

Housing in Massachusetts

by

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ABSTRACT

Massachusetts is experiencing a housing crisis with the cost of housing increasing more rapidly than in any other comparable coastal state over the past 40 years. This growth in the cost of housing has far outpaced the growth in household income. This thesis explores state economics, the housing market in Massachusetts, and one piece of recent legislation, the MBTA Communities Act, designed to directly address the housing crisis. Over these past forty years cities and towns in Massachusetts have developed zoning codes that restrict the ability to add new housing to the existing stock. With such strong local control over land use, I argue that intervention is needed from the state to provide zoning relief and institute as of right high-density zoning. I will use the town of Milton as a case study to illustrate the adoption of the new legislation and theorize on the impact of unlocking new housing.

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Table of Contents

| | |
|--|-----------|
| Introduction | 7 |
| State Economics | 8 |
| The Massachusetts Housing Crisis | 12 |
| Local Politics..... | 19 |
| Cities | 20 |
| Towns..... | 21 |
| Economic Theory | 23 |
| Legislation Highlight: Housing Choice Initiative..... | 27 |
| Part 1 – Voting Threshold Guidance | 27 |
| Part 2 - MBTA Communities Act | 30 |
| The MBTA Communities | 30 |
| Location of Districts..... | 36 |
| Compliance..... | 37 |
| Affordable Housing..... | 38 |
| Projected Outcomes..... | 39 |
| Town of Milton Case Study..... | 40 |
| Milton’s proposed zoning bylaws and map | 43 |
| Eliot Street Corridor Subdistrict | 44 |
| Milton/Central Avenue Station Subdistrict | 44 |
| Mattapan Station Subdistrict | 45 |
| Granite Avenue Subdistrict | 46 |
| East Milton Square Subdistrict | 47 |
| Blue Hills Parkway Corridor Subdistrict | 47 |
| Affordability Requirements | 48 |
| Review of Town Fiscal Impact Analysis..... | 49 |
| Parcel Development Case Study..... | 56 |
| Conclusion..... | 64 |

List of Images, Tables, Charts

| | |
|--|----|
| Figure 1 Massachusetts Historical GDP (Millions of Dollars) | 8 |
| Figure 2 American Households by Size 1960 - 2023 | 9 |
| Figure 3 Average Number of People Per Household | 10 |
| Figure 4 All Employees: Total Nonfarm Employment in Massachusetts..... | 11 |
| Figure 5 Unemployment Rates in Massachusetts, Connecticut, New York, Rhode Island, and USA | 11 |
| Figure 6 All Transaction House Price Index for the United States | 13 |
| Figure 7 All Transaction House Price Index for Massachusetts and United States | 13 |
| Figure 8 All Transaction House Price Index for United States, Massachusetts, New York, California, Connecticut, and Rhode Island..... | 14 |
| Figure 9 Median Household Income in Massachusetts | 14 |
| Figure 10 Historical Building Permit Issuance | 16 |
| Figure 11 Permits issued per 1,000 people by metro area..... | 17 |
| Figure 12 Historical Homeowner Vacancy Rates 1986 - 2022 | 18 |
| Figure 13 historical Rental Vacancy Rates 1986 - 2022..... | 19 |
| Figure 14 Cities Vs Towns Map..... | 22 |
| Figure 15 Supply and Demand Curves | 23 |
| Figure 16 Shift in Demand Curve | 24 |
| Figure 17 Shift in Supply Curve | 24 |
| Figure 18 Elasticity of Supply 1 | 25 |
| Figure 19 Elasticity of Supply 2 | 26 |
| Figure 20 Elasticity of Supply 3 | 26 |
| Figure 21 MBTA Communities Map | 32 |
| Figure 22 MBTA Communities Map by Community Category | 33 |
| Figure 23 Location of Multifamily Districts by Developable Station Area | 37 |
| Figure 24 Proposed MBTA Communities Act Compliant Zoning Map | 43 |
| Figure 25 School Aged Child Ratios per Unit | 50 |
| Figure 26 Value Assumptions per Unit..... | 51 |
| Figure 27 Milton Average Assessed Value (\$/sf) and Average Historical Sales (\$/SF) | 52 |
| Figure 28 Total Fiscal Impact to Town of Milton Given Modified Value Assumptions..... | 53 |
| Figure 29 Selection of Mattapan Station Subdistrict Parcels for Case Study..... | 57 |
| Figure 30 Parcels 1-6 in Mattapan Station Subdistrict Selected for Case Study..... | 57 |
| Figure 31 Property Data, Existing 6 Homes..... | 57 |
| Figure 32 Appraised and Market Value of Existign Homes | 58 |
| Figure 33 Mattapan Station Subdistrict Density | 58 |
| Figure 34 Hypothetical Condominium Building Unit Mix and Size | 59 |
| Figure 35 Hypothetical Condominium Building Build Cost..... | 59 |
| Figure 36 Total Project Cost | 59 |
| Figure 37 Affordability Assumptions..... | 60 |
| Figure 38 Affordable and Market Unit Sales Proceeds | 60 |
| Figure 39 School Aged Children Ratio (SAC) | 61 |
| Figure 40 New Project Costs - School Aged Children..... | 61 |
| Figure 41 New Project Cost - Variable Municipal Cost..... | 61 |

Figure 42 Town of Milton Revenues – Real Estates Taxes 62
Figure 43 Town of Milton Other Fees and Revenues 63
Figure 44 Summary of Town of Milton Financial Impact 63

Introduction

Massachusetts is experiencing a housing crisis. As a consumer and developer of housing in Massachusetts, I have a personal and professional interest in understanding the market dynamics and barriers to delivering housing in my home state. The housing market in Massachusetts has high barriers to entry, a cumbersome regulatory environment, and is notoriously expensive. I intend to use this thesis to articulate the extent of the housing crisis that residents and prospective residents of the state are experiencing, examine some of the unique structures that create barriers for change, analyze a recently enacted policy that aims to lower the barriers to delivering housing, and explore the implications in a case study of the Town of Milton.

I will begin by providing economic context then will explore the housing crisis by the numbers in Massachusetts. I then will dive into the unique form of direct democracy found in Massachusetts that enables a greater deal of local control and results in the cumbersome regulatory environment we face. Next, I will introduce essential economic theory that broadly illustrates the effects of land use regulations on the housing market. I will argue for the need for state action to allow for greater density and then will explore the details of the overarching Housing Choice Bill that modifies the voting requirements for enacting zoning changes and enables high density housing in communities served by public transit in Massachusetts, specifically known as the MBTA Communities Act. I will then use the town of Milton as a case study to examine the adoption of the new legislation and theorize on the benefits of the added density.

Real estate is a complex market with multiple variables that cause slow delivery and directly and indirectly affect price. Inputs such as land cost, construction cost, union labor, cost of capital, environmental regulations, land use regulations, affordable housing regulations, and zoning policy are just a few of the variables in delivering housing in Massachusetts. I chose to focus this thesis on government policy and zoning reform because they are often discussed but generally poorly understood. Important real estate innovations such as green technologies, alternative construction delivery methods such as modular construction and 3-D printing cover the headlines as the future of housing; however, without meaningful zoning change, many of these future technologies cannot be implemented in the marketplace to deliver higher quality

and lower cost housing. While zoning changes alone will not solve the high cost of delivering housing in Massachusetts, zoning has been a significant barrier to unlocking density in Massachusetts.

State Economics

In 2022, Massachusetts had a state GDP of \$691,460,600,000¹. When measured in current dollars, Massachusetts is the twelfth largest state economy in the United States. On the global scale, Massachusetts' \$691B GDP is slightly larger than Poland and slightly smaller than Taiwan. If Massachusetts were a country, it would be the 23rd largest economy in the world as measured by GDP². Since 2000, The GDP of Massachusetts has grown at an average annual rate of 4.3%³.

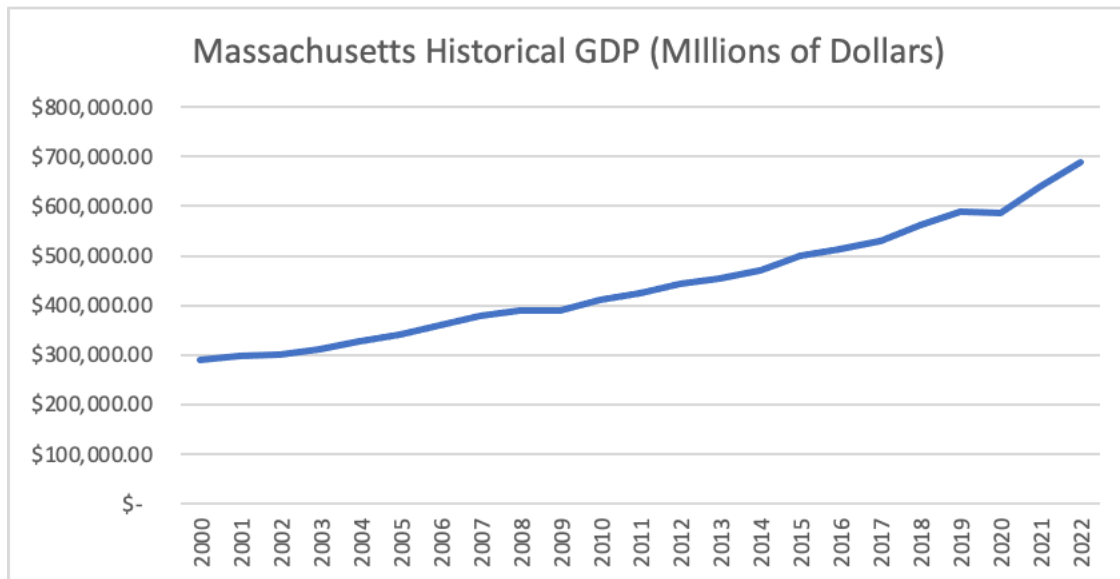


Figure 1 Massachusetts Historical GDP (Millions of Dollars)

The population of the state is estimated every ten years by the U.S. Census Bureau. The most recent data set from 2020-2022 has been impacted by national migration trends that occurred during the Covid-19 Pandemic. The trend in 2020 largely showed mass migration out

¹ Regional Economic Accounts. Bureau of Economic Analysis Regional Economic Accounts: Download. <https://apps.bea.gov/regional/downloadzip.cfm>. Accessed 1 Dec. 2023.

² "International Monetary Fund World Economic Outlook October 2023 GDP, Current Prices." International Monetary Fund, Oct. 2023, www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEO_WORLD.

³ "Gross Domestic Product by State, 4th Quarter and Annual 2022." Bureau of Economic Analysis, Bureau of Economic Analysis, 31 Mar. 2023, apps.bea.gov/regional/histdata/releases/0323gdpstate/index.cfm.

of northern and coastal states to lower cost of living states in the South and Midwest. Given this trend, the Census Bureau estimated the Massachusetts population to be 6,981,974 in 2023, down from 6,989,690 in 2021 and 6,995,729 in 2020. These represent decreases in population at the state level of 6,039 in 2021, a decrease of 0.086%, and a decrease of 7,716 in 2022, a decrease of 0.110%⁴. Since the census is only performed once every ten years, it may not illustrate the whole picture of net migration in the state. The effect of outmigration during the COVID pandemic was likely overstated in the latest census. A later section will look at statewide vacancy rates that shows a sustained healthy level of demand for housing.

While not a trend exclusive to Massachusetts, there has been a national trend towards smaller households and a dramatic increase in the number of single person households since the 1960s. This has the effect of continued growth in demand for housing. Nationally since 1960, the average American household has decreased in size from 3.33 people to 2.51 people while the share of single person households has more than doubled increasing from 13% to 29% of total households⁵.

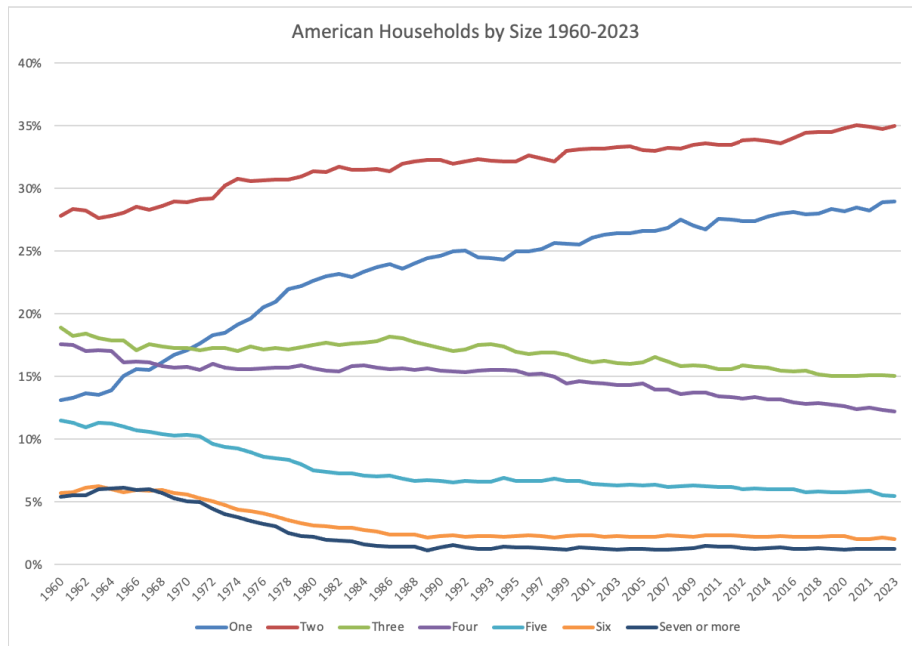


Figure 2 American Households by Size 1960 - 2023

⁴ Bureau, US Census. "State Population Totals and Components of Change: 2020-2023." United States Census Bureau, www.census.gov/data/datasets/time-series/demo/popest/2020s-state-total.html. Accessed 1 Dec. 2023.

⁵ Bureau, US Census. "Historical Households Tables - Households by Size: 1960 - Present." United States Census Bureau, 21 Nov. 2023, www.census.gov/data/tables/time-series/demo/families/households.html.

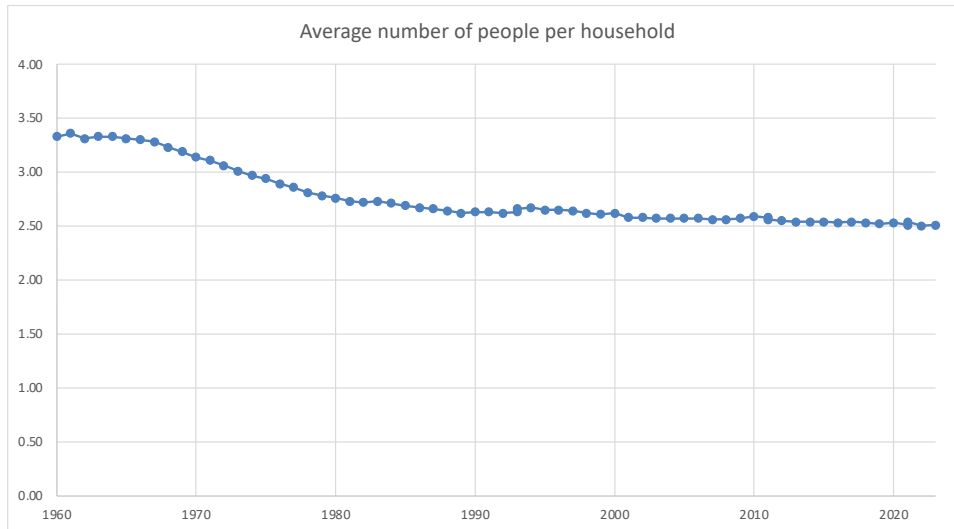


Figure 3 Average Number of People Per Household

The census bureau provides estimates for number of housing units at the national, state, and county level. The most recent data set 2020-2022 estimates a total of 3,036,334 units of housing in Massachusetts. Additionally, the census bureau estimates that in 2021 15,422 net units of housing were added to the stock of housing in Massachusetts, representing an addition of 0.51%. In 2022, an estimated 18,504 net units were added, representing an increase of 0.61%⁶. Pricing data in the next section will demonstrate how these small increases in housing are not enough to meet demand and, in turn, drives the price of housing higher.

The Bureau of Labor statistics provides annual and monthly employment data at the state and national level. Total employment in 2022 in Massachusetts was 3,675,700. After the Great Financial Crisis of 2007-2008 (“GFC”), on average 54,000 jobs were added per year from 2011 – 2019. The Covid 19 Pandemic caused dramatic spikes in unemployment in 2020 where the workforce shrank by 8%, but the monthly employment figures show a full recovery to the pre-pandemic era as of February 2023⁷. The latest monthly employment figures show total nonfarm employment as of 11/1/2023 at 3,786,200.⁸

⁶ Bureau, US Census. “Historical Households Tables - Households by Size: 1960 - Present.” United States Census Bureau, 21 Nov. 2023, www.census.gov/data/tables/time-series/demo/families/households.html.

⁷ U.S. Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, All Employees: Total Nonfarm in Massachusetts [SMU25000000000000001A], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/SMU25000000000000001A>, December 5, 2023.

⁸ U.S. Bureau of Labor Statistics, All Employees: Total Nonfarm in Massachusetts [MANA], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MANA>, December 5, 2024.

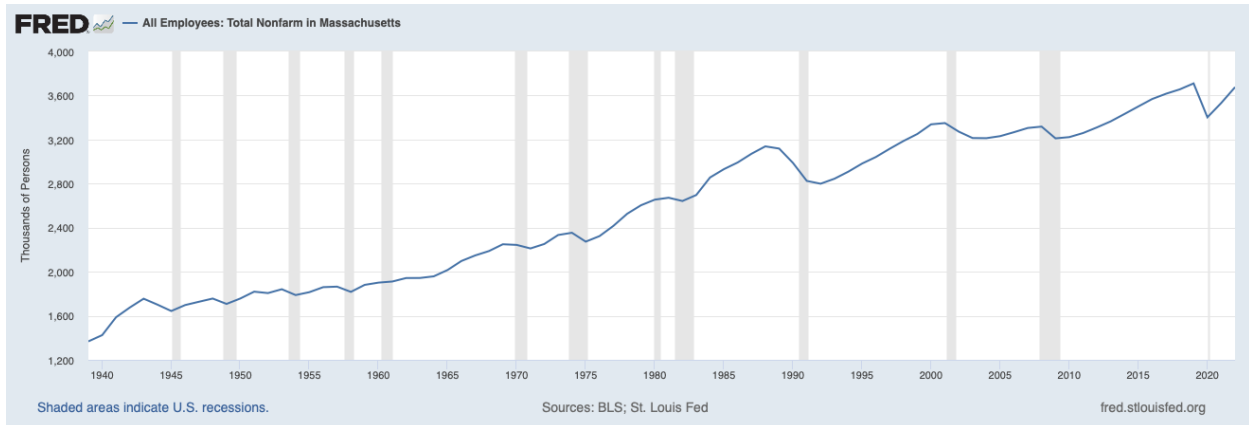


Figure 4 All Employees: Total Nonfarm Employment in Massachusetts

Unemployment in Massachusetts as of November 1, 2023 was 2.9%. Employment in Massachusetts from the period between the GFC and the Covid 19 Pandemic was stronger than the national average as well as coastal states such California, New York, Connecticut, and Rhode Island. Unemployment peaked momentarily at 16.9% in April of 2020, but has quickly returned to the pre-pandemic level. Unemployment was 2.9% in the fall of 2019 and 2.8% in the winter of 2020 prior to the Pandemic⁹.

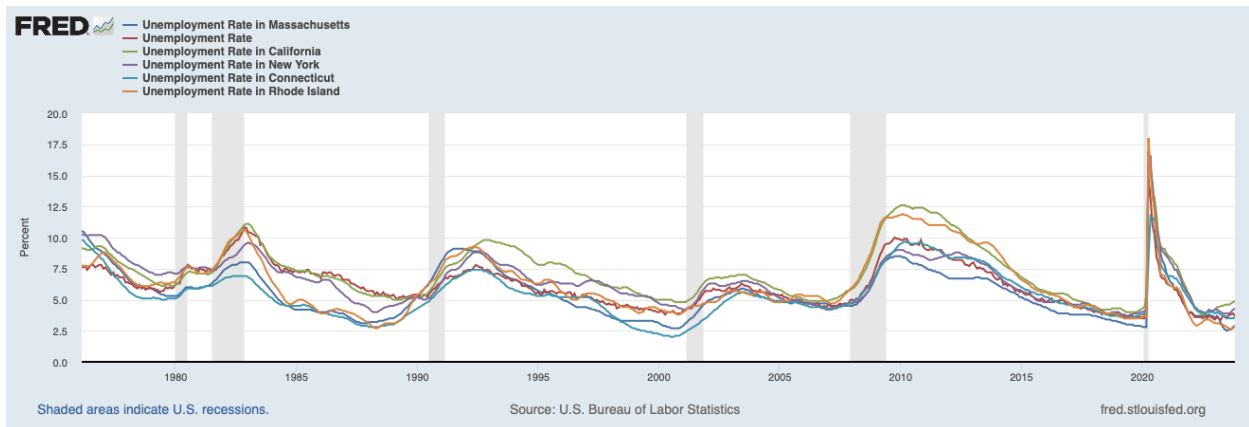


Figure 5 Unemployment Rates in Massachusetts, Connecticut, New York, Rhode Island, and USA

⁹ U.S. Bureau of Labor Statistics, Unemployment Rate in Massachusetts [MAUR], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MAUR>, December 5, 2024.

The Massachusetts Housing Crisis

Massachusetts is in the midst of a housing crisis.

