Regional Housing Strategy

APPENDIX D:
Housing Tools for Local Implementation Strategies Toolkit

The strategies introduced in this section could be adopted by municipalities as part of their housing planning, policy making, and investment activities.

Strategy toolkit

Developing housing at scale is more challenging now than in recent memory - especially if affordability is a priority. Costs and interest rates are high, real estate and regulatory environments are complex, and the market is still reeling from the shock of the pandemic and other shifts in employment and household preferences. Overcoming these challenges requires a strategic and collaborative approach to planning, capital investment, and development.

Informed by analysis, best practices, and conversations with dozens of stakeholders, this document compiles recommended strategies and tools that can help streamline housing production and foster more affordability at local and regional scales, including the following:

Community land trusts

Coordinated development standards

Development opportunity promotion

First-time homebuyer resources

Housing as economic development

Housing database

Housing trust funds

Infill development

Interlocal infrastructure funds

Land banks

Manufactured housing

Proactive infrastructure investment

Tax increment financing

Transparent approvals process

Zoning reform

Strategy toolkit

Community land trusts

A Community Land Trust (CLT) is a nonprofit organization that acquires and manages land to provide long-term affordable housing. It separates land ownership from building ownership, ensuring housing remains affordable for future generations by controlling resale prices and prioritizing community stewardship and stability. Properties are typically leased to income-eligible households earning below 120% or 80% AMI.

CLTs can operate at multiple scales, from a focus within a single municipality to a broader county or regional expanse. Like land banks, CLTs often collaborate with local governments, agencies, and nonprofits to acquire underutilized and surplus land and plan redevelopment concepts.

CLTs may also collaborate with trust funds and other financial programs oriented toward affordable housing.

Massachusetts examples:

- Boston Neighborhood Community Land Trust (BNCLT)
- Island Housing Trust (Martha's Vineyard)

Strategy toolkit

Coordinated development standards across jurisdictions

One commonly voiced challenge facing the region's developers and builders is the significant variation in key standards and regulations between jurisdictions and among building inspectors and planning officials. For example, different municipalities employ different sets of zoning definitions and building standards that require builders to learn multiple systems in order to operate in each location. Ultimately, many developers and builders simply settle into the one or few places they have eventually figured out and disregard other places in the region, county, or state. This leads to a partitioning of resources that ultimately does not serve the region as well as a pool of developers and builders that could more freely follow housing needs and opportunities from place to place.

While it is unreasonable to expect all or even most jurisdictions to completely consolidate around a uniform set of codes and standards, it should be possible to strategically and incrementally improve alignment and compatibility between at least some of the more impactful regulations to start reducing this friction.

Regional or County officials and/or OCPC could take a leadership role in identifying and addressing opportunities for better regulatory alignment. Model regulations and standards could be crafted in collaboration with jurisdictions and developers/builders to reflect mutual needs and priorities. To help keep the process manageable, participants could prioritize topics and work through the list gradually, starting with low-hanging fruit that offer meaningful impact without too much controversy.

