

Unlocking the Commonwealth

New housing and growth policies to help
Massachusetts realize its full potential



AREAS SUITABLE FOR DEVELOPMENT AS SITES FOR VETERANS HOUSING

AREAS SHOWN ARE THOSE TRACTS OF LAND, 5 ACRES OR MORE IN SIZE, NOT IN PUBLIC OR INSTITUTIONAL OWNERSHIP NOR IN USE AS COMMERCIAL, MARKET GARDENS OR ORCHARDS. THESE AREAS ARE ZONED FOR RESIDENTIAL USE AND ARE SUITABLE BY REASON OF TOPOGRAPHY, ACCESSIBILITY AND NEIGHBORHOOD FACTORS FOR DEVELOPMENT AS LARGE-SCALE RENTAL OR OWNER-OCCUPIED HOUSING UNITS FOR VETERANS.

TRACT AVERAGE SIZE



- BUILT-UP MUNICIPALITIES WITH NO SUITABLE BUILDING LAND IN 5 ACRE TRACTS
- PARTIALLY BUILT-UP MUNICIPALITIES WITH SUITABLE BUILDING LAND LIMITED TO LESS THAN 500 ACRES
- MUNICIPALITIES WITH OVER 500 ACRES IN SUITABLE SITES AND FAVORED BY ACCESSIBILITY
- MUNICIPALITIES WITH OVER 500 ACRES IN SUITABLE SITES BUT HINDERED BY INACCESSIBILITY AND MOSTLY SUITABLE FOR HIGH-PRICED DEVELOPMENT.

AREAS WELL SUITED TO MODERATE PRICED SINGLE-FAMILY HOUSE OR RENTAL HOUSING DEVELOPMENT.

AREAS WELL SUITED TO MEDIUM PRICED SINGLE-FAMILY HOUSE DEVELOPMENT.

AREAS AND TOWNS INCLUDED IN THIS STUDY ARE: 1. MAINE: MAINE METROPOLITAN AREA; 2. MASS.: PLUM TREE OTHER UNDESIGNED TOWNS

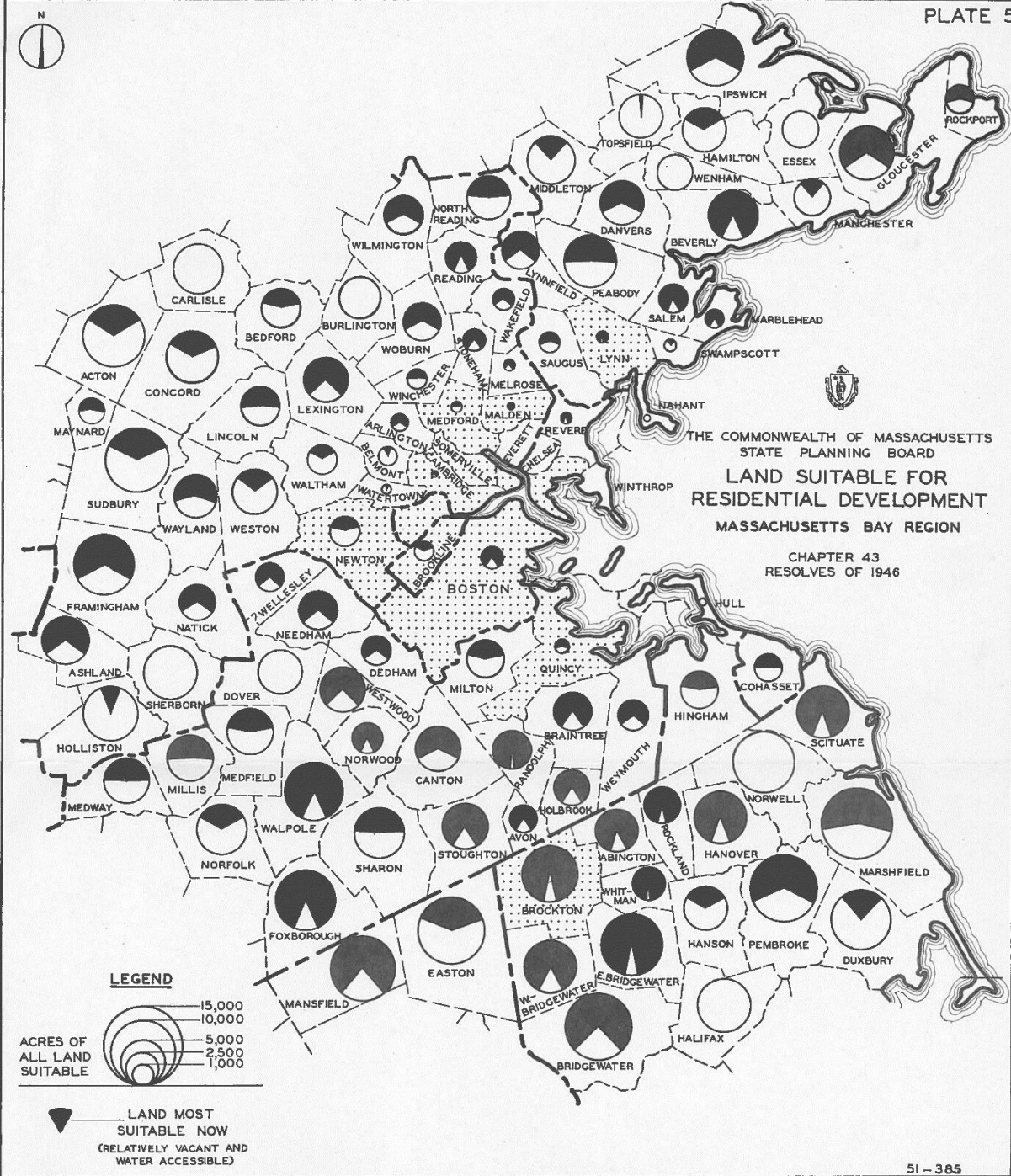
SOURCES OF INFORMATION: FIELD TRIPS; LAND USE MAPS; U.S.S. AERIALS; CITY AND TOWN MAPS; CITY AND TOWN ENGINEERS; PLANNING DEPARTMENTS; STATE PLANNING BOARD

GREATER BOSTON DEVELOPMENT COMMITTEE INC. 80 BRIMLEY STREET, BOSTON, MASS.

