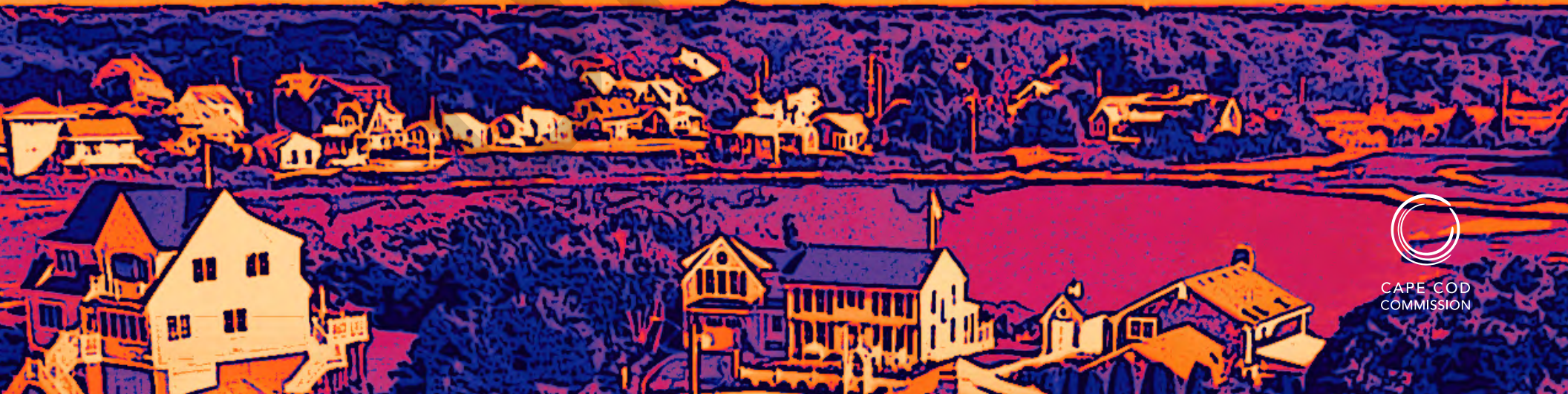




Housing Cape Cod

THE REGIONAL STRATEGY



CAPE COD
COMMISSION

HOUSING CAPE COD: THE REGIONAL STRATEGY

2023

Prepared by Cape Cod Commission staff

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The maps and graphics in this document are for planning purposes only. They are not adequate for legal boundary definition, regulatory interpretation, or parcel level analysis.



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HOUSING CAPE COD: THE REGIONAL STRATEGY

■ INTRODUCTION.....	4
■ DEVELOPING THE REGIONAL HOUSING STRATEGY.....	11
■ CHALLENGES.....	24
■ REGIONAL PLANNING CONTEXT.....	34
■ STRATEGIES.....	39
■ RECOMMENDATIONS.....	43
■ LOCAL ZONING RECOMMENDATIONS.....	70
■ COMMUNICATIONS AND ADVOCACY.....	89
■ MEASURING PROGRESS.....	93
■ TAKING ACTION.....	95

Introduction



Cape Cod has a housing problem.

Bold and swift action is necessary to alleviate Cape Cod's housing supply, availability, and affordability challenges. Gaps between housing supply and demand exist today and they will only get worse without changing the region's trajectory.

Lower wages, higher costs, a lack of choice and mobility within the market, limited supply of both homeownership units and year-round rentals, and increasing demand for seasonal and retiree housing has led to a housing crisis that severely impacts the ability of the region to create and maintain thriving year-round communities.



The region's rural and suburban development patterns have resulted in little housing diversity, limited infrastructure, and a car-dependent society that has created and exacerbated Cape Cod's most critical challenges. The current abundance of single-family homes and the policies in place that encourage them do not meet the region's needs.

The 2018 Cape Cod Regional Policy Plan (RPP) called for development of a regional housing plan to address housing supply, affordability, and availability in the region. It called for a plan that identifies regional, sub-regional, or town-specific policies, actions, and strategies to promote housing development in appropriate locations and to foster infrastructure investment to support an increase in housing supply.

This Regional Housing Strategy addresses the decades-long challenge of providing affordable and diverse housing choices for year-round residents, which has only become more acute in recent years. The COVID-19 pandemic pushed the region's housing challenges toward crisis. With the onset of the pandemic, housing prices increased rapidly, inventory became significantly limited, and the gap between housing prices and wages widened. The pandemic exacerbated several key challenges impacting the ability of people to access housing, and ultimately, contribute to the local and regional economies.

As housing prices have skyrocketed, homelessness has increased throughout the region as more and more Cape Cod residents are forced out of their homes. The Mashpee Wampanoag Tribal Council unanimously declared a state of emergency due to the homelessness crisis impacting tribal members.

ATTAINABLE HOUSING

From the outset of the planning process, Commission staff and stakeholders noted the need for the Regional Housing Strategy to provide solutions beyond deed-restricted affordable housing, or Affordable housing.* While there is a pressing need for Affordable housing in the region, which includes housing for households earning up to 80% of the area median income (AMI), stakeholders widely recognized the need to support residents in the region who earn more than 80% AMI.

A common metric for understanding housing affordability is the idea that housing costs should not exceed 30% of a household's income. While this threshold provides a useful starting point, individual households' circumstances vary and housing costs nearing 30% of income may not be sustainable in practice and across all income levels.

The term "attainable housing" is a more accurate and all-encompassing term than affordable or workforce housing, which do not accurately capture the broader needs of the region. These terms have regulatory definitions related to specific income levels, and the term "workforce housing" excludes a portion of the population that may not be in the workforce, but still needs assistance accessing safe and stable housing.

Among stakeholders engaged in the planning process, there was broad consensus on using the term "attainable housing," because it avoids the confusion between the legal and colloquial meaning of terms like affordable and workforce housing. Developing a definition that captures all that the term encompasses required considerable input from stakeholders with differing points of view. Ultimately, attainable housing in the context of this Regional Housing Strategy is housing that:

- Is affordable to a range of income levels for whom current market-rate housing is out of reach, and
- Allows for entry into and mobility within the market – among housing sizes and tenure – signifying a healthy supply and vacancy rate in the region

* Affordable with a capital A refers to deed-restricted housing while affordable refers to housing generally affordable without a subsidy or deed restriction.

The region cannot build its way out of this problem and cannot solve this problem by replicating or expanding sprawling development patterns of the past. With 86% of the region's land area already developed or protected, Cape Cod must be innovative and opportunistic. Stakeholders must work to retain year-round housing units that can support residents of all ages, utilize and redevelop the existing built environment, expand and diversify housing stock by increasing multi-family housing options, and develop programs and opportunities to reduce the cost of existing housing and increase year-round availability.

The path forward must balance economic and social well-being with the protection and preservation of natural and cultural resources. Planning for and developing housing and implementing strategies to promote more year-round affordable and attainable housing opportunities cannot be done in a silo. The Cape Cod community must address regional challenges related to climate change, the economy, wastewater and other infrastructure needs and investments to successfully support a vibrant year-round community.

There are opportunities to make housing development and redevelopment easier in appropriate places. Development of the Regional Housing Strategy has already resulted in tools and resources, such as multi-family residential design guidelines and model bylaws, to support zoning changes that allow diverse housing types to be built by-right. Existing centers of activity must be prioritized for infrastructure development. These are the areas that, with appropriate

wastewater, transportation and other infrastructure, can accommodate denser mixed-use and multi-family residential development that complements the existing development patterns and building forms and styles. Every Cape Cod community has an opportunity to change zoning to support housing diversity. In addition, there are areas that, due to their public ownership and land use characteristics, may be suitable for multi-family residential development in the near-term.

However, the responsibility for developing multi-family housing and retaining and expanding affordable housing stock cannot be placed solely on the backs of municipalities. While municipalities have a role to play in facilitating housing development and redevelopment, they are not in the best position to purchase and develop land for housing. It is critical that the region facilitate development of one or more entities that can more flexibly acquire, hold, and develop or redevelop parcels for the purposes of housing.

The time to act is now. The impact of the housing crisis, while severe on Cape Cod, is felt across the state. The Healey administration has taken unprecedented action to develop a suite of funding, policy, and programmatic strategies to address the Commonwealth's housing challenges through the Affordable Homes Act released in October 2023 and pending before the legislature, the tax relief package which was signed into law that same month, and the creation of the Executive Office of Housing and Livable Communities. The momentum at the state level has the potential to infuse significant resources into the region at a time they are needed most.

THE AFFORDABLE HOMES ACT

The Affordable Homes Act*, released by the Healey administration in October 2023, proposes a \$4.1 billion investment in housing and housing programs and provides a path forward for several changes that would help advance housing solutions on Cape Cod. It is “a comprehensive package of spending, policy and programmatic actions” that “represents the largest proposed investment in housing in the state’s history while simultaneously striking at the root causes of housing unaffordability and making progress on the state’s climate goals.”** The bill includes investments in public housing, including funding to repair, rehabilitate, decarbonize, and retain units; funding and policy proposals to drive housing production and preservation of mixed-income units; funding to create new affordable housing units, transit-oriented housing, and sustainable and climate-resilient affordable multi-family housing. Initiatives outlined in the bill include allowing accessory dwelling units (ADUs) by-right, allowing for local or regional real estate transfer fees that would support affordable housing funds, allowing for adoption of inclusionary zoning by simple majority, creating a new Seasonal Communities Designation and a process for identifying and developing programs that suit the unique needs of seasonal communities, and streamlining the process for providing surplus public land for housing.

The Affordable Homes Act complements prior actions to prioritize and advance housing initiatives, including creation of the Executive Office of Housing and Livable Communities (EOHLC) and authorization of the \$1 billion tax relief package signed into law in early October 2023, which increases funding to existing housing programs, allows for municipal affordable housing property tax exemptions, and provides necessary relief for families and individuals struggling to secure housing. These combined actions provide critical funding and policy direction for state agencies, quasi-state entities such as MassHousing, Massachusetts Housing Partnership, and MassDevelopment, local governments, and private entities working to advance housing projects and initiatives. It is critical that stakeholders in the region collaborate with these entities to ensure programs and funding benefit Cape Cod.

* The Affordable Homes Act, October 18, 2023. <https://www.mass.gov/files/documents/2023/10/18/Housing%20Bond%20Bill%20and%20Filing%20Letter%20FINAL%20PDE.pdf>

** Healey-Driscoll Administration Unveils \$4 Billion Affordable Homes Act to Increase Production and Lower Costs, October 18, 2023. <https://www.mass.gov/news/healey-driscoll-administration-unveils-4-billion-affordable-homes-act-to-increase-production-and-lower-costs>

This Regional Housing Strategy provides the data and information necessary to target key short- and long-term actions to improve housing access and affordability. It outlines a path forward for each of the key regional recommendations, identifies local zoning opportunities to better facilitate development and redevelopment of housing, and empowers local and regional stakeholders to take action to sustain and enhance Cape Cod's year-round community.

Development of the Regional Housing Strategy was grounded in a purpose statement and guiding principles which surfaced throughout the stakeholder process. The purpose statement reflects the broad, overarching need for the Regional Housing Strategy and what it aims to achieve, while the guiding principles provide greater nuance in terms of what must be considered, addressed, and incorporated into not only the Regional Housing Strategy itself but also its implementation.



Purpose of the Regional Housing Strategy

Identify policies, strategies, and appropriate areas for housing development and redevelopment to address housing supply, affordability, and availability challenges while protecting sensitive resources.

Guiding Principles



Generate a Greater Variety of Housing

Create an environment that allows for the creation of a wider variety of housing choices



Support the Year-round Population

Contribute to fostering a vibrant year-round community, relieving housing challenges for year-round residents and supporting the seasonal work force



Address Multiple Regional Priorities

Ensure strategies and actions for housing protect natural and cultural resources and address other regional challenges such as climate change



Foster Redevelopment

Prioritize strategies that support redevelopment



Coordinate Housing and Infrastructure

Align housing opportunities with wastewater, transportation, broadband, and other infrastructure planning and investments



Regionalize Efforts to Support Municipalities

Identify opportunities for regional efforts and entities, existing or new, that can support municipalities in their housing work



Build Support for Housing Through Education

Support strategy implementation through education and partnerships that can help articulate the housing needs of the region and actions necessary to address those needs



Key Findings

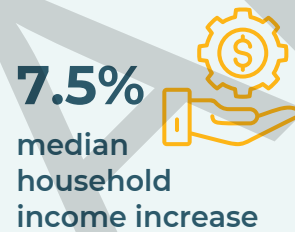
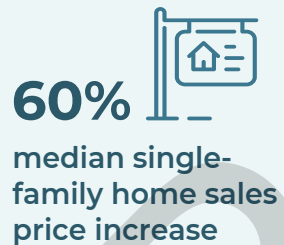
Development of the Regional Housing Strategy resulted in a number of key findings regarding regional housing challenges.



of residential properties County-wide are single-family homes

Sales prices have increased at a rate that far exceeds income

FROM 2019-2022



It takes just **2** MONTHS



for average short-term rents to exceed average year-round rents



a household must earn **\$210,000** ANNUALLY

to be able to affordably purchase a median-priced single-family home



Estimated housing demand is projected to outpace supply by **11,000 to nearly 22,000** housing units by 2035



of the region is zoned to allow housing developments with more than two units to be built by-right

Developing the Regional Housing Strategy



Extensive data collection, research, and community engagement informed development of the strategy.

Development of the Regional Housing Strategy involved comprehensive data collection, research, and the engagement of numerous stakeholders with a wide range of perspectives and expertise. Cape Cod Commission (Commission) staff and stakeholders learned from one another and from examples and practitioners across the country to identify strategies and recommendations for the Cape.



*Under Development

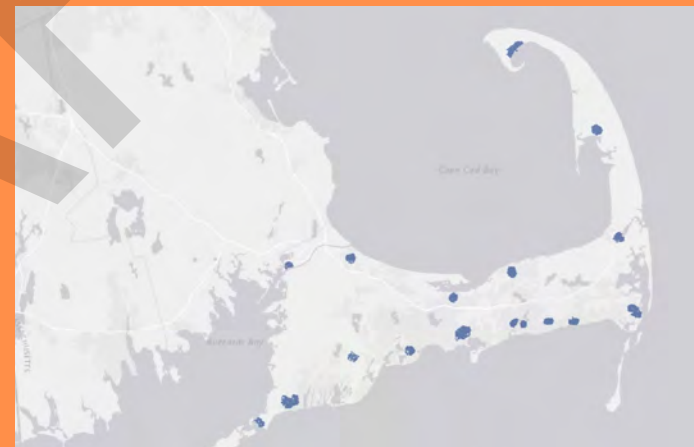
Research

To guide development of the Regional Housing Strategy, Commission staff collected data and information to characterize and understand the current state of housing and its impact on the local and regional economy. Commission staff conducted extensive research on housing plans throughout the Commonwealth and the Country. The Commission also contracted with the UMass Donahue Institute (UMDI) to complete a housing needs assessment, and with a consulting team from Utile and Outwith Studio to conduct further research and stakeholder outreach in support of the Regional Housing Strategy.

REGIONAL DEMOGRAPHICS AND ECONOMIC DATA

At the outset of the Regional Housing Strategy planning process, Commission staff developed [housing profiles](#) for each of the 15 Cape communities and for Barnstable County. The profiles contain demographic information, such as year-round population and age breakdown, economic data surrounding wages and employment throughout the year, and housing-related data such as the cost for housing in the region, the types of homes throughout the Cape, and how homes are used.

The profiles also contain basic information about zoning for each town, and Community Activity Centers where they have been identified. They provide baseline data, allowing comparison between towns as well as the region, and help illustrate many of the region's housing and economic challenges.



COMMUNITY ACTIVITY CENTERS

Commission staff used a geodesign process to identify existing centers of community and industrial activity across the region, as well as to map natural areas that should be protected. Taking into consideration characteristics like civic activity, business activity, and physical form resulted in a map that identifies regional centers of activity.

Explore at: capecodcommission.org/our-work/id-accs/



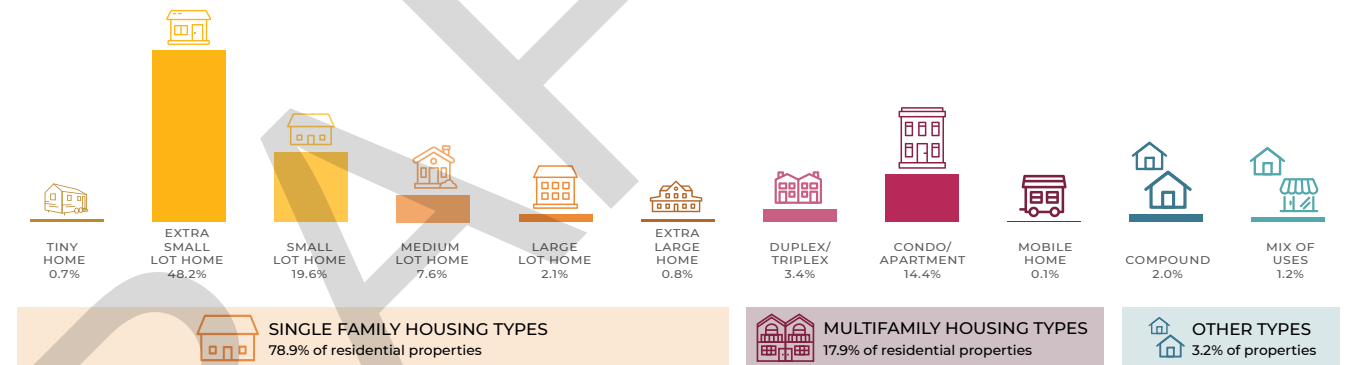
Housing Profile: Barnstable County

Key Demographic and Economic Information

POPULATION 229,436	HOUSEHOLDS 99,969
HOUSEHOLD SIZE 2.27	HOUSING UNITS 165,068
MEDIAN HOME SALES PRICE (2022) \$638,500	MEDIAN HOUSEHOLD INCOME (2022) \$90,447

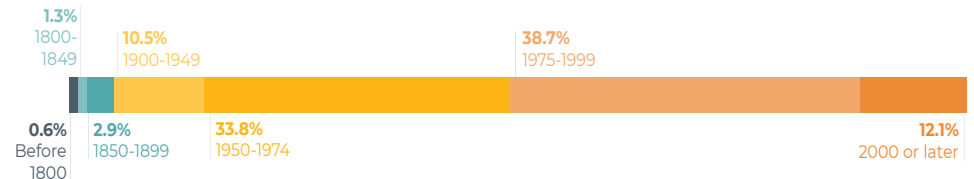
Current Housing Stock

The Cape Cod Commission conducted a housing typology study using local assessors' data and state class property codes. The graph below shows the distribution of various types of residences using this data, which differs slightly from American Community Survey counts. County-wide, nearly 80% of residential properties are single-family homes; almost 18% are multifamily properties. The remaining 3.2% are other types of properties. Other properties may be a single home or may be multifamily homes such as compounds, which may include multiple houses on one parcel occupied by different households or a single-family home with a guest house. Mix of uses are properties that have at least one residence on them but also have some sort of other use such as agricultural or commercial. For more information on the housing typology and categories visit: cccom.link/ht



Housing Stock by Year Built

Almost 90% of the region's housing stock is more than 20 years old. The vast majority of housing units in the region were built between 1950 and 1999. (Assessors' data and CCC housing typology analysis)



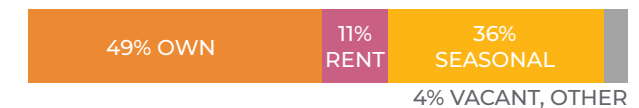
Owners and Renters

There are nearly 100,000 year-round occupied housing units in the region; of these, 84% are owner-occupied and 16% are renter-occupied. (ACS 2022 5-year Estimates)



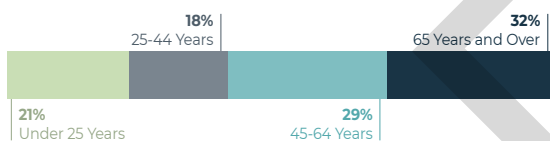
Seasonality

Approximately 36% of all housing units in the region are used for seasonal, recreational, or occasional use. (ACS 2021 5-year Estimates)



Barnstable County has a year-round population of nearly 230,000 according to the most recent American Community Survey. The median household income is about \$90,000, just over the Massachusetts median household income of approximately \$89,000. The County is also older than the state and a significant portion of the housing stock, 36%, is used for seasonal use or as second homes. The 15 towns that comprise Barnstable County are all unique but face many similar challenges when it comes to housing affordability and availability.

Barnstable County by Age



Barnstable County by Race



(2020 Decennial Census; American Community Survey (ACS) 2022 5-year Estimates; Cape Cod and Islands Association of Realtors; Massachusetts Department of Revenue)

Totals may not equal 100% due to rounding

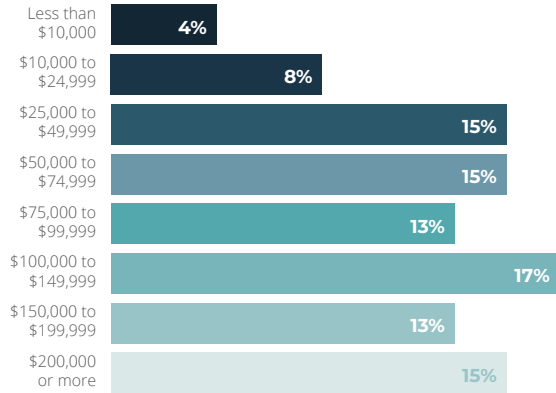


Housing Profile: Barnstable County

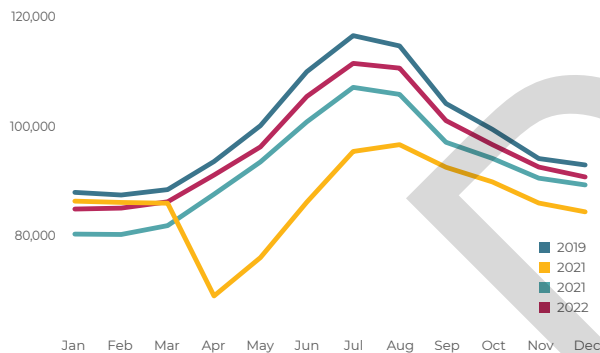
Wages, Employment, and Housing Affordability

Households per Income Bracket

(ACS 2022 5-year Estimates)



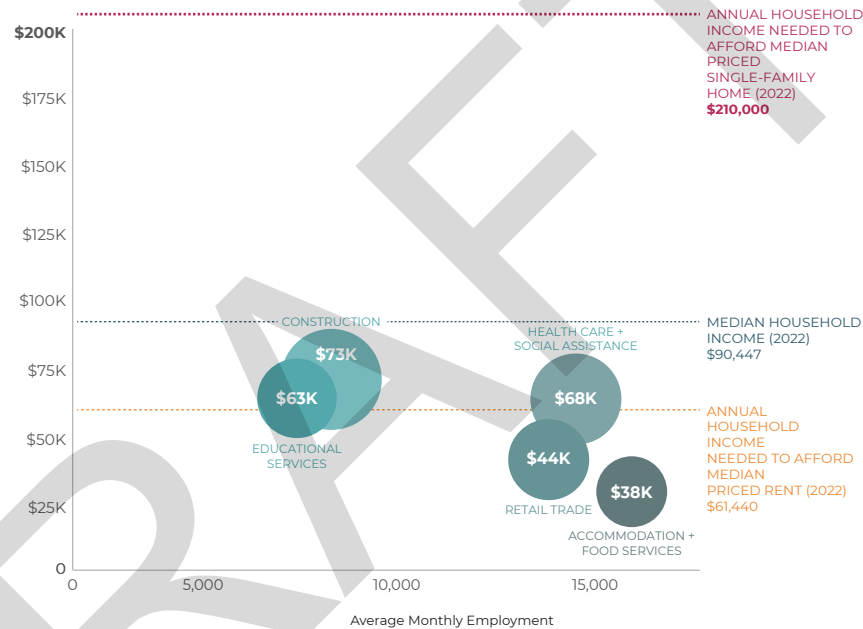
Employment by Month



Employment in the region is highly seasonal, given the draw as a tourism and second-homeowner destination. In 2019 employment peaked in July at 34% more than the low in February. Due to the pandemic, 2020 patterns were significantly different, but in 2021 started to return to pre-pandemic levels and trends which continued into 2022.

