive a \$100,000 grant to rehabilitate streets in its downtown corridor.

The Department of Housing and Community Development provides cities <u>and towns technical assistance grants</u> to achieve Housing Choice status and MassHousing can award planning assistance grants to achieve affordable housing goals.

Zoning Practices To Create New Housing:

- Create at least one district where multi-family zoning is by right.
- Adopt <u>inclusionary zoning</u> with density bonuses.
- Adopt a <u>40R Smart Growth</u>
 <u>District</u> or a 40Y Starter Home
 District.
- Adopt zoning for mixed-uses, which include residential, by right.
- Allow residents to create <u>Accessory Dwelling Units</u>, either attached or detailed.
- Reduce parking requirements for multi-family units.
- Provide opportunities for Transfer of Development Rights to protect greenspaces.

BRPC PROGRAM

Community Planning Program berkshireplanning.org/programs

An Act to Promote Housing Choice:

In 2020 the Legislature amended the Zoning Act, Chapter 40A, to lower the thresholds required for a municipality to adopt housing-friendly zoning change from a 2/3 majority to a simple majority. A municipal legislative body – Town Meeting or City Council - can change zoning by a simple majority if the amendment:

- Allows multi-family or mixed-use development in eligible locations, accessory dwelling units, or open-space residential development by right.
- Allows multi-family or mixed-use development in an eligible area, increases the density of multi-family or mixed-use development through the Special Permit process, allows detached accessory dwelling units, or decreases parking requirements for residential or mixed-use development.
- Provide Transfer of Development Rights or natural resource protection zoning to protect open space while creating more density in one location.
- Reduces dimensional regulations to allow for greater density.
- Adopts 40R Smart Growth or starter home districts.

The Legislation also lowers the threshold required for a Special Permit Granting Authority to issue a permit to:

- Reduce parking requirements to create additional housing units.
- Issue a Special Permit for a multi-family or mixed-use development within ½ mile of a transit station or a center of commercial activity, provided that at least 10% of the housing units are deeded as affordable.

Important Notes:

The amendments must be **kept separate from amendments that require** a 2/3 majority.

The law defines **Accessory Dwelling Units** as not larger in floor area than $\frac{1}{2}$ the floor area of the principal dwelling or 900 square feet, whichever is smaller. A town proposing legislation that does not comply with that definition must still meet the $\frac{2}{3}$ threshold. The legislation does provide municipalities to add requirements such as an owner-occupancy requirement.

The legislation defines **eligible locations** as being close to transit stations or "areas of concentrated development, including town and city centers, other existing commercial districts in cities and towns and existing rural village districts."

The legislation **defines mixed-use development as containing residential uses** but does not specify a percentage. A mixed-use zoning bylaw that does not include residential usage must still reach the 2/3 threshold.

Determining Thresholds:

The legislation does not identify who determines whether a proposed zoning bylaw amendment is eligible for the lower threshold.

The Executive Office of Housing and Economic Development issued guidance to municipalities recommending that proponents of zoning amendments include a statement of explanation if it meets the criteria for the lower threshold.

EOHED recommends that the Planning Board include a determination of voting threshold in its report and that the legislative body affirm the threshold in the vote.

EOHED <u>provides municipalities</u> <u>with an advisory opinion</u> regarding the thresholds for any amendments a city or town has questions about. EOHED provides **written opinions within 30 days**.

Guidance Documents:

- Determining Thresholds.
- Redlined Amendments.
- EOHED Webinar Slides.
- Housing Choice Grant Program Guidelines.
- Housing Choice Best Practices.
- <u>Housing Choice Designation</u> <u>Application.</u>
- <u>Census Building Permit</u> Counts.