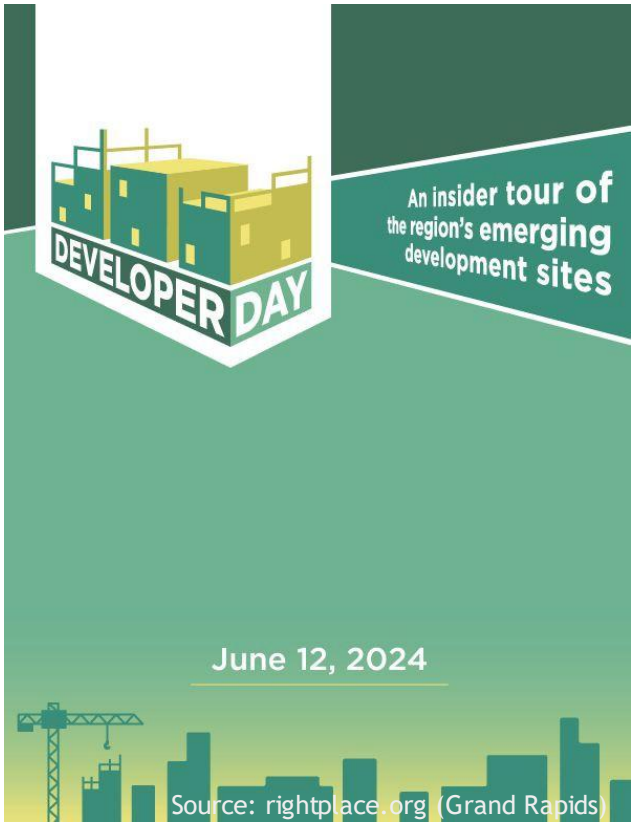
Strategy toolkit

Development opportunity promotion

While many municipalities have identified several sites or districts where new development might be designated or desired, the developer, builder, and investor community may not become aware of these opportunities organically. Targeted promotional campaigns can help generate interest in potential development sites and attract new investment activity to a community.

Promotional tactics may include:

- **"Developer days" events** that invite developers and builders from across the region to tour a municipality's candidate sites, discuss potential incentives and public-private partnership opportunities, and market the community as a promising place to invest.
- **Press releases and marketing packages** profiling opportunity sites with information about development possibilities, available incentives, and supporting community assets that would help reinforce local investment.
- **Place-based marketing** that more generally advertises the strengths, amenities, and opportunities offered by a municipality's downtown or other priority location to increase attractiveness by audiences such as developers looking for sites, employers looking for workplace locations, and households looking for a place to live.



Source: rightplace.org (Grand Rapids)

Strategy toolkit

First-time homebuyer resources

Elevated home prices and interest rates have made homeownership increasingly challenging, especially for prospective first-time buyers. However, with the right guidance and access to programs and services, many households may be able to purchase a home. Attracting and supporting new homeowners can help communities add young families to offset otherwise aging populations and create a new workforce to drive employment growth.

Municipalities and other stakeholders with an interest in expanded access to homeownership can help these first-time homebuyers in several ways, such as:

- **Create and distribute homebuyer guides** that compile available resources to help demystify and clarify the process of financing and purchasing a home, including how to access technical services and financial support.
- **Develop homeownership assistance programs** targeted at first-time buyers that provide financing support and other incentives to improve these households' eligibility for loans and competitiveness in the market.
- **Collaborate with developers and builders** to increase production of entry-level housing and prioritize new units for first-time buyers (leveraging other strategies to help close financial gaps and drive down costs).

Strategy toolkit

Proactive planning for housing as economic development

Housing is often considered a potential driver of economic development and downtown or neighborhood revitalization. With a clear vision, proactive planning, and targeted communication, municipalities can assume a more active and deterministic role than they otherwise might if opting to wait for opportunities to come to them.

The following approaches can support a strategy of planning for housing as economic development:

- **Develop a clear vision and shape policy to support it.** For example, use the comprehensive planning process to establish and communicate growth goals and identify development priority areas. Then, proactively upgrade zoning and incentive policies to support desired development (*rather than making these changes in response to a developer's proposal*).
- **Communicate what the community wants** so developers know what project features and public benefits will be expected early in the conceptual development process rather than late in the approval's negotiation phase.
- **Align housing policy with other economic development strategies.** For example, employment growth is often tied to the availability of housing for the new workforce. Housing development is often the most powerful way to create new taxable real estate value and bring investment and activity to downtowns and other neighborhood revitalization target areas.

Strategy toolkit

Housing database

While a community's housing goals may be well established and its policy strategies well-intentioned, it can be hard to execute plans and track progress without good data highlighting opportunities and informing activity along the way. ***Effective data management and communication can accelerate progress toward achieving housing production goals, such as:***

