

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Julian Cyr

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:

Julian Cyr

DISTRICT/ADDRESS:

Cape and Islands

SENATE No.

[Pin Slip]

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;

11 (vii) establish a bifurcated or progressive property tax rate on real property classified as
12 class one, residential property as defined under this chapter for the purposes of administering

13 different property tax rates to such class one, residential properties based on whether said
14 properties are occupied on a year-round basis or subject to periods of vacancy, provided that the
15 commissioner of revenue shall, as needed, adjust the minimum residential factor under section
16 1A of Chapter 58;

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

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

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

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

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

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

42 SECTION 5. Subsection (f) of section 32 of chapter 23B, as appearing in section 5 of
43 chapter 150 of the acts of 2024, is hereby amended by inserting the following words:- and (ii) the
44 minimum threshold of the circuit breaker tax credit in paragraph (k)(3)(iii) in section 6 of chapter
45 62, provided that the threshold may not be more than the median county home price.

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

49 (h) A seasonal community designated pursuant to this section shall not treat adjacent lots
50 under common ownership as a single lot for local zoning purposes, if the lots, at the time of
51 recording or endorsement, conformed to the municipality’s then-existing requirements of area,
52 frontage, width, yard or depth and is located in a zoning district that allows for single-family
53 residential use, provided that any residential housing constructed on said lot shall be used for
54 year-round attainable housing.

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

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

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

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

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

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

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

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

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

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

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

95 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.