(MA Labor Market Information, ES-202 data)

Housing Affordability



In 2021 the median price for a home for sale in the region was \$570,000. In 2022, prices increased to a median home sales price of \$638,500, a 12% increase. Average wages in the county's largest industries by employment fall well below what is needed to affordably purchase a home at median sales prices (affordably purchase means a household spends 30% or less on housing costs). While the median gross rent, according to the American Community Survey, is more affordable, availability of year-round rental housing is very limited.

(Annual income refers to a household's earnings, while annual wage refers to an individual's earnings. Data: Cape Cod and Islands Association of Realtors; 2022 ACS 5-Yr Estimates; 2022 Cape Cod Housing Needs Assessment; MA Labor Market Information, ES-202 data)

Affordable Housing Units

The Massachusetts Subsidized Housing Inventory is used to measure a community's stock of low- or moderate-income housing for the purposes of M.G.L. Chapter 40B, the Comprehensive Permit Law, which encourages communities to have 10% of their housing stock be affordable for low- to moderate-income households. While housing developed under Chapter 40B is eligible for inclusion on the inventory, other types of housing also qualify to count toward a community's affordable housing stock.

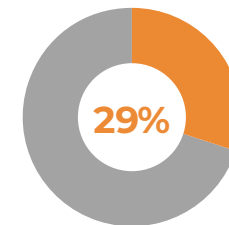


5.9% of the region's housing units are listed on the Subsidized Housing Inventory (SHI)

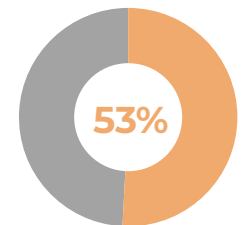
(Executive Office of Housing and Livable Communities as of June 29, 2023 and subject to change.)

Housing Cost Burdened

A household is considered cost burdened when housing costs exceed more than 30% of monthly income. (ACS 2022 5-year Estimates)



... of owner households in Barnstable County spend 30% or more of income on housing costs



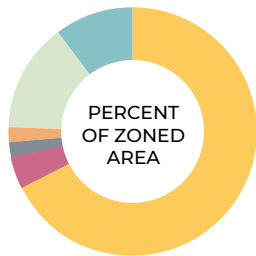
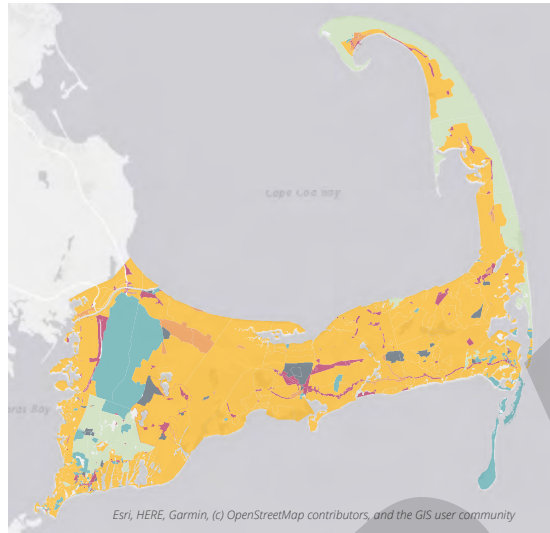
... of renter households in Barnstable County spend 30% or more of income on housing costs



Housing Profile: Barnstable County

Zoning Districts

The vast majority of land in the region is zoned for residential uses, as can be seen in the map and the graph below. Some of the primary uses for zones in the other category include those related to harbor and marina uses, municipal uses, and Joint Base Cape Cod. These zoning categories are broad and do not capture the many nuances of the specific zoning regulations for each district, nor do they include overlay districts, but help to provide a summary of the distribution of land available for certain types of uses throughout the region.



- Residential **67%**
- Commercial **4%**
- Industrial **2%**
- Mixed Use **2%**
- Conservation /Agriculture **14%**
- Other **10%**

Totals may not equal 100% due to rounding

Community Activity Centers

Community Activity Centers are one of eight Placetypes, areas with similar natural and built characteristics, identified in the 2018 Regional Policy Plan. Community Activity Centers are areas with a concentration of business activity, community activity, and a compact built environment that may be suitable for additional housing and a mix of uses. They are typically more walkable and densely developed than other Placetypes and often contain concentrations of historic buildings that contribute to the region's unique character. The vision for these areas is to accommodate a mixed-use and multifamily development in a walkable, vibrant area, preserve historic buildings, and to provide diverse services, shopping, recreation, civic spaces, housing, and job opportunities, with adequate infrastructure and pedestrian amenities to support development. The Cape Cod Commission identified seventeen Community Activity Centers across the region.



CAPE COD PLACETYPES



EXPLORE ALL THE HOUSING PROFILES

Housing profiles for all 15 towns and Barnstable County can be viewed at: capecodcommission.org/our-work/housing-profiles/

REGIONAL HOUSING NEEDS ASSESSMENT

The Commission worked with UMDI to develop [population and housing supply and demand projections](#). The work expanded upon the 2017 Regional Housing Market Analysis to identify current and potential future affordability gaps in the region's housing market for resident households (both owners and renters) across various income levels.¹ A survey of Cape Cod residents intended to better understand their housing arrangements, what factors influence their housing choices, and whether they are satisfied with their current housing also informed the assessment.

As part of this assessment, UMDI conducted affordability gap analyses for 2020 and 2030 for owners and renters for the County, subregions, and each town. The affordability gap is the difference between the estimated supply of housing units affordable to households at a certain percentage of the median household income for owners or renters in a given area and the demand,

assuming that housing cost is 30% or less of household income. It considers the existing population of owners and renters and the existing housing stock, distributed across different income levels. UMDI also completed population and housing supply and demand projections based on two different scenarios: the standard projection, assuming pre-pandemic in-migration trends continue, and the high scenario, assuming the higher pandemic in-migration trends persist.

ZONING ANALYSIS

To understand what types of housing can be built throughout the region, from single-family to multi-family, and by what permitting processes—by-right or by special permit—Utile and Outwith Studio conducted a regional zoning analysis. The analysis reviewed all 300+ zoning districts in the region to determine what is allowed to be built in each, including how overlay districts further impact housing development. While detached, single-family homes are widely allowed to be built by-right, multi-family housing development is limited to very few

areas and more frequently requires special permits. The analysis also includes a high-level assessment of how development intensity, dimensional, and parking regulations impact the viability of housing development at the parcel level.² While the zoning analysis does not necessarily speak to the actual viability of development in each of the districts, it provides a starting point from which to understand how the region's land use regulations must change to allow for more diverse types of housing.

HOUSING SUITABILITY ANALYSIS

With state funding support, the Commission is conducting a housing suitability analysis to identify opportunities for future housing development and redevelopment. The analysis includes a Cape-wide review of parcels to identify specific sites that may be better suited for housing development or redevelopment, and considers sensitive natural resources, infrastructure availability, and proximity of amenities. Community Activity Centers are a key component of this analysis, as are town-, state-, and

¹ *Cape Cod Regional Housing Market Analysis*, Crane Associates and Economic and Policy Resources for the Cape Cod Commission, 2017. <https://www.capecodcommission.org/our-work/housing-market-analysis/>

² *Cape Cod Zoning for Housing Assessment*, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-zoning-assessment

NGO-owned parcels that may provide opportunities for housing development or redevelopment. Feedback from town staff is further guiding the analysis. Ultimately, the analysis will identify parcels that may make sense for near-term development or redevelopment, to aid in prioritization for housing initiatives and potential zoning changes. However, the analysis does not negate the possibility of other opportune parcels arising, nor should it necessarily limit all housing development and redevelopment to those areas identified.

ENTITIES RESEARCH AND RECOMMENDATIONS

Utile, Outwith Studio, and the Cape Cod Commission conducted research to understand the existing landscape of affordable housing development in the region, including challenges and potential opportunities for developing affordable housing and identified regional entities that could foster greater housing development. “This research focused on the production of housing (particularly Affordable housing), the entities involved in production, and the gaps

in the housing production ecosystem.”³ The findings from this research “provide a schema for understanding regional entities supporting Affordable Housing, case studies of regional housing organizations elsewhere in the US that are relevant to the Commission’s work, findings from interviews conducted with key players in the Cape’s housing ecosystem, and recommendations based on this” work.⁴ The interviews and research demonstrated that while there are numerous organizations working at the local and county level, and collaborating with one another, to advance housing initiatives, their efforts could be leveraged and enhanced with greater support from new and strengthened regional housing entities. The research points to the need to create a flexible and regional land holding and development entity, encourage creation of small housing non-profit organizations, establish a regional housing services organization to support communities with monitoring and administration of affordable units, and foster collaboration amongst housing authorities. The Barnstable County Regional Housing Services Office pilot program is a significant step toward providing

the regional housing services organization needed to support Cape Cod’s communities and its continued existence and expansion will be vital to sustained advancement of local Affordable housing initiatives.

FUNDING AND FINANCE RESEARCH AND RECOMMENDATIONS

To understand what the existing funding and financing tools are that can assist with affordable housing and supporting infrastructure development, ascertain key challenges for housing funding and financing on the Cape, and identify recommendations to address gaps and opportunities, Utile and Outwith Studio conducted and synthesized research on these topics and compiled a “Cape Cod Housing Finance Research.” “Funding the development of housing, especially affordable housing is an enormous challenge to any public or private organization hoping to ameliorate the housing crisis. Because of the high costs involved, assembling the right mix of funds becomes central to all housing development,

³ *Cape Cod Regional Housing Entity Research*, p. 3, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

⁴ *Cape Cod Regional Housing Entity Research*, p. 3, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

and the complexity of affordable housing development only exacerbates the challenge.”⁵ The Toolbox seeks to provide local government officials, advocates, housing providers, and other stakeholders with the tools to understand the housing finance ecosystem, ideas for addressing gaps in the system, and a framework for imagining new or modified funding

frameworks as development opportunities arise.⁶ Recommendations revolve around three themes: encouraging local adoption of existing municipal finance tools, strategically pooling resources for additional investments in housing and infrastructure, and advocating for state-level policy reforms and funding sources.

5 *Cape Cod Housing Finance Research*, p. 4, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance

6 *Cape Cod Housing Finance Research*, p. 4, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance



Stakeholder Engagement

Cape Cod Commission staff convened various stakeholder working groups and committees to guide the development of the strategy. The engagement process included a steering committee, a funding and financing working group, subregional stakeholder working groups, individual meetings with representatives from each town, and an online housing preference survey to garner input from a broader audience on housing priorities and appropriate housing types for the region.

COMMITTEES AND WORKING GROUPS

The Regional Housing Strategy Steering Committee was created to offer insight on housing challenges and necessary outcomes, discuss and provide input on strategies, and help to define regional recommendations. The Housing Strategy Funding and Financing Working Group was assembled to offer insight into existing financial challenges and funding mechanisms, provide ideas for new or creative funding models, and discuss potential solutions to spur development and redevelopment. Subregional stakeholder working groups were convened for the Outer, Lower, Mid, and Upper Cape regions, with the third set of meetings bringing together the Lower and Outer

Cape groups and the Mid and Upper Cape groups to foster greater collaboration and communication among the subregions.

MUNICIPAL MEETINGS

Beginning in December of 2022, Cape Cod Commission staff conducted meetings with all 15 towns to provide an overview of the Regional Housing Strategy and current housing landscape as well as discuss and learn about local housing challenges, successes, aspirations/goals, and needs/resources. Participants in the meetings were comprised of municipal staff and representatives including but not limited to Town Managers and Administrators, Affordable Housing Trust members, Planning Board members, Housing Authority members, Planners, and Select Board

STAKEHOLDERS INVOLVED

- Municipal and county staff
- Municipal board members
- Tribal members
- Business owners
- Chambers of commerce
- Environmental organizations
- Banks
- Non-profit organizations
- Housing advocacy organizations
- Social services organizations
- Developers
- Interested citizens
- Land trusts
- Housing authorities
- Employers



members. Some of the common themes that emerged from the initial round of municipal meetings include the need for new financing options, model bylaws to support necessary zoning changes, and assistance for residents earning more than 80% of the annual median income. Communities acknowledged the need for more County-wide services, particularly as it relates to administering and monitoring Affordable housing units, such as through the Barnstable County pilot Regional Housing Services Office program, and the critical role that wastewater infrastructure plays in allowing for multi-family housing.

After identifying an initial set of recommendations for the Regional Housing Strategy, Cape Cod Commission staff

conducted a second round of meetings with each of the 15 towns beginning in October 2023. The purpose of these meetings was to gather feedback on the draft regional recommendations and local zoning opportunities.

SURVEY

In collaboration with Utile and Outwith Studio, the Commission conducted a housing preference survey seeking responses from Cape Cod residents about their preferences for housing development and redevelopment. The survey complemented the range of other engagement opportunities and was an effort to include a wider variety of perspectives during the planning process. Survey questions addressed housing design,

multi-family housing types, appropriate locations for new housing development and redevelopment, and other housing development considerations. More than 2,000 individuals responded to the survey. Responses to the survey identified that design and aesthetics of housing are more important than size and density of development; accessory dwelling units are considered appropriate in nearly all areas that already contain residential development; and smaller-scale multi-family development is preferable. However, larger multi-family development was often acceptable to respondents within existing downtowns, village centers, or other areas with existing mixed-use development.



Defining Success

Early in the stakeholder process, participants were asked to provide input on what would define a successful Regional Housing Strategy. Hearing from a wide range of stakeholders – from municipal staff to private developers, regional business leaders and environmental advocates – on how they would define a successful Regional Housing Strategy was critical to ensuring the strategy addresses a variety of needs. While there was no single definition or answer to this question, the following key themes emerged from these conversations.

DATA-DRIVEN

Data is imperative to the plan, both for understanding the region's current challenges and for setting goals and tracking progress. Additionally, data plays a crucial role in creating a shared understanding of the housing challenges facing the region, who is impacted, and why action is needed to support Cape Cod residents.

PROTECTIVE OF CAPE COD'S NATURAL RESOURCES

Housing development must not occur at the expense of the region's natural resources. Identifying appropriate areas with supporting infrastructure, and guiding housing development away from sensitive areas is critical. Strategies should support regional initiatives for environmental protection and

should not exacerbate the degradation of natural habitats and water quality.

COORDINATED

Action to address housing concerns must also address other pressing regional issues such as climate change and infrastructure needs. Coordinating housing initiatives with efforts to mitigate or adapt to climate change, and planning for housing in areas with existing or planned infrastructure that can support new housing will ensure a balanced approach to meeting the region's multiple needs.

COLLABORATIVE

Strengthening and developing partnerships will be vital in successful creation and implementation of the Regional Housing

Strategy. Enhancing existing partnerships to increase effectiveness as well as identifying new partnerships will help move the region forward not only on housing but on other major regional challenges. These partnerships may be among municipalities, between public and private sector actors, and among community members.

INNOVATIVE AND ACCESSIBLE FINANCING

In addition to fostering a better understanding of current financial tools, the Regional Housing Strategy should identify challenges within the existing housing financing system and needs or opportunities for more supportive financing for Affordable and attainable housing development in the region.

PRIORITIZE REDEVELOPMENT AND REUSE

Given the region's limited undeveloped land and sensitive natural resources, stakeholders were clear in the need to prioritize redevelopment opportunities for housing when possible, including reuse of the region's existing housing stock. Identifying appropriate areas to target for increased housing density and development is helpful and will allow for

more aligned communications around housing development and redevelopment opportunities. This will also help to focus zoning changes in appropriate areas.

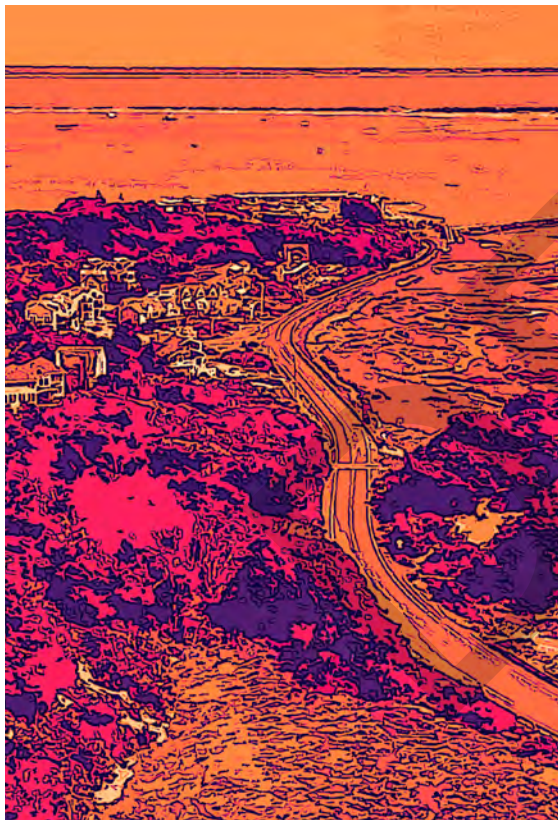
SUPPORT YEAR-ROUND RENTERS AND HOMEOWNERS

Stakeholders noted there is tremendous need for both rental and homeownership opportunities that are affordable to year-

round residents. Mechanisms for ensuring the long-term affordability of new housing stock, and preserving year-round housing, is critical. Greater availability of affordable, year-round housing will positively impact the region's economy, environment, and community.



Challenges



Today's housing challenges are unprecedented. The region is in crisis.

Housing access and affordability are not new challenges for Cape Cod. The Cape Cod Commission Act, signed into law in 1990, recognized the need to support development of an adequate supply of affordable housing for the region and preserve the social diversity of Cape Cod by promoting fair affordable housing for low-income and moderate-income persons. Past and current regional policy plans identify affordable housing as important for the region, with the 2018 Regional Policy Plan citing the high cost of housing, the relatively low wages, limited supply, and the lack of diversity in housing options as a key challenge facing the region.¹ Over the last several years, housing affordability challenges have reached unprecedented levels and the region is facing a housing crisis.

¹ 2018 Cape Cod Regional Policy Plan, p. 55, Cape Cod Commission. <https://www.capecodcommission.org/our-work/rpp/>

The housing affordability and availability challenges the region is facing can be articulated and described as four key challenges that surfaced during the planning process:

- It's not allowed or it's too complicated to build housing other than single-family homes
- It's too expensive to build new housing
- It's too expensive to maintain or secure housing
- It's too hard to find and keep year-round rental housing

The most recent Cape Cod housing needs assessment found that in 2022, a household

would need to earn \$210,000 annually to be able to affordably purchase a median-priced single-family home, far exceeding the 2022 estimated median household income of \$91,400 (to affordably purchase means that a household is not spending more than 30% of their income on housing costs).^{2,3} There is a gap of almost \$120,000 between what the median household earns and what they would *need* to earn to affordably buy a home in the region.

These numbers vary significantly from town to town. For example, households in Yarmouth must earn \$166,000 while households in Truro must earn over \$420,000 to afford the median-priced home.

However, they all tell a similar story: housing is too expensive for Cape Cod residents. This has become particularly acute as a result of the COVID-19 pandemic which increased the desirability of Cape Cod. With people seeking greater outdoor recreation opportunities, more space, and having the ability to work remotely, the region experienced an estimated influx of 20,000 to 30,000 people during the early part of the pandemic.⁴

Sales prices have increased at a rate that far exceeds that of income. In 2015, the median single-family home sales price was \$368,000 for Barnstable County. By 2019, it had increased to \$433,000, an 18% increase from 2015 to 2019. But from 2019 to 2022,



2 Cape Cod Regional Housing Needs Assessment, UMass Donahue Institute for the Cape Cod Commission. 2023. <https://www.capecodcommission.org/our-work/regional-housing-needs-assessment/>
 3 2022 American Community Survey 1-year Estimates, Table S1901
 4 Cape Cod Commission staff analysis of Placer.ai data

it increased by nearly 60% to \$687,000 – an 87% increase from 2015 to 2022.⁵ In contrast, the 2022 median household income in Barnstable County is estimated to be about \$91,400, up only about 8% from \$85,000 in 2019 and 38% from \$66,100 in 2015.⁶

While this demonstrates the challenge of securing a new home, current residents are also struggling to afford housing in the region. Twenty-nine percent of year-round owner-occupied households are housing-cost burdened (spending 30% or more on housing costs) and more than half of all year-round renter-occupied households are considered housing-cost burdened.⁷ Furthermore, more and more people are experiencing homelessness. The 2023 Point in Time count conducted by the Cape and Islands Regional Network on Homelessness counted 427 homeless persons on the night of January 24, 2023 across the Cape and

Islands – an increase of 30 from 2022 and the highest number of homeless persons counted in the last ten years.⁸

The Mashpee Wampanoag Tribe is a federally recognized tribe, with members living in communities across the region. Tribal members are experiencing the increased housing challenges to the point that, on September 20, 2023, the Mashpee Wampanoag Tribal Council unanimously declared a state of emergency due to the homelessness crisis impacting tribal members. The declaration notes the issue has been exacerbated by the pandemic and the lack of available and affordable homes.⁹

It is important to note that the Cape’s housing crisis is two-fold: one of both affordability and availability. Without intervention, these trends are likely to continue. Affordability challenges will become more difficult in the coming years with an estimated shortfall of nearly 30,000

SEPTEMBER 20, 2023 TRIBAL COUNCIL DECLARATION OF STATE OF EMERGENCY DUE TO THE HOMELESSNESS CRISIS

“...the Tribe must declare a state of emergency on homelessness to address the pressing needs of our homeless tribal members. The MWT Housing Department has been consistently supporting an average of 60-70 homeless tribal members per month, illustrating the urgency of this crisis...”

“...the Tribal Council desires to formally declare a state of emergency due to the ongoing and pervasive crisis among tribal members, recognizing the urgent need to address this crisis.”

