

# **HOUSE . . . . . No. 4134**

---

---

## The Commonwealth of Massachusetts

---

HOUSE OF REPRESENTATIVES, January 22, 2018.

The committee on Ways and Means, to whom was referred the Bill financing the production and preservation of housing for low and moderate income residents (House, No. 3925), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 4134) [Bond Issue: General Obligation Bonds: \$1,700,000,000.00].

For the committee,

JEFFREY SÁNCHEZ.

**HOUSE . . . . . No. 4134**

---

**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.

*Whereas*, The deferred operation of this act would tend to defeat its purpose, which is to authorize forthwith the financing of the production and preservation of housing for low and moderate income citizens of the commonwealth and to make related changes in certain laws, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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

31 the department pursuant to chapter 30A for the General Laws for the implementation,  
32 administration and enforcement of this item..... \$45,000,000

33 EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

34 Office of the Secretary.

35 7004-0049. For a program of loans or grants to assist homeowners or tenants with a  
36 household member with blindness or severe disabilities in making modifications to their primary  
37 residence for the purpose of improved accessibility or to allow those individuals to live  
38 independently in the community or for construction costs to allow for the creation of an  
39 accessory unit, defined as an additional dwelling unit separate from the primary dwelling unit,  
40 for a person with disabilities or an elder needing assistance with activities of daily living;  
41 provided, that not more than 10 per cent shall be used for grants to assist landlords seeking to  
42 make modifications for a current or prospective tenant with disabilities, who but for this grant  
43 would be unable to maintain or secure permanent housing; provided further, that the secretary  
44 shall take all steps necessary to minimize the program’s administrative costs; provided further,  
45 that the program shall be available pursuant to income eligibility standards approved by the  
46 secretary; provided further, that the repayment of the loans may be delayed until the sale of the  
47 principal residence by the homeowner; provided further, that persons residing in a development  
48 covered by section 4 of chapter 151B of the General Laws shall not be eligible for the program  
49 unless the owner can show that the modification is an undue financial burden or that the landlord  
50 is participating in the grant program to maintain or secure housing for a tenant with disabilities;  
51 provided further, that the secretary shall consult with the Massachusetts commission for the blind  
52 and the Massachusetts rehabilitation commission in developing the rules, regulations and

53 guidelines for the program; provided further, that nothing in this item shall give rise to  
54 enforceable legal rights in any party or an enforceable entitlement to services; and provided  
55 further, that the secretary shall submit quarterly reports to the house and senate committees on  
56 ways and means, the house and senate committees on bonding, capital expenditures and state  
57 assets and the joint committee on housing detailing the status of the program established in this  
58 item..... \$60,000,000

59 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

60 Department of Housing and Community Development.

61 7004-0050. For state financial assistance in the form of loans for the development of  
62 community-based housing or supportive housing for individuals with mental illness and  
63 individuals with intellectual disabilities; provided, that the loan program shall be administered by  
64 the department of housing and community development, referred to in this item as the  
65 department, through contracts with the Massachusetts Development Finance Agency established  
66 by chapter 23G of the General Laws, the Community Economic Development Assistance  
67 Corporation established by chapter 40H of the General Laws, operating agencies established  
68 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency  
69 established by chapter 708 of the acts of 1966; provided further, that those agencies may develop  
70 or finance community-based housing or supportive housing or may enter into subcontracts with  
71 nonprofit organizations, established pursuant to chapter 180 of the General Laws, or  
72 organizations in which such nonprofit corporations have a controlling financial or managerial  
73 interest or for-profit organizations; provided, however, that preference for the subcontracts shall  
74 be given to nonprofit organizations; provided further, that the department shall consider a

