



The Commonwealth of Massachusetts
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DEVELOPMENT
PERMIT REGULATORY OFFICE
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PERMIT OMBUDSMAN & DIRECTOR

December 31, 2009

The Honorable Robert DeLeo
Office of the House Speaker
State House, Room 356
Boston, MA 02133

Dear Speaker DeLeo:

In accordance with *Chapter 205 of the Acts of 2006*, I am writing to provide you with an annual report for the Massachusetts Permit Regulatory Office (MPRO).

OVERVIEW

MPRO works with businesses and municipalities to help foster job creation efforts by assisting with permitting, licensing, and regulatory processes. The Office works in partnership with the Massachusetts Office of Business Development, MassDevelopment, Regional Planning Agencies, Massachusetts Municipal Association, and the Massachusetts Alliance for Economic Development (MassEcon) to accomplish its core mission.

The mission of the Office is as follows:

- 1) Provide direct assistance to proponents of development projects;
- 2) Work with municipalities to streamline local permitting processes; and
- 3) Streamline state permitting procedures.

Provide direct assistance to proponents of development projects

In order to create a more business-friendly culture in the Commonwealth, MPRO works directly with proponents of development projects to provide assistance with state and local permitting, licensing, and regulatory matters. We have assisted over 200 project proponents to navigate the state and local permitting and regulatory processes.

Work with municipalities on efforts to streamline local permitting processes

The State Permitting Ombudsman serves as the Chair of the Interagency Permitting Board, which administers the Chapter 43D Expedited Permitting Program for municipalities. The Board meets monthly and is represented by nine state agencies and MassDevelopment.

The Chapter 43D program enables cities and towns to identify Priority Development Sites, pre-zoned for industrial, commercial or mixed use development, within which the municipality will render all local permitting decisions in 180 days or less. The Interagency Permitting Board has approved one or more Priority Development Sites in 79 municipalities and 157 Priority Development Sites statewide.

Through the life of the Chapter 43D program, the Interagency Permitting Board has issued 72 Chapter 43D Technical Assistance Grants in the amount of \$7,022,552. In FY10, MPRO and the Chapter 43D Program was eliminated from the state budget and therefore no direct grants were distributed in FY10 however our technical partners such as MassDevelopment and the regional planning agencies have provided ongoing support to current and prospective Chapter 43D communities. A summary of grant recipients between 2007 – 2009 is attached.

In addition to Chapter 43D, the Office uses its website as a portal to provide other municipal resources.

- In late 2008, the Office launched the *Best Practices Guide to Streamlined Local Permitting* as produced by the Massachusetts Association of Regional Planning Agencies. This is a resource for all cities and towns that are seeking information about best practices for local permitting and regulation, and it provides a variety of sample documents, bylaws and guidebooks that are in practice in Massachusetts communities today. One of the best practices highlighted in the guide is permit tracking software.
- In response to an overwhelming request for Chapter 43D grants in support of permit tracking software, the Office partnered with the Town of Grafton to develop a free, Access-based permit tracking application. The Municipal Permit Tracking System (MPTS) and Users Manual are currently available on the MPRO website and have been downloaded by 430 users to date. A report of the individuals that have downloaded this program is attached.
- The Office has developed a Municipal Resources section on our website to share valuable information from other sources with municipal officials and economic development and planning professionals. This webpage currently features sample permitting guides used by Massachusetts communities, Regional Market Overviews developed by a national site selector that highlight market attributes by geographic region of the Commonwealth, and a site evaluation guide to help municipal officials to evaluate development sites in their community.

Streamline State Permitting

MPRO has worked closely with our fellow state agencies to see that permitting continues to improve and regulatory burdens are minimized. We are actively engaged in a variety of interagency task forces that relate to permitting and regulation including the Stormwater Management Working Group at DEP, various Global Warming Solutions Act implementation committees, Clean Energy Siting Commission, and the Brownfields Support Teams Pilot Program. Through these cross-agency task forces, the unprecedented high-level collaboration provided by the Development Cabinet, and the efforts of our fellow secretariats, there are good reasons to believe that our state permitting processes will continue to become more predictable and timely under the Patrick Administration.

Between December 22, 2008 and January 26, 2009, Secretary Bialecki and I led the Governor's Permitting Task Force in preparation for the federal stimulus package. Participants in the Task Force included state, local and federal representatives and we discussed any potential permitting and regulatory barriers to deploying federal stimulus funds. The Task Force met weekly for six weeks and developed a report that included agency-specific remedies and established a multi-agency framework to review and advance complicated projects. A copy of the Permitting Task Force Report

is enclosed. I would welcome the opportunity to discuss the Task Force recommendations with you in greater detail, as a number of these recommendations would require legislative action and remain as obstacles to attaining peak efficiency.

When the American Recovery & Reinvestment Act (ARRA) was signed into law, it became apparent that most ARRA-eligible projects needed to be fully permitted already to qualify for funding therefore reducing the need for the Permitting Task Force. However, we recognized the value of bringing governmental agencies together for the premiere purpose of coordinating permitting and regulation and decided that it made sense to continue working together in a capacity that would extend beyond ARRA.

In September 2009, the Patrick Administration announced the Massachusetts Permitting Collaborative, a multi-agency collaborative offering development project proponents a pre-application conference to review the permitting needs of individual projects throughout the Commonwealth. This effort will enable these projects to move more quickly through the review process and toward job creation. There are nine state agencies actively participating in the Permitting Collaborative and a number of other state and federal agencies that will participate on an as-needed basis.

SPECIAL PROJECTS

Today in Massachusetts, many communities elect to make major land use and planning decisions during the permitting process. MPRO believes that these communities will achieve better results by addressing major land use issues in advance of the permitting process, and allowing the private sector to respond appropriately to the community's interests. In order to achieve proper planning, MPRO has undertaken two special projects that relate to permitting, planning and land use.

