



UNLOCKING HOUSING PRODUCTION COMMISSION



Building for Tomorrow

*Recommendations for addressing
Massachusetts' housing crisis*

February 2025

Contents

Acknowledgments.....	2
Executive Summary	5
Introduction to the Unlocking Housing Production Commission.....	8
<i>The Case for Unlocking Housing Production</i>	<i>8</i>
<i>Understanding the Housing Crisis in Massachusetts.....</i>	<i>13</i>
UHPC Recommendations.....	16
<i>Context and Framing.....</i>	<i>16</i>
<i>Economic Incentives and Workforce Development.....</i>	<i>17</i>
Modular Housing	17
State Sales Tax Credit	23
State-Funded Infrastructure	25
Workforce Development Initiatives	28
<i>Land Use and Zoning.....</i>	<i>31</i>
Eliminating Parking Minimums	31
40A Reforms	33
Expanding Multifamily Housing Options.....	38
Minimum Lot Size Reform	41
40R Reforms	43
40B Reforms	47
<i>Regulations, Codes, and Permitting</i>	<i>50</i>
Water and Wastewater Infrastructure	53
MEPA Environmental Justice Requirements	58
Energy Code Reforms	61
Building Code Reforms.....	65
Consideration of Housing Production Goals by BBRS and BFPR	68
Establishing Housing Impact Statements	70
<i>Statewide Planning and Local Coordination</i>	<i>71</i>
Office of State Planning.....	71
Data Reporting.....	74
Empowering Municipal Housing Production	79



<i>Potential Future Strategies</i>	82
Notes and Bibliography	90
<i>Bibliography</i>	90

Acknowledgments

Governor Maura T. Healey established the Unlocking Housing Production Commission in October 2023 via Executive Order #622.¹ The Commission’s charge was to report to the Governor and Lieutenant Governor on:

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.²

The Commission’s sixteen members (see below), appointed by the Governor, represent diverse government, civic, and business interests in housing production. Chaired by Executive Office of Housing and Livable Communities (HLC) Secretary Ed Augustus, the Commission includes representatives of the Executive Office of Energy and Environmental Affairs (EEA), the Executive Office of Economic Development (EOED), and the Executive Office for Administration and Finance (A&F). Regional councils of government, municipalities, building and fire code authorities, single- and multi-family housing developers, and advocates for affordable housing and smart growth are also represented on the Commission.



Unlocking Housing Production Commission

NAME	ORGANIZATION
<i>Secretary Edward M. Augustus, Jr. (Chair)</i>	Executive Office of Housing and Livable Communities (HLC)
<i>Bran Shim</i>	Executive Office for Administration and Finance (A&F)
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The Commission convened in January 2024 and worked through December 2024, identifying possible areas for legislative or regulatory action, conducting an extensive analysis of options, and developing targeted recommendations. Throughout its work, the Commission consulted with dozens of additional stakeholders, including municipal leaders and public officials, housing advocates, housing developers, land-use attorneys, modular manufacturers, climate and environmental justice advocates, and others. This report reflects the Commission's extensive stakeholder engagement and intensive deliberation, and it calls for major changes in several areas of law and regulation to unlock housing production.

Staff from HLC, the Massachusetts Housing Partnership (MHP), and other organizations represented on the Commission provided extensive technical expertise and facilitated consultations with key housing production stakeholders. The Consensus Building Institute (CBI) supported the Commission's deliberations, organizing meetings and assisting in subcommittee discussions. HLC staff played a leading role in the drafting of this report.



Executive Summary

Massachusetts is in the midst of a housing crisis that threatens the Commonwealth's long-term economic growth, affordability, and livability. Decades of restrictive zoning, fragmented regulatory frameworks, and slow housing production have resulted in a severe supply-demand imbalance, driving home prices and rents to unsustainable levels. As a result, hundreds of thousands of households are priced out of homeownership, struggle to find suitable rental housing, or face displacement from their communities. Employers cite the housing shortage as a key challenge in attracting and retaining talent, while municipalities grapple with balancing local control and the need to accommodate new growth.

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.³ 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. At the core of this effort is the recognition that Massachusetts has a 222,000-unit housing deficit—a shortfall that must be addressed to bolster economic stability, improve affordability, and meet the needs of future generations.⁴

This report presents a comprehensive set of policy recommendations designed to modernize Massachusetts’ housing policies, lower production costs, increase housing supply, and ensure that growth occurs in a sustainable and equitable manner. The Commission’s recommendations are organized into four major focus areas (*note: the order in which these topics and recommendations are presented does not necessarily reflect priority status*):

1. Economic Incentives and Workforce Development

Housing production is inherently tied to infrastructure (particularly water and wastewater systems) availability and capacity as well as workforce capacity. The Commission explores solutions to expand regional infrastructure access, increase financial incentives for modular and cost-efficient construction, and strengthen the state’s skilled trades workforce to ensure that housing production can keep pace with demand.

2. Land Use and Zoning

The Commission examined the ways in which outdated zoning laws have restricted housing development and contributed to rising costs. Recommended reforms focus on increasing housing density, reducing regulatory barriers, and fostering local zoning that aligns with long-term planning and state housing goals.

3. Regulations, Codes, and Permitting

The complexity and unpredictability of Massachusetts’ regulatory landscape and permitting processes significantly slow housing development. The Commission recommends limiting excessive regulations and ensuring that state and local approval processes support timely and cost-effective housing production.

4. Statewide Planning and Local Coordination

Many housing markets function at a regional level, yet permitting and zoning decisions remain highly localized. The Commission recommends implementing policies that compel all municipalities to contribute to housing development, encouraging intermunicipal collaboration to streamline decision-making and establishing a structure for facilitating interagency coordination at the state level.

The Affordable Homes Act, a record-breaking \$5.2 billion housing bond bill spearheaded by the Healey-Driscoll Administration, provides a historic foundation for addressing these challenges.⁵ However, funding alone will not resolve



Massachusetts' housing shortage. Without significant zoning and regulatory reforms that maximize the impact of available state funding, housing production will remain slow, unpredictable, and insufficient to meet resident demand. The recommendations in this report provide a clear framework for unlocking housing production by addressing the root causes of Massachusetts' supply constraints.

The Commonwealth has an opportunity to lead the nation in smart, sustainable, and equitable housing growth. The time for incremental change has long passed. Bold, decisive, continued action is essential to ensuring that Massachusetts remains a place where people can afford to live, businesses can thrive, and communities can grow.





Introduction to the Unlocking Housing Production Commission

The Case for Unlocking Housing Production

In 2024, Massachusetts ranked as the best state to live in, yet the Commonwealth still faces pressing challenges that threaten its appeal.⁶ Chief among them is the high cost of living, which is frequently cited as the primary reason residents leave and a major deterrent for families and businesses considering a move to the Commonwealth.⁷

Housing is one of the largest drivers of the cost of living. And while home prices have outpaced inflation for more than three decades, prices soared even further following the COVID-19 pandemic.⁸ Mortgage and rent payments are the most significant monthly expense for most households, and the affordability crisis has placed a heavy burden on millions of Massachusetts residents.⁹

At the core of this crisis is a fundamental imbalance: the state has not built enough housing to meet demand. Local zoning codes that favor low-density, single-family housing – coupled with barriers embedded in state and local laws and regulations –



make it difficult and expensive to develop sufficient housing of all typologies. This is especially the case for affordable and supportive housing.

It is critically important that the Commonwealth create a path to balance environmental sustainability, appropriate land use, and building safety and security with the need for additional housing. In doing so, the Commonwealth must recognize and address the impact of strict building and environmental regulations, inconsistent permitting processes across communities, a limited skilled trades workforce, and broader economic challenges (e.g., high interest rates, rising cost of materials, etc.) that frequently prevent even approved projects from “penciling out” and moving forward.

The consequences of this housing shortage extend beyond affordability. The Commonwealth’s current development patterns impose significant financial, environmental, and social costs. Suburban sprawl has worsened traffic congestion, increased air and water pollution, and led to the loss of vital open space.¹⁰ At the same time, these patterns have deepened economic and racial segregation across communities.¹¹

Massachusetts is not bound to continue this crisis. The Commonwealth has already taken decisive steps to promote smart growth and incentivize higher-density housing production. Municipalities across the state are revising zoning codes and reassessing how residential development can better align with community needs.

To help guide these efforts, the Healey-Driscoll Administration recently released the Massachusetts Statewide Housing Plan, the first comprehensive state housing plan in over 40 years.¹² This landmark plan presents a data-driven assessment of the housing crisis and outlines a strategic roadmap for addressing affordability, production barriers, and equitable access to housing across the state. The plan identifies a need (broken down by geography) for 222,000 new homes by 2035, and it provides a framework for state, regional, and local actions to ensure the Commonwealth can meet its housing needs, while improving the overall quality of life for Massachusetts residents. Importantly, the Plan aligns housing policy with economic development, transportation, and sustainability goals, providing a coordinated and effective approach to solving the housing crisis while aligning with other Administration objectives.

Today, state, regional, and local efforts to revitalize town centers—through higher-density housing, vibrant and walkable commercial and cultural districts, and improved transit—are converging in ways that were unimaginable two decades ago. Now is the time to establish a comprehensive framework of laws, regulations,



planning tools, and economic incentives that will drive housing production and transform these ambitious visions into reality.

Massachusetts faces a challenging fiscal environment, and it will be critical to prioritize both new and existing resources to have the greatest impact. The Commonwealth cannot simply spend its way out of the housing crisis. To maximize the impact of Governor Healey's recently signed \$5.2 billion Affordable Homes Act, the largest housing bond bill in state history, it is essential to adopt zoning and regulatory reforms that reduce the cost of development. Without these changes, much of this historic investment will be absorbed by rising construction costs rather than expanding the supply of affordable housing.¹³ Aligning state and local zoning laws, streamlining permitting, and modernizing building codes will allow every dollar to be stretched further—accelerating housing production, rather than merely offsetting escalating costs.



The Commonwealth of Massachusetts prides itself on having 351 diverse cities and towns representing the rich cultural and spirited history of this state. Filled with a mix of bustling city centers and quaint town commons, access to beaches and mountains, bike trails and commuter trains, the Unlocking Housing Production Commission recognizes that the needs of one community may be different

from its neighbors. Still, the housing crisis manifests across every city and town in the Commonwealth, and the solutions to the crisis must do the same.

At the heart of this report is the need to redefine how state and local governments share authority over zoning and other regulatory matters and work toward developing land use policy and permitting processes that meet the present and future needs of the entire Commonwealth and the communities within it. Local zoning laws often make it very difficult to develop higher-density housing, limiting the impact of state investments and driving up costs. To make sure that every municipality benefits from the Commonwealth's housing investments, each community must play an active role – either by expanding housing production or by improving the quality of its existing housing stock. Creating a solution to our housing crisis and developing life-cycle housing to meet the needs of all our residents presents a great economic opportunity for municipalities as well as the Commonwealth.¹⁴ Without these changes, Massachusetts will continue to face



unnecessary barriers to housing development, undermining its ability to meet demand and achieve long-term affordability.

The principles guiding the MBTA Communities Act offer a strong foundation for a statewide approach.¹⁵ The law hinges on the notion that all municipalities benefiting from public investments, such as access to state-funded transportation systems, must have zoning that welcomes housing development through by-right zones near transit. This Act also gives communities deference to create zones that match their community character with flexible choices around location and structure. It is critical that we are enabling the production of housing with higher density to contribute toward sustainable development goals. Turning these principles into an improved partnership between the state and local governments will require stronger statewide planning capacity and more systematic, timely sharing of housing-related data across agencies. This collaboration is essential to fostering alignment, accountability, and efficiency in achieving Massachusetts' housing production goals.

Beyond zoning, the relationship between state and local governments must also evolve in the realm of environmental and building regulations. These regulations should be rooted in scientific and technical evidence and should be used only to advance their intended environmental, health, and safety goals—without imposing unnecessary barriers to housing development.

The Executive Office of Energy and Environmental Affairs (EEA) and the Department of Environmental Protection (DEP) staff have the technical expertise to establish sustainable water management, wastewater treatment, and wetlands protection standards that safeguard public health and the environment. While local Boards of Health and Conservation Commissions play a critical enforcement role, municipalities should not impose standards that exceed those set by DEP, particularly since DEP has the ability to tailor regulations to local environmental conditions. Ecosystems do not follow municipal borders, and neither should the policies that govern land use and environmental protection.

Similarly, the Building Board of Regulations and Standards (BBRS) and the Board of Fire Prevention Regulations (BFPR) set rigorous and technically sound standards, but local interpretation varies across town lines; this often results in inconsistent applications of standards, even though state law specifically precludes local building inspectors or fire marshals from imposing additional requirements beyond state code standards. The combination of various environmental, building, and safety regulations (and their inconsistent applications from community to community) creates uncertainty and complexity for builders and developers who are navigating dozens of codes at the same time. State regulations governing environmental



protection, residential energy efficiency, and health and safety should be updated to meet their objectives while minimizing costs and delays in housing production.

The Commission's task has been to critically assess the state and local laws, regulations, codes, and practices that hinder the production of high-quality, higher-density housing at a reasonable cost. Building on recent, significant state actions, the Commission's recommendations focus on eliminating legal, regulatory, and other systemic barriers while upholding environmental protections, building safety requirements, and municipal roles in housing decisions.

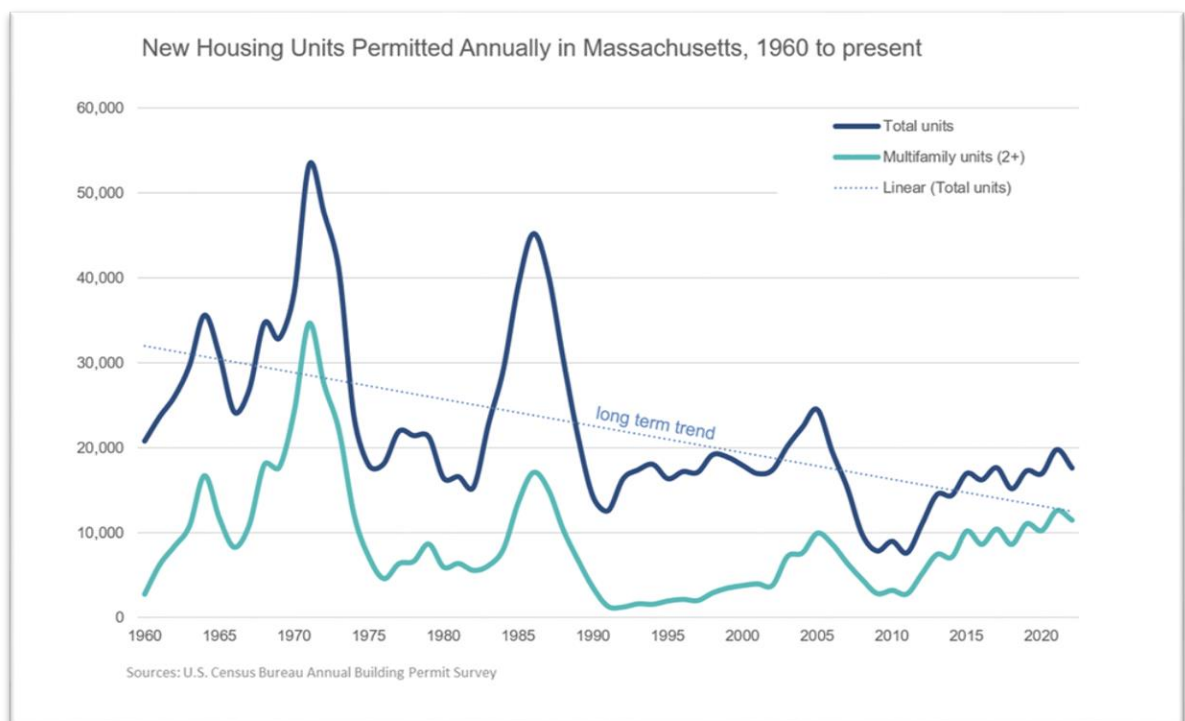
By implementing the Commission's recommendations, Massachusetts can unlock a new era of housing production, expanding opportunities for residents, fostering economic growth, and enhancing the quality of life across the Commonwealth.





Understanding the Housing Crisis in Massachusetts

From the 1960s through the 1980s, Massachusetts produced an average of nearly 30,000 units of housing each year, enough to keep up with a rising population. From the 1990s onward, housing production fell by half, failing to meet rising demand for either single or multifamily homes. The modest recovery in the 2010s was followed by a significant fall in production during and after COVID.



