

SENATE No. 2310

Senate, July 24, 2014– Text of the Senate amendment to the House Bill relative to local housing authorities (House, No. 4316) (being the text of Senate, No. 2292, printed as amended)

The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

1 SECTION 1. Section 1 of chapter 121B of the General Laws, as appearing in the 2012
2 Official Edition, is hereby amended by inserting after the definition of “Substandard area” the
3 following definition:-

4 “Tenant member”, a member of the board of the housing authority who is directly
5 assisted by that housing authority pursuant to this chapter.

6 SECTION 2. The first paragraph of section 5 of said chapter 121B, as so appearing, is
7 hereby amended by adding the following sentence:- Every member of a housing or
8 redevelopment authority shall be a fiduciary of the housing or redevelopment authority.

9 SECTION 3. Said section 5 of said chapter 121B, as so appearing, is hereby further
10 amended by striking out, in line 8, the word “four” and inserting in place thereof the following
11 figure:- 3.

12 SECTION 4. Said section 5 of said chapter 121B, as so appearing, is hereby further
13 amended by striking out, in line 11, the word “years,” and inserting in place thereof the
14 following words:- years and.

15 SECTION 5. Said section 5 of said chapter 121B, as so appearing, is hereby further
16 amended by striking out, in lines 12 and 13, the words “, and the one receiving the next highest
17 number of votes shall serve for one year”.

18 SECTION 6. Said section 5 of said chapter 121B, as so appearing, is hereby further
19 amended by adding the following paragraph:-

20 The department shall promulgate regulations establishing election procedures for tenants
21 to elect a tenant as a member of the housing authority in the town; provided, however, that 1
22 member of the housing authority board shall be a tenant. The department may provide
23 regulations creating waiver of this section if federal law requires the town to maintain a tenant
24 member as 1 of the 5 members.

25 SECTION 7. Said chapter 121B is hereby further amended by inserting after section 5 the
26 following section:-

27 Section 5A. The department shall establish and implement a comprehensive training
28 program for members of a housing or redevelopment authority. The training program shall be
29 developed by the department in consultation with representatives of local housing authorities,
30 municipal officials, public housing residents, public housing industry professional organizations
31 and relevant state agencies.

32 The department shall provide instructions and training to members on the proper
33 management of a housing or redevelopment authority. The instructions and training shall
34 include, but not be limited to, the following laws and topics: (i) the open meeting law established
35 pursuant to sections 18 to 25, inclusive of chapter 30A; (ii) the public records law established
36 pursuant to chapter 66; (iii) the conflict of interest law established pursuant to chapter 268A; (iv)

37 the uniform procurement act established pursuant to chapter 30B; (v) state finance provisions
38 established pursuant to chapter 29; (vi) fraud prevention; (vii) fiduciary responsibilities; (viii)
39 fair housing laws; (ix) tenant occupancy and tenant participation policies; (x) the laws
40 prohibiting discrimination in publicly assisted housing established pursuant to clauses 6 to 7B,
41 inclusive, of section 4 of chapter 151B; and (xi) best practices relating to the general inspection,
42 maintenance and repair of existing units and capital improvements in public housing. The
43 department may consult with the attorney general and the inspector general in developing
44 instructions and training programs pursuant to this section.

45 The department shall further provide independent technical assistance training to tenant
46 members. The department shall develop the training with the goal of enabling tenant members to
47 participate fully in the oversight of the housing authority's operation and capital planning. The
48 department shall permit tenants and local tenant organizations who are not members to attend
49 technical assistance training.

50 Upon appointment and reappointment or election and reelection, all members shall
51 complete a training program, as developed by the department, within 90 days of assuming the
52 member's position. Members shall complete a training program every 2 years. Failure to
53 complete a training program within 90 days of assuming a position as a member or failure to
54 complete a training program every 2 years may constitute neglect of duty and that member may
55 be subject to removal proceedings pursuant to section 6.

56 SECTION 8. Said chapter 121B is hereby further amended by inserting after section 7 the
57 following section:-

58 Section 7A. The department shall promulgate guidelines for contracts to be executed by
59 the housing authority and an executive director. The department may review all contracts
60 between the housing authorities and executive directors and all terms for payments or monetary
61 remuneration relevant to state payments; provided, however, that the department shall review all
62 contracts and all terms for payments or monetary remuneration worth more than \$100,000 per
63 annum. The department may strike contract provisions that do not conform to the guidelines.

