

# HOUSE . . . . . No. 4411

---

## The Commonwealth of Massachusetts

PRESENTED BY:

***Hadley Luddy and Thomas W. Moakley***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to housing in seasonal communities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Hadley Luddy</i>	<i>4th Barnstable</i>	<i>2/14/2025</i>
<i>Thomas W. Moakley</i>	<i>Barnstable, Dukes and Nantucket</i>	<i>2/14/2025</i>

# HOUSE . . . . . No. 4411

---

By Representatives Luddy of Orleans and Moakley of Falmouth, a petition (subject to Joint Rule 12) of Hadley Luddy and Thomas W. Moakley relative to housing in seasonal communities. Housing.

---

## The Commonwealth of Massachusetts

\_\_\_\_\_  
In the One Hundred and Ninety-Fourth General Court  
(2025-2026)  
\_\_\_\_\_

An Act relative to housing in seasonal communities.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Subsection (a) of section 32 of chapter 23B, as appearing in section 5 of  
2 chapter 150 of the acts of 2024, is hereby amended by adding the following 2 definitions:-

3           “attainable rental housing” means attainable rental housing for year-round residents in  
4 seasonal communities; and “qualified developer” means a developer that has partnered with a  
5 school district or municipality to create affordable rental housing for school district or municipal  
6 employees.

7           SECTION 2. Subsection (d) of section 32 of chapter 23B, as appearing in section 5 of  
8 chapter 150 of the acts of 2024, is hereby amended by adding the following 4 clauses:-

9           (vi) create and fund a right of first refusal program for properties subject to foreclosure  
10 proceedings pursuant to Chapter 244 of the General Laws;

(vii) establish a bifurcated or progressive property tax rate on real property classified as class one, residential property as defined under this chapter for the purposes of administering different property tax rates to such class one, residential properties based on whether said properties are occupied on a year-round basis or subject to periods of vacancy, provided that the commissioner of revenue shall, as needed, adjust the minimum residential factor under section 1A of Chapter 58;

(viii) increase the local sales tax upon the sale of restaurant meals under section 2 of chapter 64L to 1.5 per cent of the gross receipts of the vendor from the sale of restaurant meals, provided that the resulting surplus shall be used to fund attainable housing for year-round residents;

(ix) create a housing contribution program under which the municipality may require for-profit real estate developers to: (A) allocate no more than 3 of units in new or significantly enlarged buildings that contain 10 or more units for attainable housing for year-round residents; (B) pay a per-unit fee for any new project creating more than 10 units, provided that said fee shall not be more than \$7,500 for projects constructing between 11 and 20 units and not more than \$15,000 for projects constructing more than 20 units, provided further that such funds must be directed to the year-round housing trust fund to support the development and preservation of attainable housing for year-round residents, and provided further than such real property subject to this subsection shall be eligible for tax increment exemptions; and

SECTION 3. Subsection (e) of section 32 of chapter 23B, as appearing in section 5 of chapter 150 of the acts of 2024, is hereby amended by adding the following 2 clauses:-

(iii) adopt by-laws or zoning ordinances that provide for no less than 1 district of reasonable size in which small scale, year-round housing is permitted as of right;

(iv) adopt by-laws or zoning ordinances that permit any property that meets the minimum square footage for habitability under the state sanitary code and has bathrooms and kitchen facilities to be used as year-round housing, including but not limited to rooms in a hotel, motel, or motor inn, regardless of any municipal bylaw that imposes a higher minimum square footage than the state sanitary code for year-round habitability.

SECTION 4. Subsection (f) of section 32 of chapter 23B, as appearing in section 5 of chapter 150 of the acts of 2024, is hereby amended by inserting after the word “may” the following words:- : (i)

SECTION 5. Subsection (f) of section 32 of chapter 23B, as appearing in section 5 of chapter 150 of the acts of 2024, is hereby amended by inserting the following words:- and (ii) the minimum threshold of the circuit breaker tax credit in paragraph (k)(3)(iii) in section 6 of chapter 62, provided that the threshold may not be more than the median county home price.

SECTION 6. Section 32 of chapter 23B, as appearing in section 5 of chapter 150 of the acts of 2024, is hereby amended by striking out subsection (h) and inserting in place thereof the following 4 subsections:

(h) A seasonal community designated pursuant to this section shall not treat adjacent lots under common ownership as a single lot for local zoning purposes, if the lots, at the time of recording or endorsement, conformed to the municipality’s then-existing requirements of area, frontage, width, yard or depth and is located in a zoning district that allows for single-family

residential use, provided that any residential housing constructed on said lot shall be used for year-round attainable housing.

