

## What is a Smart Growth District; benefits for Reading

### Smart Growth District

- optional zoning, not mandated
- allows residential and business use in the same building
- locates development near existing services, transportation and utility infrastructure
- requires 20% of units to be sold or rented to households earning 80% of area median income. (\$84,300 HUD 2008 = \$67,400).
- Incentive payment by state to Town. 202 units = \$350K up front payment upon passage of zoning. Plus \$3,000/unit as permits are issued = \$603,000
- Design standards in the bylaw would have to be met
- 20 units/acre
- 180-day permitting for developer
- Smart Growth District gives us priority for state grants
- Technical assistance has been made available for drafting appropriate bylaw and design guidelines
- Units built under 40R can count toward 40B requirements, allows Town to target where the units are located, and to control their design. Development process is collaborative as opposed to adversarial, since the developer is following our design guidelines of 40R
- Smart Growth at National Development site will provide 202 units with 25% affordable. Rental units, so all units count toward 40B. Downtown Smart Growth 202 units, minimum 40 affordable. Add National Development units and potential downtown affordable units = 244 affordable units to add to the Town's Subsidized Housing Inventory (SHI). We'd keep pace with confrontational 40Bs.

Reading 2000 Census Housing Units	Total Development Units (10%)	Current Total Subsidized	Percent SHI Units	Potential Additional SHI units
8,811	881	682	7.7%	244 = 10.5%

Properties where Smart Growth likely to be used first:

MF Charles Building:

Retail, banking and outdoor activity first floor, 14 units above, 20% affordable = 3 units

Atlantic Supermarket site:

Oaktree Development proposal includes retail on first floor, 50 units, 20% affordable = 10 units

More information:

Guidebook: Creating Design Standards for 40RDistricts

<http://www.mass.gov/Ehed/docs/dhcd/cd/ch40r/40rdesignstandardsguidebook.pdf>

[www.mass.gov](http://www.mass.gov)

Enter 40R in the search box, and choose item 4 on the list. This takes you MA Housing & Economic Development webpage for Smart Growth Ch. 40R

March 9, 2009

## Steps for MA Department of Housing & Community Development (DHCD) Approval of Reading Smart Growth Overlay District

Smart Growth Next Steps			Estimated Timeline
<b>Step 1</b>	Establish the Smart Growth District, Hold a public hearing & submit formal application.	Public Hearing process	April - May 2009
<b>Step 2</b>	Apply for Letter of Eligibility	Initial DHCD review. DHCD will send Letter of Eligibility to municipality.	May - June 2009
<b>Step 3</b>	DHCD issue Letter of Eligibility or Denial	DHCD has 60 days from the application submittal, and often responds with a conditional approval, requesting specific changes. (If denied the applicant can reapply.)	July - August 2009
<b>Step 4</b>	Municipal adoption of Smart Growth District	Adopted by Town Meeting at any point after DHCD issuance of Letter of Eligibility	September 2009
<b>Step 5</b>	Municipality submits proof of local adoption to DHCD	DHCD will review and may attach conditions	September 2009
<b>Step 6</b>	Final DHCD Review. Letter of Approval from DHCD to municipality.	Letter of Approval will outline the Zoning Incentive Payment Plan and time frame.	October-November 2009
<b>Step 7</b>	Construction	Within 3 years of approval or money must be returned if no construction. ( <u>NOTE</u> : legislation has been filed by Senator Chandler to repeal this provision, particularly in light of the current economic conditions.)	
<b>Step 8</b>	Annual Report	Municipality must provide an annual report to DHCD outlining the progress	

March 6, 2009