

HOUSE No. 4536

The Commonwealth of Massachusetts

The committee of conference on the disagreeing votes of the two branches with reference to the Senate amendment (striking out all after the enacting clause and inserting in place thereof the text contained in Senate document numbered 2386) of the House Bill financing the production and preservation of housing for low and moderate income residents (House, No. 4134), reports recommending passage of the accompanying bill (House, No. 4536) [Bond Issue: \$1,800,000,000.00]. May 23, 2018.

Kevin G. Honan	Joseph A. Boncore
Joseph W. McGonagle, Jr.	John F. Keenan
Bradford Hill	Patrick M. O'Connor

HOUSE No. 4536

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 3000-0410. 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 quasi-public or non-profit entities to administer the program, including, but
19 not limited to, the Community Economic Development Assistance Corporation established in
20 chapter 40H of the General Laws; provided further, that the department may develop or finance
21 eligible facilities, may enter into subcontracts with nonprofit organizations established pursuant
22 to chapter 180 of the General Laws or organizations in which such nonprofit corporations have a
23 controlling financial or managerial interest; provided further, that the department shall consider:
24 (i) a balanced geographic plan for such eligible facilities when issuing the funding commitments;
25 and (ii) funding large group and school age child care centers, as defined by the department of
26 early education and care; provided further, that the services made available pursuant to such
27 grants shall not be construed as a right or entitlement for any individual or class of persons to the
28 benefits financing; and provided further, that no expenditure shall be made from this item
29 without the prior approval of the secretary of administration and finance; and provided further,
30 that eligibility shall be established by regulations promulgated by the department pursuant to
31 chapter 30A for the General Laws for the implementation, administration and enforcement of
32 this item..... \$45,000,000

33 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

34 Department of Housing and Community Development

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 improving accessibility or to allow those individuals to live
38 independently in the community or for construction costs to allow for the building of an
39 accessory unit, which shall mean a unit constructed as an additional dwelling unit separate from
40 the primary dwelling unit, for a person with disabilities or an elder needing assistance with
41 activities of daily living; provided, that not more than 10 per cent shall be used for grants to
42 assist landlords seeking to make modifications for a current or prospective tenant with
43 disabilities, who but for such a grant would be unable to maintain or secure permanent housing;
44 provided further, that the secretary of housing and economic development and the secretary of
45 health and human services shall take all steps necessary to minimize the program's
46 administrative costs; provided further, that the program shall be available pursuant to income
47 eligibility standards approved by the secretary of health and human services; provided further,
48 that the repayment of the loans may be delayed until the sale of the principal residence by the
49 homeowner; provided further, that persons residing in a development covered by section 4 of
50 chapter 151B of the General Laws shall not be eligible for the program unless the owner can
51 show that the modification is an undue financial burden or that the landlord is participating in the
52 grant program to maintain or secure housing for a tenant with disabilities; provided further, that
53 the secretary of health and human services shall consult with the Massachusetts commission for
54 the blind and the Massachusetts rehabilitation commission to develop the rules, regulations and
55 guidelines for the program; provided further, that nothing in this item shall give rise to
56 enforceable legal rights in any party or an enforceable entitlement to services; and provided
57 further, that the secretary of health and human services shall submit quarterly reports to the

58 house and senate committees on ways and means, the house and senate committees on bonding,
59 capital expenditures and state assets and the joint committee on housing detailing the status of
60 the program established in this item.....\$60,000,000

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, through contracts with the
65 Massachusetts Development Finance Agency established in chapter 23G of the General Laws,
66 the Community Economic Development Assistance Corporation established in chapter 40H of
67 the General Laws, operating agencies established pursuant to chapter 121B of the General Laws
68 and the Massachusetts Housing Finance Agency established by chapter 708 of the acts of 1966;
69 provided further, that those agencies may develop or finance community-based housing or
70 supportive housing or may enter into subcontracts with nonprofit organizations, established
71 pursuant to chapter 180 of the General Laws, or organizations in which such nonprofit
72 corporations have a controlling financial or managerial interest or for-profit organizations;
73 provided, however, that preference for the subcontracts shall be given to nonprofit organizations;
74 provided further, that the department shall consider a balanced geographic plan for such
75 community-based housing or supportive housing when issuing the loans; provided further, that
76 the department shall consider development of a balanced range of housing models by prioritizing
77 funds for integrated housing as defined by the appropriate housing and service agencies
78 including, but not limited to, the department of housing and community development, the
79 Massachusetts rehabilitation commission, the department of mental health and the department of
80 developmental services, in consultation with relevant and interested clients, clients' families,