64 SECTION 9. Said chapter 121B is hereby further amended by inserting after section 26A
65 the following 3 sections:-

66 Section 26B. (a) A housing authority shall participate in the performance-based
67 monitoring program as established by the department in accordance with this section.

68 (b) The department shall establish and implement a performance-based monitoring
69 program and develop and provide uniform assessment standards for evaluating housing authority
70 operations. The assessment standards may incorporate public housing industry standards and
71 measures and federal monitoring standards as applicable. The monitoring program and
72 assessment standards established by the department shall be structured to enable the department
73 to identify housing authorities that are failing to meet the minimum standards and to develop and
74 implement corrective action plans and targeted assistance by the department to improve
75 performance to a satisfactory level.

76 (c) The monitoring program and assessment standards established by the department
77 under this section shall be developed and implemented by the department in consultation with
78 representatives of housing authorities, municipal officials, public housing residents and public
79 housing industry professional organizations. At a minimum, the department shall include

80 assessment standards for: (i) executive director and senior staff training; (ii) board member
81 training; (iii) senior staff certification in public procurement procedures; (iv) budget
82 management; (v) minimum experience and education qualifications for the hiring of executive
83 directors; (vi) maintenance and repair of existing units; (vii) vacant unit turnover procedures and
84 timelines ; (viii) capital project planning; (ix) resident services, including job training initiatives
85 and family self-sufficiency programming; and (x) participation in the capital assistance team
86 program established in section 26C.

87 (d) The department shall establish guidelines for designating a housing authority as
88 “chronically poor performing” under the monitoring program. The department shall develop
89 these guidelines in consultation with representatives of local housing authorities, municipal
90 officials, public housing residents and public housing industry professional organizations. If a
91 housing authority is designated as “chronically poor performing”, the department may appoint a
92 chief administrative and financial officer, CAFO, who shall be responsible for the overall
93 administration of the housing authority. The department shall appoint the CAFO for a term of not
94 more than 3 years. The CAFO shall be appointed solely on the basis of administrative and
95 executive qualifications and shall be a person especially fitted by education, training and
96 experience to perform the duties of the office. The CAFO shall not be required to be a resident of
97 the commonwealth or of the same municipality in which the housing authority to be administered
98 is located. The powers and duties of the CAFO shall include the following: (i) coordinating,
99 administering and supervising financial services and activities; (ii) implementing and
100 maintaining uniform systems, controls and procedures for financial activities; (iii) reviewing
101 proposed contracts and obligations; (iv) reviewing the spending plan for each department; and
102 (v) evaluating the housing authority’s current annual plan under section 28A and implementing a

103 written plan to meet the department's assessment standards established pursuant to this section,
104 including, but not limited to, merging with another housing authority or regional housing
105 authority. Annually not later than March 30, the CAFO shall submit a 4-year financial plan and a
106 5-year capital plan to the department that includes all capital needs of the housing authority. If
107 the department finds clear and convincing evidence of a demonstrable threat to tenant safety
108 attributable to the conduct of the executive director or financial misconduct or criminal activity
109 by the executive director, the department may terminate the employment of the executive
110 director.

111 Section 26C. (a) The department shall establish a program to provide capital,
112 maintenance and repair planning and technical assistance to housing authorities. The program
113 shall include 3 capital assistance teams, which shall aid housing authority members and
114 executive directors in developing and managing the housing authority's capital, maintenance and
115 repair program, including: (i) developing a capital, maintenance and repair plan as required in the
116 housing authority's annual plan under section 26B; (ii) preparing applications for special capital
117 project funds; (iii) implementing capital improvement, maintenance and repair projects; (iv)
118 managing updates to the department's capital planning, maintenance and repair systems; (v)
119 facilitating coordination among housing authorities to ensure efficient use of capital and
120 maintenance funds; and (vi) other functions related to capital planning, renovation, maintenance,
121 repair and redevelopment as the department considers necessary; provided, however, that the
122 capital assistance team shall provide services to the housing authority without requiring payment
123 for the services by the housing authority. The capital assistance teams shall be located in diverse
124 regions to be designated by the department.

125 (b) All housing authorities may participate in the program, except those housing
126 authorities with 500 or fewer state-aided units shall participate in the program. The department
127 may grant a waiver of this requirement to a housing authority that demonstrates that the
128 assistance is not necessary based upon the housing authority's performance under the
129 performance based monitoring and assessment standards of section 26B.