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

98 date, the department, in consultation with the executive office of health and human services,  
99 determines that there still exists a need for such housing and that there is continued funding  
100 available for the provision of services to such development, the department may, by agreement  
101 with the owner of the development, extend the loans for such periods, each period not to exceed  
102 10 years, as the department shall determine; provided further, that the project shall remain  
103 affordable housing for the duration of the loan term, including any extension thereof, as set forth  
104 in the contract or agreement entered into by the department; provided further, that in the event  
105 the terms of repayment detailed in this item would cause a project authorized by this item to  
106 become ineligible to receive federal funds which would otherwise assist in the development of  
107 that 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, the department of  
117 mental health and the Community Economic Development Assistance Corporation may identify  
118 appropriate financing mechanisms and guidelines for grants or loans from this item to promote  
119 private development to produce housing, to provide for independent integrated living  
120 opportunities, to write down building and operating costs and to serve households at or below 15

121 per cent of area median income for the benefit of department of mental health clients; provided  
122 further, that not more than \$10,000,000 may be expended from this item for a pilot program of  
123 community-based housing or supportive housing loans to serve mentally ill homeless individuals  
124 in the current or former care of the department of mental health; provided further, that in  
125 implementing the pilot program, the department shall consider a balanced geographic plan when  
126 establishing community-based residences; provided further, that the housing services made  
127 available pursuant to such loans shall not be construed as a right or an entitlement for any  
128 individual or class of persons to the benefits of the pilot program; provided further, that  
129 eligibility for the pilot program shall be established by regulations promulgated by the  
130 department; and provided further, that the department shall promulgate regulations pursuant to  
131 chapter 30A of the General Laws for the implementation, administration and enforcement of this  
132 item, consistent with the facilities consolidation plan prepared by the secretary of health and  
133 human services and after consultation with the secretary and the commissioner of the division 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, referred to in this item as the  
140 department, through contracts with the Massachusetts Development Finance Agency established  
141 by chapter 23G of the General Laws, the Community Economic Development Assistance  
142 Corporation established by chapter 40H of the General Laws, operating agencies established  
143 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency



144 established by chapter 708 of the acts of 1966; provided further, that the agencies may develop  
145 or finance the community-based housing or supportive housing or may enter into subcontracts  
146 with nonprofit organizations established pursuant to chapter 180 of the General Laws or  
147 organizations in which such nonprofit corporations have a controlling financial or managerial  
148 interest or for-profit organizations; provided, however, that preference for such subcontracts  
149 shall be given to nonprofit organizations; provided further, that the department shall consider a  
150 balanced geographic plan for such community-based housing or supportive housing when  
151 issuing the loans; provided further, that all housing developed with these funds shall be  
152 integrated housing as defined by the appropriate state housing and service agencies including,  
153 but not limited to, the department, the executive office of health and human services and the  
154 Massachusetts rehabilitation commission in consultation with relevant and interested clients,  
155 clients' families, advocates and other parties as necessary; provided further, that loans issued  
156 pursuant to this item shall: (i) not exceed 50 per cent of the financing of the total development  
157 costs; (ii) not be issued unless a contract or agreement for the use of the property for the purposes  
158 of such housing provides for repayment to the commonwealth at the time of disposition of the  
159 property in an amount equal to the commonwealth's proportional contribution from community  
160 based housing to the cost of the development through payments made by the state agency  
161 making the contract; (iii) not be issued unless a contract or agreement for the use of the property  
162 for the purposes of such community-based housing or supportive housing provides for the  
163 recording of a deed restriction in the registry of deeds or the registry district of the land court of  
164 the county in which the real property is located, for the benefit of the department, running with  
165 the land, that the land be used to provide community-based housing or supportive housing for  
166 eligible individuals as determined by the Massachusetts rehabilitation commission or other

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

190 approval of the secretary of administration and finance; and provided further, that the department  
191 shall promulgate regulations pursuant to chapter 30A of the General Laws for the  
192 implementation, administration and enforcement of this item, consistent with the enhancing  
193 community-based services plan prepared by the secretary of health and human services after  
194 consultation with the secretary and the commissioner of capital asset 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..... \$400,000,000