Zoning Reform

In 2007, then Permit Ombudsman (now Secretary) Greg Bialecki convened a Zoning Reform Task Force to examine the current zoning and planning system in the State and work with the Legislature to develop amendments that would improve zoning and planning in Massachusetts. The Task Force represented a broad base of constituencies and met twice-monthly for approximately 18 months. In addition, 18 regional meetings were hosted across the State to engage municipalities and local interest groups in the discussion. The legislation that resulted from Task Force deliberations was filed for consideration during the *2009-2010 Legislative Session* and is now pending before the Joint Committee on Municipalities and Regional Governments. MPRO continues to work closely with Committee staff and interest groups to see that zoning reform legislation has the greatest chance for success this session.

Regional Planning

MPRO has begun to pilot a regional planning process of working with multiple neighboring municipalities on shared objectives. For instance, MPRO is working with five communities along the newly expanded Route 3 (Burlington, Bedford, Billerica, Chelmsford, and Lowell) to investigate regional infrastructure shortfalls, desired growth patterns, and branding of a new technology corridor. MPRO is also working with the Cities of Leominster, Fitchburg and Gardner, and the surrounding communities in addressing the opportunities and challenges of maintaining a robust manufacturing sector in this region. We are also working closely with our colleagues at MassDOT on issues involving regional transportation infrastructure across the state including the South Coast Rail Planning Committee.

Growth Districts Initiative

We recognize that the major impediment to streamlined permitting in Massachusetts has been a failure to plan ahead for new growth and development, at both the State and local levels. Zoning and other land use regulations, as well as investments in public infrastructure, do not reflect adequate planning.

By our failing to plan ahead, the important questions of “what should be built”, “where should it be built”, “how it should be built” and “what infrastructure do we need to support it” have been left to be discussed and debated in the permitting process for individual projects. This is a losing proposition for all concerned. From the public perspective, having such discussions in response to particular permit applications will inevitably make them seem driven by the timing and objectives of private developers. From the perspective of the project proponent, having such discussions within the permitting process makes it unlikely that permits can be issued in a timely and predictable manner.

Under its “Growth Districts Initiative”, EOHEE partners with municipalities that have identified one or more areas within their communities as being appropriate locations for significant new growth, whether commercial, residential or mixed-use. Within those identified “growth districts”, EOHEE will work with the community and property owners to make the district truly “development ready” with respect to local permitting, state permitting, site preparation (including brownfields remediation), infrastructure improvements, and marketing. The objective will be to create a level of “development readiness” within each of these growth districts comparable to that now available at Devens, a location proven to be highly attractive to new development and to be truly competitive at a national and international level.

To date, we have identified 19 Growth Districts throughout the state that offer varying levels of development readiness. The list of these Growth Districts is attached for your reference. We are grateful for the legislature’s support of a bond authorization for the Growth Districts Initiative Grant Program that allows us to make targeted investments within Growth Districts to increase the level of development readiness available in each location. We have provided over \$40,000,000 in Growth Districts infrastructure funding in these 19 locations and have created an inventory of millions of square feet available for new commercial development in the Commonwealth.

Recovery Zone Bonds

MPRO is managing the Recovery Zone Bond Programs, authorized through the American Recovery and Reinvestment Act (ARRA), supporting both public and private development efforts by offering favorable borrowing rates for projects within areas designated as “Recovery Zones”.

The state’s Recovery Zone Bond allocation is split between two programs: Economic Development and Private Facilities, totaling \$222 million and \$334 million respectively. Recovery Zone Economic Development Bonds are taxable bonds that provide 45% interest forgiveness for municipalities to bond for public infrastructure improvements, site remediation or site acquisition to support economic development. Recovery Zone Facilities Bonds are tax-exempt and available to private entities for the construction, renovation and reconstruction of privately held facilities that will create new jobs. All bonds must be issued under this program by December 31, 2010. Six preliminary awards for Recovery Zone Facility Bonds have been issued to date and we continue working with project proponents and municipalities to find projects that may take advantage of this ARRA-authorized financing mechanism. Additional information is available at www.mass.gov/recoverybonds.

WEBSITE

The MPRO website is available at www.mass.gov/mpro and provides up-to-date information on all MPRO activities. The Chapter 43D link offers the list of communities that have opted-in to the program, the full schedule of Interagency Permitting Board meetings, applications and supporting documents, and information about our technical assistance partners. The Zoning Reform link provides the Task Force meeting schedule, Task Force members, and full meeting notes from each meeting. Additionally, the website hosts the State Permit Tracking database and the recently-published Best Practices Model for Streamlined Local Permitting, created by the Massachusetts Association for Regional Planning Agencies.

STAFF

The Massachusetts Permit Regulatory Office is currently staffed by April Anderson Lamoureux who serves as Director/Permit Ombudsman, Robert Mitchell who serves as Special Assistant for Planning, and Victoria Maguire who serves as Project Manager.

BUDGET

The MPRO budget was eliminated in FY10 however MassDevelopment has continued our operation with \$850,000 in funds for this fiscal year.

I am hopeful that you will agree that our efforts have been prosperous and I ask for your continued support of the Massachusetts Permit Regulatory Office and our efforts, and I welcome the opportunity to meet with you to discuss any questions, comments or concerns you may have with this report or the Office.

Best wishes for a Happy New Year,



April Anderson Lamoureux
State Permit Ombudsman

Enclosures:

Attachment A – Enabling Statute

Attachment B – Chapter 43D Communities

Attachment C - *Best Practices Guide to Streamlined Local Permitting*

Attachment D – Massachusetts Permit Tracking System download report

Attachment E – List of Growth District Communities