130 (c) Each capital assistance team shall be employed in offices at a host housing authority.
131 Not more than 3 host housing authorities shall be selected by the department. The department
132 shall develop and issue a request for proposals to solicit proposals from housing authorities to
133 serve as a host housing authority; provided, however, that the department shall select not more
134 than 1 host housing authority in each of the designated regions. The department shall promulgate
135 regulations to increase the salary of the host housing authority director.

136 (d) Each capital assistance team shall have a director to be hired by the host housing
137 authority in consultation with the department. The director shall hire project management and
138 capital planning staff to work directly with the team and housing authorities to provide the
139 technical assistance described; provided, however, that no staff member shall individually
140 oversee more than 2,500 units on a permanent basis.

141 (e) Each capital assistance team shall have an advisory board consisting of 11 members.
142 The host housing authority shall appoint 1 of its own board members to the advisory board; the
143 department shall appoint 1 member, who shall have at least 5 years of experience as the manager
144 of not less than 200 units of privately owned housing; and the department shall promulgate
145 regulations establishing election procedures for the selection of the remaining 9 members. The
146 department shall limit eligibility for election to members of participating housing authorities in

147 the region. The advisory board shall meet on a quarterly basis with the capital assistance team
148 director, host housing authority director and the director of the department or a designee of the
149 director of the department and shall discuss issues of program performance and coordination.

150 Section 26D. Housing authorities shall post on the wall of the community center for each
151 of its developments the names, addresses, phone numbers, email addresses or other means of
152 contact for all members and senior staff. Housing authorities shall maintain a website that shall
153 display the same information.

154 The department shall promulgate regulations to implement this section.

155 SECTION 10. Said chapter 121B is hereby further amended by inserting after section 28
156 the following section:-

157 Section 28A. (a) Each housing authority shall submit to the department an annual plan.
158 The annual plan shall state the housing authority's goals and objectives to meet or improve upon
159 the department's performance based review and assessment standards under section 26B. The
160 annual plan shall further include the housing authority's capital improvement, maintenance and
161 repair plans for the following year and address deficiencies in meeting applicable performance
162 standards.

163 (b) The housing authority shall make the annual plan available for public review and
164 comment through an annual public hearing. Not later than 45 days before the date of a public
165 hearing, the housing authority shall publish a notice informing the public of the agenda items
166 which shall be covered at the hearing, including, but not limited to, the housing authority's: (i)
167 proposed operating budget; (ii) proposed capital plan; and (iii) specific plan to meet or improve
168 upon the performance based review and the assessment standards under section 26B.

169 (c) The department shall promulgate regulations to implement this section.

170 SECTION 11. Section 29 of said chapter 121B, as appearing in the 2012 Official Edition,
171 is hereby amended by striking out the first paragraph and inserting in place thereof the following
172 3 paragraphs:-

173 The members of a housing authority shall annually, at a time to be determined by the
174 department, file with the department a written report for its last preceding fiscal year. The report
175 shall be filed in the manner prescribed by the department and shall contain an audited financial
176 statement, an annual plan as provided for in this chapter and other information as the department
177 may require. Each housing authority shall contract with an independent external auditor to
178 prepare the audited financial statement which shall be prepared in accordance with such
179 generally accepted accounting principles and reporting practices prescribed by the American
180 Institute of Certified Public Accountants, or its successor organization. An external auditor shall
181 perform not more than 5 consecutive audits for a housing authority. The department may grant a
182 waiver of this requirement to a housing authority that proves unsuccessful in procuring bids from
183 multiple external auditors qualified to perform the housing authority's state and federal audit.
184 The report, including the audited financial statement and the annual plan, shall be made available
185 to the public on the department's website, as well as the housing authority's website required
186 under section 26D. Failure of the members of a housing authority to provide the department with
187 the required written report may constitute neglect of duty and may subject a responsible member
188 to removal proceedings pursuant to section 6.

189 Housing authorities shall be subject to audit by the state auditor, in accordance with
190 generally accepted government auditing standards, as often as the auditor determines is

191 necessary. The auditor shall have access to the written report required by this section and have
192 the power to examine the properties and records of housing authorities and to prescribe methods
193 of accounting. In determining the audit frequency of housing authorities, the state auditor shall
194 consider the materiality, risk and complexity of housing authority activities, as well as the nature
195 and extent of prior audit findings. Each housing authority may be audited separately or as a part
196 of an audit covering multiple housing authorities.