198 7004-0053. For the purpose of state financial assistance in the form of grants or loans for  
199 the Housing Stabilization and Investment Trust Fund established in section 2 of chapter 121F of  
200 the General Laws and awarded only pursuant to the criteria established in said section 2 of said  
201 chapter 121F; provided, that not less than 25 per cent shall be used to fund projects which  
202 preserve and produce housing for families and individuals with incomes of not more than 30 per  
203 cent of the area median income, as defined by the United States Department of Housing and  
204 Urban Development; provided further, that if the department of housing and community  
205 development has not spent the amount authorized under the bond cap for this program, at the end  
206 of each year following the effective date of this act, the department may award the remaining  
207 funds to projects that serve households earning more than 30 per cent of the area median income,  
208 as defined by the United States Department of Housing and Urban Development; provided  
209 further, that not less than \$5,000,000 shall be expended for the production or preservation of  
210 housing for people age 60 and over; provided further, that the department may expend an amount  
211 not to exceed \$10,000,000 to stabilize and promote reinvestment, through homeownership, in  
212 areas the department has determined to be weak markets as indicated by a high concentration of

213 assisted rental housing, low rate of homeownership, low median family income, low average  
214 sales prices, high levels of unpaid property taxes or vacant or abandoned buildings, by waiving  
215 the requirements of this item and said chapter 121F, and by subsidizing the purchase price,  
216 borrowing costs or costs of renovation or new construction of 1 to 6 unit residential buildings for  
217 a person who shall own the property and occupy any portion of the property as the person's  
218 primary residence for at least 5 years from the date of purchase; provided further, that if more  
219 than 5 years, but less than 10 years, from the date the owner takes ownership of the property, the  
220 owner sells any of the owner's interest in the property, the new owner shall so occupy 1 unit in  
221 the property for a period equal to the difference between 10 years and the amount of time the  
222 first owner occupied the property as the owner's primary residence; provided further, that if the  
223 owner fails to so occupy a unit on the property or ceases to be the owner of the property as  
224 required by this section, the department shall recoup the value of any subsidy provided to the  
225 owner; and provided further, that 10 years after the owner takes possession of the property  
226 pursuant to this item, all restrictions on the property created by this item shall be void.....  
227 .....\$150,000,000

228 7004-0054. For the purpose of state financial assistance in the form of grants for projects  
229 undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws; provided,  
230 that contracts entered into by the department of housing and community development for those  
231 projects may include, but shall not be limited to, projects providing for renovation, remodeling,  
232 reconstruction, redevelopment and hazardous material abatement, including asbestos and lead  
233 paint, and for compliance with state codes and laws and for adaptations necessary for compliance  
234 with the federal Americans with Disabilities Act of 1990, the provision of day care facilities,  
235 learning centers and teen service centers and the adaptation of units for families and persons with

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

247         7004-0055. For the purpose of state financial assistance in the form of grants for a 5 year  
 248 demonstration program, administered by the department of housing and community development  
 249 to demonstrate cost effective revitalization methods for state-aided family and elderly-disabled  
 250 public housing that seek to reduce the need for future state modernization funding; provided, that  
 251 housing authorities with state-aided housing developments pursuant to chapter 200 of the acts of  
 252 1948, chapter 667 of the acts of 1954, chapter 705 of the acts of 1966, chapter 689 of the acts of  
 253 1974 or chapter 167 of the acts of 1987 shall be eligible to participate in the demonstration  
 254 program; provided further, that the department shall establish a 7-member advisory committee,  
 255 to consist of the director of the department or a designee, 1 member selected by Citizens'  
 256 Housing and Planning Association, Inc., 1 member selected by the Massachusetts chapter of the  
 257 National Association of Housing and Redevelopment Officials, 1 member selected by the  
 258 Massachusetts Union of Public Housing Tenants, Inc. and 3 additional members chosen by the