JANUARY, 1967



THIS MAP COMPILED FROM DATA FURNISHED BY THE OFFICIALS OF PARTICIPATING TOWNS, CITIES, VILLAGES AND TOWNSHIPS.



THE COMMONWEALTH OF MASSACHUSETTS
 STATE PLANNING BOARD
**LAND SUITABLE FOR
 RESIDENTIAL DEVELOPMENT**
 MASSACHUSETTS BAY REGION

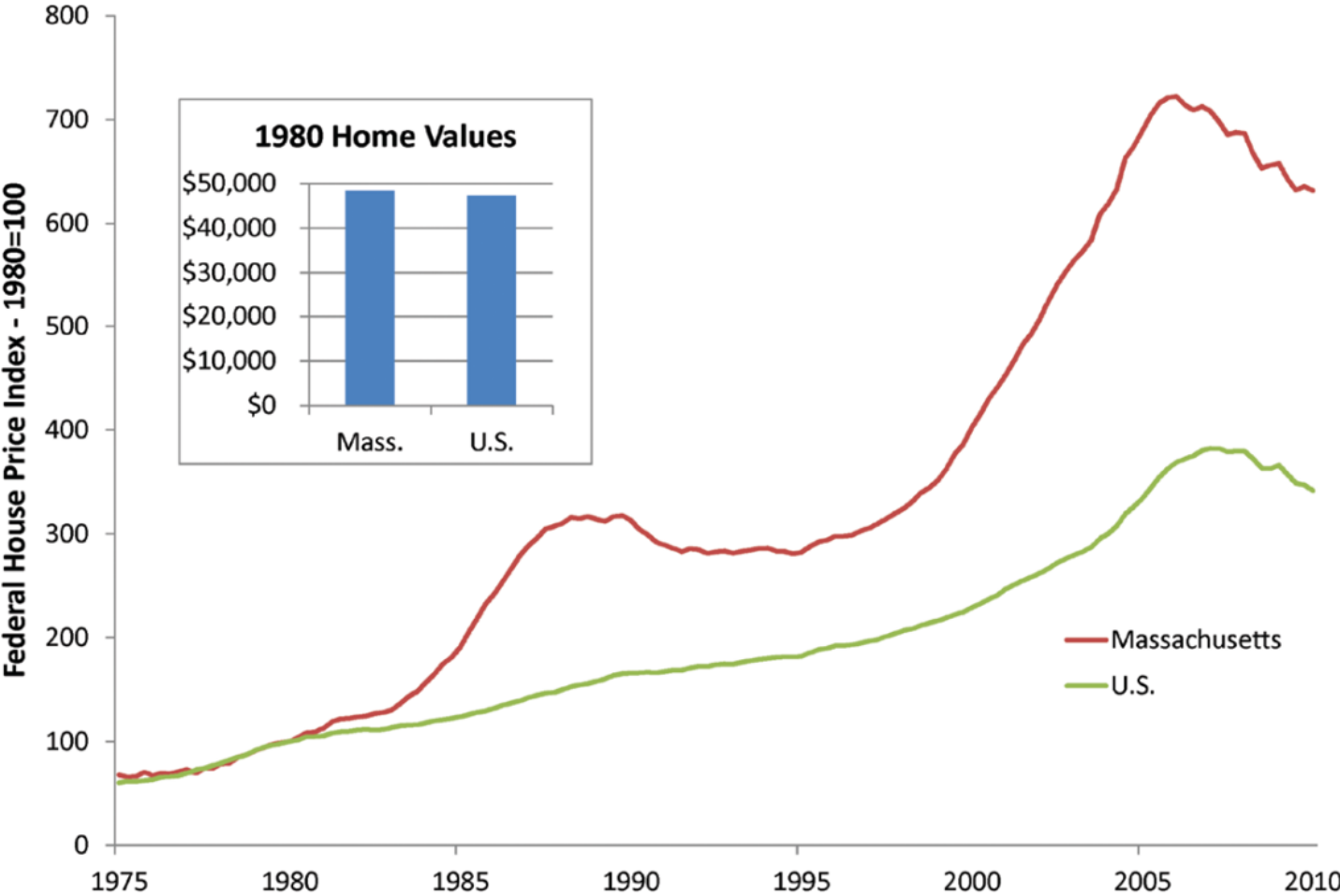
CHAPTER 43
 RESOLVES OF 1946

LEGEND



▲ LAND MOST
 SUITABLE NOW
 (RELATIVELY VACANT AND
 WATER ACCESSIBLE)