- **Housing supply inventory:** Often, there is a significant difference between how a community anecdotally understands its housing supply and what actually exists. A comprehensive and detailed inventory of existing housing supply can help the community more effectively manage its housing stock, assess the relationship between supply and demand, track affordability, and pinpoint gaps to address with targeted new development.
- **Opportunity site inventory:** A complete inventory of development opportunity sites helps match potential developers with property that matches their interests and capabilities, from vacant city-owned infill parcels to larger priority growth areas.
- **Pipeline development tracking:** By documenting pipeline development in detail from planning through occupancy, communities can monitor progress toward meeting housing production goals and track the success (or inform improvement) of policies tied to certain projects.
- **Infrastructure capacity mapping:** Most communities have detailed documentation of existing infrastructure, such as water and sewer facilities, but these records are often fragmented and limited to descriptions of location and design. From a housing development standpoint, it would be helpful to also document details such as condition, available capacity, and opportunities for new connections and expansion at localized and overall network scales. This information could help inform feasibility and cost assessments for infrastructure associated with potential housing projects and identify areas where proactive infrastructure investment could unlock new development opportunities most cost effectively.

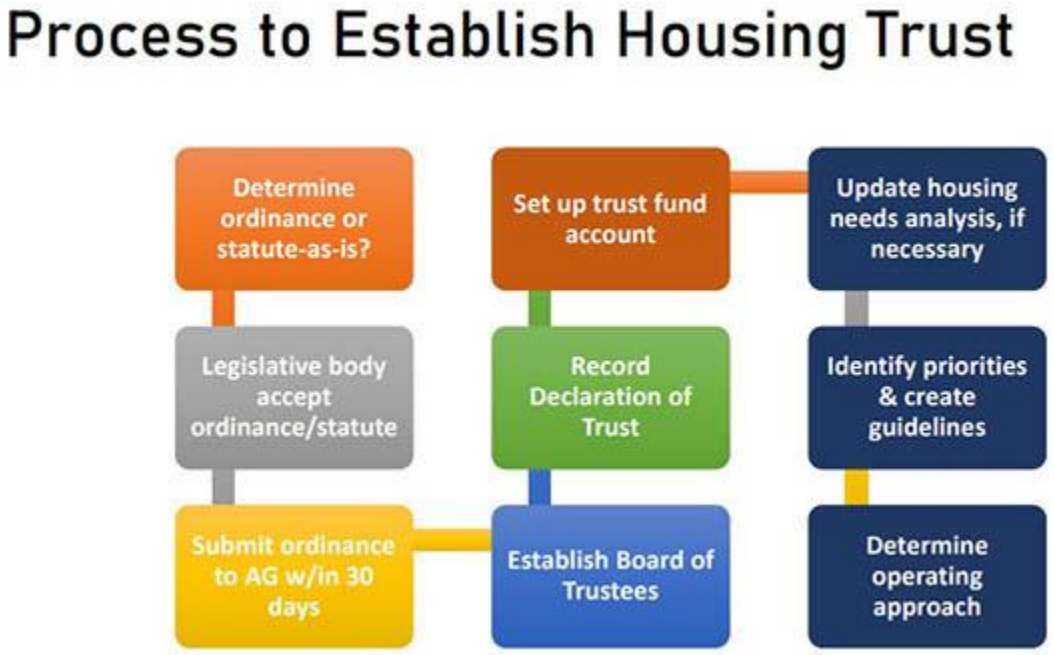
Strategy toolkit

Housing trust funds

A public or private fund established to support the creation, preservation, and/or maintenance of affordable housing, housing trust funds can be financed through a variety of sources, including local taxes, developer fees, municipal surpluses, grants, and donations. The funds support affordable housing construction, renovation, and related services.

Housing trust funds could be paired with strategies such as land banks and community land trusts to provide a financing vehicle that complements either land assembly and disposition or management functions.

MHP's Affordable Housing Trust Fund Technical Assistance Program builds upon MHP's long history of helping communities start and operate effective trusts. This effort began in 2005 when the state legislature passed the Municipal Affordable Housing Trust Law, simplifying the process of establishing a local housing trust fund. Since then, MHP has published **trust guidebooks** and reached dozens of communities each year through direct technical assistance, **large trainings** and targeted local workshops. Today, over 100 communities have adopted municipal trusts.



Strategy toolkit

Infill development

Infill housing consists of new housing added to established neighborhoods, either built on underutilized parcels or added to already-improved parcels. Infill development can take many forms, from small ADUs and carriage houses to townhomes to small multifamily buildings. Often, infill housing requires context-sensitive architecture and urban design to help new structures fit in with their existing neighborhood settings.

