

SENATE No. 1829

The Commonwealth of Massachusetts

—
In the Year Two Thousand Thirteen
—

1 SECTION 1. To provide for a capital outlay program to rehabilitate, produce and
2 modernize state-owned public housing developments; to preserve the affordability and the
3 income mix of state-assisted multifamily developments; to support home ownership and rental
4 housing 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; and to promote economic reinvestment through the
8 funding of infrastructure improvements, the sums set forth in section 2, for the several purposes
9 and subject to the conditions specified in this act, are hereby made available subject to the laws
10 regulating the disbursement of public funds.

11 SECTION 2.

12 EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

13 Office of the Secretary.

14 7004-0039.. For a program of loan guarantees or interest subsidies to assist homeowners
15 with blindness or severe disabilities in making modifications to their primary residence for the
16 purpose of improved accessibility or to allow those homeowners to live independently in the

17 community; provided, that the secretary shall take all steps necessary to minimize the program's
18 administrative costs; provided further, that the loan guarantees shall be available on the basis of a
19 sliding scale that relates the homeowner's income and assets to the cost of home modifications;
20 provided further, that interest subsidies shall be means-tested and may be for 0 per cent pursuant
21 to income standards developed by the secretary; provided further, that the repayment of the loans
22 may be delayed until the sale of the principal residence by the homeowner; provided further, that
23 persons residing in a development covered by section 4 of chapter 151B of the General Laws
24 shall not be eligible for the program unless the owner can show that the modification is an undue
25 financial burden; provided further, that the secretary shall consult with the Massachusetts
26 commission for the blind and the Massachusetts rehabilitation commission in developing the
27 rules, regulations and guidelines for the program; provided further, that nothing herein shall give
28 rise to enforceable legal rights in any party or an enforceable entitlement to services; and
29 provided further, that the secretary shall submit quarterly reports to the house and senate
30 committees on ways and means, the house and senate committees on bonding, capital
31 expenditures and state assets and the joint committee on housing detailing the status of the
32 program established herein..... \$55,000,000

33 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

34 Department of Housing and Community Development.

35 7004-0040.. For state financial assistance in the form of loans for the development of
36 community-based housing or supportive housing for individuals with mental illness and
37 individuals with intellectual disabilities; provided, that the loan program shall be administered by
38 the department of housing and community development, hereinafter referred to in this item as the

39 department, through contracts with the Massachusetts Development Finance Agency established
40 in chapter 23G of the General Laws, the Community Economic Development Assistance
41 Corporation established in chapter 40H of the General Laws, operating agencies established
42 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency
43 established in chapter 708 of the acts of 1966; provided further, that those agencies may develop
44 or finance community-based housing or supportive housing, or may enter into subcontracts with
45 nonprofit organizations established pursuant to chapter 180 of the General Laws or organizations
46 in which such nonprofit corporations have a controlling financial or managerial interest or for-
47 profit organizations; provided, however, that preference for the subcontracts shall be given to
48 nonprofit organizations; provided further, that the department shall consider a balanced
49 geographic plan for such community-based housing or supportive housing when issuing the
50 loans; provided further, that the department shall consider development of a balanced range of
51 housing models by prioritizing funds for integrated housing as defined by the appropriate
52 housing and service agencies including, but not limited to, the department of housing and
53 community development, the Massachusetts rehabilitation commission, the department of mental
54 health and the department of developmental services, in consultation with relevant and interested
55 clients, their families, advocates and other parties as necessary; provided further, that loans
56 issued pursuant to this item shall: (1) not exceed 50 per cent of the financing of the total
57 development costs; (2) be issued only when a contract or agreement for the use of the property
58 for such housing provides for repayment to the commonwealth at the time of disposition of the
59 property in an amount equal to the commonwealth's proportional contribution from the Facilities
60 Consolidation Fund to the cost of the development through payments made by the state agency
61 making the contract; (3) only be issued when a contract or agreement for the use of the property

