

HOUSE No. 4108

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act financing the production and preservation of housing for low and moderate income residents.

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. To provide for a capital outlay program to rehabilitate, produce and
2 modernize state-aided public housing developments; to preserve the affordability and the income
3 mix of state-assisted multifamily developments; to support home ownership and rental housing
4 opportunities for low and moderate income citizens; to stem urban blight through the
5 implementation of housing stabilization programs; to support housing production for the elderly,
6 disabled and homeless; to preserve housing for the elderly, the homeless and low and moderate
7 income citizens and people with disabilities; to develop facilities for licensed early care and
8 education and out of school time programs; and to promote economic reinvestment through the
9 funding of infrastructure improvements, the sums set forth in section 2, for the several purposes
10 and subject to the conditions specified in this act, are hereby made available subject to the laws
11 regulating the disbursement of public funds.

12 SECTION 2.

13 DEPARTMENT OF EARLY EDUCATION AND CARE

14 3000-XXXX. For the purpose of state financial assistance in the form of grants for the
15 Early Education and Out of School Time Capital Fund for the development of eligible facilities
16 for licensed early care and education and out of school time programs established in section 18
17 of chapter 15D of the General Laws; provided, that the department of early education and care
18 may contract with 1 or more quasi-public or non-profit entities to administer the program,
19 including, but not limited to, the Community Economic Development Assistance Corporation
20 established in chapter 40H of the General Laws; provided, further, that the department may
21 develop or finance eligible facilities, may enter into subcontracts with nonprofit organizations
22 established pursuant to chapter 180 of the General Laws or organizations in which such nonprofit
23 corporations have a controlling financial or managerial interest; provided, further, that the
24 department shall consider: (i) a balanced geographic plan for such eligible facilities when issuing
25 the funding commitments; and (ii) funding large group and school age child care centers, as
26 defined by the department of early education and care; provided, further, that the services made
27 available pursuant to such grants shall not be construed as a right or entitlement for any
28 individual or class of persons to the benefits financing; provided, further, that no expenditure
29 shall be made from this item without the prior approval of the secretary of administration and
30 finance; and provided, further, that eligibility shall be established by regulations promulgated by
31 the department pursuant to chapter 30A for the General Laws for the implementation,
32 administration and enforcement of this item..... \$45,000,000

33 EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

34 Office of the Secretary.

35 7004-0049. For a program of loans or grants to assist homeowners or tenants with a
36 household member with blindness or severe disabilities in making modifications to their primary
37 residence for the purpose of improved accessibility or to allow those individuals to live
38 independently in the community or for construction costs to allow for the creation of an
39 accessory unit, defined as an additional dwelling unit separate from the primary dwelling unit,
40 for a person with disabilities or an elder needing assistance with activities of daily living;
41 provided, that not more than 10 per cent shall be used for grants to assist landlords seeking to
42 make modifications for a current or prospective tenant with disabilities, who but for this grant
43 would be unable to maintain or secure permanent housing; provided, further, that the secretary
44 shall take all steps necessary to minimize the program's administrative costs; provided, further,
45 that the program shall be available pursuant to income eligibility standards approved by the
46 secretary; provided, further, that the repayment of the loans may be delayed until the sale of the
47 principal residence by the homeowner; provided, further, that persons residing in a development
48 covered by section 4 of chapter 151B of the General Laws shall not be eligible for the program
49 unless the owner can show that the modification is an undue financial burden or that the landlord
50 is participating in the grant program to maintain or secure housing for a tenant with disabilities;
51 provided, further, that the secretary shall consult with the Massachusetts commission for the
52 blind and the Massachusetts rehabilitation commission in developing the rules, regulations and
53 guidelines for the program; provided, further, that nothing in this item shall give rise to
54 enforceable legal rights in any party or an enforceable entitlement to services; and provided,
55 further, that the secretary shall submit quarterly reports to the house and senate committees on
56 ways and means, the house and senate committees on bonding, capital expenditures and state

57 assets and the joint committee on housing detailing the status of the program established in this
58 item..... \$ 60,000,000

59 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

60 Department of Housing and Community Development.

61 7004-0050. For state financial assistance in the form of loans for the development of
62 community-based housing or supportive housing for individuals with mental illness and
63 individuals with intellectual disabilities; provided, that the loan program shall be administered by
64 the department of housing and community development, referred to in this item as the
65 department, through contracts with the Massachusetts Development Finance Agency established
66 by chapter 23G of the General Laws, the Community Economic Development Assistance
67 Corporation established by chapter 40H of the General Laws, operating agencies established
68 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency
69 established by chapter 708 of the acts of 1966; provided, further, that those agencies may
70 develop or finance community-based housing or supportive housing or may enter into
71 subcontracts with nonprofit organizations, established pursuant to chapter 180 of the General
72 Laws, or organizations in which such nonprofit corporations have a controlling financial or
73 managerial interest or for-profit organizations; provided, however, that preference for the
74 subcontracts shall be given to nonprofit organizations; provided, further, that the department
75 shall consider a balanced geographic plan for such community-based housing or supportive
76 housing when issuing the loans; provided, further, that the department shall consider
77 development of a balanced range of housing models by prioritizing funds for integrated housing
78 as defined by the appropriate housing and service agencies including, but not limited to, the

