

Housing Committee Meeting

Reviewing:

“A Home for Everyone” Statewide Housing Plan 2025-2029

“Building for Tomorrow” Unlocking Housing Production Commission Report

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“A Home for Everyone” Statewide Housing Plan 2025-2029

- Governor Healey directed the Executive Office of Housing and Livable Communities to develop this five-year Statewide Housing Plan, the first comprehensive look at the state’s housing needs in at least a generation.
- EOHLIC organized thirty-four listening sessions, engaged more than three thousand stakeholders, and worked with a Housing Advisory Committee that included representatives from different sectors.
- An external research team conducted detailed analysis into critical topics and prepared forecasts of Massachusetts population and housing demand under various possible growth scenarios.
- The plan outlines the housing challenges facing Massachusetts; identifies currently unmet and projected housing needs; sets goals for housing production and preservation; and presents "new, renewed, and ongoing strategies to reach our goals at the state, regional, and local levels."



“A Home for Everyone” Statewide Housing Plan 2025-2029

HOUSING NEEDS ASSESSMENT HIGHLIGHTS

- Massachusetts has seen strong growth in housing demand over the past 15 years. Over 375,000 Millennials – 43% born and raised in Massachusetts – formed new households between 2009 and 2019.
- Baby Boomers now mostly constitute small households, without children. Baby Boomers make up 23% of the population and 36% of the households.
- Since 2010, the overall number of households with children declined by 52,000. Due to declining birth rates and delayed fertility, the Millennial generation makes up fewer households with children than the Baby Boomer generation did 20 years ago.

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HOUSING NEEDS ASSESSMENT HIGHLIGHTS

- Since 1990, the state has seen rapid growth of both low-income and high-income jobs, loss of middle-income occupations, and a decline in middle-income working households.
- Massachusetts has over 3 million homes, of which about 57% are in single family homes.
- The state has a substantial inventory of rental housing reserved for low-income residents: there are approximately 140,000 affordable homes owned by private (non-profit or for-profit) landlords, and over 70,000 homes in federal- or state-supported public housing. Together these constitute about 7% of the total housing stock.

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HOUSING NEEDS ASSESSMENT HIGHLIGHTS

- Housing production over recent decades hasn't kept up with housing demand.
- The share of homes available for sale or rent has shrunk to only 1.6%, a historically low vacancy rate.
- Median home prices rose 73% from 2000 to 2023, after adjusting for inflation, while median household income rose only 4% in real dollar terms over the same period.

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FUTURE HOUSING DEMAND

- “Business as Usual” demographic trends indicate that Massachusetts may see no population growth from 2025 – 2035. Over that time, half a million Millennials and Gen Z residents will be forming households. Not as many homes will be freed up by Baby Boomer and Silent Generation households that are dissolving or moving away.
- Even with no population growth, Massachusetts needs 73,000 additional homes to accommodate that demographic demand.
- An additional 106,000 homes are needed to accommodate overcrowded & doubled-up families, young adults living with parents or roommates, and families and individuals currently living in shelters; to mitigate the loss of year-round homes to seasonal use; and to achieve a healthy vacancy rate of about 2.6%