62 for the purposes of such housing provides for the recording of a deed restriction in the registry of
63 deeds or the registry district of the land court of the county in which the real property is located,
64 for the benefit of the departments, running with the land, that the land be used to provide
65 community-based housing or supportive housing for eligible individuals as determined by the
66 department of mental health and the department of developmental services; provided, that the
67 property shall not be released from such restriction until the balance of the principal and interest
68 for the loan has been repaid in full or until a mortgage foreclosure deed has been recorded; (4) be
69 issued for a term not to exceed 30 years during which time repayment may be deferred by the
70 loan issuing authority; provided further, that if on the date the loans become due and payable to
71 the commonwealth an outstanding balance exists, and if, on such date, the department, in
72 consultation with the executive office of health and human services, determines that there still
73 exists a need for such housing and that there is continued funding available for the provision of
74 services to such development, the department may, by agreement with the owner of the
75 development, extend the loans for such periods, each period not to exceed 10 years, as the
76 department shall determine; provided, however, that the project shall remain affordable housing
77 for the duration of the loan term, including any extension thereof, as set forth in the contract or
78 agreement entered into by the department; and provided further, that in the event the terms of
79 repayment detailed in this item would cause a project authorized by this item to become
80 ineligible to receive federal funds which would otherwise assist in the development of that
81 project, the department may waive the terms of repayment which would cause the project to
82 become ineligible; and (5) have interest rates fixed at a rate, to be determined by the department,
83 in consultation with the state treasurer; provided further, that the loans shall be provided only for
84 projects conforming to the provisions of this item; provided further, that the loans shall be issued

85 in accordance with a facilities consolidation plan prepared by the secretary of health and human
86 services, reviewed and approved by the department and filed with the secretary of administration
87 and finance, the house and senate committees on ways and means, the house and senate
88 committees on bonding, capital expenditures and state assets and the joint committee on housing;
89 provided further, that no expenditure shall be made from this item without the prior approval of
90 the secretary for administration and finance; provided further, that the department, the
91 department of mental health and the Community Economic Development Assistance Corporation
92 may identify appropriate financing mechanisms and guidelines for grants or loans from this item
93 to promote private development to produce housing, to provide for independent integrated living
94 opportunities, to write down building and operating costs and to serve households at or below 15
95 per cent of area median income for the benefit of department of mental health clients; provided
96 further, that not more than \$10,000,000 may be expended from this item for a pilot program of
97 community-based housing or supportive housing loans to serve mentally ill homeless individuals
98 in the current or former care of the department of mental health; provided further, that in
99 implementing the pilot program, the department shall consider a balanced geographic plan when
100 establishing community-based residences; provided further, that the housing services made
101 available pursuant to such loans shall not be construed as a right or an entitlement for any
102 individual or class of persons to the benefits of the pilot program; provided further, that
103 eligibility for the pilot program shall be established by regulations promulgated by the
104 department; provided further, that the department shall promulgate regulations pursuant to
105 chapter 30A of the General Laws for the implementation, administration and enforcement of this
106 item, consistent with the facilities consolidation plan prepared by the secretary of health and

107 human services, and after consultation with the secretary and the commissioner of the division of
108 capital asset management and maintenance..... \$47,000,000

109 7004-0041.. For state financial assistance in the form of loans for the development and
110 redevelopment of community-based housing or supportive housing for persons with disabilities
111 who are institutionalized or at risk of being institutionalized, who are not eligible for housing
112 developed pursuant to item 7004-0040; provided, that the loan program shall be administered by
113 the department of housing and community development, hereinafter referred to in this item as the
114 department, through contracts with the Massachusetts Development Finance Agency established
115 in chapter 23G of the General Laws, the Community Economic Development Assistance
116 Corporation established in chapter 40H of the General Laws, operating agencies established
117 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency
118 established in chapter 708 of the acts of 1966; provided further, that the agencies may develop or
119 finance the community-based housing or supportive housing, or may enter into subcontracts with
120 nonprofit organizations established pursuant to chapter 180 of the General Laws or organizations
121 in which such nonprofit corporations have a controlling financial or managerial interest or for-
122 profit organizations; provided, however, that preference for such subcontracts shall be given to
123 nonprofit organizations; provided further, that the department shall consider a balanced
124 geographic plan for such community-based housing or supportive housing when issuing the
125 loans; provided further, that all housing developed with these funds shall be integrated housing
126 as defined by the appropriate state housing and service agencies including, but not limited to, the
127 department, the executive office of health and human services and the Massachusetts
128 rehabilitation commission in consultation with relevant and interested clients, their families,
129 advocates, and other parties as necessary; provided further, that loans issued pursuant to this item