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

282           7004-0056. For the purpose of state financial assistance in the form of grants or loans for  
283 the Housing Innovations Trust Fund established in section 2 of chapter 121E of the General  
284 Laws; provided, that not less than 25 per cent of the funds made available in this item shall be  
285 used to fund projects which preserve and produce housing for families and individuals with  
286 incomes of not more than 30 per cent of the area median income, as defined by the United States  
287 Department of Housing and Urban Development..... \$100,000,000

288           7004-0057. For the purpose of state financial assistance in the form of grants or loans for  
289 the Capital Improvement and Preservation Trust Fund established in section 2 of chapter 121G of  
290 the General Laws for expiring use properties..... \$125,000,000

291           7004-0058. For the purpose of providing financial support for developing residential  
292 housing units and mixed use developments that include both residential housing units and  
293 commercial or retail space and are located within neighborhood commercial areas including, but  
294 not limited to, those areas designated as main street areas by providing necessary financial  
295 assistance to the commercial components of these projects; provided, that the developments may  
296 include projects which have residential units above commercial space and shall be located in  
297 areas characterized by a predominance of commercial land uses, a high daytime or business  
298 population or a high concentration of daytime traffic and parking; provided further, that the  
299 financial subsidy for the commercial portion of a project shall not exceed 25 per cent of the total  
300 development cost of the commercial portion of the project or \$1,000,000, whichever is smaller;  
301 provided further, that \$15,000,000 shall be used to fund transit-oriented housing developments in  
302 proximity to public transit nodes; provided further, that eligible activities for transit-oriented  
303 development shall include, without limitation, planning grants, financing subsidies and  
304 environmental assessment; and provided further, that not less than 50 per cent of the

305 beneficiaries of housing in projects assisted by this item shall be persons whose income is not  
306 more than 80 per cent of the area median income, as defined by the United States Department of  
307 Housing and Urban Development..... \$50,000,000

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

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

315 SECTION 5. Section 6 of chapter 62 of the General Laws, as appearing in the 2016  
316 Official Edition, is hereby amended by striking out, in line 281, the figure “2018” and inserting  
317 in place thereof the following figure:- 2023.

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

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

324 SECTION 8. Section 6I of said chapter 62, as so appearing, is hereby further amended by  
325 striking out, in lines 112 to 115, inclusive, the words “; provided further, that no credit shall be



326 authorized related to a project that receives state financial assistance authorized under section 7A  
327 of chapter 244 of the acts of 2002.”

328 SECTION 9. Subsection (c) of section 6M of said chapter 62, added by section 29 of  
329 chapter 238 of the acts of 2012, is hereby amended by striking out paragraph (4) and inserting in  
330 place thereof the following paragraph:-

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

338 SECTION 10. Subsection (e) of said section 6M of said chapter 62, as added by said  
339 section 29 of said chapter 238, is hereby amended by striking out the first sentence.

340 SECTION 11. Said section 31H of said chapter 63, as appearing in the 2016 Official  
341 Edition, is hereby amended by striking out, in lines 114 to 117, inclusive, the words “; provided  
342 further, that no credit shall be authorized related to a project that receives state financial  
343 assistance authorized under section 7A of chapter 244 of the acts of 2002.”

344 SECTION 12. Section 38Q of said chapter 63, as so appearing, is hereby amended by  
345 striking out, in line 3, the figure “2018” and inserting in place thereof the following figure:-  
346 2023.

347 SECTION 13. Said section 38Q of said chapter 63, as so appearing, is hereby further  
348 amended by striking out, in line 9, the figure “2019” and inserting in place thereof the following  
349 figure:- 2024.

350 SECTION 14. Said section 38Q of said chapter 63, as so appearing, is hereby further  
351 amended by striking out, in line 17, the figure “40.00” and inserting in place thereof the  
352 following figure:- 40.0000.