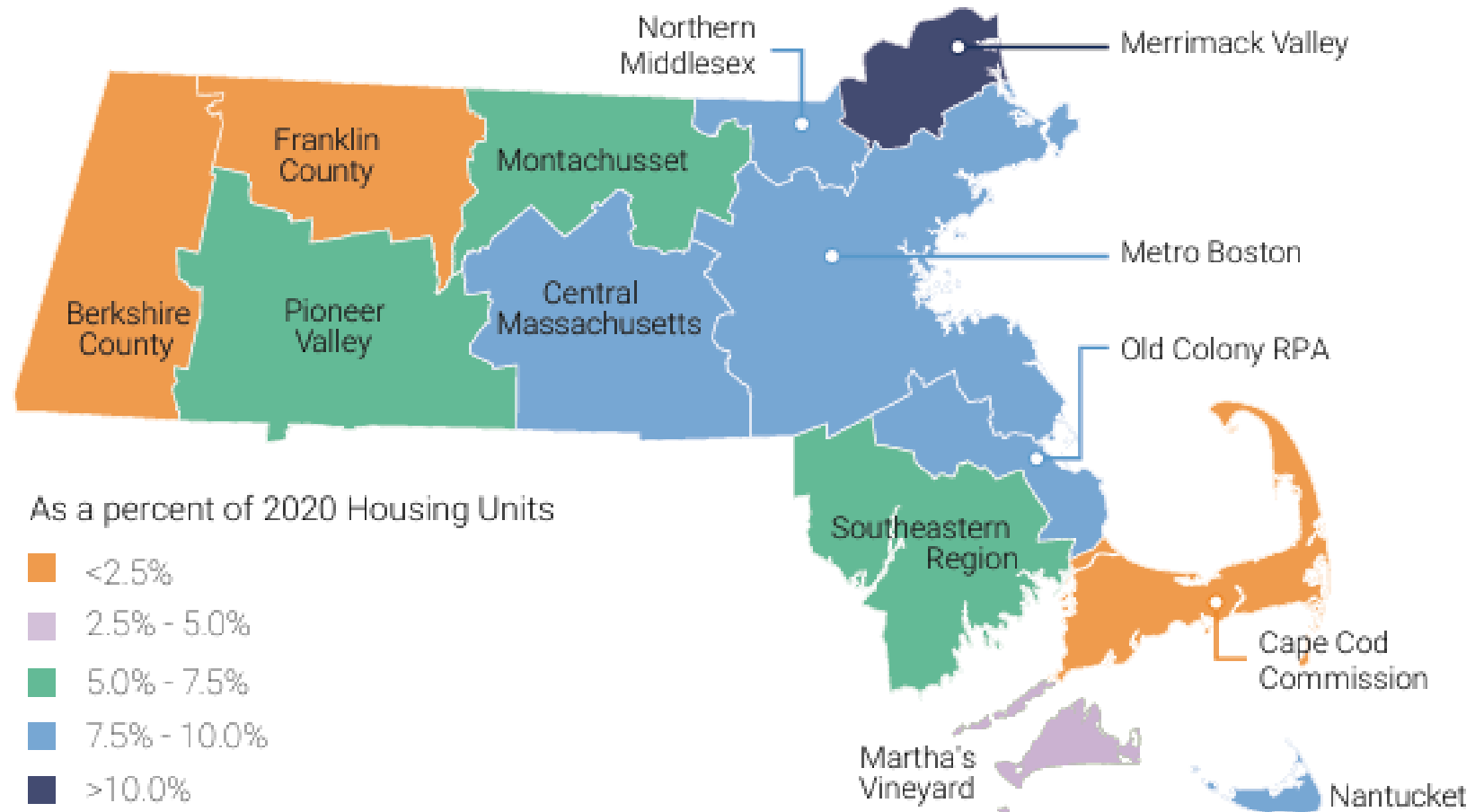
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FUTURE HOUSING DEMAND

- If the state can retain 10% of the young adults moving out of state, it can prevent declines in the resident labor force, but it will need an additional 43,000 homes.
- In total, this analysis indicates that the **statewide supply of year-round housing needs to increase by at least 222,000 units from 2025 to 2035**, equivalent to 7% of the existing homes.

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ADDITIONAL YEAR-ROUND HOUSING UNITS NEEDED, BY REGION, 2025 - 2035



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RECOMMENDATIONS

Achieve a State of Housing Abundance

- Increase as-of-right zoning capacity for multifamily housing
- Deploy the resources provided by the Affordable Homes Act to ramp up production and preservation of affordable rental housing
- Reexamine and refine state and local regulations that drive up the cost of housing
- Repurpose underutilized state-owned land for housing



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RECOMMENDATIONS

Achieve a State of Housing Abundance

- Ensure there are enough firms and workers to build the homes we need
- Solve the middle-market development feasibility gap
 - *"Currently, it is difficult to build anything but luxury housing in Massachusetts, but the state needs more modestly priced housing. It is imperative to create an environment where it is financially feasible (and favorable) to develop middle market housing in the Commonwealth."*

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RECOMMENDATIONS

Achieve a State of Housing Abundance

- Explore and advance innovative and nontraditional housing such as cohousing, social housing, office conversions, and accessory dwelling units
- Support the growth of the offsite construction industry in Massachusetts
- Create new state, regional, and local funding streams for affordable housing
- Support infrastructure improvements to enable new growth