Source: MHP 2023¹⁶

As a result, housing prices have risen faster than inflation, and faster than incomes for most residents. Today, Massachusetts has among the highest home values in the country.¹⁷ Over the past five years, the median sales price for a home in the Commonwealth has increased by more than 50%, escalating a growing problem into an acute affordability crisis.¹⁸

The low supply and high cost of housing have major impacts on the citizens of Massachusetts. For most households, rent and mortgage payments represent the largest share of monthly expenses. These high housing costs have positioned the



Commonwealth as a high-cost state and undermined its appeal to attract and retain residents. Home equity is the single largest source of wealth for most families, yet homeownership in Massachusetts has grown progressively less attainable. Today, a household needs to be earning upwards of \$215,000 to afford a median-priced home in Eastern Massachusetts.¹⁹



The high cost of home ownership, along with longstanding exclusionary zoning policies, reinforces economic and racial segregation. The average Black or Hispanic family can afford to buy a home in only 4% of Massachusetts census tracts.²⁰ The average White family can afford a home in just 22% of census tracts.²¹

For the state's businesses, the high cost of housing makes employment less attractive, drives up the wages necessary to attract and retain talented employees, and raises the cost of doing business. In a recent survey conducted by the Massachusetts Business Roundtable, more than 80% of members reported that high housing and living costs were likely to impact their decisions on whether to grow or shrink their presence in Massachusetts.²²

The environment also suffers from the pattern of low-density, single-family homes spread across the suburban and exurban landscape. This sprawl fuels reliance on automobile use and increases traffic, air and water pollution, and infrastructure and



other development costs. It also consumes an excessive amount of land and natural resources, making it harder to achieve land conservation and climate change mitigation and resiliency goals.

One of the most significant drivers of Massachusetts' housing crisis is the low allowable density (housing units per acre) for new housing development. Zoning regulations that favor large single-family homes, along with environmental and other regulatory constraints on multifamily housing construction, have become the most significant contributors to the housing affordability crisis. These barriers drive up production costs and severely limit the ability to build sufficient multifamily housing and single-family "starter homes" to meet demand.



This Commission is not the first to note that zoning regulations, building codes, and environmental regulations can create major barriers to multifamily housing in Massachusetts. Nor has the current Administration been idle in addressing this challenge. As this report notes, the current crisis has spurred the Administration to take bold

and unprecedented action through the signing of the monumental Affordable Homes Act, establishment of the Commonwealth's first comprehensive statewide housing plan, implementation of the MBTA Communities Act, and more. However, without further steps to eliminate additional barriers to housing production, even the boldest reforms and historic investments may fall short.

The stakes could not be higher – Massachusetts is at a tipping point. If the housing crisis continues unchecked, it risks becoming intractable, threatening the state's long-term social, economic, and political strength and altering the lives of every Massachusetts resident.



UHPC Recommendations

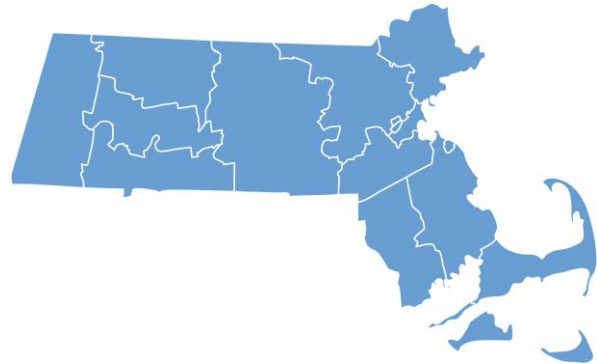
Context and Framing

The Commission's recommendations focus on four major themes:

- 1. Economic Incentives and Workforce Development**
- 2. Land Use and Zoning**
- 3. Regulations, Codes, and Permitting**
- 4. Statewide Planning and Local Coordination**

Each thematic area includes a comprehensive overview of the current challenges hindering housing production, a set of targeted recommendations, an evaluation of the potential impact of the recommendations, and notes on prospective implementation. While the Commission's four themes are distinct, many of the recommendations bridge across multiple groups. In such cases, recommendations appear in the most relevant section, with cross-references where appropriate.

To provide context on identified challenges and assess the likely impact of its recommendations, the Commission used a combination of quantitative and qualitative indicators. Quantitative metrics include statistics on historic housing unit production, projected reductions in per-unit costs, and projected reductions in project timelines. Qualitative indicators focus on broader trends, such as improved affordability, increased equity, and reduced environmental impact. Additionally, the Commission relied on extensive stakeholder engagement in developing policy proposals and incorporating supporting evidence.



The recommendations in this report are designed to promote meaningful, systemic changes in state and local policies that govern housing production. The Commission has sought to advance reforms that will maximize housing development while aligning with environmental sustainability and social equity goals. In cases where a recommendation may involve a trade-off, these considerations are explicitly acknowledged.



The Commission believes that all recommendations outlined in this report are worthy of further vetting and potential enactment by state and local governments, as well as private housing stakeholders (where applicable). While some proposals may need to be prioritized or sequenced, this report should be understood as a package – or menu – of interdependent actions that work together to address the root causes of Massachusetts’ housing crisis.

Despite important policy changes in recent years, Massachusetts remains in the midst of a severe housing shortage and affordability crisis. Incremental solutions will not be enough. The moment demands bold, transformative action from both state and local governments. The Commonwealth’s residents deserve a comprehensive approach that spurs a major and sustained expansion of housing production, ensuring a more affordable, equitable, and prosperous future for all of Massachusetts.

Economic Incentives and Workforce Development

Modular Housing

CHALLENGE

As previously stated in this report, today, Massachusetts has a housing need of 222,000 units by 2035; relying on traditional stick-built building methods will not allow the Commonwealth to produce housing that keeps up with the rising demand. Instead, Massachusetts needs to consider innovative solutions that will allow the Commonwealth to build affordable and market rate units at a much faster pace and on a much greater scale.

Modular housing construction is the process of building homes in sections or modules in an off-site factory before shipping and assembling those modules on-site. Modular homes can be built up to two times faster than traditional stick-built homes and provide major cost savings.²³ Furthermore, modular construction methodologies, specifically modular manufacturing factories, have the potential to reduce waste by over 50% and lower carbon emissions by up to 45%.²⁴ Not only do modular housing solutions offer significant time and cost savings that align with the



Commonwealth's goals of expeditiously expanding the state's housing supply, but they also strongly align with the Commonwealth's environmental goals.

The modular housing industry, however, faces several challenges in Massachusetts. Difficulty acquiring upfront capital, partially due to uncertainty surrounding the industry, can make it hard for projects to get off the ground. Local Massachusetts regulations can require multiple design changes in the factory, adding time to the fabrication process. Shortages in the modular housing workforce pose complications to projects and highlight the need for the modular industry to find a path for collaboration with organized labor groups. Bottlenecks during the review and inspection phase can further delay projects. And misconceptions about the quality and appearance of modular housing solutions can negatively impact public perception of and demand for modular homes.

Overcoming these challenges will require coordinated, focused, and sustained work by the Commonwealth. However, the Commission feels strongly that establishing the modular housing industry in Massachusetts will make a significant impact towards sufficiently addressing the Commonwealth's long-term housing needs.

RECOMMENDATIONS

The Commonwealth should take immediate steps to support a future Massachusetts modular housing industry by establishing a working group comprised of modular developers, modular manufacturers, advocates, organized labor, and other pertinent interest groups (e.g., investors, regulators, etc.) to develop a plan and design the conditions for the modular housing industry to flourish in Massachusetts.

The Commission views the modular housing industry as a critical part of the housing production solution and recommends the development of a working group to adequately research topics and develop recommendations. The Commission recommends that the working group strongly consider the strategies below:

- **Modernize and improve capacity of the Board of Building Regulations and Standards (BBRS)**

The Commission recommends ensuring that BBRS has the capacity to improve the modular and off-site construction plan review and construction inspection process. BBRS currently administers all MA building codes but has a very small staff and only one FTE dedicated to reviewing modular projects. Additionally, developers have



noted that the BBRS inspection process lacks transparency, as developers are unable to track their progress throughout the review phase; instead, developers often experience long waiting periods followed by sudden notifications that a project has passed or not passed inspection. Expanding BBRS capacity would expedite the approval process; and developing a transparent process, such as a web portal with status updates, would allow manufacturers to better plan their own construction timelines. This recommendation would ultimately benefit the stick-built industry, as well.²⁵

- **Develop a modular housing division and hire a full-time employee within EOHLC**

EOHLC does not have a division or full-time employee focused on modular construction. The Commission recommends creating a position or group that works on tackling barriers and increasing efficiency of modular housing in the Commonwealth. Such a position would provide critical capacity for EOHLC to systematically address regulatory inconsistencies that continuously delay projects, dispel myths that negatively impact public perception, and advocate for modular housing solutions.

- **Adopt clear modular housing regulatory standards and address the impact of energy code**

The Commission recommends considering adopting the International Code Council / Modular Building Institute standards (ICC/MBI ANSI 1200 & 1205) as a performance-based code to boost efficiency, address regulatory inconsistencies, and allow for greater evolution in materials and methods working with industry professionals and local/national innovation labs.²⁶ Alternatively, adopting the minimum standards of the Green Mortgage-Backed Securities from Fannie Mae for both multi-family and single-family modular housing could provide a middle road to both reduce developer financing costs while providing some energy efficiency improvement, all be it less than the base energy code or stretch code for new construction.²⁷

- **Allow third-party inspectors and reviewers**

Improve the overall building inspecting program by including licensed third-party inspectors and providing new training for local building inspectors on modular and



off-site construction inspection protocols. Manufacturers often use third-party inspectors to evaluate quality in the factory. However, Massachusetts requires factories to also obtain approval from local building inspectors, which slows down the construction process. Incorporating third-party inspectors and reviewers (on-site) could speed up the process for manufacturers. California, Colorado, Pennsylvania, and others have already implemented this solution.²⁸

- **Reform transportation requirements for modular buildings**

The Commission recommends revamping and reforming the modular building transportation requirements including policy changes within MassDOT and the Massachusetts State Police. To enter the Commonwealth, manufacturers shipping modules across and within state lines must navigate highway regulations and costs associated with overweight permits, manufactured unit size restrictions, and state trooper escorts. This process often leads to expensive fees and delays in completing a project. The Commission recommends revamping and reforming transportation requirements so that entering and navigating transportation throughout the state is a less expensive, simpler, and faster process.

- **Develop a design-build competition and grant program**

The Commission recommends launching a design-build competition to drive competitive funding and enhance public relations. The competition would attract investment, create financing opportunities, and incentivize manufacturers to establish operations in Massachusetts. Additionally, the competition could require participating parties to submit open-source designs, which would enable the Commonwealth to pre-approve a set of standardized design templates, creating greater predictability for developers and manufacturers.

- **Establish modular manufacturing facilities in Massachusetts**

The Commission recommends encouraging the establishment of modular manufacturing facilities in state to spur job creation and reduce greenhouse gas emissions used for transporting units from other states. The offsite construction industry requires high upfront capital, which makes it challenging for a manufacturer to have the capital available to build a facility. The Commission recommends



encouraging manufacturers to establish modular manufacturing facilities in Massachusetts by developing targeted short- and long-term development programs (e.g., grants, low interest loans, etc.). Notably, Colorado recently deployed \$38 million in grants and loans to support eight modular housing manufacturers across a dozen sites.²⁹

- **Collaborate with organized labor to ensure a robust modular housing workforce** Union support for the industry is imperative to developing a thriving modular housing ecosystem in Massachusetts. The Commission recommends that the Commonwealth collaborate with trade unions and organized labor to support modular and off-site construction while balancing the interests of building and trade groups.
- **Establish modular factory apprenticeship programs**

The Commission recommends developing and partnering with various trade associations, vocational schools, occupational training programs, organized labor, and other groups to promote a steady flow of skilled labor within the modular industry in factories and on project sites. Implementing an apprenticeship program to train workers in all parts of the process would help tackle the labor gap for manufacturers.

POSITIVE IMPACTS

Accelerate housing production and address supply gaps

Modular housing can be built up to twice as fast as traditional stick-built homes. Establishing a robust modular housing industry in Massachusetts would allow the Commonwealth to significantly scale up housing production and better meet its housing needs.

Reduce construction costs and improve financial feasibility

By streamlining production, reducing labor costs, and limiting material waste, modular construction lowers per-unit costs compared to traditional construction. In high-cost housing markets, this can make otherwise infeasible projects financially viable, enabling both affordable and market-rate housing development at a greater scale.



Support environmental and sustainability goals

Modular construction produces up to 50% less waste and reduces carbon emissions by as much as 45% compared to traditional building methods. Encouraging modular development would align with Massachusetts' climate action and energy efficiency initiatives, supporting long-term environmental sustainability.

Expand housing options in both urban and rural areas

Unlike traditional construction, which often concentrates in high-density urban centers, modular housing is highly adaptable and can provide housing solutions in both dense metro areas and rural communities where development has historically lagged due to high costs and logistical challenges.

Enhance workforce development and job creation

Investing in modular housing would create new skilled labor opportunities, including jobs in modular manufacturing, design, engineering, and on-site assembly. By establishing apprenticeship programs and collaborating with trade unions, Massachusetts can build a stable, well-trained workforce to support long-term industry growth.

Improve quality and durability of new housing

Because modular homes are built in controlled factory environments, they benefit from higher precision, fewer defects, and stronger structural integrity than traditional site-built homes. This results in sturdier, longer-lasting housing that requires fewer costly repairs over time.

Streamline regulatory and permitting processes

With clear, uniform regulatory standards and the use of third-party inspectors, modular projects can move more efficiently through approval and review processes. This would reduce the uncertainty and bottlenecks that currently delay modular development in Massachusetts.

IMPLEMENTATION

This recommendation could initially be implemented through administrative action, though several of the specific strategies that the Commission recommends for



further consideration would require legislative or regulatory action.

State Sales Tax Credit

CHALLENGE

Over the past five years, material costs have increased by over 40% nationwide, significantly impacting and limiting new housing production.³⁰ In Massachusetts, challenges have been particularly severe – the Commonwealth has among the highest construction costs in the country.³¹ Local developers estimate that the impact of the MA state sales tax (6.25%) for building materials accounts for 1.5 - 5% of project costs (depending on the type of housing).³² Thus, for marginally profitable housing projects, the state sales tax can have serious implications on whether or not a project progresses.

While high housing construction costs can theoretically be offset by raising rents and setting higher prices for homes that are for sale, such an approach is mainly feasible in affluent communities and for luxury apartments. High construction costs stymie production in less affluent communities where rents and prices often cannot offset production costs. This poses a serious concern for equitable housing production.

RECOMMENDATIONS

The Commonwealth should provide a sales tax credit for construction materials purchased for the development of new multifamily housing projects or substantial rehabilitations (investing at least 50% of the assessed value of the building) that either:

- a.** are located in communities that have a median household income that is less than 120% of the state average, or
- b.** have at least 15% affordable units

The Commission offers these additional suggestions for the design and implementation of a tax exemption program:

Model the details of the program on MGL c. 64H, Sections 6(r) and 6(s), the manufacturing tax exemption.



Limit the program to a certain number of projects per year, capping state liability

Provide for the tax exemption to be secured following project approval, submitted to HLC for tracking, and to expire within two years if the project has not commenced construction.

Make the program as simple as possible to allow smaller developers with less staff capacity to benefit.

Consider including a set-aside for rural communities and/or smaller developers.

Provide guardrails to certify that any qualifying rehabilitation project does not displace residents.

Sunset the program after five years unless extended. This would allow the legislature to assess program success and adjust based on new capital market dynamics.

POSITIVE IMPACTS

Unlock stalled and marginal projects

A sales tax credit would bridge the financing gap for projects struggling to achieve the return on cost required for financing, making otherwise infeasible developments viable.

Boost long-term revenue

While the tax credit would temporarily reduce state sales tax revenue, it would unlock new development that wouldn't happen otherwise, generating other forms of tax revenue, construction jobs, and economic growth in the long-term.³³

Expand housing in high-need communities

By targeting projects in lower-income areas and developments with at least 15% affordable units, the tax credit would enable more housing production where it's less financially feasible, helping to reduce housing inequities.

Support rural housing revitalization

Many rural communities suffer from deteriorating housing stock and limited new development. Including substantial rehabilitations and a potential rural



set-aside would make reinvestment more feasible, helping to preserve and modernize housing in these areas.

Make development more accessible to smaller builders

Large developers often have financing advantages that smaller builders lack. A simple, streamlined tax credit would allow smaller-scale developers to participate in housing production, increasing competition and supply.

