

Text of the Seasonal Communities Section of the Affordable Homes Act

Section 32. (a) For the purposes of this section "year-round housing", shall mean housing for occupancy by persons or families who occupy either rental or other housing as their principal residence for not less than 10 months a year and "attainable housing" shall mean housing that is affordable for year-round residents with incomes under a level set by the undersecretary in consultation with the seasonal communities advisory council.

- (b) The secretary may designate a municipality as a seasonal community; provided, however, that all municipalities in the counties of Dukes and Nantucket and all municipalities with over 35 per cent seasonal housing units in the county of Barnstable, as determined by the executive office in consultation with the Cape Cod commission established in chapter 716 of the acts of 1989 and all municipalities with more than 40 per cent seasonal housing units in the county of Berkshire, as determined by the executive office in consultation with the Berkshire regional planning commission, shall receive such designation. The executive office may designate additional municipalities as seasonal communities based on consideration of the following factors:
 - (i) a high rate of short-term rentals in relation to the overall housing inventory;
 - (ii) a significant population increase in seasonal visitors;
 - (iii) an excessive disparity between the area median income and the income required to purchase the municipality's median home price;
 - (iv) the percentage of housing stock that is used for seasonal, occasional or recreational use or is otherwise not used as a primary residence by the property's owner; and
 - (v) high variations in the average monthly variation of employment in the sector over the full year, in relation to the municipality's minimum employment threshold.

A municipality designated by the executive office as a seasonal community pursuant to this section shall accept or deny the designation by vote of its legislative body. The secretary shall consult with the advisory council established in subsection (c) to review additional municipalities under consideration to receive the seasonal community designation.

(c) The executive office shall convene an advisory council to offer expertise in issues pertaining to municipal government, the hospitality industry, the tourism industry, housing law and housing development and finance in seasonal communities. The council shall consist of: the secretary or a designee, who shall serve as chair; 1 member of the senate appointed by the senate president, who represents a district in which at least 1 municipality is designated as a seasonal community; 1 member of the house of representatives appointed by the speaker of the house of representatives, who represents a district in which at least 1 municipality is designated as a seasonal community; 1 person appointed by the Massachusetts Municipal Association, Inc.; and the following persons to be appointed by the secretary: 1 person who shall be a representative of the developer community and is a resident of a municipality designated as a seasonal community; 1 person who shall be a licensed real estate agent with the board of registration of real estate brokers and salespersons and is a resident of a municipality designated as a seasonal community; 1 person to represent each regional planning agency whose jurisdiction encompasses at least 1 municipality designated as a seasonal community; 1 licensed attorney who practices in the area of land use and who is a resident of a municipality designated as a seasonal community; and 1 person who shall be a representative of the lending and banking community and who is a resident of a municipality designated as a seasonal community. The secretary may appoint additional members with knowledge and with expertise in land use law, fair housing law, municipal law and operations or the housing needs of seasonal communities. The council shall adopt by-laws to govern its affairs. The council shall provide advice and recommendations to the executive office regarding policies or programs necessary to serve the distinct needs of seasonal communities, including, but not limited to, accessing specialized or general application grant programs and best practices on incentivizing the production of attainable year-round housing in seasonal communities. Annually, not later than December 31, the council shall submit a report of any recommendations to the executive office, the clerks of the house of representatives and the senate and the joint committee on housing.

The executive office shall review, on an as-needed basis, the ongoing needs of municipalities designated as seasonal communities and may deny a municipality's continued seasonal community designation based on the municipality's ongoing needs and eligibility.

(d) A seasonal community may:

- (i) acquire year-round housing occupancy restrictions for rental or other housing; provided, however, that any such year-round housing occupancy restriction held by a city or town shall be construed as a restriction held by a governmental body with the benefit of section 26 of chapter 184;
- (ii) acquire and develop housing units with preference for housing seasonal community public employees that are necessary to the

health and safety of maintaining a year-round community, including teachers, public works employees, public safety employees, first responders, town administrators and other employees essential for municipal operations as described under section 42(g)(9)(B) of the Internal Revenue Code;

- (iii) expend funds to develop, on a biannual basis, a comprehensive housing needs assessment;
- (iv) establish a Year-Round Housing Trust Fund, individually or with other seasonal communities, to provide for the creation and preservation of affordable and attainable housing in seasonal communities for the benefit of year-round residents; provided, however, that the executive office of housing and livable communities, in consultation with the seasonal communities advisory council established in subsection (c), shall promulgate regulations pertaining to the membership, powers and duties of the trust; and
- (v) expend funds designated for the creation and preservation of yearround affordable and attainable housing for individuals who, by vocation, produce or support artistic and literary activities.
- (e) For the purposes of this section, "tiny house" shall mean a detached structure containing a dwelling unit containing 400 square feet or less in floor area, excluding lofts. A seasonal community shall:
 - (i) adopt by-laws or zoning ordinances to permit undersized lots to be used for the creation of attainable year-round housing; provided, however, that the lot, at the time of recording or endorsement, shall be located in a zoning district that allows for single-family residential use; provided further, that any single-family residential structure constructed on said lot shall adhere to the municipality's floor area ratio by-laws and shall comply with all laws governing wastewater and sewer systems; and provided further, that any residential housing built upon undersized lots shall not be used as a seasonal home or short-term rental of less than 6 months and shall be used as yearround housing; and
 - (ii) adopt by-laws to permit the construction of tiny houses provided that such tiny houses are designated for use as year-round housing units and meet all requirements of the state building code and local building code. A movable tiny house shall be registered with the registry of motor vehicles, as applicable.

- (f) A seasonal community may increase the exemption established in section 5C of chapter 59, at the option of the board of selectmen in a town or the mayor, with the approval of the city council, in a city 50 per cent of the average assessed value of all Class One, residential parcels within such city or town; provided, however, that the exemption shall be applied only to the principal residence of the taxpayer as used by the taxpayer for income tax purposes.
- (g) A seasonal community designated pursuant to this section may apply to the executive office of housing and livable communities for a waiver from any of the requirements of this section. In deciding whether to grant the municipality's request for a waiver, the executive office may consider whether the requirements of this section can reasonably be carried out by existing town staff or a regional staff person performing equivalent duties.
- (h) The executive office shall promulgate regulations or guidance to carry out this section.

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