197 The department shall investigate the budgets, finances and other affairs of housing
198 authorities and the housing authority's dealings, transactions and relationships. The department
199 may, severally with the state auditor, examine the properties and records of housing authorities
200 and prescribe methods of accounting and the rendering of periodical reports in relation to
201 clearance and housing projects undertaken by such authorities. The department shall make,
202 amend and repeal rules and regulations prescribing standards and stating principles governing the
203 planning, construction, maintenance and operation of clearance and housing projects by housing
204 authorities.

205 SECTION 12. Section 32 of said chapter 121B, as so appearing, is hereby amended by
206 adding the following paragraph:-

207 Notwithstanding any general or special law to the contrary, an applicant for assisted
208 housing under this chapter who is not eligible for federal assisted housing under 42 U.S.C.
209 §1436a or 8 U.S.C. §1641 shall not displace or be given priority over an applicant who is so
210 eligible.

211 SECTION 13. Section 34 of said chapter 121B, as so appearing, is hereby amended by
212 striking out the eighth paragraph.

213 SECTION 14. Said section 34 of said chapter 121B, as so appearing, is hereby further
214 amended by striking out, in lines 208 and 209, the words “ the state auditor or”.

215 SECTION 15. Said chapter 121B is hereby further amended by inserting after section
216 38B the following 2 sections:-

217 Section 38C. The department shall establish and implement a program to conduct annual
218 surveys of public housing residents. The department shall develop the annual survey in
219 conjunction with stakeholders, including public housing residents. The survey shall be conducted
220 by the department and shall preserve the anonymity of the residents. The survey shall be
221 conducted in languages which reflect the native languages spoken by tenants residing in the
222 housing authorities and the survey respondents shall be allowed to respond in their native
223 language. The survey shall include, at a minimum, questions about maintenance and repair of
224 units, housing authority communication to residents, resident participation in housing authority
225 governance, resident safety and resident services, including, but not limited to, job training
226 programs. The department shall establish procedures to conduct physical inspections of a
227 representative sample of units in conjunction with the survey; provided, however, that the results
228 of the survey shall be used to evaluate the housing authority’s performance under section 26B.
229 Housing authorities shall have the right to respond to the results of the surveys in writing within
230 60 days of the results being transmitted to the housing authority by the department.

231 Section 38D. (a) (1) As used in this section, the following words shall have the following
232 meanings, unless the context clearly requires otherwise:

233 “Affordable housing”, homeownership or rental housing which is restricted to occupancy
234 by low or moderate income households of 1 or more persons and for which the sale price or rent

235 is affordable as defined by the criteria for inclusion in the department’s subsidized housing
236 inventory or consistent with funding sources.

237 “Affordable housing development”, a development of new or rehabilitated affordable
238 housing which may include market-rate housing if such market-rate housing is reasonably
239 necessary for the financial feasibility of construction or operation of the affordable housing.

240 “Extremely low income household”, a household with a gross income at or less than 30
241 per cent of area median household income as most recently determined by the United States
242 Department of Housing and Urban Development, adjusted for household size.

243 “Housing authority”, a housing authority established pursuant to section 3.

244 “Low or moderate income household”, a household with gross income at or less than 80
245 per cent of area median household income as most recently determined by the United States
246 Department of Housing and Urban Development, adjusted for household size; provided,
247 however, that in Nantucket or Dukes county “low or moderate income household” shall mean
248 persons and households earning less than 150 per cent of Nantucket or Dukes county median
249 household income as reported from time to time by the United States Department of Housing and
250 Urban Development.

251 “Market-rate housing”, homeownership or rental housing which is not restricted to
252 occupancy by low or moderate income households; provided however, that “market-rate
253 housing” may be available for occupancy by households without regard to income and may also
254 include housing subject to maximum income limits to be occupied by households with gross
255 income greater than 80 per cent but not more than 150 per cent of the area median household

256 income as most recently determined by the United States Department of Housing and Urban
257 Development, adjusted for household size.

258 “Program”, the regional public housing innovation program under this section.

259 “Public housing”, state-assisted housing developed through funds provided under chapter
260 200 of the acts of 1948, chapter 667 of the acts of 1956, chapter 705 of the acts of 1966, chapter
261 689 of the acts of 1974 and chapter 167 of the acts of 1987.

