



## **Guidelines for Project Consistency with the Commonwealth's Sustainable Development Principles (Effective January 1, 2006)**

In creating the Office for Commonwealth Development, Governor Romney established a framework to insure a strong economic future for the state and a high quality of life for its residents by undertaking a comprehensive approach to housing and community investment in a way that respects landscape and natural resources. The administration believes that sustainable development can and should take place in all communities. To be successful, our investments must bring the housing market into equilibrium and enable the state to attract new businesses while making strategic land use choices. In order to achieve our housing and community development goals, we rely on our strategic partners to develop projects that enable us to optimize our limited natural and financial resources. The administration created 10 Principles of Sustainable Development as a way to articulate and describe this vision to our strategic partners and to guide our investment decisions.

Accordingly, projects proposed by sponsors seeking funding from DHCD's housing and community development programs<sup>1</sup>, financing from MassHousing, MHP, MassDevelopment or CEDAC or seeking a c. 40B determination of project eligibility from a subsidizing agency must be consistent with the Principles of Sustainable Development in the manner described below. New development will ideally utilize existing infrastructure and be located near transit, in or around downtowns, village centers, areas of concentrated development or destinations of frequent use. If the project is not in one of these preferred locations, it must offer some other features, such as land protection, enhanced energy efficiency, context sensitive site design and/or be consistent with a regional strategy, that taken together, increases the sustainability of the development. Each proposal will be evaluated for competitiveness in the context of site design and appropriateness of location.

Funding agencies and the issuers of determinations of project eligibility will use the following methodology in order to determine whether a proposed project is consistent with the Principles<sup>2</sup>. A housing or community development project must follow either Method 1 or Method 2:

### **Method 1:**

Be consistent with ***Redevelop First***. *Support the revitalization of town 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.*

In order to demonstrate consistency with this principle, a project must:

- a. Involve the rehabilitation or redevelopment of or improvements to vacant or occupied existing structures or infrastructure; or
- b. If new construction, contribute to the revitalization of a town center or neighborhood and/or be walkable to transit; the downtown; a village center; a school; a library; a retail, services or employment center; or be located in a municipally-approved growth center.

### **Method 2:**

Be consistent with at least five (5) of the following Sustainable Development Principles, of which one must be either ***Concentrate Development*** or ***Restore and Enhance the Environment***.

For housing projects that are sited on municipally owned or municipally provided land, involve municipal funding, or are supported by the municipality as evidenced by a letter from the chief elected official at the point of Determination of Site Eligibility or application for funding, only four (4) of the

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<sup>1</sup> Affordable Housing Trust Fund, HOME, Housing Stabilization Fund, Federal and State Low Income Housing Tax Credits, Commercial Area Transit Node Program, CDBG and CDAG

<sup>2</sup> CDAG is using a modified version of the methodology, which is attached in Addendum A.



Principles must be met, of which one must be **Concentrate Development** or **Restore and Enhance the Environment**.

Each Principle is listed below with examples of ways projects may demonstrate consistency. Projects need to satisfy only one of the examples, not all those listed; other ways to satisfy the Principles will also be considered.

**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.*

Examples of ways to demonstrate consistency:

- The project is at a higher density than the surrounding area.
- The project mixes uses or adds new uses to an existing neighborhood.
- The project produces multi-family housing.
- The project utilizes existing water and/or sewer infrastructure.
- The project is compact and/or clustered so as to preserve undeveloped land.

**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 bio-diversity. Promote developments that respect and enhance the state's natural resources.*

Examples of ways to demonstrate consistency:

- The project involves the creation or preservation of open space or passive recreational facilities.
- The project protects sensitive land, including prime agricultural land, and/or resources from development.
- The project involves environmental remediation or clean up.
- The project is part of the response to a state or federal mandate (e.g., clean drinking water, drainage).
- The project eliminates/reduces neighborhood blight.
- The project addresses a public health and safety risk.
- The project significantly enhances an existing community or neighborhood by restoring an historic landscape.

**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.*

Examples of ways to demonstrate consistency:

- The project involves a concerted public participation effort (beyond the minimally required public hearing), including the involvement of community members, residents of the development and/or key stakeholders in the planning and design of the project.
- The project involves a streamlined permitting process, such as 40B or 40R
- The project conforms to Universal Design standards and/or incorporates features that allow for "visitability".
- The project creates affordable housing in a neighborhood or community whose residents are predominantly middle to upper income and/or meets a regional need.
- The project targets a high-poverty area and makes available affordable homeownership and rental opportunities.
- The project promotes diversity and social equity and improves the neighborhood.