A simple google search or conversation with anyone looking to purchase a home or find rental housing will spur endless commentary on how high the cost of living is in Massachusetts. Former Governor Charlie Baker succinctly expressed the dangers of the housing crisis and, specifically, the risk of high housing costs eliminating the attractiveness and competitive advantage of Massachusetts. In June 2019 in a conversation on Housing Choice, his office stated “Massachusetts’ core competitive advantage is its highly skilled workforce. High housing costs may encourage these talented people to move elsewhere. This weakens our economy and our employers and hurts our long-term growth and prosperity.”¹⁰

The US Federal Housing Finance Agency produces an All-transaction house price index (FHFA HPI) that is a “broad measure of the movement of single-family house prices. The FHFA HPI is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancings on the same properties”.¹¹

Additionally, the Saint Louis Fed makes economic data easily accessible via their website FRED.stlouisfed.org. Via the FRED website, we can graphically view the change in the FHFA Home Price Index. Nationally, the FHFA HPI has moved from a base value of 100 in 1980 to 657.32 in Q3 2023. This means that nationally, home prices have increased 6.6x from 1980 through Q32023¹². See below.

¹⁰ “Housing Choice in Massachusetts June 2019 Policy Discussion.” June 2019, <https://willbrownsberger.com/wp-content/uploads/2019/06/Housing-Choice-002.pdf>. Accessed 15 Nov. 2023.

¹¹ “FHFA HOUSE PRICE INDEX.” Federal Housing Finance Agency, www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx. Accessed 20 Nov. 2023.

¹² U.S. Federal Housing Finance Agency, All-Transactions House Price Index for the United States [USSTHPI], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/USSTHPI>, January 15, 2024.

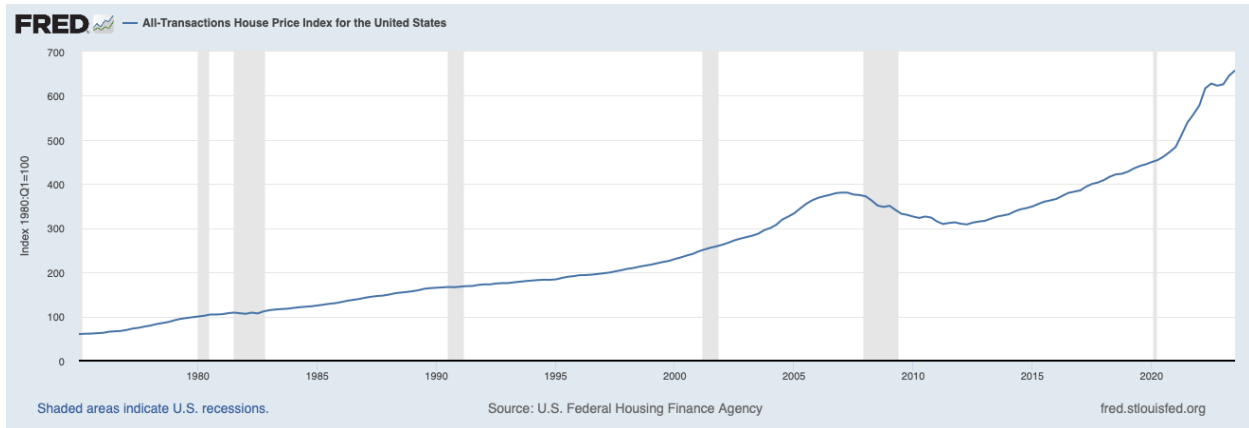


Figure 6 All Transaction House Price Index for the United States

In Massachusetts, over the same period, prices have risen at nearly double the national rate at almost 12x from the base of 100 in 1980 to 1,181.99 in Q3 2023¹³. See below.

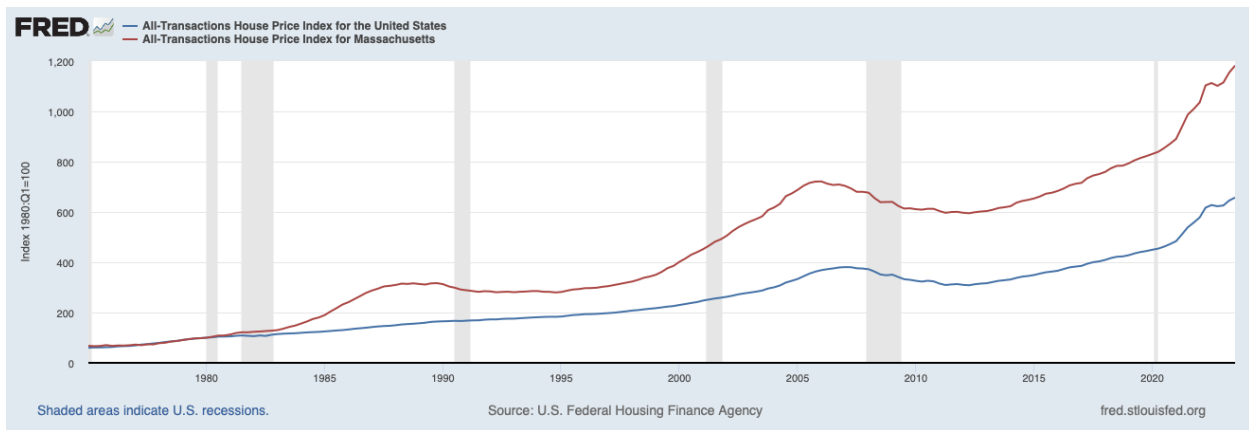


Figure 7 All Transaction House Price Index for Massachusetts and United States

The pace of pricing growth in Massachusetts beats all other major expensive coastal states. See below for a comparison with New York at 10x (1,014.39), California at 9x (929.01), Rhode Island at 9x (908.70), and Connecticut at 6x (612.06)¹⁴.

¹³ U.S. Federal Housing Finance Agency, All-Transactions House Price Index for the United States [USSTHPI], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/USSTHPI>, December 20, 2023.

¹⁴ U.S. Federal Housing Finance Agency, All-Transactions House Price Index for the United States [USSTHPI], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/USSTHPI>, December 20, 2023.

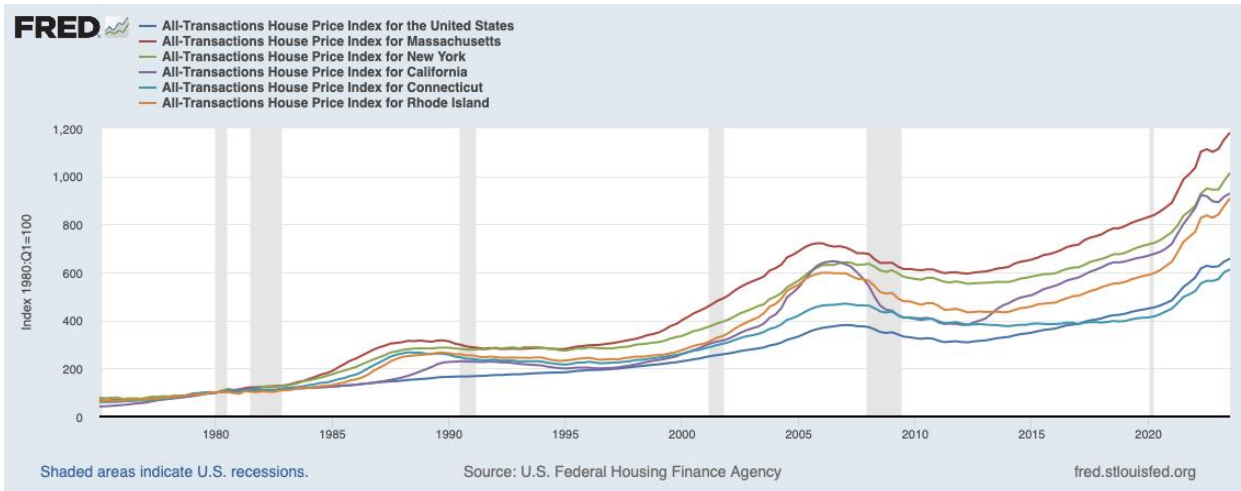


Figure 8 All Transaction House Price Index for United States, Massachusetts, New York, California, Connecticut, and Rhode Island

Unfortunately, income growth has not kept pace with the dramatic increase in house pricing over the same period. By analyzing data from the Census Bureau via the FRED website, we can see that the median household income grew from \$26,960 in 1984 to \$93,550 in 2022. The median income in Massachusetts has only grown 3.47x since 1984¹⁵ while home prices have increase nearly 12x. The result is a housing crisis in which housing is unaffordable for many in the state.

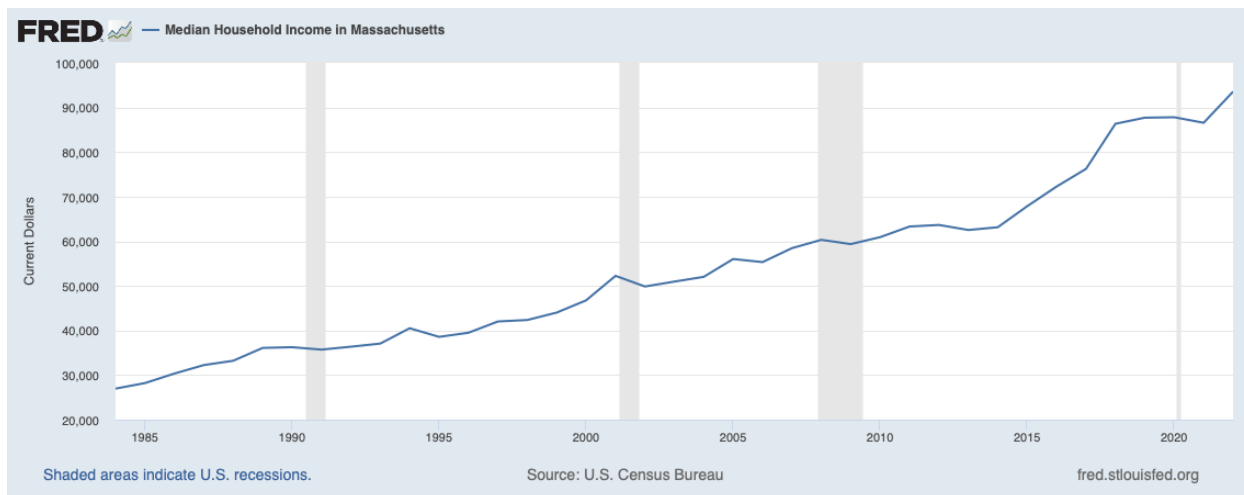


Figure 9 Median Household Income in Massachusetts

¹⁵ U.S. Census Bureau, Median Household Income in Massachusetts [MEHOINUSMAA646N], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MEHOINUSMAA646N>, December 21, 2023.

As growth in the cost of housing has outpaced growth in median household income, the percentage of cost burdened renters and homeowners in Massachusetts has increased. A cost burdened household is defined as one that spends more than 30% of its income on housing costs. A 2017 study showed an increase of 20% in cost burdened homeowners making less than \$100,000 from 2000 through 2017. In 2000 30% of households making less than \$100,000 were cost burdened whereas in 2017 50% of households making less than \$100,000 were cost burdened. For renters the housing crisis is felt even stronger. In 2000 38% of renting households making less than \$100,000 were cost burdened and in 2017 56% of renting households making less than \$100,000 were cost burdened¹⁶.

A 2023 study by brokerage firm Redfin reported that in the Boston Metro Area, only 4.7% of home listings are affordable or not cost burdened. Redfin reported that in 2022 the Boston Metro Area had an affordability rate of 8.7%.^{17 18}

¹⁶ "Housing Choice in Massachusetts June 2019 Policy Discussion." June 2019, <https://willbrownsberger.com/wp-content/uploads/2019/06/Housing-Choice-002.pdf>. Accessed 15 Nov. 2023.

¹⁷ Welker, Grant. "Less than 5% of the Listings in the Boston Area Are Affordable. Here's How Other Cities Compare." Bizjournals.Com, Boston Business Journal, 26 Dec. 2023, www.bizjournals.com/boston/news/2023/12/26/under-5-of-boston-area-listings-are-affordable.html.

¹⁸ Katz, Lily. "16% of Home Listings Were Affordable for the Typical Household in 2023, Likely the Bottom for Housing Affordability." Redfin Real Estate, 21 Dec. 2023, www.redfin.com/news/share-of-homes-affordable-2023/.

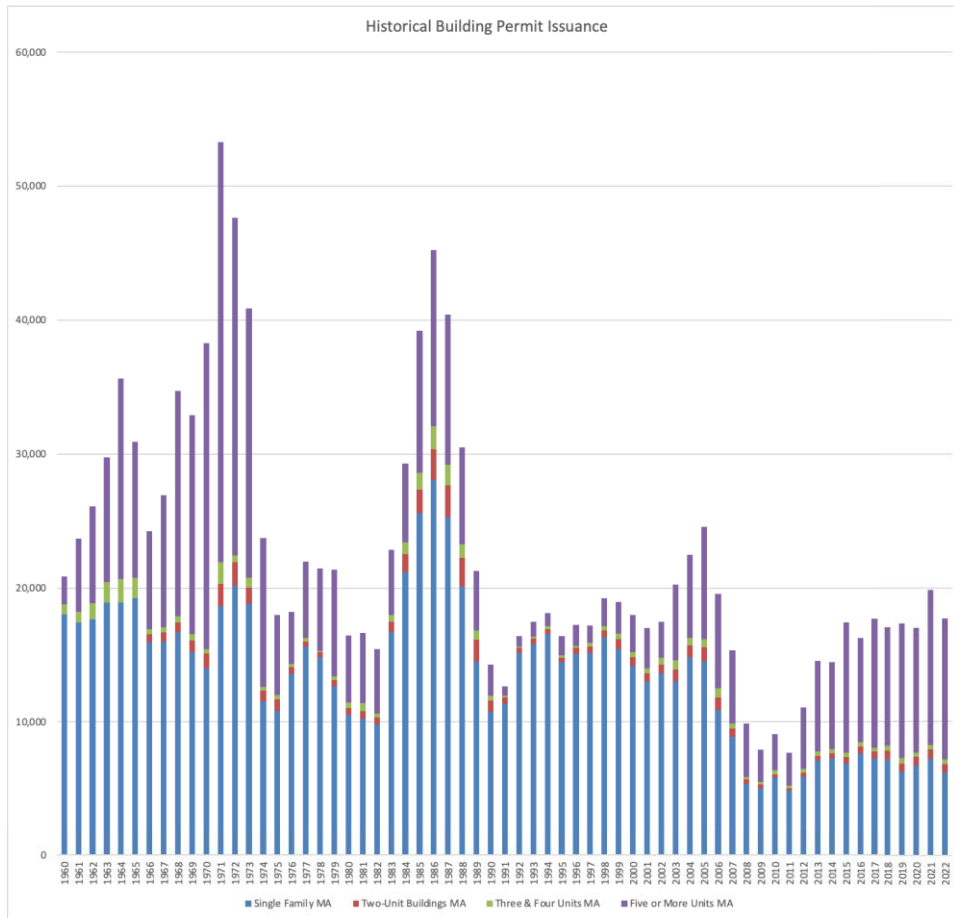


Figure 10 Historical Building Permit Issuance

The Census Bureau publishes the annual Building Permit Survey to provide statistics on new privately-owned residential construction. As demonstrated in the historical data above, Massachusetts permit issuance and housing production has significantly fallen from the building boom in the 1960s and 1980s¹⁹. This is the result of decades of zoning policy that increased the barriers of delivering housing. For decades, multifamily housing has been blocked by local zoning ordinances and single-family zoning has dominated land use regulations in the majority of the Greater Boston area. An example of these detrimental ordinances is acreage requirements: more than half of the cities and towns in Eastern Massachusetts require lots for single family homes of one to two acres. As the Boston Globe spotlight report aptly draws a

¹⁹ “New Privately-Owned Housing Units Authorized by Building Permits in Permit-Issuing Places by State.” Census.gov, United States Census Bureau, www.census.gov/construction/bps/pdf/annualhistorybystate.pdf. Accessed 15 Dec. 2023.

comparison, that is “one and a half times the size of the playing field at Gillette Stadium, per house”²⁰. This specific ordinance restricts density and establishes a strict cap on land that could be used to provide more housing. A later section will explore the unique New England form of direct democracy that empowers local zoning control.

Permitting of new housing in Massachusetts has lagged other major metropolitan areas for years. Since 2012, in the greater Boston metro area, 29.9²¹ permits have been issued per 1,000 residents. The Boston metro area has issued fewer permits than comparable cities such as Portland, Oregon and Seattle, Washington.

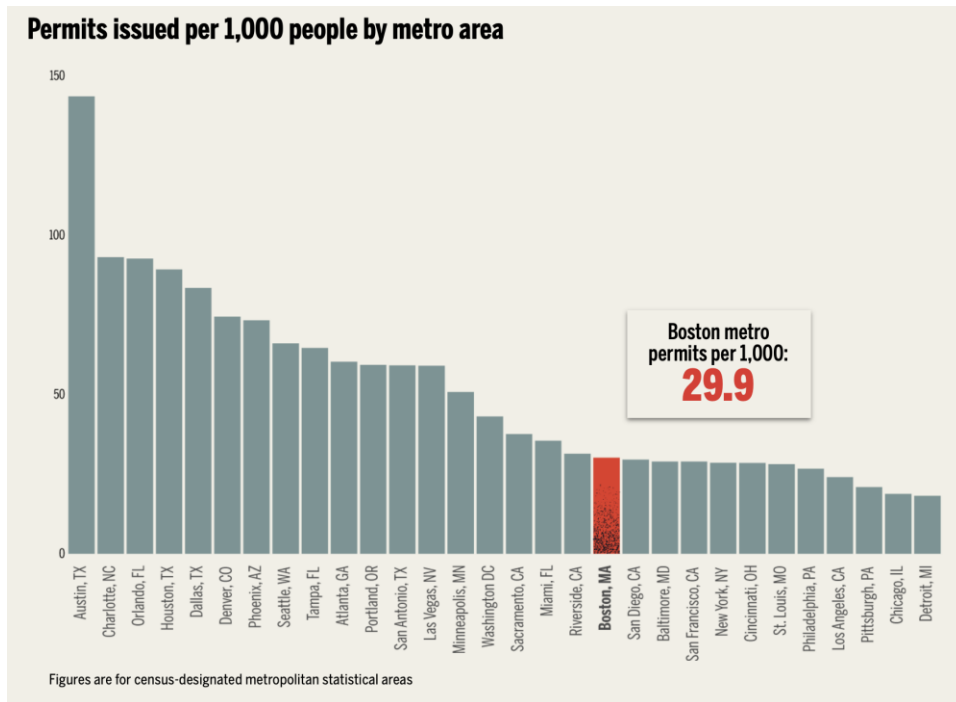


Figure 11 Permits issued per 1,000 people by metro area

Major growth areas such as Austin, Dallas, Charlotte, Atlanta Orlando, and Tampa have permitted multiples of the 12.9 permits per 1,000 residents seen in Boston²². These cities can

²⁰ Brinker, Andrew, et al. “A Housing Crisis in Massachusetts: A Look at Single Family Homes.” Beyond the Gilded Gate An American Ideal, Reimagined California Is Trying to Tackle Its Housing Crisis by Rethinking the Traditional Single-Family Home. Why Isn’t Massachusetts?, The Boston Globe, 22 Nov. 2023, apps.bostonglobe.com/2023/10/special-projects/spotlight-boston-housing/single-family-zoning/?s_campaign=housingproj%3Afooter.

²¹ Bureau, US Census. “Building Permits Survey (BPS).” United States Census Bureau, Feb. 2023, www.census.gov/construction/bps/index.html.

²² Arsenault, Mark, et al. “Beyond the Gilded Gate Greater Boston Has a Housing Crisis, but Doesn’t Act like It. In Towns like Milton, Soaring Home Prices Are a Barrier to a New Generation of Buyers and a Clear Threat to Future Prosperity. It Is a Fact of Life Here, but It Doesn’t Have to Be.” The Boston Globe, 18 Oct. 2023,

deliver a lower cost of housing for their residents and are attracting growth of many of the major sectors found in Massachusetts. These cities have seen a net gain in domestic migration whereas Boston has seen a net loss in domestic migration.

The Census Bureau data on vacancies for both homeowner and rental vacancy show a healthy level of demand statewide. Homeownership vacancy rates are well below the 1.8% high seen at the Great Financial Crisis. Homeownership vacancy rates have dropped significantly since 2013 and have returned to historical lows around 0.5%²³. Rental vacancy rates also show a healthy level of demand for housing statewide with vacancy in 2022 at 2.8%²⁴.

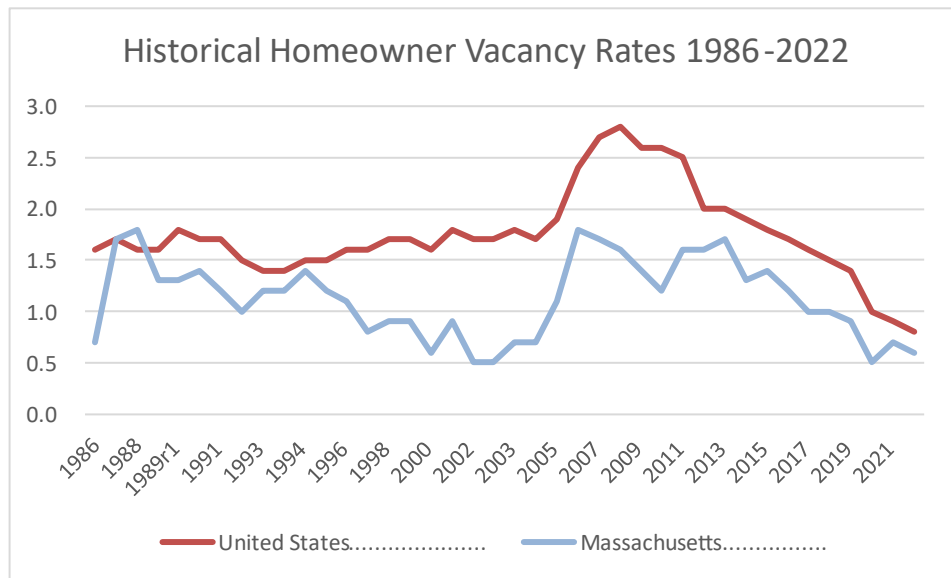


Figure 12 Historical Homeowner Vacancy Rates 1986 - 2022

<https://apps.bostonglobe.com/2023/10/special-projects/spotlight-boston-housing/milton-restrictive-zoning/>. Accessed 13 Dec. 2023.