Ensure accountability and adaptability

Potentially requiring that the tax credit would expire if construction doesn't begin within two years would prevent speculation and allow for only active projects to benefit. Additionally, the five-year sunset provision would allow for evaluation and refinement based on market conditions.

IMPLEMENTATION

This recommendation requires legislative action. The recommendation could be administered through the issuance of tax exemption certificates to qualifying projects by the Massachusetts Department of Revenue in consultation with the Executive Office of Housing and Livable Communities.

State-Funded Infrastructure

CHALLENGE

The ideal location to build housing is in areas with existing sewer and water infrastructure and capacity as it is significantly more cost effective and has better environmental outcomes than production in locations that require building new infrastructure. In Eastern Massachusetts, however, housing production is predominantly occurring at the outer edge of communities where there is minimal or no sewer and water infrastructure due to a lack of land availability and cost limitations.³⁴

In communities with little or no public sewer infrastructure, housing developers of projects that produce 10,000 gallons per day of sewer output, equivalent to 90 bedrooms (or a 30-unit projects of 3 bedrooms/unit), must build onsite treatment plants.³⁵ These treatment plants are costly to build, with costs ranging upwards of several millions of dollars per plant and with extraordinary daily maintenance costs.³⁶ This is often the reason proposed larger private housing developments do not move forward. While long-term solutions to the Commonwealth's infrastructure constraints



are desirable, shorter-term solutions to this infrastructure challenge are necessary to unlock housing production now while working on long-term solutions.

RECOMMENDATIONS

The Commonwealth should explore expanding existing funding mechanisms or establishing innovative infrastructure programs that facilitate housing development and unlock capacity for future growth in suitable locations.

These investments will facilitate housing growth and address existing environmental and public health concerns. Enabling higher density in areas already served by appropriate resources prioritizes both environmental progress and housing availability. Additionally, the Commission recommends that the Administration, including A&F and other relevant Secretariats specifically consider the following strategies, which require further investigation:

Subsidize Private Water and Wastewater Systems

Strengthen existing and develop new mechanisms to subsidize portions of private onsite water and wastewater systems, reducing costs for developments in areas with limited public infrastructure. Given the high cost of wastewater treatment systems and the urgent need for housing production, this solution would create a state funding mechanism in the form of full, partial, or matching grants to fund private onsite water and wastewater systems. The co-funding mechanism could use economic feasibility, environmental suitability, and smart growth criteria to identify and prioritize projects for which the co-funding would appropriately enable production. While the Affordable Homes Act included changes to the HousingWorks Infrastructure Program (HWIP) to allow funds to benefit infrastructure on private property, the program is over-subscribed, and funding is still subject to other restrictions.

Allow Developer-Led Sewer Conduit Extensions

Create a program that allows developers to co-finance sewer conduit extensions, enhancing connectivity to the Massachusetts Water Resources Authority (MWRA) and other regional systems. The cost of onsite wastewater treatment (approximately \$100/gpd) is dramatically higher than the MWRA's cost to treat an additional gallon of wastewater through its regional sewer and treatment infrastructure (approximately \$1/gpd).³⁷ This solution would create a state program to fund up to 50% of the cost of sewer conduit extensions or pumps and force mains to connect a new housing project to



the existing wastewater treatment system. Working with EEA, the program could adopt tight eligibility and siting standards, in line with the MassWorks or HousingWorks program, that reflect environmental and land use concerns.

Explore Diverse Funding Models

Consider new funding mechanisms such as tax credits, revolving loan funds, matching grants, developer co-investment, and user fees to sustainably finance critical infrastructure upgrades.

Overall, these strategies provide a flexible framework to address key infrastructure gaps while enabling housing production and fostering sustainable development.

POSITIVE IMPACTS

Unlock new housing opportunities and promote regional equity

Addressing infrastructure limitations will allow housing development in currently constrained areas, particularly in Eastern Massachusetts communities lacking sewer and water systems. Expanding infrastructure capacity will ensure more equitable access to housing across the state, rather than limiting development to high-resource municipalities.

Reduce infrastructure-related development costs

Subsidizing private water and wastewater systems and facilitating sewer extensions will lower upfront costs for developers, making projects more financially viable. Given that onsite wastewater treatment costs far exceed MWRA regional treatment costs, strategic investments in sewer extensions will generate significant cost savings while maximizing housing production.

Accelerate project timelines and housing delivery

By streamlining connections to regional water and sewer systems or co-financing conduit extensions, infrastructure improvements will allow projects to break ground faster. This will enable quicker housing production to meet the Commonwealth's urgent demand.

Maintain fiscal sustainability and reduce public funding burdens

A mix of funding strategies – including tax credits, revolving loan funds, and developer co-investment – can ensure that infrastructure upgrades are financially sustainable while minimizing the need for state subsidies. This approach protects public resources while still enabling critical infrastructure



investments.

Advance smart growth and long-term sustainability

Investing in high-density, infrastructure-ready locations prioritizes smart growth and minimizes environmental disruption. Expanding sewer and water capacity in existing developed areas supports compact, transit-oriented housing while reducing sprawl, traffic congestion, and environmental degradation.

IMPLEMENTATION

This recommendation could initially be implemented through administrative action, though several of the specific strategies that the Commission recommends for consideration would require legislative or regulatory action.

Workforce Development Initiatives

CHALLENGE

The housing shortage in Massachusetts is compounded by persistent workforce challenges, most notably a shortage of construction workers which threatens the Commonwealth's ability to build enough housing to meet demand. In June 2024, the construction unemployment rate in the Commonwealth was 2.5%, the lowest rate for that month in at least 17 years, according to federal data analyzed by Associated Builders and Contractors.³⁸ While this figure reflects a strong economy, it also highlights a critical labor shortfall in a sector essential to addressing the state's housing crisis.

The workforce challenge is exacerbated by declining interest in and awareness of careers in construction and homebuilding trades, particularly among younger generations.³⁹ The aging composition of the industry's workforce and the insufficient entry of younger workers present a significant long-term risk to the construction sector's capacity. Without targeted interventions, these trends threaten to undermine the Commonwealth's ability to meet its housing production goals.

The urgency of this issue is underscored by an analysis from the UMass Donahue Institute, which estimates that the Affordable Homes Act will generate nearly 30,000 new job opportunities over the next five years.⁴⁰ To fully capitalize on this transformative legislation and the broader housing agenda of the Healey-Driscoll Administration, the Commonwealth must prioritize the development of a robust



workforce pipeline. This will require a focused and coordinated effort to attract, recruit, and train workers, ensuring that the construction and homebuilding industries are prepared to meet the demands of an ambitious housing production strategy.

RECOMMENDATIONS

1. The Commonwealth should establish an outreach and public relation campaign to promote careers in homebuilding and the construction trades and provide direct incentives for prospective candidates for construction jobs.

The Commission recommends that the Administration launch a comprehensive outreach and public relations campaign to raise awareness of career opportunities in homebuilding and construction trades. This campaign should include information on upskilling and training programs that emphasize the benefits of these career paths and the opportunities for entrepreneurship and quality of life rewards of a career in the trades. The program should also provide tangible targeted incentives to encourage prospective candidates to enter the workforce. This includes education, skills training, business management training, job placement, union collaboration, private company partnerships, internship programs, and other methods to encourage potential young students to enter into a construction career. To ensure the outreach campaign's success, the Commission recommends that HLC collaborate closely with the Executive Office of Labor and Workforce Development (LWD), EOED, and relevant external stakeholders to design and implement this initiative.

2. The Commonwealth should inform and educate developers on leveraging resources for apprenticeship programs.

To facilitate the creation of apprenticeship programs, the Commission recommends a concerted effort to inform and educate developers about intern and apprenticeship opportunities available including government funding programs and other resources. EOHLC should collaborate with the Federal Funds and Infrastructure Office (FFIO), LWD, and other relevant Secretariats to develop and disseminate targeted resources. These resources could include fact sheets, web-based materials, and guidance on utilizing federal and state government funding streams. Distribution efforts should extend to accounting firms and other service providers or key intermediaries. By implementing these strategies, the Commonwealth can build a stronger construction workforce and enhance its capacity to meet the state's housing production goals.



POSITIVE IMPACTS

Expand the construction workforce to meet housing demand

Targeted outreach and bolstered apprenticeship programs will attract new talent to the construction industry, helping to alleviate workforce shortages and uphold the timely delivery of housing projects across the Commonwealth.

Create long-term career pathways and economic mobility

By providing training, certification programs, and direct incentives, these initiatives will equip workers with valuable skills, create demand for stable, well-paying jobs, and support long-term economic mobility in the sector.

Promote equity and increase diversity in the trades

A well-structured apprenticeship system will expand access to underrepresented groups, including women, people of color, and low-income individuals, establishing a more inclusive and equitable construction workforce.

Strengthen industry resilience and maximize state investments

A robust pipeline of trained workers will optimize the impact of the Affordable Homes Act and other state housing initiatives, ensuring that the \$5.2 billion bond bill translates into actual housing production at scale.

Prepare the workforce for emerging technologies

Apprenticeship programs could include training in advanced building technologies, modular construction, and climate-resilient materials, ensuring that the next generation of workers is equipped to meet sustainability and climate adaptation goals.

IMPLEMENTATION

These recommendations could be implemented through administrative action. These recommendations would require collaboration between Executive Offices (i.e., HLC, EOED, LWD, EEA, A&F).



Land Use and Zoning

Eliminating Parking Minimums

CHALLENGE

Off-street parking spaces and garages are expensive and significantly drive up the cost of new housing, as well as the rehabilitation of, or additions to, existing buildings. Estimates show that surface parking adds thousands of dollars to per unit development costs, while structured or underground parking can add well upwards of \$50,000 per unit to a project.⁴¹

Beyond cost, parking minimums consume valuable land that could otherwise be used for housing, parks, open space, or other community amenities. Excessive parking requirements also contribute to broader environmental challenges—subsidizing car ownership at the expense of public transit use, worsening the heat island effect, and increasing impervious surfaces that contribute to stormwater runoff.⁴² Ultimately, these requirements impose significant costs without corresponding benefits, making housing less affordable and limiting opportunities for sustainable, transit-oriented development.

Given the challenges with cost and impact on the land, housing developers do not want to provide more parking than is necessary to meet resident demand. (Nor do developers want to provide less parking than is needed, as doing so would make it more difficult to lease up a building, negatively impacting the value of the project.) Developers and lenders study and follow market demand for off-street parking spaces, and there is no evidence to support the claim that municipalities need to require a minimum number of parking spaces to guarantee adequate parking availability. However, many communities still require a minimum number of parking spaces per unit (or per bedroom) for housing development as part of local requirements and discretionary permitting processes. A MAPC analysis of multifamily housing developments in Greater Boston found that these requirements create an excessive supply of parking spaces. The most recent (2023) study of 37 sites across six municipalities in greater Boston concluded that only 62% of the parking spaces built were actually needed.⁴³ In other words, close to 40% of the parking spaces in Eastern MA were unnecessary.⁴⁴ Based on local research in



Central and Western Massachusetts communities, projects face similar excesses of supply of and lack of demand for parking.

RECOMMENDATIONS

- 1. The Commonwealth should eliminate parking minimums statewide for any residential use.**
- 2. The Commonwealth should require municipalities to establish transportation demand management requirements as a condition for allowing off-street parking in new housing (and substantial rehabilitation) and provide technical assistance to municipalities for this purpose.**

Transportation demand management (TDM) is a set of policies and programs to reduce single-person car trips. TDM tools support and incentivize people to use remote work, transit, carpooling, walking, bicycling, and other alternatives to single-person car trips. TDM options may be modeled after requirements in effect in Arlington, Boston, Cambridge, and Somerville but should certainly be flexible across geographies to adequately address the diverse needs of the Commonwealth. TDM plans may also account for frequency of transit service, bicycle infrastructure, and other local transportation conditions and options.⁴⁵

POSITIVE IMPACTS

Lower housing costs and improve affordability

Eliminating parking minimums will reduce construction costs by \$10,000 to upwards of \$50,000 per unit, making housing more financially viable and improving affordability for residents.

Free up land for housing and community benefits

Removing unnecessary parking requirements will allow more land to be used for additional housing units, parks, open space, and other community amenities, optimizing land use in high-demand areas.

Reduce emissions and support climate goals

Excess parking encourages car dependency and undermines the state's climate and emissions reduction targets. Eliminating parking minimums will promote transit use, walking, and biking, reducing vehicle miles traveled (VMT), congestion, and pollution.



Mitigate urban heat island effects and stormwater runoff

Reducing surface parking lots will minimize heat absorption and impervious surfaces, lowering extreme heat impacts in urban areas and improving stormwater management, which reduces flooding and water pollution.

Encourage market-driven parking solutions

Developers and lenders already analyze parking demand and provide spaces accordingly. Removing minimums will allow the market to right-size parking, ensuring new developments meet actual demand rather than mandated thresholds.

IMPLEMENTATION

These recommendations require legislative action.

40A Reforms

CHALLENGE

Local zoning power is a tool established in state law to achieve public purposes. In Massachusetts, zoning law historically included a statement of the public purposes that zoning is intended to achieve. Section 2A of chapter 808 (the 1975 Zoning Act) explains the purposes and objectives of zoning.⁴⁶ This description specifically endorses local regulations of “area and dimensions of land... to be occupied or unoccupied by uses and structures, courts, yards and open spaces.”⁴⁷ The purposes include “[encouraging] housing for persons of all income levels.”⁴⁸ However, zoning purpose was later removed from c. 40A, Massachusetts’ Zoning Act, and is no longer incorporated into any general law.⁴⁹

At the local level, zoning also is intended to align with and advance the land use goals laid out in municipal Master Plans. The 1975 Zoning Act included among the purposes of zoning “encourage the most appropriate use of land through the city of town, including consideration of the recommendations of the master plan, if any, adopted by the planning board.”⁵⁰ Many municipal master plans are adopted with 10-to-20-year implementation horizons. However, communities are not required to rezone in order to advance master plans and may subsequently make local decisions (on zoning and/or projects) that are not aligned with an adopted Master Plan. Further challenges arise from the lack of clarity around site plan review, which varies significantly across municipalities and can create unnecessary delays, uncertainty, and inconsistent application of zoning laws. In some cases, site plan review is



treated as a discretionary process, even for by-right projects, leading to additional layers of subjective review beyond what zoning regulations require. The absence of a standardized framework results in unpredictable timelines, project delays, and increased costs, which can deter development. Additionally, unclear criteria for review, undefined limits on decision-making timelines, and the absence of a designated reviewing authority contribute to inefficiencies that hinder housing and economic development. Standardizing site plan review procedures is essential to ensure that it remains an administrative tool for confirming compliance with established zoning and land use regulations rather than an additional regulatory barrier.



Even when developers do manage to successfully navigate Massachusetts' difficult zoning and regulatory landscape, they often encounter an appeals process that provides far too much leeway for anti-housing abutters seeking to block and delay housing, particularly affordable housing, projects. While the Commission believes that a healthy appeals process is important for ensuring project integrity and encouraging cooperative partnerships between developers and communities, the Commission supports a few minor amendments that will expedite and strengthen the appeals process. These small changes could have a significant impact in expediting the production of affordable housing and building confidence in Massachusetts' zoning, permitting, and regulatory environment.

RECOMMENDATIONS

1. The Commonwealth should add "Zoning Purpose" back into Ch. 40A.

Adding zoning purpose language back into Ch. 40A would provide a statutorily codified impetus behind the Commonwealth's Zoning Act. While such a framing would be largely symbolic, explicitly highlighting the importance of addressing the Commonwealth's housing needs (as well as its other land use needs) in Massachusetts' zoning framework would underscore the relationship between zoning and development. At the same time, such a change would provide a statutorily enforceable guard rail against local zoning that functions in opposition to the Commonwealth's housing needs.



2. The Commonwealth should incentivize or require alignment of local zoning with master planning.

To ensure local zoning aligns with long-term planning goals, MGL c. 41, §81D should be amended to require municipalities to adopt zoning changes that reflect the housing and land use priorities in their master plans, particularly the housing element. Many communities create master plans with 10-to-20-year growth strategies, yet outdated zoning often prevents implementation, leading to housing shortages and inefficient land use. Requiring periodic zoning updates tied to master plan adoption, along with state oversight, incentives, and technical assistance, would help ensure zoning facilitates housing production and economic development. Aligning zoning with master plans would make local land use policies more proactive, bolstering communities' abilities to meet their housing and economic needs.

