THE HOUSE CALL



MBTA COMMUNITIES UPDATE: NEW DEADLINES, REGULATIONS FOR STATE'S CONTROVERSIAL ZONING LAW

The MBTA Communities Act (Section 3A), the 2021 law that requires about half of Massachusetts municipalities to zone for multi-family housing near train stations, is once again at a crossroads.

As reported in a previous House Call, a January 2025 Supreme Judicial Court ruling both reaffirmed the Attorney General's ability to enforce Section 3A and ruled that the state had failed to follow proper administrative procedures in implementing it, rendering the initial guidelines unenforceable. On January 14, 2025, the state released emergency regulations as an interim stand-in for those unenforceable guidelines.

Those emergency regulations expired on April 14, and the new, permanent regulations <u>changed very few</u> of the district capacity or size standards in the initial guidelines. At one point, opponents of Section 3A <u>were optimistic</u> that the public process to finalize the new guidelines would force a reconsideration of what they view as the state's heavy-handed approach to implementing it.

Under the emergency regulations, the <u>29 towns</u> that were out of compliance in January had until February 13 to file



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Regional planning agencies already play a critical role in regional housing and infrastructure planning, and granting them permitting authority for large-scale housing projects would reduce the influence of local opposition (NIMBYism) that often stymies development."

Massachusetts Unlocking Housing Production Commission

A housing needs assessment issued by the Healey administration in February estimated that "the state needs to produce or preserve at least 222,000 homes from 2025 to 2035," or 22,200 homes per year. According to the U.S. Building Permit Survey, the last time Massachusetts issued building permits for at least 22,200 homes in a single year was in 2005.

[Source: U.S. Building Permit Survey]

FACT OF THE MONTH

a new "action plan" for compliance, and as of this writing all but four have done so: Halifax, Marshfield, Middleton, and Milton. In fact, Middleton, Marshfield, and three other communities have sued the state, citing a February 21 finding from State Auditor Diana DiZoglio that Section 3A is an "unfunded mandate" because the state did not use "contemporaneous funding" to facilitate compliance.

Meanwhile, several communities have amended their previous compliance plans, including via Town Meeting articles. Most notably, Lexington pruned its above-and-beyond Section 3A district to a zoned capacity of 2,411 units from the original district's 12,546 potential units. Lexington's Planning Board had already approved 905 units in its 3A districts between August 2024 and March 2025.

Voter referenda also offered residents a chance to rethink previously approved compliance plans, including in Needham (which <u>overturned</u> its earlier 3A rezoning) and Shrewsbury (which <u>upheld</u> it). <u>On April 24th</u>, Gloucester will face a similar referendum vote.

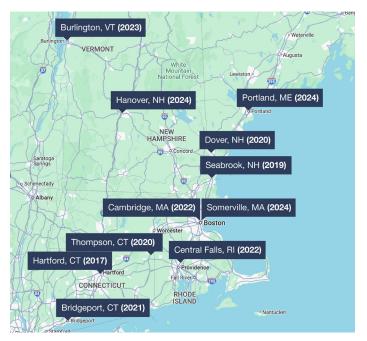
Thus, the SJC ruling has given more towns a chance to rethink their approach to zoning for multi-family housing around transit. However, considering the stringency of the new permanent guidelines, the state has not softened its stance on the need for multi-family zoning in most of Eastern Massachusetts.

Several dozen communities that have not yet submitted a final district approval application to the state <u>are facing</u> a final compliance deadline of July 14, 2025. Shortly thereafter, the full extent of ongoing resistance to Section 3A should become clear, as should the state's response to it.

PARKING REFORM EFFORTS IN MASSACHUSETTS HAVE YET TO GET A MAJOR PLAYER ON BOARD: BOSTON

As home construction costs <u>ballooned</u> post-pandemic and transit-oriented development became both a <u>federal</u> and <u>state-level priority</u>, one set of cost-driving regulations has come under increasing scrutiny: minimum parking requirements. Academics <u>have long known</u> that requiring a certain amount of parking in new developments both limits the amount of housing that can be built and makes the housing that is built more expensive. This is especially true in urban areas, where it's often necessary to build underground parking, which can cost <u>more than</u> \$100,000 per space. Those costs are frequently passed onto tenants, which is why <u>one study</u> found that the average cost of garage parking to renter households is equivalent to raising their rent by 17 percent.

Figure 1: Map of Municipalities in New England That Don't Require Parking in New Residential Developments and When Those Requirements Were Eliminated



So far, two Massachusetts cities have eliminated minimum parking requirements in new developments entirely—Cambridge in 2022 and Somerville in 2024. As of this writing, there are 11 cities and towns in New England where developers aren't required to include parking in their

apartment projects, and most of them have ended such requirements in the last three years (see Figure 1). Notably, the largest cities in the region—Boston, Worcester, Springfield, and Providence—are not among them.

Boston in particular seems like a prime target for further parking reform. According to the American Community Survey, as of 2023, <u>33 percent</u> of Boston households don't have access to a car.

Further, parking concerns have recently stalled housing developments even in Boston's transit-rich areas. For example, it took 2.5 years to approve a mixed-income, 31-unit Roslindale apartment building located less than 1,000 feet from a train station and multiple bus lines after it was initially rejected in 2021 on the grounds that it had insufficient parking.

Later in 2021, Boston Mayor Michelle Wu eliminated parking requirements in developments with mostly income-restricted units, but this wouldn't have affected the Roslindale project. As the city considers ways to move stalled projects forward, including reducing affordability mandates, eliminating parking requirements for all new developments should be on the table.

In addition to being a prudent way to reduce housing construction costs and improve affordability for tenants, such a move could prove surprisingly popular. A 2023 Pew Research Center survey found that 62 percent of Americans support "allow[ing] owners and builders to decide how much off-street parking" to provide.

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COMING SOON

Upcoming issues of *The House Call* will include segments on:

- U.S. Census Building Permit Survey data
- The Affordable Homes Act
- Income-restricted home appraisals
- And more!