81 advocates and other parties as necessary; provided further, that loans issued pursuant to this item
82 shall: (i) not exceed 50 per cent of the financing of the total development costs; (ii) not be issued
83 unless a contract or agreement for the use of the property for such housing provides for
84 repayment to the commonwealth at the time of disposition of the property in an amount equal to
85 the commonwealth's proportional contribution from the Facilities Consolidation Fund to the cost
86 of the development through payments made by the state agency making the contract; (iii) not be
87 issued unless the contract or agreement for the use of the property for the purposes of such
88 housing provides for the recording of a deed restriction in the registry of deeds or the registry
89 district of the land court of the county in which the real property is located, for the benefit of the
90 departments, running with the land, that the land shall be used to provide community-based
91 housing or supportive housing for eligible individuals as determined by the department of mental
92 health and the department of developmental services; provided, however, that the property shall
93 not be released from such restriction until the balance of the principal and interest for the loan
94 has been repaid in full or until a mortgage foreclosure deed has been recorded; (iv) be issued for
95 a term not to exceed 30 years, during which time repayment may be deferred by the loan issuing
96 authority; provided, however, that if on the date the loans become due and payable to the
97 commonwealth, an outstanding balance exists and if, on such date, the department, in
98 consultation with the executive office of health and human services, determines that there still
99 exists a need for such housing and that there is continued funding available for the provision of
100 services to such development, the department may, by agreement with the owner of the
101 development, extend the loans for such periods, each period not to exceed 10 years, as the
102 department shall determine; provided further, that the project shall remain affordable housing for
103 the duration of the loan term, including any extension thereof, as set forth in the contract or

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

127 further, that the housing services made available pursuant to such loans shall not be construed as
128 a right or an entitlement for any individual or class of persons to the benefits of the pilot
129 program; provided further, that eligibility for the pilot program shall be established by
130 regulations promulgated by the department; and provided further, that the department shall
131 promulgate regulations under chapter 30A of the General Laws to implement, administer and
132 enforce this item, consistent with the facilities consolidation plan prepared by the secretary of
133 health and human services and after consultation with the secretary and the commissioner of
134 capital asset management and maintenance..... \$65,000,000

135 7004-0051. For state financial assistance in the form of loans for the development and
136 redevelopment of community-based housing or supportive housing for persons with disabilities
137 who are institutionalized or at risk of being institutionalized and who are not eligible for housing
138 developed pursuant to item 7004-0050; provided, that the loan program shall be administered by
139 the department of housing and community development, through contracts with the
140 Massachusetts Development Finance Agency established in chapter 23G of the General Laws,
141 the Community Economic Development Assistance Corporation established in chapter 40H of
142 the General Laws, operating agencies established pursuant to chapter 121B of the General Laws
143 and the Massachusetts Housing Finance Agency established in chapter 708 of the acts of 1966;
144 provided further, that the agencies may develop or finance the community-based housing or
145 supportive housing or may enter into subcontracts with nonprofit organizations established
146 pursuant to chapter 180 of the General Laws or organizations in which such nonprofit
147 corporations have a controlling financial or managerial interest or for-profit organizations;
148 provided, however, that preference for such subcontracts shall be given to nonprofit
149 organizations; provided further, that the department shall consider a balanced geographic plan

150 for such community-based housing or supportive housing when issuing the loans; provided
151 further, that all housing developed with these funds shall be integrated housing as defined by the
152 appropriate state housing and service agencies including, but not limited to, the department, the
153 executive office of health and human services and the Massachusetts rehabilitation commission
154 in consultation with relevant and interested clients, clients' families, advocates and other parties
155 as necessary; provided further, that loans issued pursuant to this item shall: (i) not exceed 50 per
156 cent of the financing of the total development costs; (ii) not be issued unless a contract or
157 agreement for the use of the property for the purposes of such housing provides for repayment to
158 the commonwealth at the time of disposition of the property in an amount equal to the
159 commonwealth's proportional contribution from community based housing to the cost of the
160 development through payments made by the state agency making the contract; (iii) not be issued
161 unless a contract or agreement for the use of the property for the purposes of such community-
162 based housing or supportive housing provides for the recording of a deed restriction in the
163 registry of deeds or the registry district of the land court of the county in which the real property
164 is located, for the benefit of the department, running with the land, that the land be used to
165 provide community-based housing or supportive housing for eligible individuals as determined
166 by the Massachusetts rehabilitation commission or other agency of the executive office of health
167 and human services; provided, however, that the property shall not be released from such
168 restrictions until the balance of the principal and interest for the loan has been repaid in full or
169 until a mortgage foreclosure deed has been recorded; (iv) be issued for a term not to exceed 30
170 years during which time repayment may be deferred by the loan issuing authority; provided,
171 however, that if on the date the loans become due and payable to the commonwealth, an
172 outstanding balance exists and if, on that date, the department, in consultation with the executive