Increase in demand + inelastic long-run supply = Rising prices

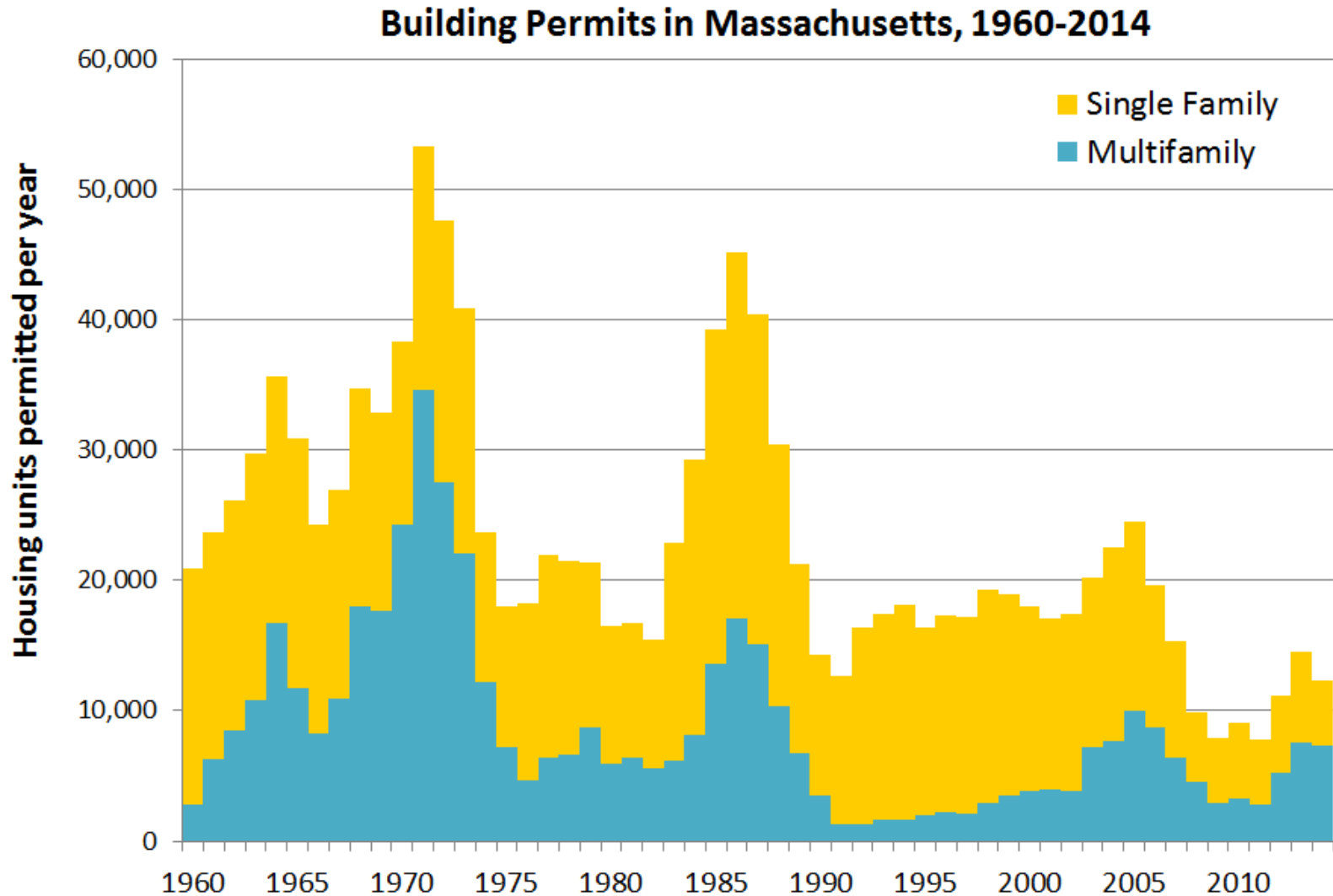


Prices have gone up six-fold since 1980

Prices have grown faster than U.S.

Sources: U.S. Census Bureau and Federal Housing Finance Agency

We're building much less housing than in the past



Source: US Census Bureau

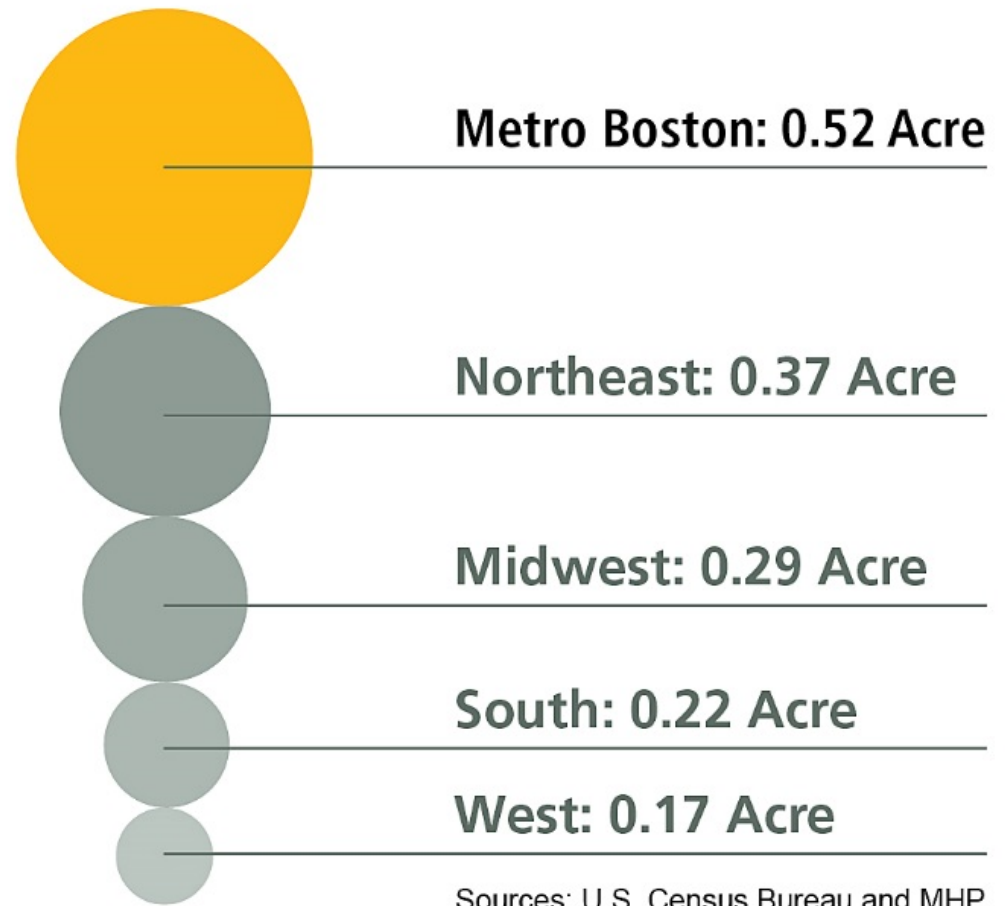


What we have built is out of step with consumer preferences



What have we built?
Homes on the largest
lots in the US

Inside I-495, median
lot size for new single
family homes was
more than half an acre
(2003-2012)



Sources: U.S. Census Bureau and MHP
analysis of The Warren Group data

- Preference for single family is declining
- Most prefer smaller homes within walking distance of schools and services

More of this:



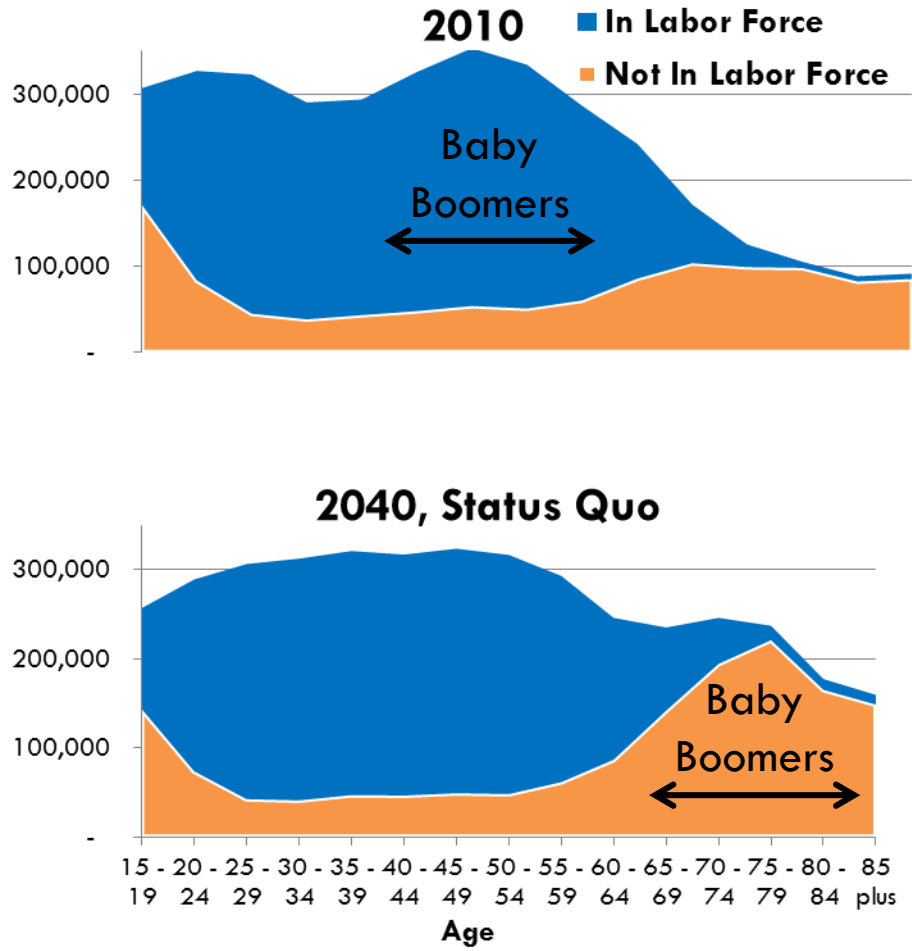
Less of this:



Beware the demographic time bomb!



- Over one million baby boomers projected to leave the workforce through 2040
- Not enough residents to fill the void left by Baby Boomers leaving the job market - we need immigration
- Where will these new workers live?



Source: Metropolitan Area Planning Council (MAPC), 2014

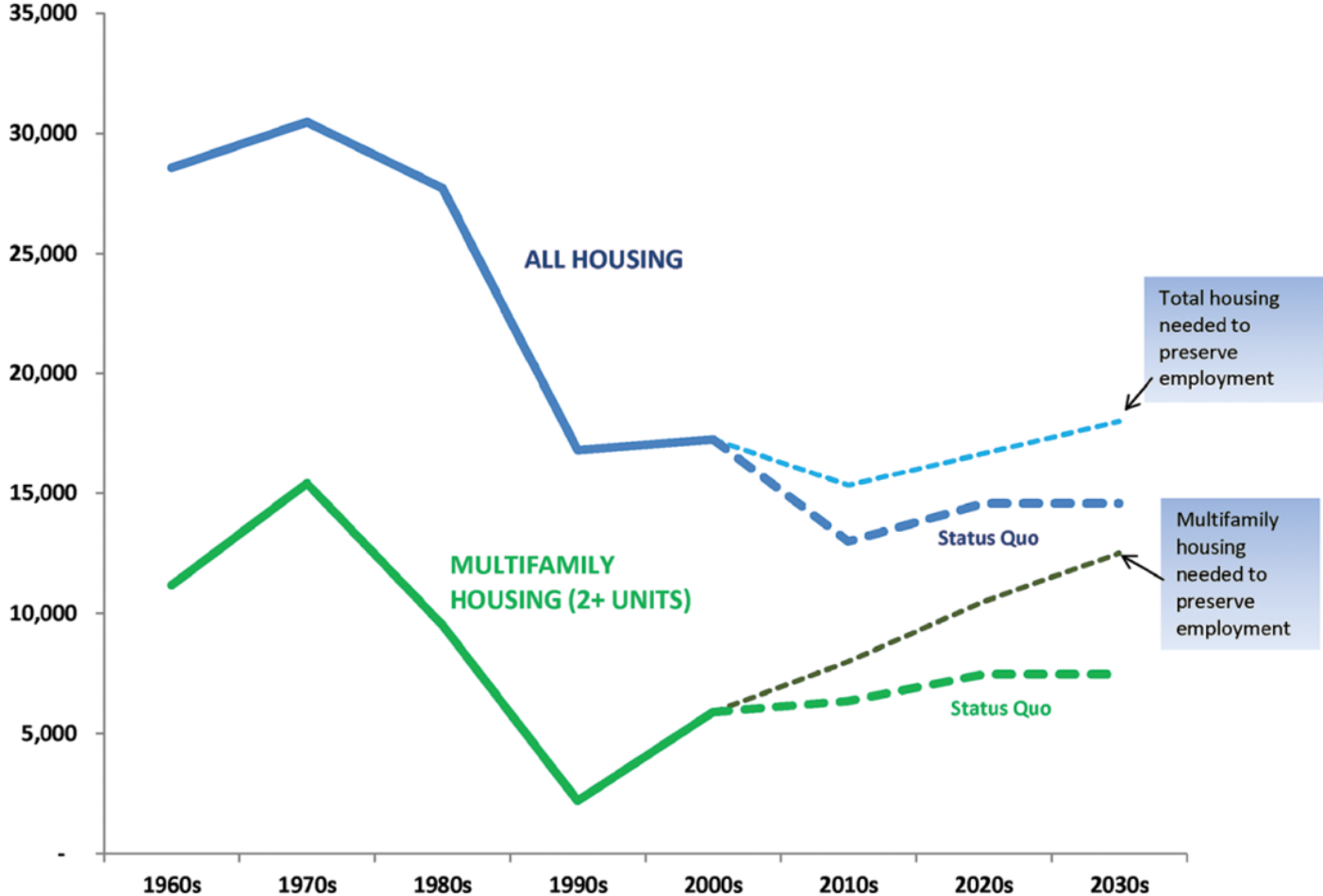
How much housing do we need to keep the economy growing?