79 department of housing and community development, the Massachusetts rehabilitation
80 commission, the department of mental health and the department of developmental services, in
81 consultation with relevant and interested clients, clients' families, advocates and other parties as
82 necessary; provided, further, that loans issued pursuant to this item shall: (i) not exceed 50 per
83 cent of the financing of the total development costs; (ii) not be issued unless a contract or
84 agreement for the use of the property for such housing provides for repayment to the
85 commonwealth at the time of disposition of the property in an amount equal to the
86 commonwealth's proportional contribution from the Facilities Consolidation Fund to the cost of
87 the development through payments made by the state agency making the contract; (iii) not be
88 issued unless contract or agreement for the use of the property for the purposes of such housing
89 provides for the recording of a deed restriction in the registry of deeds or the registry district of
90 the land court of the county in which the real property is located, for the benefit of the
91 departments, running with the land, that the land be used to provide community-based housing or
92 supportive housing for eligible individuals as determined by the department of mental health and
93 the department of developmental services; provided, however, that the property shall not be
94 released from such restriction until the balance of the principal and interest for the loan has been
95 repaid in full or until a mortgage foreclosure deed has been recorded; (iv) be issued for a term
96 not to exceed 30 years, during which time repayment may be deferred by the loan issuing
97 authority; provided, however, that if on the date the loans become due and payable to the
98 commonwealth, an outstanding balance exists and if, on such date, the department, in
99 consultation with the executive office of health and human services, determines that there still
100 exists a need for such housing and that there is continued funding available for the provision of
101 services to such development, the department may, by agreement with the owner of the

102 development, extend the loans for such periods, each period not to exceed 10 years, as the
103 department shall determine; provided, further, that the project shall remain affordable housing
104 for the duration of the loan term, including any extension thereof, as set forth in the contract or
105 agreement entered into by the department; provided, further, that in the event the terms of
106 repayment detailed in this item would cause a project authorized by this item to become
107 ineligible to receive federal funds which would otherwise assist in the development of that
108 project, the department may waive the terms of repayment which would cause the project to
109 become ineligible; and (v) have interest rates fixed at a rate, to be determined by the department,
110 in consultation with the state treasurer; provided, further, that the loans shall be provided only for
111 projects conforming to this item; provided, further, that the loans shall be issued in accordance
112 with a facilities consolidation plan prepared by the secretary of health and human services,
113 reviewed and approved by the department and filed with the secretary of administration and
114 finance, the house and senate committees on ways and means, the house and senate committees
115 on bonding, capital expenditures and state assets and the joint committee on housing; provided,
116 further, that no expenditure shall be made from this item without the prior approval of the
117 secretary of administration and finance; provided, further, that the department, the department of
118 mental health and the Community Economic Development Assistance Corporation may identify
119 appropriate financing mechanisms and guidelines for grants or loans from this item to promote
120 private development to produce housing, to provide for independent integrated living
121 opportunities, to write down building and operating costs and to serve households at or below 15
122 per cent of area median income for the benefit of department of mental health clients; provided,
123 further, that not more than \$10,000,000 may be expended from this item for a pilot program of
124 community-based housing or supportive housing loans to serve mentally ill homeless individuals

125 in the current or former care of the department of mental health; provided, further, that in
126 implementing the pilot program, the department shall consider a balanced geographic plan when
127 establishing community-based residences; provided, further, that the housing services made
128 available pursuant to such loans shall not be construed as a right or an entitlement for any
129 individual or class of persons to the benefits of the pilot program; provided, further, that
130 eligibility for the pilot program shall be established by regulations promulgated by the
131 department; and provided, further, that the department shall promulgate regulations pursuant to
132 chapter 30A of the General Laws for the implementation, administration and enforcement of this
133 item, consistent with the facilities consolidation plan prepared by the secretary of health and
134 human services and after consultation with the secretary and the commissioner of the division of
135 capital asset management and maintenance..... \$ 65,000,000

136 7004-0051. For state financial assistance in the form of loans for the development and
137 redevelopment of community-based housing or supportive housing for persons with disabilities
138 who are institutionalized or at risk of being institutionalized and who are not eligible for housing
139 developed pursuant to item 7004-0050; provided, that the loan program shall be administered by
140 the department of housing and community development, referred to in this item as the
141 department, through contracts with the Massachusetts Development Finance Agency established
142 by chapter 23G of the General Laws, the Community Economic Development Assistance
143 Corporation established by chapter 40H of the General Laws, operating agencies established
144 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency
145 established by chapter 708 of the acts of 1966; provided, further, that the agencies may develop
146 or finance the community-based housing or supportive housing or may enter into subcontracts
147 with nonprofit organizations established pursuant to chapter 180 of the General Laws or

