

HOUSE No. 2741

The Commonwealth of Massachusetts

PRESENTED BY:

Michelle L. Ciccolo

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

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

An Act authorizing a development surcharge for community housing in the town of Lexington.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Michelle L. Ciccolo</i>	<i>15th Middlesex</i>	<i>1/20/2023</i>
<i>Cindy F. Friedman</i>	<i>Fourth Middlesex</i>	<i>1/20/2023</i>
<i>Michael J. Barrett</i>	<i>Third Middlesex</i>	<i>1/27/2023</i>

HOUSE No. 2741

By Representative Ciccolo of Lexington, a petition (accompanied by bill, House, No. 2741) of Michelle L. Ciccolo, Cindy F. Friedman and Michael J. Barrett (by vote of the town) relative to authorizing a development surcharge for community housing in the town of Lexington. Revenue. [Local Approval Received.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act authorizing a development surcharge for community housing in the town of Lexington.

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

1 SECTION 1: In order to mitigate the loss of moderate-income housing by the demand for
2 buildable parcels of land, a residential linkage fee, hereafter referred to as "the community
3 housing surcharge" or "the surcharge," shall be added by the Town of Lexington to all new
4 single and two-family residential construction building permits issued by said town on parcels
5 where an existing single- or two-family dwelling has been demolished to create a single
6 buildable lot or multiple buildable lots.

7 SECTION 2: The Select Board of the Town of Lexington shall determine the amount of
8 the community housing surcharge, which shall be applied on a dollars-per-square-foot basis on
9 the certified total gross floor area of the structure or structures permitted by an applicable
10 building permit. The surcharge shall apply only to single-family structures larger than 2,100
11 square feet gross floor area and to two-family structures larger than 4,200 square feet gross floor

12 area. The Select Board shall adjust the rate of the community housing surcharge for inflation
13 annually.

14 SECTION 3: The Town Manager of the Town of Lexington or their designee shall
15 prepare a study every five years to determine the suitability, effect, and amount of the surcharge,
16 and recommend to the Select Board any possible changes necessary to address changing demand
17 for community housing. The Town Manager or their designee shall also prepare and issue an
18 annual report that identifies surcharge receipts; quantifies the attributes of community housing
19 projects funded by the community housing surcharge and evaluates the impact of said housing
20 projects.

21 SECTION 4: The Select Board of the Town of Lexington may adopt additional
22 requirements, exemptions, and regulations to implement or enforce said community housing
23 surcharge, consistent with this act.

24 SECTION 5. The building commissioner of the Town of Lexington shall not issue a
25 certificate of occupancy for a building subject to this act before the community housing
26 surcharge required by this act is paid; provided that an applicant for a building permit for a
27 building in which said applicant intends to reside may opt to have the amount of said surcharge
28 added to the property taxes due on said property in lieu of paying the surcharge in advance. If the
29 applicant opts to have the surcharge added to the property taxes in such manner, the applicant
30 shall not be required to pay said surcharge until the property is sold to another person; provided
31 further that no interest shall accrue on the amount of the surcharge, and that the amount of the
32 surcharge charge shall be abated by 20% per year from the date of the certificate of occupancy

33 such that the amount of the surcharge will be \$0 as of the date that is five years from the date the
34 certificate of occupancy is issued.

35 SECTION 6: All surcharges and fines received pursuant to this act shall be deposited into
36 the Town of Lexington Affordable Housing Capital Stabilization Fund or an affordable housing
37 trust established by the Town pursuant to section 55C of chapter 44 of the General Laws or any
38 special act.

39 SECTION 7: For the purposes of this act, "community housing" shall mean as defined
40 under section 2 of chapter 44B of the General Laws.

41 SECTION 8: This act shall take effect upon its passage.