To maintain existing base of employment:

345,000 new housing units between 2010 and 2030.

Roughly 17,000 new units a year

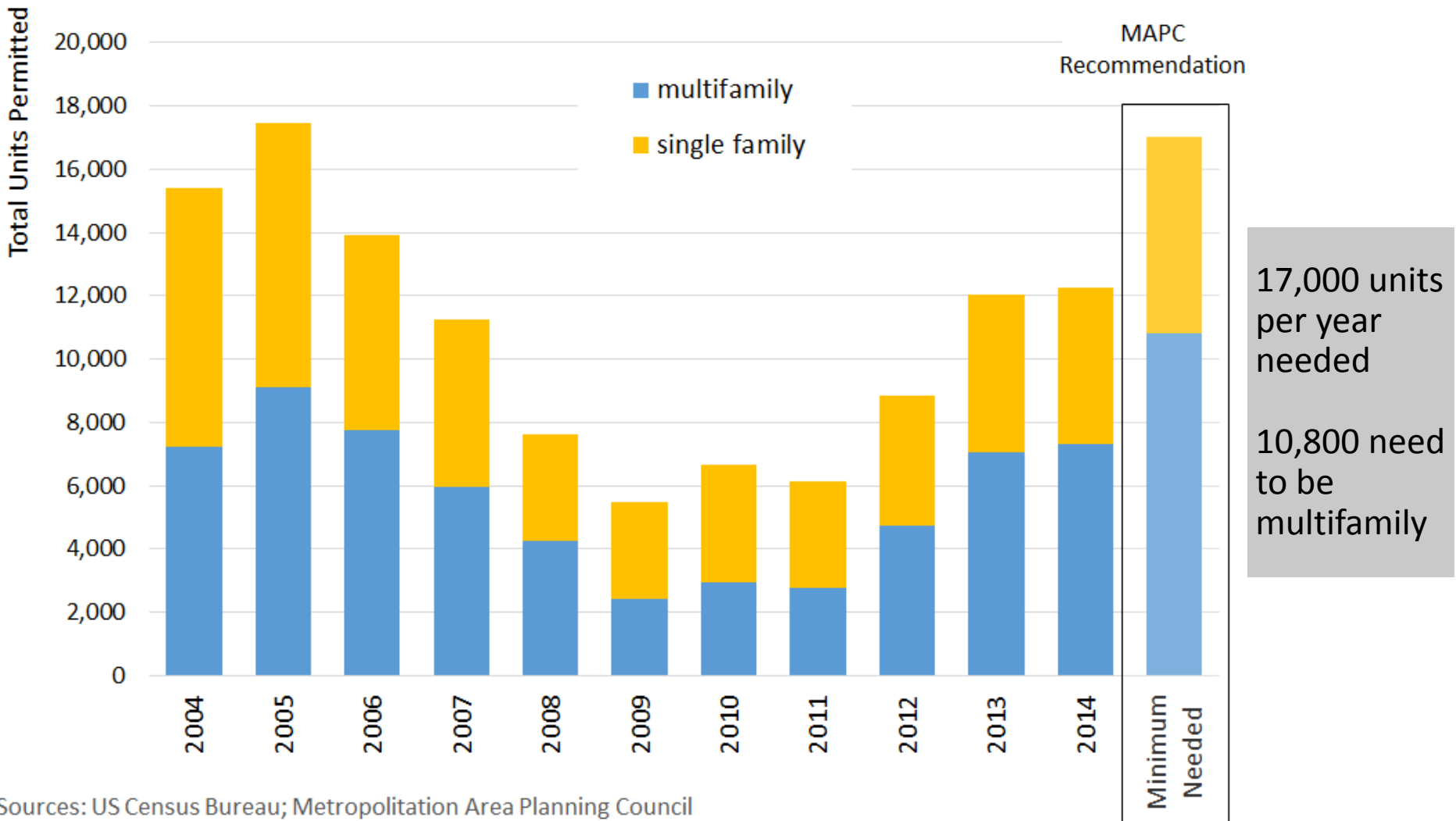


Sources: U.S. Census Bureau; Metropolitan Area Planning Council

Recent increases in housing permits are insufficient



Metro Boston Housing Permits by Type and Year



Sources: US Census Bureau; Metropolitan Area Planning Council



Unlock the Commonwealth: Massachusetts' Innovation Industries

- Knowledge-intensive, innovative industries are critical to the state's economic success.

MHP's Innovation Industries:

Higher Education
Computer/Electronic
Manufacturing
Computer Systems Design
Consulting Services
Financial Services
Pharmaceuticals
Publishing
Scientific R&D