Especially in urban neighborhoods, infill development represents a significant opportunity to both add housing units and also revitalize parts of the community suffering from disinvestment.

The following can help promote infill development:

- Assess zoning codes to ensure potential new units fitting constrained lots are allowed by right.
- Proactively upgrade water, sewer, and other utility connections to avoid adding these costs to new development.
- If municipally owned, such as through tax taking, prepare property for streamlined disposition and development, for example, by remediating contamination and cleaning titles.
- Collaborate with a land bank or land trust.

A typical South Bend neighborhood block showing potential development of vacant lots using the pre-approved building types.

Image source: South Bend neighborhood infill design guidelines

Strategy toolkit

Interlocal infrastructure development funds

In suburban and rural contexts, housing production is often constrained not by a lack of developable land alone, but by the cost and complexity of extending water and sewer infrastructure to reach new housing sites. Unlike urban infill development, these projects may require substantial line extensions, larger-capacity connections, and coordination across public rights-of-way or other land outside a developer's control. These upfront infrastructure costs can be too large for a single developer or municipality to absorb, even when a site is otherwise well suited for housing.

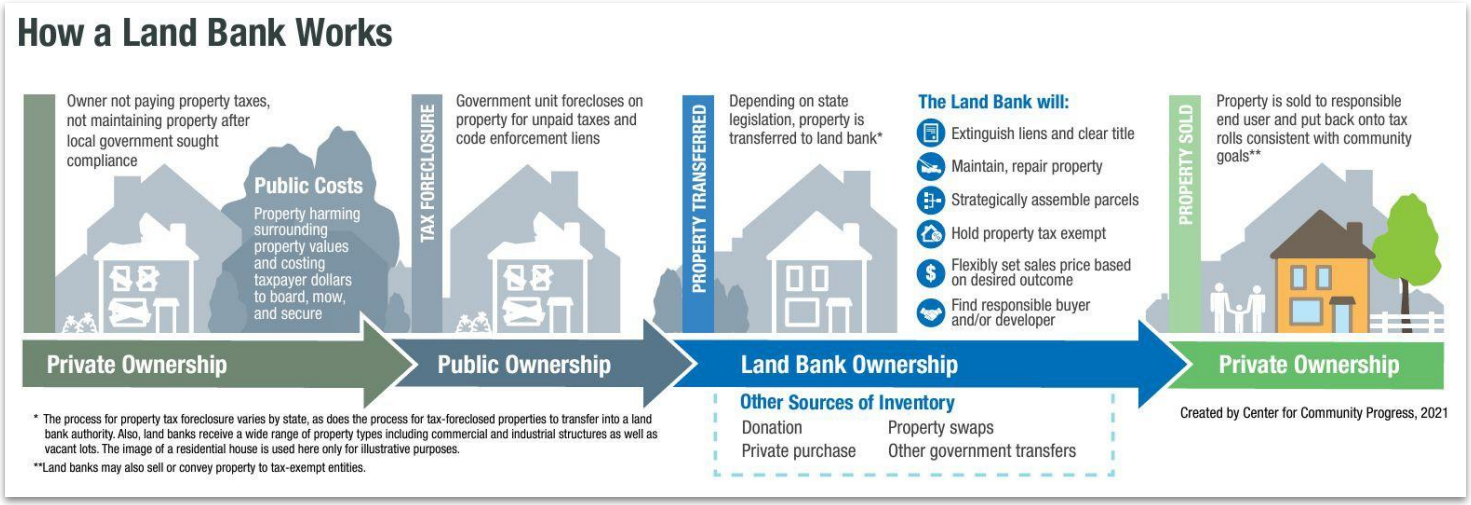
To address this barrier, participating communities could explore an interlocal infrastructure development fund to support housing-enabling infrastructure investments. By pooling resources, communities could help finance catalytic improvements such as water and sewer extensions, drainage upgrades, and related utility work needed to unlock priority housing sites. The fund could also provide local match for grant applications, support preliminary engineering, and create a more coordinated regional approach to infrastructure investment tied to housing goals.

