Affordable Housing Explained: General Terms, Chapter 40B, & MBTA Multifamily Zoning Mandate

Presentation for Cohasset Select Board by Lauren Lind, Planning & Zoning Director
November 29, 2022
AFFORDABLE HOUSING TERMS

- **Department of Housing & Community Development (DHCD)**
- **Subsidized Housing Inventory (SHI)**
  - Housing units with deed restrictions for eligible tenants earning 80% **Area Mean Income (AMI)**
- **“Chapter 40B / “40B”**
  - State statute requiring all MA communities to have 10% housing stock deed restricted affordable for inclusion on SHI
  - **“Safe Harbor”** 10% and temporary
  - Rental provision – if 25% of units are Affordable allows count of all units in development (not the same for ownership)
    - Ex: Rental apartment with 4 deed restricted units out of 16 units total – 16 units on SHI / Same development as condominiums – only 4 units on SHI
- **Comprehensive permitting**
  - Local Zoning Board – Housing Appeals Committee
  - “Friendly vs. unfriendly”

- **Affordable vs. affordable**
  - “Big A” affordable = deed restricted housing eligible for inclusion on SHI
  - vs. different levels of more naturally affordable units not eligible for SHI

- **40R** – Smart Growth Overlay Zoning District Act encourages smart growth zoning/affordable housing development

- **40S** – Provision for 40R zoning districts for additional state school funding to offset costs of increased demand on school systems from school aged children in 40R districts
A municipality’s SHI percentage is determined by dividing the number of Chapter 40B affordable units (those eligible for inclusion on the SHI) by the total number of year-round housing units according to the most recent decennial Census.

**FORMULA**

\[
\frac{\text{SHI eligible unit count}}{\text{Total year-round housing units}} = \text{SHI \%}
\]

<table>
<thead>
<tr>
<th>2010 Census figures</th>
<th>Projected 2020* Census figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>307 SHI units = 10.6%</td>
<td>307 SHI units = 9.2%</td>
</tr>
<tr>
<td>2,898 total units</td>
<td>3,341 total units</td>
</tr>
</tbody>
</table>

*2020 Census delay impacts on SHI calculations; 2020 Housing Units+ per Section 3a Guidelines Appendix: 3,341 units

Cohasset HPP anticipated shortage ~25+ units pending 2020 census - using figure from 3A guidelines anticipate a shortage of 28 units

Temporary safe harbor potential pending measurable progress

<table>
<thead>
<tr>
<th>UNITS IN PIPELINE</th>
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<tbody>
<tr>
<td>87-89 Cushing Rd.</td>
</tr>
<tr>
<td>390 CJC Hwy.</td>
</tr>
<tr>
<td>1 Pleasant St.</td>
</tr>
<tr>
<td>147 S. Main St.</td>
</tr>
<tr>
<td>55 S. Main St.</td>
</tr>
<tr>
<td>808 Jerusalem Rd.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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</table>

**SHI eligible unit count**

\[
\text{Total year-round housing units} = 2,898
\]

- **2,898 total units**

**SHI units**

\[
\text{SHI %} = \frac{307}{2,898} = 10.6\%
\]

- **307 SHI units**

**3,341 total units**

\[
\text{SHI %} = \frac{307}{3,341} = 9.2\%
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- **307 SHI units**

**Total**

\[
\text{SHI eligible unit count} = 307
\]

- **307 SHI units**

**Total year-round housing units**

\[
\text{Total year-round housing units} = 3,341
\]

- **3,341 total units**

*Projected 2020 Census figures*
New regulation (part of Housing Choice Initiative economic development bill of Jan. 2021), requires MBTA communities to have at least one zoning district in which multifamily housing is permitted as of right & meets the other criteria.

Failure to comply makes a community ineligible for certain state funds.

DHCD may, in its discretion, take non-compliance into consideration when making other grant awards.
Why is multifamily zoning near transit and in neighboring communities important?

Massachusetts state leaders have declared a housing crisis.