262 “Regional housing authority”, a housing authority established pursuant to section 3A.

263 “Very low income household”, a household with a gross income at or less than 50 per
264 cent but greater than 30 per cent of area median household income as most recently determined
265 by the United States Department of Housing and Urban Development, adjusted for household
266 size.

267 (2) The department shall develop a regional public housing innovation program. The
268 program shall be designed to achieve: (i) innovative models for the development, redevelopment
269 and repair of public housing; (ii) innovative models for improved management of public
270 housing; (iii) increased coordination among several housing authorities; (iv) increased economic
271 efficiencies; and (v) the expansion of economic opportunities for tenants and the commonwealth.
272 The department shall establish criteria to evaluate a regional housing authority’s application for
273 the program.

274 (b)(1) A regional housing authority may apply to the department for approval to
275 participate in the program. Participation shall be limited to applicants that have the ability to
276 plan and carry out activities under the program, as evidenced by their prior performance in the

277 operation and maintenance of public housing, demonstrate a need to redevelop and repair
278 occupied and vacant public housing units and other appropriate factors as determined by the
279 director of the department.

280 (2) The department may determine the housing authorities participating in the program;
281 provided, however that the total number of authorities shall not exceed 4. To be eligible to
282 participate in the program, a housing authority shall be a regional housing authority under
283 section 3A. Not more than 3 of the participating housing authorities shall have not fewer than 7
284 participating communities and portfolios of not fewer than 750 state-aided public housing units.
285 Not less than 1 of the 4 authorities shall have a portfolio of between 250 and 700 state-aided
286 public housing units and not fewer than 10 participating communities. In selecting participating
287 authorities, the department shall establish criteria that provides for representation of housing
288 authorities having various characteristics, including housing authorities serving urban, suburban
289 and rural areas and housing authorities in various geographical regions throughout the
290 commonwealth. The department shall provide assistance to housing authorities during the
291 process of becoming a regional housing authority under section 3A. Nothing in this section shall
292 prohibit participation by an otherwise eligible housing authority on Nantucket Island or Martha's
293 Vineyard.

294 (3) The department shall require program applicants to describe how tenants shall be
295 provided with independent technical assistance sufficient to allow them meaningful and
296 informed input and shall encourage applications that demonstrate, create or seek to achieve, with
297 respect to public housing: (i) innovative models for the redevelopment and repair of public
298 housing, including housing for the elderly and frail; (ii) innovative models for improved
299 management; (iii) coordination among several housing authorities; (iv) economic efficiencies;

300 and (v) expansion of economic opportunities for tenants and the commonwealth. Additionally,
301 the department shall encourage applications that achieve the development of affordable housing.

302 (4) The department shall act on the application within 90 days of its submission and shall
303 approve not more than 4 applications that meet the criteria established by the director. The
304 department and the participating housing authority shall enter into a program participation
305 agreement summarizing the terms of participation, voluntary withdrawal and termination for
306 material default and a timetable for achieving objectives of the program. The initial term of
307 participation shall be not more than 10 years, which shall be extended in whole or in part by the
308 department so long as: (i) the housing authority has made satisfactory progress toward its goals;
309 (ii) the extension will meet the original objectives of the program; and (iii) the housing authority
310 has not received a negative evaluation pursuant to subsection (n).

311 (5) Upon expiration, withdrawal or termination of an agreement, the department shall
312 work cooperatively with the housing authority in a transition process. The transition process
313 may provide for retention of elements of the program implemented during participation,
314 including, but not limited to, contractual agreements with third parties that contain terms that
315 extend beyond the term of participation that were referenced in the program participation
316 agreement, approved annual plans or approved annual reports.

317 (c) The department, subject to appropriation, shall disburse all funding for a participating
318 housing authority or regional housing authority on a schedule to permit and encourage planning
319 and efficiency by the housing authority. Further, the department shall increase participating
320 regional housing authorities annual operating subsidy by providing an additional subsidy which

321 is equal to 20 per cent of the regional housing authority's annual budget for elderly and family
322 state public housing, minus the cost of utilities.

323 (d) Except for subsection (g), if any provision of this chapter conflicts with the powers
324 granted under this section or substantially restricts a housing authority's ability to achieve the
325 goals specified in its application or plan, such provision shall not apply to a housing authority or
326 regional housing authority approved by the department to participate in the public housing
327 innovation program, to the extent the department determines it is necessary.