148 organizations in which such nonprofit corporations have a controlling financial or managerial
149 interest or for-profit organizations; provided, however, that preference for such subcontracts
150 shall be given to nonprofit organizations; provided, further, that the department shall consider a
151 balanced geographic plan for such community-based housing or supportive housing when
152 issuing the loans; provided, further, that all housing developed with these funds shall be
153 integrated housing as defined by the appropriate state housing and service agencies including,
154 but not limited to, the department, the executive office of health and human services and the
155 Massachusetts rehabilitation commission in consultation with relevant and interested clients,
156 clients' families, advocates and other parties as necessary; provided, further, that loans issued
157 pursuant to this item shall: (i) not exceed 50 per cent of the financing of the total development
158 costs; (ii) not be issued unless a contract or agreement for the use of the property for the
159 purposes of such housing provides for repayment to the commonwealth at the time of disposition
160 of the property in an amount equal to the commonwealth's proportional contribution from
161 community based housing to the cost of the development through payments made by the state
162 agency making the contract; (iii) not be issued unless a contract or agreement for the use of the
163 property for the purposes of such community-based housing or supportive housing provides for
164 the recording of a deed restriction in the registry of deeds or the registry district of the land court
165 of the county in which the real property is located, for the benefit of the departments, running
166 with the land, that the land be used to provide community-based housing or supportive housing
167 for eligible individuals as determined by the Massachusetts rehabilitation commission or other
168 agency of the executive office of health and human services; provided, however, that the
169 property shall not be released from such restrictions until the balance of the principal and interest
170 for the loan has been repaid in full or until a mortgage foreclosure deed has been recorded; (iv)

171 be issued for a term not to exceed 30 years during which time repayment may be deferred by the
172 loan issuing authority; provided, however, that if on the date the loans become due and payable
173 to the commonwealth, an outstanding balance exists and if, on that date, the department, in
174 consultation with the executive office of health and human services, determines that there still
175 exists a need for such housing, the department may, by agreement with the owner of the
176 development, extend the loans for such periods, each period not to exceed 10 years, as the
177 department shall determine; provided, however, that the project shall continue to remain
178 affordable housing for the duration of the loan term, including any extensions thereof, as set
179 forth in the contract or agreement entered into by the department; provided, however, that in the
180 event the terms of repayment detailed in this item would cause a project authorized by this item
181 to become ineligible to receive federal funds which would otherwise assist in the development of
182 that project, that department may waive the terms of repayment which would cause the project to
183 become ineligible; and (v) have interest rates fixed at a rate, to be determined by the department,
184 in consultation with the state treasurer; provided, further, the loans shall be provided only for
185 projects conforming to this item; provided, further, that the loans shall be issued in accordance
186 with an enhancing community-based services plan prepared by the secretary of health and human
187 services, in consultation with the department and filed with the secretary of administration and
188 finance and the house and senate committees on ways and means, the house and senate
189 committees on bonding, capital expenditures and state assets and the joint committee on housing;
190 provided, further, that no expenditure shall be made from this item without the prior approval of
191 the secretary of administration and finance; and provided, further, that the department shall
192 promulgate regulations pursuant to chapter 30A of the General Laws for the implementation,
193 administration and enforcement of this item, consistent with the enhancing community-based

194 services plan prepared by the secretary of health and human services after consultation with the
195 secretary and the commissioner of capital asset management and
196 maintenance..... \$ 55,000,000

197 7004-0052. For the capitalization of the Affordable Housing Trust Fund, established in
198 section 2 of chapter 121D of the General Laws..... \$ 400,000,000

199 7004-0053. For the purpose of state financial assistance in the form of grants or loans for
200 the Housing Stabilization and Investment Trust Fund established in section 2 of chapter 121F of
201 the General Laws and awarded only pursuant to the criteria established in said section 2 of said
202 chapter 121F; provided, that not less than 25 per cent shall be used to fund projects which
203 preserve and produce housing for families and individuals with incomes of not more than 30 per
204 cent of the area median income, as defined by the United States Department of Housing and
205 Urban Development; provided, further, that if the department of housing and community
206 development has not spent the amount authorized under the bond cap for this program, at the end
207 of each year following the effective date of this act, the department may award the remaining
208 funds to projects that serve households earning more than 30 per cent of the area median income,
209 as defined by the United States Department of Housing and Urban Development; provided,
210 further, that not less than \$5,000,000 shall be expended for the production or preservation of
211 housing for people age 60 and over; provided, further, that the department shall expend
212 \$20,000,000 to stabilize and promote reinvestment, through homeownership, in areas the
213 department has determined to be weak markets as indicated by a high concentration of assisted
214 rental housing, low rate of homeownership, low median family income, low average sales prices,
215 high levels of unpaid property taxes or vacant or abandoned buildings, (1) by waiving the
216 requirements of this item and said chapter 121F, (2) by subsidizing the purchase price, borrowing

217 costs or costs of renovation or new construction of 1 to 6 unit residential buildings for a person
218 who shall own the property and occupy any portion of the property as the person's primary
219 residence for at least 5 years from the date of purchase; provided, that \$10,000,000 may be
220 expended to subsidize the purchase price, borrowing costs or costs of renovation or new
221 construction of single residential buildings, in accordance with this item; provided, further, that if
222 more than 5 years, but less than 10 years, from the date the owner takes ownership of the
223 property, the owner sells any of the owner's interest in the property, the new owner shall so
224 occupy 1 unit in the property for a period equal to the difference between 10 years and the
225 amount of time the first owner occupied the property as the owner's primary residence; provided,
226 further, that if the owner fails to so occupy a unit on the property or ceases to be the owner of the
227 property as required by this section, the department shall recoup the value of any subsidy
228 provided to the owner; and provided, further, that 10 years after the owner takes possession of
229 the property pursuant to this item, all restrictions on the property created by this item shall be
230 void; and (3) by subsidizing the purchase price, borrowing costs or costs of renovation or new
231 construction of 1 to 6 unit residential buildings and units of a condominium, as defined in section
232 1 of chapter 183A of the General Laws, located in weak markets areas, including gateway
233 municipalities, as defined in section 3A of chapter 23A of the General Laws, for a person (i) who
234 owes "qualified educational loan" indebtedness, as defined in section 19A of chapter 15A of the
235 General Laws; and (ii) who shall own the property and occupy any portion of the property as the
236 person's primary residence for at least 5 years from the date of purchase; provided, that 5 years
237 after the owner takes possession of the property pursuant to this item, all restrictions on the
238 property created by this item shall be void; and provided further, that such person shall not

