



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

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WHAT IS URBAN RENEWAL? M.G.L. CHAPTER 121B

1. WHAT IS URBAN RENEWAL?

The Massachusetts Legislature established the Urban Renewal Program under Massachusetts General Laws Chapter 121B (M.G.L. c. 121B) to assist communities to revitalize disinvested and underutilized neighborhoods and redevelop substandard, decadent, and blighted open areas for residential, commercial, industrial, business, governmental, recreational, educational, hospital or other uses. Under M.G.L. c. 121B, urban renewal agencies are authorized to undertake a range of public actions to address these conditions in order to create the environment needed to promote sound growth and attract and support private investment in designated urban renewal areas. Future redevelopment within these areas must be undertaken in accordance with use limitations specified in approved Urban Renewal Plans.

The Department of Housing and Community Development's (DHCD) Office of Sustainable Communities is responsible for the administration of the Urban Renewal Program. This includes technical assistance to prepare and implement Urban Renewal Plans.

2. WHAT IS AN URBAN RENEWAL PLAN?

An Urban Renewal Plan is an application submitted by an urban renewal agency to DHCD requesting approval of a redevelopment project. The Urban Renewal Plan must include the following information as specified under Massachusetts implementation regulations 760 CMR 12.00:

- Executive Summary;
- Characteristics, including maps of the project area;
- Data demonstrating that the area meets the eligibility criteria as a substandard, decadent, and/or blighted open area;
- Plan objectives including specifications of all proposed redevelopment and detailed job creation and retention estimates;
- Identification of parcels to be acquired and why acquisitions achieve the objectives of the plan;
- A relocation plan;
- Site preparation including land protection and measures to address environmental, topographic, subsoil or flood problems;
- Public improvements including how the improvements will help achieve the objectives of the plan;
- Disposition proposed for each parcel including identity of any known redeveloper;
- Redeveloper's obligations (restrictions that are or will be placed on owners of individual parcels);
- Timeframe for the plan implementation;
- A financial plan including cost estimates and a project budget;

- A report on citizen participation describing meaningful citizen participation in the planning process and expected citizen participation during project execution;
- Local approvals; and
- Massachusetts Environmental Policy Act (MEPA) review status.

3. **HOW IS AN URBAN RENEWAL PLAN EVALUATED?**

In order to approve a proposed Urban Renewal Plan, DHCD must make the following six findings:

- (1) The project area would not, by private enterprise alone and without either government subsidy or the exercise of governmental powers, be made available for urban renewal -- i.e., without public involvement, the project/site would not be (re)developed.
- (2) The proposed land uses and building requirements in the project area will afford maximum opportunity to privately financed urban renewal consistent with the needs of the locality as a whole -- i.e., the project will enhance/promote private investment.
- (3) The plan for financing the project is sound.
- (4) The project area is a substandard, decadent, and/or blighted open area.
- (5) The Urban Renewal Plan is complete as required under 760 CMR 12.00 (see 2. above).
- (6) The Relocation Plan is approved under M.G.L. c.79A.

When these findings have been made, DHCD will issue a letter regarding review and approval of the Urban Renewal Plan. If the Urban Renewal Plan is not approved, it may be resubmitted with such modifications, supporting data, or documents as are necessary to meet DHCD's written objections or comments.

No urban renewal project may be undertaken until a public hearing relating to the Urban Renewal Plan for the project has been held before the City Council or the municipal officers of a town and approval is obtained by municipal officers and DHCD.

4. **WHAT IS AN URBAN RENEWAL AGENCY?**

In Massachusetts, most commonly, an urban renewal agency may be a local Redevelopment Authority established under M.G.L. c. 121B, or it may be a Consolidated Community Development Department under M.G.L. Chapter 43C. The urban renewal agency is required to prepare an Urban Renewal Plan in order to begin the process of redeveloping and improving substandard, decadent, and blighted open areas as well as to plan for future land use.

5. **WHAT IS A REDEVELOPMENT AUTHORITY?**

Most of the Redevelopment Authorities operating in Massachusetts were originally created to take advantage of the federal Urban Renewal Program, serving as vehicles for carrying out the federal mandate to eliminate blight from inner cities. Although the federal program no longer exists, Redevelopment Authorities continue to play a role in the Commonwealth's revitalization under c.121B.

M.G.L. c. 121B allows municipalities, through their Redevelopment Authorities acting as urban renewal agencies, to eliminate and redevelop substandard, decadent, and blighted open areas for residential, commercial, industrial, business, governmental, recreational, educational, hospital or other uses. With the goals of revitalizing such land uses and encouraging new growth, Redevelopment Authorities have the power for the purposes in 121B to:

- Prepare and implement Urban Renewal Plans;
- Carry out planning studies;
- Establish rehabilitation and design standards;
- Acquire real estate, including acquisition by eminent domain;
- Demolish and/or rehabilitate structures;
- Undertake site preparation and environmental remediation;
- Assemble and dispose of land for private development;
- Relocate displaced businesses and residents;
- Issue bonds and borrow money;
- Receive grants and loans.

Redevelopment Authorities are particularly effective in large scale and complex redevelopment projects and in land assembly. Redevelopment Authorities are exempt from M.G.L. Chapter 30B, the Uniform Procurement Act, when they are engaged in the development and disposition of real property in accordance with an Urban Renewal Plan. This exemption, coupled with the ability to use eminent domain, gives Redevelopment Authorities powerful tools for commercial revitalization, industrial park development, infrastructure improvements, facilities renovation and brownfield site remediation. *The development and approval of an Urban Renewal Plan is necessary for a Redevelopment Authority to undertake specific projects.*

A Redevelopment Authority, as an independent body politic and corporate, is not an agency of a municipality and therefore, does not answer directly to the chief executive. This affords the Redevelopment Authority more autonomy in planning and implementing redevelopment and revitalization projects.

6. HOW IS A REDEVELOPMENT AUTHORITY FORMED?

In accordance with the provisions in M.G.L. Chapter 121B, a municipality must first establish the need for a Redevelopment Authority through a vote by municipal officers or at town meeting. When established under Section 4 of M.G.L. Chapter 121B, a Redevelopment Authority is composed of five members, appointed or elected. In a city, four members are appointed by the Mayor or City Manager and confirmed by the City Council. In a town, after the town meeting vote establishing the Redevelopment Authority, town meeting may vote to authorize the Board of Selectmen to appoint four members. These members serve until the next annual town meeting, at which time an election is held to seat four successors. The fifth member of the board, in both cities and towns, is appointed by DHCD. Board member terms are staggered over five years. After following these steps and securing required approvals, the Secretary of the Commonwealth will issue a certificate of organization.

For additional information contact DHCD at (617) 573-1400.