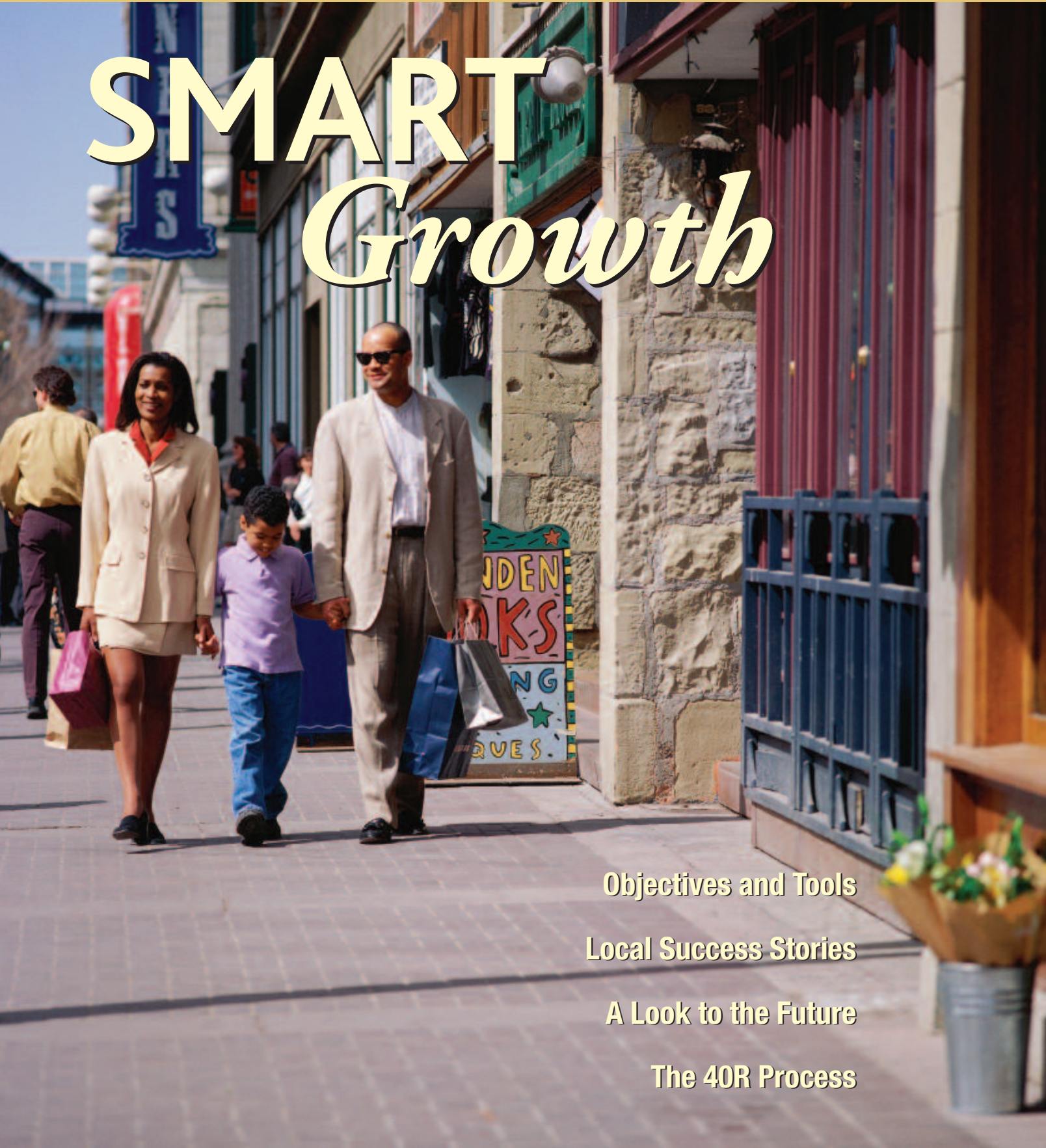


Municipal Advocate

The Massachusetts Municipal Association

SMART *Growth*



Objectives and Tools

Local Success Stories

A Look to the Future

The 40R Process



An artist's rendering depicts planned "smart growth" development at the former South Weymouth Naval Air Station.