239 receive said funds if the person is delinquent on any qualified educational loan
240 payment..... \$ 160,000,000

241 7004-0054. For the purpose of state financial assistance in the form of grants for projects
242 undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws; provided,
243 that contracts entered into by the department of housing and community development for those
244 projects may include, but shall not be limited to, projects providing for renovation, remodeling,
245 reconstruction, redevelopment and hazardous material abatement, including asbestos and lead
246 paint, and for compliance with state codes and laws and for adaptations necessary for compliance
247 with the federal Americans with Disabilities Act of 1990, the provision of day care facilities,
248 learning centers and teen service centers and the adaptation of units for families and persons with
249 disabilities; provided, further, that priority shall be given to projects undertaken for the purpose
250 of compliance with state codes and laws or for other purposes related to the health and safety of
251 residents; provided, further, that funds may be expended from this item to make such
252 modifications to congregate housing units as may be necessary to increase the occupancy rate of
253 those units; provided, further, that the department shall continue to fund a program to provide
254 predictable funds to be used flexibly by housing authorities for capital improvements to extend
255 the useful life of state-assisted public housing; and provided, further, that not less than 25 per
256 cent of the funds made available in this item shall be used to fund projects which preserve or
257 produce housing for families and individuals with incomes of not more than 30 per cent of the
258 area median income, as defined by the United States Department of Housing and Urban
259 Development..... \$ 600,000,000

260 7004-0055. For the purpose of state financial assistance in the form of grants for a 5 year
261 demonstration program, administered by the department of housing and community development

262 to demonstrate cost effective revitalization methods for state-aided family and elderly-disabled
263 public housing that seek to reduce the need for future state modernization funding; provided, that
264 housing authorities with state-aided housing developments pursuant to chapter 200 of the acts of
265 1948, chapter 667 of the acts of 1954, chapter 705 of the acts of 1966, chapter 689 of the acts of
266 1974 or chapter 167 of the acts of 1987 shall be eligible to participate in the demonstration
267 program; provided, further, that the department shall establish a 7-member advisory committee,
268 to consist of the director of the department or a designee, 1 member selected by Citizens'
269 Housing and Planning Association, Inc., 1 member selected by the Massachusetts chapter of the
270 National Association of Housing and Redevelopment Officials, 1 member selected by the
271 Massachusetts Union of Public Housing Tenants, Inc. and 3 additional members chosen by the
272 department to provide advice and recommendations to the department regarding the program;
273 provided, further, that the department may exempt a recipient of demonstration grants from the
274 requirements of chapter 7C of the General Laws and chapter 121B of the General Laws upon a
275 showing by the recipient that such exemptions are necessary to accomplish the effective
276 revitalization of public housing and will not adversely affect public housing residents or
277 applicants of any income who are otherwise eligible; provided, further, that the department may
278 provide to recipients of demonstration grants such additional regulatory relief as is required to
279 further the objectives of the demonstration program; provided, further, that funds shall be made
280 available for technical assistance provided by the Community Economic Development
281 Assistance Corporation established by chapter 40H of the General Laws or the Massachusetts
282 Housing Partnership Fund established pursuant to section 35 of chapter 405 of the acts of 1985 to
283 recipients of demonstration grants and for evaluation of the demonstration; provided, further, that
284 the department's regulations for the implementation, administration and enforcement of this

285 shall: (i) require that housing authorities selected demonstrate innovative and replicable solutions
286 to the management, marketing or capital needs of state-aided family and elderly-disabled public
287 housing developments and contribute to the continued viability of the housing as a resource for
288 public housing eligible residents; (ii) encourage proposals that demonstrate regional
289 collaborations among housing authorities; and (iii) encourage proposals that propose new
290 affordable housing units on municipally-owned land, underutilized public housing sites or other
291 land owned by the housing authority; and provided, further, that the department shall report to
292 the house and senate committees on ways and means, the house and senate committees on
293 bonding, capital expenditures and state assets and the joint committee on housing on the progress
294 of the demonstration program annually..... \$50,000,000

295 7004-0056. For the purpose of state financial assistance in the form of grants or loans for
296 the Housing Innovations Trust Fund established in section 2 of chapter 121E of the General
297 Laws; provided, that not less than 25 per cent of the funds made available in this item shall be
298 used to fund projects which preserve and produce housing for families and individuals with
299 incomes of not more than 30 per cent of the area median income, as defined by the United States
300 Department of Housing and Urban Development..... \$
301 100,000,000

302 7004-0057. For the purpose of state financial assistance in the form of grants or loans for
303 the Capital Improvement and Preservation Trust Fund established in section 2 of chapter 121G of
304 the General Laws for expiring use properties..... \$ 125,000,000

