

Summary of Housing Provisions in the Economic Development Bill ([H.5250](#))



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Housing Choice

Lowers the required vote from a two-thirds majority to a simple majority for passing for the following zoning ordinances or bylaws:

To allow the following as of right:

- Multifamily housing or mixed-use development in an eligible location;
- Accessory dwelling units, whether within the principal dwelling or a detached structure on the same lot; or
- Open-space residential development.

Housing Choice

To allow the following by special permit:

- Multifamily housing or mixed-use development in an eligible location;
- An increase to the permissible density or population or intensity of a particular use in multifamily or mixed-use development;
- Accessory dwelling units in a detached structure on the same lot; or
- A lowering of the amount of parking required for a residential or mixed-use development.

Housing Choice

The adoption of 40R smart growth zoning districts or starter home zoning districts.

Special permits to approve the following:

- Multifamily housing within 1/2 mile of a commuter rail station, subway station, ferry terminal or bus station with at least 10% of the housing affordable to 80% AMI
- Mixed-use developments in centers of commercial activity with at least 10% of the housing affordable to 80% AMI
- Reducing parking ratio requirements if the reduction will produce additional housing units

Housing Choice

Protesting Housing Choice Zoning Changes: In a municipality with a council of less than 25 members, if the owners of more than half of the land impacted by the zoning amendment or abutting neighbors within 300 feet protest the zoning change, the required vote for any of these ordinances will raise back up to a two-thirds majority.

Effective Date: 90 days after the enactment of the bill.

These Housing Choice provisions would not apply to the city of Boston.

Multifamily Zoning in MBTA Communities

Requires communities served by the MBTA to have a zoning bylaw that provides for at least one district of reasonable size in which multi-family housing, without age restriction and suitable for families with children, is permitted as of right.

A reasonable size district must:

- Have a minimum density of 15 units per acre, subject to any further limitations imposed by the Wetlands Protections Act and state Sewer and Septic Regulations;
- Be located within a 1/2 mile from a commuter rail station, subway station, ferry terminal or bus station.

Multifamily Zoning in MBTA Communities

If a municipality does not comply with this requirement, then the municipality will be ineligible to receive funds from the:

- Housing Choice Initiative
- Local Capital Projects Funds
- MassWorks Infrastructure Development Program

DHCD, the MBTA, and DOT to issue guidelines to determine if an MBTA community is in compliance with these requirements.

Reporting on Housing Choice Initiative

Requires EOHEd to report annually on the Housing Choice Initiative. including progress made towards the production of 135,000 new units by 2025.

The report shall include:

- List of all cities and towns that qualify as “housing choice” communities
- List and description of grant funds disbursed to such cities and towns and
- A description of how the funds were used to support the production of new housing.

Changes to Chapter 40R

Makes the following changes to Chapter 40R:

- Permits DHCD to establish smart growth design standards
- Clarifies that mixed use development is allowed
- Places limitations on density bonus payments for housing in districts limited to age-restricted, disabled, or assisted living populations
- Enhances DHCD's ability to claw back incentive payments if a community repeals 40R zoning

Abutter Appeals Reforms

Allows a judge to require a party appealing a decision to approve a special permit, variance, or site plan to post up to a \$50,000 bond to secure the payment of costs if the court finds that the harm to the defendant or to the public interest resulting from delays caused by the appeal outweighs the financial burden of the surety or cash bond on the plaintiffs.

The court shall consider the relative merits of the appeal and the relative financial means of the plaintiff and the defendant.

Regional Development Agreements

- Allows contiguous municipalities to enter into agreements to allocate public infrastructure costs, municipal service costs and local tax revenue associated with the development of an identified parcel or parcels or development within the contiguous communities generally
- Agreements must be authorized bby a majority vote of their legislative bodies, and with the approval of the mayor, board of selectmen or other chief executive officer
- Agreements must be approved by DOR

State Low Income Housing Tax Credit

Increases the annual state low-income housing tax credit program cap from \$20 million to \$40 million for the next 5 years. After January 1, 2026, the annual cap will drop to \$20 million.