Smart Growth *Comes of Age*

BY ANTHONY FLINT

All across the country, vast metropolitan areas, regions and entire states continue to wrestle with growth. A restive citizenry clamors for development to be more tidy, more efficient, and more satisfying. And the roster of motivations for such keeps growing.



Energy costs top the list. The predominant pattern for much of the country is spread-out, separated-use development that requires driving everywhere. But fuel is becoming more expensive and will ultimately be scarce. Large single-family homes are similarly becoming very expensive to heat or cool.

Taxes and municipal finances are another growing concern. Fast-growing communities are grappling with the fiscal consequences of extending basic infra-

Anthony Flint, a former reporter for the Boston Globe, is smart growth education director at the Office for Commonwealth Development. He can be reached at anthonyflint@state.ma.us.

structure such as water and sewer to far-flung subdivisions, and providing school bus, police and fire services across the exurban expanse.

Traffic and quality of life factor in as well. Many homebuyers are yearning for something other than a single-family home in a subdivision, miles from anywhere. They are growing weary of long commutes, and not being able to get home in time for a post-work Little League game or family dinner.

The result has been a growing embrace over the last several years of a movement known as “smart growth.” Also known as sustainable development, smart growth is an effort to steer development to community centers and downtowns, places already rich in infrastructure and near transit, and thus to spare farmland and open countryside from the bulldozer’s blade. More concentrated development promises to spin off additional benefits, such as reduced traffic congestion, more affordable housing, and stabilized municipal finances.

Although it’s not always recognized within the state, Massachusetts is considered a leader in smart growth, from the perspective of other parts of the country. Oregon, Washington, Utah, Colorado, Michigan, Pennsylvania, Delaware, Rhode Island and Vermont are among the other states encouraging new approaches to growth. In Massachusetts, a home rule state, the initiatives to bring about more concentrated development are almost entirely incentive-based.

State Takes the Lead

Before any incentives could be offered, however, state government needed some reorganization. One of the first moves Governor Mitt Romney made when he took office in 2003 was to establish the Office for Commonwealth Development, a super-agency coordinating housing (Department of Housing and Community Development), transportation (Executive Office of Transportation), the environment (Executive Office of Environmental Affairs) and energy (Division of Energy Resources). These agencies tended to operate in “silos,” but they all had a role in planning and development.

When Douglas Foy was appointed as the first secretary of the Office for Commonwealth Development in January

2003, he learned that Jane Gumble, head of the Department of Housing and Community Development, and Michael Mulhern, then general manager of the Massachusetts Bay Transportation Authority, had never met, let alone coordinated policymaking. Yet housing near transit was a key component of planning more efficient future development. [Foy, formerly president of the Conservation Law Foundation, stepped down from the job at OCD in March. Andrew Gottlieb was appointed to the position April 21.]

The Office for Commonwealth Development’s bird’s-eye view also provided a fresh look at capital and operational budgets and criss-crossing funding responsibilities. MassHighway, for example, now assumes responsibility for infrastructure repair and improvements that formerly burdened the Department of Conservation and Recreation, freeing up millions of dollars in capital funding for DCR to direct towards parks.

Nearly \$5 billion in capital and operational funding flows every year from the agencies coordinated by OCD, and that spending was put into alignment with a smart growth agenda. One of the first new policies that Romney announced was “Fix it First,” a pledge to give priority to the repair of existing infrastructure over any new construction, including new roadways. Pennsylvania and Michigan have similar policies. “Fix it First” was launched in conjunction with the “Communities First” policy, which gives cities and towns more say in how state-funded infrastructure projects, repairs and reconstruction should be carried out.

The next big step was the creation of Commonwealth Capital, the new framework for distributing nearly \$500 million in discretionary funding each year. Commonwealth Capital rewards communities that engage in smart growth, such as by changing zoning to promote housing production and more affordable housing in town centers and other appropriate locations.

More than 260 cities and towns have participated in Commonwealth Capital by filling out a scorecard that asks for information on twenty-seven different initiatives, such as legalizing accessory dwelling unit apartments or establishing a cluster zoning bylaw. Each community gets a Commonwealth Capital score,



The plans for South Weymouth call for pedestrian-friendly development.

up to 140. [Scores are all posted at www.mass.gov/ocd.] The higher the score, the better chance a municipality has of winning a grant or loan in the Commonwealth Capital “family” of funding programs (see box, right). The score counts for 30 percent of the decision of whether to make an award.