3. The Commonwealth should codify municipal site plan review.

Define and clarify the role of site plan review in municipal permitting processes as part of discretionary permitting processes under MGL c. 40A or as part of an administrative review for by-right uses. Given the variation in approaches to site plan review which can impact development timelines and certainty of projects moving forward, codification of requirements and limitations of this review is necessary. The statutory language addressing site plan review should clarify that it is an administrative determination that all zoning and land use regulations have been met and should not replicate a regulatory process. Additionally, codification may include: establishment of a limit on how long reviews can take for completeness of applications; review criteria to ensure that reviews are objective and administrative rather than replicating discretionary reviews; tiered review systems depending on project size and scale; designation of a review authority or primary reviewer, such as staff or department; and clarification that abutter notifications are not required. The appeals process should also be clarified through this codification. Any review criteria or site plan review standards should be incorporated into zoning bylaws and subject to Attorney General review.

4. The Commonwealth should establish that all zoning and permitting appeals pursuant to MGL c. 40A §17 are record appeals and not de novo appeals.

Establishing that all zoning and permitting appeals are record appeals will prevent abutters from raising new issues on appeal that were never raised during the local approval process for the explicit purpose of delaying a project. This change could be phased in slowly (e.g., 18 months after enactment) to give local boards adequate time to adapt to the new process.



5. The Commonwealth should amend MGL c. 40A §17 to include building permit appeals as by-right uses and allow judges to require a bond for any appeal included in c. 40A §17 without a limitation to special permits, variances, or site plan approvals.

These two changes will strengthen the appeals process and disincentivize parties from levying baseless appeals.

6. The Commonwealth should require that land use appeals for construction of 25 or more housing units (including mixed-use developments) be heard in the permit session of the Land Court pursuant to MGL c.185 §3A.

**The Commission notes that Recommendation #6 is not an amendment to c. 40A, specifically, however the recommendation was developed alongside recommendations #4 and #5 as a complementary reform to the abutter appeals process.*

POSITIVE IMPACTS

Strengthen the legal foundation for zoning to support housing production

Reintroducing zoning purpose language in Ch. 40A would reinforce the statutory basis for zoning decisions, ensuring municipalities cannot use zoning to obstruct development that aligns with state and regional housing goals.

Reduce legal challenges and uncertainty for housing development

Codifying zoning purpose and aligning local zoning with master plans would make it harder for lawsuits to derail housing projects, providing greater predictability for developers and municipalities while minimizing delays; strengthening the abutter appeals process by limiting pathways for bad-faith challenges also provides predictability to the development process.

Ensure zoning supports long-term housing and economic goals

Requiring zoning to align with master plans would make it a proactive tool for housing production, ensuring local policies reflect actual growth strategies rather than outdated regulations that hinder development.

Improve permitting transparency and efficiency

Codifying site plan review would establish clear, consistent review timelines and criteria, preventing municipalities from using it as a de facto discretionary barrier for by-right projects.



Streamline development timelines and reduce project costs

Standardizing zoning, site plan review, and appeals processes will eliminate unnecessary delays, making housing development faster and more predictable while reducing cost burdens for both developers and municipalities.

Enhance coordination between planning and zoning implementation

Tying zoning updates to master plan adoption would ensure planning efforts translate into real land use policies, increasing housing production and economic development in line with local and regional goals.

IMPLEMENTATION

These recommendations require legislative action.





Expanding Multifamily Housing Options

CHALLENGE

Massachusetts has long granted municipalities extensive control over local land use and zoning, making zoning the single most powerful tool in shaping housing development. Since the 1950s, nearly all municipalities in the Commonwealth have zoned predominantly for single-family homes, often large-lot single-family homes, while imposing barriers to multifamily housing.⁵¹ Multifamily construction, where allowed, typically requires site plan review, special permits, or variances—creating multiple opportunities to block or stall development. Additionally, some municipalities enforce occupancy restrictions that discourage family-oriented housing, further limiting options for households with children.

Today, the demand for housing in Massachusetts far exceeds supply, driving up costs and pricing-out hundreds of thousands of households from both homeownership and rental markets. This single-family zoning bias has also fueled suburban and exurban sprawl, increasing traffic congestion, reducing air quality, and consuming open space at an unsustainable rate. Without zoning reform, the Commonwealth will struggle to meet its housing production needs and ensure that people of all income levels can find affordable homes in the communities where they live and work.



Zoning reforms in other states have shown that allowing more multifamily housing—particularly in well-planned areas near transit and commercial centers—can increase affordability, expand homeownership and rental opportunities, and reduce environmental impacts.⁵²

Massachusetts must modernize its zoning framework to support a broader range of housing options and address the housing crisis.

RECOMMENDATIONS

1. The Commonwealth should allow two-family homes on all residential lots and four-family homes on all residential lots where there is existing water and sewer infrastructure.

Most municipalities in Massachusetts do not permit two-family homes by right, requiring discretionary approval even in areas zoned for residential use. The Commission recommends allowing two-family homes, including duplexes, by right on all residential lots and permitting up to four-unit dwellings on any lot served by municipal water and sewer. This change would dramatically expand the number of buildable units across the Commonwealth, complementing recent zoning reforms such as the Accessory Dwelling Unit (ADU) provision in the Affordable Homes Act and the MBTA Communities Act's multifamily zoning requirement. Importantly, this recommendation does not mandate multifamily construction but removes unnecessary zoning barriers, ensuring that two-, three-, and four-unit dwellings can be built without requiring variances or discretionary review.

2. The Commonwealth should require all municipalities to create multi-family zoning districts.

The Commission recommends requiring all municipalities to create designated multifamily zoning districts where multifamily housing is allowed by right. The MBTA Communities Act established a strong precedent by requiring multifamily zoning in over half of the Commonwealth's municipalities, but expanding this framework statewide would increase housing supply in every community, ensuring that all cities and towns contribute to solving the housing crisis. A multifamily zoning framework could include:

By-right zoning for multifamily units, proportional to each municipality's overall housing stock.

Minimum density standards to support efficient land use.



Requirements to ensure suitability for families with children, including provisions for larger unit sizes.

Protection for environmentally sensitive and excluded lands, ensuring responsible development.

Flexibility for municipalities to determine size of projects (depending on geographic demand) and specific locations for multifamily zoning, with incentives for development near transit, commercial corridors, and job centers.⁵³

POSITIVE IMPACTS

Increased Housing Supply and Affordability

Allowing two- and four-family homes on residential lots will significantly expand the housing supply, helping stabilize or lower costs and making both rentals and homeownership more accessible across income levels.

Faster, More Efficient Housing Production

Eliminating discretionary barriers like special permits and variances streamlines the development process, reducing delays and costs. This will speed up housing production and lower prices for consumers.

Diverse, Flexible Housing Options

Expanding multifamily zoning supports varied housing types to meet the needs of young professionals, families, seniors, and multi-generational households, enhancing community adaptability.

Environmental Sustainability

Higher-density, transit-oriented development reduces car dependency, lowers greenhouse gas emissions, and promotes energy efficiency, supporting climate resilience and smarter land use.

Economic Growth and Workforce Stability

More housing near job centers attracts and retains workers, reduces commutes, and boosts productivity, strengthening local economies and



supporting business growth.

Inclusive, Vibrant Communities

Increasing housing options fosters social and economic integration, promoting diverse, vibrant neighborhoods with access to quality schools, public amenities, and local businesses.

IMPLEMENTATION

These recommendations require legislative action.

Minimum Lot Size Reform

CHALLENGE

Large minimum lot size requirements significantly hinder housing affordability, contribute to exclusionary zoning practices, and encourage sprawl, increasing automobile dependency and inefficient land consumption. By requiring excessive amounts of land per home, these regulations inflate housing costs, limit the availability of buildable land, and reduce housing diversity. There is no established health or safety justification for minimum lot sizes; other dimensional controls, such as setbacks, can ensure adequate separation between structures while maintaining public health and safety standards. The only potentially justifiable basis for minimum lot sizes is where higher residential density would negatively impact environmentally sensitive areas or other valued public resources.⁵⁴

In addition to restrictive lot size requirements, many municipalities impose barriers to lot mergers and lot splits and prohibit development on substandard lots—those that do not meet minimum residential lot size requirements. These restrictions prevent the efficient use of existing land in residential zones, even when a lot could support new housing that meets all other health and safety requirements. As a result, land that could accommodate additional housing remains underutilized, further constraining housing supply and exacerbating affordability challenges. Reforming these outdated zoning restrictions is necessary to expand housing opportunities and promote more sustainable, inclusive, and economically viable development across the Commonwealth.



RECOMMENDATIONS

1. The Commonwealth should eliminate minimum residential lot sizes statewide except in environmentally sensitive areas and on excluded lands.

Eliminating minimum residential lot sizes would allow for the construction of single or multifamily dwellings on any lot in areas zoned for residential use. Housing would still have to meet all other building, health and safety requirements. Splits, mergers and building on substandard lots would not be allowed on sensitive or excluded lands.

2. The Commonwealth should allow residential lot mergers, lot splits and use of substandard lots statewide to create multifamily housing, except in environmentally sensitive areas and on excluded lands.

The Commission recommends allowing residential lot mergers, lot splits, and use of substandard lots by right for the purpose of creating multifamily housing. Housing would still have to meet all other building, health and safety requirements. Splits, mergers and building on substandard lots would not be allowed on sensitive or excluded lands.

POSITIVE IMPACTS

Lower housing costs and increase supply

Allowing lot mergers and lot splits and eliminating minimum lot sizes will expand housing options across the Commonwealth, making it easier and more cost-effective to build homes that meet demand. Increasing by-right multifamily zoning will further reduce land scarcity pressures, helping to stabilize home prices and rents.

Accelerate housing production

By eliminating unnecessary discretionary reviews, special permits, and variances, these zoning reforms will streamline approvals, allowing projects to move forward faster and deliver more housing in less time.

Expand housing choices for all income levels and household types

A more diverse housing stock will create new opportunities for families, young professionals, seniors, and low- and moderate-income residents, ensuring that housing supply meets the needs of all Massachusetts communities.



Reduce suburban sprawl and improve land efficiency

Denser, well-planned development will allow Massachusetts to grow without excessive land consumption, reducing infrastructure expansion costs and preserving open space for future generations.

Support climate goals by reducing car dependency

Higher-density, transit-oriented development will reduce vehicle miles traveled, cutting greenhouse gas emissions, improving air quality, and supporting sustainability through more walkable, connected neighborhoods.

Promote economic and social integration

Expanding housing options across all municipalities will create more inclusive communities, allowing people of different incomes and backgrounds to live near jobs, schools, and transit, strengthening local economies and social cohesion.

IMPLEMENTATION

These recommendations require legislative action.

40R Reforms

CHALLENGE

Chapter 40R, the Smart Growth Zoning and Housing Production Law, was enacted in 2004.⁵⁵ 40R provides incentives to municipalities for adopting zoning districts that promote high-density residential and mixed-use development near public transit, city centers, or other areas of concentrated development. Specifically, 40R provides a “zoning incentive payment” (ZIPs) to a municipality at the time that the municipality establishes a Smart Growth Zoning District (SGZD); the payment is proportional to the number of units allowed in the newly established SGZD. 40R also provides “density bonus payments” of \$3,000 per unit to municipalities when new units are constructed, reimbursement of incremental school costs for new students living in an SGZD, and preferences for some state discretionary funding programs.⁵⁶

To qualify for these payments, SGZDs must meet location, infrastructure, and density criteria, and require 20% of units to be affordable to households at or below 80% AMI. Development that meets the SGZD requirements must be allowed as-of-



right. However, municipal zoning and planning boards may set reasonable design standards and conduct plan review for developments within the SGZD.

Over the 20 years of its existence, 40R has produced 63 SGZDs in 53 municipalities. Roughly 7,250 units have been built in these districts. The intent of 40R is laudatory but, given the need for 222,000 housing units across the state by 2035, the results in terms of housing production have been very limited. The Commission identified these primary challenges in the design and implementation of 40R:

Mismatch between affordability requirement and financial viability for developers

While the affordability requirements of Ch.40R are well-intended, they can impact the financial viability of projects. As a result, projects that would be financially viable with somewhat lower affordability percentages do not go forward.

Inadequate incentives for municipalities to create SGZDs

Very few municipalities have proactively created 40R districts. The overwhelming majority have been created as a response to developers initially seeking to build higher density housing using Ch.40B, the Comprehensive Permit law, in communities that have not met the 10% subsidized housing inventory (SHI) target. Local government and residents often prefer to negotiate with the developer to create a 40R district tightly tailored to the proposed development, in order to receive the ZIP and density bonus payments and other state incentives. However, these incentives are generally not sufficient to move a municipal government to create a 40R district in the absence of a 40B development proposal. The ZIP and density bonus payments are modest and the process of creating a 40R district can be lengthy and complex.

Concern over loss of local control over permitting within 40R districts

The as-of-right requirement within 40R districts is frequently interpreted by local government bodies and residents as forcing them to allow any development that meets the density and affordability requirements, without any ability to engage with the developer on design and neighborhood integration issues. In fact, 40R does allow approval bodies to use design standards and plan review processes to ensure site- and neighborhood-appropriate design and impact mitigation, but these 40R provisions are not well understood.

The Commission has developed recommendations for the first two of these challenges in this section, as recommendations relating to the 40R as-of-right



requirement and site plan review process appear in the Land Use and Zoning section.

RECOMMENDATIONS

1. The Commonwealth should amend Ch. 40R to scale affordability requirements to density.

This solution would link affordability requirements to density, requiring a higher percentage of affordable units at higher density. It would let municipalities decide whether to prioritize SHI-eligible units or market-rate housing within 40R developments. Because 40R bonus payments remain tied to the number of units built, there would still be incentives for higher density and corresponding levels of affordability. In addition, developers should be allowed to propose levels of affordability that are above or below the density-linked affordability target as part of their economic feasibility study; HLC should continue to review these feasibility studies and should only allow affordability below target when it would clearly be infeasible to achieve a higher level of affordability. Finally, 40R should maintain a non-negotiable minimum percentage of affordable units for each tier of density.

2. The Commonwealth should amend Ch. 40R to eliminate Zoning Incentive Payments (ZIPs) and scale up bonus payments, with a portion of bonus funds flowing directly to projects.

This solution would eliminate ZIPs, which have not been effective as an incentive and are not tied to actual housing production. On the other hand, it would substantially increase bonus payments for units actually built, to create a strong production incentive for both municipalities and developers. Rather than providing the full bonus payment to the municipality, this solution would shift a significant portion of the bonus payment to the developer.

To allocate between the municipality and the developer, HLC could set a fixed percentage for each, create an allocation formula or criteria, or allow the municipality and the developer to negotiate a mutually acceptable allocation. Funding provided to the developer could offset specific costs (e.g., building permit fee, infrastructure improvements, mitigation owed to town, etc.) or could be made as a cash grant to the developer to help with project capital. The portion of payments allocated to the municipality would continue to help offset costs associated with development and incentivize timely issuance of building permits.



Additionally, the Commission recommends that the Administration and HLC consider expanding bonus payments to include developments that were permitted through local zoning other than a 40R zoning district but meet other relevant 40R criteria including smart growth location, minimum density, and minimum affordability. While, at this point, the Commission does not wish to make a formal recommendation, the Commission suggests that the Administration carry out further due diligence on this topic and potential strategy.

POSITIVE IMPACTS

Enhance affordability and density incentives while allowing flexibility

Linking affordability requirements to density will make 40R more financially viable for developers while still ensuring that affordable housing targets are met. Scaling affordability requirements based on density will allow municipalities and developers to balance feasibility with housing needs.

Strengthen municipal incentives to create 40R districts

Eliminating Zoning Incentive Payments (ZIPs) and increasing density bonus payments will make 40R a stronger tool for housing production, encouraging more municipalities to proactively adopt Smart Growth Zoning Districts rather than only responding to 40B proposals.

Increase developer participation and housing production

Shifting a portion of bonus payments directly to developers will reduce project costs, making it more attractive to build in 40R districts. This will accelerate unit production and ensure more developments move forward.

Expand the number of 40R districts and increase housing supply

By aligning incentives with actual housing production, these reforms will encourage more municipalities to establish 40R districts, leading to higher-density development in smart growth locations and more housing choices across Massachusetts.

IMPLEMENTATION

These recommendations can be implemented through regulatory action.



40B Reforms

CHALLENGE

Since its enactment in 1969, Chapter 40B has been a cornerstone of Massachusetts' housing policy, serving as a critical mechanism to promote mixed-income housing development.⁵⁷ The statute empowers local Zoning Boards of Appeals to approve affordable housing projects under more flexible guidelines, provided that 20-25% of the units are subject to long-term affordability restrictions. Over the decades, this framework has enabled the development of thousands of affordable units and catalyzed progress in communities that might not have otherwise prioritized housing production. However, as the Commonwealth faces a housing crisis of unprecedented scale, it has become evident that 40B—while essential—requires thoughtful recalibration to maintain its effectiveness.