Strategy toolkit

Land banks

A land bank is an entity that acquires, manages, and repurposes vacant, abandoned, and tax-delinquent properties to foster neighborhood revitalization, reduce blight, and support economic development and affordable housing initiatives. Land banks may be administered at the municipal level or regionally through collaboration between multiple jurisdictions under a designated managing organization and fiscal sponsor. Land banks are often paired with housing trust funds which help finance construction and other redevelopment activities. Properties are typically sold to income-eligible households earning below 80% AMI.

Often, land banks acquire and reposition land taken for tax delinquency by municipalities. While held by the land bank, property can be cleared, remediated, and otherwise prepared for development. Proactive steps such as restoring or upgrading water, sewer, and utility connections and cleaning the title can facilitate quick redevelopment by private or nonprofit development partners and reduce the overall cost toward a lower sale price at disposition to the benefit of lower-income homebuyers.



Strategy toolkit

Factory-built housing

Factory-built housing, particularly modular housing and other off-site construction methods that meet state code, could help expand the region's supply of moderately priced homes in Massachusetts. These approaches can shorten construction timelines, improve quality control, and reduce some of the labor and cost pressures associated with conventional site-built housing. While state building regulations provide a framework for these housing types, local zoning and development review processes often determine whether they can be used in practice.

In the RHS region, factory-built housing could be a useful strategy for ADUs, small infill housing, cottage-style development, and other modest-scale residential projects. To support broader use, communities could revise zoning to ensure that modular and other code-compliant factory-built homes are allowed on the same basis as comparable site-built housing, adopt clear design standards to address neighborhood compatibility, and work with manufacturers, developers, and local inspectors to streamline approvals. This approach would not replace conventional construction, but it could become an important part of a broader regional strategy to lower costs, accelerate delivery, and expand housing choice.

Permanent Modular Housing for Acton Housing Authority

Strategy toolkit

Proactive infrastructure investment

Infrastructure costs are one of the most widely cited impediments to new housing production across contexts, from urban to suburban to rural. New or upgraded sewer and water connections can add over $30k to the cost of an infill unit (even after potential municipal rebates). Extending sewer and water service to new development sites in rural communities represents a capital expenditure developers cannot justify on top of elevated costs for other project elements. In the event a developer does take on these infrastructure expenses, the costs are invariably passed on to future tenants and homebuyers, reducing housing affordability at a time when mid-range “starter homes” and rentals are in greatest demand.

To help reduce development costs and accelerate housing production, municipalities should consider making critical infrastructure investments prior to developers’ involvement. This would include prepping infill sites with water, sewer, and other utility connections and proactively extending water and sewer districts to new development areas.

Costs can be managed through strategies such as executing infill upgrades blocks at a time rather than lot-by-lot and pooling resources with other communities into a infrastructure development fund to finance larger capital projects.

Strategy toolkit

Tax increment financing (TIF)

Massachusetts' Urban Center Housing Tax Increment Financing (UCH-TIF) program allows municipalities to provide temporary property tax exemptions on all or part of the increased assessed value of eligible redevelopment projects within approved UCH-TIF zones. The program is intended to promote multi-unit housing, affordable housing, and compatible commercial growth in qualifying commercial centers, and each project must be governed by an individual agreement approved under a locally adopted UCH-TIF plan.

For the RHS region, UCH-TIF could be a useful tool for downtowns, village centers, and commercial corridors where redevelopment costs make housing projects difficult to finance. Communities could use UCH-TIF selectively to support mixed-use and multi-unit housing projects that advance local redevelopment goals, provide affordability, and help activate underutilized commercial properties. To use the tool effectively, municipalities should first define priority redevelopment areas, establish clear design and public-benefit expectations, and reserve UCH-TIF incentives for projects that clearly align with community housing and revitalization goals.

