



Massachusetts Taxpayers Foundation

June 14, 2019

The Honorable Brendan P. Crighton, Chair
Joint Committee on Housing
State House, Room 520
Boston, MA 02133

The Honorable Kevin G. Honan, Chair
Joint Committee on Housing
State House, Room 38
Boston, MA 02133

Re: H.3507, *An Act to Promote Housing Choices*

Dear Senator Crighton and Representative Honan,

The mission of the Massachusetts Taxpayers Foundation is to provide accurate, unbiased research with balanced, thoughtful recommendations that strengthen the state's finances and economy in order to foster the long-term well-being of the Commonwealth. Over the course of nearly ninety years, MTF has played an instrumental role in achieving major reforms and promoting sound public policy in state government.

In furtherance of this mission, I write today in support of H.3507, the proposal to change state laws related to local zoning to encourage housing development in Massachusetts.

The Commonwealth's economic vitality relies on making the cost of living and doing business competitive with other states. While we are proud of our economic strength as measured in terms of Gross Domestic Product and the unemployment rate, Massachusetts will soon face significant demographic challenges. According to a recent analysis by Moody's Analytics, the Work Aged population in our state peaked in 2018 at approximately 4.6 million work-aged individuals. By 2030, the analysis expects that figure to shrink by four percent to 4.4 million people. Finding new workers represents a fundamental challenge to the long-term well-being of the Commonwealth.

MTF supports H.3507 as a way to address high housing costs, which are an impediment to attracting new workers in Massachusetts.

Home prices here are among the most expensive in the United States. According to the US Census Bureau, the median home value in Massachusetts is the third highest in the nation and trails only Hawaii and California. According to Zillow, the median rent for a 2-bedroom apartment in Massachusetts is nearly \$2500 per month, higher than any other state in the country.

H.3507, *An Act to Promote Housing Choices*, will change the state laws that govern local zoning decisions to make it easier to permit high density residential production and transit-oriented development. The Commission on the Future of Transportation recognized the need to align housing and transportation policies in order to maximize the number of people we move. Simplifying the process to create mixed-use zoning, especially near town centers and transit hubs, for example, will make it easier to move people, provide more affordable housing options, and help alleviate congestion in the Commonwealth.

Further, making it easier to change dimensional requirements to allow homes to be built closer together is critical to reducing the cost of living in Massachusetts. Removing state-imposed obstacles to achieving this goal is critically important to our economic future.

We have an innovation economy. We have a highly educated workforce, strong access to capital markets, and diverse, welcoming neighborhoods. We must consider innovative housing policies to keep pace. H.3507 would decrease the cost of living in Massachusetts by providing more affordable housing options thereby increasing our economic competitiveness and enhancing the long-term well-being for everyone in the Commonwealth.

We respectfully request you report the bill out favorably.

Sincerely,

A handwritten signature in cursive script that reads "Eileen McAnney". The signature is written in black ink and is positioned below the word "Sincerely,".

Eileen McAnney

cc: Mike Kennealy, Secretary of Housing and Economic Development