“A Home for Everyone” Statewide Housing Plan 2025-2029

RECOMMENDATIONS

Protect Existing Homes and Affordability

- Repair, rehabilitate, and reposition the State’s public housing portfolio
- Provide financial support and technical assistance for decarbonizing affordable housing
- Build well-informed resiliency considerations into community planning, housing development, and preservation initiatives
- Preserve homes with expiring affordability restrictions

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RECOMMENDATIONS

Protect Existing Homes and Affordability

- Invest in improving accessibility, availability, and affordability of existing homes
- Bring more vacant, distressed, and underutilized housing back online
- Develop new strategies to preserve naturally occurring affordable housing
 - *"[...] flexible capital sources and legal tools should be made available to individuals, nonprofits, or municipalities so they can move quickly" [to compete with investor acquisition]*

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RECOMMENDATIONS

Support Households

- Provide direct subsidies for households struggling to afford rent and heat
- Increase access to homeownership opportunities for first-time homebuyers
- Make it easier for residents to find and apply for affordable rental housing

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RECOMMENDATIONS

Support Households

- Ensure residents have access to workforce development and training opportunities, affordable broadband internet, and social services
- Help tenants avoid unreasonable rent hikes and fees

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RECOMMENDATIONS

Building a Stronger Safety Net

- Develop new policies and programs for specific populations through Affordable Homes Act Commissions
- Expand and coordinate provision of services and supportive housing for those most at risk
- Ensure the Emergency Assistance Shelter System is sustainable, scalable, coordinated, and effective
- Continue efforts to prevent evictions and foreclosures



“A Home for Everyone” Statewide Housing Plan 2025-2029

RECOMMENDATIONS

“Work Together for the Commonwealth” (Partnerships outside state government)

- Strengthen partnerships with municipalities to create an environment that welcomes new housing while mitigating local impacts
- Conduct joint planning, research, evaluation, and engagement to develop a shared understanding of problems and solutions
- Ensure Massachusetts housing stock and production goals are aligned with state transportation, climate and land use goals



“A Home for Everyone” Statewide Housing Plan 2025-2029

RECOMMENDATIONS

“Work Together for the Commonwealth” (Partnerships outside state government)

- Coordinate with private sector employers and partners to create a competitive environment for the Massachusetts workforce
- Advance Environmental Justice and Fair Housing



“Building for Tomorrow” Unlocking Housing Production Commission Report

- Recognizing the urgent need for on-going action, Governor Maura Healey established the Unlocking Housing Production Commission (UHPC) to identify and advance policy solutions that remove barriers to housing production.
- The Commission's charge: How state and local laws, regulations, and practices could be revised so as to increase the supply of housing that is affordable across a wide range of incomes and available throughout a broad spectrum of neighborhoods.
- The Commission was tasked with examining the structural, regulatory, and financial constraints that have limited housing development and identifying reforms that will ensure Massachusetts can produce the housing necessary to meet growing demand.

“Building for Tomorrow” Unlocking Housing Production Commission Report

- The commission met between January and December 2024. The report was published in February.
- Sixteen members appointed by the Governor, including:
 - Secretary Augustus (EOHLC)
 - Representatives of A&F, EEA, EOED
 - Home builders associations
 - Municipal officials
 - Housing advocacy groups
 - Tamara Small, NAIOP Massachusetts (495/MetroWest Partnership Board Member)
- The report was published in February.
- Four categories; 21 specific recommendations.



“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Economic Incentives and Workforce Development

Housing production relies on sufficient infrastructure—particularly water and wastewater systems—as well as a skilled workforce to meet growing demand. The Commission examined strategies to expand regional infrastructure access, enhance financial incentives for modular and cost-efficient construction, and invest in workforce development to ensure housing production keeps pace with the state's needs.

RECOMMENDATIONS

- Enhance the regulations and overall presence of Modular Housing construction in MA
- Modernize and improve capacity of the Board of Building Regulations and Standards (BBRS)

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Economic Incentives and Workforce Development (cont.)

