



Commonwealth of Massachusetts EXECUTIVE OFFICE OF HOUSING & LIVABLE COMMUNITIES

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.

The regulations at 760 CMR 12.00 govern planning and program activities for the Urban Renewal Program. The Executive Office of Housing and Livable Communities (EOHLC) provides technical assistance to prepare and implement Urban Renewal Plans.

2. WHAT IS AN URBAN RENEWAL PLAN?

An Urban Renewal Plan (Plan) is a blueprint for decision-making and dictates the allocation of resources and public actions in support of actual redevelopment (e.g., new development, redevelopment of existing sites, expansion of existing uses, reconfiguration of land use, etc.). The Plan spells out the manner and means of renewing a defined area, detailing what will happen and why changes are being proposed for parcels in the project area, and stating what is expected of its partners in the project, e.g., private development interests. Once a Plan is approved, there can be use restrictions on some of the properties within the project boundaries.

The Urban Renewal Plan includes the following information as specified under the Massachusetts implementation regulations at 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 they 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?

An Urban Renewal Plan must meet the following six findings identified in MGL c. 121B, Section 48:

- (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 requirements will promote the desired private investment consistent with the needs of the locality as a whole.
- (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 section 2 above).
- (6) The Relocation Plan is approved under M.G.L. c.79A.

An application for approval of a new Urban Renewal Plan is evaluated to ensure compliance with the statute and regulations. If it is approved and MEPA review is not completed, approval will be issued conditional upon completion of the MEPA review of the Urban Renewal Plan and any known redevelopment project. The Plan cannot move forward until the required MEPA approvals are issued. If the Urban Renewal Plan is not approved, it may be resubmitted with such modifications, supporting data, or documents as are necessary to address 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 of a city or the municipal officers of a town and approval is obtained pursuant to M.G.L. c. 121B, Section 48.

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 c.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. Urban renewal agencies are exempt from the requirements of the Uniform Procurement Act when acquiring or disposing of real property in accordance with an approved Urban Renewal Plan. *See, M.G.L. c. 30B §1(b)(25)*. 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. c. 121B, Section 4, a municipality must first establish the need for a Redevelopment Authority through a vote by municipal officers or at town meeting. A Redevelopment Authority is composed of five members, appointed or elected as provided in c. 121B, Section 5. 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 the state. Board member terms are staggered over five years. After following these steps, securing required approvals, and submitting the necessary documentation to both the Secretary of the Commonwealth and the Executive Office of Housing and Livable Communities, the Secretary of the Commonwealth will issue a certificate of organization.

For additional information, contact (617) 573-1408.