(i) The executive office, or any division therein, may enter into long-term financing agreements with school districts, municipalities and qualified developers for the creation of affordable rental housing for municipal employees. Payment on a finance agreement under this section shall be deferred until the affordable rental housing that is financed is put into service and the school district or municipality begins collecting rent from the occupants of that affordable rental housing.

(j) A seasonal community shall, for properties that contains three (3) or less units subject to sale under section 37 of chapter 60 and are located within said seasonal community, have a right of first refusal to acquire the tax lien at tax sale, and may assist the owner to discharge the lien or take title and acquire the property in its own name pursuant to regulations to be developed by the corporation, consistent with its purposes. Said seasonal community shall notify the collector of its intention to exercise this right no later than 10 days before the date of sale or any adjournment of the sale. Failure of the seasonal community to notify the collector as provided herein shall extinguish the right of first refusal under this section.

(k) The executive office shall promulgate regulations to carry out this section.

SECTION 7. Section 5 of chapter 40A, as appearing in the 2022 Official Edition, is hereby amended by inserting after the word 40R, in line XX, the following words:-

(5) the adoption or modification of bylaws or zoning ordinances that contribute to the creation of attainable housing for year-round residents in municipalities designated by the executive office as seasonal communities pursuant to section 32 of chapter 23B.

SECTION 8. Section 6 of chapter 40A, as amended by section 10 of chapter 150 of the acts of 2024, is hereby amended by striking out the word “less”, in the last sentence, and inserting in place thereof the following word:- more

SECTION 9. Section 20 of chapter 40B, as appearing in the 2022 Official Edition, is hereby amended by inserting after the word “organization”, in line XX, the following words:- provided that, under this section, property subject to year-round housing occupancy restrictions pursuant to section 32(d)(i) of chapter 23B and housing designated for public employees pursuant to section 32(d)(ii) of chapter 23B shall be included as community housing in municipalities designated by the executive office of housing and livable communities as seasonal communities under section 32(b) of chapter 23B.

SECTION 10. Section 6 of chapter 40Y, as so appearing, is hereby amended by striking out, in line 6, the words “subsection (a) of section 9 of chapter 40R” and inserting in place thereof the following words:- under this section

SECTION 11. Section 6 of chapter 40Y, as so appearing, is hereby amended by striking out the word “\$3,000”, in line 7, and inserting in place thereof the following word:- “\$10,000

SECTION 12. Section 6 of chapter 40Y, as so appearing, is hereby amended by inserting the following words:-

The commonwealth shall pay from the trust fund or other funds from appropriations or other money authorized by the general court a zoning incentive payment, according to the following schedule:

Projected Units of %

96 New Construction %Payment

97 Up to 20 %\$20,000

98 21 to 100 %\$150,000

99 101 to 200 %\$400,000

100 201 to 500 %\$700,000

101 501 or more %\$1,200,000

102 Subject to any conditions imposed by the department as a condition of approving a starter  
103 home zoning district, the zoning incentive payment shall be payable upon confirmation of  
104 approval of the district by the department. The projected number of units shall be based upon the  
105 zoning adopted in the starter home zoning district.

106 SECTION 13. Section 2 of chapter 44, as so appearing, is hereby amended by inserting  
107 after the words “housing”, in line 21, the following words:-, and, in municipalities designated as  
108 seasonal communities pursuant to section 32 of chapter 23B, attainable year-round housing as  
109 defined under said section 32.

110 SECTION 14. Section 6 of chapter 44, as so appearing, is hereby amended by inserting  
111 after the words “community housing”, in line 7, the following words: , provided that in  
112 municipalities designated as seasonal communities pursuant to section 32 of chapter 24B shall  
113 not spend less than 30 per cent of the annual revenues for community housing.

114 SECTION 15. Section 6 of chapter 44B of the General Laws, as so appearing, is hereby  
115 amended by inserting after the word “purpose”, in line 23, the following words:-

116 “; provided, however, that funds for open space or historic preservation that have not  
117 been expended for not less than three consecutive fiscal years may be transferred by the chief  
118 executive authority of the municipality for community housing, waste water infrastructure or  
119 water infrastructure by a majority vote of the legislative body”

120 SECTION 16. Notwithstanding any general or special law to the contrary, the department  
121 of housing and economic development shall give special consideration to the following relative  
122 to counting otherwise non-qualified projects as part of the overall percentage for a municipality  
123 for the purposes of their subsidized housing inventory: (i) 1 bedroom housing units in  
124 municipalities that can demonstrate their low income housing needs are not limited to 2, 3 and 4  
125 bedroom units; (ii) projects in seasonal communities with an average home price that is 100 per  
126 cent greater than the statewide median home price; (iii) covenant housing within the town of  
127 Nantucket; and (iv) developments of low-income units in bordering municipalities or a distinct  
128 geographic region where both municipalities have invested community preservation act funds or  
129 funds from a municipal housing trust.