²³ Bureau, US Census. "Table 4 Homeownership Vacancy Rates by State." Housing Vacancies and Homeownership - Annual Statistics, United States Census Bureau, 2022, www.census.gov/housing/hvs/data/prevann.html.

²⁴ Bureau, US Census. "Table 3 Rental Vacancy Rates by State." Housing Vacancies and Homeownership - Annual Statistics, United States Census Bureau, 15 Apr. 2019, www.census.gov/housing/hvs/data/prevann.html.

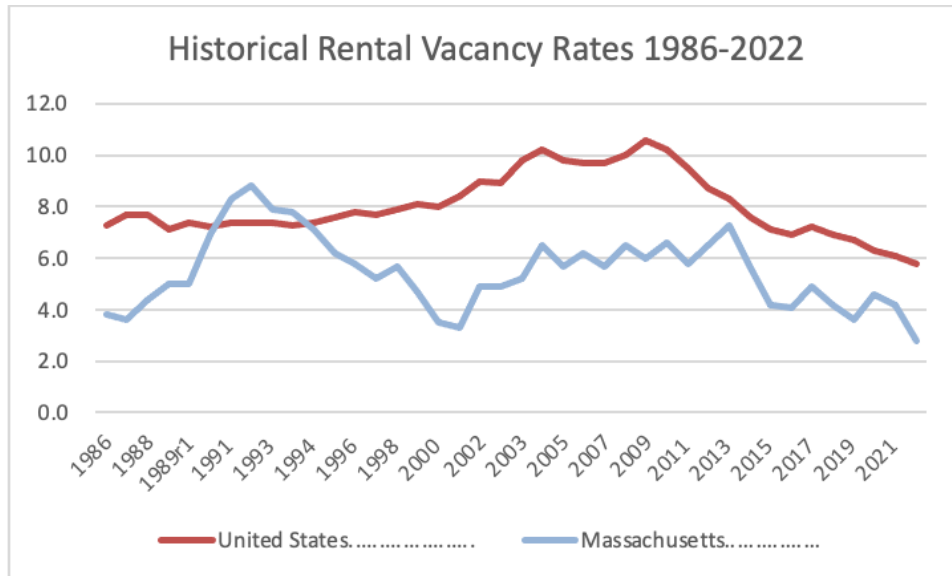


Figure 13 historical Rental Vacancy Rates 1986 - 2022

The Massachusetts Housing Crisis was only accelerated during the Covid-19 Pandemic when prices for single family homes skyrocketed. In response to inflationary pressure the Federal Reserve embarked on the fastest rate hike in history, making affordable housing in Massachusetts even further out of reach and driving growth in demand in the rental market. Now that I have laid out the economic data behind the housing crisis, I would like to explore structures of government and economic theory to walk through how these forces all come together.

Local Politics

The local politics of cities and towns within Massachusetts establish unique government structures that create an additional level of difficulty for passing laws that meaningfully influence the housing supply of the state. The Massachusetts State Constitution includes the Home Rule law ratified in 1966 as Article 89 of the Massachusetts Constitution. The Home Rule Law grants cities and towns the right to govern themselves through the adoption of a charter. The charter outlines the structure and functions of the local government and gives cities and towns the power to enact their own legislation so long as the legislation does not conflict with federal or state law. The Massachusetts Home Rule Law has given cities and towns great autonomy and flexibility in self-governing. While this allows for greater flexibility, efficiency, and

local control, it also results in increased fragmentation across the state, creates a lack of accountability, and causes an unequal distribution of resources.

The Massachusetts Constitution distinguishes between a city and a town form of government²⁵. This distinction is important because the two forms of government have drastically different administrative bodies and processes. In a city, the mayor is the chief executive, and the council is the legislative body. In a town, the select board is both the executive and legislative body. There are also town meetings, which are a unique form of direct democracy found only in New England.

Local voters determine which form of government to adopt and whether to elect as a city or a town. Communities that opt for a city form of government must have a minimum of 12,000 residents. Opting for a city form of government is not a requirement for large communities though, as there is not a maximum population for a town.

Cities

In a city, the mayor is the chief executive officer and the highest ranking official. While powers vary from city to city, powers usually include overseeing the city's administrative functions, developing a budget proposal to present to the council, executing laws and ordinances passed by the council, appointing city officials, executing government services, and maintaining the authority to veto acts by the council. There are 59 cities in Massachusetts. Of these 59 cities, 47 have a mayor. The mayor is elected every two years in 24 of those cities and every four years in 23 of those cities. In all except Cambridge and Lowell the mayor is directly elected by the voters. In Cambridge and Lowell, mayors are selected by the council from amongst its members. The 12 cities that do not have a mayor have a city manager who is the chief administrative officer in those towns. The powers of a city manager are very similar to that of a mayor but are all assigned or delegated by the Council. The City Manager in these 12 cities is appointed by the City Council ²⁶

²⁵"Massachusetts General Law - Part I, Title VII, Chapter 43B, Section 3." Massachusetts Legislature, The 193rd General Court of the Commonwealth of Massachusetts, malegislature.gov/Laws/GeneralLaws/PartI/TitleVII/Chapter43B/Section3. Accessed 10 Dec. 2023.

²⁶"City vs. Town." Massachusetts Municipal Association (MMA), www.mma.org/local-government-101/. Accessed 1 Dec. 2023.

City councils are the legislative branch as well as policymaking bodies in cities. City councils are a representative body as opposed to the direct democracy of a town meeting which will be explored in the next section. City councils have the power to approve reduce or reject the mayor's budget, authorize debt, and pass local legislation called ordinances. There are approximately 600 city councilors across the 59 cities in Massachusetts. All serve two-year terms except the councilors in Barnstable and Winthrop who serve four-year terms.

Towns

In a town, a select board is the chief executive body. The formal and legal responsibilities vary by community and are spread across hundreds of state laws as well as town bylaws, its home rule charter, and any special acts enacted by the town's legislature. Other bodies in town may wield at least as much authority over certain aspects of town government i.e. a planning board, school committee, board of health, etc. General powers and responsibilities of a select board include preparing the town meeting warrant (agenda), appointing town board and office positions, employing professional administrative staff and town counsel, granting of select licenses and permits, reviewing budget recommendations prior to town meeting, and placing proposition 2 ½ question on the ballot. There are 292 towns in Massachusetts. About 1,200 select board members serve across these 292 towns. Towns have either 3 or 5 select board members who are elected at large every three years in a staggered manner except in Wakefield and Saugus. In Wakefield there are 7 members and in Saugus select board elections are every 2 years.

Town Meetings are the event and legislative body in towns. Town meetings existed a century before the American Revolution and are a form of direct democracy found only in New England. The powers and responsibilities of town meeting are to pass the town budget, authorize debt issuances, enact local laws called bylaws including zoning bylaws, and approving expenditures for specific projects. All towns hold an annual town meeting in the spring while many also hold additional special town meetings. 260 towns have an Open Town Meeting which means any registered voter may attend and vote. 32 towns have a representative town meeting. The Massachusetts state constitution requires that a town must have at least 6,000 residents to have a representative town meeting. Representatives for representative town meetings are

elected by the residents for three-year terms. Representative town meeting council range in size from 50 to 429 members with an average of 214 representatives.

In town meetings, generally the majority rules, however, often a super-majority (2/3) is required for specific items. The town's bylaws determine when a majority versus super-majority vote is required²⁷.

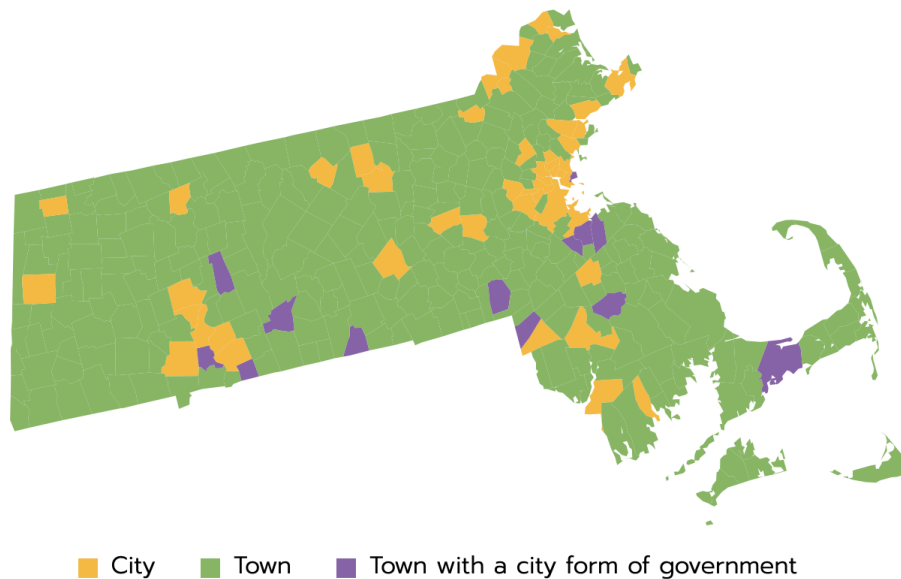


Figure 14 Cities Vs Towns Map²⁸

To summarize those figures once more, there are 59 Cities and 292 towns in Massachusetts. Of those 292 towns, 260 towns have open town meetings and 32 towns have representative town meetings. Massachusetts offers town residents the ability to participate in local government through the town meeting form of direct democracy, a direct response to the lack of representation experienced by early settlers. I choose to highlight these facts in order to make explicitly clear that residents in Massachusetts have a great amount of influence and control in their hometowns and actively represent their own interest. In most towns, this results in restrictive zoning/ land use regulations that dramatically slows the process of adding new

²⁷ "Housing Choice Initiative Voting Threshold Guidance." Commonwealth of Massachusetts, Executive Office of Economic Development, 20 May 2021, www.mass.gov/info-details/voting-threshold-guidance.

²⁸ "City vs. Town." Massachusetts Municipal Association (MMA), www.mma.org/local-government-101/. Accessed 1 Dec. 2023.

housing to the existing stock. This structure allows for local interests to dominate creating sentiment that is commonly known as “Not in my back yard” or NIMBYism.

Economic Theory

A brief review of key economic supply and demand theory and how it relates to the housing market is necessary to understand the effects of regulations in the Massachusetts housing market. To begin, below is typical supply and demand graph for widgets. The Y axis represents price and the x axis represents quantity. The line marked supply beginning near the lower left and rising to the top right is the supply curve. This curve illustrates suppliers’ willingness to provide widgets. As price increases, suppliers are willing to produce a higher quantity of widgets. The line marked demand beginning from the upper left and sloping down to the lower right is the demand curve. This curve illustrates consumers’ willingness to consume widgets. As price decreases, consumers are willing to consume a higher quantity of widgets. The intersection of the supply curve and the demand curve is called the market equilibrium. The equilibrium price and quantity where these curves intersect are marked at each axis.

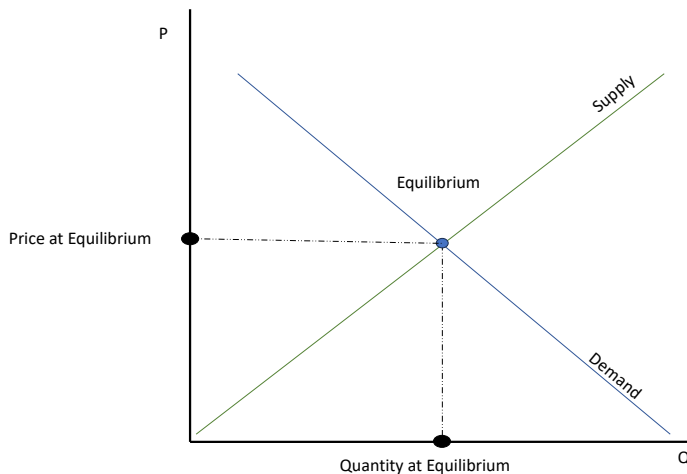


Figure 15 Supply and Demand Curves

The next image illustrates a shock to the demand curve that shifts the demand curve out to the right. This illustration could represent a sudden increase in the number of consumers in a given market or a change in consumer preferences. The effect is a new market equilibrium with a higher equilibrium quantity and price.

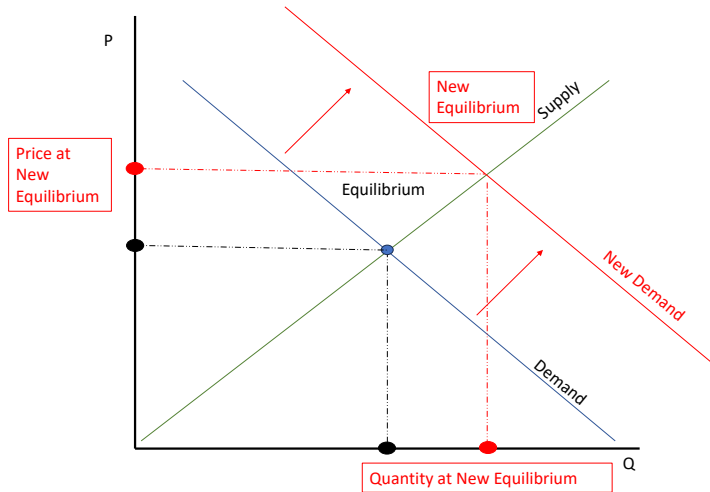


Figure 16 Shift in Demand Curve

Next is an illustration of a shock to the supply curve that shifts the supply curve to the left. This illustration could represent the sudden exit of a major manufacturer of widgets or the introduction of a new tax. The new intersection with the demand curve is at a higher price and subsequently, consumers demand a lower quantity of widgets.

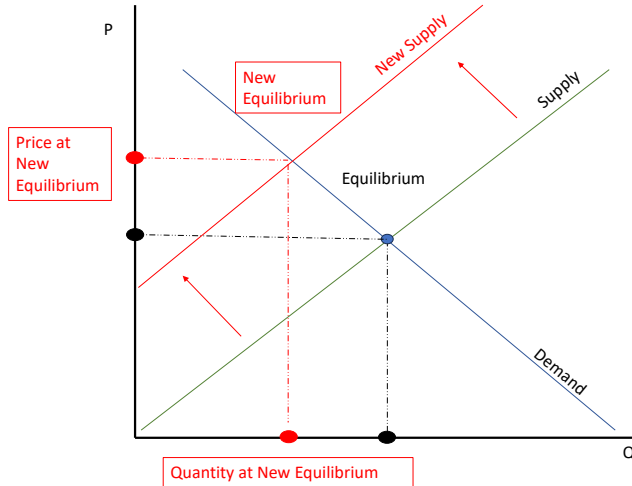


Figure 17 Shift in Supply Curve

The next illustration captures what is known as the elasticity of supply. The elasticity of supply is illustrated as the slope of the supply curve. A more inelastic supply curve appears more vertical (or a slope closer to undefined). A more elastic supply curve appears more horizontal (or a slope closer to zero). Supply elasticity is the measure of responsiveness of

producers to changes in demand for a widget. For example, if a supplier does not have the means or faces restrictions on their ability to increase production of goods to meet increased demand, the supply is inelastic.

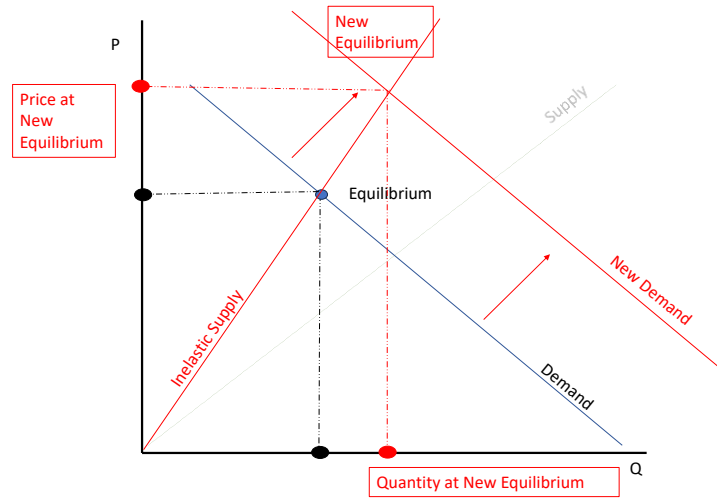


Figure 18 Elasticity of Supply 1

Tying these curves back to the market for housing, more regulations, anti-development policies, and stricter land use regulations result in a more inelastic supply curve. The market reaction to an equal shift in the demand curve is very different in markets with very inelastic supply curves versus markets with more elastic supply curves.

The next two images illustrate this economic principle in the housing market. The first illustration is a housing market with a very elastic supply curve, consider this a location such as Texas where fewer land use regulations exist. A shift in the demand curve results in a large

increase in the quantity of housing supplied with a very small increase in the market price for housing.

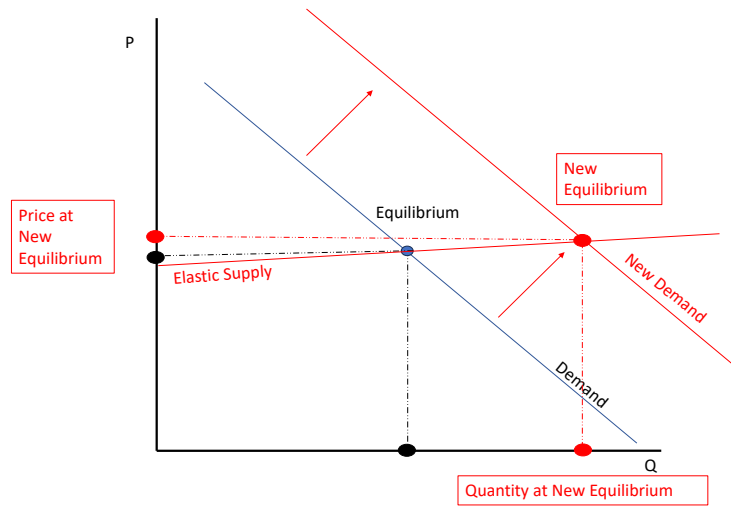


Figure 19 Elasticity of Supply 2

The second illustration is a housing market with a very inelastic supply curve. Consider this the Massachusetts market with many more regulations and restriction on land use and density. A shift in the demand curve results in a small increase in the quantity of housing supplied with a large increase in the market price for housing.

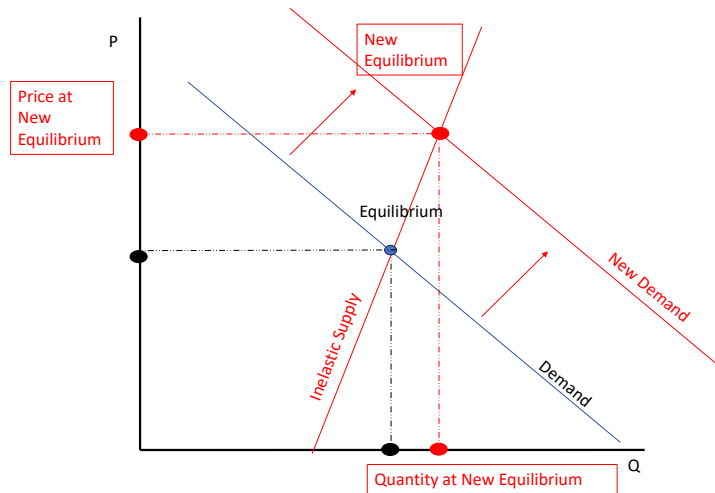


Figure 20 Elasticity of Supply 3

Consumers are better off in the market with a more elastic supply curve as a greater quantity of housing can be consumed at a lower price. This economic principle is the reason I

argue Massachusetts needs state action to reduce land use regulations and allow for greater as of right density to remain a competitive destination for jobs. The two keys to unlocking greater density at scale are state action and as of right zoning. State action is required because of the fragmented and cumbersome land use policies across towns and cities in Massachusetts. Attempts for greater density are regularly shut down at town meetings where local residents have the ability to stop development through their direct democracy. The next section captures the recent legislation that implemented these two components.

Legislation Highlight: Housing Choice Initiative

“Through 100 years of growth, decline, and growth again, the state has almost never stepped in to press municipalities to loosen rules and allow more housing. A rare exception came two years ago, when the Legislature passed the MBTA Communities Act, requiring towns and cities served by transit to designate some land for denser housing. It’s the most ambitious housing law Massachusetts has enacted in decades and it could open the door to tens, perhaps hundreds, of thousands of new homes.”²⁹

Governor Baker’s Housing Choice Initiative lowers regulation and allows for as of right density in towns and cities in need of housing in Massachusetts. The Housing Choice Initiative was signed into law on January 14, 2021, formally chapter 358 of the Acts of 2020. It is a two-pronged piece of legislature that aims to ease the approval process of new housing at the local level and spur new housing developments in communities with access to rapid public transit in the greater Boston area.

Part 1 – Voting Threshold Guidance

The first pieces of the Housing Choice Initiative are amendments to Chapter 40A of the General Laws, the Zoning Act. First, the number of votes required to enact certain kinds of zoning ordinances and bylaws was reduced from a 2/3 supermajority to a simple majority.

²⁹ Arsenault, Mark, et al. “Beyond the Gilded Gate Greater Boston Has a Housing Crisis, but Doesn’t Act like It. In Towns like Milton, Soaring Home Prices Are a Barrier to a New Generation of Buyers and a Clear Threat to Future Prosperity. It Is a Fact of Life Here, but It Doesn’t Have to Be.” The Boston Globe, 18 Oct. 2023, <https://apps.bostonglobe.com/2023/10/special-projects/spotlight-boston-housing/milton-restrictive-zoning/>. Accessed 13 Dec. 2023.

Second, the same change was made to the voting threshold for the issuance of certain types of special permits.