353 SECTION 15. Subsection (c) of section 38EE of said chapter 63, as so appearing, is  
354 hereby amended by striking out clause (4) and inserting in place thereof the following clause:-

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

362 SECTION 16. Subsection (e) of said section 38EE of said chapter 63, as so appearing, is  
363 hereby amended by striking out the first sentence.

364 SECTION 17. Subsection (a) of section 2 of chapter 121G of the General Laws, as so  
365 appearing, is hereby amended by adding the following sentence:- An eligible property that has  
366 been acquired for the purpose of preserving or improving the property shall not lose eligibility  
367 due to actions by the purchaser to renew or extend state or federal contracts or subsidies.

368 SECTION 18. Section 4 of chapter 708 of the acts of 1966, as most recently amended by  
369 section 6 of chapter 239 of the acts of 1998, is hereby further amended by adding the following  
370 subsection:-

371 (aa) Take any and all actions necessary and appropriate, directly or through an affiliate or  
372 subsidiary entity, (i) to provide contract administration services in or for any state of the United  
373 States of America or the District of Columbia, in connection with any multifamily rental subsidy  
374 program of the U.S. Department of Housing and Urban Development; (ii) to provide loan  
375 servicing services with respect to 1- to 4-family residential mortgage loans secured by mortgages  
376 on real property located in any state of the United States of America or the District of Columbia,  
377 provided the MHFA shall not enter into any agreement for such loan servicing unless the  
378 majority of loans to be serviced are mortgage loans secured by mortgages on real property  
379 located within the commonwealth; and (iii) to provide any loan servicing, master servicing,  
380 mortgage insurance and other commercial services and products related to residential mortgage  
381 loans in partnership with a governmental or quasi-governmental agency in any state or the  
382 District of Columbia; in each case unless and to the extent prohibited by the laws of any such  
383 state or the District of Columbia.

384 SECTION 19. Section 100 of chapter 142 of the acts of 2011, as amended by section 14  
385 of chapter 129 of the acts of 2013, is hereby further amended by striking out the figure “2020”  
386 and inserting in place thereof the following figure:- 2025.

387 SECTION 20. Section 98 of chapter 238 of the acts of 2012 is hereby amended by  
388 striking out the figure “2019” and inserting in place thereof the following figure:- 2025.

389 SECTION 21. Chapter 287 of the acts of 2014 is hereby amended by inserting after  
390 section 124 the following section:-

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

392 SECTION 22. Section 125 of said chapter 287 is hereby amended by striking out the  
393 words “46, 48, 56A, 61, 63 and 124” and inserting in place thereof the following words:- 56A  
394 and 124.

395 SECTION 23 Notwithstanding any general or special law to the contrary, the secretary of  
396 housing and economic development and the secretary of administration and finance shall jointly  
397 submit a report on the progress of all projects and expenditures related to the funds available in  
398 this act or any outstanding authorizations from a prior authorization act for housing projects that  
399 were undertaken by the executive office of housing and economic development or any of its  
400 constituent agencies to the house and senate committees on ways and means, the house and  
401 senate committees on bonding, capital expenditures and state assets and the joint committee on  
402 housing. This report shall include, but not be limited to: the address, the nature of the work and  
403 scope of work of each project funded in this act; the total amount allocated for each project  
404 broken down by fiscal year in which the allocation occurred and the total estimated cost of each  
405 project; the amount expended for the planning and design of each project up to the time the  
406 report is filed; the amount expended on construction of each project up to the time the report is  
407 filed; the total amount currently expended on each project; a schedule of life cycle standards for  
408 each completed project; the original estimated completion date of each project; the current  
409 anticipated completion date of each project; and, if the project has been de-authorized, the reason  
410 for and date of de-authorization. The information required in this report shall be current as of 30

411 days before the submission of the report and the report shall be submitted bi-annually for 6 years  
412 after the effective date of this act.