173 office of health and human services, determines that there still exists a need for such housing, the
174 department may, by agreement with the owner of the development, extend the loans for such
175 periods, each period not to exceed 10 years, as the department shall determine; provided,
176 however, that the project shall continue to remain affordable housing for the duration of the loan
177 term, including any extensions thereof, as set forth in the contract or agreement entered into by
178 the department; provided, however, that in the event the terms of repayment detailed in this item
179 would cause a project authorized by this item to become ineligible to receive federal funds,
180 which would otherwise assist in the development of that project, the department may waive the
181 terms of repayment which would cause the project to become ineligible; and (v) have interest
182 rates fixed at a rate, to be determined by the department, in consultation with the state treasurer;
183 provided further, the loans shall be provided only for projects conforming to this item; provided
184 further, that the loans shall be issued in accordance with an enhancing community-based services
185 plan prepared by the secretary of health and human services, in consultation with the department
186 and filed with the secretary of administration and finance, the house and senate committees on
187 ways and means, the house and senate committees on bonding, capital expenditures and state
188 assets and the joint committee on housing; provided further, that no expenditure shall be made
189 from this item without the prior approval of the secretary of administration and finance; and
190 provided further, that the department shall promulgate regulations pursuant to chapter 30A of the
191 General Laws for the implementation, administration and enforcement of this item, consistent
192 with the enhancing community-based services plan prepared by the secretary of health and
193 human services after consultation with the secretary and the commissioner of capital asset
194 management and
195 maintenance..... \$55,000,000

196 7004-0052. For the capitalization of the Affordable Housing Trust Fund established in
197 section 2 of chapter 121D of the General Laws, provided, that not more than \$50,000,000 shall
198 be provided to rehabilitate 1-unit to 4-unit housing in gateway cities, and other similarly-situated
199 municipalities as determined by the department of housing and community development, that
200 have been cited for building or sanitary code violations or that are subject to cancellation of
201 commercial property insurance due to substandard property
202 conditions..... \$400,000,000

203 7004-0053. For state financial assistance in the form of grants or loans for the Housing
204 Stabilization and Investment Trust Fund established in section 2 of chapter 121F of the General
205 Laws and awarded only pursuant to the criteria established in said section 2 of said chapter 121F;
206 provided, that not less than 25 per cent shall be used to fund projects which preserve and produce
207 housing for families and individuals with incomes of not more than 30 per cent of the area
208 median income, as defined by the United States Department of Housing and Urban
209 Development; provided further, that if the department of housing and community development
210 has not spent the amount authorized under the bond cap for this program, at the end of each year
211 following the effective date of this act, the department may award the remaining funds to
212 projects that serve households earning more than 30 per cent of the area median income, as
213 defined by the United States Department of Housing and Urban Development; provided further,
214 that not less than \$5,000,000 shall be expended for the production or preservation of housing for
215 people age 60 or over; provided further, that the department may expend an amount not to
216 exceed \$10,000,000 to stabilize and promote reinvestment, through homeownership, in areas that
217 the department has determined are weak markets as indicated by a high concentration of assisted
218 rental housing, low-rate of homeownership, low median family income, low average sales prices,

219 high levels of unpaid property taxes or vacant or abandoned buildings, by: (i) waiving the
220 requirements of this item and said chapter 121F; and (ii) subsidizing the purchase price,
221 borrowing costs or costs of renovation or new construction of 1 to 6 unit residential buildings for
222 a person who owns the property and occupies any portion of the property as the person's primary
223 residence for not less than 5 years from the date of purchase; provided further, that if more than
224 5 years, but less than 10 years, from the date the owner takes ownership of the property, the
225 owner sells any of the owner's interest in the property, the new owner shall occupy 1 unit in the
226 property for a period equal to the difference between 10 years and the amount of time the first
227 owner occupied the property as the owner's primary residence; provided further, that if the
228 owner fails to so occupy a unit on the property or ceases to be the owner of the property as
229 required by this item, the department shall recoup the value of any subsidy provided to the
230 owner; and provided further, that 10 years after the owner takes possession of the property
231 pursuant to this item, all restrictions on the property established by this item shall be
232 void.....\$150,000,000