From February through May of 2021 guidance was developed by the executive office of housing and economic development to assist local officials in determining the voting thresholds for various zoning amendments. The Zoning Act applies to all cities and towns in Massachusetts except the City of Boston which has its own zoning enabling act. The following nine guidelines prescribe when a simple majority is now required rather than a supermajority for modifying/adopting an ordinance or granting a special permit:

1. Allows for multi-family housing or mixed-use developments “as of right” in an eligible location.
2. Allows for open space residential development as of right.
3. Allows accessory dwelling units, either within the principal dwelling or within a detached structure on the same lot, as-of-right.
4. Allows by special permit accessory dwelling units in a detached structure on the same lot.
5. Reduces the parking requirements for residential or mixed-use development under a special permit.
6. Permits an increase in the permissible density of population or intensity of a particular use in a proposed multi-family or mixed-use development that requires a special permit.
7. Changes dimensional standards such as lot coverage or floor area ratio, height, setbacks, minimum open space coverage, parking, building coverage to allow for the construction of additional residential units on a particular parcel or parcels of land.
8. Provides for the transfer of development rights or natural resource protection zoning in instances where the adoption of such zoning promotes concentration of development in areas that the municipality deems most appropriate for such development, but will not result in a diminution in the maximum number of housing units that could be developed within the municipality.

9. Adopts a smart growth or starter home districts in accordance with section 3 of Chapter 40R of the General Laws.³⁰

The requirement for a simple majority rather than a supermajority was specified for three specific cases relating to special permits:

1. Multifamily housing that is located within 1/2 mile of a commuter rail station, subway station, ferry terminal or bus station; provided, that not less than 10 per cent of the housing shall be affordable to and occupied by households whose annual income is less than 80 per cent of the area wide median income as determined by the United States Department of Housing and Urban Development and affordability is assured for a period of not less than 30 years through the use of an affordable housing restriction as defined in section 31 of chapter 184;
2. Mixed-use development in centers of commercial activity within a municipality, including town and city centers, other commercial districts in cities and towns and rural village districts; provided, that not less than 10 per cent of the housing shall be affordable to and occupied by households whose annual income is less than 80 per cent of the area wide median income as determined by the United States Department of Housing and Urban Development and affordability is assured for a period of not less than 30 years through the use of an affordable housing restriction as defined in section 31 of chapter 184;
3. A reduced parking space to residential unit ratio requirement, pursuant to this section; provided, that a reduction in the parking requirement will result in the production of additional housing units.³¹

This first major component to the Housing choice initiative that lowers the threshold from a supermajority to a simple majority is crucial because of the existence of Town Meeting in Massachusetts. While a simple majority does not guarantee a town or community will add density and allow for more housing, it lowers the threshold to a more achievable hurdle.

³⁰ "Housing Choice Initiative Voting Threshold Guidance." Commonwealth of Massachusetts, Executive Office of Economic Development, 20 May 2021, www.mass.gov/info-details/voting-threshold-guidance.

³¹ "Massachusetts General Law - Part I, Title VII, Chapter 40A, Section 9." Massachusetts Legislature, The 193rd General Court of the Commonwealth of Massachusetts, malegislature.gov/Laws/GeneralLaws/PartI/TitleVII/Chapter40A/Section9. Accessed 10 Dec. 2023.

Governor Baker’s office highlighted a 2019 proposal in the town of Lenox to rezone property to multi-family for a 50-unit project on 19 acres with affordable/workforce units that failed with 54% in support (304 yes, 261 No). Under the new laws, this vote would have resulted in the approval of the proposed project³².

Another relevant change in line with the first component is an addition to section 17 of the zoning code that allows the court to require surety or a cash bond of up to \$50,000 from a plaintiff appealing the approval of a special permit *“if the court finds that the harm to the defendant or to the public interest resulting from delays caused by the appeal outweighs the financial burden of the surety or cash bond on the plaintiffs”*³³. The added financial burden on the plaintiff raises the cost of filing an appeal and hopefully will deter frivolous attempts to delay rightfully approved projects.

Part 2- MBTA Communities Act

The second major component, Section 3A of Massachusetts General Law Chapter 40A (the Zoning Act) requires that an MBTA community must have at least one zoning district of reasonable size in which multi-family housing is permitted as of right and meets other criteria established in the statute. This is commonly referred to as the MBTA Communities Act. The act added a definition for an “MBTA Community” and created a new section, Section 3A, of the Zoning Act to apply to these municipalities. As the Boston Globe notes, The MBTA Communities Act is “the most dramatic effort in more than 50 years to address Massachusetts’ housing crisis”³⁴.

The MBTA Communities

The act requires that MBTA communities have at least one zoning district of “reasonable size” where multifamily housing is permitted as of right. Further, these as of right multifamily zones must have

1. A minimum gross density of 15 units per acre

³² “Housing Choice in Massachusetts June 2019 Policy Discussion.” June 2019, <https://willbrownsberger.com/wp-content/uploads/2019/06/Housing-Choice-002.pdf>. Accessed 15 Nov. 2023.

³³ “Housing Choice Initiative Voting Threshold Guidance.” Commonwealth of Massachusetts, Executive Office of Economic Development, 20 May 2021, www.mass.gov/info-details/voting-threshold-guidance.

³⁴ Fujiwara, Daigo, and Mark Arsenault. “Beyond the Gilded Gate: How Will the State’s Historic Rezoning Mandate Affect Your Community?” The Boston Globe, 18 Oct. 2023, [apps.bostonglobe.com/2023/10/special-projects/spotlight-boston-housing/zoning-mandate-map/](https://www.bostonglobe.com/2023/10/special-projects/spotlight-boston-housing/zoning-mandate-map/).

2. Must be located no further than ½ mile from a commuter rail station, subway station, ferry terminal, or bus station.
3. There cannot be age restrictions and communities must be suitable for families with children.³⁵

An “MBTA Community” is now defined in Section 1 of MGL c. 161A as:

1. One of the “14 cities and towns” that initially hosted MBTA service;
2. One of the “51 cities and towns” that also host MBTA service but joined later;
3. Other “served communities” that abut a city or town that hosts MBTA service; or
4. A municipality that has been added to the MBTA under G.L. c. 161A, sec. 6 or in accordance with any special law relative to the area constituting the authority³⁶.

This definition applies to 177 cities and town in Massachusetts that are served by the MBTA. Boston is excluded from the Zoning Act, including section 3A. The list of all these towns is included in the appendix. Below is a map of all 177 MBTA communities.

³⁵ “Massachusetts General Laws Chapter 40A Section 3A.” Commonwealth of Massachusetts Mass.Gov, Trial Court Law Libraries, 29 July 2021, www.mass.gov/info-details/mass-general-laws-c40a-ss-3a.

³⁶ “Multi-Family Zoning Requirement for MBTA Communities.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, 10 Aug. 2022, www.mass.gov/info-details/multi-family-zoning-requirement-for-mbta-communities.

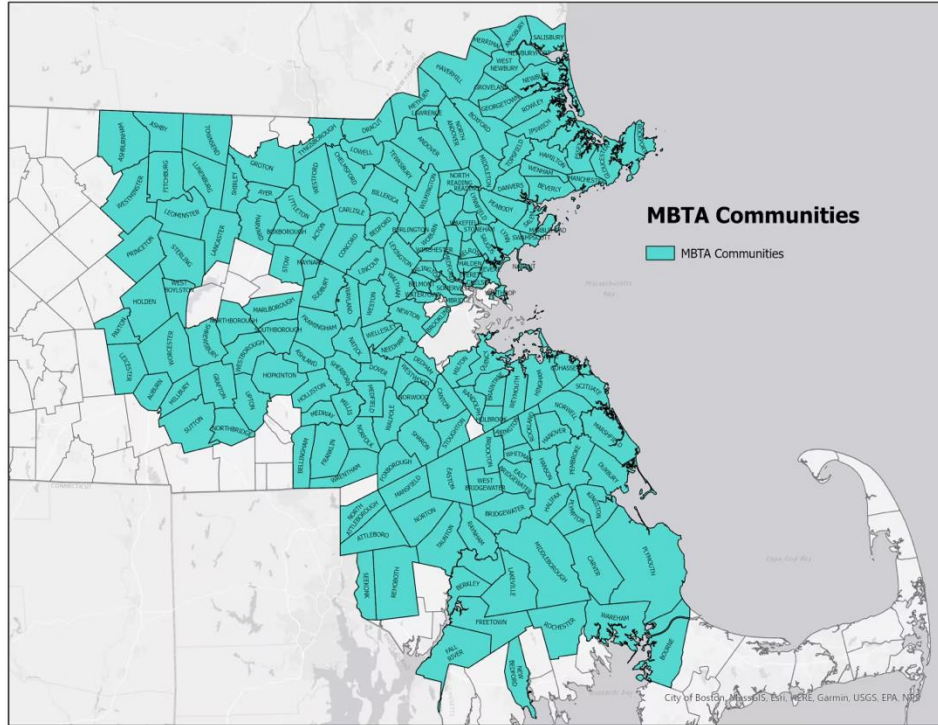


Figure 21 MBTA Communities Map³⁷

These 177 cities and towns are separated into four community categories: Rapid transit communities, Commuter rail communities, Adjacent communities, and Adjacent small towns. These categories of cities and towns are prescribed unit counts and other requirements on a sliding scale with Rapid Transit Communities having the densest requirements and Adjacent small towns having the least dense requirements and determine when a city or town must demonstrate compliance with the act. The “reasonable sized” multi-family zoning districts required by the act vary depending on the type of transit service serving a community. The minimum unit capacity for each community is the greater of the assigned percentage of existing total housing (called out below) and the minimum land area applicable to an MBTA community not to exceed 25% of the existing stock.

³⁷ “Multi-Family Zoning Requirement for MBTA Communities.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, 10 Aug. 2022, www.mass.gov/info-details/multi-family-zoning-requirement-for-mbta-communities.

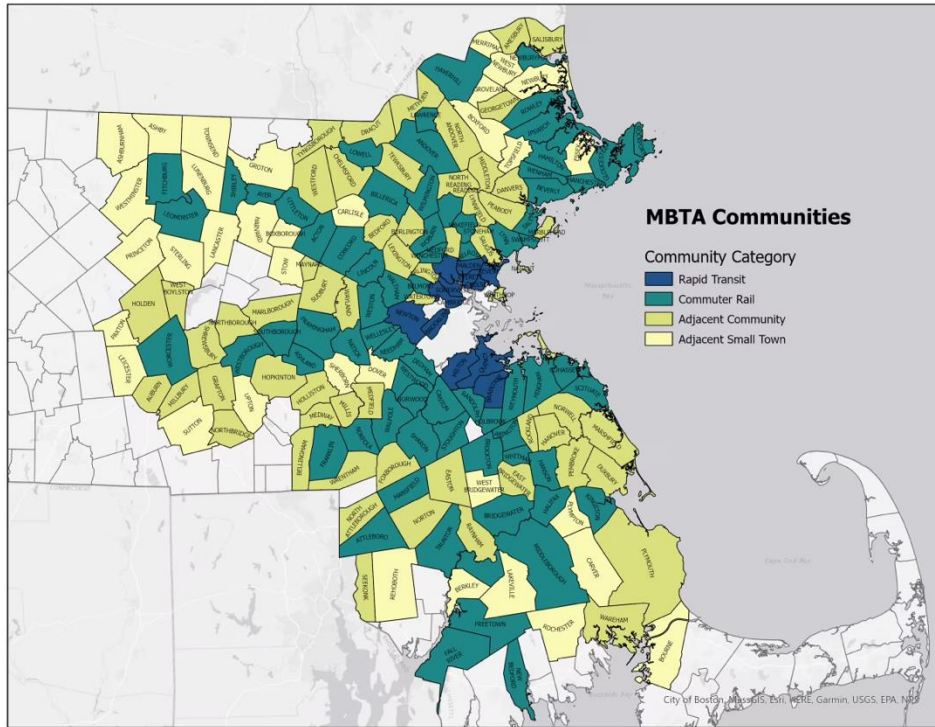


Figure 22 MBTA Communities Map by Community Category³⁸

Rapid Transit Communities are defined as “an MBTA community that has within its borders at least 100 acres of developable station area associated with one or more subway stations, or MBTA Silver Line bus rapid transit stations.”³⁹ The minimum multi-family unit capacity assigned to Rapid Transit Communities is an addition of 25% to the total existing housing stock in the community. The minimum land area of the multi-family zoning district is 50 acres, or 1.5% of the developable land in an MBTA community, whichever is less.

Commuter Rail communities are defined as “an MBTA community that (i) does not meet the criteria for a rapid transit community, and (ii) has within its borders at least 100 acres of developable station area associated with one or more commuter rail stations.”⁴⁰ The minimum

³⁸ “Multi-Family Zoning Requirement for MBTA Communities.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, 10 Aug. 2022, www.mass.gov/info-details/multi-family-zoning-requirement-for-mbta-communities.

³⁹ “Massachusetts General Law Chapter 40A Section 3A Guidelines.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, www.mass.gov/info-details/section-3a-guidelines. Accessed 15 Nov. 2023.

⁴⁰ “Massachusetts General Law Chapter 40A Section 3A Guidelines.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, www.mass.gov/info-details/section-3a-guidelines. Accessed 15 Nov. 2023.

multi-family unit capacity assigned to Commuter Rail Communities is an addition of 15% to the total existing housing stock in the community. The minimum land area of the multi-family zoning district is 50 acres, or 1.5% of the developable land in an MBTA community, whichever is less.

Adjacent Communities are defined as *“an MBTA community that (i) has within its boundaries less than 100 acres of developable station area, and (ii) is not an adjacent small town.”*⁴¹ The minimum multi-family unit capacity assigned to Adjacent Communities is an addition of 10% to the total existing housing stock in the community. The minimum land area of the multi-family zoning district is 50 acres, or 1.5% of the developable land in an MBTA community, whichever is less.

Adjacent small towns are defined as *“an MBTA community that (i) has within its boundaries less than 100 acres of developable station area, and (ii) either has a population density of less than 500 persons per square mile, or a population of not more than 7,000 year-round residents as determined in the most recently published United States Decennial Census of Population and Housing.”*⁴² The minimum multi-family unit capacity assigned to Adjacent small towns is an addition of 5% to the total existing housing stock in the community. In adjacent small towns, there is no minimum land area. In these communities, the multi-family zoning district may comprise as many or as few acres as the community determines is appropriate, so long as the district meets the applicable minimum multi-family unit capacity and the minimum gross density requirements.

In all MBTA communities, there is a contiguity requirement that at least half of the multi-family zoning district land areas must comprise contiguous lots of land. No portion of the district that is less than 5 contiguous acres of land will count toward the minimum size requirement. If the multi-family unit capacity and gross density requirements can be achieved in a district of fewer than 5 acres, then the district must consist entirely of contiguous lots.

⁴¹ “Massachusetts General Law Chapter 40A Section 3A Guidelines.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, www.mass.gov/info-details/section-3a-guidelines. Accessed 15 Nov. 2023.

⁴² “Massachusetts General Law Chapter 40A Section 3A Guidelines.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, www.mass.gov/info-details/section-3a-guidelines. Accessed 15 Nov. 2023.

To calculate the minimum unit capacity, the greater of the total existing housing stock is multiplied by the assigned percentage or the minimum land area (up to 50 acres) times the minimum gross density requirement of 15 units per acre. For example, if you have an adjacent community with 1,000 existing housing units and a minimum land area of 50 acres, you would multiply 1,000 housing units by 10% to get 100 housing units. You would then multiply 50 acres by 15 to get 750 housing units but adjust that number down so that it does not exceed 25% of 1,000. The adjusted value is 25% times 1,000 which is 250. The minimum unit capacity for the example adjacent community would be as of right zoning for 250 units.

Special consideration can be given to communities with existing mixed-use development districts to have relief on the “reasonable size” designation. Requests for special consideration must have been made 90 days prior to the plan’s vote by the MBTA community’s legislative body (i.e. Town Meeting or city council). An MBTA community asking to reduce unit capacity for its multifamily zoning district based on the existence of mixed-use districts must demonstrate:

1. The mixed-use development zoning district is in an eligible location where existing village-style or downtown development is essential to preserve pedestrian access to amenities;
2. there are no age restrictions or limits on unit size, number of bedrooms, bedroom size or number of occupants and the residential units permitted are suitable for families with children;
3. mixed-used development in the district is allowed “as of right” as that phrase has been interpreted by the Executive Office of Housing and Livable Communities (EOHLC) (for example, in section 4(c) with respect to affordability requirements);
4. the requirement for non-residential uses is limited to the ground floor of buildings, and in no case represents a requirement that more than thirty-three percent of the floor area of a building, lot, or project must be for non-residential uses;
5. the requirement for non-residential uses does not preclude a minimum of three residential dwelling units per lot;
6. the requirement for non-residential uses allows a broad mix of non-residential uses as-of-right in keeping with the nature of the area; and

7. there are no minimum parking requirements associated with the non-residential uses allowed as of right.

If approved by the EOHLC and all of the above multifamily/mixed use zoning requirements are met, the reasonable size and minimum unit capacity can be adjusted down by the lesser of:

1. the unit capacity of residential dwelling units in the mixed-use development district or subdistrict or
2. twenty five percent of the unit capacity requirement listed in the attached appendix, the methodology for which was outlined above. The special consideration will only affect the minimum unit capacity, not the minimum land area acreage or contiguity requirements for a multi-family zoning district.⁴³

Location of Districts

While the letter of the law states that a compliant multi-family zoning district must be located not more than 0.5 miles from a commuter rail station, subway station, ferry terminal or bus station, this is not always feasible in practice. When a community has a small amount of area surrounding a transit station and it is not practical to locate the district immediately within a half mile of a transit station, the guidelines offer some relief depending on how much developable station area is in the community. The following table illustrates the requirements depending on the total developable station area within the MBTA community.

| Total developable station area within the MBTA community (acres) | Portion of the multi-family zoning district that must be within a transit station area |
|--|--|
| 0-100 | 0% |
| 101-250 | 20% |
| 251-400 | 40% |

⁴³ “Massachusetts General Law Chapter 40A Section 3A Guidelines.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, www.mass.gov/info-details/section-3a-guidelines. Accessed 15 Nov. 2023.

| | |
|---------|-----|
| 401-600 | 50% |
| 601-800 | 75% |
| 801+ | 90% |

Figure 23 Location of Multifamily Districts by Developable Station Area

The portion of the multi-family zoning district that must be within a transit station area in the table above applies to both minimum land area as well as the multi-family unit capacity. If for example a town had 500 acres available within the developable station area, 50% of the zoning district must be located within 0.5 miles of the station and 50% of the units required must also be within this district. The balance of the required land area and unit count can be located elsewhere in town, and is encouraged to be located in an area with reasonable access to a transit station.

Compliance

Compliance with the MBTA Communities Act is required. In order to ensure compliance, the state has provided over \$2M in technical assistance to over 50 cities and towns who have requested aid. In response to a number of cities and towns stating they would refuse to comply, the State’s Office of the Attorney General released an official advisory notice concerning the enforcement of the MBTA Communities Act. The Attorney General acknowledged Massachusetts’ housing crisis in stating *“By any measure, Massachusetts is in a housing crisis that is inflicting unacceptable economic, social, and environmental harms across our state – particularly on working families and people of color. The Law directly responds to this crisis by implementing zoning reforms that require MBTA Communities to permit reasonable levels of multifamily housing development near transit stations.”*⁴⁴

The Attorney General clarified that all MBTA communities must comply as this is a statutory requirement. Failure to comply will result in civil enforcement action, and administrative consequences that include disqualification from state funding from discretionary grant programs such as:

1. Community Planning Grants, EOHLIC,

⁴⁴ Campbell, Andrea J. “Advisory Concerning Enforcement of the MBTA Communities Zoning Law.” Commonwealth of Massachusetts Mass.Gov, Office of the Attorney General, www.mass.gov/doc/advisory-concerning-enforcement-of-the-mbta-communities-zoning-law/download. Accessed 10 Dec. 2023.

2. Massachusetts Downtown Initiative, EOED,
3. Urban Agenda, EOED,
4. Rural and Small Town Development Fund, EOED,
5. Brownfields Redevelopment Fund, MassDevelopment,
6. Site Readiness Program, MassDevelopment,
7. Underutilized Properties Program, MassDevelopment,
8. Collaborative Workspace Program, MassDevelopment,
9. Real Estate Services Technical Assistance, MassDevelopment,
10. Commonwealth Places Programs, MassDevelopment,
11. Land Use Planning Grants, EOEEA,
12. Local Acquisitions for Natural Diversity (LAND) Grants, EOEEA, and
13. Municipal Vulnerability Preparedness (MVP) Planning and Project Grants, EOEEA⁴⁵

Deadlines for implementing changes to the local zoning codes that allow for the called for as of right multifamily zoning depend on the community category as follows:

- | | |
|----------------------------|------------|
| 1. Rapid transit community | 12/31/2023 |
| 2. Commuter rail community | 12/31/2024 |
| 3. Adjacent community | 12/31/2024 |
| 4. Adjacent small town | 12/31/2025 |

As of 12/18/2023, only one town is listed as non-compliant, Holden, Ma. No action plan has been submitted to date.

Affordable Housing

The MBTA Communities Act does not expressly require affordable housing units as part of the as of right zoning in a community. The act recognizes the legal authority for inclusionary zoning but cautions that if affordability requirements are excessive, they can make it economically infeasible to construct new multi-family housing. As a result, the EOHLC will consider affordability requirements proposed by towns with a maximum of 10% of the units in a

⁴⁵ “Massachusetts General Law Chapter 40A Section 3A Guidelines.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, www.mass.gov/info-details/section-3a-guidelines. Accessed 15 Nov. 2023.

project to be designated as affordable units with an income cap no less than 80% of the area median income. The EOHLC will consider higher affordability requirements up to 20% under two scenarios, first if the multi-family zoning district is part of a smart growth district under chapter 40R. The second scenario under which a higher affordability requirement will be considered for approval is if a qualified independent third party acceptable to EOHLC provides an economic feasibility analysis using a methodology acceptable to the EOHLC.

