May 14, 2019

American Institute of Architects - Massachusetts

Citizens' Housing and Planning Association

Conservation Law Foundation

Environmental League of Massachusetts

Fair Housing Center of Greater Boston

> Local Initiatives Support Corporation - Boston

Massachusetts Association of Community Development Corporations

Massachusetts Public Health Association

Metropolitan Area Planning Council An Act to Promote Housing Choices (House 3507)

Senator Brendan Crighton, Co-Chair Representative Kevin Honan, Co-Chair Joint Committee on Housing State House, Boston MA 02133

Dear Chairmen:

We are pleased to be here today testifying in favor of Governor Baker's *An Act to Promote Housing Choices* (House 3507). The Massachusetts Smart Growth Alliance (MSGA) is composed of nine diverse policy organizations working to promote healthy and diverse communities, to protect critical environmental resources, to advocate for housing and transportation choices, and to support equitable community development and urban reinvestment.

We urge you to report this bill favorably—and soon—as an important first step in addressing our housing crisis. We also urge you to advance the idea of a joint House-Senate task force on housing so that further housing production and zoning reform measures can be considered later this legislative session.¹

Consensus: change is needed

We are all here for two reasons. First, we are not getting the land use outcomes in Massachusetts that we want. The Governor would not have filed a zoning reform bill in December 2017 and again this term but for dissatisfaction from residents, municipalities, real estate developers, non-profit advocates, businesses and many more about the outcomes produced by our land use system. Among other things, we have a housing crisis in Greater Boston that is one of the few threats to our long-term economic future.

Second, many of these bad outcomes flow from a zoning, planning and permitting system that is broken in many ways. Even though this bill doesn't fix everything, we have the opportunity to take an important step forward.

¹ There are two bills proposing such a task force on today's docket: House 1325, filed by Representatives Decker and Vargas, and Senate 780, filed by Senator Chandler. We will discuss both bills later in this testimony.

The progressive case for the Governor's proposal

With the Administration and a diverse set of stakeholders presenting arguments in favor of House 3507, we want to focus on why this bill represents a <u>progressive</u> approach to our housing crisis. Here are five reasons why tackling the 2/3 voting majority for certain zoning changes and special permit applications will promote far better outcomes.

1. It creates a powerful incentive for private developers to build <u>affordable</u> housing.

In Greater Boston (and probably elsewhere in the state), most multifamily housing (3+ units) is built through "special permits," which can be unpredictable, expensive, and difficult to receive, requiring a supermajority local vote to be approved. The Housing Choices bill allows projects including at least 10% affordable housing to be approved by a simple majority. This would be a powerful new incentive for market-rate developers to include affordable units in their projects that would not be included otherwise. This will be especially helpful in encouraging developers to propose new mixed-income housing in the many cities and towns that have no affordable housing requirements and the towns that have a limited number of apartments. This provision was recommended by the Alliance and incorporated into the bill by the Housing Committee, chaired by Rep. Kevin Honan and Sen. Joe Boncore, before it was reported out favorably.

2. It will help more towns in Massachusetts produce their fair share of housing, gradually reducing the pressure on overheated communities like Boston, Cambridge, and Somerville.

More communities need to step up and build the housing that we all need. In the seven years after the Great Recession, Boston alone built 37% of all the apartments constructed in Massachusetts according to building permit numbers. Together, the top ten cities and towns produced nearly two-thirds of the state's apartments. Yet these are the same places suffering the most from the housing crisis. To address the long-term dysfunction of our housing market, we need more of the surrounding communities to lend a hand and house a fair share of the region's growth. However, it is notoriously difficult to pass zoning and permitting for apartments in many suburban communities even with the support of their local officials and planners, because of the over-representation and power of older white homeowners along with the unpredictability of the Town Meeting form of government. The Housing Choices bill is essential for leveling the playing field

across the region and making it easier for renters and people of color in suburban communities to have a meaningful voice in development decision-making.

3. It incentivizes climate-friendly development.

The Housing Choices bill includes locational criteria that will make it easier for towns to update their zoning and allow more compact housing in smart growth locations like town centers, transit-accessible districts, and existing commercial corridors, but <u>not</u> in locations that encourage traffic-inducing sprawl. Furthermore, the bill allows communities to adopt Transfer of Development Rights (TDR) programs and promotes Open Space Residential Design, which clusters homes and preserves open space. Just as importantly, Housing Choices makes it easier for towns to bring their parking requirements in line with economic and environmental reality. Reducing unnecessary asphalt can help reduce flooding, while reducing unnecessary parking makes development less expensive and discourages air and water polluting sprawl.

4. It supports age-friendly, walkable neighborhoods.

Housing Choices makes it easier for cities and towns to adopt accessory dwelling unit (ADU) ordinances, which allow homeowners to create small, affordable housing units in their single-family homes. The AARP and public health organizations have identified ADUs as a critical priority for seniors because they allow family members or caretakers to live on site so that seniors can age in place. But ADUs benefit everyone, because more families need flexible, multigenerational living arrangements, and they allow homeowners to collect modest rental income while dealing with rising property taxes. Additionally, by encouraging compact development in smart growth locations as mentioned above, zoning changes and special permits facilitated by Housing Choices can help communities become more walkable over time—the cheapest, most equitable way to get around and maintain an active lifestyle.

5. Without progress on this bill, political leaders and major stakeholders are unlikely to tackle the more challenging issues like affordability and tenant protections.

The Governor took a risk making housing and zoning a priority, and we applaud and encourage him for that stance. Of course, we've been clear that we need to do much more to tackle the housing crisis in our communities. But if this bill, which has earned an unusually high level of consensus, fails there is going to be little appetite for tackling the much more difficult issues that await us. We think the right balance can be struck. It doesn't have to be passing only Housing Choices and stopping there. Creating a joint House-Senate task force either within Housing Choices or a separate bill passed at the same time provides some assurance that the work will continue. That task force can cast a wide net, looking at how to promote more affordable housing, how we can protect tenants, and how we can provide municipal tools and other improvements in our zoning, planning and subdivision laws. House 1325, filed by Representatives Decker and Vargas, proposes such a task force (and nothing more). Senate 780, filed by Senator Chandler, integrates the Housing Choices bill with a task force (identical language) and three consensus provisions relating to voluntary board training, local mediation of land use disputes, and simplifying subdivision appeals.²

Conclusion

We thank the Committee for providing us the opportunity to testify today. Please do not hesitate to contact me with any questions.

Sincerely,

Andre C. Leron

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 $^{^2}$ Our view is that if adding consensus provisions to Housing Choices makes passage more likely, the committee should consider that option. However, we are not in favor of delaying or burdening House 3507 with controversial provisions that make its passage less likely.