233 7004-0054. For state financial assistance in the form of grants for projects undertaken pursuant
234 to clause (j) of section 26 of chapter 121B of the General Laws; provided, that contracts entered
235 into by the department of housing and community development for those projects may include,
236 but shall not be limited to, projects providing for renovation, remodeling, reconstruction,
237 redevelopment and hazardous material abatement, including asbestos and lead paint, and for
238 compliance with state codes and laws and for adaptations necessary for compliance with the
239 Americans with Disabilities Act of 1990, the provision of day care facilities, learning centers and
240 teen service centers and the adaptation of units for families and persons with disabilities;
241 provided further, that priority shall be given to projects undertaken for the purpose of compliance

242 with state codes and laws or for other purposes related to the health and safety of residents;
243 provided further, that funds may be expended from this item to make such modifications to
244 congregate housing units as may be necessary to increase the occupancy rate of those units;
245 provided further, that the department shall continue to fund a program to provide predictable
246 funds to be used flexibly by housing authorities for capital improvements to extend the useful
247 life of state-assisted public housing; and provided further, that not less than 25 per cent of the
248 funds made available in this item shall be used to fund projects which preserve or produce
249 housing for families and individuals with incomes of not more than 30 per cent of the area
250 median income, as defined by the United States Department of Housing and Urban
251 Development..... \$600,000,000

252 7004-0055. For state financial assistance in the form of grants for a 5-year demonstration
253 program, administered by the department of housing and community development to
254 demonstrate cost effective revitalization methods for state-aided family and elderly-disabled
255 public housing that seek to reduce the need for future state modernization funding; provided, that
256 housing authorities with state-aided housing developments pursuant to chapter 200 of the acts of
257 1948, chapter 667 of the acts of 1954, chapter 705 of the acts of 1966, chapter 689 of the acts of
258 1974 or chapter 167 of the acts of 1987 shall be eligible to participate in the demonstration
259 program; provided further, that the department shall establish an advisory committee, which shall
260 consist of: the director of housing and community development or a designee; 3 persons to be
261 appointed by the governor, 1 of whom shall be recommended by the Citizens' Housing and
262 Planning Association, Inc., 1 of who shall be recommended by the Massachusetts chapter of the
263 National Association of Housing and Redevelopment Officials and 1 of whom shall be
264 recommended by the Massachusetts Union of Public Housing Tenants, Inc.; and 3 persons to be

265 selected by the department to provide advice and recommendations to the department regarding
266 the program; provided further, that the department may exempt a recipient of demonstration
267 grants from the requirements of chapters 7C and 121B of the General Laws upon a showing by
268 the recipient that such exemptions are necessary to accomplish the effective revitalization of
269 public housing and shall not adversely affect public housing residents or applicants of any
270 income who are otherwise eligible; provided further, that the department may provide to
271 recipients of demonstration grants such additional regulatory relief as may be required to further
272 the objectives of the demonstration program; provided further, that funds shall be made available
273 for technical assistance provided by the Community Economic Development Assistance
274 Corporation established in chapter 40H of the General Laws or the Massachusetts Housing
275 Partnership Fund established in section 35 of chapter 405 of the acts of 1985 to recipients of
276 demonstration grants and for evaluation of the demonstration; provided further, that the
277 department's regulations for the implementation, administration and enforcement of this item
278 shall: (i) require that selected housing authorities demonstrate innovative and replicable solutions
279 to the management, marketing or capital needs of state-aided family and elderly-disabled public
280 housing developments and contribute to the continued viability of the housing as a resource for
281 public housing eligible residents; (ii) encourage proposals that demonstrate regional
282 collaborations among housing authorities; and (iii) encourage proposals that propose new
283 affordable housing units on municipally-owned land, underutilized public housing sites or other
284 land owned by the housing authority; and provided further, that the department shall annually
285 report to the house and senate committees on ways and means, the house and senate committees
286 on bonding, capital expenditures and state assets and the joint committee on housing on the
287 progress of the demonstration program..... \$50,000,000

288 7004-0056. For state financial assistance in the form of grants or loans for the Housing
289 Innovations Trust Fund established in section 2 of chapter 121E of the General Laws; provided,
290 that not less than 25 per cent of the funds made available in this item shall be used to fund
291 projects which preserve and produce housing for families and individuals with incomes of not
292 more than 30 per cent of the area median income, as defined by the United States Department of
293 Housing and Urban Development; and provided further, that the department may expend
294 \$10,000,000 or more from this item for the production and preservation of housing for people in
295 recovery from substance use disorder..... \$100,000,000

296 7004-0057. For state financial assistance in the form of grants or loans for the Capital
297 Improvement and Preservation Trust Fund established in section 2 of chapter 121G of the
298 General Laws for expiring use properties..... \$125,000,000