At the same time, the Commission recognizes that 40B is a sensitive and highly relied-upon tool for affordable housing production. The Commonwealth has historically depended on 40B to circumvent local resistance to housing development, making it a focal point of both progress and contention. For many stakeholders, including municipalities, developers, and housing advocates, potential changes to 40B are met with trepidation. Some communities are concerned that amendments could impose greater housing obligations or increase unwanted development, while others worry about diminishing 40B's role as a vital instrument for affordable housing. Striking a balance between addressing these concerns and meeting urgent housing needs will require measured, deliberate action.

Several challenges underscore the necessity of targeted reforms to 40B. First, the inclusion of certain qualifying market-rate units within the Subsidized Housing Inventory (SHI) allows communities to reach the 10% SHI threshold and invoke "safe harbor" protections, often without fully addressing local demand for affordable housing. This feature, while intended to spur mixed-income development, can inadvertently undermine the broader goal of ensuring adequate affordable housing across the state. (See the "Potential Future Strategies" section of this report for further detail and recommendations.) Second, while 40B retains the capacity to support tens of thousands of new housing units, this figure falls far short of bridging the Commonwealth's estimated 222,000-unit housing shortfall. These capacity constraints limit the ability of 40B to serve as a truly scalable solution, underscoring the need for adjustments that expand the development potential of 40B. Finally, procedural inefficiencies within the 40B process create opportunities for local opposition to delay projects, driving up costs and deterring developers. These delays



undermine the predictability that is essential for effective planning and execution, further impeding housing production.

While 40B remains an indispensable tool, these challenges highlight the need to modernize its framework to address the evolving needs of the Commonwealth. The Commission is acutely aware of the sensitivities involved in revisiting such a pivotal policy and seeks to balance the preservation of 40B's strengths with targeted reforms to maximize its impact. Through careful and measured changes, Massachusetts can ensure that 40B continues to be a vital force in addressing the state's housing crisis while responding to the concerns of its diverse stakeholders.

RECOMMENDATIONS

1. The Commonwealth should strengthen c. 40B by streamlining the 40B Appeals Process.

Establish an expedited pathway for certain appeals to be reviewed, or expand the Housing Appeals Committee's (HAC) staffing to address caseloads more efficiently. *The Commission acknowledges that HLC is currently in the process of expanding staff support for the HAC.*

2. The Commonwealth should strengthen c. 40B by requiring parties who are appealing comprehensive permits approved by a local zoning board of appeals or ordered by the Housing Appeals Committee to post a mandatory bond.

Similar to the Chapter 40R process, requiring appellants who are appealing approved comprehensive permits to post a mandatory bond would discourage baseless appeals that are intended to drive up the cost of development and delay projects.

3. The Commonwealth should strengthen c. 40B by increasing the frequency of housing stock counts and updates to the Subsidized Housing Inventory (SHI).

Shift from the current decennial housing stock counts to biennial updates, ensuring more accurate and timely assessments of municipal compliance with SHI requirements. This adjustment will prevent municipalities from leveraging outdated data to achieve safe harbor and pause housing production for extended periods.



4. The Commonwealth should strengthen c. 40B by removing the subsidy requirement for projects.

Eliminate the requirement that affordable units must receive a financial subsidy (from the New England Fund) to count toward a municipality's SHI. Instead, allow EOHLC and its quasi partners' (e.g., MassHousing) oversight and technical assistance to function as a form of subsidy; maintain EOHLC's role in monitoring for compliance. This change will reduce administrative barriers and broaden the pathways for creating affordable housing.

5. The Commonwealth should strengthen c. 40B by offering major incentives for high-SHI communities.

Introduce substantial funding opportunities for municipalities that exceed the 10% SHI threshold, with a focus on those achieving levels of 12% or higher. These incentives could include grants for infrastructure improvements, technical assistance, or other supports that encourage continued housing production and reward municipalities for exceeding baseline requirements.

These targeted reforms address the procedural inefficiencies that limit Chapter 40B's potential. By refining the program, the Commonwealth can strengthen its most effective housing production tool while maintaining accountability and fostering collaboration with municipalities.

POSITIVE IMPACTS

Reduce delays and expedite housing development

Streamlining the 40B appeals process, narrowing standing for appeals, and requiring appellants to post a bond will discourage frivolous challenges, lower project costs, and accelerate the delivery of housing.

Expand housing production capacity

Improving administrative efficiency, removing unnecessary subsidy requirements, and ensuring timely SHI updates will unlock more housing opportunities and increase the long-term impact of 40B as a tool for meeting the state's housing needs.

Enhance accountability and transparency

Biennial SHI updates will ensure accurate tracking of affordable housing



progress, preventing municipalities from using outdated data to claim safe harbor protections and pause development.

Strengthen incentives for high-performing municipalities

Providing grants, infrastructure funding, and technical assistance to communities that exceed 10% SHI will reward proactive housing efforts and encourage continued production beyond the minimum threshold.

IMPLEMENTATION

These recommendations could be implemented through a combination of legislative, regulatory, and administrative action. Recommendation #1 requires legislative action; Recommendation #2 could be implemented through legislative or administrative action – creating an alternate track for appeals requires legislative action but expanding staffing on the HAC (an initiative that is currently underway) can be done administratively; Recommendations #3 and #4 could be implemented through regulatory action; Recommendation #5 could be implemented through administrative action. Extensive stakeholder engagement will be critical should the Administration opt to implement (any of) these recommendations.

Regulations, Codes, and Permitting

Local Environmental Regulations

CHALLENGE

Based on available data, the majority of towns in Eastern Massachusetts have adopted wastewater and Wetlands Protection Act standards and local regulations that are more stringent than DEP's. A Pioneer Institute study by land use expert Amy Dain found that in the early 2000s, 131 of 187 eastern Massachusetts municipalities had adopted wetlands standards and 109 of 187 had adopted septic (wastewater) standards stricter than state standards.⁵⁸ Massachusetts appears to be one of the few states in the country that allows localities to preempt state environmental standards.⁵⁹ While the standards established by DEP are based on rigorous environmental impact analysis, it is not always clear when added local standards and regulations address environmental concerns more adequately or stringently than the state's standards.



As their health and environmental benefits are unclear, past studies have suggested that the primary impact of these additional local environmental standards is to impede development, by prohibiting development in areas where it could otherwise take place; increasing the cost of development by requiring additional, potentially unnecessary environmental mitigation; and adding to the cost and time required for a developer to acquire permits and respond to abutter appeals.⁶⁰ For example, a study commissioned by the Massachusetts Housing Partnership compared the impact of state and local wetlands and wastewater standards on a multifamily senior housing development in Sudbury. The development was permitted using 40B comprehensive permitting, which meant that state standards were applied. If the local standards had been applied, the wetlands standard would have prohibited development on a large portion of the lot, and the septic standard would have required using a much larger portion of the lot for the septic system. Together, the local wetlands and septic standards would have cut the number of buildable units from 123 to 58.⁶¹

RECOMMENDATIONS

- 1. The Commonwealth should require all municipalities in Massachusetts to adhere to, and not set standards that exceed, the wetlands and wastewater standards set by DEP.**
- 2. DEP should examine potential enhancements to statewide wetland and wastewater standards as well as differentiated standards to address specific environmentally sensitive ecosystems and water supplies (e.g., groundwater on Cape Cod).**
- 3. Local Boards of Health and Conservation Commissions should maintain their roles in enforcing DEP standards.**

The Commission fully supports the use of strict environmental standards to protect ecosystems and water supplies. DEP has followed this principle since its inception. DEP sets standards for wetlands protection and wastewater treatment using rigorous scientific and technical analysis. DEP receives voluminous public input on its regular updates of those standards, including input from municipalities. Given the capacity and demonstrated rigor of DEP standards, the substantial opportunity for public input on those standards, the fact that ecosystems do not follow geographic boundaries, and the need to ensure that environmental standards are not misused for the purpose of dramatically reducing capacity for housing development, the Commission feels strongly that local standards not be allowed to exceed state standards.



POSITIVE IMPACTS

Increase the amount of land available for housing development

Aligning local regulations with scientifically rigorous DEP standards will remove unnecessary restrictions that currently prohibit or constrain development, unlocking more buildable land for housing and infrastructure.

Reduce development costs and permitting delays

Standardizing wetlands and wastewater regulations will eliminate duplicative or excessive local requirements, reducing time-consuming approvals, mitigation expenses, and permitting uncertainty for housing projects.

Preserve local enforcement while ensuring consistency

Local Boards of Health and Conservation Commissions will retain their enforcement authority, ensuring that strong environmental protections remain in place while preventing overly restrictive local policies from blocking responsible development.

Ensure environmental standards are science-based and equitably applied

Maintaining DEP oversight and public input in standard-setting will ensure regulations are informed by environmental science, applied consistently across municipalities, and responsive to unique local ecosystems without arbitrarily restricting housing production.

IMPLEMENTATION

These recommendations require legislative action. To ensure that all municipalities in the state use and enforce the wetlands and wastewater standards established by DEP, the legislature would need to require municipalities to conform to those DEP standards only, while reaffirming the enforcement powers of local Boards of Health and Conservation Commissions. To ensure that DEP standards appropriately protect public health and the environment and recognize differences in the environmental sensitivity of certain ecosystems and water supplies, DEP should rely on rigorous assessments to determine indicators of environmental sensitivity, and to establish potentially stricter standards, especially for areas of higher sensitivity (e.g., nitrogen, phosphorous, and other concerns near estuaries and embayments on Cape Cod and vicinity). Municipalities should continue to have substantial opportunity to provide DEP with information and input on local environmental conditions, for DEP's consideration in the development of environmental standards. Additionally, the Commonwealth should provide technical assistance to municipalities to aid them in conforming with new standards.



Water and Wastewater Infrastructure

CHALLENGE

The lack of public water and wastewater infrastructure is one of the largest barriers to housing production in Massachusetts, especially as housing production expands outside of the MWRA service area. Without publicly provided water and sewer systems, new housing must be built with onsite water and wastewater systems. Those systems significantly increase the cost of housing development and reduce the amount of land on a site that can be used for housing. Moreover, local regulatory requirements for onsite systems can impose additional costs that lack clear scientifically justified health, environmental, or water management benefits.

The Commission identified three specific water/wastewater infrastructure challenges that must be met in order to remove binding constraints to housing production in many communities: 1) the feasibility of onsite wastewater treatment for multifamily housing; 2) the feasibility of connecting new developments to the MWRA regional water treatment system; and 3) the funding gap for new water infrastructure at both the municipal level and for expanding MWRA to serve new communities. Solutions for the first two of these challenges appear below; recommendations around infrastructure funding appear in the Economic Incentives and Workforce Development and Potential Future Strategies sections.

RECOMMENDATIONS

1. The Commonwealth should expand the Innovative/Alternatives program.

Currently, DEP wastewater treatment regulations in Massachusetts require any residential development with projected wastewater flows above 10,000 gallons per day (gpd) that is not connected to a public wastewater treatment system to install an onsite wastewater treatment system that meets a set of technical performance standards. According to feedback from development experts consulted by the Commission, the 10,000 gpd threshold is typically triggered once a multifamily development includes 30 or more units (based on Title 5 flows of 110 gpd/bedroom). Wastewater treatment systems are very costly, making it prohibitively expensive to build housing developments with 30-60 units. Above 60 units or so, the per unit cost of the system reaches a point that allows projects to move forward. The 10,000 gpd threshold contributes directly to the “missing middle” problem of multifamily housing development in Massachusetts.⁶²



The proposed solution is to expand the DEP Innovative/Alternative (I/A) program to pilot new technologies. This program allows developers to propose water treatment systems that have different technical specifications than those already authorized by DEP to treat wastewater flows of up to 10,000 gpd, as long as they meet the same water quality standards. The proposal is to expand the I/A program to allow testing of more I/A technologies with the theoretical potential to treat up to 20,000 gpd, and to ensure their performance through a) water quality modeling at property line; b) monitoring of sensitive receptors, c) remote monitoring and auto-reporting, and d) quarterly inspections of the system itself. This solution could begin with a state-funded pilot program using commercially available technology. Should three years of pilot test data show that 50 systems achieved required discharge limits, Provisional Use Approval could be granted and a permanent regulatory change could be contemplated.

2. The Commonwealth should change the formula for calculating the amount of wastewater expected from large multifamily developments (the “design flow rates”) based on current flow rates from multifamily buildings.

Commission members believe that the DEP design formula for calculating the amount of wastewater per bedroom from large multifamily developments significantly overestimates daily flows, especially in larger projects. The formula is significant because it links directly to the 10,000 gpd threshold that triggers the requirement for an onsite wastewater treatment system and makes mid-size developments harder to build; it could also drive over-sizing of wastewater treatment systems in general, unnecessarily raising costs. The proposed solution is for DEP to examine reported wastewater flows for multifamily developments (an exercise last performed in 2018) and reduce its current design flow rate assumptions as appropriate (e.g., from 110 gpd/bd down to 75-95 gpd/bd for larger multifamily projects) should verified data support doing so.

3. The Commonwealth should consider establishing or expanding innovative funding mechanisms to support PFAS treatment.

A new set of EPA and DEP regulations require cleanup of PFAS contamination in drinking water.⁶³ The methods needed to remove PFAS from drinking water are currently very expensive. This creates a major challenge for communities that are already resources constrained. Infrastructure upgrades to treat PFAS are important to achieve public health goals and would also allow municipalities to shift some



resources to expanding water and wastewater services needed to support housing production.

4. The Commonwealth and MassDEP should ensure that the ongoing process to revise DEP's Wetlands Regulations and Stormwater Handbook considers and aligns with housing production goals.⁶⁴

The Commission recognizes and agrees that changes to the DEP's stormwater regulations are needed to conform to federal policy, to reflect more accurate climate data, to achieve greater climate resiliency, and to further support and encourage best practices in stormwater management. The concern, expressed by several developers during a formal public comment period (now closed) and reiterated by the Commission through this report, is that the new regulations should avoid imposing unreasonable costs, making housing development infeasible, or discouraging reutilization of urban sites.

While mindful that this report does not constitute a formal public comment, the Commission believes that the recommended modifications proposed below would still achieve all of the state's environmental objectives without worsening our already severe shortfall in housing production:

Renew the Stormwater Handbook as a guidance document while continuing to give permitting authorities flexibility to achieve the best possible site-specific outcomes

For 30 years, stormwater guidelines have been the basis for various setbacks to wetlands and other infrastructure, allowing developers to design reasonable alternative approaches. As new regulations and a revised Stormwater Handbook are issued, the Commission has identified a need to avoid strict mandates and retain flexibility to avoid reducing housing density. The Commission recommends continuing to use the Stormwater Handbook as guidelines, which have worked effectively for decades, allowing flexibility for real-world challenges without compromising the Stormwater Revisions' goals.

Retain flexibility and avoid rigidly applying Low Impact Design standards given their cost and lack of feasibility in some circumstances



The proposed Stormwater Revisions require use of LID techniques unless they are deemed "impractical," but many developers feel this definition lacks clarity on economic impact, cost, and feasibility, potentially providing a tool to obstruct housing projects in anti-development areas. The Commission recommends retaining flexibility around infrastructure solutions where practicable and accounting for economic impacts similar to the current redevelopment standards.

Prioritize Redevelopment of previously developed areas

Current Stormwater Guidelines encourage redevelopment over greenfield development by allowing "best efforts" to meet stormwater standards. The new Stormwater Revisions require 100% compliance, including the requirement to look offsite to achieve compliance, making many urban redevelopment projects unfeasible, which could drive more greenfield development over redevelopment. The Commission recommends allowing developers to continue to use the Maximum Extent Practicable standard when full compliance isn't feasible, including allowance for economic impact, cost, and feasibility.

Rely on established federal rainfall data that aligns with U.S. EPA requirements rather than speculative data

The new Stormwater Revisions propose using rainfall data that exceeds historical records, requiring up to 50% more stormwater storage on sites, making many redevelopment projects infeasible. The Commission recommends using NOAA Atlas 14 rainfall data not NOAA Atlas 14 - Plus. The NOAA Atlas 14 uses real precipitation data from over 1700 stations, which reflects modern storms and alignment with EPA MS4 provisions resulting in roughly a 25% increase in current precipitation rates, balancing updated, modern data with the need to protect housing production.⁶⁵

5. The Commonwealth should allow groundwater mounding adjacent to wetlands borders up to 0.5-ft with the ability to go higher under certain conditions.