328 (e) Regional housing authorities participating in the program shall, in addition to those
329 powers conferred in this chapter, have the following powers:

330 (i) to combine all forms of assistance received from the commonwealth and other
331 sources, including, but not limited to, public housing operating subsidies appropriated by the
332 commonwealth through a general appropriations act and public housing modernization funds
333 authorized by the commonwealth to be funded through the sale of general obligation bonds,
334 other funds or grants; provided, however, that a housing authority shall not receive diminished
335 assistance by virtue of participation in the program under this section;

336 (ii) to establish a reasonable rent policy, which shall be included in the annual plan
337 required by subsection (h), that shall: (A) provide for rents that are affordable to tenants
338 throughout the term of the program; (B) be designed to provide incentives to
339 improve employment and training and self-sufficiency by participating families; (C) include
340 transition and hardship provisions; (D) include in the transition period a limit on rent increases in
341 any 1 year related solely to the change in the rent policy to not more than 10 per cent for the
342 duration of the transition period; (E) provide a rent cap for tenant households at or below 50 per

343 cent of area median income, adjusted for family size, of not more than the maximum tenant
344 rental payments, including, if applicable, minimum rents, permitted by section 32; and (F)
345 provide a rent cap for elderly and handicapped persons of low income of not more than the
346 maximum tenant rental payments including, if applicable, minimum rents, permitted by said
347 section 32 and subsection (e) of section 40;

348 (iii) to establish, and include as part of the annual plan required by subsection (h), local
349 methods of tenant or homeowner selection; provided, however, that the method shall be fair,
350 objective, public and shall not discriminate against an applicant based on a protected category in
351 chapter 151B or violate other fair housing laws or department policies and provides admissions
352 preferences for homeless households, veterans and victims of domestic violence;

353 (iv) to create efficient, fair and open procurement policies for supplies, services and real
354 property, designed to reduce costs and to meet local need, which shall be included in the annual
355 plan required by subsection (h);

356 (v) to participate in a mixed public-private affordable housing development or create
357 legal entities or instrumentalities necessary to participate in mixed public-private affordable
358 housing development designed to rehabilitate, repair, replace or develop affordable housing,
359 including public housing developments and projects developed pursuant to sections 26, 34 and
360 40.

361 (vi) to create partnerships or consortia with other public or private entities for the
362 operation, financing or development of any program otherwise authorized by law;

363 (vii) to acquire property to carry out its purposes and to dispose of property of the local
364 housing authority without repayment of bonds to the commonwealth, notwithstanding any

365 provision of this chapter to the contrary, unless otherwise required by law or contract; provided,
366 however, that the proceeds of such disposition shall be applied to acquisition, operation,
367 development, rehabilitation or repair of public or affordable housing consistent with the
368 limitations on use of proceeds in subclause (E) of clause (3) of subsection (g); and

369 (viii) to enter into energy services contracts in accordance with section 11C of chapter
370 25A for a period of up to 20 years.

371 (f) Projects pursuant to this section may include a mix of extremely low income
372 households, low or moderate income households and market-rate housing and may utilize any
373 available source of rental subsidy or financial assistance; provided, however, that operating
374 subsidies appropriated by the general court and bond funds authorized by the general court for
375 the benefit of low rent housing projects operated pursuant to sections 32 and 40 shall not be used
376 to fund capital or operating costs other than those for the redevelopment, repair and operation,
377 including services benefitting the tenants, of such housing.

378 (g) Notwithstanding subsection (d), the local housing authority shall:

379 (i) comply with section 12, related to wages, labor requirements and the Social Security
380 Act;

381 (ii) comply with section 29 , related to wage rates and collective bargaining;

382 (iii) retain the same number of public housing units as existed before participation in this
383 program and to the greatest extent possible: (A) provide for full tenant participation, including
384 public hearings, on adoption or material amendment of its annual plan as required under
385 subsection (h); (B) provide for a tenant lease and grievance procedure substantially similar to

386 that in effect prior to entry into this program; (C) provide that evictions shall be only for good
387 cause; (D) assure that housing assisted under this program is decent, safe and sanitary and that,
388 excepting any market-rate housing, the housing is deed restricted to occupancy by extremely low
389 income households, very low income households or low and moderate income households at
390 affordable rents or sales prices, in perpetuity or for such other term as may be approved by the
391 department, consistent with funding sources; and (E) assure that proceeds from the disposition of
392 public housing and funds generated from new affordable and market-rate housing created to
393 replace public housing, unless restricted to a particular use, shall be allocated to the
394 reconstruction, rehabilitation or repair of public housing developments;

