

COMMONWEALTH HOUSING TASK FORCE

Statement to the Joint Committee on Housing

Public Hearing to Consider the Petition to Repeal Chapter 40B May 3, 2010

The Commonwealth Housing Task Force urges the Committee to issue an unfavorable report on the Ballot Initiative Petition to repeal Chapter 40B.

The Commonwealth Housing Task Force was organized in 2002 as a coalition of business leaders, housing advocates and other organizations committed to addressing the important housing needs of the Commonwealth. It has produced a number of studies resulting in significant housing legislation in the Smart Growth Housing area, including Chapter 40R and Chapter 40S. Working with the Dukakis Center for Urban and Regional Policy at Northeastern University, it has clearly identified the connection between high housing costs and reduced economic growth. Throughout the United States, the regions with the highest housing costs consistently show lower economic growth than other parts of the country.

The cost of housing in Massachusetts ranks among the highest in the country. This high cost of housing will dampen economic recovery in the years ahead. In order to address this situation, the most important policy direction for the Commonwealth is to encourage the new construction and the rehabilitation of housing units in sufficient numbers so as to provide the housing needed by the workers that will be essential to a growing economy.

Chapter 40B has a proven record of producing high quality housing of all types in communities across the Commonwealth. It is a crucial element in achieving the housing production needs in Massachusetts. The repeal of Chapter 40B will result in fewer housing units being built. Fewer housing units being built will increase the upward pressure on housing costs – just at the time when reasonably priced housing is needed to support new jobs and an expanding economy. Valued workers will migrate to other states, exacerbating population outflows. Companies will shift operations to other states where the cost of business is lower, or may choose to expand outside Massachusetts.

For this reason, it is critical to retain Chapter 40B as a necessary tool for housing production for families that have a range of income levels. **The Commonwealth Housing Task Force strongly urges the Committee to issue an unfavorable report on the Ballot Petition to repeal Chapter 40B.**

Respectfully submitted:

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