

HOUSE No. 3562

The Commonwealth of Massachusetts

PRESENTED BY:

Nika C. Elugardo

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act enabling public housing authorities to borrow against real estate equity of publicly-owned properties.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Nika C. Elugardo</i>	<i>15th Suffolk</i>
<i>Peter Capano</i>	<i>11th Essex</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>
<i>Carlos González</i>	<i>10th Hampden</i>
<i>Tami L. Gouveia</i>	<i>14th Middlesex</i>
<i>Jonathan Hecht</i>	<i>29th Middlesex</i>
<i>Russell E. Holmes</i>	<i>6th Suffolk</i>
<i>Patrick Joseph Kearney</i>	<i>4th Plymouth</i>
<i>Christina A. Minicucci</i>	<i>14th Essex</i>
<i>Liz Miranda</i>	<i>5th Suffolk</i>
<i>Denise Provost</i>	<i>27th Middlesex</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>
<i>Jon Santiago</i>	<i>9th Suffolk</i>
<i>Andres X. Vargas</i>	<i>3rd Essex</i>
<i>Bud L. Williams</i>	<i>11th Hampden</i>

HOUSE No. 3562

By Ms. Elugardo of Boston, a petition (accompanied by bill, House, No. 3562) of Nika C. Elugardo and others relative to municipal affordable housing incentives and services. Housing.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act enabling public housing authorities to borrow against real estate equity of publicly-owned properties.

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. The general court hereby finds and declares that:

2 (i) safe and affordable housing, like education and healthcare, is a right, and the tools
3 and assets of the commonwealth may be leveraged or otherwise used to develop programming
4 and cooperative financing agreements consistent with a public policy of equitable housing for
5 all;

6 (ii) land owned by the commonwealth is such an asset and provides municipalities
7 with the choice of developing affordable housing;

8 (iii) municipal control over the reality of affordable housing will provide holistic
9 improvements to the quality of life of the commonwealth’s citizens by reducing high economic
10 costs associated with housing poverty and the corollary negative impacts on public health and
11 safety; and

12 (iv) the assets of the commonwealth enable public housing tenants to organize at the
13 municipal level toward self-sustaining programs and projects that promote housing access and
14 justice.

15 SECTION 2. The General Laws are hereby amended by inserting after chapter 40W the
16 following chapter:–

17 Chapter 40X.

18 MUNICIPAL AFFORDABLE HOUSING INCENTIVES AND SERVICES

19 Section 1. The following words, whenever used in this chapter shall, unless a different
20 meaning clearly appears from the context, have the following meanings:–

21 “Department”, department of housing and community development.

22 “Housing authority”, a housing authority or regional housing authority established
23 pursuant to either sections 3 or 3A of chapter 121B.

24 “Publicly owned”, an interest in real property of a housing authority or an interest in real
25 property record title to which is held in the name of a state agency, or the board of a state agency
26 or similar board of a state agency under section 32 of chapter 7C.

27 Section 2. Prior to disposition of publicly owned real property of the commonwealth
28 pursuant to chapter 7C, the commissioner of capital asset management and maintenance in
29 coordination with the secretary of the executive office of housing and economic development
30 shall determine whether such real property shall be made available for municipal affordable
31 housing incentives and services pursuant to this chapter.

32 In making such determination the commissioner and the secretary shall take into account
33 the following factors:

34 (i) existing zoning that limits the siting of low or moderate income housing in the
35 city or town in which the publicly owned real property is located;

36 (ii) financial or other deterrents to the production of low or moderate income housing
37 in the city or town in which the real property is located; and

38 (iii) ensuring that real property for disposition under this chapter is fairly made
39 available to all regions of the commonwealth, including gateway municipalities, rural areas and
40 suburban areas.

41 Upon making the determination that publicly owned real property shall be made to
42 available for disposition under this chapter, the commissioner and the secretary shall,
43 notwithstanding chapter 7C or any other law to the contrary, declare the property available to the
44 city or town in which the property is located for development of low or moderate income
45 housing in accordance with this chapter.

46 Section 3. A housing authority with publicly owned real property may undertake a
47 program for municipal affordable housing development, incentives and services.

48 Section 4. Notwithstanding the provisions of chapter 40A or any other law to the
49 contrary, a housing authority may propose to build low or moderate income housing in
50 partnership with a nonprofit organization or a community development corporation in a single
51 application pursuant to section 21 of chapter 40B and this chapter. The provisions of sections 20
52 to 23, inclusive, of said chapter 40B shall apply to such application.

53 Section 5. A city or town with a housing authority or similar demonstration of capacity to
54 comply with this chapter may participate in a program to borrow funds against real estate equity
55 of publicly owned properties to provide for municipal affordable housing incentives and services
56 as established in this chapter.

57 Section 6. The secretary shall oversee the program to include the following services in
58 conjunction with the building of low or moderate income housing:

- 59 (i) municipal decision-making processes;
- 60 (ii) education services for tenants;
- 61 (iii) tenant organized projects;
- 62 (iv) community benefits, including for example: community centers, daycare, and
63 education programs;
- 64 (v) provisions for livable safe communities;
- 65 (vi) maintenance of quality and equitable affordable housing; and
- 66 (vii) ownership interests of tenants.

67 Section 7. A municipality participating in this chapter shall submit an application through
68 its housing authority to the department for acquisition of state property declared to be available
69 for municipal affordable housing incentives and services.

70 Upon such application, the municipality may apply for development and financial
71 assistance in the form of grants or loans. Such application shall receive priority for such grants or
72 loans over a non-participating city or town.

73 SECTION 3. Section 34 of chapter 121B of the General Laws is hereby amended by
74 adding the following paragraph:-

75 Notwithstanding any general or special law to the contrary, construction and development
76 activity related to redevelopment of federally or state-aided public housing projects where the
77 land, buildings or structures associated with the housing project have been conveyed or
78 transferred to a private entity for purposes of completing the redevelopment shall not be subject
79 to any general or special law related to the procurement and award of contracts for the planning,
80 design, construction management, construction, reconstruction, installation, demolition,
81 maintenance or repair of buildings by a public agency, provided that the department shall review
82 and approve the procurement processes used to undertake this redevelopment. Nothing in this
83 section shall be deemed to exempt a housing project from sections 26 to 27H, inclusive, of
84 chapter 149.