299 7004-0058. To provide financial support for developing residential housing units and
300 mixed use developments that include both residential housing units and commercial or retail
301 space and are located within neighborhood commercial areas including, but not limited to, those
302 areas designated as main street areas by providing necessary financial assistance to the
303 commercial components of these projects; provided, that the developments may include projects
304 which have residential units above commercial space and shall be located in areas characterized
305 by a predominance of commercial land uses, a high daytime or business population or a high
306 concentration of daytime traffic and parking; provided further, that the financial subsidy for the
307 commercial portion of a project shall not exceed the lower of 25 per cent of the total
308 development cost of the commercial portion of the project or \$1,000,000, provided further, that
309 \$15,000,000 shall be used to fund transit-oriented housing developments in proximity to public
310 transit nodes; provided further, that eligible activities for transit-oriented development shall

311 include, but not be limited to, planning grants, financing subsidies and environmental
312 assessment; and provided further, that not less than 50 per cent of the beneficiaries of housing in
313 projects assisted by this item shall be persons whose income is not more than 80 per cent of the
314 area median income, as defined by the United States Department of Housing and Urban
315 Development..... \$50,000,000

316 7004-0060. For the Workforce Housing Fund administered by the Massachusetts
317 Housing Finance
318 Agency.....\$100,000,000

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

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

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

330 SECTION 6. Said section 6 of said chapter 62, is hereby further amended by striking out,
331 in line 287, as so appearing, the figure “2019” and inserting in place thereof the following
332 figure:- 2024.

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

336 SECTION 8. Section 6I of said chapter 62, as so appearing, is hereby amended by
337 striking out, in lines 112 to 115, inclusive, the words “; provided further, that no credit shall be
338 authorized related to a project that receives state financial assistance authorized under section 7A
339 of chapter 244 of the acts of 2002.”

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

343 SECTION 10. Section 6J of said chapter 62, as so appearing, is hereby amended by
344 striking out, in line 41, the figure “\$50,000,000” and inserting in place thereof the following
345 figure:- \$55,000,000.

346 SECTION 11. Subsection (c) of section 6M of said chapter 62, as appearing in section 29
347 of chapter 238 of the acts of 2012, is hereby amended by striking out clause (4) and inserting in
348 place thereof the following clause:-

349 (4) no community partner shall receive a community investment tax credit allocation of
350 less than \$50,000 or more than 2 1/2 per cent of the total credits available in any 1 taxable year;
351 provided, however, that the department may waive this cap if it determines that it would be
352 unable to otherwise fully allocate the credits available during that calendar year to eligible
353 community partners; provided, however, that no community partner shall receive a subsequent

354 allocation unless the department has determined that it has made satisfactory progress toward
355 utilizing any prior allocation.

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

358 SECTION 12A. Subsection (i) of said section 6M of said chapter 62, as so appearing, is
359 hereby amended by striking out the second sentence and inserting in place thereof the following
360 sentence:- The total value of the tax credits authorized in this section, together with those
361 authorized in section 38EE of chapter 63, shall not exceed: (i) \$3,000,000 in taxable year 2014;
362 (ii) \$6,000,000 in each of taxable years 2015 to 2018, inclusive; (iii) \$8,000,000 in each of
363 taxable years 2019 and 2020; (iv) \$10,000,000 in each of taxable years 2021 and 2022; and (v)
364 \$12,000,000 in each of taxable years 2023 to 2025, inclusive.

365 SECTION 13 Section 31H of chapter 63 of the General Laws, as so appearing in the
366 2016 Official Edition, is hereby amended by inserting after the word “project”, in line 74, the
367 following words:- ; and (iv) \$5,000,000 to preserve and improve existing state or federally-
368 assisted housing.

369 SECTION 14. Said section 31H of said chapter 63, as so appearing, is hereby further
370 amended by striking out, in lines 114 to 117, inclusive, the words “; provided further, that no
371 credit shall be authorized related to a project that receives state financial assistance authorized
372 under section 7A of chapter 244 of the acts of 2002.”

373 SECTION 15. Section 38Q of said chapter 63, as so appearing, is hereby amended by
374 striking out, in line 3, the figure “2018” and inserting in place thereof the following figure:-
375 2023.

376 SECTION 16. Said section 38Q of said chapter 63, as so appearing, is hereby further
377 amended by striking out, in line 9, the figure “2019” and inserting in place thereof the following
378 figure:- 2024.

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

382 SECTION 18. Section 38R of said chapter 63, as so appearing, is hereby amended by
383 striking out, in line 40, the figure “\$50,000,000” and inserting in place thereof the following
384 figure:- \$55,000,000.

385 SECTION 19. Subsection (c) of section 38EE of said chapter 63, as so appearing, is
386 hereby amended by striking out clause (4) and inserting in place thereof the following clause:-

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

394 SECTION 20. Subsection (e) of said section 38EE of said chapter 63, as so appearing, is
395 hereby amended by striking out the first sentence.