395 (iv) assure that if a participating housing authority redevelops its public housing units, all
396 households residing in the units at the time of planned redevelopment shall receive relocation
397 assistance, if eligible, under this chapter or other applicable statutes; provided however, that such
398 households shall have the right to return to the redeveloped public housing, unless such
399 household is determined to be in unlawful occupancy prior to the approval of the housing
400 authority's application, has materially breached the lease agreement or has been evicted for
401 cause, under applicable law, subject to units of the appropriate size and requirements being
402 available; provided further, that such households shall have priority for placement over new
403 applicants;

404 (v) comply with chapter 334 of the acts of 2006; and

405 (vi) comply with the audit requirements of section 29.

406 (h) Each housing authority participating in this program shall prepare an annual plan.

407 Tenants assisted by the housing authority and the wider community shall be provided with

408 adequate notice and opportunities to participate in the development and preparation of the plan.
409 The tenants shall be provided an opportunity to comment and make recommendations on the
410 plan which shall include not less than 1 public hearing held at a time and location that the
411 participating housing authority reasonably believes will facilitate attendance by and input from
412 tenants.

413 The annual plan shall:

414 (i) state the housing authority's goals and objectives under the program for its fiscal year;

415 (ii) describe the housing authority's proposed use of assistance for activities under the
416 program for the fiscal year;

417 (iii) describe how the housing authority will achieve the repair and redevelopment of
418 public housing;

419 (iv) state the housing authority's proposed income mix for its housing portfolio of: (A)
420 extremely low income households; (B) very low income households; (C) low or moderate
421 income households; and (D) market-rate housing;

422 (v) explain how the housing authority's proposed activities will meet its goals and
423 objectives;

424 (vi) include appropriate budgets and financial statements; and

425 (vii) describe the tenant participation procedure and what independent technical
426 assistance will be made available to tenants.

427 A plan submitted pursuant to subsection (i) shall be deemed approved unless the
428 department, within 60 days of submission, issues a written disapproval. The department shall
429 disapprove the plan if the department reasonably determines, based on information contained in
430 the plan or other reliable information available to the department, that the plan does not comply
431 with this section or other applicable law or cannot reasonably be expected to achieve the
432 purposes of this section. The housing authority shall notify tenants of such approval or
433 disapproval.

434 (i) In place of all other planning and reporting requirements of the department, each
435 housing authority participating in this program shall submit to the department an annual report,
436 in a form and at a time specified by the department. The annual report shall be the primary
437 means by which the housing authority shall be required to provide information to the department,
438 to tenants and the public on the activities assisted under this section during a fiscal year, unless
439 the department has reason to believe that the housing authority has violated the terms of the
440 program.

441 Each annual report shall:

442 (1) document the housing authority's use of assistance under the program, including
443 appropriate financial statements;

444 (2) describe and analyze the effect of assisted activities in addressing the objectives of
445 this section, including the effect of rent and tenant selection policies;

446 (3) state the previous year's income mix of residents in the housing authority's public
447 housing and affordable housing developments under this program;

448 (4) include a certification by the housing authority that it has prepared an annual plan in
449 accordance with subsection (h);

450 (5) describe and document how the housing authority has provided tenants assisted under
451 the program and the wider community with opportunities to participate in the development or
452 material modification of the annual plan and an opportunity to comment on the annual plan
453 which shall include not less than 1 public hearing;

454 (6) include a report on the annual incomes of persons served in the previous year; and

455 (7) include other information as may be required by the department pursuant to
456 subsection (k) to determine the effectiveness of the program.

457 (j) A report submitted pursuant to subsection (i) shall be deemed approved unless the
458 department, within 60 days of submission, issues a written disapproval because the department
459 reasonably determines, based on information contained in the report or other reliable information
460 available to the department, that the housing authority is not in compliance with this section or
461 other applicable law.

462 (k) Each housing authority shall keep such records as the department may prescribe as
463 reasonably necessary to document the amount of funds and the disposition of funds under this
464 program, to ensure compliance with the requirements of this section and to measure
465 performance.