RECOMMENDATIONS

- Provide a sales tax credit for construction materials used in new multifamily housing or substantial rehabilitations (investing 50% of assessed value) in areas with a median household income under 120% of the state average or containing at least 15% affordable units.
- Explore expanding existing funding mechanisms or establishing innovative infrastructure programs that facilitate housing development and unlock capacity for future growth in suitable locations
- The Commonwealth should promote careers/apprenticeships within the construction and homebuilding trades

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Land Use and Zoning

The Commission analyzed how outdated zoning laws have hindered housing development and driven up costs. To address these challenges, it recommends reforms that promote higher housing density, streamline regulations, and encourage local zoning policies that support long-term planning and state housing objectives.

RECOMMENDATIONS

- Eliminate parking minimums statewide for residential use and require municipalities to implement transportation demand management requirements for off-street parking in new housing and substantial rehabilitations.
- Amend Chapter 40A to reinforce zoning purposes, align local zoning with master plans, codify site plan review, and streamline the appeals process to expedite housing development

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Land Use and Zoning (cont.)

RECOMMENDATIONS

- Expand by-right housing options statewide by allowing two-family homes on all residential lots and permitting up to four-family homes on lots with existing water and sewer infrastructure
- Municipalities should be required to establish multifamily zoning districts where multifamily housing is allowed by right
- Eliminate minimum residential lot sizes statewide, except in environmentally sensitive areas, and allow lot splits, mergers, and development on substandard lots for multifamily housing.
- Reform Chapters 40R and 40B to increase housing production, improve financial incentives, streamline regulatory processes, and ensure a more accurate assessment of affordable housing needs

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Regulations, Codes, and Permitting

The Commission recommends streamlining Massachusetts' regulatory and permitting processes to reduce complexity and unpredictability, ensuring that state and local approvals facilitate timely and cost-effective housing development.

RECOMMENDATIONS

- Reform local environmental regulations, modernize wastewater infrastructure policies, and streamline EJ reviews to support housing production while maintaining environmental protections.
- Improve flexibility, predictability, and industry engagement in energy and building codes while maintaining safety and climate goals.

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Regulations, Codes, and Permitting (cont.)

RECOMMENDATIONS

- Increase flexibility, predictability, and housing industry engagement in building and fire codes while maintaining safety standards.
- Housing production representatives should be added to both the BBRS and BFPR to ensure that regulations appropriately balance safety, cost-effectiveness, and housing goals.

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Statewide Planning and Local Coordination

Massachusetts’ housing shortage demands significant zoning and regulatory reforms to ensure efficient, predictable development. The Commission urges policies that compel municipalities to contribute to housing production, streamline decision-making, and enhance state-level coordination. In their eyes, bold, decisive action is essential to making the Commonwealth a leader in smart, sustainable, and equitable housing growth.

RECOMMENDATIONS

- Establish an Office of State Planning to support the pursuit of smart, sustainable housing development, by aligning statewide land use and development planning, promoting interagency collaboration, and compiling and sharing essential data to better support municipal actions and inform the development of accountability metrics.

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Statewide Planning and Local Coordination (cont.)

RECOMMENDATIONS

- Modernize, standardize, and mandate the electronic reporting of housing, permitting, and zoning data to improve transparency, streamline regulatory processes, and enhance data-driven policymaking
- Align municipal funding, technical support, and data resources with housing production and smart growth goals to ensure all communities contribute to addressing the housing shortage

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Potential Future Strategies

If the aforementioned recommendations fall short, more ambitious structural reforms—such as shifting certain permitting responsibilities to regional entities, addressing infrastructure limitations, and adapting affordable housing policies—may be necessary. These long-term options should be revisited if the Commonwealth does not make sufficient progress in meeting its housing needs.

RECOMMENDATIONS

- Large-Scale Infrastructure Expansion: Facilitate municipal connections to regional water and wastewater systems, such as MWRA, to address infrastructure constraints that hinder housing development.

“Building for Tomorrow” Unlocking Housing Production Commission Report RECOMMENDATIONS

Potential Future Strategies (cont.)

RECOMMENDATIONS

- Phase out 40B Market-Rate Units from the SHI: Phase out market-rate units from a municipality’s Subsidized Housing Inventory (SHI) after 10 years, ensuring that only deed-restricted affordable units count toward the 10% SHI threshold.
- RPA Reforms: should enable larger housing developments to shift approval authority from local boards to Regional Planning Agencies (RPAs) and allow municipalities to regionalize land use governance through a local option.

Discussion

- What comments do you have?
- What do you agree with?
- What might you not support?
- What's missing?