Innovation sector driving Massachusetts economy, report says

By Jack Newsham | GLOBE CORRESPONDENT DECEMBER 30, 2014

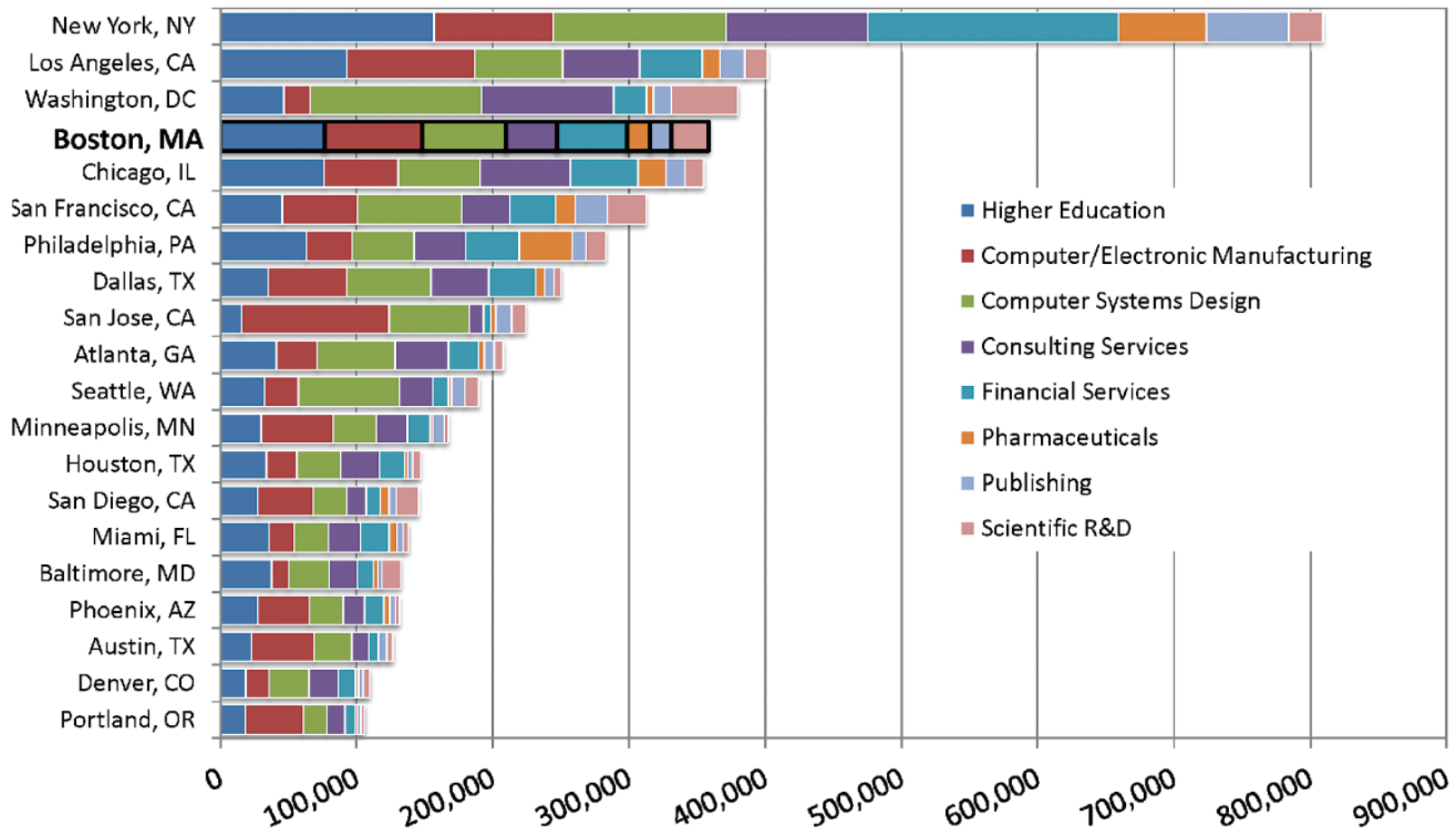
The state's Massachusetts Technology Collaborative has [released its annual innovation index](#) for 2014, and the numbers make the state look pretty good.

Massachusetts has more scientists and engineers per capita than other states, and they write more academic papers for less money. It draws more venture capital as a share of its economy than any other state. A larger share of its population consists of new arrivals than the silicon-and-sun-soaked landscape of California, and the state grants more degrees per citizen in scientific fields than 10 other top innovation states.

Our innovation economy is strong and diverse, but not unique.



Top 20 U.S. Metropolitan Regions for Innovation Industry Employment, 2012



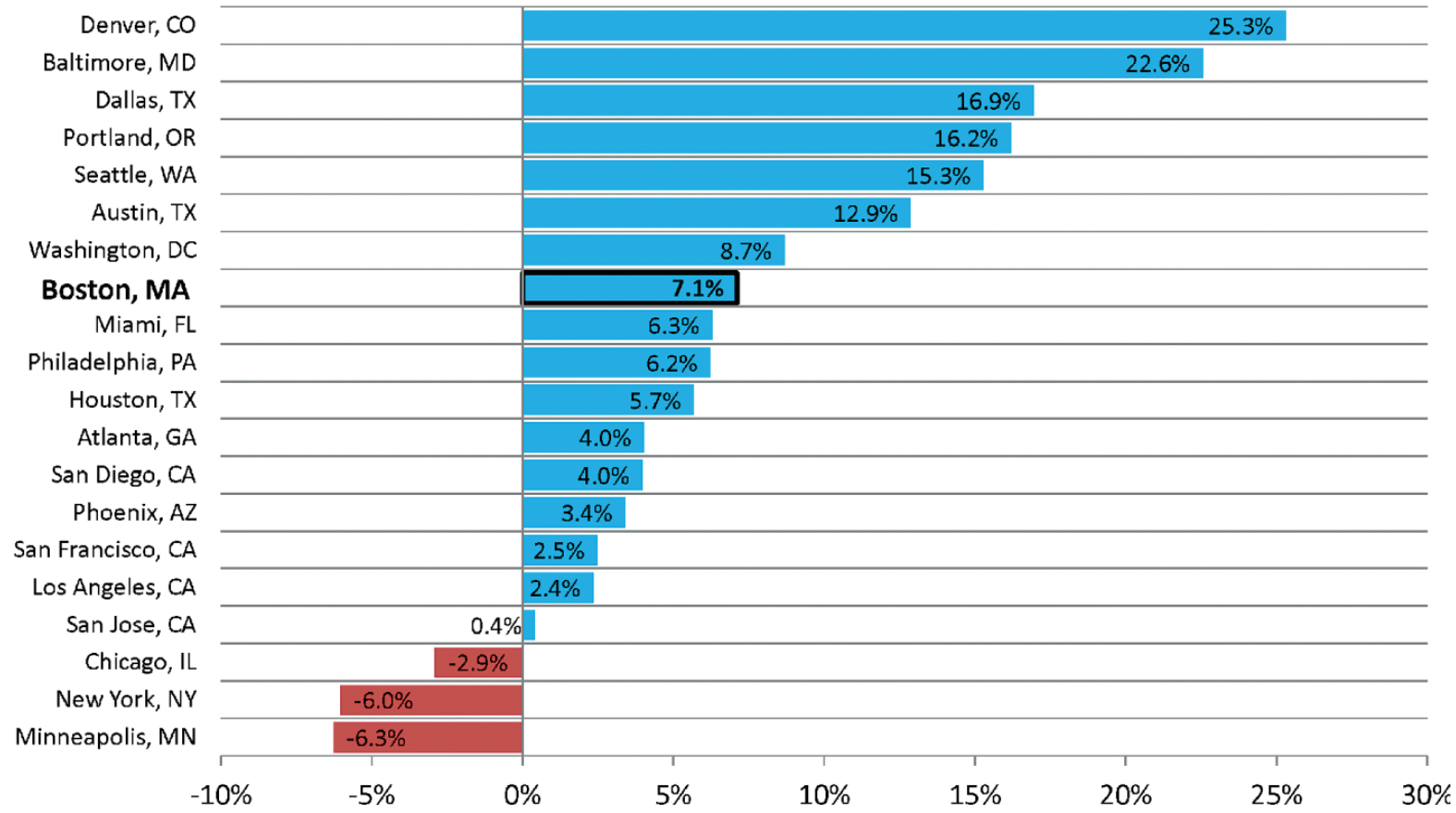
Data Source: 2012 American Community Survey 1-Year Estimates, Public Use Files