305 7004-0058. For the purpose of providing financial support for developing residential
306 housing units and mixed use developments that include both residential housing units and

307 commercial or retail space and are located within neighborhood commercial areas including, but
308 not limited to, those areas designated as main street areas by providing necessary financial
309 assistance to the commercial components of these projects; provided, that the developments may
310 include projects which have residential units above commercial space and shall be located in
311 areas characterized by a predominance of commercial land uses, a high daytime or business
312 population or a high concentration of daytime traffic and parking; provided, further, that the
313 financial subsidy for the commercial portion of a project shall not exceed 25 per cent of the total
314 development cost of the commercial portion of the project or \$1,000,000, whichever is smaller;
315 provided, further, that \$15,000,000 shall be used to fund transit-oriented housing developments
316 in proximity to public transit nodes; provided, further, that eligible activities for transit-oriented
317 development shall include, without limitation, planning grants, financing subsidies and
318 environmental assessment; and provided, further, that not less than 50 per cent of the
319 beneficiaries of housing in projects assisted by this item shall be persons whose income is not
320 more than 80 per cent of the area median income, as defined by the United States Department of
321 Housing and Urban Development.... \$50,000,000

322 SECTION 3. Section 18 of chapter 15D of the General Laws, as appearing in the 2016
323 Official Edition, is hereby amended by striking out, in line 6, the figure “25” and inserting in
324 place thereof the following figure:- 50.

325 SECTION 4. Said section 18 of said chapter 15D, as so appearing, is hereby further
326 amended by inserting after the word “interest”, in lines 16 and 17, the following words:- and is,
327 at the time of initial application, currently providing early care and education or out of school
328 time care for low-income families who are eligible for public subsidy.

329 SECTION 5. Section 6 of chapter 62 of the General Laws, as so appearing, is hereby
330 amended by striking out, in line 281, the figure “2018” and inserting in place thereof the
331 following figure:- 2023.

332 SECTION 6. Said section 6 of said chapter 62, as so appearing, is hereby further
333 amended by striking out, in line 287, the words “2019, for any property it owns or leases” and
334 inserting in place thereof the following words:- 2024, for any property it owns, operates, or
335 leases.

336 SECTION 7. Said section 6 of said chapter 62, as so appearing, is hereby further
337 amended by striking out, in line 297, the figure “40.00” and inserting in place thereof the
338 following figure:- 40.0000.

339 SECTION 8. Said section 6 of said chapter 62, as so appearing, is hereby further
340 amended by inserting after the word “limitation” , in lines 297 and 298, the following:- , or
341 which includes such an activity and use limitation recorded on or after June 20, 2014 in the case
342 of a development in which at least 20 per cent of the residential units are restricted to occupancy
343 by households earning 120 per cent or less of area median income. Such costs may include net
344 response and removal costs incurred by such taxpayer or nonprofit organization before it owned,
345 operated, or leased the subject property.

346 SECTION 9. Section 6I of said chapter 62, as so appearing, is hereby amended by
347 inserting after the word “project”, in line 73, the following words:- ; and (iv) \$5,000,000 to
348 preserve and improve existing state or federally-assisted housing.

349 SECTION 10. Said section 6I of said chapter 62, as so appearing, is hereby further
350 amended by striking out, in lines 112 to 115, inclusive, the words “; provided, further, that no

351 credit shall be authorized related to a project that receives state financial assistance authorized
352 under section 7A of chapter 244 of the acts of 2002.”

353 SECTION 11. Subsection (c) of section 6M of said chapter 62, added by section 29 of
354 chapter 238 of the acts of 2012, is hereby amended by striking out paragraph (4) and inserting in
355 place thereof the following paragraph:-

356 (4) no community partner shall receive a community investment tax credit allocation of
357 less than \$50,000 or more than 2 1/2 per cent of the total credits available in any 1 taxable year;
358 provided, however, that the department may waive this cap if it determines that it would be
359 unable to otherwise fully allocate the credits available during that calendar year to eligible
360 community partners; provided , however, that no community partner shall receive a subsequent
361 allocation unless the department has determined that it has made satisfactory progress toward
362 utilizing any prior allocation.

363 SECTION 12. Subsection (e) of said section 6M of said chapter 62, as so appearing, is
364 hereby amended by striking out the first sentence.

365 SECTION 13. Subsection (i) of said section 6M of said chapter 62, as so appearing, is
366 hereby amended by striking out the second sentence and inserting in place thereof the following
367 sentence:- The total value of the tax credits authorized pursuant to this section, together with
368 section 38EE of chapter 63, shall not exceed \$3,000,000 in taxable year 2014, \$6,000,000 in
369 each of taxable years 2015 to 2018, inclusive, \$8,000,000 in each of taxable years 2019 and
370 2020, \$10,000,000 in each of taxable years 2021 and 2022 and \$12,000,000 in each of taxable
371 years 2023 to 2025, inclusive.

372 SECTION 14. Section 31H of chapter 63 of the General Laws, as appearing in the 2016
373 Official Edition, is hereby amended by inserting after the word “project”, in line 74, the
374 following words:- ; and (iv) \$5,000,000 to preserve and improve existing state or federally-
375 assisted housing.

376 SECTION 15. Said section 31H of said chapter 63, as so appearing, is hereby further
377 amended by striking out in lines 114 to 117, inclusive, the words “; provided, further, that no
378 credit shall be authorized related to a project that receives state financial assistance authorized
379 under section 7A of chapter 244 of the acts of 2002.”