5 *Year to date median sales price for single-family homes*, Cape Cod and Islands Association of Realtors FastStats, 2022. <https://capecod.stats.10kresearch.com/reports>

6 *Table S1901*, American Community Survey, 2022 1-year Estimates

7 *2022 American Community Survey, 5-year Estimates, Table DP04*

8 *2023 Annual Point in Time Results*, Cape and Islands Regional Network on Homelessness, 2023. <https://www.capecod.gov/departments/human-services/initiatives/housing-homelessness/policy-board/>

9 *Tribal Council Declares State of Emergency in Response to Homelessness Crisis*, Mashpee Wampanoag Tribe, September 29, 2023. <https://mashpeewampanoagtribe-nsn.gov/2023-october-mittark-blog/2023/9/29/tribal-council-declares-state-of-emergency-in-response-to-homelessness-crisis>

homes that are affordable to households earning up to the median household income in 2030, an increase from 2020 according to the regional housing needs assessment. Availability challenges are only expected to worsen with estimated housing demand projected to outpace supply by 11,000 to nearly 22,000 housing units depending on the population growth scenario.¹⁰

Not only is it too expensive to maintain or secure housing, year-round renters face particularly challenging circumstances. Given Cape Cod's draw as a seasonal destination, a significant portion of homes are used seasonally or as second homes. More than 1/3 of homes on Cape Cod are used seasonally, compared to roughly 4% throughout all of Massachusetts.¹¹ This draw as a seasonal destination is also reflected in the financial incentive for homeowners to rent out their homes as short-term rentals. The regional housing needs assessment found that it takes just two months for an average short-term rental to exceed rents from an average year-round rental. Though

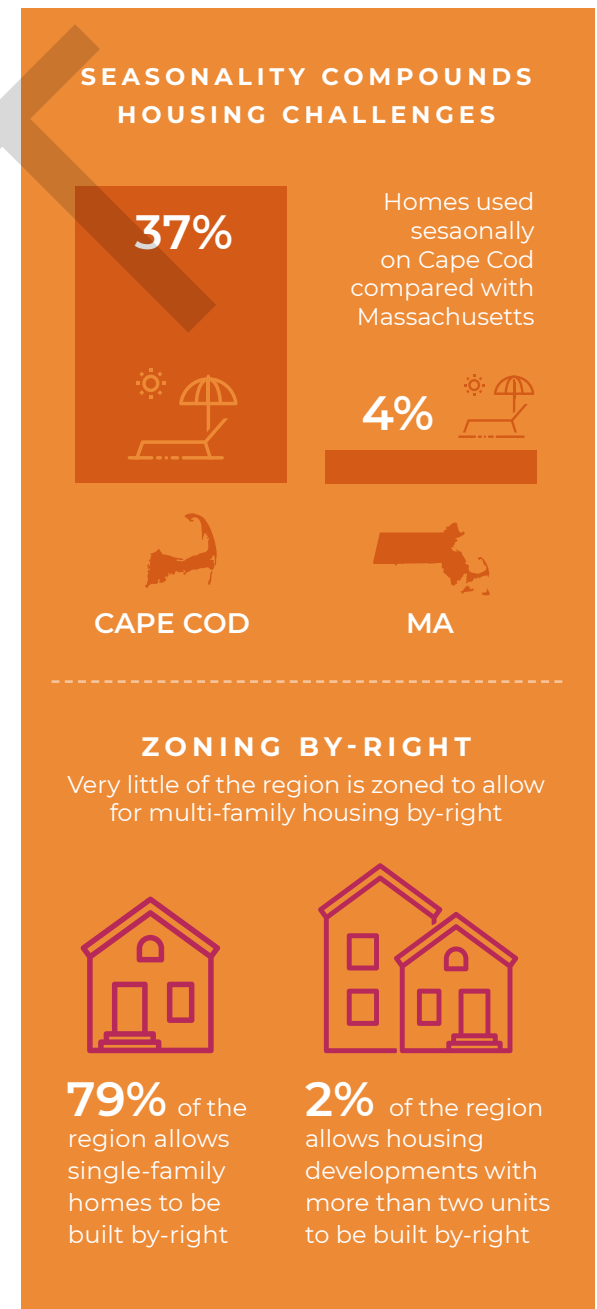
this varies from town to town, and depends on the characteristics of a home, the financial incentive to rent out a home on a short-term basis is significant. Reflective of the tight year-round rental market is the fact that the region, perhaps unsurprisingly, has a smaller share of homes occupied by year-round renters than the state or nation.

Cape Cod's housing stock does not provide diverse opportunities in terms of housing type. The region consists of predominantly detached single-family homes - approximately 80% compared to roughly 52% in Massachusetts and 61% across the country.¹² Single-family home development is what the region's land use regulations promulgate, with housing developments with more than two units allowed to be built by-right in only 2% of the region. By contrast, single-family homes can be built by-right throughout the vast majority of Cape Cod, more than 79% of the region. Through a special permit process, multi-family housing can be built in more than 2% of the region but still with relatively limited opportunities,

10 Cape Cod Regional Housing Needs Assessment, UMass Donahue Institute for the Cape Cod Commission. 2023. <https://www.capecodcommission.org/our-work/regional-housing-needs-assessment/>

11 2022 American Community Survey, 5-year Estimates, Tables B25001 and 25004

12 2022 American Community Survey, 5-year Estimates, Table DP04



less than 25% of the region. It is important to note that through research and interviews conducted with housing development organizations working in the region, zoning was confirmed as a major constraint on affordable, attainable, and multi-family housing development opportunities. This is not only due to the limited areas where it might be allowed, but also by increasing project risk and expense through discretionary (special permit)

review processes that can be lengthy and unpredictable, and ultimately may not result in project approvals.¹³

The amount of land zoned to allow multi-family housing developments varies by town, but generally follows a similar pattern as the region: most Cape towns prohibit or require special permit authorization for multi-family housing development and limit it to a small portion of town, while allowing for detached, single-family homes by-right

throughout the community. Zoning changes occur at the local level through Town Meeting (Town Council in Barnstable) and require a super-majority (2/3) to pass, though recent state legislation allows for certain housing-related zoning amendments to pass with only a simple majority.¹⁴ Obtaining a super majority vote at Town Meeting is challenging and can create an impediment to adopting new zoning. Zoning changes to allow for multi-family housing are necessary, but must

¹³ Cape Cod Regional Housing Entity Research, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

¹⁴ Housing Choice Legislation, Chapter 358 of the Acts of 2020, Massachusetts General Law; <https://www.mass.gov/info-details/housing-choice-legislation>



be done deliberately, in appropriate areas, with thought and consideration given to the existing built form and context, to ensure new housing development or redevelopment does not exacerbate other regional issues.

In addition to restrictive zoning, the region's limited wastewater capacity constrains housing development in many areas. The investment needed in infrastructure further increases the cost of denser housing development – where it is allowed – and thus further incentivizes the development of detached single-family homes on larger lots. Recent amendments by the Massachusetts Department of Environmental Protection to the State Sanitary Code (Title 5), along with newly issued Watershed Permit regulations, seek to encourage and accelerate planning

and construction of municipal wastewater infrastructure; however, the expense of this infrastructure is substantial. In recent years, municipal wastewater projects have benefited from a 25% subsidy from the Cape Cod and Islands Water Protection Fund, created in 2019 with a dedicated source of revenue from a 2.75% excise tax on short-term rentals. While revenue to this Fund has been consistent with projections, local project implementation and project costs have exceeded expectations, challenging the Fund's ability to maintain a 25% subsidy for critical wastewater projects.

In addition to significant infrastructure costs, labor costs on the Cape are especially high, "owing to the lack of local workers, remote geography, and large demand

for construction labor in the Greater Boston region."¹⁵ Labor costs are further compounded by the high cost of housing in the region, as fewer opportunities for affordable or attainable housing for trades workers leads to a scarcer local labor pool, driving up construction costs.¹⁶

Even in the face of these challenges, there are several existing entities in the region working to provide and support affordable and attainable housing opportunities. However, the region should work to better facilitate these efforts in appropriate locations through improved regulatory pathways and funding mechanisms that encourage creation of more diverse housing choices.

15 *Cape Cod Regional Housing Entity Research*, p. 13, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

16 *Cape Cod Regional Housing Entity Research*, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

PERMITTING HOUSING ON CAPE COD

There are several different kinds of developers operating on the Cape, building housing that is market-rate or deed-restricted affordable. These include larger, regional market-rate developers that tend to take on larger and, in some cases, more complex projects than smaller local developers.¹ These larger developers may also build affordable housing by utilizing programs such as low-income housing tax credits or other state and federal programs that provide favorable financing or incentives for housing projects with housing affordable to households at or below 80% of the area median income. However, there is also tremendous need on Cape Cod for housing affordable to households earning 80% - 120% of the area median income (or even higher in some communities).² Currently there are limited tools to support this kind of development, and market-rate homes are not affordable to households at these income levels.

Smaller, local developers are a large group of actors engaged in a broad range of housing development activities, from single-family renovations

to multi-unit development projects. They may be more willing to take on smaller and more difficult sites than other developers and may be more willing to receive proportionally smaller returns than larger developers.³ There are also non-profit organizations developing or providing support for housing development in the region such as Habitat for Humanity, Housing Assistance Corporation, the Lower Cape Community Development Partnership, and Preservation of Affordable Housing. These are mission-driven organizations which may work on small or large-scale housing projects, but always with an affordability component and without the need for larger returns on investments that private developers may require.

Developers may produce housing through a few key permitting pathways: through local zoning, by-right or by special permit (under Chapter 40A), or through a comprehensive permit (Chapter 40B) process.

By-right development may proceed under a zoning ordinance or bylaw with just building permit approval and without the need to obtain a special permit, but it may be subject to design standards and/or site plan review.

Design standards and site plan review have a more limited scope of review and are typically considered non-discretionary (although some bylaws also establish a discretionary site plan review process). Generally, by-right permitting provides a faster, more predictable approval process which in turn reduces the overall cost of development.

Developments requiring special permit approval must obtain a permit from the Special Permit Granting Authority (the SPGA), as designated in the local bylaw. Bylaws may provide that certain classes of special permits will be issued by one board (e.g., the zoning board of appeals) and other classes by a different board (e.g., the planning board). Special permits are discretionary permits and approval is typically more uncertain, more complicated, and more time consuming than by-right approval.

Public agencies, non-profit developers, and limited dividend organizations with site control may propose a development under Chapter 40B if it meets certain requirements. Chapter 40B, the Comprehensive Permit Act was adopted by the state legislature to drive towns toward achieving 10% of their year-round housing stock as housing affordable to households

earning not more than 80% AMI. The aim of Chapter 40B is to promote new, long-term deed-restricted affordable housing for individuals, families and older adults with mixed income and housing needs. Towns that fail to achieve 10% of affordable housing (or do not qualify for the 'safe harbor' provisions in state law, regulations, and guidance) are required to accept and act upon Chapter 40B comprehensive permit applications that may seek waivers from various zoning provisions, such as density limits and environmental and community character requirements. The zoning board acts on behalf of all other town boards and officials in considering whether to issue a single comprehensive permit, which subsumes all local permits and approvals normally issued by local boards, though it does not subsume state permits, including state permits where a local board or commission acts as the approval authority. For projects developed through this process, at least 20% of the newly proposed housing units are deed-restricted units affordable to households at or below 50% AMI or 25% of the newly proposed units are deed-restricted units affordable to households at or below 80% AMI.

1 Cape Cod Housing Finance Research, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.cccom.link/rhs-finance

2 The Town of Chatham recognizes the need for attainable housing affordable to households earning 80% - 200% AMI; Provincetown's Harbor Hill development provides rental units aimed at households earning 80% - 200% AMI.

3 Cape Cod Housing Finance Research, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.cccom.link/rhs-finance

Zoning Analysis

Town-by-town analysis of land zoned to allow single-family homes or multi-family housing developments by-right

BARNSTABLE COUNTY



1-FAMILY 79%



2+ UNITS 24%



3+ UNITS 2%



4+ UNITS 2%

BARNSTABLE



1-FAMILY 91%



2+ UNITS 9%



3+ UNITS 9%



4+ UNITS 9%

BOURNE



1-FAMILY 52%



2+ UNITS 43%



3+ UNITS 1%



4+ UNITS 1%

BREWSTER



1-FAMILY 96%



2+ UNITS 0%



3+ UNITS 0%



4+ UNITS 0%

CHATHAM



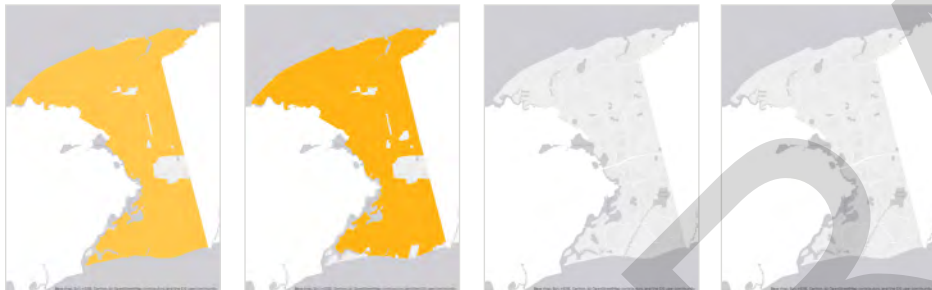
1-FAMILY 83% 2+ UNITS 1% 3+ UNITS 1% 4+ UNITS 1%

FALMOUTH



1-FAMILY 98% 2+ UNITS 14% 3+ UNITS 1% 4+ UNITS 1%

DENNIS



1-FAMILY 94% 2+ UNITS 92% 3+ UNITS 0% 4+ UNITS 0%

HARWICH



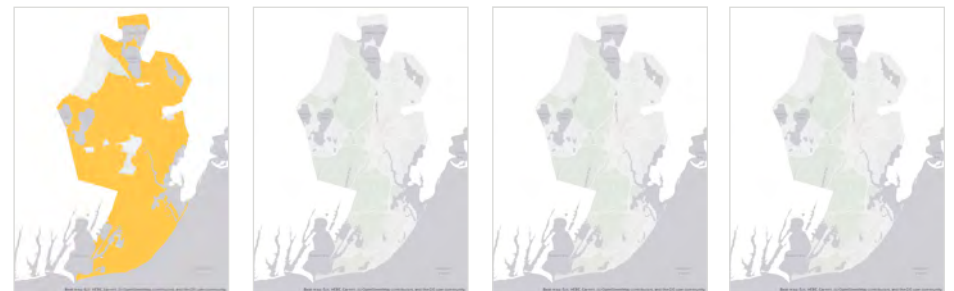
1-FAMILY 95% 2+ UNITS <1% 3+ UNITS 0% 4+ UNITS 0%

EASTHAM



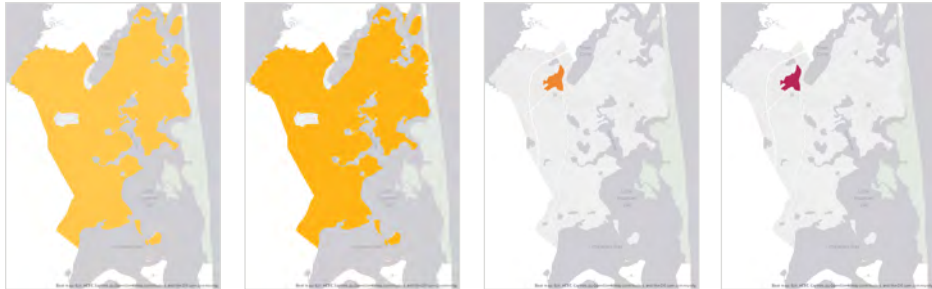
1-FAMILY 97% 2+ UNITS 72% 3+ UNITS 2% 4+ UNITS 2%

MASHPEE



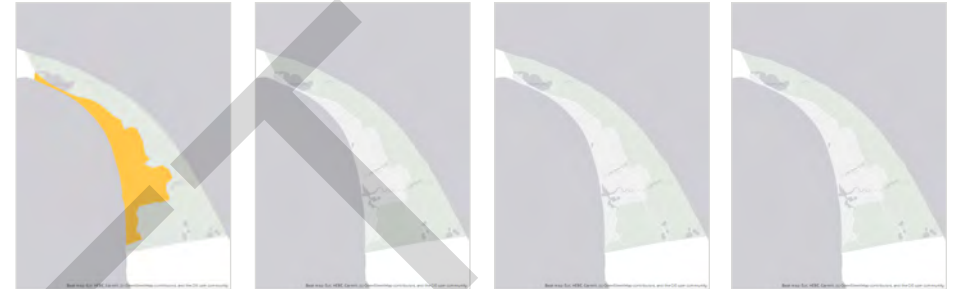
1-FAMILY 88% 2+ UNITS 0% 3+ UNITS 0% 4+ UNITS 0%

ORLEANS



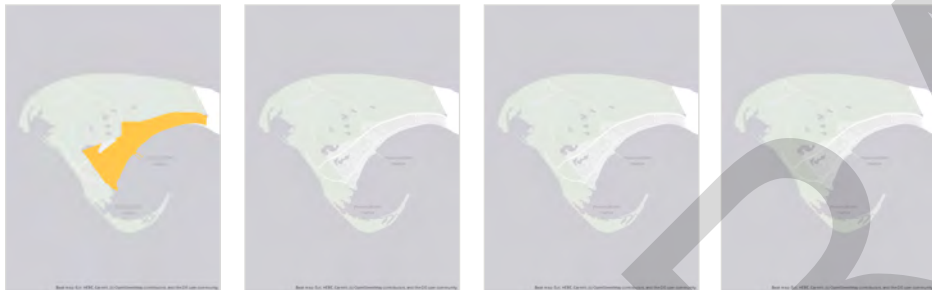
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TRURO



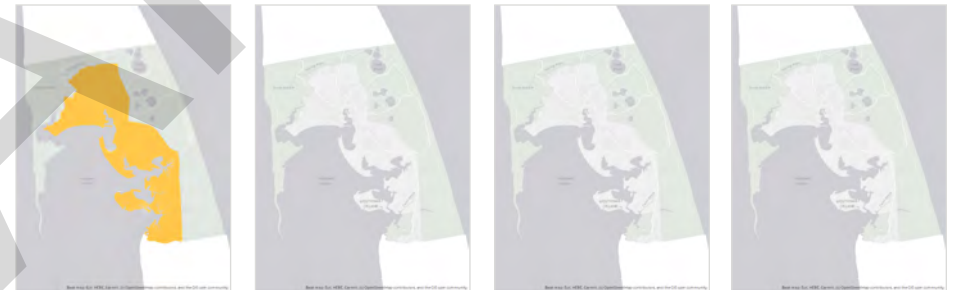
1-FAMILY 34% 2+ UNITS 0% 3+ UNITS 0% 4+ UNITS 0%

PROVINCETOWN



1-FAMILY 31% 2+ UNITS 0% 3+ UNITS 0% 4+ UNITS 0%

WELLFLEET



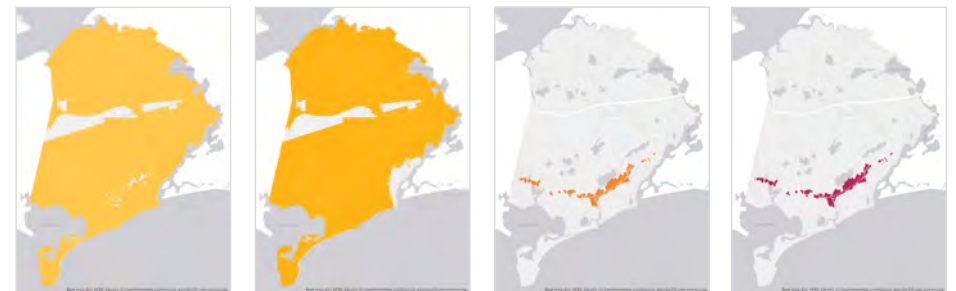
1-FAMILY 41% 2+ UNITS 0% 3+ UNITS 0% 4+ UNITS 0%

SANDWICH



1-FAMILY 63% 2+ UNITS <1% 3+ UNITS <1% 4+ UNITS <1%

YARMOUTH



1-FAMILY 92% 2+ UNITS 91% 3+ UNITS 2% 4+ UNITS 2%

Regional Planning Context



Cape Cod must be innovative and opportunistic.

The Cape Cod Commission is charged with protecting the unique values and quality of life on Cape Cod by coordinating a balanced relationship between environmental protection and economic progress. The Cape Cod Regional Policy Plan (RPP) articulates the vision for the future of Cape Cod – a region of vibrant, sustainable, and healthy communities, and protected natural and cultural resources. The RPP provides an overarching framework to guide local and regional planning and regulation, including issue-specific plans necessary to encourage collaboration and strategic action on the region’s most critical challenges.

The Regional Policy Plan

The housing goal of the 2018 Regional Policy Plan (RPP) is to promote the production of an adequate supply of ownership and rental housing that is safe, healthy, and attainable for people with different income levels and diverse needs. It provides the framework for thinking more strategically about housing development and redevelopment and the infrastructure and policies necessary to support it. The RPP articulates a growth policy that focuses growth in centers of activity and areas supported by adequate infrastructure, and guides it away from areas that must be protected for ecological, historical or other reasons. The RPP also provides a framework for developing Commission-certified Local Comprehensive

Plans. Local action is integral in implementing regional plans and ensuring local and regional planning efforts are aligned is critical.

The RPP establishes a placetype scheme that encourages growth that is responsive to context allowing for the restoration, preservation, and protection of the Cape’s unique resources while promoting economic and community resilience. It recognizes that the Cape is comprised of many different and unique places, each with their own vision and strategies for creating and enhancing their unique characteristics. Some of these placetypes, particularly Community Activity Centers and Suburban Development Areas, can accommodate a greater diversity of housing and mixed-use development than

what exists today and can provide for the opportunities necessary to address the region’s key housing challenges.

Cape Cod’s 17 regional Community Activity Centers are areas with a concentration of business activity, community activity, and a compact built environment. The vision for these areas is to accommodate mixed-use and multi-family residential development in a walkable, vibrant area, preserve historic buildings, and to provide diverse services, shopping, recreation, civic spaces, housing, and job opportunities at a scale of growth and development desired by the community, with adequate infrastructure and pedestrian amenities to support development.

REGIONAL POLICY PLAN HOUSING GOAL AND OBJECTIVES

GOAL

To promote the production of an adequate supply of ownership and rental housing that is safe, healthy, and attainable for people with different income levels and diverse needs.

OBJECTIVES

1. Promote an increase in housing diversity and choice
2. Promote an increase in year-round housing supply
3. Protect and improve existing housing stock
4. Increase housing affordability

CAPE COD PLACETYPES



Suburban Development Areas present opportunities to create more concentrated nodes of development and improve design and function, and Historic Areas are locations that could support reuse of historic structures and infill development that respects the form, scale, and character of existing historic areas.

Each of these placetypes provide unique opportunities to support multi-family housing, redevelop underutilized areas into mixed-use or multi-family housing, rethink how larger, historic buildings are utilized, and create opportunities for livable, vibrant, year-round communities.

While the Regional Policy Plan is comprehensive in its vision and growth policy and serves as an overarching policy

framework, there are certain resources or issues facing the region that require more focused planning efforts, which has resulted in the development of issue-specific plans including the Comprehensive Economic Development Strategy, Regional Transportation Plan, Climate Action Plan, 208 Plan, and now this Regional Housing Strategy.

Comprehensive Economic Development Strategy

The Comprehensive Economic Development Strategy (CEDS) recognizes the importance of housing, specifically affordable and attainable housing, for the region’s economy. The CEDS, like the RPP, recognizes the importance of Cape Cod’s interrelated

natural, built, and community systems while speaking directly to the economic development needs of the region.

The CEDS includes a joint economy and housing goal and a specific housing access and affordability initiative, the aim of which is to “Improve housing diversity and access across the region, but particularly in existing centers of activity, directing development to areas with existing infrastructure while managing impacts to natural resources.”*

* Cape Cod Comprehensive Economic Development Strategy, p. viii, Cape Cod Commission, 2019. <https://www.capecodcommission.org/our-work/ceds>

The link between housing and the region's economy has only become clearer over the past few years as businesses struggle to find employees locally and can no longer maintain the hours of operation they, and their customers, are accustomed to. A lack of housing for residents in the region also means a lack of employees. Furthermore, the inability of year-round residents to access housing results in a more limited customer base for year-round businesses.

Cape Cod Climate Action Plan

Addressing the region's housing challenges can and should also work toward achieving the goals of the Cape Cod Climate Action Plan. Finalized in 2021, the Climate Action Plan recognizes that dedicated and immediate action is necessary to slow the effects of climate change and improve the region's resiliency to its impacts. It provides a framework for action to support a climate resilient region and its purpose is twofold - to improve the region's resiliency to climate

hazards; and mitigate climate change on Cape Cod through reducing net regional greenhouse gas emissions in support of the framework and targets established by the Commonwealth.¹

Together, transportation and stationary energy account for nearly 95% of the region's greenhouse gas emissions and residential buildings are one of Cape Cod's largest greenhouse gas emitters.

Developing and redeveloping housing in areas that are more walkable or more easily serviced by transit, as well as promoting and supporting building and rehabilitation practices that utilize energy efficient or renewable materials and systems are key factors to consider as the region looks to increase its housing supply and options.

Area-Wide Water Quality Management Plan

The region cannot fully address its housing challenges without appropriately serving existing and future development with wastewater infrastructure. Cape Cod's Area-Wide Water Quality Management Plan (208 Plan), developed pursuant to Section 208 of the Clean Water Act, was certified by Massachusetts Governor Charlie Baker and approved by the United States Environmental Protection Agency in 2015. The 208 Plan recognizes septic systems, primarily serving single-family residential development, are the primary source of nitrogen impairing coastal water quality on Cape Cod. It established a framework to restore coastal water quality that local, regional, state, and federal partners continue to use to advance wastewater management efforts and regulatory reforms.

The 208 Plan identifies challenges and limitations of providing wastewater infrastructure on Cape Cod, not the least of

¹ *Cape Cod Climate Action Plan*, p. I, Cape Cod Commission, 2021. <https://www.capecodcommission.org/our-work/climate-action-plan/>

which is the increased cost of collecting and conveying wastewater given the sprawling patterns of development across the region. The plan encourages land use policies that focus future growth in existing centers of activity - areas that can be most cost-effectively served and that are appropriate for mixed-use and more diverse housing opportunities. Ultimately, more dense housing in appropriate locations will help provide the customer base for effective wastewater treatment that improves the quality of the region's coastal water.