Allowing groundwater mounding adjacent to wetlands borders up to 0.5-ft (currently set by MassDEP policy at 0.1-ft) with the ability to go higher with a demonstration of no impact on water quality and environmental standards, would unlock currently unusable parcels and allow for greater density, while still taking into consideration environmental needs.



POSITIVE IMPACTS

Reduce wastewater treatment costs and unlock mid-sized housing development

Expanding the Innovative/Alternative (I/A) program and updating wastewater flow calculations will lower costs for mid-sized multifamily developments, making these projects more financially feasible without compromising public health or environmental standards.

Expand housing opportunities in communities with limited water/sewer infrastructure

Reducing wastewater-related regulatory barriers will catalyze development in areas lacking MWRA connections, enabling more housing growth in suburban and rural communities.

Ensure regulatory flexibility while maintaining environmental protections

Adjustments to stormwater regulations, PFAS treatment funding, and groundwater mounding policies will balance environmental goals with housing needs, preventing overly rigid mandates from making redevelopment infeasible.

Encourage redevelopment and smart growth

Retaining flexibility in stormwater guidelines and prioritizing urban redevelopment will help revitalize existing communities while avoiding excessive greenfield development, supporting sustainable land use.

Streamline regulatory processes and increase certainty

Aligning Massachusetts' rainfall data with federal standards and streamlining stormwater and wetlands policies will reduce unnecessary permitting delays, ensuring housing projects can move forward without sacrificing environmental integrity.

IMPLEMENTATION

These recommendations could be implemented through a combination of regulatory and legislative action. Recommendations #1, #2, #4 and #5 could be implemented through regulatory action. Recommendation #3 would require legislative action (and a corresponding budget appropriation).



MEPA Environmental Justice Requirements

CHALLENGE

The Climate Roadmap Act, signed by Gov. Baker in March 2021, redefined "Environmental Justice (EJ) Populations" and allowed for enhanced Massachusetts Environmental Policy Act (MEPA) review.⁶⁶ The new statutory definition of "EJ population" includes four categories of neighborhoods (defined as census block groups) with certain demographic characteristics (e.g., income, race, limited English proficiency).⁶⁷

Projects that trigger MEPA review within one mile of an EJ population must submit an Environmental Impact Report (EIR); for air quality impacts, this extends to 5 miles.⁶⁸ This impacts many projects that would not otherwise trigger an EIR if not for their proximity to an EJ community.

An EIR is a more detailed and costly analysis compared to an Environmental Notification Form (ENF), which is a preliminary review that typically involves less time and expense. An ENF typically takes 30-60 days where an EIR can take a minimum of nine to twelve months (and can cost anywhere from \$350,000 to \$1 million).⁶⁹ Furthermore, this time and cost comes at a stage in the development process where the cost of capital is high, and other permits cannot be issued until the EIR is certified.

The new EIR requirement adds significant risk, time, and cost to development projects, impacting housing production. According to the MEPA Office, the intent of the EIR requirement is to add stringency to reviews of projects proposed in areas that already bear inequitable environmental burdens due to historical and current polluting activities. Many multifamily housing projects that would have only required an ENF are now required to undergo lengthy EIR processes. In some instances, a multifamily developer may choose not to move forward with an otherwise viable project when EJ requirements mandate an EIR.⁷⁰ The added cost and time can render a project infeasible. The result is less housing production in areas where it is needed most. As noted, EJ communities have felt a disproportionate impact of environmental burden in the last decade and beyond, and it is critical that the state support these communities. These are, in many cases, the same communities that most desperately need affordable, equitable, and accessible housing options for



their residents and growing families. The proposed solution does not ignore the responsibility to balance both environmental and socioeconomic justice.

Additionally, the Gateway Cities Economic Development Network, comprised of certain Gateway City redevelopment authorities and planning departments and supported by MassINC's Gateway Cities Innovation Institute, has identified a related issue with MEPA regulations that require enhanced review pursuant to the Climate Roadmap Act, and potentially an Environmental Impact Report (EIR), for Urban Renewal Plans prepared under M.G.L c. 121B.⁷¹ These plans advance the redevelopment of largely blighted and underutilized areas of Gateway Cities and often lead to housing production opportunities. The Network points out that expanded review, such as the completion of an Expanded Environmental Notification Form (EENF) or an EIR, adds time and cost to the completion of Urban Renewal Plans, discouraging their completion and impeding necessary investments in the very neighborhoods they are meant to assist.

RECOMMENDATIONS

1. The Commonwealth should exempt housing projects from conducting an EIR if the EIR is solely required based on the project's proximity to an EJ community; instead require that the project conducts an ENF while ensuring the same amount of outreach to EJ communities as required under the existing EIR process.

Projects that are primarily housing but have a supportive or incidental commercial use (e.g., daycares, grocery stores, retail, etc.) would be considered "housing projects" eligible for this recommendation. Any projects that would have had to file an EIR prior to the passage of the 2021 law (i.e., projects that trigger an EIR for reasons other than proximity to EJ communities) would still be required to submit an EIR. Projects filing an ENF would still be required to engage with EJ communities.

2. The Administration should engage with the MassINC Gateway Cities Innovation Institute, particularly the Gateway Cities Economic Development Network, to address the identified issue with MEPA review of Urban Renewal Plans and find appropriate ways to streamline review and advance housing production goals.

POSITIVE IMPACTS

Accelerate housing production in EJ communities

Exempting housing and limited mixed-use projects from an EIR solely based



on EJ proximity will significantly reduce permitting delays and costs, ensuring much-needed housing can be built faster in Gateway Cities and other high-need areas.

Preserve strong community engagement and environmental protections

This reform maintains all existing outreach and engagement requirements for EJ communities, ensuring residents continue to have a voice in local development while streamlining reviews for housing projects.

Prevent unnecessary financial barriers to housing development

Eliminating costly and time-consuming EIRs for qualifying projects will make it more financially feasible to build housing in areas that desperately need more supply, particularly for low- and moderate-income households.

Encourage reinvestment in Gateway Cities and urban renewal efforts

Addressing the identified issue with MEPA review of Urban Renewal Plans will remove barriers to redevelopment, making it easier to revitalize underutilized properties and attract investment in communities historically burdened by disinvestment.

Balance environmental justice with equitable housing access

By ensuring that only projects with significant environmental impacts undergo full EIR review, this reform prevents unintended consequences where affordable housing projects are deterred from EJ communities, reinforcing the goal of both environmental and housing justice.

IMPLEMENTATION

These recommendations could be implemented through a combination of regulatory and administrative action. Recommendation #1 could be implemented through regulatory action. Recommendation #2 could be implemented through regulatory or administrative action.



Energy Code Reforms

CHALLENGE

Massachusetts has been a national leader in energy efficiency and decarbonization, and recent updates to the state's Stretch Energy Code and Specialized Energy Code are designed to accelerate the transition away from fossil fuels.⁷² While the Commission strongly supports the state's climate goals, it has identified significant challenges in the implementation of these codes that are negatively affecting housing production—particularly for multifamily and affordable housing projects.

New energy code requirements – including electrification mandates, envelope backstop rules, Passive House standards, and TEDI (Thermal Energy Demand Intensity) thresholds – increase construction costs.⁷³ These additional costs, layered on top of already high labor and material expenses, make many housing projects more difficult, particularly in lower-margin affordable and workforce housing developments. Though rebates are made available through the Mass Save program to mitigate these costs, the standards result in an upfront cost increase that has been noted as financially challenging for the development community.⁷⁴

Moreover, Massachusetts lacks a structured appeal or variance process for energy codes, leaving developers with no formal mechanism to seek cost-effective alternatives that still meet the codes' energy efficiency goals. DOER does not currently provide a petition or appeals process, and while the Board of Building Regulations and Standards (BBRS) offers a Building Code Appeals Board, it consists of two building code experts and one fire code expert—with no members specializing in energy efficiency. This lack of representation creates a gap in expertise when evaluating the technical and financial feasibility of energy code compliance, further complicating the development process.

Additionally, frequent and rapid code updates create uncertainty, as projects that are permitted under one version of the energy code may be required to comply with a new, more stringent standard before receiving final approval.⁷⁵ This unpredictability creates financing and planning challenges, particularly in a volatile construction market.

Given these challenges, the Commission recommends improving flexibility, predictability, and industry engagement in the application of energy codes. While maintaining the state's commitment to reducing carbon emissions, Massachusetts must also ensure that its energy policies do not unintentionally stifle housing production – especially at a time when the state faces an acute housing shortage.



RECOMMENDATIONS

1. The Commonwealth should expand incentives for compliance with energy codes.

Other cities and states provide certain tax incentives, abatements, subsidies, or expedited permitting to encourage high efficiency decarbonized buildings – such incentives are not among the financial benefits already provided in the Commonwealth. The Commission recommends that Massachusetts review which methods have been successful in other states and consider adopting incentives to subsidize the costs associated with compliance under Massachusetts’ nation-leading energy codes. Options could include expedited permitting, which would allow projects with qualifying elements (such as those required under the energy codes in MA) to receive a priority review process and a reduction in permit fees.⁷⁶ Alternatively, or in addition, an exemption from local property taxes for three years for buildings that comply with the specialized code could be pursued.⁷⁷

Another option could be filing legislation allowing for a property tax abatement for expenditures related to geothermal, PV, wind, rainwater harvesting, triple glazing, or other requirements of the new codes.⁷⁸ Such an abatement could augment existing property tax exemptions. Current law provides exemptions for solar and wind facilities that provide less than 125% of the annual electricity needs of the real property on which they are located, are projects of 25 kW or less, or that enter into a PILOT agreement, and fuels cells (see MGL c. 59 § 5 clauses 45 and 45B).⁷⁹ Overall, the Commission believes that while incentives for single family homes are available and utilized, that is not the case for larger multifamily projects. Finally, existing financial incentives and tax credits should be secure over a longer time horizon, so that they become “bankable.”

2. The Commonwealth should pursue ongoing technical revisions to codes based on real world feedback.

Given that many of the energy code provisions in effect in Massachusetts are quite new and untested in other markets, lessons are being learned as they are implemented. Recognizing this, DOER recently issued changes to address some of the concerns from the development community, though many more remain. DOER should continue to update the existing codes on a regular basis to ensure that the code provides the flexibility needed to achieve the decarbonization and energy efficiency goals, while not hindering housing production.



3. The Commonwealth should include energy code expertise on the Building Code Appeals Board.

Currently there is no clear relief pathway for the stretch and specialized energy codes. Such a pathway is already in place for the Building Code (780 CMR), where project proponents have an opportunity to seek relief from its provisions in the form of a variance or interpretation of the applicability of a particular code section. Members of the building code appeals board are not allowed to waive code requirements in their entirety but may consider alternative methods of complying with the intent of the code to provide relief. While some projects may attempt to pursue energy code appeals through the same board, the energy expertise to address such requests does not exist (two code officials and one fire official).

Therefore, the Commission recommends energy and housing expertise be added to the Building Code Appeals Board and/or that the board be advised by energy and development experts who understand the technical and cost issues associated with the new energy codes. To reduce the fiscal impact on the Commonwealth, filing fees from developers could be required to pursue this option. The Commission also recommends the creation of a separate sub-panel to review larger projects.

4. The Commonwealth should expand technical assistance and workforce development programs related to energy codes.

To achieve decarbonization and housing goals, the Commission recommends increasing technical assistance for the building trades and AEC community with an additional focus on HVAC and insulation workforce development.

5. The Commonwealth should create a one-year vesting period for new energy codes and reduce the total number of codes in effect.

The pace of development of new Energy Codes at the state level, and the pace of local adoption of those Codes, have created situations where developers have gained initial permit approval with one code in effect, but find themselves required to meet a new code by the time the building permit is issued. This can impose very significant cost and time delays on larger projects.

The proposed solutions are to require the Commonwealth and municipalities to create one-year vesting (or concurrency) periods when issuing or adopting new Energy Codes. Concurrency means that projects that gained initial permits (Site Plan, Subdivision, Special Permit, or other related approvals or permits) under an existing code have up to 1 year to go to the building permit stage using that Code



and would not be required to meet the new Code unless their building permits came into effect beyond 1 year from the adoption of the new Code. Additionally, given the numerous codes now in effect (especially when taking into consideration municipal variations), the total number of codes should be reduced in the near future to give predictability and certainty to developers.

POSITIVE IMPACTS

Advance energy efficiency and climate goals while reducing housing costs

Expanding financial and other incentives will help developers offset the added costs of compliance, ensuring that housing production remains viable while meeting greenhouse gas reduction targets.

Provide developers and contractors with time and flexibility to adapt

A one-year vesting period for new energy codes will ensure that projects in progress aren't derailed by sudden regulatory changes, reducing unnecessary cost increases and delays.

Increase predictability and streamline energy code implementation

Reducing the number of overlapping codes will make compliance simpler and more transparent, giving developers greater certainty in planning and financing projects.

Improve energy code effectiveness through real-world feedback

Ongoing technical revisions based on practical experience will help balance efficiency goals with financial feasibility, ensuring that codes remain flexible and do not unintentionally hinder housing production.

Strengthen technical expertise and support workforce development

Adding energy code specialists to the Building Code Appeals Board and expanding workforce training will help builders navigate new energy standards, improve compliance processes, and increase technical capacity in the industry.

IMPLEMENTATION

These recommendations could be implemented through a combination of legislative, regulatory, and administrative action. Recommendation #1 requires legislative action (and a corresponding budget appropriation). Recommendations #2 and #3 could be implemented through regulatory action. Recommendations #4 and #5 could be implemented through administrative action.



Building Code Reforms

CHALLENGE

The Commonwealth's building code is intended to ensure that building construction meets high standards for habitability and safety, while giving due consideration to the costs of compliance. After consultation with building code experts and housing producers the Commission's assessment is that several elements of these codes that apply to building renovations and to staircases should be revisited because the current cost of compliance and the time required to comply significantly outweigh any supposed habitability and safety benefits. The following are specific challenges and proposed solutions related to the Massachusetts Building Code:

Mass. Architectural Access Board Regulations (521 CMR, Access for persons with disabilities)

The MAAB regulations require that when renovation of multi-family housing (3 or more units) costs more than 30% of the cash value of the building, all affected units and public spaces must meet the requirements of 521 CMR.⁸⁰ The cost of compliance with this requirement is high enough to stop some otherwise cost-effective renovations from proceeding with the net result that potentially accessible units are eliminated rather than created (i.e., housing that could have been renovated deteriorates from lack of investment to the point that it is no longer safe or habitable). The goal of ensuring access for persons with disabilities may be achievable at lower cost by allowing building-specific modifications to the requirements.

Building Code requirements affecting renovations

The Building Code has numerous requirements that apply to renovation projects when the cost of renovations is more than 50% of the building value, including flood protection requirements for buildings located in flood plains.⁸¹ Some of these requirements increase renovation costs without significantly enhancing habitability, safety, or flood protection.



Building code requirement for two staircases (two means of egress) in residential buildings with more than 12 units or 3 stories

For fire safety, the Building Code requires two means of egress in residential buildings with more than 12 units or more than 3 stories.⁸² The requirement in practice requires the construction of two staircases in all such buildings. This requirement creates a major cost barrier to the construction of mid-size multifamily residential buildings. There are many lots on which 4-to-6 story residential buildings could be built, except for the 2-stairway requirement, which reduces available dwelling space and makes the cost of construction prohibitively expensive. The 2-stairway requirement is widespread in building codes across the US and Canada. However, it is not a requirement in most other wealthy countries, many of which allow buildings up to 6 stories with a single staircase. While fire deaths per capita are higher in the US than in most other wealthy countries, fire safety studies show that the overwhelming majority of fire deaths in the US occur in single family homes, not in multifamily buildings; the main reason for these deaths is the absence of sprinkler systems in those homes.⁸³



A recent Boston Indicators study on the current two-stairway requirement and the alternative of allowing single staircase construction for buildings of up to 6 stories concluded that there is ample evidence that buildings of up to 6 stories, and up to 24 units (4 per floor) can ensure fire safety with a single staircase design, as long as they include appropriate fire safety measures (e.g., sprinkler systems). The study also determined that there are nearly 5,000 lots in greater Boston that could be suitable for mid-rise, single staircase buildings.⁸⁴

Though a state-wide analysis has not yet been conducted, it is likely that there are many more lots meeting these criteria across the state, and that allowing single staircase development for mid-size, multi-family housing could significantly increase the production of affordable housing near transit and help with the revitalization of urban and suburban centers.