380 SECTION 16. Section 38Q of said chapter 63, as so appearing, is hereby amended by
381 striking out, in line 3, the figure “2018” and inserting in place thereof the following figure:-
382 2023.

383 SECTION 17. Said 38Q of said chapter 63, as so appearing, is hereby further amended by
384 striking out, in line 9, the words “2019, for any property it owns or leases” and inserting in place
385 thereof the following words:- 2024, for any property it owns, operates, or leases.

386 SECTION 18. Said section 38Q of said chapter 63, as so appearing, is hereby further
387 amended by striking out, in line 17, the figure “40.00” and inserting in place thereof the
388 following figure:- 40.0000.

389 SECTION 19. Said section 38Q of said chapter 63, as so appearing, is hereby further
390 amended by inserting, in line 18, after the word “limitation” the following words:-

391 , or which includes such an activity and use limitation recorded on or after June 20, 2014
392 in the case of a development in which at least 20 per cent of the residential units are restricted to

393 occupancy by households earning 120 per cent or less of area median income. Such costs may
394 include net response and removal costs incurred by such corporation before such corporation
395 owned, operated, or leased the subject property.

396 SECTION 20. Subsection (c) of section 38EE of said chapter 63, as so appearing, is
397 hereby amended by striking out clause (4) and inserting in place thereof the following clause:-

398 (4) no community partner shall receive a community investment tax credit allocation of
399 less than \$50,000 or more than 2 1/2 per cent of the total credits available in any 1 taxable year;
400 provided, however, that the department may waive this cap if it determines that it would be
401 unable to otherwise fully allocate the credits available during that calendar year to eligible
402 community partners; provided, however, that no community partner shall receive a subsequent
403 allocation unless the department has determined that it has made satisfactory progress toward
404 utilizing any prior allocation;

405 SECTION 21. Subsection (e) of said section 38EE of said chapter 63, as so appearing, is
406 hereby amended by striking out the first sentence.

407 SECTION 22. Subsection (i) of said section 38EE of said chapter 63, as so appearing, is
408 hereby amended by striking out the second sentence and inserting in place thereof the following
409 sentence:- The total value of the tax credits authorized pursuant to this section, together with
410 section 6M of chapter 62, shall not exceed \$3,000,000 in taxable year 2014, \$6,000,000 in each
411 of taxable years 2015 to 2018, inclusive, \$8,000,000 in each of taxable years 2019 and 2020,
412 \$10,000,000 in each of taxable years 2021 and 2022 and \$12,000,000 in each of taxable years
413 2023 to 2025, inclusive.

414 SECTION 23. Subsection (a) of section 2 of chapter 121G of the General Laws, as so
415 appearing , is hereby amended by adding the following sentence:- An eligible property that has
416 been acquired for the purpose of preserving or improving the property shall not lose eligibility
417 due to actions by the purchaser to renew or extend state or federal contracts or subsidies.

418 SECTION 24. Section 4 of chapter 708 of the acts of 1966, as most recently amended by
419 section6 of chapter 239 of the acts of 1998, is hereby further amended by adding the following
420 subsection:-

421 (aa) Take any and all actions necessary and appropriate, directly or through an affiliate or
422 subsidiary entity, (i) to provide contract administration services in or for any state of the United
423 States of America or the District of Columbia, in connection with any multifamily rental subsidy
424 program of the U.S. Department of Housing and Urban Development; (ii) to provide loan
425 servicing services with respect to 1- to 4-family residential mortgage loans secured by mortgages
426 on real property located in any state of the United States of America or the District of Columbia,
427 provided the MHFA shall not enter into any agreement for such loan servicing unless the
428 majority of loans to be serviced are mortgage loans secured by mortgages on real property
429 located within the commonwealth; and (iii) to provide any loan servicing, master servicing,
430 mortgage insurance and other commercial services and products related to residential mortgage
431 loans in partnership with a governmental or quasi-governmental agency in any state or the
432 District of Columbia; in each case unless and to the extent prohibited by the laws of any such
433 state or the District of Columbia.

434 SECTION 25. Sections 12, 16 and 100 of chapter 142 of the acts of 2011 are hereby
435 repealed.

436 SECTION 26. Section 98 of chapter 238 of the acts of 2012 is hereby amended by
437 striking out the figure “2019” and inserting in place thereof the following figure:- 2025.

438 SECTION 27. Chapter 287 of the acts of 2014 is hereby amended by inserting after
439 section 124 the following section:-

440 SECTION 124A. Sections 46, 48, 61, and 63 shall take effect on January 1, 2024.

441 SECTION 28. Section 125 of said chapter 287 is hereby amended by striking out the
442 words “46, 48, 56A, 61, 63 and 124” and inserting in place thereof the following words:- 56A
443 and 124.

