



community development partnership

Creating opportunities for people to live, work, and thrive on the Lower and Outer Cape

Detailed Summary of the Affordable Homes Act

On August 5, 2024, Governor Maura Healey signed the Affordable Homes Act, a robust \$5.16 billion housing bond bill that includes several key policy priorities for Cape Cod, Martha's Vineyard, and Nantucket. Most of the Affordable Homes Act lays critical groundwork for the necessary resources and zoning changes to increase housing production and protect residents. The Healey administration projects that the Affordable Homes Act will support the production, preservation, and rehabilitation of more than 65,000 homes statewide over the next five years. It is the most significant housing bond bill ever filed in Massachusetts, at over triple the spending authorizations of the last housing bill passed in 2018.



Governor Maura Healey signs the Affordable Homes Act into law on August 5, 2024. Photo: mass.gov

Most notably, the bill creates a seasonal community designation to recognize the unique housing challenges experienced by municipalities with significant seasonal economies and thriving vacation home markets. This designation will enable towns on the Cape and Islands and other qualifying seasonal communities across the state to deploy specific policies and programs to build and preserve housing for year-round residents. Under a seasonal communities designation, a qualifying municipality can execute the following:

- Establish a year-round housing trust fund to create and preserve affordable and attainable housing in seasonal communities to benefit year-round residents without going through the home rule process. While many seasonal communities have adopted the existing municipal affordable housing trust fund, such a trust is accompanied by statutory area median income restrictions limiting year-round residents in seasonal communities.
- Acquire year-round housing occupancy restrictions to build a middle-income year-round housing market.
- Acquire and develop housing units specifically for public employees and artists to preserve our creative economy.
- Increase the residential property tax exemption for the primary homes of year-round residents by up to 50%.
- Require that seasonal communities adopt bylaws or ordinances that enable the construction of tiny houses and allow units to be built upon undersized lots, so long as all resulting units are designated year-round housing.

The policy tools and investments authorized in this bill will help create year-round housing, provide special technical assistance and funding for housing in seasonal communities, and ensure our state remains competitive for living, working, raising a family, and running a business.

The law enumerates that all Martha's Vineyard and Nantucket towns will automatically receive the seasonal community designation. Additionally, towns in Barnstable County, where at least 35% of housing units are second homes, and 40% in Berkshire County, will also automatically receive the designation. The Executive Office of Housing and Livable Communities can designate additional towns as seasonal communities under regulation and at their discretion. Most towns on Cape Cod and many in southern Berkshire County are expected to receive the designation. Any town designated as a seasonal community may, by vote, either accept or deny this designation.

The law creates a Seasonal Communities Advisory Council to oversee and guide state policy on seasonal communities. The Council, which will offer advice and recommendations on necessary policies and programs, will comprise members with expertise in the areas most relevant to seasonal communities, including municipal government, the hospitality industry, the tourism industry, housing law, housing development, and finance.

"We are so grateful to have many new resources and tools in the toolbox to address the housing crisis on the Lower and Outer Cape," said Jay Coburn, President and CEO of Community Development Partnership. "We look forward to working with Sen. Cyr and the Healey-Driscoll Administration to implement these new provisions for seasonal communities and to support our communities in using these new tools."

Municipal officials from across the Cape & Islands were key partners for over a year in making the case for a seasonal communities designation, which includes supportive measures for existing resident homeowners like increased property tax exemptions, along with the ability to acquire year-round deed restrictions and develop public employee housing that will help us to attract and keep those in our community who are essential to public safety and services.

You can find the [entire bill text here](#). Also, read the CDP's August issue of [Under One Roof](#).

There's a lot to feel good about in the AHA bill. Here are a few additional highlights:

- The Community **Investment Tax Credit** expansion was included in the bill and is now law. We will now have the CITC in perpetuity.
- The bill creates the **MA Healthy Homes Program**, which addresses many health hazards and habitability concerns, including, but not limited to, asbestos, mold, pests, and lead. It became law in the *first session after it was filed*—a rare feat in Massachusetts politics.
- Additional policy wins include **ADUs by right**, improvement to the **non-profit receivership** law, establishment of a state **Office of Fair Housing**, funding for **decarbonization of public and private housing** and the **Small Properties Acquisition Fund**, establishing a **Supportive Housing Pool Fund**, and a new process for **eviction record sealing**.