Projected Outcomes

The included Appendix “MBTA Community Categories and Requirements” identifies the 177 cities and towns, records the community category, the total number of housing units from the 2020 Census by community, calculates the minimum multi-family unit capacity by community, identifies the minimum land area based on the category of community, identifies developable station area which is derived by taking the area of a half-mile circle around an MBTA commuter rail station, rapid transit station, or ferry terminal and removing any areas comprised of excluded land, and identifies the percentage of the new MBTA community to be located within the station area. Based on the 2020 Census, there were 1,941,671 units of housing in the 177 MBTA communities. Compliance with the MBTA Communities Act will result in the as of right zoning for an additional 296,839 units of housing across the 177 MBTA communities. The nearly 300,000 units of housing units is significant and represents an addition of 15.3% of the total existing stock in the MBTA communities. As a percentage of the statewide stock of housing, the outcomes are just as impressive representing an addition of 9.78% to the total existing housing stock of 3,036,334⁴⁶.

Another statistic by which to quantify the extent of the as of right approvals is to compare the housing stock that is unlocked by the MBTA communities act with the available stock of housing in the most populous community in Massachusetts, Boston. According to the 2020 census, Boston has 301,702 total units of housing⁴⁷. The MBTA communities act unlocks

⁴⁶ “Census Bureau QuickFacts: Massachusetts, United States.” United States Census Bureau, www.census.gov/quickfacts/fact/table/MA,US/PST045222. Accessed 21 Nov. 2023.

⁴⁷ “United States Census Bureau Housing Units Boston City, Massachusetts.” United States Census Bureau, data.census.gov/table/DECENNIALDHC2020.H1?q=Boston%20city,%20Massachusetts%20Housing. Accessed 15 Nov. 2023.

the potential to add nearly all of the existing stock of housing in Boston to the state. This is a significant step forward in addressing the housing crisis in Massachusetts.

Town of Milton Case Study

As a deep dive into one of the rapid transit communities in eastern Massachusetts that has the highest requirements for units to be added under the MBTA Communities Act, I have researched the town of Milton, MA. This town is unique from other communities that are under the zoning of this act because the residents of Milton have strongly opposed adopting the ordinances that would allow for more density in the town. Milton is a bedroom community adjacent to and southwest of Boston with a population of 28,364 and 9,235 housing units per the Census Bureau 2017-2021 estimate⁴⁸. The town has very few commercially zoned neighborhoods with 95.81% of real estate assessed value attributed to residential property, the majority of which is single-family housing⁴⁹. In FY2023, property tax receipts were 67% of total revenues in Milton with the remaining 33% derived from other revenue sources such as vehicle excise taxes, local receivables, and state aid. The following analysis of Milton, MA can be used as a case study to illustrate my advocacy for continued pushes from state and local governments to simplify zoning ordinances and allow more units as of right as a solution to the Massachusetts housing crisis.

In terms of public transit, Milton is serviced by the MBTA Mattapan Trolley, a short standalone route with 8 trolley stops spanning just over two miles in Milton and the surrounding communities of Dorchester and Mattapan, both of which are neighborhoods of the city of Boston. Trolley riders, most of which are commuters into Boston, must transfer from the trolley to the Red Line at the Ashmont station for service into downtown Boston. The Mattapan Trolley utilizes dated WWII era cars with a small, seated capacity of 38 riders. The line serves 6,600 riders per day, but the trolleys only operate a single car at a time - the only single car service of all MBTA lines. The MBTA plans to modernize the Mattapan trolley stations,

⁴⁸ "United States Census Bureau QuickFacts; Milton Town, Norfolk County, Massachusetts." United States Census Bureau, www.census.gov/quickfacts/fact/table/miltontownnorfolkcountymassachusetts/PST045222#PST045222. Accessed 4 Jan. 2024.

⁴⁹ Doyle, Arthur J, et al. "Town of Milton Fiscal Year 2023 Tax Classification Hearing December 6, 2022." Townofmilton.Org, 6 Dec. 2022, townofmilton.org/DocumentCenter/View/164/Tax-Classification-Hearing-Fiscal-Year-2023-PDF.

infrastructure, and cars over the next 8 to 10 years. This plan includes \$127M of committed funding to transform the Mattapan line including \$114.5M for work on the Mattapan line and stations and \$12.2M for temporary refurbishment of the WWII era cars until they are replaced by the next generation car⁵⁰.

Milton was classified as one of the 12 Rapid Transit Communities under the MBTA Communities Act because of the Mattapan trolley line. As per the MBTA Communities Act, Milton must provide as of right zoning for 15 units per developable acre up to a cap of 25% of the total existing stock of housing. The state utilized the 2020 Census Bureau estimate for the total units of housing as 9,844 and identified 404 acres of developable land in Milton. Due to the large developable area, the 25% cap of the existing housing stock was hit and is the relevant metric for the number of units to be allowed as of right, which was determined to be 2,461 units of housing. 50% of the multi-family district must be located in the station area⁵¹.

Currently, residents of Milton have organized to oppose the state-mandated increase of density and have triggered a special Town Meeting. In the summer and early fall of 2023, residents of Milton and town officials including the town planning board and Milton Select Board sought relief from the state in the designation as a Rapid Transit Community. The town argued that the “significant differences in service, infrastructure, and equipment demonstrate that the Mattapan trolley line is not equivalent to rapid transit lines”.⁵² The town argued that the Mattapan line operates more like a bus or streetcar system rather than a rapid transit system. The town also argued that the Mattapan line is the only MBTA Rapid Transit Community without a direct link to downtown, since riders must switch to the Red Line at Ashmont for service to downtown Boston. The town cited the significant difference in capacity as the Mattapan trolley WWII cars have a capacity of only 50-60 passengers per car, running only one car at a time with four total cars in operation. The Type 9 cars found on the Green Line which

⁵⁰ “Mattapan Line Transformation.” Massachusetts Bay Transportation Authority, www.mbta.com/projects/mattapan-line-transformation. Accessed 10 Jan. 2024.

⁵¹ “Multi-Family Zoning Requirement for MBTA Communities.” Commonwealth of Massachusetts Mass.Gov, Executive Office of Housing and Livable Communities, 10 Aug. 2022, www.mass.gov/info-details/multi-family-zoning-requirement-for-mbta-communities.

⁵² Zulla, Michael F. “Letter to MBTA Board of Directors RE Rapid Transit Classification for Milton.” TownofMilton.Org, 10 Aug. 2023, www.townofmilton.org/DocumentCenter/View/3253/Letter-to-MBTA-Board-of-Directors---Rapid-Transit-Classification-for-Milton--8-10-23.

the state intends to replace the WWII era cars with has a capacity of 300 passengers. Finally, the town argued that the state has a continued track record of failing to invest in the Mattapan Trolley line with disinvestment leading to deteriorating conditions along the cars, tracks, and stations⁵³.

Town officials sought to have Milton redesignated as an adjacent community rather than a Rapid Transit community. This redesignation would have lowered the minimum number of units in the required as of right multi-family zoning from 25% of the existing stock to 10% of the existing stock, a reduction from 2,461 units down to 984 units.

In response, the state rejected Milton's request in confirming that Milton meets all of the requirements of the definition of a Rapid Transit Community. In a letter response dated October 23, 2023, the Executive Office of Housing and Livable Communities stated that "the Guidelines do not – and cannot – take into consideration the quality of the service or the type of equipment used on any given line"⁵⁴.

After significant opposition in the town including calls from the planning board and committee members recommending not approving the proposal and presenting an alternate in 2024, a suggestion that would have opened state litigation and resulted in a loss of state funding, Members of Milton's Town Meeting ultimately voted by a 158 to 76 margin in favor of adopting the zoning measures compliant with the MBTA Communities Act. Milton was given approval by the state based on the plan it presented and was compliant with the MBTA Communities Act.

Milton residents are not giving up and continue to organize opposition. On December 18, 2023, 480 pages of signatures on a petition to put the MBTA Communities zoning measure to a vote before all voters in the town was presented to the Select Board. The petition included certified signatures from 5% of the registered voters in the town which will result in the Select Board calling for a special election to vote on a ballot question. Under town law, the Select

⁵³ Zullas, Michael F. "Letter to MBTA Board of Directors RE Rapid Transit Classification for Milton." TownofMilton.Org, 10 Aug. 2023, www.townofmilton.org/DocumentCenter/View/3253/Letter-to-MBTA-Board-of-Directors---Rapid-Transit-Classification-for-Milton--8-10-23.

⁵⁴ Kluchman, Caroline. "Executive Office of Housing and Livable Communities Letter RE MBTA Communities - Community Category." TownofMilton.Org, 23 Oct. 2023, www.townofmilton.org/DocumentCenter/View/5789/Milton-Commnuity-Category_10-23-23.

Board had three weeks to call for a special election. This is the first time since 1973 where the town has faced an initiative ballot question⁵⁵. On December 28, 2023, the Select Board called for a special town meeting to be held on February 13, 2024, to present to the voters at large and vote on this ballot question. This ballot question will allow voters at large to approve the town’s zoning bylaws and map explored below⁵⁶.

Milton’s proposed zoning bylaws and map

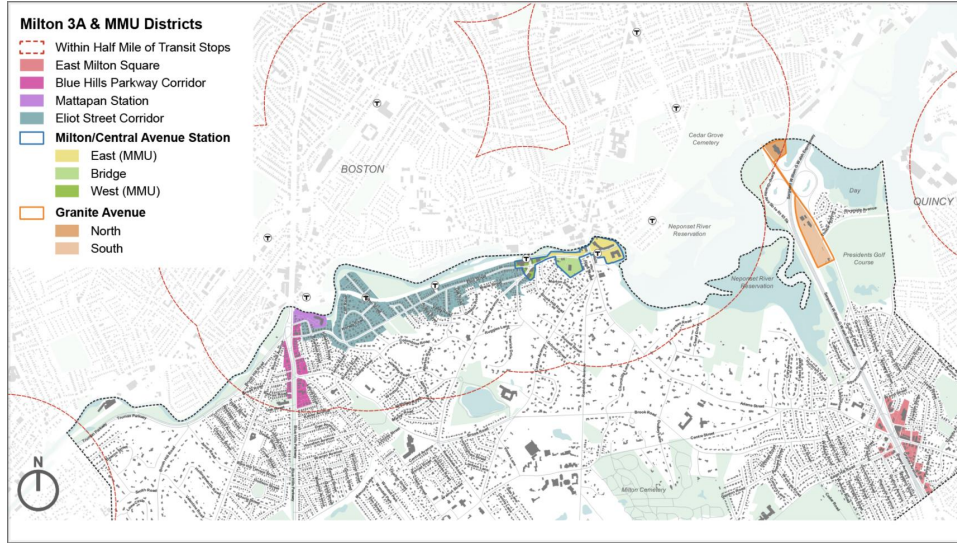


Figure 24 Proposed MBTA Communities Act Compliant Zoning Map⁵⁷

While Milton is required to comply with the MBTA Communities Act, the town has the ability to create a plan that designs the streetscape and neighborhood feels that they would like to see. Rather than a blanket approach that is applied by the state to all of the communities, the act allows for the towns to take this individualized approach. Milton has proposed the following zoning ordinances that are in compliance with the act. However, there are residents of the town who still oppose this zoning plan and its fate stands in question. The town has adopted a 158-acre MBTA Communities Multi-family Overlay District (MCMOD) to allow for as-of-right

⁵⁵ Carroll, Elaine C. "MBTA Communities Act May Face Vote at the Ballot." *Miltontimes.Com*, 22 Dec. 2023, www.miltontimes.com/news/local/mbta-communities-act-may-face-vote-at-the-ballot/article_434cbde6-9f4b-11ee-8435-b32d1d23bda4.html.

⁵⁶ "Town of Milton Office of the Selectboard Letter RE Town of Milton Status with Respect to MBTA Communities Act Compliance." *TownofMilton.Org*, 10 Jan. 2024, www.townofmilton.org/DocumentCenter/View/6271/Milton-Letter-to-EOHLC-re-MBTA-Communities-Act-Compliance-1-10-24.

⁵⁷ "Town of Milton 3A & MMU Districts Map for Warrant." *TownofMilton.Org*, Town of Milton, 8 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6128/2023-11-08-Milton-3A-MMU-Districts-Map-for-Warrant.

multifamily housing in compliance with the MBTA Communities Act. The MCMOD contains the following sub-districts Eliot Street Corridor Subdistrict, Milton/Central Avenue Station Subdistrict, Mattapan Station Subdistrict, Granite Avenue Subdistrict, East Milton Square Subdistrict, and Blue Hills Parkway Corridor Subdistrict.

Eliot Street Corridor Subdistrict

The Eliot Street Corridor subdistrict runs adjacent to the Mattapan Trolley Line. The corridor runs from Central Square to Blue Hill Parkway, the major connection into Mattapan. Eliot Street is a scenic road populated by single family homes. The previous zoning code almost exclusively allowed single family uses. The Eliot Street Corridor Subdistrict is intended to provide “lower density, high quality multi-family housing that helps preserve the existing physical context of the one- and two-unit neighborhoods directly adjacent to the Mattapan Trolley line”⁵⁸.

As Of Right Permitted Use:

Multi-family housing of up to 3 units in a single building per lot on parcels 7,500 square feet or more.

Parking:

Maximum of 1 space per residential dwelling unit.

Maximum FAR:

0.7 for lots 7,500 to 9,999 square feet, 0.52 for lots 10,000 to 14,999 square feet, and 0.35 lots 15,000 square feet or more.

Milton/Central Avenue Station Subdistrict

The Milton/Central Avenue Station subdistrict runs includes Central Square and Lower Mills, including the Adams Street connection in Dorchester. The subdistrict previously allowed for commercial/general business uses. Current uses include apartments, condominiums, single family homes, retail, and general commercial use. The Central Ave and Milton Trolley Stops are located in this subdistrict. The Milton/Central Avenue Station Subdistrict is intended to “allow for high quality mid-rise multi-family and mixed-use development while preserving the historic

⁵⁸ “Town of Milton MBTA Communities Warrant Article 1 and 2.” TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

character of the Milton Village and Central Avenue business districts.”⁵⁹

As Of Right Permitted Use:

Multi-family and mixed-use development with allowed ground floor uses of community space, educational space, personal services, retail, experiential retail, restaurants without a drive-through, office, medical office, artist studio or maker space. Multi-family and mixed-use buildings of up to 6 stories on MCMOD East parcels and up to 4.5 stories on MCMOD West and Bridge parcels. There is no minimum lot size in this subdistrict and a maximum of 40 units per acre.

Parking:

Maximum of 1 space per residential dwelling unit and minimum 1 space per 1,500 SF of commercial space. Site Plan Review can allow for a reduced parking ratio.

Maximum FAR:

1.0

Mattapan Station Subdistrict

The Mattapan Station Subdistrict is the closest connection to Mattapan at Blue Hill Ave. The subdistrict is across the Neponset River from the Mattapan Trolley Station located in Boston. Current uses include single- and two-family homes as well as a large existing senior housing community. The Mattapan Station Subdistrict is intended to “provide high quality mid-rise multi-family housing on large sites in a transit-oriented district.”⁶⁰

As Of Right Permitted Use:

Multi-family and mixed-use development with allowed ground floor uses of community space, educational space, personal services, retail, experiential retail, restaurants without a drive-through, office, medical office, artist studio or maker space. Multi-family housing up to 6 stories on certain parcels of at least 5,000 square feet, with additional units for every 1,000 square feet of lot area, near the Neponset River across from Mattapan Square.

⁵⁹ “Town of Milton MBTA Communities Warrant Article 1 and 2.” TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

⁶⁰ “Town of Milton MBTA Communities Warrant Article 1 and 2.” TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

Parking:

Maximum of 1 space per residential dwelling unit and a minimum of 1 space per 1,500 SF of commercial space. Site Plan Review can allow for a reduced parking ratio.

Maximum FAR:

1.1

Granite Avenue Subdistrict

The Granite Avenue Subdistrict is located near Milton’s borders with Dorchester and Quincy. This stretch of Granite Ave includes the onramp to the interstate. Current uses include a large office building and industrial/storage space for the Massachusetts Department of Transportation. The Granite Avenue Subdistrict is intended to “provide high quality, higher density multifamily or mixed-use development on large commercial or underutilized parcels with good access to transit, shared use paths, and Interstate 93.”⁶¹

As Of Right Permitted Use:

Multi-family and mixed-use development with allowed ground floor uses of community space, educational space, personal services, retail, experiential retail, restaurants without a drive-through, office, medical office, artist studio or maker space. Multi-family and mixed-use buildings of up to 6 stories on MCMOD North parcels and up to 4.5 stories on MCMOD South and Bridge parcels There is no minimum lot size but a maximum of 45 units per acre. The subdistrict should provide pedestrian oriented and human scaled environment with connectivity between buildings and outdoor space and an appearance of a residential neighborhood. Building types may include: Duplexes, Triplexes and Quadruplexes, Townhouses, Walk-up Multifamily (maximum of three floors and 12 units), Elevator Multifamily (more than three floors and more than 12 units), and Mixed-use buildings (ground floor active uses such as retail, services, community uses).

Parking:

⁶¹ “Town of Milton MBTA Communities Warrant Article 1 and 2.” TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

Maximum of 1.5 space per residential dwelling unit and minimum 1 space per 1,500 SF of commercial space. Site Plan Review can allow for a reduced parking ratio.

Maximum FAR:

1.1

East Milton Square Subdistrict

The East Milton Square Subdistrict is currently Milton’s primary commercial district. The district is intersected by the interstate and not located at a trolley stop. Current uses include Milton’s walkable East Milton Square which includes commercial uses such as restaurants, office space, salons, a market, as well as single and multifamily use. The East Milton Square Subdistrict is intended to “provide high quality multifamily and mixed-use development that bolsters the Town’s largest business district and maintains East Milton Square’s historic village downtown character.”⁶²

As Of Right Permitted Use:

Multifamily or mixed-use project up to 2.5 stories on parcels largely corresponding with the existing East Milton Square business district, as well as certain adjacent parcels in residential zones. Multi-family and mixed-use development with allowed ground floor uses of community space, educational space, personal services, retail, experiential retail, restaurants without a drive-through, office, medical office, artist studio or maker space. There is no minimum lot size but a maximum of 30 units per acre.

Parking:

Maximum of 1 space per residential dwelling unit and minimum 1 space per 1,500 SF of commercial space. Site Plan Review can allow for a reduced parking ratio.

Maximum FAR:

1.1

Blue Hills Parkway Corridor Subdistrict

The Blue Hills Parkway Corridor Subdistrict runs north south on Blue Hills Parkway, the connection into Mattapan. The corridor currently is home to one- and two-family homes. The Blue Hills Parkway Corridor Subdistrict is intended to “provide opportunities for lower density,

⁶² “Town of Milton MBTA Communities Warrant Article 1 and 2.” TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

high quality multi-family housing that helps preserve the existing physical context of the one- and two-unit neighborhoods adjacent to Blue Hills Parkway near Mattapan Station.”⁶³

As Of Right Permitted Use:

Multi-family housing of up to 30 units per acre on parcels 7,500 square feet or more.

Parking:

Maximum of 1 space per residential dwelling unit.

Maximum FAR:

0.7

Overall, these overlay districts create a consistent neighborhood feel and allow for the local governments to make community decisions while complying with the density requirements of the state government. These plans demonstrate the opportunity to directly address the housing crisis while maintaining the aesthetic and neighborhood design that the local community would like to see. Actions such as the MBTA Community Act and direct planning from the towns create harmony between the governing bodies and is a strong solution for the density problem across the state.

Affordability Requirements

In the vein of harmony of complying with the state mandates and appealing local interest, the requirements for affordable housing are an example of this harmony in play. The MBTA Communities Act does not mandate the ratio of affordable housing that is appropriate, but rather sets a cap to try to ensure that affordability cannot be used as a tactic to prevent projects from getting off the ground. In this case, Milton determined that all residential and mixed-use developments with ten or more dwelling units whether new construction or substantial rehabilitation to expansion shall provide no fewer than 10% of housing units as Affordable Housing Units. Affordable Housing Units must be available to households earning incomes up to 80% of the AMI. Affordable units must be dispersed throughout the development with equal access to shared amenities, distributed proportionally among unit sizes and project

⁶³ “Town of Milton MBTA Communities Warrant Article 1 and 2.” TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

phases⁶⁴. The existing zoning code for Planned Unit Developments called for 12% of housing to be designated affordable for individuals making 80% of the AMI.

I applaud this balance of power between the state and local interests. As the town of Milton prepares to vote on the proposed zoning bylaws and map to become compliant with the MBTA Communities Act, I would like to dispel many of the sentiments commonly expressed regarding the impacts of added housing density.

Review of Town Fiscal Impact Analysis

The town of Milton commissioned RKG Associates, an economic planning and real estate consultancy, to estimate the net fiscal impact of adding the housing required by the MBTA Communities Act. RKG Associates developed a model using an industry standard incremental fiscal impact methodology to measure the incremental impact on the town's general fund budget with each new unit of housing constructed. RKG analyzed the town's budget and worked with town officials to conclude that 18% of the town's departmental budget was variable and would increase with the addition of new housing units. RKG apportioned the variable budget component to the current tax base of residential properties which is 96% of all property. RKG then used the count of total households from the 2021 American Community Survey's Five-Year Estimated of 9,235 households in Milton. The Net Cost allocated per household ends up being \$1,090⁶⁵.

Next, RKG estimates education cost on a per pupil basis. In a manner like the analysis used for municipal costs, RKG calculated an incremental cost for Milton's school budget based on the FY2022 Department of Elementary and Secondary Education. Using local costs only, net of state aid and grants, RKG attributed \$9,753 as the per pupil incremental cost of education or 62% of the full cost of educating a child in Milton. By applying the industry standard ratio of school aged children (SAC) per unit, RKG was able to estimate the number of school age children per MBTA district in Milton. The SAC Ratio per unit is copied below.

⁶⁴ "Town of Milton MBTA Communities Warrant Article 1 and 2." TownofMilton.Org, Town of Milton, 9 Nov. 2023, www.townofmilton.org/DocumentCenter/View/6120/MBTA-Communities-Warrant-Articles-1-and-2.