**Conserve 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.*



Examples of ways to demonstrate consistency:

- The project complies with EPA's Energy Star guidelines or with a similar system.
- The project uses a renewable energy source, recycled and/or non-/low-toxic materials, exceeds the state energy code, is configured to optimize solar access, and/or otherwise results in waste reduction and conservation of resources.
- The project uses alternative technologies for water and/or wastewater treatment that result in land or water conservation.
- The project uses low impact development (LID) or other innovative techniques for stormwater management that result in land or water conservation.

**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.*

Examples of ways to demonstrate consistency:

- The project increases the number of rental units available to residents of the Commonwealth, including low- or moderate-income households.
- The project increases the number of homeownership units available to residents of the Commonwealth, including low- or moderate-income households.
- The project increases the number of housing options for special needs and disabled populations.
- The project expands the term of affordability

**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.*

Examples of ways to demonstrate consistency:

- The project is walkable to public transportation.
- The project reduces dependence on private automobiles (e.g., provides previously unavailable shared transportation (such as Zip Car or shuttle buses).
- The project reduces dependence on automobiles by providing increased pedestrian and bicycle access.
- For rural areas, the project is located in close proximity (i.e., approximately 1 mile) to a transportation corridor that provides access to employment centers, retail/commercial centers, civic or cultural destinations.

**Increase Job Opportunities:** *Attract businesses 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.*

Examples of ways to demonstrate consistency:

- The project creates or retains permanent jobs.
- The project creates or retains permanent jobs for low- or moderate-income persons.
- The project locates jobs near housing, service or transit.
- The project creates housing near an employment center

**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.*

Examples of ways to demonstrate consistency:

- The project supports natural resource-based businesses, such as farming, forestry, or aquaculture.
- The project reuses or recycles materials from a local or regional industry's waste stream.



- The project involves the manufacture of resource-efficient materials, such as recycled or low-toxicity materials.
- The project supports businesses which utilize locally produced resources such as locally harvested wood or agricultural products.

***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.

Examples of ways to demonstrate consistency:

- The project is consistent with a municipally supported regional plan that identifies sub region, area or location, and the number and type of housing units or jobs needed.
- The project addresses at least one of the barriers identified in a regional Analysis of Impediments to Fair Housing.
- The project has a *measurable* public benefit beyond the applicant community.

**NOTES:**

Projects that entirely serve to eliminate a public health or safety risk (e.g., demolition of a blighted structure) are exempt from the Sustainable Development threshold. In addition, CDBG-funded Public Social Service and non-development Microenterprise Assistance Projects are also exempt.

Projects seeking funding from the state's housing and community development programs remain subject to the specific programmatic requirements. Similarly, projects proposed under c. 40B are governed by MGL c. 40B Sections 20-23, and 760 CMR 30.00 and 31.00 as well as all Fair Housing Laws. Projects should also demonstrate consistency with the Commonwealth's Fair Housing Principles, attached at the end of this document.

**Sustainable Development Features**

Although not threshold criteria, the following are examples of sustainable development features that could serve to improve a project:

- Parking located where it does not visually dominate the development from the street and allows easy and safe pedestrian access to buildings.
- The project contributes to the public streetscape with pedestrian-friendly amenities such as benches, lighting, street trees, trash cans, and windows at street level.
- The project creates or enhances community spaces such as public plazas, squares, parks, etc.
- The project proponent strives to use mechanisms that will permanently protect open space.
- Overall building size kept to a minimum while still meeting occupants' needs. (e.g., 1600 SF plus 200 SF per bedroom)
- The project expands the local tax base.



## Massachusetts Fair Housing Mission Statement and Principles

The mission of DHCD through its programs and partnerships is to be a leader in creating housing choice and providing opportunities for inclusive patterns of housing occupancy to all residents of the Commonwealth, regardless of income, race, religious creed, color, national origin, sex, sexual orientation, age, ancestry, familial status, veteran status, or physical or mental impairment.