Housing-Related Capital Authorizations

Transit-Oriented Housing Developments

Authorizes \$50 million in capital grants and loans for transit-oriented housing and the production of high-density mixed-income affordable housing near transit. At least 25% of supported units must be affordable to households earning less than 60% AMI.

Climate-Resilient Affordable Housing Developments

Authorizes \$10 million for sustainable and climate-resilient construction in affordable, multifamily housing developments to better respond to climate change and reduce greenhouse gas emissions. At least 25% of supported units must be affordable to households earning less than 60% AMI.

Housing-Related Capital Authorizations

Neighborhood Stabilization

Authorizes \$50 million for neighborhood stabilization to help return blighted or vacant housing back to productive use.

Gateway Cities Housing Program

Authorizes \$5 million for a Gateway City housing pilot program to support the construction of shovel-ready market-rate housing opportunities. Eligible for projects by non-profit developers in communities that are above 10% on the SHI.

Tenant Appointment Process to Housing Authority Boards

Creates a process for residents of local housing authorities in towns to be appointed to the boards of their housing authority. This process goes into effect 120 days after the Economic Development Bill passes.

- The **tenant member is to be appointed**, not elected, by the Board of Selectmen from a list of candidates submitted by local tenant organizations, similar to the long-standing process in cities. If there is no tenant organization, residents can nominate themselves.
- **If there is a vacancy on the board as of the effective date of the legislation**, it shall be filled by the appointed tenant within 90 days of these provisions going into effect.

Tenant Appointment Process to Housing Authority Boards

- If there is **no vacancy on the board as of the effective date of these provisions**, in order to reduce the number of elected members from 4 to 3, the seat that has expired or the next seat to expire or become vacant shall be filled by the appointed tenant member.
- A **housing authority may request a waiver** from the requirement of appointing a tenant if there is currently an elected or appointed tenant on the board, or there is no tenant eligible and willing to serving. The waiver will be for only 1 year and can be renewed for successive 1-year periods until the current tenant member's term expires or a seat is vacated.
- **If there is no vacancy on the board on the effective date of these provisions**, it is the first seat to expire at least 60 days after the effective date of these provisions that becomes the tenant seat on the date that it expires.

Eviction Record Sealing

The Economic Development Bill would provide new protections for tenants to seal eviction records, including:

- Landlords are **prohibited from naming minors** in an eviction complaint. If a minor is named, the court must expunge their name from all court records and electronic docket entries.
- Tenants with **no-fault evictions** have the legal right to petition the court to seal their record any time after the conclusion of the case. Tenants do not need to give parties to the original action a notice that they are filing the petition.
- Tenants **with non-payment evictions** have the right to petition the court to seal after paying off a judgment. Tenants do not need to give parties to the original action a notice that they are filing the petition.

Eviction Record Sealing

The Economic Development Bill would provide new protections for tenants to seal eviction records, including:

- Landlords who obtain a money judgment in an eviction action must within 14 days after a tenant has paid off the judgment file a notice of satisfaction with the court.
- Consumer reporting agencies are prohibited from reporting a sealed record or using it when scoring a tenant.
- Applications used to screen tenants for housing or credit must include a statement that tenants may answer “no records” if their eviction record is sealed.

Tenant Opportunity to Purchase

Creates a local option establishing a tenant's right of first refusal and outlines a process by which tenants occupying a residential property may purchase said property prior to its sale or foreclosure. The following property sale are not subject to the tenant opportunity purchase requirements:

- Government takings/eminent domain
- Sales that would preserve affordability
- Any housing subject to Chapter 40T
- Rental units in skilled care facilities and hospitals
- Recovery housing
- Transitional housing
- Federal and state public housing
- Owners with less than 6 units in the particular municipality and who lives in Massachusetts
- Any unit held in trust for a person with a disability
- Any student housing owned by colleges/universities

Housing Development Incentive Program (HDIP)

Requires at least 10% of HDIP unit to be affordable for people whose income is not more than 60% AMI or owner-occupied units for those whose income is not more than 80% AMI. Also amends the HDIP program to increase transparency and equity through additional reporting requirements.