⁶⁵ RKG Associates, Inc. "Town of Milton, MA Impact Analysis of MBTA Districts Final Report." https://www.townofmilton.org/DocumentCenter/View/6220/2023-12-06_Impact-Report_Milton-MBTA-Districts, 6 Dec. 2023, www.townofmilton.org/DocumentCenter/View/6220/2023-12-06_Impact-Report_Milton-MBTA-Districts.

| Use Category | SAC Ratio per Unit |
|----------------------|--------------------|
| Studio/One Bed - MKT | 0.00 |
| Two Bed – MKT | 0.05 |
| Three Bed – MKT | 0.80 |
| Condo – MKT | 0.12 |
| Townhome – MKT | 0.43 |
| Studio/One Bed – AFF | 0.00 |
| Two Bed – AFF | 0.05 |
| Three Bed – AFF | 1.20 |
| Condo – AFF | 0.12 |
| Townhome – AFF | 0.43 |

Figure 25 School Aged Child Ratios per Unit⁶⁶

After establishing the incremental municipal cost per household and the incremental cost of education per pupil, RKG ran three scenarios of unit build out. The first was a full build out of the 2,586 units required by the MBTA Communities Act. The second was a decreased level of production with the assumption that the town’s proposal to eliminate parking requirements will be implemented, lowering development costs. Scenario 2 resulted in 971 total units. Scenario 3 was a decreased level of production absent the waiver of parking resulting in 889 total units built. RKG allocated 10% studios, 45% one-beds, 35% two-beds, and 10% three beds when running their scenarios. These unit breakdowns are utilized with the SAC ratio to determine the number of school aged children added and therefore the total additional cost to the education budget. The unit breakdowns were also utilized to determine the incremental revenue side of the equation which I will examine next.

I take no fault with the methodology used so far to establish the incremental municipal costs and education costs per pupil, however, I find fault with the methodology for estimating

⁶⁶ DESE 2022, Residential Demographic Multipliers for Massachusetts, 2017, Town of Milton SAC Metrics, RKG Associates SAC Database.

the incremental revenue the new units will deliver. RKG utilized construction costs on a per square foot basis as a proxy for future assessed value. RKG utilized construction cost data from RS Means for their estimate. The values are copied below.

CONSTRUCTION COST ASSUMPTIONS

| Residential Type | Gross SQFT per Unit | Per SQFT Cost | Total Value per Unit |
|-------------------------|----------------------------|----------------------|-----------------------------|
| Studio Apartments | 550 | \$250 | \$137,500 |
| One Bed Apartments | 750 | \$250 | \$187,500 |
| Two Bed Apartments | 1,050 | \$250 | \$262,500 |
| Three Bed Apartments | 1,250 | \$250 | \$312,500 |
| For-Sale Condominium | 1,250 | \$400 | \$500,000 |
| For-Sale Townhome | 1,600 | \$400 | \$640,000 |

Source: RS Means, RKG Associates 2023

Figure 26 Value Assumptions per Unit

As RKG rightfully pointed out, there has been limited levels of development in Milton but the assumption that construction cost can be applied as the assessed value is flawed. To verify this, I researched sales of new construction apartments, condominiums, and townhouses in Milton over the past three years. I then referenced the current assessed value for each of these properties. The average assessed value for all unit types was \$570.91 per square foot. The average sale price for all unit types was \$629.15 per square foot.

When broken out by number of bedrooms, the averages are as follows.

| | Average Assessed Value | Average Sale Value |
|--------|------------------------|--------------------|
| studio | N/A | N/A |
| 1 | \$ 564.77 | \$ 564.17 |
| 2 | \$ 601.81 | \$ 653.41 |
| 3 | \$ 519.53 | \$ 595.11 |
| Total | \$ 570.91 | \$ 629.15 |

Figure 27 Milton Average Assessed Value (\$/sf) and Average Historical Sales (\$/SF)

The average assessed value of \$570.91 per square foot of units with all bedroom types is a 43% premium over the condominium and townhouse per square foot value of \$400 attributed by RKG. In the sample set of recent new construction sales excluding single family homes, on average the assessed value is 91% of the sale price. The RKG fiscal impact analysis was modeled only using the multi-family rental impacts. RKG attributed a value of \$250 per square foot per apartment and assumed that apartments are worth 62.5% of a condominium or town house unit (250/400), further handicapping the projected value of real estate tax revenues Milton can achieve. This discount rate is excessive. Recent sales data shows that new construction condominiums and townhouses are assessed at \$571 per square foot on average. If I attribute half the discount that RKG attributes to apartments and assume that the assessed value per square foot of new apartments will be a 15% decrease to the condominium price, this would be \$485 per square foot in new appraised value versus the \$250 per square foot attributed by RKG.

All else equal, this analysis shows that RKG is underestimating the additional tax revenue the town of Milton will receive from new developments due to equating construction cost with assessed values and significantly handicapping the projected stabilized values of apartment buildings. Per square foot construction costs in pricing exercises is generally quoted for hard construction costs only. RKG failed to realize that hard construction costs do not equate to stabilized value. Developers must also account for land acquisition, soft costs such as design, carrying costs, cost of capital, and transaction fees. If hard construction costs equaled value, developers would not pursue a project.

RKG calculates the Net Fiscal Impact as the net new real estate tax receipts minus the cost of education (per pupil) minus the municipal cost (per household). Holding constant RKG's estimates for incremental municipal and education costs as well as the estimates for additional revenues such as excise taxes and Community Preservation Act Funding but increasing real

estate tax receipts based on the assumptions above results in a 350% increase in the net surplus of funds added to the town’s general fund in all three scenarios.

| | Summary | Existig Housing Units | New Housing units | Cost of Education (\$9,753 per pupil) | Municipal Cost (\$1,090 per household) | New Real Estate Tax Receipts | Net Fiscal Impact | Other Fees | Total Fiscal Impact |
|--------------------------------|---|-----------------------|-------------------|---------------------------------------|--|------------------------------|-------------------|-------------|---------------------|
| RKG | 1. FULL BUILD OUT | 9,235 | 2,586 | \$ (2,584,545) | \$ (2,818,740) | \$ 6,479,600 | \$ 1,076,315 | \$1,377,390 | \$2,453,705 |
| | 2. RATE OF CHANGE – NO PARKING REQUIRED | 9,235 | 971 | \$ (985,026) | \$ (1,058,390) | \$ 2,433,605 | \$ 390,189 | \$517,172 | \$907,361 |
| | 3. RATE OF CHANGE – PARKING REQUIRED | 9,235 | 889 | \$ (907,004) | \$ (969,010) | \$ 2,225,798 | \$ 349,784 | \$473,494 | \$823,278 |
| Updated Real Estate Appraisals | 1. FULL BUILD OUT | 9,235 | 2,586 | \$ (2,584,545) | \$ (2,818,740) | \$ 12,570,423 | \$ 7,167,138 | \$1,377,390 | \$8,544,528 |
| | 2. RATE OF CHANGE – NO PARKING REQUIRED | 9,235 | 971 | \$ (985,026) | \$ (1,058,390) | \$ 4,721,194 | \$ 2,677,778 | \$517,172 | \$3,194,950 |
| | 3. RATE OF CHANGE – PARKING REQUIRED | 9,235 | 889 | \$ (907,004) | \$ (969,010) | \$ 4,318,047 | \$ 2,442,033 | \$473,494 | \$2,915,527 |

Figure 28 Total Fiscal Impact to Town of Milton Given Modified Value Assumptions

This revised analysis can be used to dispel some of the common “Not in My Backyard” or “NIMBY” oppositions to new development. This analysis projects that the as of right zoning required in Milton under the MBTA Communities Act will not result in significant costs to the town but will result in a net increase in the town’s budget. Allowing the as of right zoning will not immediately result in every parcel moving forward in the development process. As RKG’s analysis identified, redevelopment of non-vacant parcels will only occur when the allowed density will yield an economic return for landowners/developers. Value must be generated that exceeds the current value of an existing building plus the cost of redevelopment.

Although many Milton residents may disagree, I believe that a greater amount of housing in the town is a net positive. The revenues to the town net of incremental municipal costs and the cost of education explored above demonstrate increased tax revenue for the town. This is one of the common myths that new development will cause a net draw on town resources. Another positive is the improved quality of life from the new mixed-use districts. As previously shown, 95.81% of real estate value in Milton is currently attributed to residential real estate. With mixed use development allowed in the Milton/Central Ave, Mattapan Station, Granite Ave, and East Milton Square Subdistricts, new retail, restaurants, professional services, artist space, and maker space can come online in Milton. Residents may not need to fight traffic and travel to neighboring cities and towns for entertainment or could locate their small business in the new space in their hometown.

The tax revenue analysis above did not provide context for the constraints Proposition 2 ½% presents on cities and towns in Massachusetts. Under Massachusetts Proposition 2 ½%,

towns are limited in the amount which they can increase the property tax levy to 2.5% of the previous year's levy, plus new growth, plus any overrides voted on by residents. With this cap in mind, residents and town budget offices should be excited about the potential for new growth as it unlocks the potential for greater town revenues. The burden of raising revenues can be decreased on a per unit of housing basis as new housing units are added to the stock. Additionally, with different tax rates for commercial and residential property, the burden of taxation can be shifted from residential properties to commercial properties as more commercial properties are added in Milton. The combination of adding new housing stock and adding more commercial space can have the effect of lowering the total taxation burden on current homeowners.

While not feasible now as the vast majority of property in Milton is residential, if continued pushes allow for additional rental housing and more commercial development, the cost of living in Milton can be significantly lowered. Milton has explored a residential exemption for owner occupied housing before but has never adopted the measure. Neighboring communities such as Boston allow for a residential exemption, a tax break for owner occupied housing which in Boston can relieve homeowners of up to \$3,610.53 on their tax bill in 2024⁶⁷. With more rental housing in the housing stock, this tax break becomes a potential reality for homeowners in Milton.

A strong opposing argument to the MBTA Communities Act is the friction between local control and mandates pushed down from larger bodies of government. This friction is at the root of the Town Meeting form of direct democracy explored earlier. Opponents claim the MBTA Communities Act infringes on towns' abilities to self-govern, but I disagree. I am a proponent of smaller government and more local control, however, because of the influence town and city residents can wield in Massachusetts, absent the action by Governor Baker in the MBTA Communities Act, the level of density allowed as of right would never have been approved and the housing crisis would only continue to become worse forcing many to relocate out of state. Decades of low permit approvals and onerous zoning regulations were explored earlier as

⁶⁷ "Residential Exemption." Boston.Gov, 1 Jan. 2024, www.boston.gov/departments/assessing/residential-exemption.

evidence for this fact. As explored previously, the MBTA Communities Act introduces a balance between local and state control that is designed to eliminate some of this friction. While the act prescribed the density requirements towns must hit and identified target locations, it is ultimately up to each city and town to develop their local zoning ordinance. This allows the local community to design their desired streetscape, dictate acceptable forms of housing, and determine relevant ratios of commercial use and affordable housing. Local communities still have the power to utilize site plan review and local zoning ordinances such as the one explored for Milton above to dictate the form of housing that is allowed, but the important fact is that the state mandated the quantity of housing to be allowed as of right.

As a final argument in favor of the proposed zoning bylaws and map, residents should recognize the advances this will make in making Milton a more welcoming and diverse community. By allowing a significant increase in the number of housing units, pricing pressure can be alleviated, and Milton can become an achievable home for many new homeowners and renters.

Milton residents should also consider the perspective of developers and understand the impact of providing clear zoning bylaws. It is typical in Massachusetts for housing projects to take years in the development process as developers identify potential sites, compile multiple parcels, secure options or purchase land, hire a design and engineering team, and negotiate with town planners, zoning boards, and abutters. This lack of clarity limits the number of developers willing to take the development risk and forces developers to seek a higher risk adjusted return due to the uncertainty thus driving up the cost of housing. By providing clear zoning guidance, the development potential of sites in the zoning overlay subdistricts are immediately known and developers can move much faster from start to finish in delivering housing. The required returns are also lower with quantifiable outcomes in terms of units per acre and design parameters available from day one. In economic theory, this is the flatter supply curve we explored previously as the supply becomes more elastic with clearer regulations. Popular sentiment regularly cites developer greed and desire to produce nothing but luxury units but ignores all these inputs in a long and unclear process that drives costs higher and ultimately pushes developers to only be able to pencil out luxury projects.

Zoning changes are the first step in addressing the housing crisis in Massachusetts. Historically, local policies have been anti-development including extensive zoning exclusively for large lot single family homes. The MBTA communities act significantly moves the needle on zoning change allowing nearly 300,000 units as of right in the communities with access to transit hubs in the state. High construction costs, high interest rates, and high risk adjusted return requirements are still barriers to delivering this housing immediately, but a significant first step has been made that will begin to alleviate some of the pressure in the housing market in Massachusetts.

Parcel Development Case Study

In order to illustrate the benefits of the added density when observed from the perspective of the town of Milton, I chose to illustrate a case study from a selection within the Mattapan Station Subdistrict. This case study is for academic purposes only and is based only on the assumptions I identify in this section. This is not intended to be a complete development study and excludes any site planning, architectural planning, engineering, and financial underwriting. The intended audience for this example is the Town of Milton, its residents, and any other town and residents who would like to explore the impact on their community of the potential for development under the MBTA Communities Act. I will analyze the hypothetical acquisition of 6 single family homes in order to assemble a buildable lot for condominium development compliant with the MBTA Communities Mattapan Station Subdistrict zoning overlay in Milton.

The Mattapan Station Subdistrict is comprised of 7 parcels, 6 small single-family parcels and one large parcel that is a senior housing facility. The senior housing facility, The Unquity House, was built in 1972 and contains 90 one-bedroom apartment and 40 studio apartments. I have excluded the Unquity House from my analysis and instead will focus on the 6 single family parcels. The six single family parcels are shown below in the GIS map selection as well as the following table.

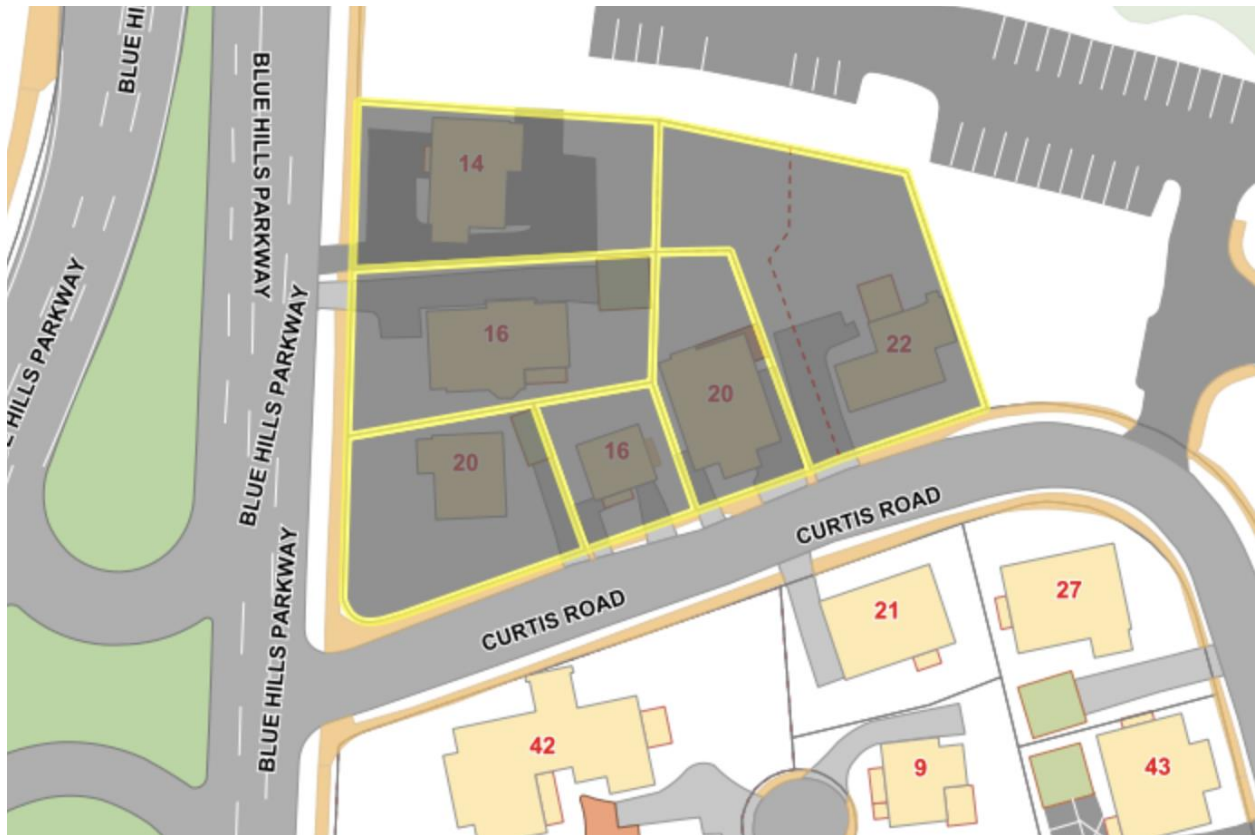


Figure 29 Selection of Mattapan Station Subdistrict Parcels for Case Study⁶⁸

| Parcel | Property | Link | Area acres | Area sf |
|--------|------------------|---|------------|---------|
| 1 | 14 Blue Hills PW | https://milton.patriotproperties.com/Summary.asp?AccountNumber=3662 | 0.164 | 7,144 |
| 2 | 16 Blue Hills PW | https://milton.patriotproperties.com/Summary.asp?AccountNumber=3671 | 0.164 | 7,144 |
| 3 | 20 Blue Hill PW | https://milton.patriotproperties.com/Summary.asp?AccountNumber=3670 | 0.137 | 5,968 |
| 4 | 16 Curtis Rd | https://milton.patriotproperties.com/Summary.asp?AccountNumber=3669 | 0.062 | 2,701 |
| 5 | 20 Curtis Rd | https://milton.patriotproperties.com/Summary.asp?AccountNumber=3668 | 0.1 | 4,356 |
| 6 | 22 Curtis Rd | https://milton.patriotproperties.com/Summary.asp?AccountNumber=3672 | 0.24 | 10,454 |
| Totals | | | 0.87 | 37,767 |

Figure 30 Parcels 1-6 in Mattapan Station Subdistrict Selected for Case Study

| Property | Beds | Baths | SAC | Current School Aged Children |
|------------------|------|-------|------|------------------------------|
| 14 Blue Hills PW | 4 | 2.5 | 0.8 | 0.8 |
| 16 Blue Hills PW | 3 | 1.5 | 0.8 | 0.8 |
| 20 Blue Hill PW | 3 | 3 | 0.8 | 0.8 |
| 16 Curtis Rd | 2 | 1 | 0.05 | 0.05 |
| 20 Curtis Rd | 3 | 1.5 | 0.8 | 0.8 |
| 22 Curtis Rd | 3 | 1.5 | 0.8 | 0.8 |
| Total | | | | 4.05 |

Figure 31 Property Data, Existing 6 Homes

As shown above, the case study target is 6 single family homes that together comprise 0.87 acres on the corner of Blue Hills Parkway and Curtis Road. The six single family homes currently include a total of 18 bedrooms and utilizing the school aged children ratios introduced

⁶⁸ "Town of Milton GIS." Maps Online.Net, www.mapsonline.net/miltonma/miltonofficialmapper.html#x=-7914303.509019,5200773.72444,-7913873.550735,5201018.561796. Accessed 16 Jan. 2024.

previously, presumably house 4.05 school aged children. This analysis assumes that is possible to acquire the six parcels at their current market price as individual single-family homes in order to assemble a single buildable parcel to develop condominiums. Utilizing the market analysis explored earlier, I will assume that the current appraised value is 91% of the market value, meaning the total market value of the six homes is collectively \$4,377,474.42 as shown below.

| Property | Total Assessed Value | Current Real Estate Tax Revenue (Mill Rate 11.32 per \$1,000) | Total Market Value |
|------------------|----------------------|---|--------------------------|
| 14 Blue Hills PW | \$ 752,900.00 | \$ 8,522.83 | \$ 829,695.77 |
| 16 Blue Hills PW | \$ 637,500.00 | \$ 7,216.50 | \$ 702,524.97 |
| 20 Blue Hill PW | \$ 782,300.00 | \$ 8,855.64 | \$ 862,094.57 |
| 16 Curtis Rd | \$ 501,800.00 | \$ 5,680.38 | \$ 552,983.58 |
| 20 Curtis Rd | \$ 583,600.00 | \$ 6,606.35 | \$ 643,127.17 |
| 22 Curtis Rd | \$ 714,200.00 | \$ 8,084.74 | \$ 787,048.37 |
| Total | 3,972,300 | \$ 44,966.44 | \$ 4,377,474.42 |
| | | | *Appraised 91% of Market |

Figure 32 Appraised and Market Value of Existign Homes

The new MBTA Communities compliant zoning overlay district allows for a maximum of 45 units per acre. This parcel is 0.87 acres so I assume that 40 units would be allowed as of right on the parcel. As previously stated, this analysis excludes the necessary step of civil site planning and architectural design, so I have not included an analysis of a proposed building footprint to ensure that all of the dimensional regulations are satisfied.

| Mattapan Station Subdistrict | |
|------------------------------|------|
| Units per acre | 45 |
| Site Acreage | 0.87 |
| Allowed Units | 40 |

Figure 33 Mattapan Station Subdistrict Density

I use the unit mix that was used in the RKG Fiscal Impact Analysis of 10% Studios, 45% One Bedrooms, 35% Two Bedrooms, and 10% three bedrooms. I also use the unit sizes assumed by RKG as shown below. I added an efficiency factor of 10% to account for common area and arrive at a total built area of 38,500 square feet for this 40-unit condominium project.

| Unit Type | Unit Mix | Units | Size | Efficiency Factor | Built Size sf |
|---------------|----------|-------|------|-------------------|---------------|
| | | | | 10% | |
| Studio | 10% | 4 | 450 | 45 | 495 |
| One Bedroom | 45% | 18 | 750 | 75 | 825 |
| Two Bedroom | 35% | 14 | 1050 | 105 | 1155 |
| Three Bedroom | 10% | 4 | 1250 | 125 | 1375 |
| Total | | 40 | | | 38,500.00 |