In March, the administration announced the awarding of \$15.5 million in grants and \$501 million in loans to dozens of communities, recognizing how the funding went through what is called the “filter” of Commonwealth Capital. The grant programs included Transit-Oriented Development, Public Works Economic Development, the Commercial Area Transit Node Program, and Community Development Action Grants. The low-interest loans were from the state revolving fund for clean water and drinking water programs.

Northampton Mayor Mary Clare Higgins says the Commonwealth Capital program has helped her city with planning. “We use it as a bit of a report card of our own, to see where we are,” she says. “OCD has tried to make it as broad-based as possible. Northampton has done well on this because we have both urban and rural characteristics—we have a downtown

and housing, and we have an agricultural commission as well.”

Tools for Communities

Other strategies were developed to promote the benefits of more concentrated development in Massachusetts cities and towns. Last year, the Legislature passed two pieces of legislation that provided financial incentives for smart growth: Chapter 40R and 40S. (See related story, page 14.)

Under Chapter 40R, municipalities receive \$3,000 per new home built and a lump-sum payment of up to \$600,000 for creating special zoning districts for dense, preferably mixed-use development in town centers, downtowns, on vacant industrial land, near transit, or on underutilized land deemed appropriate for residential development.

Nearly thirty communities are pursuing the establishment of smart growth districts under Chapter 40R or are otherwise exploring the suitability of the program. These communities include North Reading, Chelsea, Somerville, Lowell, Lawrence, Haverhill, Newbury, Bolton, Gardner, Chicopee, Springfield, Pittsfield, Norwood, Brockton, and Plymouth. Developer Ted Carmen, one of the early promoters of the program, estimates that 40R districts

Grants and Loans Organized Under Commonwealth Capital

- Public Works Economic Development Program (EOT)
- Bike and Pedestrian Program (EOT)
- Transit Oriented Development Bond Program (EOT)
- Community Development Action Grant Program (DHCD)
- Affordable Housing Trust Fund (DHCD)
- Housing Stabilization Fund (DHCD)
- Housing Development Support Program (DHCD)
- Commercial Area Transit Node Program (DHCD)
- State Revolving Fund (EOEA/DEP)
- Urban Brownfields Assessment Program (EOEA)
- Self-Help Program (EOEA)
- Urban Self-Help Program (EOEA)
- Land and Water Conservation Fund (EOEA)
- Agricultural Preservation Restriction Program (EOEA/DAR)

- Land Protection Programs (EOEA/DCR, DFG)
- Drinking Water Supply Protection Grant Program (EOEA)
- UrbanRiver Visions Implementation Program (EOEA)
- Coastal Pollutant Remediation Grant Program (EOEA/CZM)
- Coastal Nonpoint Source Pollution Grant Program (EOEA/CZM)
- Off-Street Parking Program (EOAF)

CZM = Coastal Zone Management

DAR = Division of Agricultural Resources

DCR = Department of Conservation and Recreation

DEP = Department of Environmental Protection

DFG = Department of Fish and Game

DHCD = Department of Housing and Community Development

EOAF = Executive Office for Administration and Finance

EOEA = Executive Office of Environment Affairs

EOT = Executive Office of Transportation

Source: Office for Commonwealth Development (www.mass.gov/ocd)

under consideration across the state represent a potential 7,000 new homes.

Chapter 40S provides reimbursement for the cost of educating children who move into 40R districts. The legislation was designed to allay concerns among municipalities that providing new housing was a “net loser” in terms of property tax revenue versus service demands. The funding for 40S is expected to be, at most, an additional \$30 million tacked onto annual state spending on education.

Chapter 40R and Chapter 40S provide financial incentives for cities and towns to engage in a high-octane version of smart growth. For example, a seven-acre site with thirty single-family homes and sixty apartments would produce \$50,000 in lump-sum payments plus \$145,000 to cover school costs.

The Office for Commonwealth Development has also stepped up efforts to let municipalities know that technical assistance is available to modify outdated zoning. Nearly 150 municipalities have used

more than \$4 million in funding to plan initiatives and change zoning, through smart growth and technical assistance awards and Priority Development Fund grants administered through the Department of Housing and Community Development.