444 SECTION 29. Notwithstanding any general or special law to the contrary, the secretary
445 of housing and economic development and the secretary of administration and finance shall
446 jointly submit a report on the progress of all projects and expenditures related to the funds
447 available in this act or any outstanding authorizations from a prior authorization act for housing
448 projects that were undertaken by the executive office of housing and economic development or
449 any of its constituent agencies to the house and senate committees on ways and means, the house
450 and senate committees on bonding, capital expenditures and state assets and the joint committee
451 on housing. This report shall include, but not be limited to: the address, the nature of the work
452 and scope of work of each project funded in this act; the total amount allocated for each project
453 broken down by fiscal year in which the allocation occurred and the total estimated cost of each
454 project; the amount expended for the planning and design of each project up to the time the
455 report is filed; the amount expended on construction of each project up to the time the report is
456 filed; the total amount currently expended on each project; a schedule of life cycle standards for
457 each completed project; the original estimated completion date of each project; the current

458 anticipated completion date of each project; and, if the project has been de-authorized, the reason
459 for and date of de-authorization. The information required in this report shall be current as of 30
460 days before the submission of the report and the report shall be submitted bi-annually for 6 years
461 after the effective date of this act.

462 SECTION 30. Notwithstanding any general or special law to the contrary, to meet the
463 expenditures necessary in carrying out section 2, the state treasurer shall, upon receipt of a
464 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified
465 by the governor from time to time but not exceeding, in the aggregate, \$1,710,000,000. All
466 bonds issued by the commonwealth, as aforesaid, shall be designated on their face, Housing
467 Production, Preservation, Modification and Neighborhood Development Loan Act of 2018, and
468 shall be issued for a maximum term of years, not exceeding 30 years, as the governor may
469 recommend to the general court pursuant to Section 3 of Article LXII of the Amendments to the
470 Constitution; provided, however, that all such bonds shall be payable not later than June 30,
471 2053. All interest and payments on account of principal on such obligations shall be payable
472 from the General Fund. Bonds and interest thereon issued under the authority of this section
473 shall, notwithstanding any other provision of this act, be general obligations of the
474 commonwealth. An amount not to exceed 2 per cent of the authorizations may be expended by
475 the department of housing and community development for administrative costs directly
476 attributable to the purposes of this act, including costs of clerical and support personnel. The
477 director of the department of housing and community development shall file an annual spending
478 plan with the fiscal affairs division, the house and senate committees on ways and means, the
479 house and senate committees on bonding, capital expenditures and states assets and the joint

480 committee on housing which details, by subsidiary, all personnel costs and any administrative
481 costs charged to expenditures made pursuant to this act.

482 SECTION 31. Notwithstanding any general or special law to the contrary, within 120
483 days after the expiration of affordability restrictions on housing units assisted under items 7004-
484 0050 and 7004-0051 in section 2, the department of housing and community development or its
485 assignee, who shall be a qualified developer selected pursuant to the terms of said items 7004-
486 0050 and 7004-0051 under the guidelines of the department, shall have an option to purchase any
487 such housing units at their current appraised value, reduced by any remaining obligation of the
488 owner, upon the expiration of the affordability restrictions. The department or its assignee shall
489 only purchase or acquire such housing units to preserve or provide affordable housing. The
490 department or its assignee shall hold such purchase option for the first 120 days after the
491 expiration of the affordability restrictions. Failure to exercise the purchase option within 120
492 days after the expiration of the affordability restriction shall constitute a waiver of the purchase
493 option by the department or its assignee. Within 30 days after the expiration of an affordability
494 restriction, the owner and the department shall each designate a professional in the field of multi-
495 unit residential housing. Each professional shall select an impartial appraiser. Within 60 days
496 after the expiration of the affordability restriction, the 2 impartial appraisers shall determine the
497 current appraised value in accordance with recognized professional standards. If there is a
498 difference in the valuations, the valuations shall be added together and divided by 2 to determine
499 the current appraised value of the units. No sale, transfer or other disposition of the property shall
500 be completed until either the purchase option period expires or the owner has been notified, in
501 writing, by the department or its assignee that the option will not be exercised. The option shall
502 be exercised only by written notice signed by a designated representative of the department or its

503 assignee, mailed to the owner by certified mail at the address specified in the notice of intention
504 and recorded with the registry of deeds or the registry district of the land court of the county in
505 which the affected real property is located, within the option period. If the purchase option has
506 been assigned to a qualified developer selected pursuant to said items 7004-0050 and 7004-0051,
507 the written notice shall state the name and address of the developer and the terms and conditions
508 of the assignment.

509 Before any sale or transfer or other disposition of housing that the department has not
510 previously exercised an option to purchase, an owner shall offer the department or its assignee,
511 who shall be a qualified developer selected pursuant to said items 7004-0050 and 7004-0051, a
512 first refusal option to meet a bona fide offer to purchase the units. The owner shall provide to the
513 department or its assignee written notice by regular and certified mail, return receipt requested,
514 of the owner's intention to sell, transfer or otherwise dispose of the property. The department or
515 its assignee shall hold the first refusal option for the first 120 days after receipt of the owner's
516 written notice of intent to transfer the property. Failure to respond to the written notice of intent
517 to sell, transfer or otherwise dispose of the property within the 120 day period shall constitute a
518 waiver of the right of first refusal by the department. No sale, transfer or other disposition of the
519 property shall be completed until either this first refusal option period has expired or the owner
520 has been notified in writing by the department or its assignee that the option will not be
521 exercised. The option shall be exercised only by written notice signed by a designated
522 representative of the department or its assignee, mailed to the owner by certified mail at the
523 address specified in the notice of intention and recorded with the registry of deeds or the registry
524 district of the land court of the county in which the affected real property is located, within the
525 option period. If the first refusal option has been assigned to a qualified developer selected

526 pursuant to said items 7004-0050 and 7004-0051, the written notice shall state the name and
527 address of the developer and the terms and conditions of the assignment.