Figure 34 Hypothetical Condominium Building Unit Mix and Size

I assume the hard costs of \$250 per square foot provided by RKG and add a project soft cost of 33%, or \$82.50 per square foot in order to arrive at the total new construction build cost of \$12,801,250 as shown below.

| Unit Type | Units | Built Size sf | Hard Cost psf | Soft Cost psf | Build Cost |
|---------------|-------|---------------|---------------|---------------|------------------|
| Studio | 4 | 495 | 250 | 82.5 | 658,350 |
| One Bedroom | 18 | 825 | 250 | 82.5 | 4,937,625 |
| Two Bedroom | 14 | 1,155 | 250 | 82.5 | 5,376,525 |
| Three Bedroom | 4 | 1,375 | 250 | 82.5 | 1,828,750 |
| | | | | | \$ 12,801,250.00 |

Figure 35 Hypothetical Condominium Building Build Cost

As previously stated, I assumed the developer could purchase the six individual six family homes at their market prices as single-family homes. The total site acquisition cost is assumed to be \$4,377,474. The total project cost is the acquisition cost plus the total build cost for a total project cost of \$17,178,724 as shown below.

| Total Project Cost | |
|------------------------|------------------|
| Build Cost | \$ 12,801,250.00 |
| Acquisition Cost | \$ 4,377,474.42 |
| Total Project Cost | \$ 17,178,724.42 |
| Total Project Cost psf | \$ 490.82 |

Figure 36 Total Project Cost

Per Milton's new zoning overlay requirements, I assumed 10% of the units would be affordable for sale condominiums. Per the direction of the Executive Office of Housing and Livable Communities (EOHLC), I assumed the following to arrive at the affordable sales prices. For simplicity, I limited the unit types to one and two bedrooms and included 2 of each type of unit as affordable sales. The one-bedroom units are calculated at 70% of the area median income (AMI) in Milton of \$170,531 per the US Census Bureau and two-bedroom units are

calculated at 80% AMI. Under a simplified reading of the EOHLC guidelines, I assumed a household could afford to allocate 30% of income to housing on a mortgage with a 6% interest rate, a 95% LTV ratio, a 30-year term, and no private mortgage insurance. The resulting sales values that can be supported are \$449,505 for a one-bedroom condo and \$513,720 for a two bedroom condo.

| Affordability Assumptions | | |
|---|---------------|--------------|
| Percentage of Units | 10% | |
| Allocation | (2) 1 beds | (2) 2 beds |
| Area Median Income | \$ 170,531.00 | \$170,531.00 |
| AMI | 70% | 80% |
| Income Limit | \$ 119,371.70 | \$136,424.80 |
| Housing Allocation | 30% | 30% |
| Available for Debt Service and RE Taxes | \$ 35,811.51 | \$ 40,927.44 |
| Mortgage | \$427,030 | \$488,034 |
| Annual Payment | \$30,723 | \$35,112 |
| Mortgage Terms | | |
| LTV | 95% | 95% |
| Rate | 6% | 6% |
| Term | 30 | 3000% |
| RE Taxes | 1.13% | 1.13% |
| RE Tax Payment | \$ 5,088.40 | \$ 5,815.31 |
| Total Cost | \$ 35,811.51 | \$ 40,927.44 |
| Value of Unit | \$ 449,505.05 | \$513,720.06 |

Figure 37 Affordability Assumptions

I assumed that market rate units would sell at the average dollar per square foot (\$/sf) value I compiled earlier from historical sales in Milton of \$629.15. The total proceeds from the market unit sales is assumed to be \$19,755,218 and the total from the affordable unit sales is \$2,202,014. Total proceeds from selling the entire project is therefore \$21,681,668 as shown below.

| Unit Type | Market SaleUnit sf | Affordable Unit Sales | Value | Sales | Total Sales |
|---------------|--------------------|-----------------------|-----------------|-----------------|---------------|
| Studio | 450 | | \$ 283,116.18 | 1,132,464.73 | 1,132,464.73 |
| One Bedroom | 750 | \$ 899,010.10 | \$ 471,860.30 | 7,549,764.88 | 8,448,774.98 |
| Two Bedroom | 1,050 | \$ 1,027,440.12 | \$ 660,604.43 | 7,927,253.12 | 8,954,693.24 |
| Three Bedroom | 1,250 | | \$ 786,433.84 | 3,145,735.36 | 3,145,735.36 |
| Total | 35,000.00 | | \$ 2,202,014.76 | \$19,755,218.09 | 21,681,668.31 |
| psf | | | \$ 629.15 | | |

Figure 38 Affordable and Market Unit Sales Proceeds

Having established that the project given the parameters of the assumptions I made may generate an economic profit, we can now analyze the impact on the town's finances. Below I copied the assumptions for the ratio of School Aged Children (SAC) by unit type. I previously calculated the existing 6 homes housed 4.05 school aged children. Applying the same ratio

suggests that new development would only house 3.9 school aged children. The net impact on the town is a loss of 0.15 students. I chose to ignore the variable cost of education of \$9,753 times the loss as this negligible difference will not result in a reduction of school staff or services.

| School Aged Children Ratio (SAC) | |
|----------------------------------|------|
| Studio Market | 0 |
| One Bedroom Market | 0 |
| Two Bedroom Market | 0.05 |
| Three Bedroom Market | 0.8 |
| Studio Market | 0 |
| One Bedroom Affordable | 0 |
| Two Bedroom Affordable | 0.05 |
| Three Bedroom Affordable | 1.2 |

Figure 39 School Aged Children Ratio (SAC)

| New Project Costs - School Aged Children | | | | | | | |
|--|-------|------|-------------------------------|-------------------------------|--------------------------|------------------|-----------------------------------|
| Type | Units | SAC | Total New School Age Children | Previous School Aged Children | Net School Aged Children | Cost Per Student | Additional Cost to Town of Milton |
| Affordable | | | | | | | |
| 1 Bed | 2 | 0 | 0 | | | | |
| 2 Bed | 2 | 0.05 | 0.1 | | | | |
| Market | | | 0 | | | | |
| Studio | 4 | 0 | 0 | | | | |
| 1 Bed | 16 | 0 | 0 | | | | |
| 2 Bed | 12 | 0.05 | 0.6 | | | | |
| 3 Bed | 4 | 0.8 | 3.2 | | | | |
| Total | | | 3.9 | 4.05 | -0.15 | \$9,753 | \$0 |

Figure 40 New Project Costs - School Aged Children

Next, I applied RKG's assumption for the variable cost of municipal services on a per household basis. There were 6 existing households and the project generated 40 new households. The net addition is 34 net new households. The cost to the town of Milton would be (\$37,060).

| Variable Municipal Cost | |
|--------------------------|------------|
| Cost per household | (\$1,090) |
| Existing Households | 6 |
| New Households | 40 |
| Net new households | 34 |
| Total Net Municipal Cost | (\$37,060) |

Figure 41 New Project Cost - Variable Municipal Cost

Having established the expenses associated with the new housing, I will now analyze the added revenues beginning with real estate taxes. The existing 6 homes were appraised for a net total of \$3,972,300 and generated \$4,966 in annual real estate taxes at a mill rate of \$11.32 per \$1,000 in appraised value. To determine the new assessed value, I again carried my analysis of Milton’s historical sales that showed appraisals at 91% of market value. The assumed total sales value was \$21,681,668 and the assumed assessed value is then \$19,674,835. The new condominiums would generate \$222,719 in annual real estate taxes at the same mill rate. The net effect in the town is an increase of \$177,752 in annual real estate taxes.

| Town of Milton Revenues - Real Estate Taxes | |
|---|------------------|
| Existing Total Assessed Value | 3,972,300 |
| Existing Tax Revenue | \$ 44,966.44 |
| New Total Assessed Value | \$ 19,674,835.92 |
| New RE Tax Revenue | \$ 222,719.14 |
| New Real Estate Tax Revenue | \$ 177,752.71 |

Figure 42 Town of Milton Revenues – Real Estates Taxes

I then applied the assumption for a per household excise tax and the Community Preservation Act Revenue. Just as RKG assumed, I assumed each household will generate \$508 in vehicle excise taxes. The Community Preservation Act is a 1% surcharge in the real estate tax bill of all homes in Milton excluding the first \$100,000 of value per home and excluding affordable units. When I apply this analysis to the net new addition of units and value from the condominium project, the project will generate a net addition of \$17,272 in vehicle excise taxes and a net addition of \$1,262 in Community Preservation Act Funding.

| Town of Milton - Other Fees and Revenues | |
|---|------------------|
| Vehicle Excise Tax Per Household | \$ 508.00 |
| Existing Units | 6 |
| New Units | 40 |
| Net Units | 34 |
| Net Vehicle Excise Tax Revenues | \$ 17,272.00 |
| Community Preservation Act (CPA) Excluding first \$1000,000 of value | 1% |
| Existing Value of Real Estate (Appraised Excluding first \$100k/unit) | \$ 3,372,300.00 |
| New Value of Real Estate (Appraised Excluding first \$100k/unit and affordable units) | \$ 14,526,695.91 |
| Net Addition in Taxable Value | \$ 11,154,395.91 |
| Total Net New CPA Tax Revenue | \$ 1,262.68 |
| Total Other Fees and Revenues | \$ 18,534.68 |

Figure 43 Town of Milton Other Fees and Revenues

To summarize the impacts of this case study on the town, this hypothetical new construction 40-unit condominium project allowed under the MBTA Communities Act that replaces 6 single family homes will generate \$159,227 in annual taxes and fees after all costs to the town's general fund.

| Summary of Town of Milton Financial Impacts | |
|---|---------------|
| Net New Real Estate Tax Revenue | \$ 177,752.71 |
| Net Education Cost | \$0 |
| Net Municipal Cost | (\$37,060) |
| Net Total Other Fees and Revenues | \$ 18,534.68 |
| Net Proceeds (Cost) to Town of Milton | \$ 159,227.38 |

Figure 44 Summary of Town of Milton Financial Impact

I hope that this hypothetical analysis that utilizes a combination of the assumptions provided by the town of Milton's consultant and real data on historical sales and appraisals in Milton can dispel many of the common "NIMBY" arguments that new housing equates to significant costs and a drain on public resources. The MBTA Communities Act unlocks the potential for projects like this hypothetical one to add units to the drastically undersupplied Massachusetts housing market, to begin to contribute new financial resources to Massachusetts' towns and cities, and to improve the existing streetscape. As projects begin to break ground made possible under the upzoning allowed under the MBTA Communities Act, on a per unit basis, potential renters or homebuyers will not experience lower rental rates or

purchase prices because the impact on the existing supply is minimal. However, extending this analysis out over a number of years as parcels are developed and adding the density allowed under the MBTA Communities act will result in a market impact. The market effect is the elasticity of supply as previously presented in this paper. As market demand increases and variables continue to move in a pro development direction, more units can come online more quickly than would have otherwise happened and the rate of growth of the cost of housing will begin to slow.

Conclusion

Since 1980 the cost of housing in Massachusetts has grown faster than in all other comparable coastal states we reviewed. The rate of growth in the cost of housing has surpassed the rate of income growth and has created an affordability crisis. Further action is required by the state to lower regulations and allow for the as of right delivery of higher density housing in order to alleviate the pricing pressure experienced by residents and prospective state residents. The Housing Choice Initiative voting threshold changes and MBTA Communities act are important first steps enabling a percentage of the housing that is required, but more action is needed. Without legislation like this to enable market forces to lower the cost of housing, job seekers will explore opportunities in other states where the cost of living is more affordable.

As the deadlines approach for compliance with the MBTA Communities Act, Governor Maura Healy announced her plan to address the state's housing crisis. When announcing the proposal in October, Governor Healey said "We know that housing is the single biggest challenge facing folks across Massachusetts... This is going to be legislation that will make our state more affordable for everyone. It's going to help us meet our climate goals... It's really, really big."⁶⁹

The major components of Governor Healy's proposed plan are a new tax, \$4.12 Billion in proposed funding for affordable housing, and allowing as of right accessory dwelling units in single family zoned districts. The new tax is an option for cities and towns to introduce a transfer

⁶⁹ Brinker, Andrew, and Catherine Carlock. "Healey's Big New Housing PUSH Includes \$4 Billion in Funding - and Controversial Tax and Zoning Changes - The Boston Globe." BostonGlobe.Com, The Boston Globe, 20 Oct. 2023, www.bostonglobe.com/2023/10/18/business/healey-housing-proposal/.

tax of up to 2% on the sale of all homes over \$1,000,000 or at the median home price in counties where that figure is above \$1 million. The transfer tax would apply to the portion of the sale exceeding the threshold. The proceeds from the transfer tax would be earmarked for affordable housing. While well intentioned, exclusively funding subsidized housing and income restricted housing will not alleviate the barriers to delivering housing that has resulted in the significant decrease in housing permit issuances over the past forty years. New taxes are passed on in the marketplace and further increase the cost of housing.

Accessory dwelling units of less than 900 square feet either attached or freestanding could be built by right in single-family zoning districts if the bill is approved. State officials believe the accessory dwelling unit component could unlock 8,000 units over the next five years⁷⁰. This aspect of the bill is in line with the goals I identified of enabling as of right zoning and allowing for increased density, however, it should not be coupled with a transfer tax. The MBTA communities Act unlocked the potential for almost 40 times the number of units in as of right zoning without an associated transfer tax raising the cost of real estate transactions.

As analyzed in this paper, successful zoning policy in Massachusetts balances the desire for local control with the state's recognized needs for additional housing. In the face of the Massachusetts housing crisis the housing market needs continued efforts from the state to decrease costs and regulations such as the MBTA Communities Act rather than the recent proposal to increase taxes coupled with a limited decrease in regulations.

⁷⁰ Carlock, Catherine. "Ten Things to Know about Governor Healey's \$4 Billion Housing Bond Bill - The Boston Globe." BostonGlobe.Com, The Boston Globe, 18 Oct. 2023, www.bostonglobe.com/2023/10/18/business/healey-housing-plan/?p1=Article_Inline_Related_Link.

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Appendix

1. MBTA Community Categories and Requirements from Section 3A Guidelines on <https://www.mass.gov/info-details/multi-family-zoning-requirement-for-mbta-communities>
2. Selection of condominium, apartment, and townhouse sales in Milton (3 years)
3. Enlarged Figure 24 Proposed MBTA Communities Act Compliant Zoning Map

Appendix 1:

MBTA Community Categories and Requirements

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|------------------|---------------------------|---------------------------|--|----------------------------|------------------------------------|--|
| Abington | Commuter Rail | 6,811 | 1,022 | 50 | 307 | 40% |
| Acton | Commuter Rail | 9,219 | 1,383 | 50 | 246 | 20% |
| Amesbury | Adjacent Community | 7,889 | 789 | 50 | - | 0% |
| Andover | Commuter Rail | 13,541 | 2,031 | 50 | 587 | 50% |
| Arlington | Adjacent Community | 20,461 | 2,046 | 32 | 58 | 0% |
| Ashburnham | Adjacent Small Town | 2,730 | 137 | - | - | 0% |
| Ashby | Adjacent Small Town | 1,243 | 62 | - | - | 0% |
| Ashland | Commuter Rail | 7,495 | 1,124 | 50 | 272 | 40% |
| Attleboro | Commuter Rail | 19,097 | 2,865 | 50 | 467 | 50% |
| Auburn | Adjacent Community | 6,999 | 750 | 50 | - | 0% |
| Ayer | Commuter Rail | 3,807 | 750 | 50 | 284 | 40% |
| Bedford | Adjacent Community | 5,444 | 750 | 50 | - | 0% |
| Bellingham | Adjacent Community | 6,749 | 750 | 50 | - | 0% |
| Belmont | Commuter Rail | 10,882 | 1,632 | 27 | 502 | 50% |
| Berkley | Adjacent Small Town | 2,360 | 118 | - | 79 | 0% |
| Beverly | Commuter Rail | 17,887 | 2,683 | 50 | 1,435 | 90% |
| Billerica | Commuter Rail | 15,485 | 2,323 | 50 | 308 | 40% |
| Bourne | Adjacent Small Town | 11,140 | 557 | - | - | 0% |
| Boxborough | Adjacent Small Town | 2,362 | 118 | - | - | 0% |
| Boxford | Adjacent Small Town | 2,818 | 141 | - | - | 0% |
| Braintree | Rapid Transit | 15,077 | 3,769 | 50 | 485 | 50% |
| Bridgewater | Commuter Rail | 9,342 | 1,401 | 50 | 181 | 20% |
| Brockton | Commuter Rail | 37,304 | 5,596 | 50 | 995 | 90% |
| Brookline | Rapid Transit | 27,961 | 6,990 | 41 | 1,349 | 90% |

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|------------------|---------------------|--------------------|-------------------------------------|---------------------|-----------------------------|---|
| Burlington | Adjacent Community | 10,431 | 1,043 | 50 | - | 0% |
| Cambridge | Rapid Transit | 53,907 | 13,477 | 32 | 1,392 | 90% |
| Canton | Commuter Rail | 9,930 | 1,490 | 50 | 451 | 50% |
| Carlisle | Adjacent Small Town | 1,897 | 95 | - | - | 0% |
| Carver | Adjacent Small Town | 4,701 | 235 | - | - | 0% |
| Chelmsford | Adjacent Community | 14,769 | 1,477 | 50 | - | 0% |
| Chelsea | Rapid Transit | 14,554 | 3,639 | 14 | 608 | 75% |
| Cohasset | Commuter Rail | 3,341 | 638 | 43 | 241 | 20% |
| Concord | Commuter Rail | 7,295 | 1,094 | 50 | 519 | 50% |
| Danvers | Adjacent Community | 11,763 | 1,176 | 50 | - | 0% |
| Dedham | Commuter Rail | 10,459 | 1,569 | 49 | 507 | 50% |
| Dover | Adjacent Small Town | 2,046 | 102 | - | - | 0% |
| Dracut | Adjacent Community | 12,325 | 1,233 | 50 | - | 0% |
| Duxbury | Adjacent Community | 6,274 | 750 | 50 | - | 0% |
| East Bridgewater | Adjacent Community | 5,211 | 750 | 50 | - | 0% |
| Easton | Adjacent Community | 9,132 | 913 | 50 | - | 0% |
| Essex | Adjacent Small Town | 1,662 | 83 | - | - | 0% |
| Everett | Rapid Transit | 18,208 | 4,552 | 22 | 200 | 20% |
| Fall River | Commuter Rail | 44,346 | 6,652 | 50 | 324 | 40% |
| Fitchburg | Commuter Rail | 17,452 | 2,618 | 50 | 601 | 75% |
| Foxborough | Adjacent Community | 7,682 | 768 | 50 | - | 0% |
| Framingham | Commuter Rail | 29,033 | 4,355 | 50 | 270 | 40% |
| Franklin | Commuter Rail | 12,551 | 1,883 | 50 | 643 | 75% |
| Freetown | Commuter Rail | 3,485 | 750 | 50 | 346 | 40% |
| Georgetown | Adjacent Community | 3,159 | 750 | 50 | - | 0% |
| Gloucester | Commuter Rail | 15,133 | 2,270 | 50 | 430 | 50% |
| Grafton | Adjacent Community | 7,760 | 776 | 50 | 82 | 0% |

Appendix 1
Page 2

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|------------|---------------------|--------------------|-------------------------------------|---------------------|-----------------------------|---|
| Groton | Adjacent Small Town | 4,153 | 208 | - | - | 0% |
| Groveland | Adjacent Small Town | 2,596 | 130 | - | - | 0% |
| Halifax | Commuter Rail | 3,107 | 750 | 50 | 300 | 40% |
| Hamilton | Commuter Rail | 2,925 | 731 | 49 | 184 | 20% |
| Hanover | Adjacent Community | 5,268 | 750 | 50 | - | 0% |
| Hanson | Commuter Rail | 3,960 | 750 | 50 | 218 | 20% |
| Harvard | Adjacent Small Town | 2,251 | 113 | - | - | 0% |
| Haverhill | Commuter Rail | 27,927 | 4,189 | 50 | 415 | 50% |
| Hingham | Commuter Rail | 9,930 | 1,490 | 50 | 757 | 75% |
| Holbrook | Commuter Rail | 4,414 | 662 | 41 | 170 | 20% |
| Holden | Adjacent Community | 7,439 | 750 | 50 | - | 0% |
| Holliston | Adjacent Community | 5,562 | 750 | 50 | - | 0% |
| Hopkinton | Adjacent Community | 6,645 | 750 | 50 | 79 | 0% |
| Hull | Adjacent Community | 5,856 | 586 | 7 | 34 | 0% |
| Ipswich | Commuter Rail | 6,476 | 971 | 50 | 327 | 40% |
| Kingston | Commuter Rail | 5,364 | 805 | 50 | 345 | 40% |
| Lakeville | Adjacent Small Town | 4,624 | 231 | - | 30 | 0% |
| Lancaster | Adjacent Small Town | 2,788 | 139 | - | - | 0% |
| Lawrence | Commuter Rail | 30,008 | 4,501 | 39 | 271 | 40% |
| Leicester | Adjacent Small Town | 4,371 | 219 | - | - | 0% |
| Leominster | Commuter Rail | 18,732 | 2,810 | 50 | 340 | 40% |
| Lexington | Adjacent Community | 12,310 | 1,231 | 50 | - | 0% |
| Lincoln | Commuter Rail | 2,771 | 635 | 42 | 130 | 20% |
| Littleton | Commuter Rail | 3,889 | 750 | 50 | 244 | 20% |
| Lowell | Commuter Rail | 43,482 | 6,522 | 50 | 274 | 40% |
| Lunenburg | Adjacent Small Town | 4,805 | 240 | - | - | 0% |
| Lynn | Commuter Rail | 36,782 | 5,517 | 50 | 637 | 75% |