All communities have also been sent the Smart Growth Toolkit, which explains twelve smart growth techniques; the transfer of development rights; transit-oriented development; traditional neighborhood design; open space residential design; legalizing accessory dwelling units; district improvement financing and tax increment financing; low-impact development; inclusionary zoning; agricultural land preservation; brownfields re-use; Chapter 40R; and water resource management. [The toolkit is also available at www.mass.gov/ocd.]

Changing Transportation

Another important change is the new highway design manual, one of the quiet ways that the state is changing the “DNA of development,” according to Foy. The

manual is the guidebook for the construction and reconstruction of state-funded roads and bridges. The new version, put out by MassHighway, promotes greater flexibility in minimum widths, design speeds and appearance. The needs of drivers, pedestrians and bicyclists are served equally. Municipalities are given much more say in creating attractive Main Streets through the town centers where growth is being steered, through the use of bicycle lanes, wider sidewalks, street trees, and traffic-calming strategies.

Statewide transportation planning is the other area where the Office for Commonwealth Development has influenced the Massachusetts landscape. OCD coordinated the development of the twenty-year transportation plan, which directs about half of all state funding toward transit, and links transportation and land use by setting a framework for transportation corridors.

The future of capital projects in the MBTA system was brightened by shifting

The 10 Principles of Sustainable Development

The following are the 10 principles of smart growth developed by the Office for Commonwealth Development:

1. **Redevelop First.** Support the revitalization of community centers and neighborhoods. Encourage reuse and rehabilitation of existing infrastructure rather than the construction of new infrastructure in undeveloped areas. Give preference to redevelopment of brownfields, preservation and reuse of historic structures, and rehabilitation of existing housing and schools.
2. **Concentrate Development.** Support development that is compact, conserves land, integrates uses, and fosters a sense of place. Create walkable districts mixing commercial, civic, cultural, educational and recreational activities with open space and housing for diverse communities.
3. **Be Fair.** Promote equitable sharing of the benefits and burdens of development. Provide technical and strategic support for inclusive community planning to ensure social, economic, and environmental justice. Make regulatory and permitting processes for development clear, transparent, cost-effective, and oriented to encourage smart growth and regional equity.
4. **Restore and Enhance the Environment.** Expand land and water conservation. Protect and restore environmentally sensitive lands, natural resources, wildlife habitats, and cultural and historic landscapes. Increase the quantity, quality and accessibility of open space. Preserve critical habitat and biodiversity. Promote developments that respect and enhance the state’s natural resources.
5. **Conserve Natural Resources.** Increase our supply of renewable energy and reduce waste of water, energy and materials. Lead by example and support conservation strategies, clean power and innovative industries. Construct and promote buildings and infrastructure that use land, energy, water and materials efficiently.
6. **Expand Housing Opportunities.** Support the construction and rehabilitation of housing to meet the needs of people of all abilities, income levels and household types. Coordinate the provision of housing with the location of jobs, transit and services. Foster the development of housing, particularly multifamily, that is compatible with a community’s character and vision.
7. **Provide Transportation Choice.** Increase access to transportation options in all communities, including land- and water-based public transit, bicycling, and walking. Invest strategically in transportation infrastructure to encourage smart growth. Locate new development where a variety of transportation modes can be made available.
8. **Increase Job Opportunities.** Attract businesses with good jobs to locations near housing, infrastructure, water, and transportation options. Expand access to educational and entrepreneurial opportunities. Support the growth of new and existing local businesses.
9. **Foster Sustainable Businesses.** Strengthen sustainable natural resource-based businesses, including agriculture, forestry and fisheries. Strengthen sustainable businesses. Support economic development in industry clusters consistent with regional and local character. Maintain reliable and affordable energy sources and reduce dependence on imported fossil fuels.
10. **Plan Regionally.** Support the development and implementation of local and regional plans that have broad public support and are consistent with these principles. Foster development projects, land and water conservation, transportation and housing that have a regional or multi-community benefit. Consider the long-term costs and benefits to the larger Commonwealth.