413 SECTION 24. Notwithstanding any general or special law to the contrary, to meet the  
414 expenditures necessary in carrying out section 2, the state treasurer shall, upon receipt of a  
415 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified  
416 by the governor from time to time but not exceeding, in the aggregate, \$1,700,000,000. All  
417 bonds issued by the commonwealth, as aforesaid, shall be designated on their face, Housing  
418 Production, Preservation, Modification and Neighborhood Development Loan Act of 2018, and  
419 shall be issued for a maximum term of years, not exceeding 30 years, as the governor may  
420 recommend to the general court pursuant to Section 3 of Article LXII of the Amendments to the  
421 Constitution; provided, however, that all such bonds shall be payable not later than June 30,  
422 2053. All interest and payments on account of principal on such obligations shall be payable  
423 from the General Fund. Bonds and interest thereon issued under the authority of this section  
424 shall, notwithstanding any other provision of this act, be general obligations of the  
425 commonwealth. An amount not to exceed 2 per cent of the authorizations may be expended by  
426 the department of housing and community development for administrative costs directly  
427 attributable to the purposes of this act, including costs of clerical and support personnel. The  
428 director of the department of housing and community development shall file an annual spending  
429 plan with the fiscal affairs division, the house and senate committees on ways and means, the  
430 house and senate committees on bonding, capital expenditures and states assets and the joint  
431 committee on housing which details, by subsidiary, all personnel costs and any administrative  
432 costs charged to expenditures made pursuant to this act.

433 SECTION 25. Notwithstanding any general or special law to the contrary, within 120  
434 days after the expiration of affordability restrictions on housing units assisted under items 7004-  
435 0050 and 7004-0051 in section 2, the department of housing and community development or its  
436 assignee, who shall be a qualified developer selected pursuant to the terms of said items 7004-  
437 0050 and 7004-0051 under the guidelines of the department, shall have an option to purchase any  
438 such housing units at their current appraised value, reduced by any remaining obligation of the  
439 owner, upon the expiration of the affordability restrictions. The department or its assignee shall  
440 only purchase or acquire such housing units to preserve or provide affordable housing. The  
441 department or its assignee shall hold such purchase option for the first 120 days after the  
442 expiration of the affordability restrictions. Failure to exercise the purchase option within 120  
443 days after the expiration of the affordability restriction shall constitute a waiver of the purchase  
444 option by the department or its assignee. Within 30 days after the expiration of an affordability  
445 restriction, the owner and the department shall each designate a professional in the field of multi-  
446 unit residential housing. Each professional shall select an impartial appraiser. Within 60 days  
447 after the expiration of the affordability restriction, the 2 impartial appraisers shall determine the  
448 current appraised value in accordance with recognized professional standards. If there is a  
449 difference in the valuations, the valuations shall be added together and divided by 2 to determine  
450 the current appraised value of the units. No sale, transfer or other disposition of the property shall  
451 be completed until either the purchase option period expires or the owner has been notified, in  
452 writing, by the department or its assignee that the option will not be exercised. The option shall  
453 be exercised only by written notice signed by a designated representative of the department or its  
454 assignee, mailed to the owner by certified mail at the address specified in the notice of intention  
455 and recorded with the registry of deeds or the registry district of the land court of the county in

456 which the affected real property is located, within the option period. If the purchase option has  
457 been assigned to a qualified developer selected pursuant to said items 7004-0050 and 7004-0051,  
458 the written notice shall state the name and address of the developer and the terms and conditions  
459 of the assignment.