466 (l) The department shall have access, for the purpose of audit and examination, to any
467 books, documents, papers and records that are pertinent to the requirements of this section and
468 assistance given in connection with this section; provided, however, that reporting shall be

469 conducted solely through the annual report unless the department has reason to believe that the
470 housing authority is not in compliance with this program.

471 (m) The state auditor shall have access, for the purpose of audit and examination, to any
472 books, documents, papers and records that are pertinent to the requirements of this section and
473 assistance given in connection with this section.

474 (n) Each authority shall be evaluated by an independent evaluator twice during the initial
475 term of participation and periodically thereafter, in accordance with standards adopted by the
476 department, to determine the success of initiatives undertaken to achieve the purposes set forth in
477 this section and the housing authority's plan.

478 (o) The department shall establish a manner in which to post the housing innovations
479 plan, annual report, independent evaluation and other public records pertaining to each housing
480 authority's public housing innovations program established pursuant to this section so that the
481 progress of each public housing innovations program is publicly available and free to access.

482 (p) The department shall establish a 9 member advisory committee whose members shall
483 include the director of the department or a designee, 1 representative selected by Citizens
484 Housing and Planning Association, Inc., 1 representative selected by the Massachusetts chapter
485 of the National Association of Housing and Redevelopment Officials, 1 representative selected
486 by the Massachusetts Union of Public Housing Tenants, Inc., 1 representative selected by the
487 Massachusetts Coalition for the Homeless, Inc., and 4 additional members chosen by the director
488 of the department, 1 of whom shall have at least 5 years of experience as the manager of not less
489 than 200 units of privately owned housing, to provide advice and recommendations to the

490 department regarding regulations to implement this section and to provide ongoing assistance in
491 determining the effectiveness of the program.

492 (q) The department shall adopt regulations implementing this section.

493 (r) The department shall annually report to the house and senate committees on ways and
494 means and the joint committee on housing on the participation of housing authorities in the
495 public housing innovations program.

496 SECTION 16. Notwithstanding any general or special law to the contrary, each capital
497 assistance team established by the department of housing and community development pursuant
498 to section 26D of chapter 121B of the General Laws shall complete a survey of all department or
499 housing authority owned surplus land within 1 year of the effective date of this act. The capital
500 assistance teams shall use the results of the survey to coordinate communication and resources
501 between local housing authorities and the department to encourage development of the land for
502 new units of affordable housing. The capital assistance teams and the department shall also work
503 collaboratively with local veterans' service officers and veterans' service organizations to
504 facilitate the use of surplus land and housing units for the development of affordable housing
505 units for disabled veterans. The department shall report the results of the survey to the joint
506 committee on housing within 90 days of the completion of the survey.

507 SECTION 17. Within 1 year of the effective date of this act, the department of housing
508 and community development shall establish and implement a single statewide centralized wait
509 list for state-aided public housing, after consultation with representatives of local housing
510 authorities, municipal officials, public housing residents and public housing industry professional
511 organizations. Such centralized wait list shall enable public housing applicants to submit a

512 standardized application through a centralized internet website or through any housing authority.
513 An applicant for tenancy in a housing authority may designate a preference by naming housing
514 authorities. All housing authorities shall use the centralized wait list for selection of public
515 housing tenants, with all local preferences and other preferences applied as required by law;
516 provided, however, that local housing authorities shall give priority in placement first to eligible
517 and qualified applicants who reside in the same city or town as the local housing authority and
518 second to eligible and qualified applicants who resided in the same city or town as the local
519 housing authority for a period of 25 years or more, but who do not reside in the city or town at
520 the time such applicant submit their application.

521 SECTION 18. A housing authority shall make available information about smoking
522 cessation services to tenants. Such information may include smoking prevention and cessation
523 materials prepared by the department of public health.

524 SECTION 19. Housing authorities operating pursuant to chapter 121B of the General
525 Laws shall consult the Terrorist Screening Database maintained by the Terrorist Screening
526 Center of the Federal Bureau of Investigation to evaluate applications for housing owned by the
527 housing authorities in order to further the protection and well-being of tenants of the housing
528 authorities.

529 SECTION 20. The department of housing and community development shall develop
530 initiatives based on best practices to allow non-regional housing authorities to work
531 collaboratively to develop a program that shall facilitate the capturing of economies of scale
532 through increased collaboration relative to, but not limited to, bulk purchasing, capital planning
533 and capital projects.