- MA has among the highest, and fastest growing, home prices and rents of any state in the nation.
- Rising costs have dramatically increased financial pressures on low- and middle-income families, forcing them to sacrifice other priorities in order to pay housing costs. High housing costs are a primary driver of homelessness.
- High costs are a disadvantage as we compete economically against peer states. Risk of future job growth moving outside MA is rising due to high costs of living.

How does creating zoning for multifamily housing help the housing crisis?

Lack of zoning for multifamily housing is a barrier for new housing development in Massachusetts. By allowing multifamily housing near transit, we can create new housing in walkable neighborhoods closer to transit. This is not just good housing policy, it is good climate and transportation policy, too. The result of transit-oriented development is:

- More housing closer to the places that we go every day, such as local shops, jobs, schools, restaurants, parks, etc.
- Better access to work, services, and other destinations by increasing mobility and utilization of public transit
- Reduced reliance on single occupancy vehicles, which helps in our larger effort to confront the climate crisis
MBTA MULTIFAMILY ZONING: MISSING MIDDLE HOUSING
Multi-family housing “as of right”
- Site Plan Review (SPR) may be required
- SPR may regulate matters such as vehicular access, circulation, architectural design of a building, and screening of adjacent properties.
- SPR may not be used to deny a project that is allowed as of right, nor may it impose conditions infeasible or impractical to proceed.

Zoning must be without age restrictions and must be suitable for families with children
- Cannot place any limits on size of units, number of bedrooms, size of bedrooms and number of occupants

Reasonable size/density criteria:
- Min. land area not less than 50 contiguous acres, or 1.5% of developable land area, whichever less
- Must be within 0.5 mi of transit station* Formula based on developable station area derived by taking the area of a half-mile circle around an MBTA commuter rail station & removing excluded land.
- At least half of multi-family zoning district land areas must comprise contiguous lots of land. No portion of the district that is less than 5 contiguous acres land will count
- Gross density of 15 acres per unit
- Min. unit capacity calculated as 15% (Commuter Rail category min. required) of total housing units or 15 units per acre of min. land area, whichever is greater
MBTA MULTIFAMILY ZONING: IMPLICATIONS FOR COHASSET

- Zoning amendments will be necessary for compliance
- Current zoning doesn’t allow multi-family by-right in any district
- Minimum land area requirement of 43 acres due to impact of limited developable station area; 20% of district to be located within 0.5 miles of station area
- Need to expand beyond 0.5 mile radius, but to where?
  - Sidewalk/accessibility challenges
  - Water and wastewater capacity limitations
- Impact of forecasted population growth & increased demand for public services associated with min. unit capacity of 638 multifamily units

<table>
<thead>
<tr>
<th>Community</th>
<th>Category</th>
<th>2020 Housing Units* per Section 3a Guidelines Appendix</th>
<th>Minimum multifamily unit capacity *</th>
<th>Minimum land area **</th>
<th>Developable station area***</th>
<th>% of district to be located in station area</th>
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<tbody>
<tr>
<td>Cohasset</td>
<td>Commuter Rail</td>
<td>3,341</td>
<td>638</td>
<td>43</td>
<td>241</td>
<td>20%</td>
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MBTA MULTIFAMILY ZONING: EXAMPLE SCENARIOS FOR DISCUSSION PURPOSES ONLY

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Example sites for scenario discussion purposes only

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<th>Acres</th>
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<tr>
<td>A TOD site &amp; MBTA land (3 parcels) [Parcel IDs: B5-74-008, B5-74-008T, &amp; B5-74-009 ]</td>
<td>17.4– within 0.5 mi of station area</td>
</tr>
<tr>
<td>B The Preserve development (formerly Avalon Bay) [Parcel ID: C6-72-004]</td>
<td>42.9</td>
</tr>
<tr>
<td>C Town-owned parcel near SS Music Circus [Parcel ID: D6-39-067]</td>
<td>14</td>
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