It shall be our objective to ensure that new and ongoing programs and policies affirmatively advance fair housing, promote equity, and maximize choice. In order to achieve our objective, we shall be guided by the following principles:

1. **Encourage Equity.** Support public and private housing and community investment proposals that promote equality and opportunity for all residents of the Commonwealth. Increase diversity and bridge differences among residents regardless of race, disability, social, economic, educational, or cultural background, and provide integrated social, educational, and recreational experiences.
2. **Be Affirmative.** Direct resources to promote the goals of fair housing. Educate all housing partners of their responsibilities under the law and how to meet this important state and federal mandate.
3. **Promote Housing Choice.** Create quality affordable housing opportunities that are geographically and architecturally accessible to all residents of the commonwealth. Establish policies and mechanisms to ensure fair housing practices in all aspects of marketing.
4. **Enhance Mobility.** Enable all residents to make informed choices about the range of communities in which to live. Target high-poverty areas and provide information and assistance to residents with respect to availability of affordable homeownership and rental opportunities throughout Massachusetts and how to access them.
5. **Promote Greater Opportunity.** Utilize resources to stimulate private investment that will create diverse communities that are positive, desirable destinations. Foster neighborhoods that will improve the quality of life for existing residents. Make each community a place where any resident could choose to live, regardless of income.
6. **Reduce Concentrations of Poverty.** Ensure an equitable geographic distribution of housing and community development resources. Coordinate allocation of housing resources with employment opportunities, as well as availability of public transportation and services.
7. **Preserve and Produce Affordable Housing Choices.** Encourage and support rehabilitation of existing affordable housing while ensuring that investment in new housing promotes diversity, and economic, educational, and social opportunity. Make housing preservation and production investments that will create a path to social and economic mobility.
8. **Balance Housing Needs.** Coordinate the allocation of resources to address local and regional housing need, as identified by state and community stakeholders. Ensure that affordable housing preservation and production initiatives and investment of other housing resources promote diversity and social equity and improve neighborhoods while limiting displacement of current residents.
9. **Measure Outcomes.** Collect and analyze data on households throughout the housing delivery system, including the number of applicants and households served. Utilize data to assess the fair housing impact of housing policies and their effect over time, and to guide future housing development policies.
10. **Rigorously Enforce All Fair Housing and Anti-Discrimination Laws and Policies.** Direct resources only to projects that adhere to the spirit, intent, and letter of applicable fair housing laws, civil rights laws, disability laws, and architectural accessibility laws. Ensure that policies allow resources to be invested only in projects that are wholly compliant with such laws.



**Addendum A:  
SMART GROWTH CRITERIA  
For COMMUNITY DEVELOPMENT ACTION GRANT (CDAG)**

All proposed projects, except for business/industrial park projects located outside of the downtown or town/city center, must conform to Section 2A below. If the proposed project is not a business/industrial park but is located outside of the downtown or town/city center, it must conform to Section 2A and 2B. If the proposed project is a business/industrial park located outside of the downtown or town/city center, it must conform to Section 2C.

**2A. Guidelines for Project Consistency with Sustainable Development Principles**

Same as on pages 1-3.

**2B. Proposed Projects Located Outside of Downtown or Town/City Centers**

If the proposed CDAG project is not consistent with the Sustainable Development Principle of Redevelop First AND is also located outside of the downtown or town/city center, the following additional information must be provided in the Application under Section 2:

- Discussion of why the proposed project cannot be implemented in the downtown or town/city center.
- Discussion of what the applicant community is doing to support or enhance its downtown or town/city center and/or how the project will support or enhance the downtown or town/city center --i.e., specific activities/strategies -- both current and future -- that the community is undertaking to promote private investment and revitalize its downtown or town/city center.

**2C. Proposed Business/Industrial Park Projects Located Outside of Downtown or Town/City Centers**

If the proposed CDAG project is a business/industrial park located outside of the downtown or town/city center and is not consistent with the Sustainable Development Principle of Redevelop First, DHCD will consider whether the project is consistent with Sustainable Development Principles based on the following information that must be provided in the Application under Section 2:

- Discussion of why the proposed project cannot be implemented in the downtown or town/city center.
- Discussion of what the applicant community is doing to support or enhance its downtown or town/city center and/or how the project will support or enhance the downtown or town/city center -- i.e., specific activities/strategies -- both current and future -- that the community is undertaking to promote private investment and revitalize its downtown or town/city center.
- Demonstration of project consistency with the following three (3) Sustainable Development Thresholds:
  - Conserve Resources
  - Plan Regionally
  - Increase Job Opportunities