Strategy toolkit

Transparent approvals process

Uncertainty is often the biggest threat to a development project's successful implementation. Some uncertainties cannot be controlled, such as interest rates. However, approval risk is one that communities can address. Developers are less likely to build in communities that have ambiguous or subjective regulatory and approval criteria. Communities with more up-front, objective, and transparent zoning and approvals processes tend to attract more developers with more satisfactory project outcomes, such as following best practices, including:

- **Pre-approvals meetings** including developers, municipal staff from relevant departments, and local leadership to compare notes and discuss preliminary design and development feedback ahead of the formal process and before significant resources have been invested on design drawings. The closer and more coordinated all parties can be going into the process, the smoother and quicker the process is likely to go.
- **Objective and measurable design parameters** that reflect the community's vision and will be supported by leadership if adhered to. The better a developer understands what the community wants in a project, the more closely they can design to that vision up front and with confidence that the project is headed in the right direction.
- **Clear evaluation criteria** that are as objective and measurable as the governing design parameters to help the developer shape and describe the project in terms of how the community will evaluate and approve it.
- **Defined approvals process** with defined submittal requirements and fixed timelines and milestones that all parties commit to up front. Time costs developers money (which contributes to higher housing costs for tenants and buyers) and can delays when the community will benefit from a project's taxes and added housing supply.
- **Modest flexibility** in design and other parameters to accommodate situations where a developer needs to slightly deviate from requirements to make a project work efficiently.

Strategy toolkit

Zoning reform

Most of the region's housing was built under significantly different market and demographic conditions than exist today. For example, dynamics such as smaller households, remote work, pent up demand by first time homebuyers, and an aging baby boomer generation are fueling demand for alternative housing options that, while not dramatically different than the current stock, may be different enough to conflict with underlying zoning and therefore be difficult to produce.

Zoning modifications that can help support increased and more streamlined housing production include:

- **Allowing smaller houses:** Many singles and couples without children are interested in homeownership but prefer a small house on a compact, low maintenance lot. In some places, minimum building and lot sizes might not accommodate this model. Zoning revisions would allow this smaller-scale development model desired by the market. The regulations could include design standards that help ensure the new construction fits into the neighborhood context in terms of front setbacks, massing, and other placemaking parameters.
- **Encouraging ADUs and multifamily rental conversion:** Many communities dominated by single family detached houses do not offer options for households interested in renting locally. Beyond simply designating an area of town for multifamily development, zoning can be amended to allow new units within existing neighborhoods, such as expanding ADUs into other zoning districts by-right and the conversion of larger single-family structures into multifamily.
- **Reducing parking requirements:** Off-street parking requirements can limit housing density regardless of local support for more housing otherwise. In many cases, there is sufficient on-street parking capacity to accommodate many of the vehicles owned by nearby households and their visitors. Some take the approach that off-street parking supply should be a market decision left to developers and zoning should not require it. Another approach is to impose a parking maximum rather than a minimum to divert more land toward housing production instead of parking supply.

Strategy toolkit

Zoning reform (continued)

Zoning modifications that can help support increased and more streamlined housing production include (continued):

- **Allowing manufactured homes:** Given the potential cost-savings and efficiency advantages of manufactured homes, local zoning codes should find ways to accommodate these units with regulations that help them fit into the neighborhood context but also permit their often smaller footprint.
- **Reflecting development feasibility thresholds:** In some cases, developers need to reach certain height or massing minimums to achieve densities that support financial feasibility. This can be accommodated in some cases with relatively minor changes to height and massing regulations, such as by permitting an extra floor or a slightly larger building footprint. Communities can work with local developers to right-size zoning envelopes and other design parameters to reflect these trade-offs.
- **Permitting alternative housing typologies and household configurations:** Most housing - and the underlying zoning that regulates it - is designed for a relatively rigid definition of a household and housing unit. Each unit is positioned to house a single, discrete household (often called a "family"). However, in practice, units and households exhibit more flexibility, such as in multigenerational and roommate configurations. Zoning and related regulations should enable units designed for alternative (but decreasingly uncommon) living arrangements, for example by loosening the definition of "household," allowing shared facilities (kitchens, bathrooms) and "swing rooms" (bedrooms can can be attached to one unit or the other on-demand, similar to an adjoining hotel room), and other flexible and adaptable features.