396 SECTION 21. Subsection (i) of said section 38EE of said chapter 63, as so appearing, is
397 hereby amended by striking out the second sentence and inserting in place thereof the following
398 sentence:- The total value of the tax credits authorized in this section, together with those
399 authorized in section 6M of chapter 62, shall not exceed: (i) \$3,000,000 in taxable year 2014; (ii)
400 \$6,000,000 in each of taxable years 2015 to 2018, inclusive; (iii) \$8,000,000 in each of taxable
401 years 2019 and 2020; (iv) \$10,000,000 in each of taxable years 2021 and 2022; and (v)
402 \$12,000,000 in each of taxable years 2023 to 2025, inclusive.

403 SECTION 22. Subsection (a) of section 2 of chapter 121G of the General Laws, as so
404 appearing, is hereby amended by adding the following sentence:- An eligible property that has
405 been acquired for the purpose of preserving or improving the property shall not lose eligibility
406 due to actions by the purchaser to renew or extend state or federal contracts or subsidies.

407 SECTION 23. Section 4 of chapter 708 of the acts of 1966, as most recently amended by
408 section 6 of chapter 239 of the acts of 1998, is hereby further amended by adding the following
409 subsection:-

410 (aa) Take any and all actions necessary and appropriate, directly or through an affiliate or
411 subsidiary entity, (i) to provide contract administration services in or for any state of the United
412 States of America or the District of Columbia, in connection with any multifamily rental subsidy
413 program of the U.S. Department of Housing and Urban Development; (ii) to provide loan
414 servicing services with respect to 1-family to 4-family residential mortgage loans secured by
415 mortgages on real property located in any state of the United States or the District of Columbia,
416 provided the MHFA shall not enter into any agreement for such loan servicing unless the
417 majority of loans to be serviced are mortgage loans secured by mortgages on real property

418 located within the commonwealth; and (iii) to provide any loan servicing, master servicing,
419 mortgage insurance and other commercial services and products related to residential mortgage
420 loans in partnership with a governmental or quasi-governmental agency in any state or the
421 District of Columbia; in each case unless and to the extent prohibited by the laws of any such
422 state or the District of Columbia.

423 SECTION 24. Section 100 of chapter 142 of the acts of 2011, is hereby amended by
424 striking out the figure “2020”, inserted by section 14 of chapter 129 of the acts of 2013, and
425 inserting in place thereof the following figure:- 2025.

426 SECTION 25. Section 98 of chapter 238 of the acts of 2012 is hereby amended by
427 striking out the figure “2019” and inserting in place thereof the following figure:- 2025.

428 SECTION 26. Chapter 287 of the acts of 2014 is hereby amended by inserting after
429 section 124 the following section:-

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

431 SECTION 27. Section 125 of said chapter 287, as amended by section 65 of chapter 359
432 of the acts of 2014, is hereby further amended by striking out the words “46, 48, 56A, 61, 63 and
433 124” and inserting in place thereof the following words:- 56A and 124.

434 SECTION 28. Notwithstanding any general or special law to the contrary, the secretary
435 of housing and economic development and the secretary of administration and finance shall
436 jointly submit a report on the progress of all projects and expenditures related to the funds
437 available in this act or any outstanding authorizations from a prior authorization act for housing
438 projects that were undertaken by the executive office of housing and economic development or

439 any of its constituent agencies to the house and senate committees on ways and means, the house
440 and senate committees on bonding, capital expenditures and state assets and the joint committee
441 on housing. This report shall include, but not be limited to: (i) the address and the nature and
442 scope of the work for each project funded in this act; (ii) the total amount allocated for each
443 project, broken down by fiscal year during which the allocation occurred and the total estimated
444 cost of each project; (iii) the amount expended for the planning and design of each project up to
445 the time the report is filed; (iv) the amount expended on construction of each project up to the
446 time the report is filed; (v) the total amount currently expended on each project; (vi) a schedule
447 of life cycle standards for each completed project; (vii) the original estimated completion date of
448 each project; (viii) the current anticipated completion date of each project; and (ix) if the project
449 has been deauthorized, the reason for and date of the deauthorization. The information required
450 in this report shall be current as of 30 days before the submission of the report and the report
451 shall be submitted biannually for 6 years after the effective date of this act.