Source: Office for Commonwealth Development (www.mass.gov/ocd)

responsibility for future non-federal capital funding from the MBTA to the state, in the form of the Executive Office of Transportation. Several improvements to the system were fine-tuned in the implementation of transit commitments linked to the Central Artery project, and objective criteria were established for all future transportation projects. Since 2003, the state has committed to completing the Greenbush commuter rail line through the South Shore in 2007; adding station stops in Dorchester along the Fairmount commuter rail line; and creating an underground connection linking the existing two phases of the Silver Line in downtown Boston.

Extension of the Green Line through Somerville perhaps best exemplifies the new approach in transportation planning. Mayor Joseph Curtatone and his staff put together a comprehensive plan for creating mixed-use development around all of the future stations along the Green Line extension, from Brickbottom to the Medford line. It was that commitment to transit-oriented development that ensured funding for the project.

The state is trying to support transit-

oriented development along existing transit lines as well. The Legislature established \$30 million in funding for communities engaging in the construction of housing and mixed-use development around transit stations. The Office for Commonwealth Development assists the MBTA, other state agencies that are landowners around stations, and local governments in coordinating the development. Some twenty station locations on transit and commuter rail lines are readying for mixed-use development, including housing. The funding goes for housing, parking, and pedestrian and bicycle amenities; the first \$7 million was awarded to Boston, Chelsea and Lynn in March, and further awards will go out later this year. A typical site that will be transformed from parking lots to attractive, mixed-use development is the Wonderland station on the Blue Line in Revere.

Andrew Gottlieb, the new secretary for Commonwealth Development, says the funding for transit-oriented development, combined with the cash incentives for town-center development, technical assistance for planning, infrastructure funding targeted to communities engaged

in smart growth, and transportation planning linked to land use, provides a big toolbox for cities and towns to steer future development to the places that make the most sense.

“All the incentives for more sensible growth that we’ve been able to establish form a solid foundation,” Gottlieb says. “The participation in Commonwealth Capital is very encouraging. The level of interest in smart growth techniques has been very high. We want to continue to be there to help cities and towns produce more housing while better managing growth.”

Mayor Higgins, who’s the current president of the Massachusetts Municipal Association, says cities and towns have been preoccupied with financial struggles for the past few years and may not have felt they could fully investigate smart growth techniques for managing development. That is changing, however, as communities figure out how to handle growth and development in a way that is responsible, she says. “They may not use the lingo—they may not talk about smart growth—but they do talk about revitalizing their downtown or making it walkable.” ❁

Chapters 40R and 40S at a Glance

Chapter 40R

Cities and towns may establish special zoning overlay districts that allow densities of eight units per acre for single-family homes, twelve units per acre for two- or three-family residences, and twenty units per acre for condominiums and apartments. The zoning must require that twenty percent of the district be affordable homes and may allow “mixed use”—the combination of residential, office and retail within close proximity. The location of these districts must be in town centers, downtowns, near a transit station, on unused industrial land, or in other locations municipalities have deemed appropriate for higher-density housing.

The rationale for the districts is that they create a distinctive sense of place and fulfill a significant market demand for convenience, while reducing car trips and easing development pressure on open space elsewhere in the community.

In return for adopting the zoning and streamlining the development process for 40R districts, cities and towns can receive between \$10,000 and \$600,000 in state funding, plus an additional \$3,000 for every new home created. There is money in the account for distribution under Chapter 40R, according to Sarah Young at the Department of Housing and Community Development. Part of the funding is based on the disposition of state-owned land.

Assistance is available to communities for writing a smart growth zoning bylaw and for planning and design.

Chapter 40S

Cities and towns that establish a 40R district will be eligible to collect additional funding to cover the unfunded costs of educating any school-age children who move into such districts. This legislation was in response to the concern that property tax revenue from new housing is seldom in balance with increased service costs associated with new residents, primarily for education.

Qualifying communities will be reimbursed for the net cost of educating students living in new housing in smart-growth districts. The reimbursement equals the cost of educating students living in new housing in smart-growth districts, less an amount equal to the sum of: (a) new property and excise taxes in the smart growth district multiplied by the average percent of total local spending on education across the commonwealth (about fifty-two percent), and (b) any increases in other state education funding that is directly a result of these new students. As a practical matter, foundation communities are not eligible for 40S funding. This funding becomes available in 2008.

Source: Office for Commonwealth Development (www.mass.gov/octd)