Finally, recognizing that there is still ongoing discussion and debate about mid-rise single staircase buildings within the Massachusetts fire safety profession, it is important for fire safety professionals to review the evidence for the safety of these buildings, and advise on the appropriate fire safety requirements for such designs.

RECOMMENDATIONS

1. The Commonwealth should amend 521 CMR to scale the requirements for access for persons with disabilities to the investment in renovation, replacing the current “all or nothing” 30% threshold.

2. The Commonwealth should work with disability advocates, including the Centers for Independent Living, to develop appropriately scaled requirements and options for tailored solutions that support and preserve accessible housing, while maintaining financial viability for rehabilitation projects.⁸⁵

3. The Commonwealth should develop a separate building code for residential rehabilitation or scale the application of Building Code requirements to the investment in renovation, replacing the current “all or nothing” 50% threshold.

With scaling, projects that cost a higher percentage of the total building value will have to meet more flood protection and other requirements, and those that cost a lower percentage will have to meet fewer requirements. The amended regulation should allow some tailoring of requirements to the building's intended and feasible uses, as well as the scope of the proposed renovation work.

4. The Commonwealth should revise the state building Code (780 CMR, Sec. 10) to allow the construction of single-stairway residential buildings of up to 6 stories and 24 units with appropriate fire safety requirements.⁸⁶

5. The Commonwealth should seek input from building and fire safety professionals on the fire safety requirements for such single-stairway buildings.

POSITIVE IMPACTS

Increase housing production by reducing unnecessary regulatory barriers

Scaling accessibility, renovation, and egress requirements will enable more rehabilitation projects to move forward and unlock mid-sized multifamily



development, particularly in urban and transit-accessible areas.

Reduce renovation costs while maintaining safety and accessibility

Revising Massachusetts Architectural Access Board (MAAB) and Building Code renovation thresholds will allow developers to improve existing housing stock while meeting accessibility and safety goals in a more financially viable manner.

Ensure fire safety while allowing cost-effective mid-rise construction

Permitting single-staircase buildings up to 6 stories with appropriate fire safety measures (e.g., sprinklers) will bring Massachusetts in line with global best practices, allowing thousands of additional housing units to be built on previously infeasible lots.

Support sustainable urban growth and transit-oriented development

By allowing cost-effective mid-rise buildings, these reforms will encourage more efficient land use, making it easier to build housing near job centers, transit, and commercial areas.

Maintain high safety and habitability standards

All recommended reforms prioritize fire safety, flood protection, and accessibility, while ensuring that housing remains affordable and feasible to build or renovate.

IMPLEMENTATION

These recommendations could be implemented through regulatory action.

Consideration of Housing Production Goals by BBRS and BFPR

CHALLENGE

The Massachusetts Board of Building Regulations and Standards (BBRS) has the authority to issue and update the state Building Code. However, its decision-making processes and criteria are not always clear, and it does not consistently consider the impact of building code requirements on housing production. Similarly, the Board of Fire Prevention Regulations (BFPR) has important responsibilities for establishing and enforcing fire safety requirements. However, like the BBRS, the BFPR does not



always have clear decision processes and does not consistently consider the impact of fire safety requirements on housing production.

Additionally, there are some areas of overlapping jurisdiction between the BBRS and the BFPR, making it unclear, in certain cases, whose requirements should be followed. This ambiguity affects housing production at the local level, as local Building Departments and Fire Marshalls may provide conflicting guidance to builders on fire safety requirements. The need to clarify which requirements to follow adds cost and time to the housing production process.

RECOMMENDATIONS

- 1. The Commonwealth should add one or more additional members to the BBRS and to the BFPR representing both single-family and multifamily housing production interests.**
- 2. The Commonwealth should clarify the authority of BBRS relative to BFPR for updates to fire safety elements of the Building Code, and the corresponding permitting responsibilities of local Building Departments and Fire Marshalls, to reduce ambiguity and potentially conflicting fire safety requirements.**
- 3. The Commonwealth and BBRS should explore the potential of integrating performance-based building code elements into those areas of the building code where performance metrics would be an effective way to meet standards.**

POSITIVE IMPACTS

Ensure building and fire regulations support housing production goals

Adding housing production representatives to the BBRS and BFPR will ensure that new regulations consider their impact on housing feasibility, balancing safety, cost-effectiveness, and production goals.

Improve cost-effectiveness of building and fire safety regulations

Clarifying decision-making authority between BBRS and BFPR will streamline regulatory updates, ensuring that safety standards remain high while avoiding unnecessary costs.

Reduce permitting delays and regulatory confusion

Clearly defining BBRS and BFPR authority will help local Building Departments and Fire Marshalls apply consistent fire safety requirements,



preventing conflicting guidance that slows down housing projects.

Encourage innovation through performance-based standards

Exploring performance-based elements in the Building Code will allow for more flexible compliance, giving developers cost-effective pathways to meet safety and efficiency goals.

IMPLEMENTATION

These recommendations could be implemented through regulatory action.

Establishing Housing Impact Statements

CHALLENGE

In Massachusetts, state agencies are required to include a Small Business Impact Statement when filing new regulations, ensuring consideration of how regulatory changes affect small businesses.⁸⁷ However, there is no equivalent Housing Impact Statement required for new building, fire, and energy codes, despite their significant impact on housing production.

BBRS and BFPR have authority over the state's building and fire codes but do not systematically evaluate how their regulations impact housing supply, costs, and feasibility. Without a structured review process for housing impacts, new code changes may unintentionally create barriers to development, adding costs and delays without clear consideration of trade-offs. Requiring a Housing Impact Statement – similar to those required for small business impacts – would help ensure that regulatory decisions align with the Commonwealth's housing production goals.

RECOMMENDATIONS

1. The Commonwealth should require a housing production impact statement (including impacts on both new construction and renovation/rehabilitation) for new regulatory and code changes, including each revision of the state Building Code, Fire Code, and Energy Codes.



POSITIVE IMPACTS

Ensure regulatory decisions support housing production goals

Requiring Housing Impact Statements will ensure that new building, fire, and energy regulations and codes are evaluated for their effect on housing supply, costs, and feasibility, preventing unintended barriers to development.

Promote cost-effective and balanced regulations

Mandating impact assessments will help BBRS and BFPR weigh trade-offs between safety, energy efficiency, and housing affordability, leading to more practical and financially viable regulations.

Improve transparency and predictability in the regulatory process

Developers and municipalities will benefit from clearer expectations and early insight into regulatory changes, reducing unexpected costs, compliance delays, and project uncertainty.

Streamline housing development while maintaining key protections

Ensuring that new regulations align with housing production priorities will support growth and affordability while still upholding essential safety and environmental standards.

IMPLEMENTATION

This recommendation could be implemented through regulatory or administrative action.

Statewide Planning and Local Coordination

Office of State Planning

CHALLENGE

Housing supply and affordability are intrinsically linked to numerous state policy issues, including environmental sustainability, transportation, economic opportunity, and public health. These issues cannot be effectively addressed in isolation; they



require a holistic approach that fosters cross-agency collaboration and seamless coordination between state and local governments.

For more than four decades, Massachusetts has made limited progress in adopting a coordinated approach to achieving its goals in housing, transportation, environmental protection, and economic development.⁸⁸ Without a clear, statewide vision for housing grounded in data and measurable outcomes, the Commonwealth has been hindered in its capacity to act decisively and partner effectively with local and regional governments. By prioritizing integrated planning, Massachusetts can accelerate housing production while advancing broader, interconnected goals that serve the needs of the Commonwealth's residents and communities.

RECOMMENDATIONS

The Commonwealth should 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.⁸⁹

By consolidating and directing a unified, long-term vision for land use that encompasses housing, transportation, climate resilience, environmental protection, and economic development, the Office of State Planning would enable coherent and impactful interagency coordination. This unified approach will enhance engagement with local governments, residents, and key stakeholders across the Commonwealth.

Key functions of the Office of State Planning should include:

Vision and Goal Setting

Support the Governor and the Commonwealth's development-related Secretariats in defining an integrated vision and concrete goals for land use, development, and environmental protection that align with the Commonwealth's core values.

Conflict Resolution

Identify and proactively resolve conflicts between secretariat/agency policies (e.g., strategic plans, legislation, regulations, guidelines, etc.) that impact housing, transportation, environmental sustainability, climate resilience, and economic growth, managing trade-offs and ensuring alignment with overarching state objectives.



Streamlined Interagency Processes

Establish efficient, transparent procedures for cross-secretariat and interagency policy and regulatory coordination, reducing delays and accelerating decision-making.

Data-Driven Progress Measurement

Aggregate, analyze, and disseminate data on land use, housing, and development to provide measurable insights into state goals and progress, enhancing accountability at all levels and equipping municipalities to plan for smart, intentional growth.

Leveraging Existing Expertise

Collaborate with subject matter experts within state secretariats and agencies to ensure that specialized knowledge informs integrated planning.

Learning from Past Initiatives

Integrate insights and adopt best practices from prior and ongoing cross-secretariat collaboration within the Commonwealth. Consider codifying the Office through legislation to ensure continuity across administrations.

POSITIVE IMPACTS

Enhance statewide coordination for housing, transportation, and environmental planning

A dedicated Office of State Planning will align state policies across agencies, ensuring that housing production, land use, and climate goals work in tandem rather than in conflict.

Improve efficiency and reduce bureaucratic delays

By streamlining interagency processes and resolving policy conflicts proactively, this office will cut through red tape and enable faster, more effective decision-making for housing and infrastructure projects.

Support municipalities with data and strategic guidance

Providing clear, actionable data and accountability metrics will help cities and towns plan more effectively, making smart growth easier to implement at the local level.

Ensure long-term, data-driven progress

By tracking and analyzing development trends, this office will help the



Commonwealth measure success, adjust strategies, and sustain long-term policy effectiveness, ensuring that Massachusetts meets its housing and climate resilience goals.

Foster predictable, integrated land use policies

A centralized planning function will reduce inconsistencies across agencies, leading to cohesive, long-term strategies that support economic growth and sustainable development.

IMPLEMENTATION

This recommendation could be implemented through regulatory or administrative action. Should the Administration wish to ensure the Office's existence in perpetuity, legislative action would be advised. In advancing the creation of the Office, the Commission recommends that the Administration engage representatives from the A&F, EOED, the Commonwealth's Office of Climate Innovation and Resilience, EEA, HLC, and the Massachusetts Department of Transportation (MassDOT).

Data Reporting

CHALLENGE

To effectively address the housing crisis, Massachusetts needs better statewide data on housing demand and development. The Commonwealth lacks a standardized system for tracking permitted and completed housing units by type, size, tenure, and location, making it difficult to assess whether new production aligns with housing needs across regions. While municipalities collect critical housing data, reporting is inconsistent, fragmented, and often outdated, with some communities still relying on paper records. This lack of centralized, reliable data limits the state's ability to analyze trends, craft targeted policies, and ensure resources are directed where they are most needed.

Without improved data reporting and transparency, Massachusetts risks falling short of its housing production goals. By modernizing and standardizing data collection, the Commonwealth can track progress, support local planning efforts, and make more informed policy decisions to close the housing gap.



RECOMMENDATIONS

1. The Commonwealth, via the State Planning Office, should require municipalities to report critical development-related data no less than annually and should provide technical assistance as needed to facilitate such reporting.

Every city and town in Massachusetts have a building inspector or commissioner responsible for issuing building permits and occupancy permits. However, this information is rarely available outside of the building inspector's office. BBRS publishes a standard building permit form with the minimum amount of information that must be collected by each municipality when issuing a building permit. Municipalities must collect this core information and may choose to collect additional information about each permit issued.

The following attributes about each permit are already recorded but not compiled or reported up to the Commonwealth. These metrics should be the top priority for data reporting and provide the best opportunity for comprehensive data reporting in the near/mid-term:

- Date of building permit
- Parcel ID/LOC_ID and street address
- Number of units
- Number of bedrooms*
- Total value of construction (as reported on permit application)
- Use (e.g., single-family home, multifamily 2- to 4-units, multifamily 5+, accessory dwelling unit, mixed use with residential as primary use, etc.)*
- Water Supply (public or private)
- Wastewater disposal or treatment (e.g., Title 5, packaged treatment, municipal sewer)
- Parking provided*
- Building height*



- Building square footage*
- Any restrictions on occupancy (age, relationship, affordability, etc.)*
- Permit category (as of right/administrative site plan review vs. discretionary approval)*

*May require some modifications to the standard building permit application form to be collected consistently for all permits.

2. The Commonwealth, via the State Planning Office, should establish reporting mechanisms and incentives for municipalities to provide information about other important regulations, development permitting processes, and infrastructure.

Not all relevant or insightful information is recorded on building permits. Other important information is collected, often in a standardized way, by other local officials. Data standards and easy reporting mechanisms will facilitate improved voluntary or mandatory reporting of this information. Municipalities should be provided with technical support, data standards, and easy reporting mechanisms related to the following data:

Building Energy Performance

In municipalities that have adopted the Stretch or Specialized energy code, all new dwelling units or additions of greater than 1,000 square feet must have independent certification of their energy performance conducted by a HERS rater following project completion. This report is provided to a designated official in the city or town. Mechanisms to enable electronic reporting of key HERS metrics could facilitate approval by municipalities while also enabling compilation of data across the state.

Demolition Permits

Tracking demolitions is essential to understanding housing stock growth or decline. There is no standard demolition permit form in Massachusetts. A demolition permit standard would ensure that all cities and towns are collecting consistent information and would facilitate the use of electronic permit software for accepting, processing, and reporting demolition permits. The information that should be included on such a standard form includes parcel ID, pre-demolition property use, number of units demolished, and



number of bedrooms demolished.

Roadway Data

Municipalities should be incentivized to ensure the accuracy of the MassDOT Roadway Inventory by providing data updates when sidewalks are added, local roadways are reconfigured, or new bike paths and trails are created.

Development Permitting Data

Special permits, variances, site plan review, and other health/environmental permitting take a variety of different forms across the state and are conducted by various boards and authorities that vary across cities and towns. Determining some standardized way of reporting discretionary permit applications, their timeline, and changes in the project over that timeline is key to understanding how local processes are or are not advancing the interests of the Commonwealth. HLC, EOED, and other agencies should work with municipalities and other stakeholders to identify key milestones that should be documented and reported to the Commonwealth.

3. The Commonwealth, via the State Planning Office, should adopt a data standard for the description of zoning regulations, invest in the work necessary to bring all municipalities up to that standard, and require electronic reporting of all zoning changes.

Zoning codes in Massachusetts are highly complex and inconsistent, with each municipality creating its own rules, definitions, and formatting. This makes it difficult for developers, advocates, and planners to interpret regulations across different communities. Updates often layer new modifications over existing laws, creating a patchwork of overlapping and conflicting rules that municipalities rarely reconcile through full recodification. Many key land use terms lack standardized definitions and may vary between towns. While zoning codes often include definition sections, some terms appear without explanation, further complicating interpretation. Accessibility is also a challenge, as municipalities publish zoning in different formats, including PDFs, Word documents, and third-party-hosted HTML pages. Some even post scanned documents, making them difficult to search, copy, or reference.

To improve transparency, consistency, and accessibility, the Commonwealth should adopt a standardized data format for zoning regulations and invest in bringing all municipalities up to that standard. A uniform approach would help eliminate conflicting definitions, streamline regulatory interpretation, and ensure zoning



changes are accurately reflected in both text and GIS maps. Additionally, requiring electronic reporting of all zoning changes would improve public access, reduce administrative burdens, and create a more predictable development environment—particularly for those working to expand workforce and affordable housing in Massachusetts.

POSITIVE IMPACTS

Enhance accountability and data-driven policymaking

Mandatory data reporting will ensure state, regional, and local governments can measure progress against housing production goals, leading to more effective policy adjustments and resource allocation.

Improve planning and resource distribution

With detailed, standardized data on housing permits, demolitions, and zoning changes, the Commonwealth can better anticipate housing demand, target funding, and provide technical assistance to municipalities.

Streamline regulatory processes and increase transparency

By digitizing and standardizing municipal reporting, developers, planners, and local officials will have clearer, more accessible data, reducing delays and uncertainties in the permitting process.

Support municipal decision-making and smart growth

Municipalities will gain access to statewide housing data and best practices, helping them align local regulations with broader housing and infrastructure goals.

Encourage zoning consistency and clarity across municipalities

A uniform zoning data standard will make it easier to interpret land use regulations, ensuring greater predictability and efficiency for developers and planners.

IMPLEMENTATION

These recommendations could be implemented through a combination of legislative, regulatory, and administrative pathways. The Commission would recommend that these recommendations are initially implemented through regulatory action,



following extensive stakeholder engagement. To codify these recommendations in perpetuity, the Commission would recommend that the Administration eventually take legislative action.