452 SECTION 29. To meet the expenditures necessary in carrying out section 2, the state
453 treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an
454 amount to be specified by the governor from time to time but not exceeding, in the aggregate,
455 \$1,800,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their
456 face, Housing Production, Preservation, Modification and Neighborhood Development Loan Act
457 of 2018, and shall be issued for a maximum term of years, not exceeding 30 years, as
458 recommended by the governor in a message to the general court dated April 24, 2017 under
459 section 3 of Article LXII of the Amendments to the Constitution; provided, however, that all
460 such bonds shall be payable not later than June 30, 2053. All interest and payments on account of
461 principal on such obligations shall be payable from the General Fund. Bonds and interest thereon

462 issued under the authority of this section shall, notwithstanding any other provision of this act, be
463 general obligations of the commonwealth. An amount not to exceed 2 per cent of the
464 authorizations may be expended by the department of housing and community development for
465 administrative costs directly attributable to the purposes of this act, including costs of clerical
466 and support personnel. The director of housing and community development shall file an annual
467 spending plan with the fiscal affairs division, the house and senate committees on ways and
468 means, the house and senate committees on bonding, capital expenditures and states assets and
469 the joint committee on housing which details, by subsidiary, all personnel costs and any
470 administrative costs charged to expenditures made pursuant to this act.

471 SECTION 30. Notwithstanding any general or special law to the contrary, not later than
472 120 days after the expiration of affordability restrictions on housing units assisted under items
473 7004-0050 and 7004-0051 of said section 2, the department of housing and community
474 development or its assignee, who shall be a qualified developer selected pursuant to the terms of
475 said items 7004-0050 and 7004-0051 under the guidelines of the department, shall have an
476 option to purchase any such housing units at their current appraised value, reduced by any
477 remaining obligation of the owner, upon the expiration of the affordability restrictions. The
478 department or its assignee shall only purchase or acquire such housing units to preserve or
479 provide affordable housing. The department or its assignee shall hold such purchase option for
480 the first 120 days after the expiration of the affordability restrictions. Failure to exercise the
481 purchase option within 120 days after the expiration of the affordability restriction shall
482 constitute a waiver of the purchase option by the department or its assignee. Not later than 30
483 days after the expiration of an affordability restriction, the owner and the department shall each
484 designate a professional in the field of multi-unit residential housing. Each professional shall

485 select an impartial appraiser. Not later than 60 days after the expiration of the affordability
486 restriction, the 2 impartial appraisers shall determine the current appraised value in accordance
487 with recognized professional standards. If there is a difference in the valuations, the valuations
488 shall be added together and divided by 2 to determine the current appraised value of the units. No
489 sale, transfer or other disposition of the property shall be completed until either the purchase
490 option period expires or the owner has been notified, in writing, by the department or its assignee
491 that the option will not be exercised. The option shall be exercised only by written notice signed
492 by a designated representative of the department or its assignee, mailed to the owner by certified
493 mail at the address specified in the notice of intention and recorded with the registry of deeds or
494 the registry district of the land court of the county in which the affected real property is located,
495 within the option period. If the purchase option has been assigned to a qualified developer
496 selected pursuant to said items 7004-0050 and 7004-0051 of said section 2, the written notice
497 shall state the name and address of the developer and the terms and conditions of the assignment.

498 Before any sale or transfer or other disposition of housing that the department has not
499 previously exercised an option to purchase, an owner shall offer the department or its assignee,
500 who shall be a qualified developer selected pursuant to said items 7004-0050 and 7004-0051 of
501 said section 2, a first refusal option to meet a bona fide offer to purchase the units. The owner
502 shall provide to the department or its assignee written notice by regular and certified mail, return
503 receipt requested, of the owner's intention to sell, transfer or otherwise dispose of the property.
504 The department or its assignee shall hold the first refusal option for the first 120 days after
505 receipt of the owner's written notice of intent to transfer the property. Failure to respond to the
506 written notice of intent to sell, transfer or otherwise dispose of the property within the 120 day
507 period shall constitute a waiver of the right of first refusal by the department. No sale, transfer or

508 other disposition of the property shall be completed until either this first refusal option period has
509 expired or the owner has been notified in writing by the department or its assignee that the option
510 will not be exercised. The option shall be exercised only by written notice signed by a designated
511 representative of the department or its assignee, mailed to the owner by certified mail at the
512 address specified in the notice of intention and recorded with the registry of deeds or the registry
513 district of the land court of the county in which the affected real property is located, within the
514 option period. If the first refusal option has been assigned to a qualified developer selected
515 pursuant to said items 7004-0050 and 7004-0051 of said section 2, the written notice shall state
516 the name and address of the developer and the terms and conditions of the assignment.