528 An affidavit before a notary public that the notice of intent was mailed on behalf of an
529 owner shall conclusively establish the manner and time of the giving of notice to sell, transfer or
530 otherwise dispose of the property. The affidavit and notice that the option shall not be exercised
531 shall be recorded with the registry of deeds or the registry district of the land court of the county
532 in which the affected real property is located. Each notice of intention, notice of exercise of the
533 purchase option or first refusal option and notice that the purchase option or first refusal option
534 shall not be exercised shall contain the name of the recorded owner of the property and a
535 reasonable description of the premises to be sold or converted. Each affidavit signed before a
536 notary public shall have attached to it a copy of the notice of intention to which it relates. The
537 notices of intention shall be mailed to the relevant parties in the care of the keeper of records for
538 the party in question. Upon notifying the owner in writing of its intention to exercise its purchase
539 option or first refusal option during the 120 day period, the department or its assignee shall have
540 an additional 120 days, beginning on the date the purchase option period or first refusal option
541 period expires, to purchase the units. Those time periods may be extended by mutual agreement
542 between the department or its assignee and the owner of the property. Any extension agreed
543 upon shall be recorded in the registry of deeds or the registry district of the land court of the
544 county in which the affected real property is located. Within a reasonable time after requesting
545 an extension, the owner shall make available to the department or its assignee any information
546 that is reasonably necessary for the department to exercise its option.

547 SECTION 32. Notwithstanding any general or special law to the contrary, not later than
548 July 1, 2018, and annually thereafter, the director of housing and community development shall

549 submit to the secretary of administration and finance, the house and senate committees on ways
550 and means, the joint committee on housing and the house and senate committees on bonding,
551 capital expenditures and state assets a capital plan for fiscal years 2019 to 2023, inclusive, for the
552 capital funds authorized in section 2.

553 SECTION 33. Notwithstanding any general or special law to the contrary, a private entity
554 engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or
555 redevelopment project receiving funds pursuant to this act shall properly classify individuals
556 employed on the project and shall comply with all laws concerning workers' compensation
557 insurance coverage, unemployment insurance, social security taxes and income taxes with
558 respect to all such employees. All construction contractors engaged by an entity on any such
559 project shall furnish documentation to the appointing authority showing that all employees
560 employed on the project have hospitalization and medical benefits that meet the minimum
561 requirements of the connector established in chapter 176Q of the General Laws.

562 SECTION 34. Notwithstanding any general or special law to the contrary, the
563 unexpended and unencumbered balances of the bond-funded authorizations in the following
564 accounts shall cease to be available for expenditure 90 days after the effective date of this act:
565 3000-0400, 7004-0039, 7004-0040, 7004-0041, 7004-0042, 7004-0043, 7004-0044, 7004-0045,
566 7004-0046, 7004-0047, 7004-0048.

567 SECTION 34A. Section 3 of chapter 121D of the General laws, as appearing in the 2016
568 Official Edition, is hereby amended by adding the following subsection:- "(f) Funds provided for
569 the fund may be used to write down interest rates and related costs for a program for first-time
570 homebuyers with eligible student debt, defined in this section as a person who owes 'qualified

571 educational loan' indebtedness, as defined in section 19A of chapter 15A of the General Laws, of
572 property located in areas the department of housing and community development has determined
573 to be weak markets as indicated by a high concentration of assisted rental housing, a low rate of
574 homeownership, low median family income, low average sales prices, high levels of unpaid
575 property taxes or vacant or abandoned buildings, including gateway municipalities, as defined in
576 section 3A of chapter 23A of the General Laws, administered by the Massachusetts Housing
577 Partnership Fund Board. Such person shall not receive said funds if the person is delinquent on
578 any qualified educational loan payment.

579 SECTION 34B. Subsection (b) of section 3 of chapter 121F, as so appearing, is hereby
580 further amended by adding the following clause:- (8) notwithstanding the restrictions in this
581 chapter, to write down interest rates and related costs for a program for first-time homebuyers
582 with eligible student debt, defined in this subsection as a person who owes 'qualified educational
583 loan' indebtedness, as defined in section 19A of chapter 15A of the General Laws, of property
584 located in property located in areas the department of housing and community development has
585 determined to be weak markets as indicated by a high concentration of assisted rental housing, a
586 low rate of homeownership, low median family income, low average sales prices, high levels of
587 unpaid property taxes or vacant or abandoned buildings, including gateway municipalities, as
588 defined in section 3A of chapter 23A of the General Laws. Such person shall not receive said
589 funds if the person is delinquent on any qualified educational loan payment.

590 SECTION 34C. Section 13 of chapter 30A of the General Laws, as appearing in the 2016
591 Official Edition, is hereby amended by striking out, in lines 42-81, inclusive, the fourth
592 paragraph.

593 SECTION 34D. Section 61 of chapter 112 of the General Laws, as appearing in the 2016
594 Official Edition, is hereby amended by striking out, in lines 82-123, inclusive, the fifth
595 paragraph.

596 SECTION 35. Sections 9, 10, 14 and 15 shall be effective for tax years beginning on or
597 after January 1, 2018.