460           Before any sale or transfer or other disposition of housing that the department has not  
461 previously exercised an option to purchase, an owner shall offer the department or its assignee,  
462 who shall be a qualified developer selected pursuant to said items 7004-0050 and 7004-0051, a  
463 first refusal option to meet a bona fide offer to purchase the units. The owner shall provide to the  
464 department or its assignee written notice by regular and certified mail, return receipt requested,  
465 of the owner's intention to sell, transfer or otherwise dispose of the property. The department or  
466 its assignee shall hold the first refusal option for the first 120 days after receipt of the owner's  
467 written notice of intent to transfer the property. Failure to respond to the written notice of intent  
468 to sell, transfer or otherwise dispose of the property within the 120 day period shall constitute a  
469 waiver of the right of first refusal by the department. No sale, transfer or other disposition of the  
470 property shall be completed until either this first refusal option period has expired or the owner  
471 has been notified in writing by the department or its assignee that the option will not be  
472 exercised. The option shall be exercised only by written notice signed by a designated  
473 representative of the department or its assignee, mailed to the owner by certified mail at the  
474 address specified in the notice of intention and recorded with the registry of deeds or the registry  
475 district of the land court of the county in which the affected real property is located, within the  
476 option period. If the first refusal option has been assigned to a qualified developer selected  
477 pursuant to said items 7004-0050 and 7004-0051, the written notice shall state the name and  
478 address of the developer and the terms and conditions of the assignment.

479 An affidavit before a notary public that the notice of intent was mailed on behalf of an  
480 owner shall conclusively establish the manner and time of the giving of notice to sell, transfer or  
481 otherwise dispose of the property. The affidavit and notice that the option shall not be exercised  
482 shall be recorded with the registry of deeds or the registry district of the land court of the county  
483 in which the affected real property is located. Each notice of intention, notice of exercise of the  
484 purchase option or first refusal option and notice that the purchase option or first refusal option  
485 shall not be exercised shall contain the name of the recorded owner of the property and a  
486 reasonable description of the premises to be sold or converted. Each affidavit signed before a  
487 notary public shall have attached to it a copy of the notice of intention to which it relates. The  
488 notices of intention shall be mailed to the relevant parties in the care of the keeper of records for  
489 the party in question. Upon notifying the owner in writing of its intention to exercise its purchase  
490 option or first refusal option during the 120 day period, the department or its assignee shall have  
491 an additional 120 days, beginning on the date the purchase option period or first refusal option  
492 period expires, to purchase the units. Those time periods may be extended by mutual agreement  
493 between the department or its assignee and the owner of the property. Any extension agreed  
494 upon shall be recorded in the registry of deeds or the registry district of the land court of the  
495 county in which the affected real property is located. Within a reasonable time after requesting  
496 an extension, the owner shall make available to the department or its assignee any information  
497 that is reasonably necessary for the department to exercise its option.

498 SECTION 26. Notwithstanding any general or special law to the contrary, not later than  
499 July 1, 2018, and annually thereafter, the director of housing and community development shall  
500 submit to the secretary of administration and finance, the house and senate committees on ways  
501 and means, the joint committee on housing and the house and senate committees on bonding,



502 capital expenditures and state assets a capital plan for fiscal years 2019 to 2023, inclusive, for the  
503 capital funds authorized in section 2.

504 SECTION 27. Notwithstanding any general or special law to the contrary, a private entity  
505 engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or  
506 redevelopment project receiving funds pursuant to this act shall properly classify individuals  
507 employed on the project and shall comply with all laws concerning workers' compensation  
508 insurance coverage, unemployment insurance, social security taxes and income taxes with  
509 respect to all such employees. All construction contractors engaged by an entity on any such  
510 project shall furnish documentation to the appointing authority showing that all employees  
511 employed on the project have hospitalization and medical benefits that meet the minimum  
512 requirements of the connector established in chapter 176Q of the General Laws.

513 SECTION 28. Notwithstanding any general or special law to the contrary, the  
514 unexpended and unencumbered balances of the bond-funded authorizations in the following  
515 accounts shall cease to be available for expenditure 180 days after the effective date of this act:  
516 3000-0400, 7004-0039, 7004-0040, 7004-0041, 7004-0042, 7004-0043, 7004-0044, 7004-0045,  
517 7004-0046, 7004-0047, 7004-0048.

518 SECTION 29. Sections 10 and 15 shall be effective for tax years beginning on or after  
519 January 1, 2018.