Regional Transportation Plan

The region's transportation infrastructure has both shaped, and been shaped by, the development patterns of the region. It must continue to evolve to meet the needs of future generations and support more compact, mixed-use, and multi-family development. The 2024 Regional Transportation Plan (RTP) envisions a multi-modal transportation system that supports the environmental and economic vitality of the region through infrastructure investment

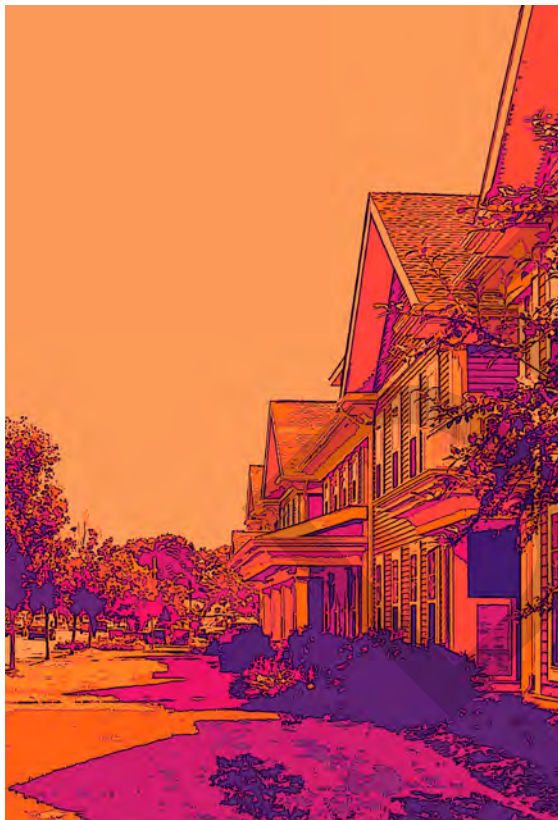
that focuses on safety, livability, sustainability, resiliency, equity, and preservation of the character that makes Cape Cod special.²

The RTP includes a goal to support livable communities and village centers that strengthen the long-term economic vitality of the region, in part by supporting mixed-use development in compact centers of activity, improving connections between housing, jobs, cultural centers, and essential services, and supporting land use strategies and investments in the roadway network that encourage walkability, public transit, and promote appropriate connections to housing.

2 Cape Cod 2024 Regional Transportation Plan, pg. viii, Cape Cod Commission, 2023. <https://www.capecodcommission.org/our-work/rtp/>



Strategies



The housing crisis demands new solutions.


Throughout the planning process for the Regional Housing Strategy, Commission staff conducted extensive research on regional housing plans and strategies employed across the Commonwealth and the Country. This included reviewing initiatives from other parts of the country with seasonal economies and dynamics similar to Cape Cod to understand how they are addressing housing, particularly in the face of strong second home markets.

In reviewing these plans and documents, Commission staff identified numerous strategies that could be used to address aspects of Cape Cod’s housing crisis and compiled a database of dozens of strategies that could be impactful in Cape communities. The actors vary among the strategies from town staff or representatives to non-profit organizations to interested citizens. For each of these strategies, staff produced fact sheets – two-page summaries of the strategy, implementation considerations, and resources. These fact sheets provide information for those interested in learning about the range of strategies to gain insight and information. For those who are familiar

with a strategy but are looking to implement it or advance it in their community, they provide a brief overview of implementation considerations and possible resources (monetary and other) for implementing each strategy. Some of the strategies have been implemented on Cape Cod, but many have not. The fact sheets provide case studies to show how and where the strategies have been implemented.

The strategies range in scale from approaches applicable at the site or neighborhood scale to those that are better applied regionally, and vary in the types of housing challenges they address. Some are

zoning-related and focus on different types of zoning changes or amendments to address the limited by-right housing development opportunities in the region. Other strategies offer ways to directly offset the high cost of housing for year-round residents through new or bolstered support programs. Not all of the strategies are necessarily applicable or would prove most effective in every town across the Cape as each town’s needs are unique, but rather the range and variation in the strategies identified is meant to reflect the variety of needs among the Cape’s communities.



STRATEGY FACT SHEETS

The Strategy Fact Sheets provide an overview for each strategy that includes a summary, benefits and barriers, and implementation considerations. They also include information on scale, time frame for implementation, stakeholders and technical expertise to engage, case studies, and resources.

Strategy Fact Sheets are available at: capecodcommission.org/housing

Types of Strategies



Policy and Permitting

Strategies for zoning and permitting to encourage housing development or redevelopment



Land Acquisition and Development

Strategies for procuring land for affordable and attainable housing and fostering its development or redevelopment



Financial Support

Strategies that provide financial incentives to encourage preservation or creation of affordable and attainable housing as well as financial support for residents seeking or trying to maintain housing



Program Revenue Sources

Strategies for securing revenue to fund affordable and attainable housing initiatives and programs



Education

Strategies to build greater education and awareness in the community around housing needs and potential solutions

HOUSING STRATEGIES MATRIX BY SCALE OF APPROACH AND STRATEGY TYPE

	Site/Neighborhood	Town	Subregion	Region
POLICY & PERMITTING	FORM-BASED CODE			
	INCLUSIONARY ZONING			
	SUBDIVISION OF LAND FOR AFFORDABLE HOUSING			
	BY-RIGHT ZONING FOR MULTI-FAMILY HOUSING, MISSING MIDDLE HOUSING, AND ADUS			
	UNIVERSAL DESIGN AND ACCESSIBILITY			
	DENSITY BONUS			
	STREAMLINED APPROVAL PROCESS			
	REDUCED PARKING REQUIREMENTS			
	CHAPTER 40R/40S	SHORT-TERM RENTAL REGULATIONS		
	CHAPTER 40B	TAX ABATEMENTS, CREDITS & EXEMPTIONS		
	CHAPTER 40Y			
	TRANSIT-ORIENTED DEVELOPMENT			
	PRE-APPROVED BUILDING PLANS			
PATTERN BOOKS AND DESIGN GUIDELINES				
PREFABRICATED HOUSING				
LAND ACQUISITION & DEVELOPMENT	LAND DONATIONS		REGIONAL HOUSING LAND BANK	
	COMMUNITY LAND TRUST			
	PURSUING "DEVELOPER-READY" SITES			
	REGIONAL REDEVELOPMENT AUTHORITY			
FINANCIAL SUPPORT	REDUCED OR WAIVED FEES FOR ELIGIBLE PROJECTS			
	SHORT-TERM TO LONG-TERM RENTAL COVERSIONS			
	EMPLOYER-ASSISTED HOUSING PROGRAM			
	INCOME-BASED DEED RESTRICTIONS			
	NON-INCOME BASED DEED RESTRICTIONS			
	ADAPTIVE REUSE ASSISTANCE			
	RENTAL ASSISTANCE			
	REHAB ASSISTANCE			
	BELOW-MARKET MORTGAGE PROGRAM			
	BUY-DOWN PROGRAM			
	HOMESHARING PROGRAM			
COHOUSING				
PROGRAM REVENUE SOURCES	SHORT-TERM RENTAL FEES AND TAXES			
	HOUSING IMPACT FEES			
	REGIONAL LOCAL GOVERNMENT INVESTMENT POOL			
	REAL ESTATE TRANSFER TAX			
EDUCATION	CREATE TARGETED COMMUNICATIONS MATERIALS AND CAMPAIGNS			
	CENTRALIZED SOURCE FOR HOUSING INFORMATION			

Recommendations



Bold action is needed now to address the housing crisis.

There are dozens of different strategies municipalities, non-profits, developers, and other actors can employ to help alleviate the housing crisis in the region, but the following recommendations surfaced through the planning process as critical and impactful regional opportunities. Some will be more applicable on a town-by-town basis while others apply regionally; some will be more relevant for addressing one aspect of the housing challenges faced by the region; but all will play a role in combatting Cape Cod's housing crisis and helping residents secure safe and attainable housing.

Implementing these recommendations will require action, leadership, and collaboration from a wide variety of organizations and entities. While the Cape Cod Commission can assist with catalyzing progress on several of these recommendations, ultimately other actors including but not limited to town staff and government, financial institutions, developers, housing advocacy organizations, other regional non-profit organizations, and members of the community will need to be engaged and responsible for successful implementation of these key recommendations.

Recommendations



Change Zoning



Streamline Permitting



Develop a Community Land Trust and Regional Housing Land Bank



Develop a Regional Redevelopment Authority



Provide Financial Incentives to Convert and Preserve Year-round Housing



Finance Housing Affordable to 80%-120%+ AMI



Provide Low- or No-cost Loans for ADUs



Dedicate Municipal Tax Receipts Towards Housing and Infrastructure



Develop a Regional Local Government Investment Pool



Establish a Permanent Regional Housing Services Office



Develop a Regional Homesharing Program



Develop a Regional Capital Plan



Explore Housing Potential on Joint Base Cape Cod



RECOMMENDATION

Change Zoning

Cape communities must change zoning to allow for multi-family housing and more diverse housing types by-right in appropriate locations.

The zoning analysis of the Cape, conducted by Utile and Outwith Studio, highlights the extremely limited opportunities for multi-family housing development in the region, especially through a by-right permitting process. Zoning prohibitions and special permit processes, while appropriate in some areas, constrain affordable, attainable, and multi-family housing development in the region.

The zoning changes that will be most appropriate and effective vary for each town and may range from allowing ADUs or even larger multi-family developments by-right in certain areas to more minor changes to dimensional requirements, such as minimum lot sizes or parking standards. Zoning for multi-family structures can be coupled with design guidelines to provide the community and developers with a more predictable outcome regarding the form

of development and to ensure that new projects complement the existing character of the built environment. Another option for communities concerned with the design and form of housing developments is form-based code, which primarily focuses on regulating the form of development with less emphasis on regulating the use. See the local zoning recommendations section for more information about zoning best practices for housing and town-specific zoning opportunities.

IMPLEMENTATION

Zoning changes are adopted at the municipal level. Depending on the type of zoning change, it may require a two-thirds or simple majority vote by Town Meeting or Town Council (see the [Voting Threshold Guidance website](#) for more information). The following are typical key steps in carrying out zoning changes.

- Identify the area or areas targeted for a zoning change through consultation of local planning documents, comprehensive plans, and community engagement and feedback.
- Conduct community engagement to articulate the vision for the area.
- Draft zoning changes that respond to and will foster the articulated vision for the area. This may be a simple change that may only require an edit in a use table, such as allowing accessory dwelling units by-right, or it may be a larger zoning overhaul of an area. The changes should be done with engagement from the Planning Board and other relevant town boards and in consultation with town staff, particularly those that will be responsible for administering the new zoning.
- Conduct public outreach to ensure the community understands the zoning changes' purposes prior to Town

Meeting/Town Council to garner support, including necessary public hearings.

- Adopt zoning changes at Town Meeting/Town Council.
- Administer the new zoning, and evaluate it regularly for further future refinements or adjustments based on its efficacy.

RESPONSIBLE ACTORS

Zoning changes will require action at the municipal level to develop and pass the

updated zoning. Town staff should be comfortable with the new zoning. Housing advocacy organizations can play a role in educational campaigns to garner support for zoning changes that are on Town Meeting warrants or up for a vote at Town Council. The broader community and developers should also be engaged in creating the proposed zoning changes to ensure the updated zoning reflects the community's

vision while also proving viable for developers.

RESOURCES

- [Model Bylaws for Housing](#)
- [Cape Cod Zoning for Housing Assessment](#)
- [Design Guidelines for Multifamily Housing](#)
- [A Framework for Form-based Codes on Cape Cod](#)





RECOMMENDATION

Streamline Permitting

Permitting authorities must develop more predictable and streamlined permitting for housing.

Allowing more diverse housing types by-right is a significant step towards reducing regulatory barriers to new housing. Beyond allowing multi-family housing by-right, however, streamlining the permitting process is important to provide clear, objective, and timely pathways for housing development, while ensuring the projects meet the regulations in place.

There are several tools to facilitate streamlined permitting processes for multi-family housing development including pre-approved building plans and smart growth zoning overlay districts (created under chapter 40R). Pre-approved building plans are plans that have already been deemed compliant with building codes and local standards, requiring a limited administrative review to permit. This can expedite the building process and reduce costs (like permitting fees) while the pre-approved

nature of the plans can support building forms that are context-sensitive.

Under Chapter 40R, Massachusetts communities can designate zoning districts to allow for “as-of-right” higher density construction in return for financial compensation from the state. These incentives are priced depending on the potential capacity of the district for increased housing, with additional payments for each unit built. These districts typically must be either near transit, an area of concentrated development, or an area suitable for a mixed-use district. These districts allow multi-family housing by-right (with a provision that at least 20% of units be deed-restricted affordable units), and projects in a 40R district must be developable by-right or through site plan review, not by special permit, and municipalities must approve or deny projects in a timely manner. Communities

should consider adopting 40R districts in appropriate locations.

Design guidelines can be useful tools by providing developers with a clear idea of what building style a town is looking for in developments. Additionally, the use of form-based code may also help to streamline the permitting process. Stakeholders noted the potential benefits of a central permitting coordinator in towns to help applicants advance through the permitting process, guiding them in the order of operations, and providing support throughout the process from someone familiar with the town’s regulations. This may help make the permitting process smoother or easier in practice or may simply help mitigate pre-conceived ideas about how challenging it might be to move through a local permitting process.

In addition to opportunities for streamlining permitting at the local level, there are also regional permitting pathways to consider. Currently Growth Incentive Zones and Chapter H designations can streamline permitting at the regional level by increasing or eliminating the thresholds at which projects come to the Cape Cod Commission for review. Moving forward, the Cape Cod Commission will look at opportunities for streamlining its regional review processes for multi-family housing developments in appropriate locations. This may include considering revisions to the Development of Regional Impact (DRI) review thresholds, regulations, and/or application requirements.

IMPLEMENTATION

Implementation of more streamlined permitting processes will vary depending on what is being changed, but there are

generally some key steps, regardless of the mechanism.

- Identify permitting processes that are taking considerable amounts of time and permitting tools or processes that promote efficiency but may be underutilized.
- Articulate opportunities to streamline those processes.
- Craft regulations or plans that will support development that is aligned with the vision for an area while streamlining the permitting process.
- Adopt and administer the new regulations or plans.

RESPONSIBLE ACTORS

Municipalities can identify opportunities to streamline their permitting processes to allow more diverse housing options by-right, either through changes in internal staff/

administrative review processes or changes to zoning. The Cape Cod Commission can facilitate the regional development of pre-approved building plans and assist towns as they look to change their zoning, whether through changes to what is allowed by-right, implementing new types of zoning like form-based code, or by assisting towns looking to establish 40R districts, among other possible zoning amendments. The Cape Cod Commission will also be responsible for reviewing its own review processes related to multi-family housing and proposing potential changes to those processes in appropriate locations.

RESOURCES

- [Model Bylaws for Housing](#)
- [Design Guidelines for Multifamily Housing](#)
- [A Framework for Form-based Codes on Cape Cod](#)

RECOMMENDATION



Develop a Community Land Trust and Regional Housing Land Bank

A community land trust and regional housing land bank should be developed and work in concert to more swiftly take advantage of opportunities to acquire properties for affordable or attainable housing.

Throughout the planning process and the numerous meetings with municipalities, stakeholders clearly stated the need for an entity that can move more quickly to purchase and sell land for housing purposes. Municipal procurement processes are deliberate and can move slowly, which at times means opportunities to purchase land for affordable or attainable housing are lost.

This regional land acquisition and development entity can be achieved through the formation of two agencies or organizations: a regional housing land bank and community land trust that work in concert. A land bank is a public authority or nonprofit organization that can acquire, hold, manage, redevelop, and dispose of

property. Their efforts are aimed at achieving predefined community goals, such as the development of affordable housing or the stabilization of property values (in the case of cold or collapsing markets). Land banks are similar to redevelopment authorities, but they differ in that they often have more flexibility in what they do with properties, lack some powers (like eminent domain) associated with redevelopment authorities, and often have a longer-term outlook for their properties. On Cape Cod, a regional housing land bank would have the powers of a land bank, the mission of affordable housing development, and remit to act across the Cape. It could act as a patient facilitator of affordable housing development through the acquisition and sale of land.¹

A community land trust (CLT) is a type of nonprofit organization that holds land in perpetuity for affordable housing, conservation, or another community purpose. CLTs are typically governed by some mix of residents on CLT land, members of the surrounding community, and housing or real estate specialists. Homes built on CLT land are owned by their residents, but the land is owned by the CLT and leased to the homeowner. (These are long-term leases, often spanning 99 years.) Homes on CLT land are sold at affordable rates to income-eligible buyers, who are required to sell at an affordable price, should they choose to sell. A regional CLT would be able to receive property, gather resources for affordable housing development, and monitor housing

¹ Cape Cod Regional Housing Entity Research, p.17, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

affordability on the property in perpetuity. A private nonprofit CLT could work closely with a quasi-public land bank to take on different roles in the land assembly, development, and housing operations ecosystem, which is an increasingly common arrangement in communities with both land banks and CLTs.² These entities could also support attainable housing.

IMPLEMENTATION

- Establish the entities. Determine what type of organization the community land trust will be (non-profit/non-governmental or public). Establish a new, housing-focused land bank through a new act of the legislature and approval by Cape voters.³

- Identify and appoint boards and leadership for the entities.
- Capitalize the entity/entities. CPA may be one source of seed funding, though restrictions on this use must be clarified. Stable land bank funding outside of annual appropriations is ideal, but even a one-time contribution by Cape Cod towns could support establishment of a land bank and help it find independent funding sources.⁴ One example is the Martha's Vineyard Land Bank (a conservation-focused entity), which is funded through a 2% statutory fee on real estate transactions.⁵ Government entities' general funds may also be a source for capitalizing these entities.

RESPONSIBLE ACTORS

Establishment of regional land procurement entities will require input from municipalities,

support from residents, and guidance from those working in affordable and attainable housing. A regional housing land bank will require input and support from Cape Cod residents to establish and likely to capitalize it. If a community land trust is established, it would likely require continued engagement with resident representatives on its board. Additionally, a community land trust board would likely include real estate and housing specialists.

RESOURCES

- [Cape Cod Regional Housing Entity Research](#)
- [Cape Cod Housing Finance Research](#)

2 *Cape Cod Regional Housing Entity Research*, p.19-20, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

3 *Cape Cod Regional Housing Entity Research*, p.18, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

4 *Cape Cod Regional Housing Entity Research*, p.18, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

5 *Cape Cod Regional Housing Entity Research*, p.18, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities



RECOMMENDATION

Develop a Regional Redevelopment Authority

A regional redevelopment authority should be developed to acquire land more quickly for housing purposes and to avoid lost opportunities.

In addition to development of a regional housing land bank and a community land trust, a regional redevelopment authority can acquire land for affordable and attainable housing development, and unlike the other entities, it can do so through eminent domain. Redevelopment authorities can also prepare sites for development and rehabilitate existing structures. Developing a regional redevelopment authority could take longer and may be more complex than establishing a regional housing land bank and community land trust, including changes at the state level, but can be pursued simultaneously.

IMPLEMENTATION

Currently Massachusetts provides for the establishment of redevelopment authorities at the municipal level. Many of the steps required for developing a

municipal redevelopment authority are relevant and useful in establishing a regional redevelopment authority, should that be permitted and pursued.

- Cape communities, with the help of regional agencies like the Cape Cod Commission, should come together to establish the need for a regional redevelopment authority, which would likely require some form of vote from Cape communities or representatives. The forming body should consider the need for housing development, business expansion, job retention, and infrastructure improvements.
- Research other successful models of regional redevelopment authorities. The Franklin County Regional Housing and Redevelopment Authority (HRA), the only regional redevelopment authority in Massachusetts, may serve as a model and potential resource.
- Advocate for changes at the state level to allow for a regional, rather than a local, redevelopment authority.
- Draft legislation or policy proposals that outline the formation, powers, organizational structure, funding, and responsibilities of the regional redevelopment authority. The proposed legislation should incorporate feedback from a community engagement process.
- Determine the costs associated with operations and the implementation of a regional redevelopment authority. Funding can potentially be secured from various sources, including grants or loans, public-private partnerships, taxes, or other sources.
- Establish, capitalize, and operate the redevelopment authority. Redevelopment authorities typically include an autonomous staff and board, which includes appointed or elected board members.

RESPONSIBLE ACTORS

Like the other regional land procurement entities, establishment of a regional redevelopment authority will require input and support from municipalities and residents, and guidance from those working in affordable and attainable

housing. Like a regional housing land bank, a regional redevelopment authority will require input and support from Cape Cod residents to establish and likely to capitalize it. State representatives would also need to be engaged to allow for a regional redevelopment authority within state law.

RESOURCES

- [Cape Cod Regional Housing Entity Research](#)
- [Cape Cod Housing Finance Research](#)



RECOMMENDATION



Provide Financial Incentives to Convert and Preserve Year-round Housing

The gap between income generated from year-round housing and short-term rentals must be closed to bolster the year-round housing supply, particularly year-round rental housing, and increase attainable housing opportunities.

Two model programs exist to help do this. First is a program that provides grants to current short-term rental owners to rent their properties year-round. This program provides a nearly instant addition to the year-round rental market by turning an existing structure into a year-round rental.

The second is a program providing deed-restrictions for year-round occupancy of units. This program would provide a one-time payment to homeowners to restrict the occupancy of their home to year-round residents (either the homeowner or renters) in perpetuity. A homeowner can sell their home without limits on the sales price; however, the occupancy restriction will serve to somewhat moderate sales prices as the homes can only be sold to someone who

is living in the region year-round. Similar to the program providing grants for year-round rentals, this program can add to or preserve housing units as year-round units quickly as it utilizes existing structures.

These types of programs are operating in seasonal ski towns in western states, and a pilot program to provide incentives for short-term rental owners to rent to the local workforce was just established in Nantucket and is being explored in Outer Cape towns.

Though not providing a direct financial incentive, zoning that encourages year-round housing could, in effect, provide financial incentives through ease of permitting for the creation of new year-round housing and could help increase the year-round housing supply.

IMPLEMENTATION

- Gather data to better understand the local short-term rental landscape. Determine which program or programs would be most appropriate and conduct an analysis to identify the amounts of financial incentives necessary to encourage participation in the programs. Data gathered and analyzed may include current number of operating short-term rentals, average daily prices of short-term rentals vs. hotels, where short-term rentals are located and the neighborhoods or areas that are most affected, and the occupancy rate of short-term rentals compared to hotels. The amounts may vary from town to town throughout the region and may also vary based on the size of the housing unit or number of renters.

- Identify funding sources for the program(s). This could include CPA funds, state or federal grant funds, development impact fees, short-term rental fees and taxes, and even potentially private funds or donations.
- Identify who will fund and administer the program(s). These programs may be run by government entities or non-governmental entities. For both of these program(s), compliance and monitoring will be necessary to ensure the rentals or homes are utilized as required by the programs.