Geographic Unit of Analysis: U.S. Census Bureau's Core Based Statistical Area (CBSA). A CBSA is a geographical area defined by an urban center of at least 10,000 people and adjacent areas related to the urban area by commuting patterns. For Boston, this area includes Essex, Middlesex, Norfolk, Plymouth, and Suffolk counties, as well as the New Hampshire counties of Rockingham and Stafford.

Boston's innovation employment continues to grow, but other regions are adding workers at higher rates.



Top 20 U.S. Metropolitan Regions for Innovation Industry Employment, 2012 *Growth in Innovation Industry Employment, 2008-2012*

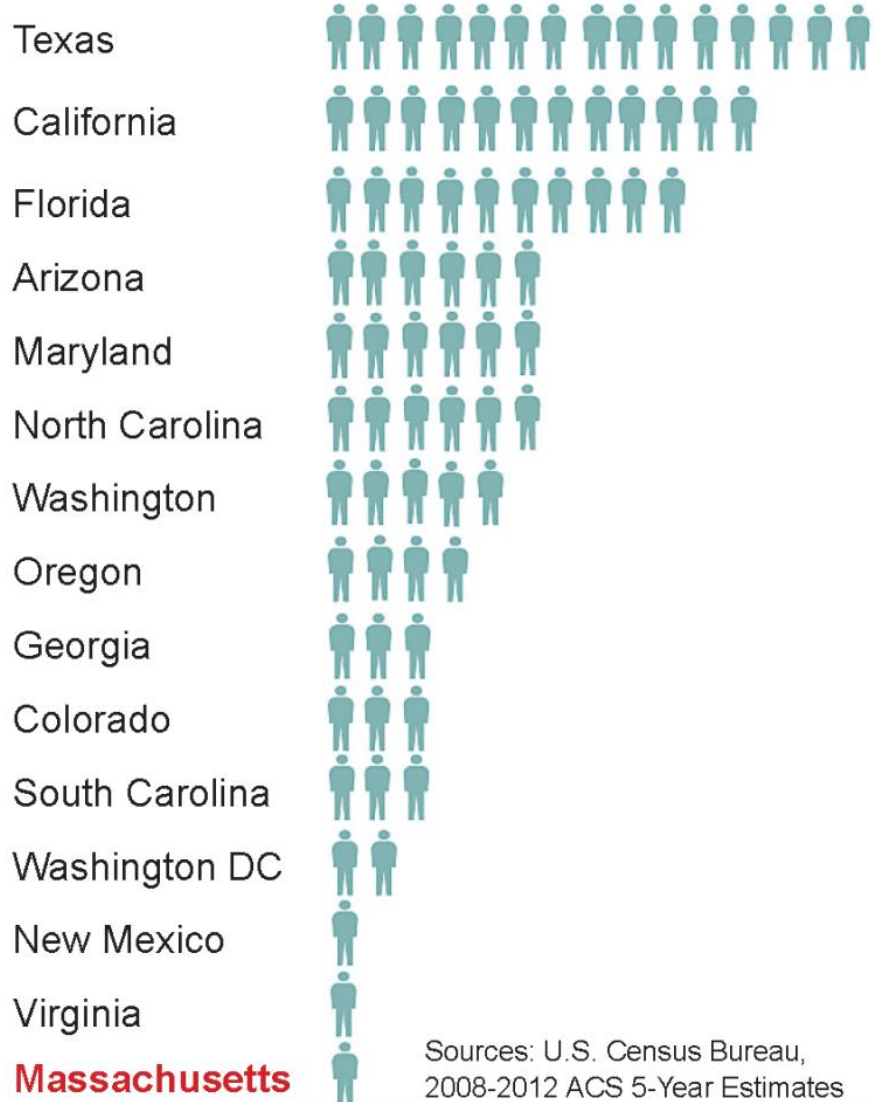


Data Source: 2008 and 2012 American Community Survey 1-Year Estimates, Public Use Files
Geographic Unit of Analysis: U.S. Census Bureau's Core Based Statistical Area (CBSA).

Migration data suggests that other states are doing a better job of attracting and retaining domestic innovation workers.



