

Maura T. Healey Governor

Kimberley Driscoll Lt. Governor COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS **DEPARTMENT OF ENERGY RESOURCES** 100 CAMBRIDGE ST., 9<sup>th</sup> FLOOR BOSTON, MA 02114 Telephone: 617-626-7300

> Rebecca L. Tepper Secretary

> Elizabeth Mahony Commissioner

October 29, 2024

Via Electronic Mail

Mayor Katjana Ballantyne Somerville City Hall 93 Highland Ave. Somerville, MA 02143

Dear Mayor Ballantyne,

The Department of Energy Resources (Department) is contacting you regarding Somerville's Substitute Community application to become a Participating Community in the Department's Municipal Fossil Fuel Free Building Construction and Renovation Demonstration Project (Demonstration Project) as authorized by St. 2022, c. 179, § 84 (Act).

The Act requires the Department to establish a Demonstration Project for not more than ten municipalities to adopt and amend general or zoning ordinances or by-laws that require new building construction or major renovation projects to be fossil fuel-free. The Act requires the Department to prioritize the applications of municipalities that submitted home rule petitions to the legislature requesting the ability to implement such by-laws and ordinances prior to the passage of the law (Prioritized Communities). The Act further requires the Department to select a Substitute Community if a Prioritized Community is unable or elects not to participate in the Demonstration Project. The Department promulgated regulations detailing the application process for Prioritized and Substitute Communities as well as other requirements of the Demonstration Project as 225 CMR 24.00.

On September 29, 2022, West Tisbury, a Prioritized Community, submitted a letter to the Department indicating that it would not be participating in the Demonstration Project. As of July 12, 2024, all other nine Prioritized Communities have been accepted as Participating Communities in the Demonstration Project. This leaves one slot available in the

Demonstration Project for a Substitute Community.

On November 10, 2023, Somerville submitted its Substitute Community application. The application included the required materials under 225 CMR 24.04 and 225 CMR 24.05, including a draft fossil fuel-free ordinance and the status of its efforts to meet the housing production eligibility threshold detailed in 225 CMR 24.05(2). On December 28, 2023, Somerville updated the Department that it had an approved multifamily zoning ordinance under review with the Executive Office of Housing and Livable Communities (EOHLC) that would satisfy the housing production eligibility threshold detailed in 225 CMR 24.05(2)(c). On January 31, 2024 and February 6, 2024, Somerville provided additional materials on its compliance with the housing production eligibility thresholds. On July 24, 2024, representatives from Somerville met with the Department. On October 1, 2024, EOHLC approved Somerville's multifamily zoning ordinance, satisfying the housing production eligibility threshold detailed in 225 CMR 24.05(2)(c). The Department has reviewed Somerville's application and additional materials.

The Department's criteria for Substitute Community selection are detailed in 225 CMR 24.06(3) as follows:

(3) <u>Selection Criteria</u>. In addition to ensuring that Substitute Communities meet the requirements set forth in 225 CMR 24.04 and 225 CMR 24.05, the Department will consider the following factors when evaluating applications and selecting Substitute Communities for participation up to a total of 10 Participating Communities and may consider such additional factors as the Department deems appropriate.

- (a) Contribution to the overall Demonstration Project, including diversity of Participating Communities which includes but is not limited to gateway cities, environmental justice communities, diversity of demographics, diversity of size, scale of building development, and type of housing development;
- (b) Ability to meet Department reporting requirements and effectively monitor and ensure code compliance and implementation;
- (c) Consistency of proposed by-law or ordinance to the model rule provided by the Department;
- (d) A preference for cities and towns that meet the compliance guidelines implementing section 3A of chapter 40A of the General Laws through an approved zoning ordinance or, in the case of a town that must seek by-law approval from the Attorney General (AGO) pursuant to G.L. c.40 § 32, an AGO-approved by-law that provides for at least 1 district of reasonable size in which multi-family housing is permitted as right, or, if not applicable, a similar commitment to multi-family housing production as determined by the Department, in consultation with the Executive Office of Housing and Economic Development;

- (e) Localized electric grid investments needed to support the Demonstration Project as determined through consultation between the Department and electric distribution companies;
- (f) Demonstrated support from community members and municipal leaders.

Upon review of Somerville's application and additional materials as well as the criteria detailed in 225 CMR 24.06(3), including the relevant consultations with the electric distribution companies and EOHLC (formerly the Executive Office of Housing and Economic Development), the Department has elected not to select Somerville as a Participating Community in the Demonstration Project. The Department appreciates the substantial effort and care put into Somerville's application materials and will remain in contact with Somerville regarding any future opportunities to participate in the Demonstration Project.

If you have any questions regarding this determination, please contact me at joanne.bissetta@mass.gov.

Sincerely,

Jon Bil

Joanne Bissetta Director, Green Communities Division