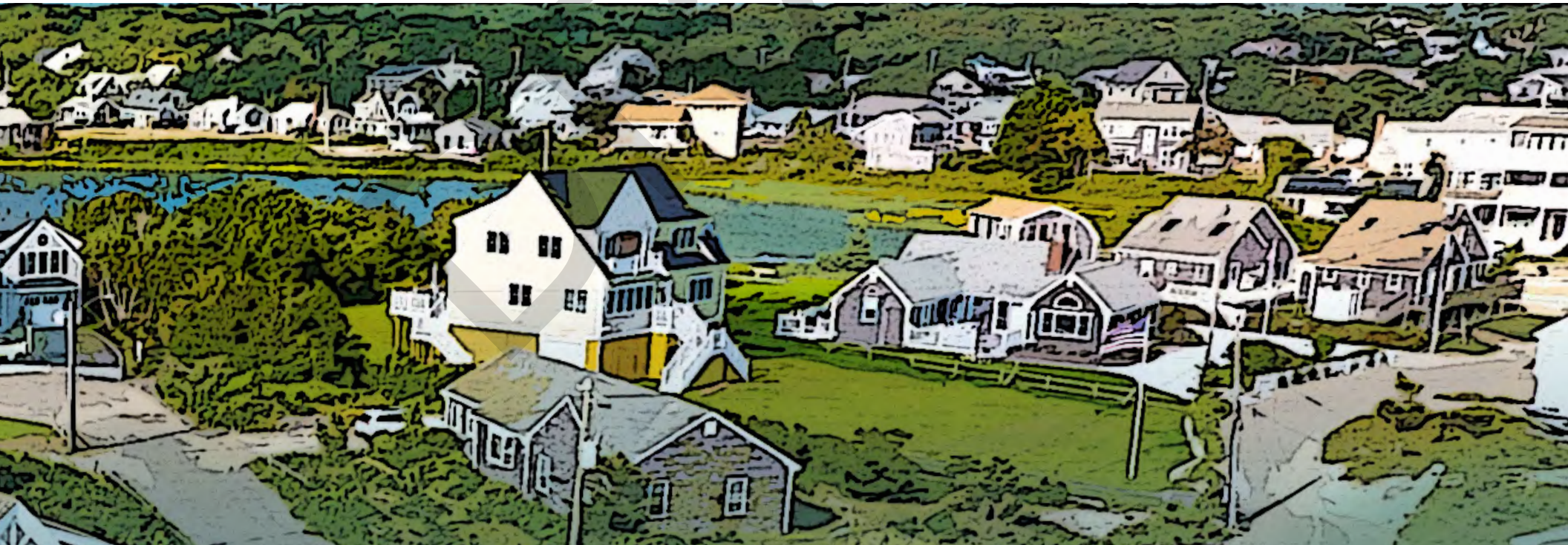
RESPONSIBLE ACTORS

Establishing these programs will require strong engagement between towns and program administrators, if different than the town, to ensure their support for the programs. The administrators of the programs can vary but may include private organizations and/or affordable housing organizations and advocates. There may be need for engagement with state representatives as well to allow for the year-round occupancy deed restrictions

throughout the region. Homeowners and owners of short-term rentals should also be engaged to ensure the programs are appealing to them and would result in participation.

RESOURCES

- [Cape Cod Regional Housing Needs Assessment](#)
- Year-round Housing Model Bylaw



RECOMMENDATION



Finance Housing Affordable to 80%-120%+ AMI

Financing mechanisms must be developed to meet the need in the region for housing affordable to 80%-120%+ AMI.

There is tremendous need for housing that is affordable to households at or below 80% of area median income, particularly the region's lowest-income households. However, there is also a great need in the region for housing affordable to households earning 80% to 120% AMI, or even higher in some communities. While there are programs and tools that support housing for households at 80% AMI, such as low income housing tax credits, there are limited financing mechanisms that target housing affordable to households earning more than 80% AMI but still not enough to affordably secure a home in the region at market rates. Providing additional financial tools for this type of housing – and making it easier to navigate and take advantage of those tools – would help foster development of housing affordable to those income levels.

Financial tools for this income range are not unheard of and there are programs utilized elsewhere in the state and country that target housing for households earning 80-120% AMI. However, varying characteristics tend to make them difficult to utilize on the Cape, and in some cases only support households earning up to 100% AMI. In some Cape communities, there is a need to support housing affordable to households earning up to and above 120% AMI.

IMPLEMENTATION

Developing effective programs to help fund housing affordable to households above 80% AMI could be done through advocating for changes or expansions to existing programs or through development of new financing programs. Regardless, it will be important to bring together developers and organizations

that would be responsible for administering the program(s) – whether public or private – to identify the key elements of the program(s).

- Establish a regional working group of developers and financiers to create a detailed outline of the characteristics of a program or programs to support financing for housing affordable to 80% to 120% AMI or above.
- Identify program administrators.
- Identify program funding sources, whether it be favorable financing options through local banks or capitalizing a regional fund through tax receipts or other contributions.
- Once the program is operational, conduct outreach to ensure developers and other relevant stakeholders are aware of the programs and know where to turn for assistance with utilizing them.

RESPONSIBLE ACTORS

Engaging affordable housing developers who would utilize these programs will be critical to ensure the programs and tools respond to their needs. Just as important will be engaging program administrators and local financial institutions who may be willing

to play a role in providing financing tools. Municipalities and regional entities may also play a role in providing funding for these programs and/or technical assistance for those looking to utilize them. If the programs are state-wide, representatives of the new or revamped programs will need to be

deeply involved in program development for successful implementation.

RESOURCES

- [Cape Cod Regional Housing Entity Research](#)
- [Cape Cod Housing Finance Research](#)





RECOMMENDATION

Provide Low- or No-Cost Loans for ADUs

New funding and financing programs should be developed to support development of ADUs.

Accessory dwelling units (ADUs) can provide more affordable housing options, however current construction costs make them prohibitively expensive to build in any significant quantity. Low or no-cost loans for ADUs aim to enhance accessibility for homeowners seeking to build or renovate existing structures for the purpose of creating ADUs. In addition to providing smaller and more affordable housing options, ADUs can offer rental income opportunities for property owners.

ADU loans may be accessible through various channels, including local government organizations, state housing organizations, community land trusts, non-profit entities, housing finance agencies, local banks, and community development financial institutions. While there are no direct federal programs providing loans for ADU development, certain initiatives at the federal level may indirectly support ADU

creation, like funding through weatherization programs. Assistance to homeowners can come in various forms such as grants, forgivable loans if homeowners and/or ADU renters meet certain criteria, low-interest loans, or deferred payment loans.

- Subsidized or low-interest loans: Loans that are offered at a lower interest rate than market rates, reducing the overall cost of the loan. These may also be no-interest loans, which provide funding for construction of an ADU with no interest accrued or necessary to repay, again reducing the cost of the loan.
- Forgivable loans/grants: These loans can be entirely forgiven immediately or over time if the homeowner meets certain conditions such as renting an ADU at affordable or below-market rates for the length of residency.
- Deferred payment loans: These loans allow borrowers to delay repayment until a later date, such as when

the property is sold, they begin to receive rental income, or achieve other forms of financial stability.

Currently the Lower Cape Community Development Partnership operates an ADU resource center that provides interested homeowners with deferred forgivable loans to build ADUs that meet certain affordability requirements. Housing Assistance Corporation also operates the My Home Plus One ADU program, which provides homeowners interested in building an ADU with technical assistance (and used to provide homeowners with financial incentives as well). Expanding these programs and organizations may provide an efficient initial avenue forward in providing financial support for ADU creation.

IMPLEMENTATION

- Establish a working group comprised of homeowners, builders, and financial institutions to determine what type of loan assistance is feasible and would be effective in stimulating ADU construction. This should include robust engagement with organizations currently administering ADU assistance programs throughout the region.
- Identify what organization(s) will administer the program and provide the loans.
- Define program parameters such as determining the provider of the subsidy, the type of loan, and repayment conditions.
- Next, qualification criteria of the loan recipient should be determined. Conditions to consider include:

- Will there be income limits for loan qualifiers?
- Is there a requirement for the homeowner of the ADU to be a full-time resident?
- Does the ADU resident need to be a full-time resident?
- Implement and monitor the program.

Distributors of the loan may also want to consider an education piece as part of the loan process, such as finance education and homeownership counseling, to ensure borrowers are well-informed about the responsibilities of homeownership and loan repayment.

RESPONSIBLE ACTORS

Engaging local banks and other financial institutions will be critical to ensure the

viability and sustainability of such a program. This engagement could be spearheaded by a town or by a partnering organization that is administering the program. Municipalities and regional entities may also contribute to implementation of this recommendation by ensuring there is clear and detailed information available to community members about the sources of funding available, as well as the contact information of lending institutions and managing groups of ADU loans.

RESOURCES

- [Cape Cod Regional Housing Entity Research](#)
- [Cape Cod Housing Finance Research](#)

RECOMMENDATION



Dedicate Municipal Tax Receipts Towards Housing and Infrastructure

All possible local tax options should be utilized to capture revenue and fund housing and infrastructure.

Most Cape Cod communities are not utilizing all available local tax options to capture funds to support affordable and attainable housing efforts. Massachusetts' municipalities are able to charge a local excise tax on hotels, motels, and other lodging. The rate of the tax can be up to 6% of the price of the room and is determined locally. Most Cape communities have already maximized the rate of the rooms excise tax at 6%. These funds should be dedicated to housing and infrastructure.

On the Cape, a further 2.75% of the room price is charged to fund the Cape Cod and Islands Water Protection Fund, which invests in water quality and wastewater infrastructure projects that support existing and future housing. Towns and cities can

additionally charge a community impact fee of up to 3% of the rental price of certain short-term rentals.⁶ Only three Cape communities have adopted the short-term rental community impact fee: Falmouth, Provincetown, and Wellfleet.⁷ Though currently the funds generated from the short-term rental community impact fee have been relatively small, they may increase over time and if pooled together in a regional fund could provide substantial funding to a project or program.

After ensuring communities are adopting and utilizing all options to their fullest extent, increasing the amount of funds collected that are dedicated to housing is critical. The Community Preservation Act requires only 10% of funds collected go towards

affordable housing; communities can choose to dedicate larger amounts. For short-term rental community impact fee funds collected, at least 35% must be dedicated to affordable housing or infrastructure, but towns have discretion to dedicate a higher proportion.

In addition to fully utilizing local options for taxes and fees, municipalities can look to better leverage those funds collected. Municipalities should bond against CPA funds. "Local CPA receipts can be earmarked as a funding stream against which towns can issue debt...to raise large amounts of money for construction of housing or other authorized purposes. The most prominent use of CPA bonds is land acquisition, but bonds can also be used to preserve expiring affordability restrictions, to fund

⁶ <https://www.mass.gov/doc/room-occupancy-excise-faqs-short-term-rentals/download>

⁷ *Cape Cod Housing Finance Research*, p. 44, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance

critical upgrades to existing affordable housing, to rehabilitate CPA-funded units, for infrastructure (water/wastewater) development, and more.” Thus far, few Cape towns have issued CPA-backed bonds, which has limited towns’ capacity for funding significant housing investments.⁸

Creating a reliable, steady stream of funding for housing initiatives can help support larger and longer-term initiatives and perhaps provide greater comfort with debt if there is a steady income stream to service it. Additionally, a steadier stream of funding for housing programs could help support ongoing critical work by organizations helping residents stay in their homes or helping those who have become homeless to find stable and safe housing, a vital need.

Towns and advocates in the region may also encourage adoption of tools not currently prominent in Massachusetts but being used in other places of the country to fund housing solutions, such as real estate transfer fees. This would require legislative

changes at the state level, or the granting of home rule petitions⁹, and may benefit from a regionally coordinated effort as identified in the Affordable Homes Act.

IMPLEMENTATION

- Advocate for towns to adopt current available local options.
- Encourage towns to dedicate more than the minimum amount required by the given tool to affordable and attainable housing and/or infrastructure (if allowed).
- Work with advocates and municipalities to identify and advocate for changes at the state level that would allow for increased funding streams for affordable and attainable housing initiatives.

RESPONSIBLE ACTORS

Maximizing the receipts from current local option taxes will require support from municipal boards and staff, particularly finance personnel. Adopting these tools will require Town Meeting or Town Council votes, so community members should be

engaged and informed on the topics to garner support. Additionally, dedicating streams of funding to housing initiatives, infrastructure, or investment pools may also require Town Meeting or Town Council votes. Support and involvement from advocacy organizations and individual advocates could help usher these changes through community processes.

RESOURCES

- [Cape Cod Housing Finance Research](#)

LOCAL EXAMPLES

Provincetown dedicates 100% of its short-term rental community impact fee revenue to housing initiatives.

Barnstable and Orleans dedicate 100% of their local option rooms occupancy tax revenue toward wastewater infrastructure.

Falmouth dedicates 100% of its Short-term Rental Community Impact Fee revenues to its affordable housing fund.

⁸ *Cape Cod Housing Finance Research*, p. 21, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance

⁹ Provincetown, Truro, and Wellfleet have filed home rule petitions for a local option real estate transfer fee in the Massachusetts General Court



RECOMMENDATION

Develop a Regional Local Government Investment Pool

Create an entity, or collaborate with an existing entity, that could pool fiscal resources for various housing and infrastructure related purposes, such as a Regional Local Government Investment Pool.

Throughout the planning process stakeholders frequently identified “the lack of available funding for affordable housing development, affordable mortgage lending, and infrastructure investment that enables compact housing development” as barriers to housing production. “The fragmented nature of local government and reasonable fiscal caution [limit] the ability to make large or strategic investments. Resource pooling among local governments is already common through Local Government Investment Pools,¹⁰ and some Federal Home Loan Banks have made use of such pools to invest in housing.^{11/12}

“Cape Cod could benefit from the creation of an entity or collaboration with an existing

entity that could pool fiscal resources for various housing and infrastructure related purposes, such as a Local Government Investment Pool.”¹³ Local governments work with small but significant treasuries of money needed for everyday operations as well as long-term reserves. Across the Cape, there are hundreds of millions of dollars in local funds moving through the financial system. Reserves are that portion of the local treasuries that are set apart from regular operating funds, working more as a savings account or a “rainy day fund” than the rest of the local government funds that are used to pay for staff and resources.

Reserves are separate from the appropriations local governments make

for housing programs or other services. On the Cape, there is roughly \$83 million in local stabilization reserve funds as of FY2022. These funds are held as insurance against risk or for unforeseen projects. In the meantime, they are invested to generate interest. Most local government reserves will be held by private banks, who can offer a full range of operating and investment support. Some local governments also deposit a portion of funds in Local Government Investment Pools, where local government reserves are grouped together to increase investment efficiencies. In Massachusetts, the state treasurer oversees the Massachusetts Municipal Depository Trust (MMDT), a public Local Government Investment Pool.

10 *Best Practices: Local Government Investment Pools*, Government Finance Officers Association, 2008. <https://www.gfoa.org/materials/local-government-investment-pools>

11 *Public Union Deposit Program*, Federal Home Loan Bank of Des Moines. <https://www.fhlbdm.com/products-services/letters-of-credit/public-unit-deposit-program/>

12 *Cape Cod Housing Finance Research*, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance

13 *Cape Cod Regional Housing Entity Research*, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-entities

State regulations limit the types of investments that can be made with reserves, and the investment objectives that local governments take on. Each town could pool a portion of its reserves in an investment vehicle with the reserves of other town governments and agencies. The investment vehicle would lend at below-market rates for affordable housing development and/or low-income homebuyers.”¹⁴

IMPLEMENTATION

- Convene a working group with Representatives of the Massachusetts Municipal Depository Trust, the Commonwealth’s Department of Revenue’s Bureau of Municipal

Finance Law, Town staff, and financial sector stakeholders to determine the viability of a longer-term reserve vehicle for housing-related investments and the structure of the pool.

- Work with necessary public and private financial institutions to set up the investment pool based on the outcomes of the working group.
- Work with towns to identify the amount of funds needed and encourage the movement of funds into the pool.
- Guide investments from the pool toward Cape Cod housing developments or lower income lending.

- Monitor the performance of the pool, risk profile of the investments made, and liquidity measures.

RESPONSIBLE ACTORS

Establishing a local government investment pool will require significant engagement and buy-in from towns, both monetarily and in terms of political will. Financial institutions will also be pivotal in the pool’s successful establishment and operation. Additionally, housing advocates and organizations can be helpful in ultimately guiding the usage of the funds.

RESOURCES

- [Cape Cod Housing Finance Research](#)

¹⁴ *Cape Cod Housing Finance Research*, p. 46, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance

RECOMMENDATION



Establish a Permanent Regional Housing Services Office

The current regional housing services office pilot program should evolve into a permanent program to ensure continued support for municipalities working to maintain and expand the region's affordable housing stock.

Throughout the municipal and stakeholder meetings, participants made clear the need for and potential benefits of a regional housing services office that could provide support for monitoring and compliance of deed-restricted units, as well as technical assistance in administering or utilizing existing or new programs to support affordable and attainable housing.

The newly established Shared Regional Housing Services (SRHS) program within Barnstable County is funded as a pilot program for two years (through June 2025) through Barnstable County American Rescue Plan Act (ARPA) funds. County staff are exploring methods for sustaining the program beyond its initial two years. Over its duration, the current SRHS program is supporting development of an affordable housing database, and developing universal

templates for common affordable housing documents such as deed restrictions, monitoring checklists, and local preference documentation checklists. It will also provide technical assistance directly to the 15 Cape Cod towns with tasks such as reviewing requests for proposals for affordable housing developments, helping prepare housing production plans, assisting with the maintenance of existing affordable units through monitoring and lottery services, and coordinating updates to deed restrictions. Solidifying this program through a stable funding source and establishing its permanence will provide a tremendous resource to Cape municipalities, large or small, in effectively carrying out their affordable housing programs. It is important that as the office is permanently established, it remains agile enough to respond to

changes in needs and programs that may arise in the future.

IMPLEMENTATION

- Support the efforts of the Barnstable County Human Services Department to identify and establish a permanent funding source for the regional housing services office.
- As currently proposed through the pilot program, monitor and evaluate the existing SRHS program to identify what is working well and what could be improved or expanded after year 2.
- Solicit further feedback from municipalities on what would be most useful for them from a regional housing services program or office.
- Outline program objectives for years 3 and beyond based on feedback from those currently

administering the program and the municipalities to ensure future activities respond to community needs.

- Continue to carry out the identified functions of the regional office.

RESPONSIBLE ACTORS

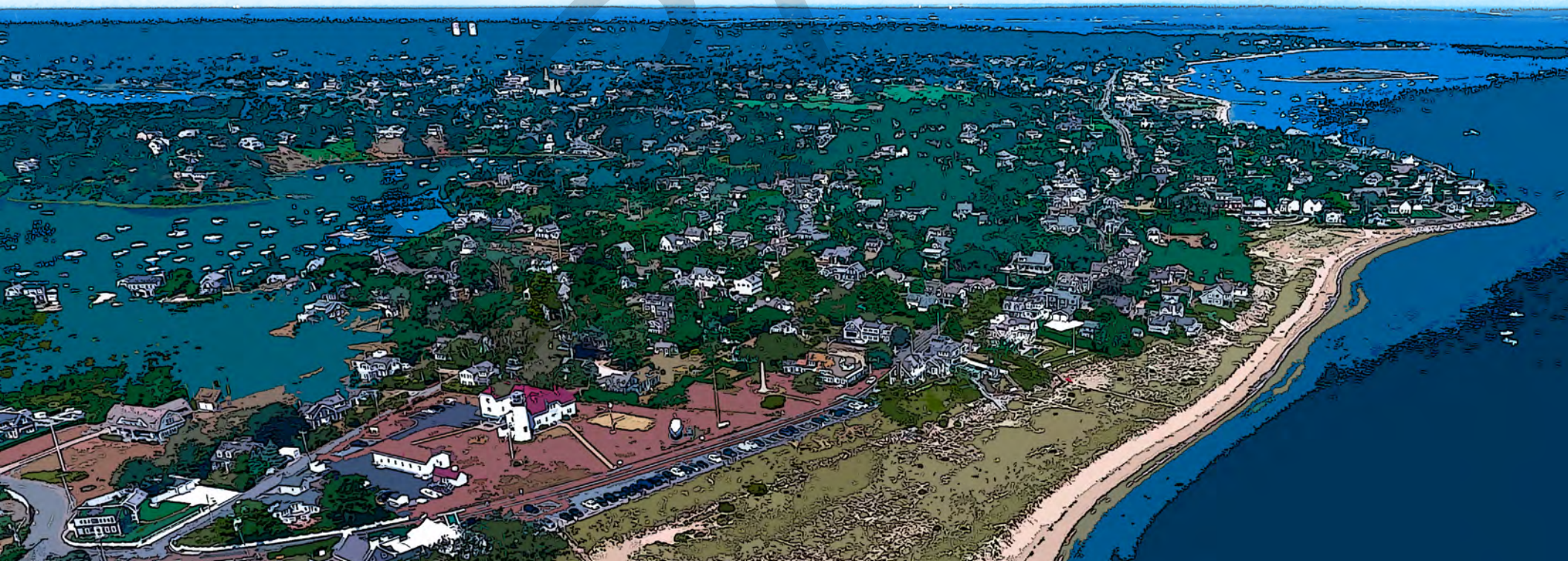
Sustaining the regional housing services office will require buy-in and support from the Cape's communities. Representatives from the municipalities will also be critical

in ensuring the regional housing services office responds to the needs of the Cape's towns and provides effective and helpful resources. Barnstable County staff may need to continue to be engaged to ensure capacity, internal or external, to continue the activities of the regional housing services office beyond the pilot years. Consultants may be required to help establish the office and/or to help identify and implement permanent funding sources for the office.

Municipalities will also likely play a significant role in providing funding for the office, whether through tax receipts or some other local funding mechanism.

RESOURCES

- [Cape Cod Regional Housing Entity Research](#)
- [Barnstable County Shared Regional Housing Services Pilot Program](#)





RECOMMENDATION

Develop a Regional Homesharing Program

A homesharing program should be established to enable older residents to age in place while providing affordable living opportunities for others in need.

Given the Cape's older demographic and overwhelmingly single-family housing stock, there are likely several aging households in homes with extra space and homeowners in need of some assistance around the house. Older adults living alone in larger homes may be considered "over-housed" but might struggle to find smaller, suitable housing options, especially on the Cape.

Through a homesharing program, a tenant is matched with a homeowner. The tenant may pay rent to the homeowner and may occasionally assist the homeowner with tasks. Homeowners commonly opt for homesharing to make use of underutilized space, supplement their income, and receive support with daily chores. This model can be particularly beneficial for aging populations, especially in tight housing markets. Homesharing programs are gaining traction throughout the country, particularly

for graduate students in high-cost cities, such as Boston. The [Homeshare Nantucket](#) program on Nantucket has successfully housed year-round employees by connecting homeowners with available space to individuals seeking housing. This program, managed by the Nantucket Chamber, operates as a free service. Participants in the program, whether occupying rooms, apartments, cottages, or entire homes, may contribute to the arrangement by paying rent to the homeowner and assisting with errands or other tasks. The Nantucket Chamber serves as a facilitator, connecting tenants with homeowners and managing the program.

While homesharing has been attempted on Cape Cod, the lack of a management organization hindered its success, highlighting the importance of organizational support and community involvement in

the success of homesharing initiatives. Additionally, stakeholders in the planning process also noted that people were wary of sharing their homes. While this may still be the case, having trusted and successful organizations run these programs may help alleviate those concerns.

IMPLEMENTATION

Either a non-profit or local or regional entity should become the designated manager of such a program. They would be responsible for accepting applications for renters as well as homeowners willing to participate. Current organizations running homesharing programs elsewhere conduct background checks, vet both home seekers and sharers, and then work on pairing home seekers with home sharers. In some cases, services and support may be provided by the tenant in lieu of rent.

- Establish a designated program manager. This can be a non-profit, local, regional, or State entity or organization.
- Determine a funding source for program management and staff.
- Determine program parameters: tenant, homeowner, and home requirements.
- Involve stakeholders in program development such as representatives from the business community, community college, J-1 visa holders, non-profits, Chamber of Commerce, regional entities.

- Conduct a regional educational campaign about the program.
- Recruit homeowners and accept tenant applications.
- Pair homeowners and tenants.

RESPONSIBLE ACTORS

Development and operation of a homesharing program will require a program administrator, engagement with housing organizations who regularly work with residents seeking housing solutions to help find and connect tenants and homeowners,

and potentially engagement with municipal staff to support the programs in their communities. Other possible actors to include in the program development and operations include chambers of commerce and businesses who may be looking for more affordable housing options for seasonal or year-round employees.

RESOURCES

- [Cape Cod Regional Housing Entity Research](#)





RECOMMENDATION

Develop a Regional Capital Plan

The region must work to better coordinate the provision of infrastructure that can support new development or redevelopment while also serving to protect our natural resources and environmental quality.