Recommendations #1 and #2 could be implemented through collaboration between the Healey-Driscoll Administration, development-related state agencies, BBRS, and local officials. Specifically, the UHPC recommends that the Administration work with BBRS and building officials to update standard permit application forms, while HLC coordinate with electronic permit software vendors to assess system compatibility and identify barriers to electronic reporting. HLC, BBRS, Division of Local Services, and RPAs should develop a roadmap for standardized permit software statewide, with HLC and A&F identifying resources for technical assistance and support for municipalities with limited capacity. HLC and BBRS should also collaborate on a standardized Certificate of Occupancy.

Recommendation #3 requires collaboration among state agencies, municipalities, GIS consultants, and industry stakeholders. The UHPC recommends that the Commonwealth convene a stakeholder group to assess zoning data practices, examine systems in other states, and establish a standardized format for spatial zoning data. Municipalities should be required to maintain GIS-based zoning boundaries as the definitive legal version, with state support for data standardization. To improve accessibility, zoning boundaries should be published online in an interactive format with metadata. The Commonwealth should also clarify legal obligations for public access to zoning data and evaluate the feasibility of designating electronic records as official district boundaries. Municipalities should report all zoning changes to the Commonwealth, and HLC should engage stakeholders to define core zoning attributes and support a statewide zoning database.

Upon creation, the State Planning Office would assume all responsibilities related to data analysis and management.

Empowering Municipal Housing Production

CHALLENGE

Municipalities play a critical role in housing production through their zoning and permitting processes. However, many are not producing the volume of housing required to address the housing crisis in Massachusetts. Despite clear statewide and local needs, there are currently few rewards or repercussions for municipalities



that fail to develop sufficient housing. Historically, incentives and disincentives intended to influence municipal behavior have been far too modest to significantly increase housing production.⁹⁰

The reasons municipalities struggle to produce adequate housing are varied. For some, the challenge lies in a lack of technical expertise to craft zoning reforms that reduce barriers to production. For others, limited financial resources or political opposition from residents create significant roadblocks. Additionally, many municipalities face conflicting priorities, where housing production competes with other local goals such as preserving open space, managing infrastructure demands, or maintaining “local character”. While there are many positive benefits to more housing production at the local level, including increased revenue, economic stability, and diversity, it is difficult to compel any one specific community to produce more housing without state incentives or mandates, especially when neighboring communities are not contributing to the solution.

Without targeted support and bold incentives, municipalities are unlikely to meet the scale of production necessary to address the Commonwealth’s housing crisis. Put another way, the state needs to provide special and specific incentives directly to municipalities to gain their support for increased housing throughout the state. Empowering municipalities to act as partners in housing production is essential to unlocking the potential for meaningful statewide progress.

RECOMMENDATIONS

1. The Commonwealth should align all municipal funding with housing production and smart growth goals.

The Commonwealth should ensure that the allocation process for all critical municipal transportation and education funding sources, not just discretionary sources, aligns with the Commonwealth’s goals of enhanced housing production, housing preservation, and smart growth. This alignment will proportionately reward communities (even those experiencing low or no growth) for their ability to produce and preserve housing and champion smart growth. By tying significant portions of municipal funding to housing best practices, communities will have stronger incentives to adopt pro-housing initiatives.



2. The Commonwealth should expand technical and planning assistance support services and programs available to municipalities.

Municipalities interested in promoting housing production often lack the capacity or expertise to implement necessary zoning and policy changes. To address these challenges, the Commonwealth should expand its technical and planning assistance offerings, leveraging state agencies and quasi-public organizations to provide tailored support. This could include access to consultants, informational sessions, dedicated circuit riders, and targeted on-line training programs for local boards, empowering communities to make informed decisions that accelerate housing development.

3. The Commonwealth should provide robust data analyses to support municipal planning efforts.

Data-driven decision-making is essential for effective municipal planning and housing production. The Commission recommends that the State Planning Office deliver targeted analyses to municipalities, offering insights such as housing demand projections, infrastructure capacity assessments, and zoning impact studies. These resources will equip local governments with the tools needed to craft policies and strategies aligned with both local needs and statewide goals.

4. The Commonwealth and HLC should collaborate with MHP and CHAPA to expand MHP and CHAPA's Housing Toolbox to include pro-housing model bylaws that communities can easily adopt.⁹¹

To streamline the process of adopting pro-housing zoning reforms, the Commission recommends that HLC collaborate with MHP, the Citizens' Housing and Planning Association (CHAPA), and other key stakeholders to revitalize MHP and CHAPA's Housing Toolbox. Enhancements should include a comprehensive collection of model bylaws, zoning templates, and best practices. These resources will provide municipalities with actionable guidance to remove barriers to housing production and foster local housing opportunities.

POSITIVE IMPACTS

Increased Housing Production

Aligning municipal funding with housing and smart growth goals will create strong financial incentives for communities to prioritize housing development,



leading to higher statewide production.

Stronger Municipal Capacity

Expanding technical and planning assistance will help cities and towns overcome resource and expertise gaps, ensuring they have the tools and knowledge to implement zoning reforms and pro-housing policies.

Data-Driven Local Decision-Making

Providing housing demand projections, infrastructure capacity analyses, and zoning impact studies will equip municipalities with clear, actionable insights, allowing for strategic planning that aligns local needs with statewide goals.

Faster, More Efficient Policy Adoption

Enhancing the Housing Toolbox with model bylaws and best practices will provide cities and towns with plug-and-play zoning solutions, streamlining the process of adopting pro-housing reforms and reducing administrative burdens.

Balanced, Equitable Growth Across Communities

By tailoring resources and incentives to municipalities of all sizes, these recommendations will ensure more communities contribute to housing production and preservation, preventing the burden from falling disproportionately on a few high-growth areas.

IMPLEMENTATION

These recommendations could be implemented through a combination of legislative and administrative action. Recommendation #1 requires legislative action; Recommendations #2, #3, and #4 could be implemented through administrative action.

Potential Future Strategies

In compiling this report, the Commission identified several policy strategies that could significantly enhance the Commonwealth's ability to produce housing but may be seen as particularly controversial. While the Commission prioritized high-impact recommendations that have broad support and/or immediate feasibility, it also recognizes that if Massachusetts does not make enough progress in closing its housing gap, additional structural reforms will need to be explored.



Massachusetts faces a severe housing shortage, with demand far exceeding supply in many communities, leading to skyrocketing home prices, rising rents, and increased displacement. The policy recommendations outlined in this report provide clear, achievable steps to expand housing production, but their impact will take time. Moreover, even if these policies are fully implemented, there is no guarantee that they will sufficiently bridge the state's 222,000-unit housing deficit. If current strategies fail to generate the necessary housing production, more ambitious and structural reforms will be required.

Some of these potential future strategies involve significant shifts in municipal authority, such as transferring certain permitting responsibilities from local governments to regional entities. Others focus on critical infrastructure challenges, such as water and wastewater capacity, that have already blocked housing projects in multiple communities. Additionally, Massachusetts must continuously adapt its affordable housing policies, ensuring that key programs remain effective in generating new units.

While the Commission does not wish for these proposals to detract from the core policy recommendations in this report, it acknowledges their potential to unlock substantial housing production. Four Potential Future Strategies are included in this section as long-term options that should be revisited if the Commonwealth does not make sufficient progress in meeting its housing needs:

Large-Scale Infrastructure Expansion

The Commonwealth should facilitate and expand municipal connections to existing infrastructure.

The MWRA and other regional utilities are valuable resources for the communities they serve, providing both drinking water and wastewater treatment at a cost lower than most municipalities could achieve if they had to fund their own water and wastewater systems. In particular, the MWRA is not only important for cost savings, but also for water availability. DEP estimates that among 133 communities in eastern Massachusetts covered by the MBTA Communities Act and not served by MWRA, 23 may face significant water availability constraints.⁹² There are already communities in the state that are rejecting new housing development proposals because they do not have sufficient water resources to support new residents.⁹³



This proposal would facilitate the connection of new communities to the MWRA and other regional water and wastewater systems by providing critical funding, streamlining the process, and enabling easier access to wastewater treatment capacity, thereby supporting critical infrastructure for housing development. The Commission recognizes that such an expansion is a major undertaking, with significant legal, regulatory, technical, and financial components. As initial steps in promoting expansion, the Commission recommends that EEA evaluate ways to streamline the Interbasin Transfer Act approval process and that the Commonwealth assess options for infrastructure expansion and consider financial costs and potential funding sources.

Phase out 40B Market-Rate Units from the SHI

The Commonwealth should phase out 40B market-rate units from municipal Subsidized Housing Inventory (SHI) lists after 10 years.

Chapter 40B has long been a critical tool for increasing affordable housing in Massachusetts, but its current counting mechanism artificially inflates communities' Subsidized Housing Inventory (SHI), allowing them to reach safe harbor status more quickly than their actual affordable housing production would warrant. Under current rules, in 40B developments where only 20–25% of units are designated as affordable, every unit—including market-rate units—is counted toward a community's SHI.⁹⁴ This means that a municipality can still meet the 10% SHI threshold, even if the count of deed-restricted affordable housing units falls well below the 10% threshold. This dynamic undermines the intent of 40B, which was designed to continuously drive new affordable housing production in communities that fall below 10% SHI. Once a municipality reaches safe harbor, it gains the ability to reject or downsize additional 40B proposals, reducing the likelihood of further affordable housing development, even when demand remains high. The result is a statutory loophole that allows municipalities to pause or outright resist additional affordable housing efforts, stalling long-term progress toward housing affordability.

This proposal would phase out market-rate rental units from the SHI after 10 years, using a gradual approach that limits removals to no more than a certain percentage of a municipality's housing stock annually (e.g., 0.5%–1%). By requiring communities that rely on safe harbor protections to approve new projects to maintain their 10% SHI status, this reform would restore 40B's intended function, ensuring that communities continue to produce affordable housing rather than relying on past projects. This change is projected to create capacity for upwards of 100,000 additional units over the next decade by pushing municipalities to actively permit



new developments rather than stagnating at the 10% threshold.⁹⁵ By making 40B a more dynamic and ongoing mechanism for affordable housing development, this reform would significantly expand the long-term availability of affordable housing across Massachusetts.

RPA Reforms

The Commonwealth should allow larger housing developments to transfer approval authorities from local boards to Regional Planning Agencies (RPAs) via local option.

Currently, large housing developments (e.g., 25+ units) must navigate a complex, often unpredictable local approval process, which can vary widely across municipalities and create significant delays. Local boards also frequently reject or significantly reduce the scale of projects, even when they align with regional and state housing priorities. Transferring approval authority for larger housing developments from local boards to Regional Planning Agencies (RPAs) would streamline approvals, create greater consistency across municipal boundaries, and prioritize housing production at a regional scale. RPAs already play a critical role in regional housing and infrastructure planning, and granting them permitting authority for large-scale housing projects would reduce the influence of local opposition (NIMBYism) that often stymies development. This reform would align housing approvals with broader regional growth strategies, ensuring that high-impact projects move forward in areas that can best support them.

The Commonwealth should allow adjacent cities and towns to regionalize land use boards or delegate permitting authority to RPAs via local option.

Massachusetts' fragmented land use governance means that each of the state's 351 municipalities independently regulates zoning, permitting, and housing approvals, often leading to duplicative processes and inconsistent policies. Allowing adjacent cities and towns to regionalize land use boards or delegate permitting authority to RPAs through a local option would streamline decision-making, reduce administrative burdens, and encourage intermunicipal collaboration. Many housing markets function at a regional level, yet zoning and permitting remain highly localized, creating inefficiencies and preventing coordinated land use planning. A regional approach to land use governance could help smaller municipalities pool resources, share expertise, and approve developments that benefit the entire region rather than just one town. Additionally, providing incentives for municipalities to participate in regional permitting frameworks could help address housing shortages in high-demand areas while preserving local flexibility.



POSITIVE IMPACTS

Sustained Housing Production

Phasing out 40B market-rate units from the SHI after 10 years ensures that municipalities cannot rely on past developments to meet affordable housing thresholds, driving continuous affordable housing production.

Greater Regional Coordination

Allowing Regional Planning Agencies (RPAs) to oversee large housing projects and enabling regional land use boards would streamline permitting, reduce administrative duplication, and create a more strategic, regional approach to housing production.

Faster, More Predictable Approvals

Shifting approval authority for larger developments to RPAs would reduce local permitting bottlenecks, limit politically motivated project rejections, and provide developers with more predictable timelines.

Expanded Infrastructure Capacity

Facilitating new municipal connections to regional water and wastewater systems would remove infrastructure barriers that currently limit housing growth, ensuring that lack of access to public water/sewer is not a permanent constraint.

More Efficient Land Use

By aligning approvals with regional priorities, these strategies would help prevent sprawl, promote smart growth, and encourage development in areas best suited to support new housing.

Lower Housing Costs Over Time

By reducing artificial constraints on supply, such as prolonged permitting, zoning restrictions, and infrastructure limitations, these solutions would help stabilize and lower housing costs across the Commonwealth.

While these strategies may be more controversial than other policy recommendations, they represent high-impact solutions that could be pursued if Massachusetts does not make sufficient progress in closing its housing gap through existing reforms. By considering these potential future strategies, the Commonwealth can ensure that it remains ready to take even bolder action if necessary to meet its housing production goals.



IMPLEMENTATION

These recommendations could be implemented through a combination of legislative and regulatory action. Recommendations #1, #3, and #4 require legislative action; Recommendation #2 could be implemented through regulatory action.



Conclusion

Massachusetts stands at an inflection point. The state's swelling housing shortage is no longer a distant policy challenge—it is a pressing economic, social, and political crisis that threatens the Commonwealth's long-term prosperity. Without meaningful and decisive intervention, the Commonwealth will continue to experience rising housing costs, talent flight, business relocation, and widening disparities in access to stable housing.

The Unlocking Housing Production Commission (UHPC) was convened with a singular goal: to identify and eliminate the barriers preventing Massachusetts from building enough housing to meet demand. The findings in this report make clear that without bold zoning and regulatory reforms, Massachusetts will not be able to close its 222,000-unit housing gap. While the Affordable Homes Act represents a historic investment in housing, financial resources alone cannot solve this crisis. Complementary policy changes that streamline development, increase predictability,



and reduce costs are needed to maximize the impact of state, federal, and private dollars.

The recommendations put forth by this Commission are grounded in data, best practices from other states, extensive stakeholder engagement, and an unwavering commitment to addressing Massachusetts’ housing challenges at scale. Policies such as multifamily zoning reforms, streamlined review processes, and strategic infrastructure and technological investments are not simply technical fixes—they are essential changes that will define the future of the Commonwealth’s housing market. This report also recognizes that municipalities play a critical role in housing production, and, as such, these reforms are designed to balance local decision-making with the imperative to produce more housing. However, if the Commonwealth and its municipalities fail to make sufficient progress in permitting new homes, further state-level intervention will be necessary to ensure Massachusetts does not fall further behind.

Good housing policy is the bedrock of economic growth, environmental sustainability, and community stability, ensuring that Massachusetts remains a place where people of all income levels can live, work, and thrive. The Commonwealth must act with urgency and resolve, implementing the reforms outlined in this report to dismantle outdated barriers, accelerate housing production, and create a more equitable, resilient future. The choices made today will shape Massachusetts’ economic competitiveness, social fabric, and livability for generations to come. The time for action is now.



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1960s as attention shifted to establishing 13 Regional Planning Agencies (RPAs) and directing federal planning grants to cities and towns. In 1975, the MA Growth Policy Development Act briefly reenergized the statewide planning movement, creating an Office of State Planning within Governor Michael Dukakis' Administration to help all 351 cities and towns develop local growth plans with an emphasis on revitalization of city, town, and neighborhood centers. However, upon assuming office in 1979, the Office of State Planning was eliminated by Governor Ed King. The Office has not existed in any form for the last 45 years. Commonwealth of Massachusetts, Annual Report of the Metropolitan District Commission, 1923, 15; Commonwealth of Massachusetts, Acts and Resolves Passed by the General Court in the Year 1935, Chapter 475, 1935; Commonwealth of Massachusetts, Massachusetts Growth Policy Report, prepared by the Office of State Planning (Boston: Commonwealth of Massachusetts, 1977), https://www.mhp.net/assets/resources/documents/massachusetts_growth_policy_report_-_1977.pdf; Massachusetts State Archives, Governor Edward J. King Administrative Records, Massachusetts Archives, accessed February 4, 2025,

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