517 An affidavit before a notary public that the notice of intent was mailed on behalf of an
518 owner shall conclusively establish the manner and time of the giving of notice to sell, transfer or
519 otherwise dispose of the property. The affidavit and notice that the option shall not be exercised
520 shall be recorded with the registry of deeds or the registry district of the land court in the county
521 in which the affected real property is located. Each notice of intention, notice of exercise of the
522 purchase option or first refusal option and notice that the purchase option or first refusal option
523 shall not be exercised shall contain the name of the recorded owner of the property and a
524 reasonable description of the premises to be sold or converted. Each affidavit signed before a
525 notary public shall have attached to it a copy of the notice of intention to which it relates. The
526 notices of intention shall be mailed to the relevant parties in the care of the keeper of the records
527 for the party in question. Upon notifying the owner in writing of its intention to exercise its
528 purchase option or first refusal option during the 120 day period, the department or its assignee
529 shall have an additional 120 days, beginning on the date the purchase option period or first
530 refusal option period expires, to purchase the units. Those time periods may be extended by

531 mutual agreement between the department or its assignee and the owner of the property. Any
532 extension agreed upon shall be recorded in the registry of deeds or the registry district of the land
533 court of the county in which the affected real property is located. Within a reasonable time after
534 requesting an extension, the owner shall make available to the department or its assignee any
535 information that is reasonably necessary for the department to exercise its option.

536 SECTION 31. Notwithstanding any general or special law to the contrary, not later than
537 July 1, 2018, and annually thereafter, the director of housing and community development shall
538 submit to the secretary of administration and finance, the house and senate committees on ways
539 and means, the joint committee on housing and the house and senate committees on bonding,
540 capital expenditures and state assets a capital plan for fiscal years 2019 to 2023, inclusive, for the
541 capital funds authorized in section 2.

542 SECTION 32. Notwithstanding any general or special law to the contrary, a private entity
543 engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or
544 redevelopment project receiving funds pursuant to this act shall properly classify individuals
545 employed on the project and shall comply with all laws concerning workers' compensation
546 insurance coverage, unemployment insurance, social security taxes and income taxes with
547 respect to all such employees. All construction contractors engaged by an entity on any such
548 project shall furnish documentation to the appointing authority showing that all employees
549 employed on the project have hospitalization and medical benefits that meet the minimum
550 requirements of the connector established in chapter 176Q of the General Laws.

551 SECTION 33. (a) Notwithstanding any special or general law there shall be a special
552 commission, established to: (i) determine the level of need for additional adult disabled housing

553 in the commonwealth; (ii) create a portfolio accounting for all occupied and available housing
554 for individuals with disabilities; and (iii) determine best practices and costs to increase the stock
555 of adult disabled housing to meet the level of need.

556 (b) The special commission shall consist of: 2 members of the house of representatives, 1
557 of whom shall be appointed by the minority leader; 2 members of the senate, 1 of whom shall be
558 appointed by the minority leader; the secretary of housing and economic development, or a
559 designee; the undersecretary of housing and community development, or a designee; the
560 commissioner of developmental services, or a designee; a representative of the Massachusetts
561 Housing Partnership; a representative of the Citizens' Housing and Planning Association; a
562 representative of the Arc of Massachusetts; 2 parents or guardians of adult disabled children; 2
563 representatives from local housing authorities who shall be appointed by the secretary of the
564 department of housing and economic development; and a representative of the Massachusetts
565 developmental disabilities council. The first meeting of the commission shall take place not later
566 than December 1, 2018.

567 (c) The special commission shall submit its recommendations, together with drafts of
568 legislation necessary to carry those recommendations into effect, by filing the same with the
569 clerks of the senate and house of representatives, and the chairs of the joint committee on mental
570 health and substance abuse not later than July 1, 2019.

571 SECTION 34. Notwithstanding any general or special law to the contrary, the
572 unexpended and unencumbered balances of the bond-funded authorizations in the following
573 accounts shall cease to be available for expenditure 180 days after the effective date of this act:

574 3000-0400, 7004-0039, 7004-0040, 7004-0041, 7004-0042, 7004-0043, 7004-0044, 7004-0045,
575 7004-0046, 7004-0047, 7004-0048.

576 SECTION 35. Notwithstanding any general or special law to the contrary, the bonds that
577 the state treasurer may issue pursuant to section 2 shall be issued for terms not to exceed 30
578 years. All such bonds shall be payable not later than June 30, 2053, as recommended by the
579 governor in a message to the general court dated April 24, 2017, under section 3 of Article LXII
580 of the Amendments to the Constitution.

581 SECTION 36. Sections 10 and 15 shall be effective for tax years beginning on or after
582 January 1, 2018.

583 SECTION 37. Sections 11, 12, 13, 17, 18 and 26 shall be effective for tax years
584 beginning on or after January 1, 2018.