Critical to enabling housing development is the provision of infrastructure that can support new development or redevelopment while also serving to protect our natural resources and environmental quality. Aligning housing – and other types of development – with appropriate and adequate infrastructure in a holistic manner can facilitate a vibrant, thriving region, while ensuring efficient planning and building of infrastructure. Throughout development of the Regional Housing Strategy, wastewater infrastructure, or the lack thereof, was a constant refrain among stakeholders in terms of why it is so challenging to build more diverse housing options in the region. It is not just wastewater infrastructure that the region needs. The region's transportation networks and infrastructure for water, energy, and broadband are not adequate to meet current and future needs.

Development of a Regional Capital Plan will support efficient and strategic

infrastructure investments that meet the needs of the year-round residents, second homeowners, and seasonal visitors that drive Cape Cod's economy. It will provide a process for coordinating infrastructure and capital needs across town boundaries, identifying efficiencies and opportunities for regionalization. Directed, improved, and expanded wastewater, water, transportation, electric, and broadband infrastructure that is responsive to climate change will help support more housing opportunities and a more robust and resilient year-round community.

IMPLEMENTATION

- Conduct an existing conditions evaluation to understand the region's current infrastructure networks and how well they function and serve the region.
- Secure funding for a comprehensive planning process.

- Based on the existing conditions survey, identify key infrastructure programs and projects for the region.
- Engage with stakeholders to solicit feedback on key programs and projects for the region.
- Identify resources for implementation and advancement of the key programs and projects identified in the plan.

RESPONSIBLE ACTORS

Actors engaged in developing a regional capital plan include Cape Cod Commission staff, representatives from all Cape communities and the state as well as representatives from the business community, environmental organizations, and public and private utilities. The public and other community members, as well as stakeholders from other regional organizations, should also be engaged in the planning process.



RECOMMENDATION

Explore Housing Potential on Joint Base Cape Cod

Opportunities to develop housing on underutilized areas of the cantonment section of Joint Base Cape Cod should be explored and thoroughly evaluated.

Joint Base Cape Cod (JBCC) occupies a significant portion of the region, approximately 22,000 acres in total. JBCC sits on land owned by the Commonwealth of Massachusetts and is home to five military commands. In line with the Healey administration's priorities for reuse of Commonwealth-owned land, there may be opportunities to develop housing on underutilized areas of the cantonment section of JBCC, outside of the upper 15,000 acres designated as the Upper Cape Water Supply Reserve. The Massachusetts National Guard worked with JBCC leadership and the Military Asset Security Strategy Task Force to understand current and future needs and identify potential courses of action for housing development compatible with continued military operations at JBCC. The Massachusetts National Guard is collaborating with MassDevelopment on a

process to develop a plan for the reuse of Commonwealth-owned land that is no longer needed by the military, including considering the potential for housing development. Given the large areas of underutilized land contained within the JBCC cantonment area and its central location, portions of the land should be further investigated for housing opportunities. Planning for potential housing development should take into consideration proximity to active military uses, provide for further evaluation of access to the area, and should be conducted in coordination with the surrounding towns.

IMPLEMENTATION

- Engage JBCC leadership and key community leaders and stakeholders.
- Evaluate current and future military needs relative to existing facilities and land area.

- Identify underutilized sections of JBCC outside of the Upper Cape Water Supply Reserve and proximate to JBCC boundaries not anticipated for future military uses.
- Inventory and assess natural resources and other constraints.
- Evaluate existing infrastructure both within JBCC boundaries and surrounding areas that would provide access and services to potential housing areas.
- Engage entities managing water and wastewater utilities about the potential to support new housing.
- Develop a conceptual development approach for portions of the land area most suitable for housing that meets the surrounding communities' and broader region's needs.

RESPONSIBLE ACTORS

Implementation of this recommendation requires that the Massachusetts National Guard and JBCC leadership are willing and committed partners in evaluating current and future military needs and identifying properties potentially suitable for housing. Ideally, planning for housing on the base should also examine other potential civilian uses in a more comprehensive planning effort. New residences will need services

such as emergency response, schools, wastewater management, and other utilities. Further, development of a plan for reuse of identified, underutilized property should include collaboration with MassDevelopment, the MA Executive Office of Housing and Livable Communities, the MA Executive Office of Administration and Finance, the Division of Capital Assets Management and Maintenance, and coordination with entities managing water supply, wastewater,

and other utilities. Additionally, while the cantonment area includes many acres of underutilized land and lands suitable for redevelopment, these lands also include critical endangered species habitat that will need to be considered. Entities engaged in plan development should ensure consistent and thorough engagement of local and regional stakeholders in the process.



Local Zoning Recommendations



Cape communities must change zoning to allow for more diverse housing options in appropriate locations.

Zoning is a powerful regulatory tool that towns can use to provide a variety of housing types that are consistent with the community's vision. Conversely, zoning can also create barriers to affordable and multi-family housing production, either by prohibiting housing other than single-family dwellings; through dimensional requirements (e.g., minimum lot size) that make development of multi-unit dwellings infeasible; or by special permit procedures that add cost and unpredictability to the review process. Changing zoning to allow for and support the creation of varied affordable and attainable housing options is a key strategy communities can pursue.

Zoning for Housing Best Practices

The following zoning strategies represent potential options/methods that towns can adopt to expand local housing opportunities. What is most appropriate or desirable in one town may vary from another based on each community's priorities or vision. Towns should consider the following zoning tools to foster greater housing choices.

Allowing accessory dwelling units (ADUs):

An ADU is a smaller, independent residential dwelling unit located on the same lot as a stand-alone (i.e., detached) single-family home. ADUs are also referred to as accessory apartments and in-law apartments. ADUs may be built within or attached to an existing home, provided as stand-alone accessory structures, or converted portions of existing stand-alone accessory structures. ADUs can provide housing opportunities with minimal impact on a residential neighborhood's built character and may provide additional income for the homeowner. Towns should consider allowing ADUs by-right to help promote their creation by making the permitting process faster and more predictable. For further

information on ADUs on Cape Cod, see the Cape Cod Commission's [Accessory Dwelling Units](#) webpage.

Allow multi-family housing by-right:

Permitting multi-family dwellings in the zoning code is essential for their creation. Allowing them as a "by-right" use, meaning that their construction and occupancy is allowed without the need for a special permit or subject to other discretionary approval, can streamline the regulatory process for their creation. Allowing duplexes, triplexes, and small-scale multi-family housing by-right helps encourage creation of varied housing types that are architecturally compatible and blend in with the existing built environment of a neighborhood. Site plan review, particularly for higher density developments, is also a useful tool to help ensure a development meets the zoning standards. Design guidelines are another tool towns may employ to provide greater predictability in the design and form of multifamily housing, which may make communities more comfortable with allowing multi-family housing by-right.

Allow conversions of single-family homes to multiple dwellings: Allowing conversions of single-family homes to multi-unit housing can create additional housing within an existing dwelling while maintaining the exterior façade. Conversions can encourage preservation of large historic houses that are too big or otherwise no longer desired for single-family use, and because they occur within an existing structure, the potential visual impact on the neighborhood would be minimal.

Utilize cottage court zoning: A cottage court is a group of small detached single-family dwellings on a lot arranged around shared land/green space, with shared parking areas visually screened from the street. The units may be rentals or condominiums. The Form Based Code Lite model zoning bylaw contains cottage court design standards, including a maximum footprint of 900 s.f.; 1.5 maximum number of stories; and maximum gross floor area of 1,500 s.f. Because of their small size and clustered development footprint, cottage courts can provide more affordable housing options with building forms similar to single-family homes.

Allow dormitory housing: Providing dormitory housing for seasonal workers can help address their housing needs and help resolve worker housing shortages that are impacting the Cape Cod economy and affecting the broader housing market. Dormitory buildings can be integrated into the fabric of the town in a way that respects the local architectural and environmental context and can also help mitigate traffic congestion by promoting worker housing proximate to compatible commercial uses. Allowing them by-right can help encourage their creation. Dormitory housing may also be a good candidate for underutilized hotels or motels and the reuse of existing buildings.

Adopt an inclusionary zoning bylaw:

Inclusionary zoning is a provision in a zoning code that mandates a given percentage of housing units or lots in a development be deed-restricted as affordable to people at low- to moderate-income levels. Some inclusionary provisions offer market rate density bonuses as incentives and to offset the cost of providing the affordable units. Inclusionary zoning can be an effective tool for creating deed-restricted affordable units.

Allow mixed-use development by-right:

Mixed-use zoning allows for multiple uses within a site, such as street-level retail with residential units above (“top of shop”) or behind commercial uses. Most Cape Cod downtowns and village centers are mixed-use locations, with small-scale walkable activity areas that include a mix of residential, commercial, and civic spaces. Many of the regions’ commercial nodes, especially its strip development and highway locations, are singular use. Integrating housing into these areas by allowing mixed-use developments by-right could help provide additional housing options, reduce residents’ reliance on vehicles for transportation, and boost the economic vitality of these areas by having customers closer to businesses. The [Mixed-Use Model Bylaw](#) envisions a range of mixed-use developments that could be appropriate in certain areas of Cape Cod.

Reduce minimum lot size requirements

for multiple units: Zoning codes often require substantial lot sizes for duplexes, triplexes, and larger multi-family development, which can create a significant barrier to their construction and increase residential sprawl. For example, many codes

require twice the single-family minimum lot size for duplexes. Reducing the minimum lot size requirement, particularly in locations with wastewater infrastructure, can increase the feasibility of multi-unit development.

Reduce parking requirements:

The minimum requirements in most of the Cape’s zoning bylaws are designed to provide the maximum amount of parking that a use would need and create a vast oversupply of parking spaces. The excessive requirements also result in substantial land consumption that could be used for housing or on-site amenities. Best practices in parking management promote adopting maximum parking standards rather than minimum requirements. In downtowns and mixed-use areas, shared parking between uses helps reduce unnecessary parking areas and enhances walkability between uses and should be encouraged.

Town Zoning Recommendations

As part of the Regional Housing Strategy, Commission staff reviewed each town's zoning to identify potential opportunities and changes that could help advance housing options consistent with local priorities. Recommendations for each town vary based on what is already provided in the zoning. Staff met with representatives from each town to review the recommendations and refined them based on their feedback. The following list of zoning recommendations provides a summary of potential opportunities, including both near-term and future aspirational actions, for each town. As discussed with town representatives, implementation of some recommendations is dependent on future infrastructure, primarily wastewater.





Local Zoning Recommendations: Barnstable

Allow small scale multi-family by-right with design guidelines in village centers and Route 28 commercial nodes

Multi-family dwellings are not allowed in these areas currently (though apartments are allowed in some village districts as accessory uses). Allowing small scale multi-family dwellings by-right paired with design guidelines could create additional options for housing that fits in with the character of the neighborhood.

Allow by-right single-family to duplex/triplex conversions with design guidelines in residential districts

Conversions of existing buildings with design guidelines could create additional units that are consistent with the scale and form of other homes in the neighborhood and could also provide a reuse option for historic buildings that are no longer desired as single-family homes.

Consider adopting cottage court zoning in residential districts

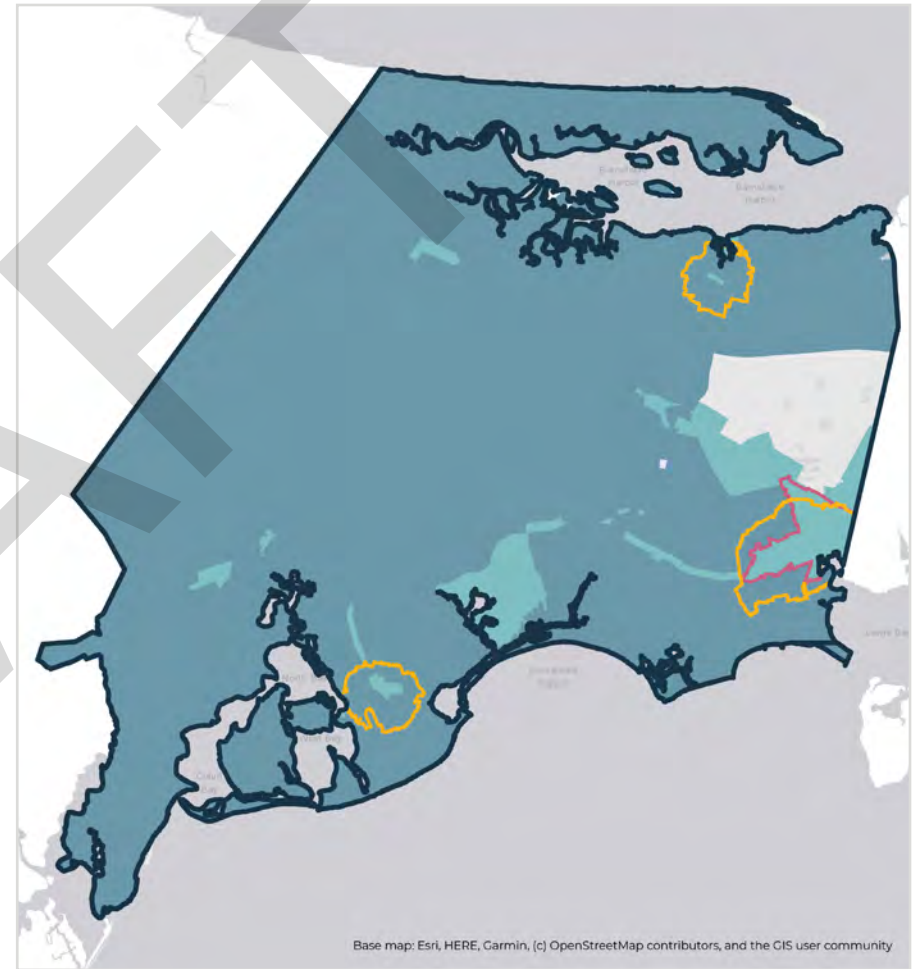
Cottage court zoning could allow for multiple small-scale dwellings on a single lot that are designed in a way to fit in with neighborhood character.

Consider revising inclusionary bylaw

The town should review the inclusionary thresholds and affordability requirements to see if revisions could yield additional affordable and attainable units over the current requirements.

Allow mixed use by-right with design guidelines in village centers and Route 28 commercial nodes

Allowing small scale mixed use by-right would help provide both housing opportunities and economic development that maintains the aesthetic character of a neighborhood and small-scale local activity node.



TYPES OF ZONING RECOMMENDATIONS

- / Residential Districts
- / Commercial/Village Districts
- / Community Activity Centers
- / Town-wide
- / Downtown Hyannis



Local Zoning Recommendations: Brewster

Allow mixed-use by-right in the Village Business (V-B) District

Mixed-use is allowed by special permit in the Commercial High Density (C-H) and Village Business (V-B) districts. Allowing small-scale mixed-use by-right in the V-B district could help provide both housing and economic development opportunities that maintain the character of village centers and the viability of small commercial nodes.

Allow multi-family by-right with design guidelines in R-L, R-M, and C-H districts

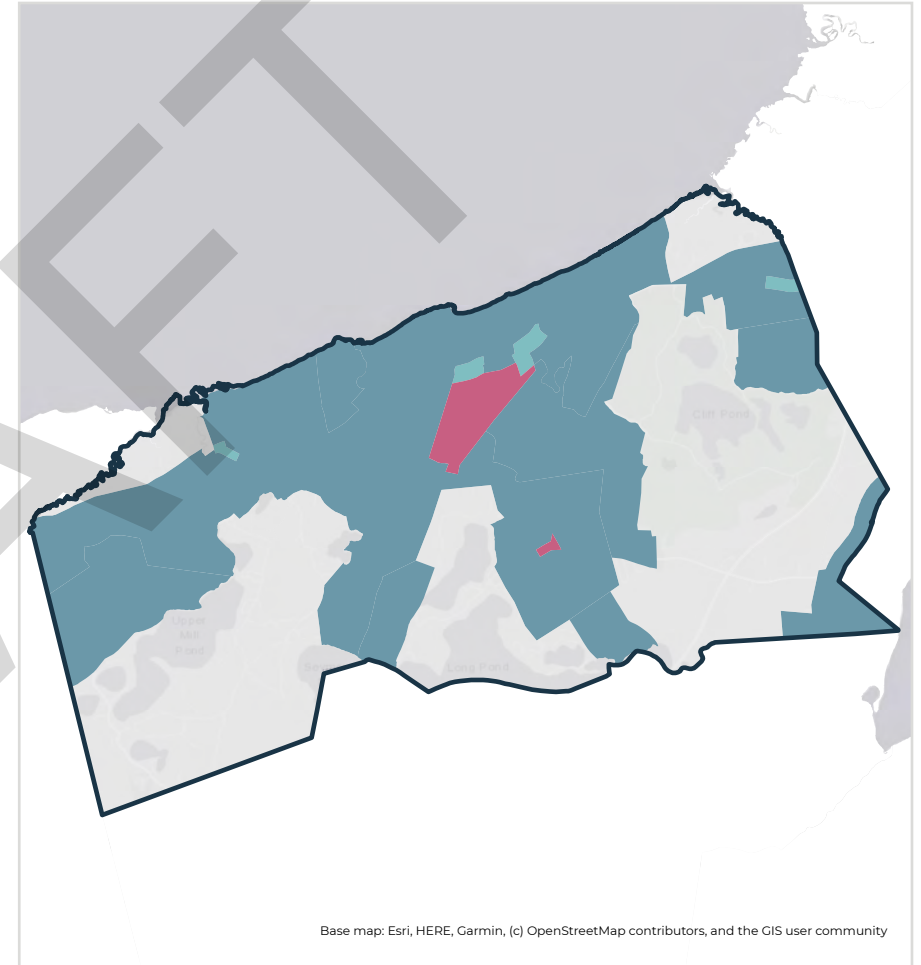
Multi-family dwellings are prohibited in all zoning districts except for C-H, where they are allowed by special permit (but with dimensional requirements that may limit their feasibility). Allowing them by-right, with design guidelines (and use regulations if needed), in the Residential Low and Medium Density (R-L and R-M) and C-H districts can remove barriers to their development while maintaining the existing character of the built environment.

Allow duplexes and/or townhouses by-right in R-L, R-M, C-H, and V-B districts

Townhouses and rowhouses are allowed by special permit in the C-H district and are prohibited elsewhere. The bylaw should be revised to include a definition for duplex/two-family dwelling, and allow them by-right. Allowing two-family dwellings by-right can help create additional housing units that fit with the existing character of the neighborhood's built environment.

Adopt an inclusionary zoning bylaw

Brewster does not have an inclusionary zoning bylaw. A mandatory inclusionary zoning provision could help create additional affordable housing units.



TYPES OF ZONING RECOMMENDATIONS

- ▬ Residential Districts
- ▬ Village District
- ▬ Commercial District
- ▬ Town-wide



Local Zoning Recommendations: Chatham

Revise the inclusionary bylaw with lower applicability thresholds and a higher percentage of affordable units

The existing inclusionary bylaw requires 10% of developments creating 10 dwelling units or lots to be affordable units. Lowering the threshold and increasing the required portion of affordable units could create additional housing.

Create a definition of two-family dwelling and allow by-right or with special conditions in residential districts

The existing multi-family dwelling definition is for 2 or more units. Creating a separate definition of two-family could help the town create use regulations specifically for two-family homes, creating more opportunities for their construction. A duplex or two-family home may differ significantly from a multi-family home and may be more appropriate in some areas of town.

Allow small-scale multi-family by-right in the West Chatham Neighborhood Center (WCNC)

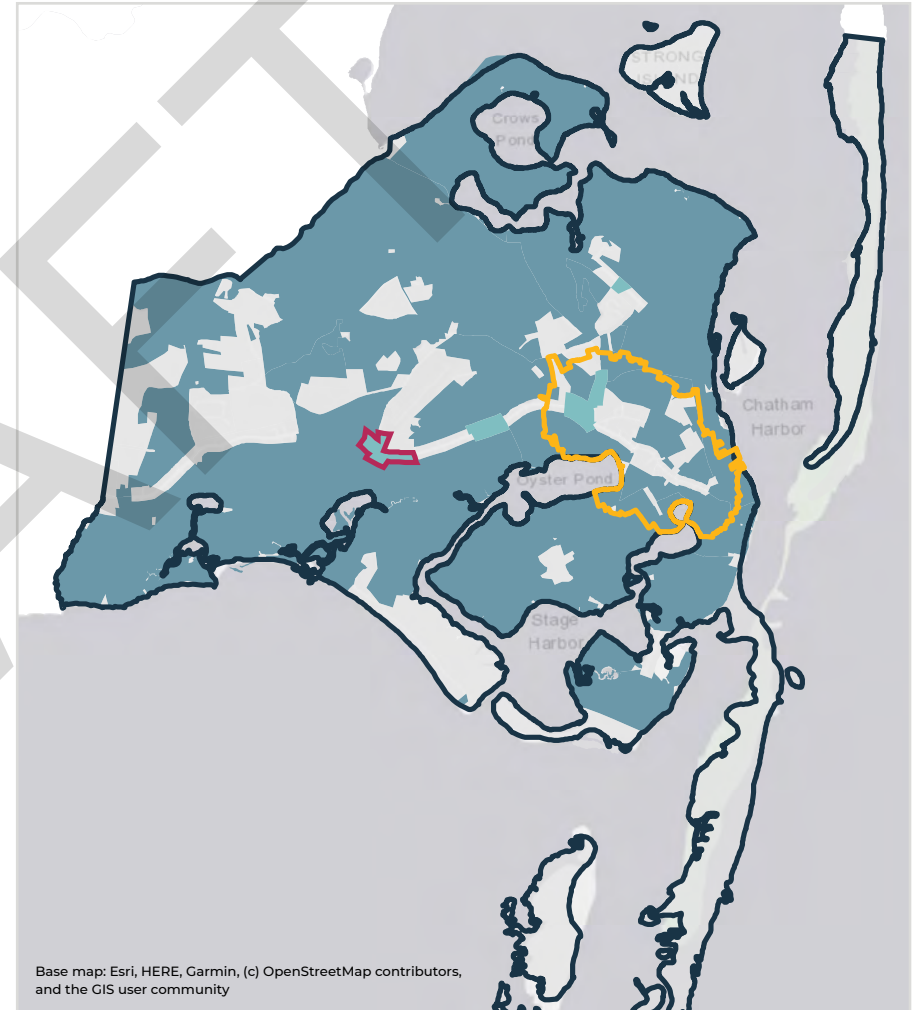
The town is developing, and should adopt, new zoning for the West Chatham neighborhood center that includes allowing small-scale multi-family dwellings by-right.

Allow mixed-use by-right in neighborhood centers

Existing zoning does not allow for mixed-use development in the neighborhood centers by-right. Allowing small-scale mixed-use by-right could help provide both housing and economic development opportunities that maintain the built form of the neighborhood centers and improve their viability as small, local activity nodes.

Allow conversion of single-family dwellings to duplexes and triplexes in residential districts

Allowing for conversion of single-family dwellings can provide additional housing opportunities while preserving the built form and exterior design of the existing dwelling, minimizing visual impacts in the neighborhood.



TYPES OF ZONING RECOMMENDATIONS

- ▬ Residential Districts
- ▬ Neighborhood Centers
- ▬ West Chatham Neighborhood Center
- ▬ Town-wide



Local Zoning Recommendations: Dennis

Consider allowing ADUs by-right in residential districts

Accessory dwellings are allowed by special permit. Allowing them by-right would remove a potential barrier and make it easier for homeowners to create them.

Allow mixed-use in village centers and GC districts by-right

Existing zoning does not allow mixed-use development. Allowing small-scale mixed-use by-right development could help provide both housing opportunities and economic development that maintains the built character of the village centers and the viability of local commercial nodes.

Allow small-scale multi-family by-right, with design guidelines, in Residential R40, R60, and Dennisport Village Center (DPVC)

Multi-family dwellings require a special permit. Allowing them by-right, with design guidelines (and use regulations if needed) can remove barriers to their development while maintaining existing built character.