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|---------------|---------------------|--------------------|-------------------------------------|---------------------|-----------------------------|---|
| Lynnfield | Adjacent Community | 4,773 | 607 | 40 | - | 0% |
| Malden | Rapid Transit | 27,721 | 6,930 | 31 | 484 | 50% |
| Manchester | Commuter Rail | 2,433 | 559 | 37 | 305 | 40% |
| Mansfield | Commuter Rail | 9,282 | 1,392 | 50 | 327 | 40% |
| Marblehead | Adjacent Community | 8,965 | 897 | 27 | - | 0% |
| Marlborough | Adjacent Community | 17,547 | 1,755 | 50 | - | 0% |
| Marshfield | Adjacent Community | 11,575 | 1,158 | 50 | - | 0% |
| Maynard | Adjacent Community | 4,741 | 474 | 21 | - | 0% |
| Medfield | Adjacent Community | 4,450 | 750 | 50 | - | 0% |
| Medford | Rapid Transit | 25,770 | 6,443 | 35 | 714 | 75% |
| Medway | Adjacent Community | 4,826 | 750 | 50 | - | 0% |
| Melrose | Commuter Rail | 12,614 | 1,892 | 25 | 774 | 75% |
| Merrimac | Adjacent Small Town | 2,761 | 138 | - | - | 0% |
| Methuen | Adjacent Community | 20,194 | 2,019 | 50 | - | 0% |
| Middleborough | Commuter Rail | 9,808 | 1,471 | 50 | 260 | 40% |
| Middleton | Adjacent Community | 3,359 | 750 | 50 | - | 0% |
| Millbury | Adjacent Community | 5,987 | 750 | 50 | - | 0% |
| Millis | Adjacent Community | 3,412 | 750 | 50 | - | 0% |
| Milton | Rapid Transit | 9,844 | 2,461 | 50 | 404 | 50% |
| Nahant | Adjacent Small Town | 1,680 | 84 | - | - | 0% |
| Natick | Commuter Rail | 15,680 | 2,352 | 50 | 680 | 75% |
| Needham | Commuter Rail | 11,891 | 1,784 | 50 | 1,223 | 90% |
| New Bedford | Commuter Rail | 44,588 | 6,688 | 50 | 744 | 75% |
| Newbury | Adjacent Small Town | 3,072 | 154 | - | 69 | 0% |
| Newburyport | Commuter Rail | 8,615 | 1,292 | 35 | 213 | 20% |
| Newton | Rapid Transit | 33,320 | 8,330 | 50 | 2,833 | 90% |
| Norfolk | Commuter Rail | 3,601 | 750 | 50 | 333 | 40% |

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|--------------------|---------------------|--------------------|-------------------------------------|---------------------|-----------------------------|---|
| North Andover | Adjacent Community | 11,914 | 1,191 | 50 | 5 | 0% |
| North Attleborough | Adjacent Community | 12,551 | 1,255 | 50 | - | 0% |
| North Reading | Adjacent Community | 5,875 | 750 | 50 | - | 0% |
| Northborough | Adjacent Community | 5,897 | 750 | 50 | - | 0% |
| Northbridge | Adjacent Community | 6,691 | 750 | 50 | - | 0% |
| Norton | Adjacent Community | 6,971 | 750 | 50 | - | 0% |
| Norwell | Adjacent Community | 3,805 | 750 | 50 | - | 0% |
| Norwood | Commuter Rail | 13,634 | 2,045 | 50 | 861 | 90% |
| Paxton | Adjacent Small Town | 1,689 | 84 | - | - | 0% |
| Peabody | Adjacent Community | 23,191 | 2,319 | 50 | - | 0% |
| Pembroke | Adjacent Community | 7,007 | 750 | 50 | - | 0% |
| Plymouth | Adjacent Community | 28,074 | 2,807 | 50 | - | 0% |
| Plympton | Adjacent Small Town | 1,068 | 53 | - | - | 0% |
| Princeton | Adjacent Small Town | 1,383 | 69 | - | - | 0% |
| Quincy | Rapid Transit | 47,009 | 11,752 | 50 | 1,222 | 90% |
| Randolph | Commuter Rail | 12,901 | 1,935 | 48 | 182 | 20% |
| Raynham | Adjacent Community | 5,749 | 750 | 50 | - | 0% |
| Reading | Commuter Rail | 9,952 | 1,493 | 43 | 343 | 40% |
| Rehoboth | Adjacent Small Town | 4,611 | 231 | - | - | 0% |
| Revere | Rapid Transit | 24,539 | 6,135 | 27 | 457 | 50% |
| Rochester | Adjacent Small Town | 2,105 | 105 | - | - | 0% |
| Rockland | Adjacent Community | 7,263 | 726 | 47 | - | 0% |
| Rockport | Commuter Rail | 4,380 | 657 | 32 | 252 | 40% |
| Rowley | Commuter Rail | 2,405 | 601 | 40 | 149 | 20% |
| Salem | Commuter Rail | 20,349 | 3,052 | 41 | 266 | 40% |
| Salisbury | Adjacent Community | 5,305 | 750 | 50 | - | 0% |
| Saugus | Adjacent Community | 11,303 | 1,130 | 50 | 11 | 0% |

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|------------------|---------------------------|---------------------------|--|----------------------------|------------------------------------|--|
| Scituate | Commuter Rail | 8,260 | 1,239 | 50 | 373 | 40% |
| Seekonk | Adjacent Community | 6,057 | 750 | 50 | - | 0% |
| Sharon | Commuter Rail | 6,581 | 987 | 50 | 261 | 40% |
| Sherborn | Adjacent Small Town | 1,562 | 78 | - | - | 0% |
| Shirley | Commuter Rail | 2,599 | 650 | 43 | 338 | 40% |
| Shrewsbury | Adjacent Community | 14,966 | 1,497 | 50 | 52 | 0% |
| Somerville | Rapid Transit | 36,269 | 9,067 | 24 | 1,314 | 90% |
| Southborough | Commuter Rail | 3,763 | 750 | 50 | 167 | 20% |
| Sterling | Adjacent Small Town | 3,117 | 156 | - | - | 0% |
| Stoneham | Adjacent Community | 10,159 | 1,016 | 27 | 12 | 0% |
| Stoughton | Commuter Rail | 11,739 | 1,761 | 50 | 317 | 40% |
| Stow | Adjacent Small Town | 2,770 | 139 | - | - | 0% |
| Sudbury | Adjacent Community | 6,556 | 750 | 50 | - | 0% |
| Sutton | Adjacent Small Town | 3,612 | 181 | - | - | 0% |
| Swampscott | Commuter Rail | 6,362 | 954 | 20 | 236 | 20% |
| Taunton | Commuter Rail | 24,965 | 3,745 | 50 | 269 | 40% |
| Tewksbury | Adjacent Community | 12,139 | 1,214 | 50 | - | 0% |
| Topsfield | Adjacent Small Town | 2,358 | 118 | - | - | 0% |
| Townsend | Adjacent Small Town | 3,566 | 178 | - | - | 0% |
| Tyngsborough | Adjacent Community | 4,669 | 750 | 50 | - | 0% |
| Upton | Adjacent Small Town | 2,995 | 150 | - | - | 0% |
| Wakefield | Commuter Rail | 11,305 | 1,696 | 36 | 630 | 75% |
| Walpole | Commuter Rail | 10,042 | 1,506 | 50 | 638 | 75% |
| Waltham | Commuter Rail | 26,545 | 3,982 | 50 | 470 | 50% |
| Wareham | Adjacent Community | 12,967 | 1,297 | 50 | - | 0% |
| Watertown | Adjacent Community | 17,010 | 1,701 | 24 | 27 | 0% |
| Wayland | Adjacent Community | 5,296 | 750 | 50 | - | 0% |

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|------------------|---------------------|--------------------|-------------------------------------|---------------------|-----------------------------|---|
| Wellesley | Commuter Rail | 9,282 | 1,392 | 50 | 921 | 90% |
| Wenham | Commuter Rail | 1,460 | 365 | 24 | 111 | 20% |
| West Boylston | Adjacent Community | 3,052 | 587 | 39 | - | 0% |
| West Bridgewater | Adjacent Small Town | 2,898 | 145 | - | - | 0% |
| West Newbury | Adjacent Small Town | 1,740 | 87 | - | - | 0% |
| Westborough | Commuter Rail | 8,334 | 1,250 | 50 | 194 | 20% |
| Westford | Adjacent Community | 9,237 | 924 | 50 | - | 0% |
| Westminster | Adjacent Small Town | 3,301 | 165 | - | 30 | 0% |
| Weston | Commuter Rail | 4,043 | 750 | 50 | 702 | 75% |
| Westwood | Commuter Rail | 5,801 | 870 | 50 | 470 | 50% |
| Weymouth | Commuter Rail | 25,419 | 3,813 | 50 | 713 | 75% |
| Whitman | Commuter Rail | 5,984 | 898 | 37 | 242 | 20% |
| Wilmington | Commuter Rail | 8,320 | 1,248 | 50 | 538 | 50% |
| Winchester | Commuter Rail | 8,135 | 1,220 | 37 | 446 | 50% |
| Winthrop | Adjacent Community | 8,821 | 882 | 12 | 14 | 0% |
| Woburn | Commuter Rail | 17,540 | 2,631 | 50 | 702 | 75% |
| Worcester | Commuter Rail | 84,281 | 12,642 | 50 | 290 | 40% |
| Wrentham | Adjacent Community | 4,620 | 750 | 50 | - | 0% |

296,806

Minimum multi-family unit capacity for most communities will be based on the 2020 housing stock and the applicable percentage for that municipality's community type. In some cases, the minimum unit capacity is derived from an extrapolation of the required minimum land area multiplied by the statutory minimum gross density of 15 dwelling units per acre. In cases where the required unit capacity from these two methods would exceed 25% of the community's housing stock, the required unit capacity has instead been capped at that 25% level.

*

Minimum land area is 50 acres for all communities in the rapid transit, commuter rail and adjacent community types. There is no minimum land area requirement for adjacent small towns. Where 50 acres exceeds 1.5% of the developable land area in a town, a cap has been instituted that sets minimum land area to 1.5% of developable land area in the town.

**

Developable station area is derived by taking the area of a half-mile circle around an MBTA commuter rail station, rapid transit station, or ferry terminal and removing any areas comprised of excluded land.

| Community | Community category | 2020 Housing Units | Minimum multi-family unit capacity* | Minimum land area** | Developable station area*** | % of district to be located in station area |
|------------------|---------------------------|---------------------------|--|----------------------------|------------------------------------|--|
|------------------|---------------------------|---------------------------|--|----------------------------|------------------------------------|--|

**** This Appendix was updated on 3/13/2023 to add two new MBTA communities (Fall River and New Bedford, which became MBTA communities on 1/1/2023)

Appendix 2 Selection of condominium, apartment, and townhouse sales in Milton (3 years)

| Property URL | Property price (USD) | Sold date (MM/YY) | Living area | Price per livi | Bedrooms | Bathrooms | Street address | Assessed Value | Assessed Value/sqft |
|--------------|----------------------|-------------------|-------------|----------------|----------|-----------|---------------------------|-----------------|---------------------|
| https://www | \$ 1,895,000.00 | 11/30/2023 | 3086 | \$ 614.06 | 3 | 4 | 45 Wolcott Woods Ln #45 | \$ 1,081,100.00 | \$ 350.32 |
| https://www | \$ 1,625,000.00 | 09/13/2023 | 2631 | \$ 617.64 | 3 | 4 | 47 Wolcott Woods Lane #47 | \$ 1,005,400.00 | \$ 382.14 |
| https://www | \$ 1,575,000.00 | 08/21/2023 | 2631 | \$ 598.63 | 3 | 4 | 55 Wolcott Woods Ln #55 | \$ 1,008,100.00 | \$ 383.16 |
| https://www | \$ 1,525,000.00 | 07/28/2023 | 2581 | \$ 590.86 | 3 | 4 | 57 Wolcott Woods Ln #57 | \$ 994,500.00 | \$ 385.32 |
| https://www | \$ 1,550,000.00 | 11/16/2023 | 2195 | \$ 706.15 | 3 | 4 | 49 Wolcott Woods Ln #49 | \$ 964,700.00 | \$ 439.50 |
| https://www | \$ 1,535,000.00 | 11/20/2023 | 2195 | \$ 699.32 | 3 | 4 | 53 Wolcott Woods Lane #53 | \$ 965,300.00 | \$ 439.77 |
| https://www | \$ 1,485,000.00 | 09/27/2023 | 2225 | \$ 667.42 | 2 | 3 | 51 Wolcott Woods Ln #51 | \$ 989,000.00 | \$ 444.49 |
| https://www | \$ 669,000.00 | 01/20/2023 | 1027 | \$ 651.41 | 2 | 2 | 21 High St #2 | \$ 504,200.00 | \$ 490.94 |
| https://www | \$ 1,450,000.00 | 07/29/2022 | 2620 | \$ 553.44 | 3 | 4 | 70 Wolcott Ln #70 | \$ 1,293,800.00 | \$ 493.82 |
| https://www | \$ 850,000.00 | 12/22/2022 | 1355 | \$ 627.31 | 2 | 2 | 131 Eliot St #408 | \$ 705,300.00 | \$ 520.52 |
| https://www | \$ 840,000.00 | 05/05/2023 | 1355 | \$ 619.93 | 2 | 2 | 131 Eliot St #208 | \$ 705,300.00 | \$ 520.52 |
| https://www | \$ 840,000.00 | 05/01/2023 | 1355 | \$ 619.93 | 2 | 2 | 131 Eliot St #308 | \$ 705,300.00 | \$ 520.52 |
| https://www | \$ 1,425,000.00 | 07/14/2022 | 2496 | \$ 570.91 | 3 | 3 | 72 Wolcott Woods Dr #72 | \$ 1,324,800.00 | \$ 530.77 |
| https://www | \$ 765,000.00 | 04/14/2023 | 1250 | \$ 612.00 | 2 | 2 | 131 Eliot St #312 | \$ 691,400.00 | \$ 553.12 |
| https://www | \$ 1,495,000.00 | 05/20/2022 | 2627 | \$ 569.09 | 3 | 4 | 73 Wolcott Woods Lane #73 | \$ 1,455,300.00 | \$ 553.98 |
| https://www | \$ 1,395,000.00 | 02/25/2022 | 2631 | \$ 530.22 | 3 | 4 | 77 Wolcott Woods Ln #77 | \$ 1,458,100.00 | \$ 554.20 |
| https://www | \$ 1,525,000.00 | 07/21/2023 | 2725 | \$ 559.63 | 3 | 4 | 54 Wolcott Rd #54 | \$ 1,517,300.00 | \$ 556.81 |
| https://www | \$ 751,000.00 | 12/19/2023 | 1230 | \$ 610.57 | 2 | 2 | 131 Eliot St #305 | \$ 688,800.00 | \$ 560.00 |
| https://www | \$ 1,350,000.00 | 03/10/2022 | 2477 | \$ 545.01 | 3 | 3 | 79 Wolcott Woods Ln #79 | \$ 1,398,000.00 | \$ 564.39 |
| https://www | \$ 655,000.00 | 12/01/2023 | 1161 | \$ 564.17 | 1 | 1 | 131 Eliot St #309 | \$ 655,700.00 | \$ 564.77 |
| https://www | \$ 655,000.00 | 09/14/2023 | 1161 | \$ 564.17 | 1 | 1 | 131 Eliot St #209 | \$ 655,700.00 | \$ 564.77 |
| https://www | \$ 893,000.00 | 07/07/2022 | 1200 | \$ 744.17 | 2 | 2 | 131 Eliot St #311 | \$ 684,800.00 | \$ 570.67 |
| https://www | \$ 770,000.00 | 01/25/2023 | 1200 | \$ 641.67 | 2 | 2 | 131 Eliot St #211 | \$ 684,800.00 | \$ 570.67 |
| https://www | \$ 727,000.00 | 12/01/2023 | 1190 | \$ 610.92 | 2 | 2 | 131 Eliot St #304 | \$ 683,500.00 | \$ 574.37 |
| https://www | \$ 1,395,000.00 | 12/16/2021 | 2725 | \$ 511.93 | 3 | 4 | 76 Wolcott Woods Ln | \$ 1,565,700.00 | \$ 574.57 |
| https://www | \$ 1,475,000.00 | 09/15/2022 | 2609 | \$ 565.35 | 3 | 4 | 66 Wolcott Woods Ln #66 | \$ 1,505,300.00 | \$ 576.96 |
| https://www | \$ 1,545,000.00 | 12/15/2022 | 2609 | \$ 592.18 | 3 | 4 | 58 Wolcott Woods Ln #58 | \$ 1,544,200.00 | \$ 591.87 |
| https://www | \$ 739,000.00 | 12/27/2023 | 1142 | \$ 647.11 | 2 | 2 | 131 Eliot St #402 | \$ 677,100.00 | \$ 592.91 |
| https://www | \$ 1,395,000.00 | 10/06/2022 | 2216 | \$ 629.51 | 2 | 3 | 68 Wolcott Woods Ln #68 | \$ 1,322,500.00 | \$ 596.80 |
| https://www | \$ 739,000.00 | 08/17/2023 | 1118 | \$ 661.00 | 2 | 2 | 131 Eliot St #404 | \$ 673,900.00 | \$ 602.77 |
| https://www | \$ 727,000.00 | 07/28/2023 | 1118 | \$ 650.27 | 2 | 2 | 131 Eliot St #401 | \$ 673,900.00 | \$ 602.77 |
| https://www | \$ 750,000.00 | 06/01/2023 | 1117 | \$ 671.44 | 2 | 2 | 131 Eliot St #405 | \$ 673,800.00 | \$ 603.22 |
| https://www | \$ 1,550,000.00 | 06/15/2021 | 2525 | \$ 613.86 | 3 | 4 | 5 Wolcott Woods Ln #5 | \$ 1,533,400.00 | \$ 607.29 |
| https://www | \$ 720,000.00 | 12/02/2022 | 1102 | \$ 653.36 | 2 | 2 | 131 Eliot St #307 | \$ 671,800.00 | \$ 609.62 |
| https://www | \$ 715,000.00 | 12/02/2022 | 1102 | \$ 648.82 | 2 | 2 | 131 Eliot St #407 | \$ 671,800.00 | \$ 609.62 |
| https://www | \$ 715,000.00 | 03/03/2023 | 1102 | \$ 648.82 | 2 | 2 | 131 Eliot St #207 | \$ 671,800.00 | \$ 609.62 |
| https://www | \$ 1,385,000.00 | 10/20/2021 | 2497 | \$ 554.67 | 2 | 2.5 | 74 Wolcott Woods Ln | \$ 1,523,600.00 | \$ 610.17 |
| https://www | \$ 1,550,000.00 | 06/14/2021 | 2556 | \$ 606.42 | 3 | 4 | 3 Wolcott Woods Ln #3 | \$ 1,563,700.00 | \$ 611.78 |
| https://www | \$ 1,675,000.00 | 05/26/2022 | 2508 | \$ 667.86 | 2 | 3 | 8 Wolcott Woods Ln | \$ 1,561,000.00 | \$ 622.41 |
| https://www | \$ 672,000.00 | 03/27/2023 | 1011 | \$ 664.69 | 2 | 2 | 131 Eliot St #206 | \$ 638,300.00 | \$ 631.36 |
| https://www | \$ 1,625,000.00 | 01/14/2022 | 2641 | \$ 615.30 | 3 | 2.5 | 6 Wolcott Woods Ln | \$ 1,671,000.00 | \$ 632.71 |
| https://www | \$ 1,650,000.00 | 12/14/2022 | 2460 | \$ 670.73 | 2 | 2.5 | 62 Wolcott Woods Ln | \$ 1,556,900.00 | \$ 632.89 |
| https://www | \$ 1,650,000.00 | 12/14/2022 | 2460 | \$ 670.73 | 2 | 3 | 62 Wolcott Woods Ln #62 | \$ 1,556,900.00 | \$ 632.89 |
| https://www | \$ 1,750,000.00 | 02/02/2023 | 2460 | \$ 711.38 | 2 | 2.5 | 64 Wolcott Woods Ln | \$ 1,556,900.00 | \$ 632.89 |
| https://www | \$ 1,750,000.00 | 02/02/2023 | 2460 | \$ 711.38 | 2 | 3 | 64 Wolcott Woods Ln #64 | \$ 1,556,900.00 | \$ 632.89 |
| https://www | \$ 765,000.00 | 04/25/2023 | 1250 | \$ 612.00 | 2 | 2 | 131 Eliot St #212 | \$ 795,600.00 | \$ 636.48 |
| https://www | \$ 1,695,000.00 | 05/12/2022 | 2619 | \$ 647.19 | 3 | 4 | 71 Wolcott Woods Ln #71 | \$ 1,680,600.00 | \$ 641.70 |
| https://www | \$ 667,000.00 | 11/15/2022 | 1011 | \$ 659.74 | 2 | 2 | 131 Eliot St #406 | \$ 659,700.00 | \$ 652.52 |
| https://www | \$ 672,000.00 | 05/01/2023 | 1011 | \$ 664.69 | 2 | 2 | 131 Eliot St #306 | \$ 659,700.00 | \$ 652.52 |
| https://www | \$ 1,750,000.00 | 06/08/2023 | 2500 | \$ 700.00 | 2 | 3 | 69 Wolcott Woods Ln #69 | \$ 1,675,500.00 | \$ 670.20 |
| https://www | \$ 1,750,000.00 | 04/13/2023 | 2498 | \$ 700.56 | 2 | 3 | 65 Wolcott Woods Ln | \$ 1,686,100.00 | \$ 674.98 |
| https://www | \$ 1,325,000.00 | 12/22/2021 | 2166 | \$ 611.73 | 2 | 3 | 75 Wolcott Woods Ln #75 | \$ 1,489,200.00 | \$ 687.53 |
| https://www | \$ 1,475,000.00 | 12/15/2022 | 2127 | \$ 693.46 | 2 | 3 | 60 Wolcott Woods Ln #60 | \$ 1,563,300.00 | \$ 734.98 |

Appendix 3 Enlarged Figure 24 Proposed MBTA Communities Act Compliant Zoning Map