Net In-Migration of Innovation Workers Relative to Massachusetts

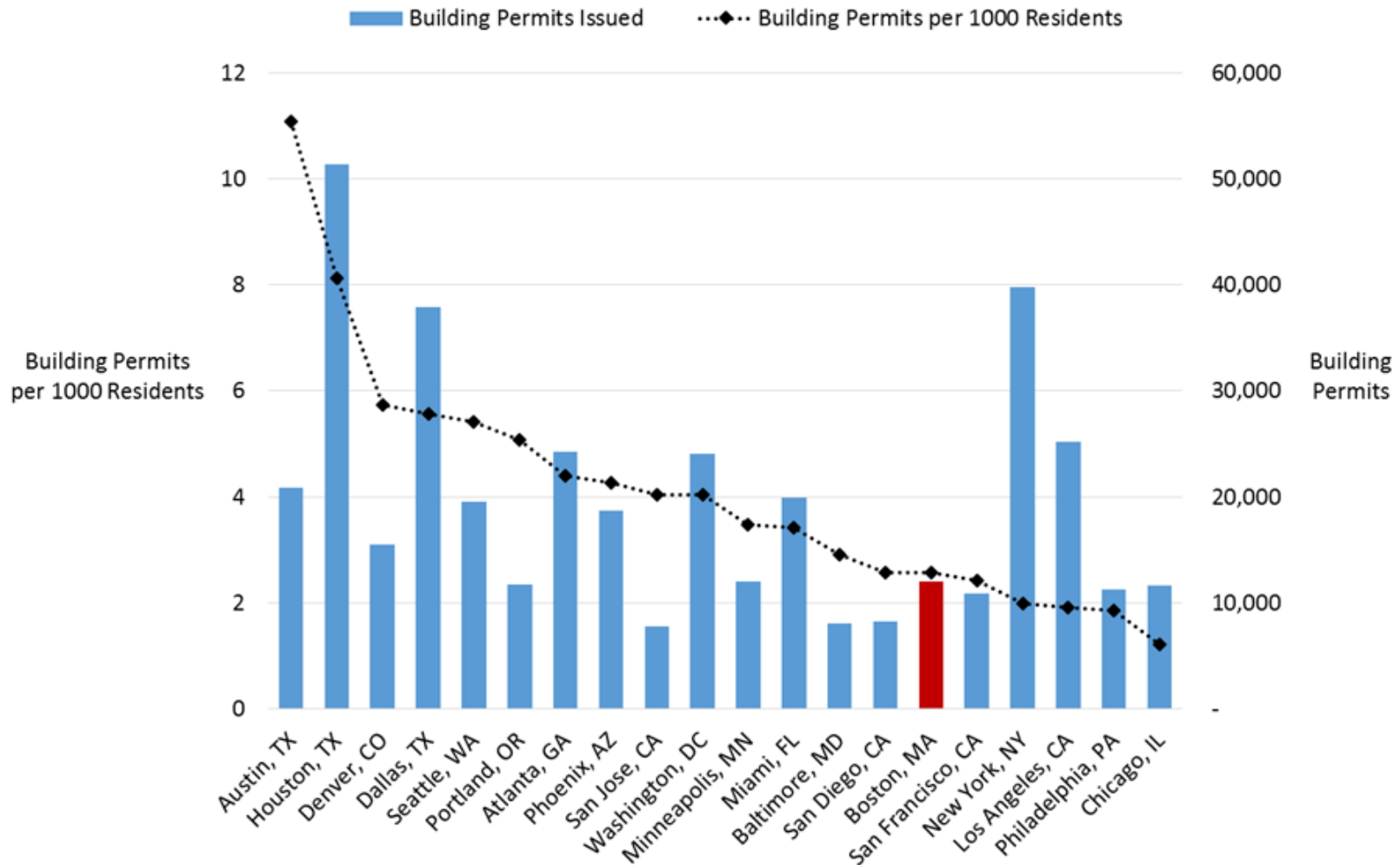


Sources: U.S. Census Bureau, 2008-2012 ACS 5-Year Estimates

We are building *less* new housing than most regions, including both expanding and older metro areas.



Building Permits Issued for Top 20 Innovation Regions, 2013



Source: U.S. Census Bureau, 2013 Building Permits Survey and 2013 ACS 1-Year Estimates

More housing production may allow for continued job growth while maintaining reasonable housing costs.



Innovation Growth Ranking	Metro Area	% Change in Innovation Employment 2008-2012	% New Housing Production (built since 2000)		Median Rent
			Production (built since 2000)	Median Rent	
1	Denver, CO	25%	19.4%	\$ 1,156	
2	Baltimore, MD	23%	11.3%	\$ 1,232	
3	Dallas-Fort Worth, TX	17%	25.3%	\$ 987	
4	Portland, OR	16%	17.8%	\$ 992	
5	Seattle, WA	15%	18.5%	\$ 1,264	
6	Austin, TX	13%	33.6%	\$ 1,115	
7	Washington, D.C.	9%	17.5%	\$ 1,574	
8	Boston, MA	7%	8.9%	\$ 1,622	
9	Miami, FL	6%	14.8%	\$ 1,250	
10	Philadelphia, PA	6%	9.1%	\$ 1,156	
11	Houston, TX	6%	28.1%	\$ 952	
12	Atlanta, GA	4%	28.3%	\$ 977	
13	San Diego, CA	4%	12.8%	\$ 1,512	
14	Phoenix, AZ	3%	29.5%	\$ 966	
15	San Francisco, CA	2%	9.2%	\$ 2,263	
16	Los Angeles, CA	2%	7.4%	\$ 1,550	
17	San Jose, CA	0%	10.5%	\$ 1,965	
18	Chicago, IL	-3%	12.2%	\$ 1,093	
19	New York, NY	-6%	8.2%	\$ 1,638	
20	Minneapolis, MN	-6%	16.1%	\$ 1,062	

Innovation Employment, New Housing Production, and Median Rents in Top 20 Innovation Regions

Ranked by Growth Rate in Innovation Industry Employment, 2008-2012

higher production than Boston
 lower production than Boston

lower rents than Boston
 higher rents than Boston

What's keeping us from building the housing we want and need?



- **Home rule (self-governance)– 351 individual municipalities making zoning and other regulatory decisions**
 - Minimum lot sizes
 - Multifamily restrictions
 - Single-use/Euclidean zoning
 - Overly restrictive environmental/open space/septic regulations aimed at limiting density
- **Lack of regional planning authority and power**
 - Current regional planning organizations are not given authority
 - Conditions that do not promote inter-local collaboration between communities
 - Incentive problem – local versus regional needs

To compete, we need to change



Legislative recommendations:

Zoning for multifamily housing

- Give cities/towns flexibility in meeting goals.
- Increase local aid for towns that grow.

Regional coordination

- Allow cities and towns to regionalize.
- Restore an Office of State Planning.

Future research topics



Continued Research

- Migration
- Consumer preferences research, with younger population focus
- Regional comparisons
- Tipping points in the housing-jobs equation

Legislative Initiatives

Find the report, blog, and other resources at:

www.massgrowth.net

www.mhp.net



Callie Clark: cclark@mhp.net