Reduce the minimum lot size for duplexes

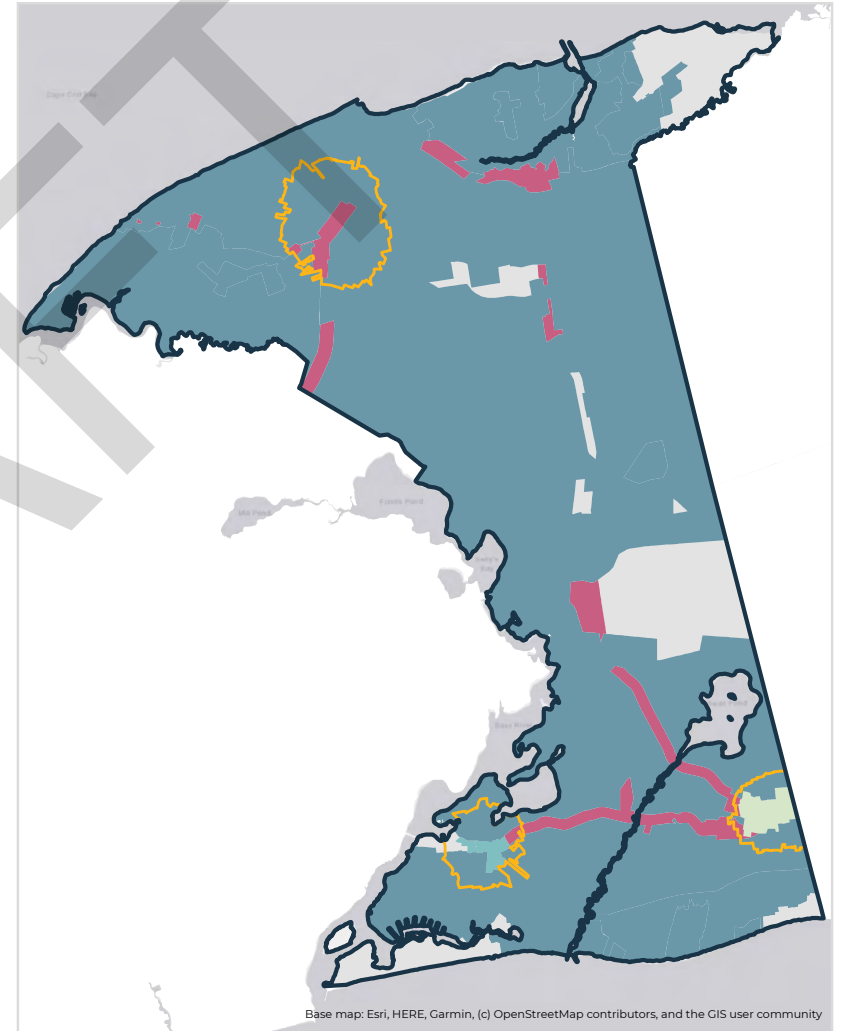
Duplexes are allowed by-right in residential, limited business, and general commercial districts, but the land requirement can be a barrier to their creation. Reducing the minimum lot size (for example, to what is required for a single-family home) could help foster greater creation.

Allow by-right conversion of single-family dwellings to duplexes and triplexes in residential districts, Residential R40, R60, and Dennisport Village Center (DPVC)

Existing zoning allows duplexes by-right; allowing for single-family conversions to duplexes and triplexes could provide additional housing and income opportunities while maintaining the neighborhood's existing built character.

Adopt a mandatory inclusionary zoning bylaw

Dennis does not have a mandatory inclusionary zoning provision. The town should adopt a mandatory zoning bylaw to promote the creation of affordable housing units.



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Town-wide
- Community Activity Centers
- Village Centers
- Business/Commercial Districts
- DPVC District



Local Zoning Recommendations: Eastham

Consider cottage court zoning to allow multiple units on a single lot

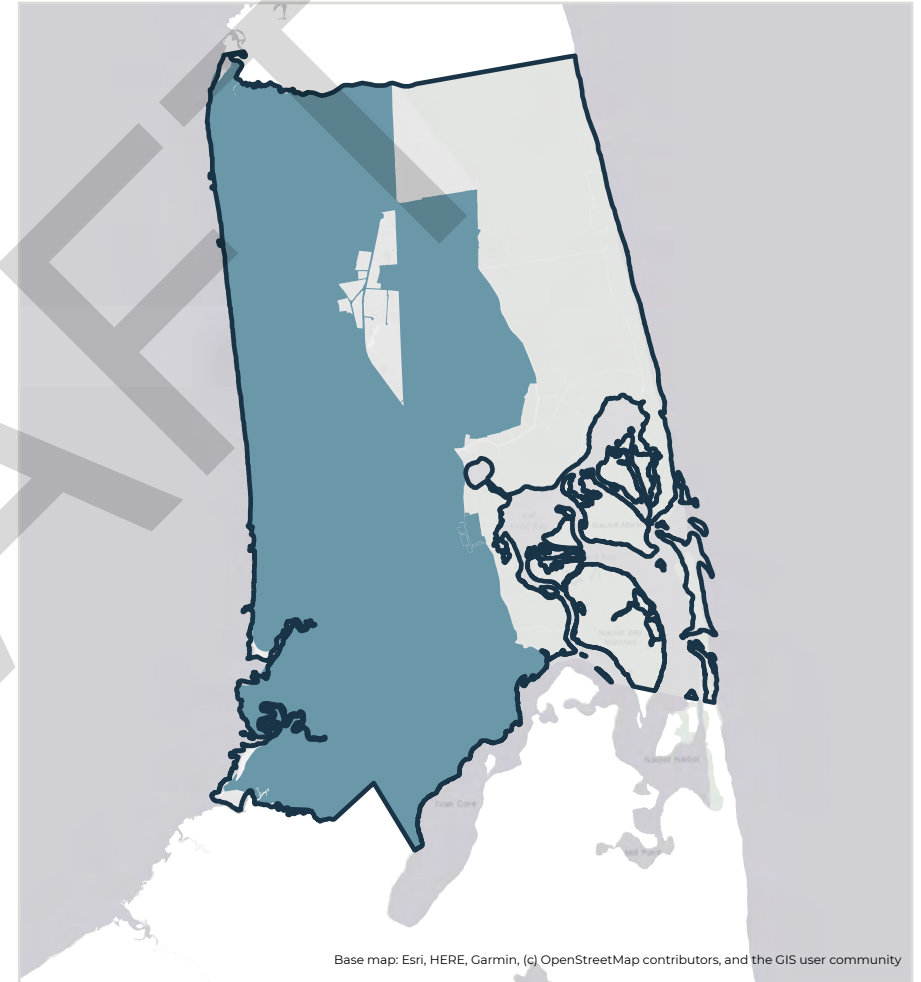
Cottage court zoning could allow for multiple, smaller units to be provided on a single lot while maintaining the existing built character of a neighborhood.

Allow conversion of single-family dwellings to multi-family in residential districts

Allowing conversion of single-family dwellings to duplexes and multi-family dwellings can create additional housing opportunities in existing buildings while maintaining the existing built form of a neighborhood.

Incentivize year-round rentals town-wide

Adopting zoning that encourages developers and property owners to provide year-round rental units can help provide year-round housing opportunities and reduce housing instability.



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Town-wide



Local Zoning Recommendations: Falmouth

Allow duplexes by-right in residential districts

Two-family dwellings are not allowed in residential districts. Allowing them could create additional housing opportunities while maintaining the existing built character of the neighborhood.

Allow mixed-use by-right in business districts, allowing 3+ units

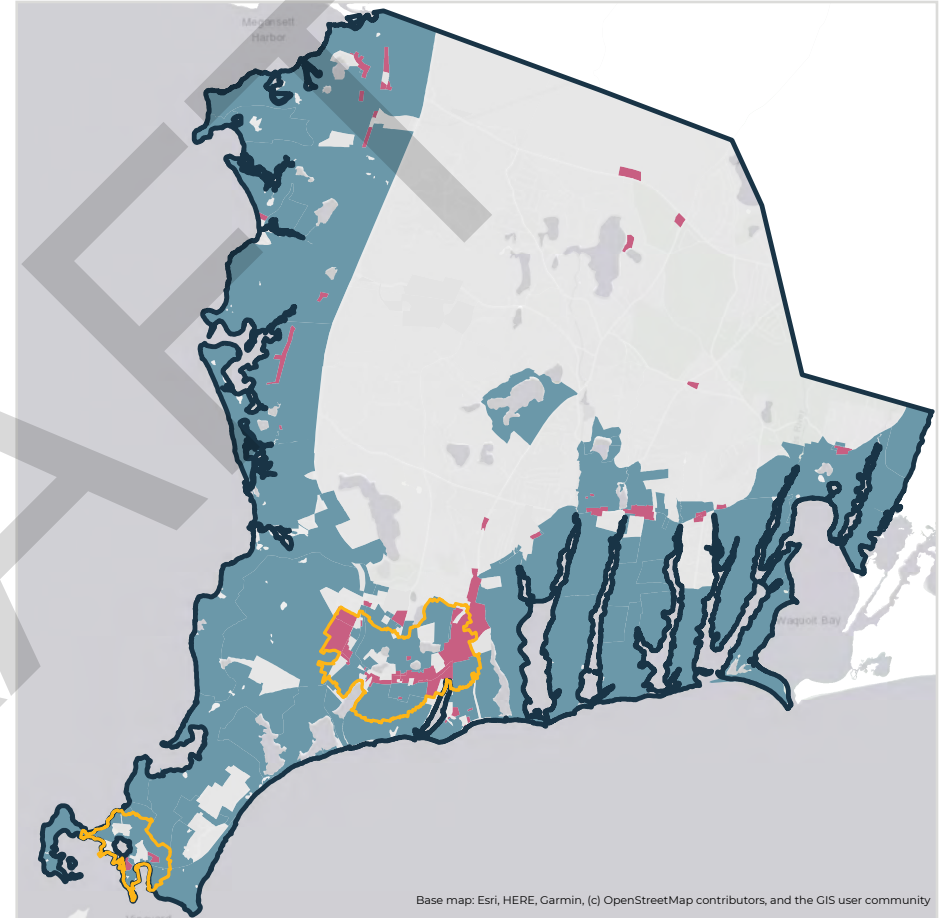
Mixed-use is allowed by-right for up to two dwelling units or with an affordable housing requirement. Allowing mixed-use by-right for developments with three or more units, without the affordable housing requirement, could help provide additional housing opportunities and additional revenue sources for business owners.

Allow conversion of single-family dwelling to triplexes by-right in B1, B2, and B3 districts

Single- and two-family dwellings are currently allowed by-right in business districts. Allowing conversions of existing single-family dwellings can help add housing opportunities while maintaining the existing built form of a neighborhood.

Allow small-scale multi-family by-right in residential districts with sewer connections

Allowing small-scale multi-family dwellings with design guidelines can create additional housing opportunities that fit in with the existing neighborhood character.



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Business Districts
- Community Activity Centers
- Town-wide



Local Zoning Recommendations: Harwich

Adopt a town-wide inclusionary zoning bylaw

Harwich does not have a mandatory inclusionary zoning provision. The town should adopt a mandatory zoning bylaw to promote the creation of affordable housing units.

Allow duplexes by-right in all residential zoning districts

Two-family dwellings require special permit authorization (except for in West Harwich Center). Allowing duplexes by-right could create additional housing opportunities while maintaining existing built character of a neighborhood.

Allow conversion of single-family homes to duplexes by-right

Allowing conversion of single-family dwellings to duplexes can create additional housing opportunities in existing buildings while maintaining the character of the built environment.

Allow small-scale multi-family by-right in Community Activity Centers and village districts

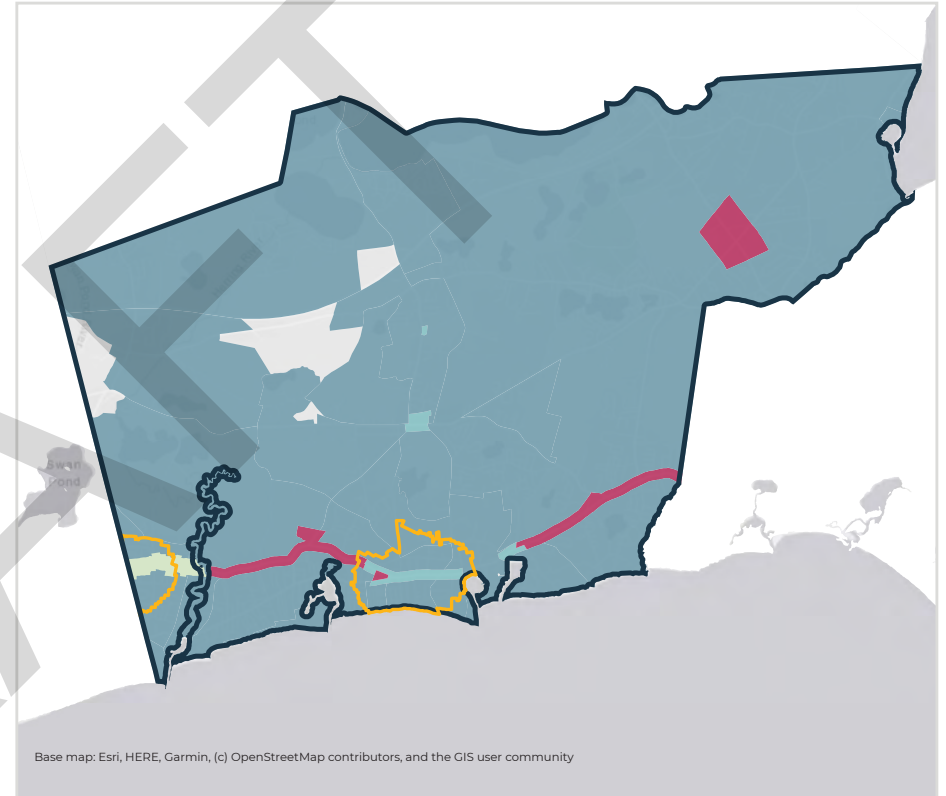
Multi-family dwellings require special permit authorization. Allowing small-scale multi-family dwellings by-right, with design guidelines, would make it easier to build them and gain additional housing units.

Consider removing the minimum lot size for accessory dwelling units

Removing the minimum lot size requirement for accessory dwelling units may provide more opportunity for their creation on existing lots.

Allow mixed-use by-right in commercial and village districts

Mixed-use is allowed in commercial districts by special permit. Allowing small-scale mixed-use by-right would help provide both housing opportunities and economic development that maintains the character of the village centers and helps maintain the viability of small-scale commercial nodes.



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Commercial Districts
- Community Activity Centers
- Town-wide
- Village Districts
- West Harwich DCPC



Local Zoning Recommendations: Mashpee

Adopt a town-wide inclusionary zoning bylaw

Mashpee does not have a mandatory inclusionary zoning provision. The town should adopt a mandatory zoning bylaw to promote the creation of affordable housing units.

Allow mixed-use by-right in commercial districts

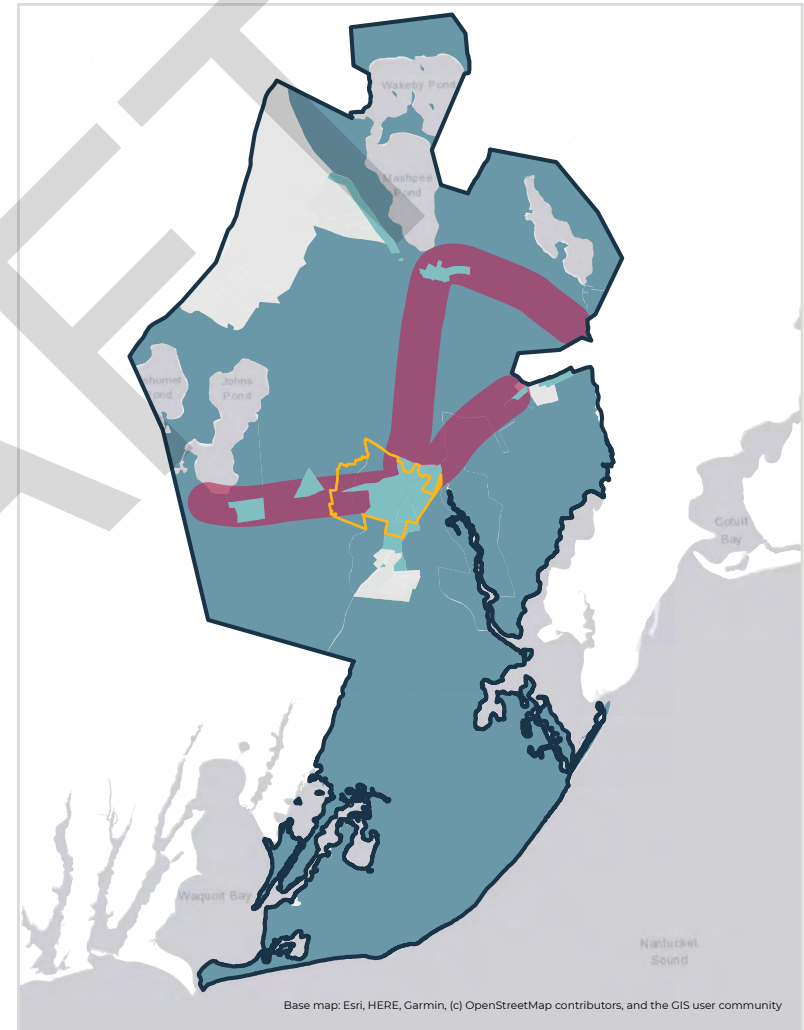
Allowing small-scale mixed-use by-right would help provide both housing opportunities and economic development that maintains the neighborhood character and the viability of small-scale commercial nodes.

Allow multi-family by-right with design guidelines along main transportation corridors with planned sewer

There is currently no definition of, nor reference to, multi-family dwellings in the zoning bylaw. Townhouses and apartments are allowed by special permit. Allowing small-scale multi-family dwellings by-right with design guidelines would make it easier to build them and gain additional housing units in locations served by sewer and transit.

Allow duplexes and triplexes by-right in residential districts

Two-family dwellings and townhouses are allowed only by special permit. Allowing them by-right can make it easier to provide additional housing units at a neighborhood scale.



TYPES OF ZONING RECOMMENDATIONS

- ▬ Residential Districts
- ▬ Commercial Districts
- ▬ Community Activity Centers
- ▬ Town-wide
- ▬ Corridors with Planned Sewer



Local Zoning Recommendations: Orleans

Adopt a town-wide inclusionary zoning bylaw not only for apartments

Inclusionary requirements in Orleans only apply to apartment developments of 10 or more units. Expanding the inclusionary requirements to both lots and single-family development, as well as lowering the threshold and increasing the affordable requirement percentage, may provide more affordable housing opportunities.

Reduce minimum lot size requirements for duplexes in areas with sewer

The lot size requirement for two family homes is twice the single-family lot size requirement, which impacts their feasibility. Sewer installation eliminates the need for larger lot sizes to address wastewater disposal.

Allow small-scale multi-family by-right in Village Center (VC), Limited Business (LB), and General Business (GB) districts

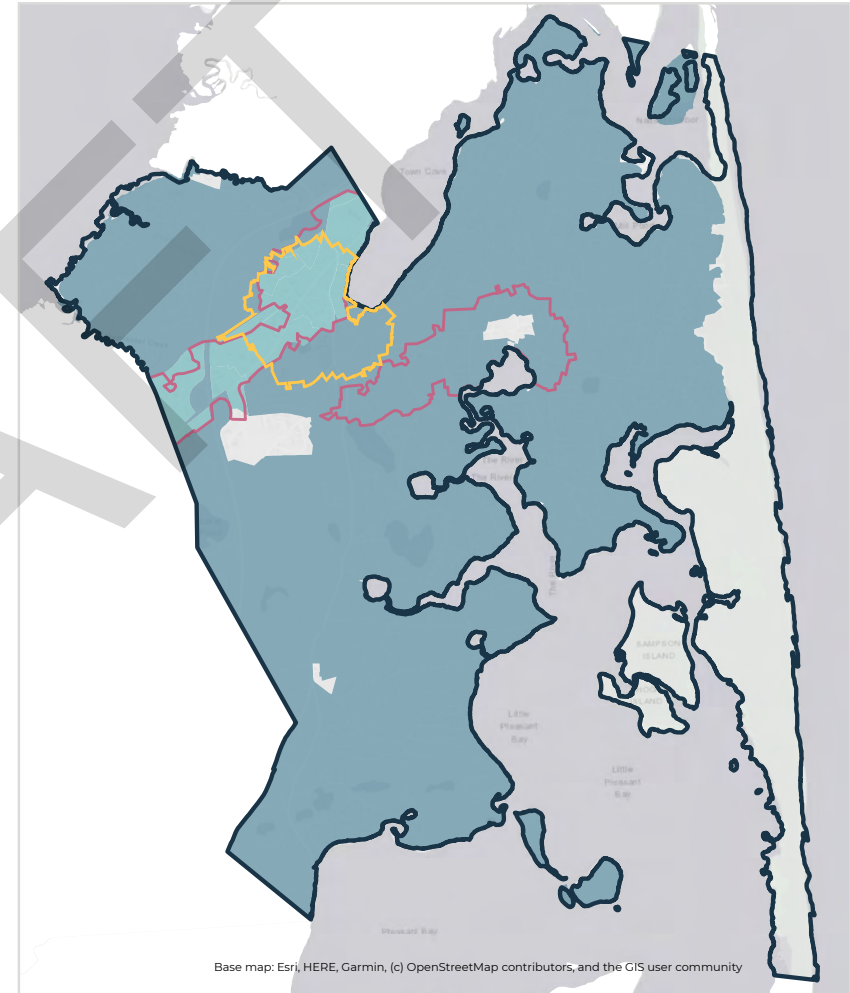
Small-scale multi-family units currently require a special permit in these districts. Allowing this type of development by-right, with design guidelines if desired, could help encourage creation of additional units.

Consider eliminating minimum lot sizes for accessory dwelling units

Making this minor change to the bylaw could help make more ADUs feasible to construct on existing lots.

Consider adopting cottage court zoning in residential districts to allow multiple units on one lot

Cottage court zoning could allow for multiple, smaller units to be provided on a single lot while maintaining the existing built character of a single-family neighborhood.



TYPES OF ZONING RECOMMENDATIONS

- ▬ Residential Districts
- ▬ Business Districts
- ▬ Community Activity Centers
- ▬ Town-wide
- ▬ Sewered Areas



Local Zoning Recommendations: Provincetown

Adopt zoning to encourage year-round rentals

Adopt zoning incentives, such as density bonuses, to encourage creation of more year-round rental units.

Adopt zoning for seasonal workforce housing (dormitories or other)

A by-right seasonal workforce housing bylaw can help create dormitory and other types of housing for seasonal workers that both maintains fits in with the existing built character of a neighborhood and provides safe, affordable housing accommodations.

Consider allowing small-scale multi-family by-right with design guidelines

While the current inclusionary bylaw requirements for multi-family housing necessitate special permit review, it would be useful to consider how to allow small-scale multi-family by-right.



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Commercial Districts
- Town-wide
- Community Activity Center



Local Zoning Recommendations: Sandwich

Expand inclusionary bylaw provisions

Sandwich's mandatory inclusionary zoning provision only applies to subdivisions resulting in 10 or more buildable lots. The town should consider adopting a broader mandatory zoning bylaw to promote the creation of affordable housing units.

Allow mixed-use by-right in the Business Limited 1 (BL-1), Business 2 (B-2), and Village Business (VIL) districts

Allowing small-scale mixed-use by-right would help provide both housing opportunities and economic development that maintains the neighborhood's existing built character and helps maintain the viability of village centers and small-scale commercial nodes.

