

BUSINESS, NEWS

MASSACHUSETTS' NEW HOUSING SECRETARY VISITS LYNN

BY THOMAS GRILLO | April 26, 2019



Lynn, Ma. 4-26-19. Joe Mulligan and Mayor Thomas McGee giving Secretary of the Executive Office of Housing and Economic Development Mike Kennealy a tour of Lynn that included the train platform. (Owen O'Rourke)

LYNN — Business, community and political leaders welcomed Mike Kennealy to the city Friday and the state's new secretary of Housing and Economic Development pledged to assist the city's renaissance.

The St. John's Preparatory School graduate, who serves as chairman of the board for the Danvers school, was in town to tour the downtown and champion Gov. Charlie Baker's housing initiative.

"It's great to be back in Lynn," he said. "There are a number of great things happening in the city and we're happy to support what you're doing."

Kennealy spoke to a packed crowd at the Land of a Thousand Hills Coffee Co. as construction crews across the street were at work on an \$80 million, 189-unit luxury apartment building.

If enacted by lawmakers, the governor's proposal, dubbed "Housing Choice," promises construction of 135,000 housing units by 2025. The measure would reform zoning statewide the administration said will benefit communities who want to help solve the housing crisis.

The state has added more than 200,000 jobs since 2014, but housing production has failed to keep pace, Kennealy said.

"We are in a full employment economy and those workers need places to live, it's that simple," he said. "Housing construction has been cut in half in the last 30 years compared to the prior 30 years at a time when our economy is booming."

Kennealy listed the factors contributing to the state's housing crisis:

- The vacancy rate is among the lowest in the nation.
- Housing costs have soared by 75 percent since 1999.
- Massachusetts is the third most expensive place to rent an apartment or buy a home.
- The state has the highest rents in the nation for two-bedroom units.

"This is a real problem for residents, communities, and businesses and we must do something to address it," he told the packed crowd. "Half of our families are spending 30 percent on housing; that's too much."

One provision of the bill, added by the Joint Committee on Housing chaired by Sen. Brendan Crighton (D-Lynn), will enable municipalities to adopt zoning best practices related to housing development by a simple majority vote, rather than the two-thirds supermajority. The legislation will not mandate communities to make changes, but will allow cities and towns that want to rezone for denser, transit- or downtown-oriented, and new housing development to do so more easily.

Massachusetts is one of the few states to require a supermajority to change zoning.

During a question and answer session, Charles Patsios, the Swampscott developer who is planning to transform the former General Electric Co. Gear Works property into a \$500 million mixed-use neighborhood, asked about a long-held wish for North Shore residents: the extension of the Blue Line to Lynn from Revere.

“I’m sure it’s being considered, it’s not directly within my portfolio of work,” Kennealy said. “But part of my job is to hear from communities about their transportation needs and take them back to the Secretary of Transportation.”

David Zeller, who owns an insurance agency on the Lynnway, asked why Lynn lacks a hotel. He said Revere has six with six more in the planning stages.

“Every community around here has a hotel, can you help us get our first one built,” he said.

“I can’t answer that one directly, I’m not sure of the hotel dynamics up here,” Kennealy said. “But given all the tools in our economic development toolbox, if a developer wants to build a hotel in Lynn, we are all ears. If there are public infrastructure needs to make it happen, we can talk about that.”

Following the 45-minute session, Kennealy told *The Item* the biggest stumbling block to housing construction is zoning.

“Salem Mayor Kim Driscoll is trying to get a project done using vacant, church-owned municipal land for housing and the City Council vote was 7-4 in favor but it was one vote short,” he said. “That supermajority requirement is a real problem.”

Kennealy replaced Jay Ash as Housing Secretary. He joined the Baker administration in 2015 as assistant secretary for Business Growth in the Executive Office of Housing and Economic Development. He began his career in private equity at TA Associates in Boston. Later, he joined Spectrum Equity, a private equity firm. After his career in the private sector, Kennealy was an advisor to the receiver at Lawrence Public Schools, where he worked with the state-appointed superintendent/receiver on strategic and financial initiatives to support the school district’s turnaround plan.



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