Allow conversion of single-family dwellings to duplexes and triplexes

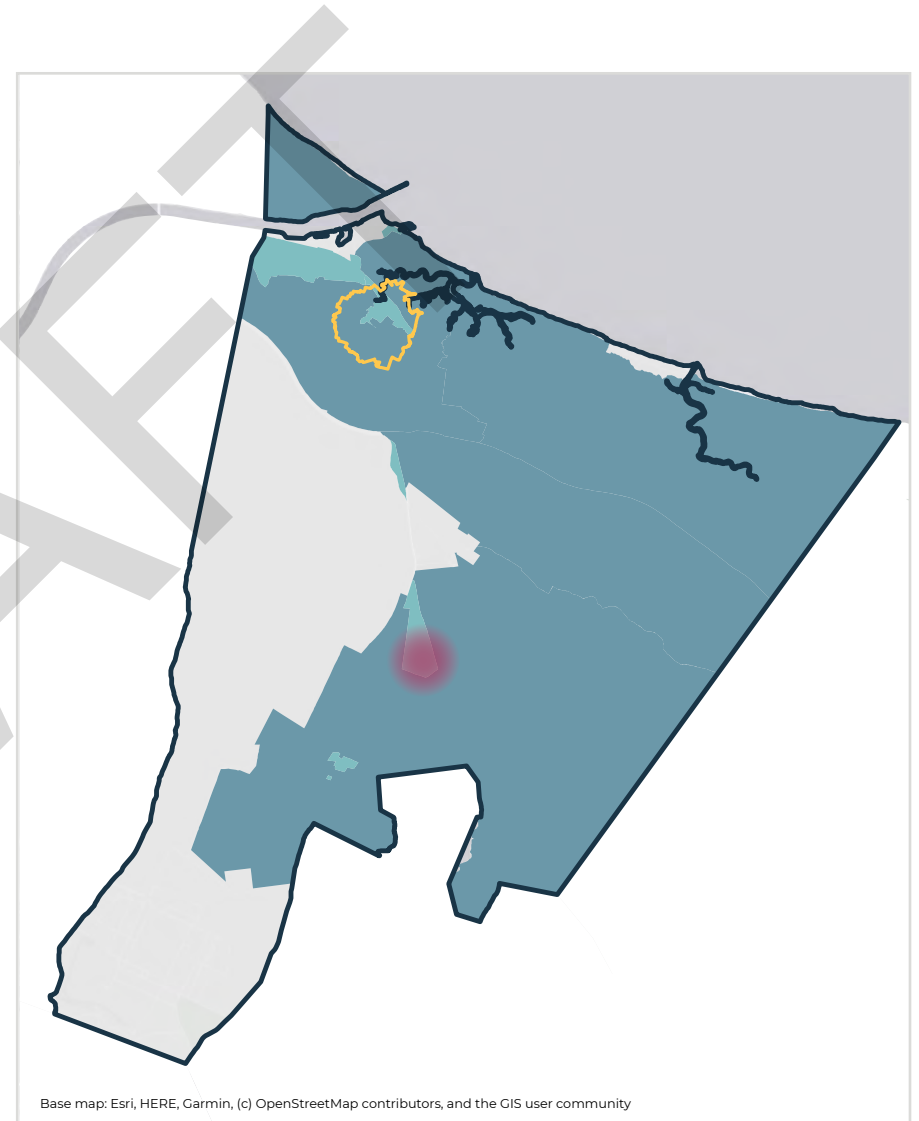
Allowing conversion of single-family homes to duplexes or triplexes can create additional housing opportunities in existing buildings while maintaining the existing built form of a neighborhood. This may also be effective for reusing historic homes that are no longer desired for single-family use.

Allow small-scale multi-family by-right with design guidelines in residential districts

Multi-family dwellings require a special permit. Allowing them by-right, with design guidelines would make it easier to build them and gain additional housing units while fitting in with the built character of a neighborhood.

Consider adopting cottage court zoning in residential districts and South Sandwich village center

Cottage court zoning could allow for multiple, smaller units to be provided on a single lot while maintaining the built character of a neighborhood.



TYPES OF ZONING RECOMMENDATIONS

- ▬ Residential Districts
- ▬ Business/Village Districts
- ▬ Community Activity Center
- ▬ Town-wide
- ▬ South Sandwich Village Center Area



Local Zoning Recommendations: Truro

Allow mixed-use by-right in North Truro Center area along Highland Road

Allowing small-scale mixed-use by-right would help provide both housing opportunities and economic development.

Allow conversion of single-family to duplexes and triplexes by-right in the Residential district

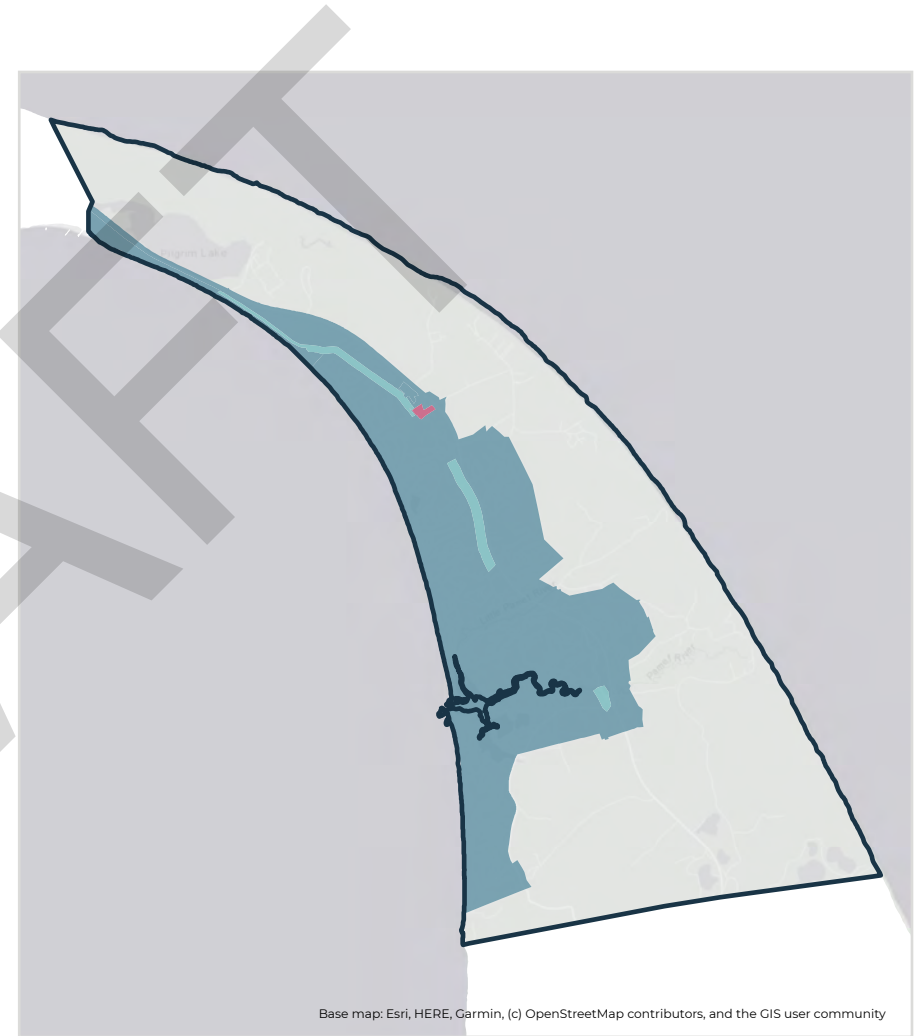
Conversions require special permit approval. Allowing conversion of single-family dwellings to multiple units can create additional housing opportunities in existing buildings while maintaining the built character of a neighborhood. This may also be effective for re-using historic homes that are no longer desired for single-family use.

Allow duplexes by-right in the Residential district

Two-family dwellings require special permit approval. Allowing them by-right could help encourage creation of additional units that fit in with a neighborhood's built character.

Allow small-scale multi-family by-right with design guidelines in appropriate areas through an overlay district

Except for the Affordable Housing Overlay District, multi-family housing is not permitted in Truro. Allowing small-scale multi-family dwellings by-right with design guidelines could help encourage creation of additional units that fit in with an area's built form and character. The town will need to work to identify appropriate area(s) for this.



Base map: Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Commercial Districts
- Town-wide
- North Truro/Highland Road Area



Local Zoning Recommendations: Wellfleet

Allow mixed-use by-right in Commercial and Central districts

Allowing small-scale mixed-use by-right could help provide both housing opportunities and economic development while maintaining the built character of a neighborhood. Mixed-use, or apartments above or behind a shop, is not permitted under existing zoning.

Allow by-right single-family to duplex and triplex conversions

Allowing conversions of existing homes into multiple dwellings could add housing units without adding bedrooms or changing the neighborhood's built environment. This may also be effective for reusing historic homes that are no longer desired for single-family use.

Allow duplexes by-right in residential districts

Two-family dwellings require special permit authorization, which can be a barrier to their creation. Allowing them by-right can provide additional housing opportunities while maintaining a smaller-scale built environment.

Allow small-scale multi-family by-right in residential districts with design guidelines

Allowing small-scale multi-family dwellings by-right with design guidelines could make it easier to build them and gain additional housing units. Multi-family dwellings currently require a special permit and a lack of wastewater infrastructure limits their viability throughout most of town. As the town proceeds with wastewater planning, it could create a pathway for future creation of multi-family units in appropriate areas of town.



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Commercial/Central Districts
- Community Activity Center
- Town-wide



Local Zoning Recommendations: Yarmouth

Allow mixed-use by-right in business districts with near-term planned sewer connections

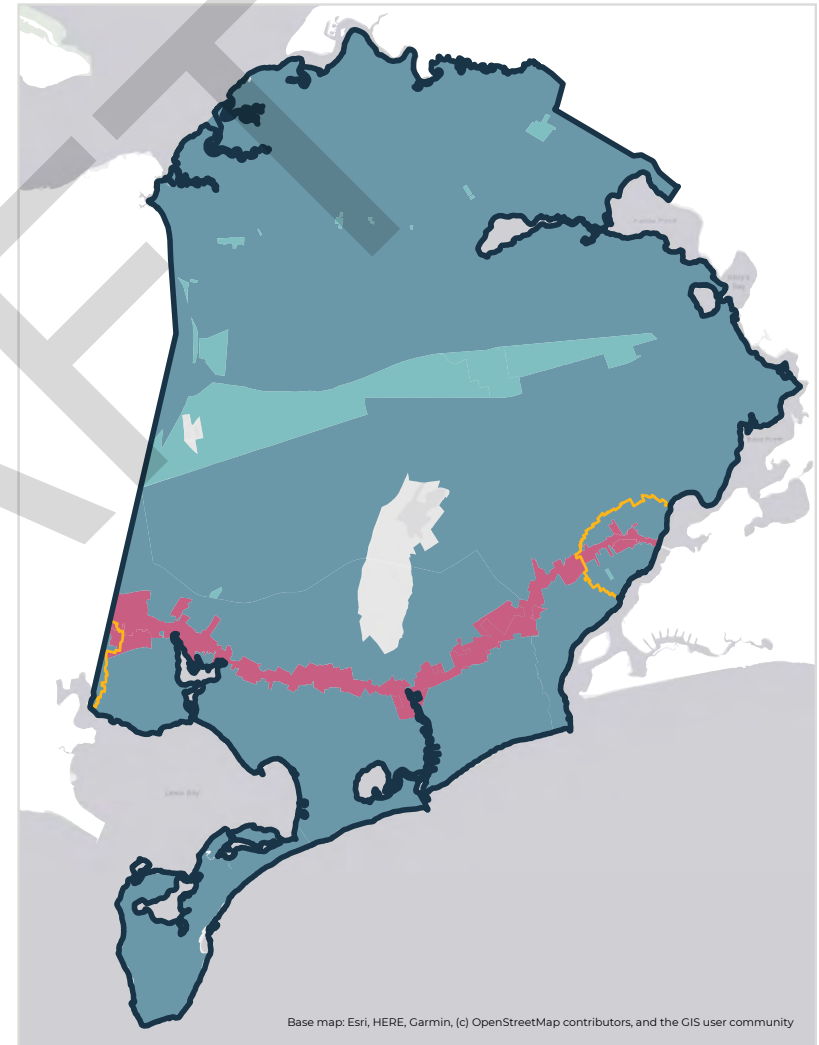
Allowing small-scale mixed-use by-right would help provide both housing opportunities and economic development that maintains the aesthetic character of a neighborhood and helps maintain the viability of village centers and small-scale commercial nodes.

Allow conversion of single-family dwellings to duplexes by-right in residential districts

Allowing conversion of single-family dwellings to duplexes can create additional housing opportunities in existing buildings while maintaining the built character of a neighborhood. This may also be effective for reuse of historic homes that are no longer desired for single-family.

Allow duplexes by-right in residential districts on parcels that meet the current minimum residential lot size for single-family dwellings

Duplexes are allowed in residential districts but require a much larger lot size than a single-family dwelling. Allowing two-family dwellings by-right on lots that meet the requirements for single-family homes can provide additional housing opportunities while maintaining the built character of a neighborhood



TYPES OF ZONING RECOMMENDATIONS

- Residential Districts
- Business Districts
- Community Activity Center
- Town-wide
- Business Districts with Planned Sewer

Communications and Advocacy



Implementing the Regional Housing Strategy will require coordination, collaboration, and continuous advocacy.

This Regional Housing Strategy represents the beginning, not the end, of action to improve the region's housing opportunities and sustain vibrant year-round communities. The key recommendations and resources of this strategy provide the foundation for substantive regional, local, and collaborative action to combat Cape Cod's housing crisis.

Implementing the strategies and recommendations identified in the Regional Housing Strategy will require coordination and collaboration among numerous actors: municipal staff and elected officials, County staff, housing developers, affordable housing providers and program administrators, and individuals.

Advocate for State Action

Changes are necessary at the state level to enact some of the strategies and recommendations of this plan. The Affordable Homes Act provides a path forward for several changes that would help advance housing solutions on Cape Cod. Examples include allowing deed-restrictions for units based on employment or occupancy, rather than solely income, to bolster the year-round housing supply or allowing accessory dwelling units by-right throughout the Commonwealth, without the need for local Town Meeting adoption. Ensuring passage of those changes will require advocacy to garner and show support.

While all of the components of the Affordable Homes Act could support the region, some elements particularly relevant to Cape Cod and advancing the goals of the Regional Housing Strategy include allowing ADUs by-right, creating a local option transfer fee on high value real estate that could be instituted locally or regionally, instituting a new homeowner tax credit for homes affordable

to households with incomes up to 120% of the area median income, and developing a seasonal communities designation to provide better targeted programs for those areas. Through the Regional Housing Strategy planning process several strategies were identified that could be realized through a seasonal communities designation. The following are possible benefits the state could confer on designated seasonal communities:

- Authorize attainable housing set asides for seasonal communities, similar to Affordable housing set asides in inclusionary zoning, but for households earning more than 80% AMI.
- Allow access to the Housing Development Incentive Program, which is currently only available to Gateway Cities, or the state could establish another similar program dedicated to seasonal communities that provides tax incentives to develop market rate housing and expand housing diversity.
- Give priority to seasonal communities when reviewing MassWorks, Housing Choice, and other grant applications for state programs.

- Allow seasonal communities to easily implement a local option property tax exemption for not only year-round owner-occupied units but also year-round rentals to help encourage the creation and preservation of year-round rental units.
- Provide access to programs (either by amending existing programs or creating new ones) to provide funding to incentivize year-round rentals. For example, these programs could buy year-round rental deed restrictions or provide monetary incentives to encourage utilization of homes as year-round rentals.
- Provide access to programs that are targeted at financing housing units affordable to the 80% -120% AMI range (or even higher in some seasonal communities) through new programs or greater flexibility for existing programs.
- Provide flexibility under 40Y to allow seasonal communities to restrict homes in these districts to year-round occupancy and allow for flexibility in the bedroom mix to ensure the housing units meet the needs of the community.

In addition to advocating for funding directly tied to housing initiatives, advocating for

funding to support swift implementation of local wastewater plans is essential to meeting the housing needs of the region. The 25% subsidy provided by the Cape Cod and Islands Water Protection Fund has been a primary driver of long overdue progress on local wastewater projects. The certainty of the subsidy has helped garner community support for water quality project implementation and has resulted in significant action. The increased cost of projects and the local commitment to construction of infrastructure exceed the ability of the Fund to maintain a 25% subsidy absent additional revenue sources. Advocating for state resources to sufficiently capitalize the Fund is critical to the continued provision of wastewater infrastructure across the region.

Mobilize Support

Advocating for these changes will require mobilizing stakeholders at the local and regional level. Regional and local housing advocacy organizations are important actors that can develop campaigns and build support for housing-related state policy changes. These include organizations like

the Lower Cape Community Development Partnership, Housing Assistance Corporation, the Housing to Protect Cape Cod coalition, and others. Many of the region's housing advocacy organizations are also non-profit housing developers or assist those in need of housing. They see the needs of residents and experience the challenges faced by housing developers. They are critical actors when it comes to working with the Cape's legislative delegation to support state-level policy changes and in advancing local housing initiatives such as support for housing developments, local adoption of policies that may be provided via the Affordable Homes Act and approving zoning changes at Town Meetings or Town Council Meetings.

While the actions of the Healey Administration to date demonstrate a commitment to innovative housing policy and capitalization of housing funding programs critical to Cape Cod and the Commonwealth, similarly significant investments will be necessary in the coming years. Cape Cod housing advocacy organizations must collaborate to develop advocacy programs around ongoing housing policy and funding

priorities, mobilize stakeholders in support of those priorities, and communicate the region's needs and challenges as a coalition to state legislators.

It is equally critical for housing advocacy organizations to mobilize support for local and regional initiatives. Though the scale of funding provided in the Affordable Homes Act is most obviously needed, limited operating resources for existing local housing providers are a hidden constraint on affordable housing development. Community-scale housing providers with limited operating funds lack the capacity to take on new housing projects and funders are often reluctant to fund capacity-limited organizations to take on the responsibility of additional housing units. Housing advocacy organizations must collaborate with local governments and private foundations to retain and fund housing providers that exist today. Grant programs targeted at funding operations of small housing providers, including local housing authorities, can stabilize existing organizations, increase capacity, and encourage development of more affordable housing.¹

¹ Cape Cod Housing Finance Toolbox, Utile and Outwith Studio for the Cape Cod Commission, 2023. www.ccom.link/rhs-finance

Target Communications to Advance Local Action

Advancing housing initiatives, whether funding for a new housing development or program or changes to zoning, requires targeted campaigns to combat anti-housing sentiment and cultivate community support for those initiatives to ensure their success. Community members may be wary of a municipality taking on debt or may think a new housing development could negatively impact their neighborhood. Providing factual information to help residents better understand the impacts and possible outcomes of housing initiatives or

developments will be important in garnering their support.

Developing communications materials and campaigns in support of housing solutions can involve numerous actors. The Cape Cod Commission can provide data and visualizations related to housing, helping to make data and research on housing more accessible. Municipalities or regional and local advocacy organizations can develop targeted messages and distribute communications materials or spearhead campaigns.

The information, especially data, should be presented in a clear and easily understood

manner. In addition, personal stories of those struggling to secure attainable housing can be especially persuasive and effective at building local support for housing initiatives.

To build effective communication materials and campaigns, towns must leverage partnerships, collaborate with local and regional entities, use compelling language and imagery to directly communicate objectives, and consider tailoring messages to target audiences. Critically, communication materials and campaigns should align with community values and reinforce those values through data and storytelling.

EFFECTIVE COMMUNICATIONS STRATEGIES

An effective communications strategy should include a strong mission statement that articulates the purpose and vision of the housing efforts. A transparent timeline with clear goal-setting milestones should be communicated to provide a roadmap for the community and stakeholders, fostering a shared understanding of the project's trajectory. It is important to identify the parties involved to ensure a collaborative approach. Additionally, outlining the potential benefits, financial and non-financial, of new development and redevelopment of housing and rental options should be conveyed. By effectively communicating this comprehensive set of information, the communication strategy aims to engage and inform the community while building support for housing initiatives.

Key Steps to Successful Communications Strategies:

1. Establish relationships with local partners
2. Identify priority audiences and key issues
3. Define an engagement strategy by setting up consistent messaging and language
4. Provide information that is most relevant to the identified target audience, including examples that match community values
5. Support communications with data that establishes the validity of the campaign or engagement strategy
6. Distribute widely

Measuring Progress



Measuring progress is critical to success.

No single metric can capture the impact of collective action to address Cape Cod's housing supply, affordability, and availability challenges. Tracking trends in demographic data and housing typology, as well as implementation of the regional recommendations and local zoning recommendations outlined in this strategy, will be necessary to understand the influence each recommendation has on the broader housing landscape.

The following are key elements of strategy implementation the Cape Cod Commission will track:

- Zoned land where multi-family housing is allowed by-right
- Activity Center infrastructure projects
- Local funds dedicated to housing
- Changes to state level policies and programs; local adoption of policy as relevant

The town and county [housing profiles](#) provide key demographic and economic information, as well as housing typology and affordability data. It will be necessary to update these profiles periodically to understand changes in the distribution

of housing type and price and how those changes impact year-round residents and the community.

In addition, [Data Cape Cod](#) provides a broad range of data related to the people, places, and economy of Cape Cod. It allows a user to relatively quickly view and understand changes to year-round population, migration trends, housing typology and characteristics, housing affordability, real estate trends, and employment and wages, among other data points. Like the housing profiles, it is a useful tool to track changes and measure the impact of actions over time.

Trends for the following data points will help to understand the impact of implementation

of actions at the local and regional scale, though substantive changes in any of these categories will likely be longer-term:

- Seasonality
- Population
- Short-term rentals
- Subsidized Housing Inventory
- Housing cost burden
- Household income needed to purchase a median priced home
- Number/share of single-family homes
- Number/share of multi-family housing units



Taking Action



The region must take action now.

Cape Cod's housing crisis will not be solved overnight but the region must begin addressing its housing challenges immediately. The Regional Housing Strategy provides a benchmark for housing initiatives for the region as actors work to address Cape Cod's housing crisis. The Cape Cod Commission, as well as existing and new regional housing organizations, entities, stakeholders, and advocates must work together to prompt both immediate change and lasting success.

Key Commission Actions

The recommendations and strategies put forth will require the engagement and action of several different public and private entities, organizations, and community members. The Cape Cod Commission can provide support and serve as a convener in advancing many of the recommendations and strategies, but comprehensive implementation will be dependent on other actors. There are, however, key actions the Commission commits to advancing in the near-term.

Communicating the strategy

Commission staff will disseminate the Regional Housing Strategy to stakeholders throughout the region. Staff will ensure the strategy is easily accessible, give presentations to interested parties, and provide supporting materials and data.

Tracking the Affordable Homes Act

Commission staff will track and communicate progress on the advancement of the Affordable Homes Act in the legislature, identifying advocacy needs to ensure the bill provides resources for the region.

Investigate and structure a year-round occupancy deed-restriction program

Building off the research to develop the Regional Housing Strategy, Commission staff will investigate the development of a year-round occupancy deed-restriction program, including identifying a potential structure for the program, the parameters for the deed-restrictions, and possible funding opportunities.

Provide technical assistance to communities to support zoning changes

Changing zoning will be critical in allowing for more diverse housing opportunities throughout the region. While zoning is changed and administered at the local level, Commission staff can provide technical assistance to towns looking to adopt new or amend existing zoning to allow for greater housing choices in their community.

Study Community Preservation Act receipts to inform potential for bonding

Commission staff will initiate an effort to compile information on CPA receipts for Cape Cod communities to better understand the potential for bonding. Staff will identify opportunities for using the funds for bonding.

Engage in and support efforts to determine housing opportunity on Joint Base Cape Cod

Commission staff will engage with Joint Base Cape Cod leadership and relevant local and regional stakeholders to explore the potential for housing on underutilized portions of Joint Base Cape Cod.

Convene a regional community land trust and regional housing land bank working group

Commission staff will convene relevant stakeholders to discuss the structure and operations of a regional community land trust and regional housing land bank to advance establishment of the entities.

Long-Term Success

In addition to near-term action, alleviating the region's housing crisis will require sustained substantive action from numerous actors. Continued collaboration from existing entities and organizations will be vital in leveraging programs and assets to best tackle Cape

Cod's existing and unforeseen housing challenges. New entities and programs will need to be established, capitalized, and operationalized to take advantage of opportunities to improve the region's housing landscape, as well as to fill gaps needed to support housing initiatives that

will foster real change. Planning for enduring, thriving communities will require long-term and coordinated planning—for housing, for infrastructure, and for Cape Cod's sensitive resources. The community must act now to secure Cape Cod's future.



DRAFT

HOUSING CAPE COD: THE REGIONAL STRATEGY

2023



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