130 shall: (1) not exceed 50 per cent of the financing of the total development costs; (2) be issued
131 only when a contract or agreement for the use of the property for the purposes of such housing
132 provides for repayment to the commonwealth at the time of disposition of the property in an
133 amount equal to the commonwealth's proportional contribution from community based housing
134 to the cost of the development through payments made by the state agency making the contract;
135 (3) only be issued when a contract or agreement for the use of the property for the purposes of
136 such community-based housing or supportive housing provides for the recording of a deed
137 restriction in the registry of deeds or the registry district of the land court of the county in which
138 the real property is located, for the benefit of the departments, running with the land, that the
139 land be used to provide community-based housing or supportive housing for eligible individuals
140 as determined by the Massachusetts rehabilitation commission or other agency of the executive
141 office of health and human services; provided further, that the property shall not be released from
142 such restrictions until the balance of the principal and interest for the loan has been repaid in full
143 or until a mortgage foreclosure deed has been recorded; (4) be issued for a term not to exceed 30
144 years during which time repayment may be deferred by the loan issuing authority; provided
145 further, that if on the date the loans become due and payable to the commonwealth an
146 outstanding balance exists, and if on that date, the department, in consultation with the executive
147 office of health and human services, determines that there still exists a need for such housing, the
148 department may, by agreement with the owner of the development, extend the loans for such
149 periods, each period not exceed 10 years, as the department shall determine; provided, however,
150 that the project shall continue to remain affordable housing for the duration of the loan term,
151 including any extensions thereof, as set forth in the contract or agreement entered into by the
152 department; and provided further, that in the event the terms of repayment detailed in this item

153 would cause a project authorized by this item to become ineligible to receive federal funds which
154 would otherwise assist in the development of that project, that commissioner may waive the
155 terms of repayment which would cause the project to become ineligible; and (5) have interest
156 rates fixed at a rate, to be determined by the department, in consultation with the state treasurer;
157 provided further, the loans shall be provided only for projects conforming to this item; provided
158 further, that the loans shall be issued in accordance with an enhancing community-based services
159 plan prepared by the secretary of health and human services, in consultation with the department
160 and filed with the secretary for administration and finance and the house and senate committees
161 on ways and means, the house and senate committees on bonding, capital expenditures and state
162 assets and the joint committee on housing; provided further, that no expenditure shall be made
163 from this item without the prior approval of the secretary for administration and finance;
164 provided further, that the department shall promulgate regulations pursuant to chapter 30A of the
165 General Laws for the implementation, administration and enforcement of this item, consistent
166 with the enhancing community-based services plan prepared by the secretary of health and
167 human services after consultation with the secretary and the commissioner of capital asset
168 management and maintenance..... \$38,000,000

169 7004-0042.. For the capitalization of the Affordable Housing Trust Fund, established in
170 section 2 of chapter 121D of the General Laws..... \$305,000,000

171 7004-0043.. For the purpose of state financial assistance in the form of grants or loans for
172 the Housing Stabilization and Investment Trust Fund established in section 2 of chapter 121F of
173 the General Laws and awarded only pursuant to the criteria established therein; provided, that
174 not less than 25 per cent shall be used to fund projects which preserve and produce housing for
175 families and individuals with incomes of not more than 30 per cent of the area median income, as

176 defined by the United States Department of Housing and Urban Development; provided further,
177 that if the department of housing and community development has not been able to meet the
178 spending authorized under the bond cap for this program, at the end of each year following the
179 effective date of this act, the department may award the remaining funds to projects that serve
180 households earning more than 30 per cent of the area median income, as defined by the United
181 States Department of Housing and Urban Development; provided further, that not less than
182 \$5,000,000 shall be expended for the production or preservation of housing for people age 60
183 and over; and provided further, that the department may expend an amount not to exceed
184 \$10,000,000 to stabilize and promote reinvestment, through homeownership, in areas the
185 department has determined to be weak markets as indicated by a high concentration of assisted
186 rental housing, a low rate of homeownership, low median family income, low average sales
187 prices, high levels of unpaid property taxes or vacant or abandoned buildings, by waiving the
188 requirements of this item and said chapter 121F, and by subsidizing the purchase price,
189 borrowing costs or costs of renovation of 1 to 6 unit residential buildings for a person who shall
190 own the property and occupy any portion of the property as the person's primary residence for at
191 least 5 years from the date of purchase; provided further, that if more than 5 years, but less than
192 10 years, from the date of the owner's taking ownership of the property, the owner sells any of
193 the owner's interest in the property, the new owner shall so occupy 1 unit in the property for a
194 period equal to the difference between 10 years and the amount of time the first owner occupied
195 the property as the owner's primary residence; provided further, that if the owner fails to so
196 occupy a unit on the property or ceases to be the owner of the property as required by this
197 section, the department shall recoup the value of any subsidy provided to the owner; and,
198 provided further, that 10 years after the owner's having taken possession of the property pursuant

199 to this item, all restrictions on the property created by this item shall be void.....

200 \$135,000,000.

201 7004-0044.. For the purpose of state financial assistance in the form of grants for projects
202 undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws; provided,
203 that contracts entered into by the department of housing and community development for those
204 projects may include, but shall not be limited to, projects providing for renovation, remodeling,
205 reconstruction, redevelopment and hazardous material abatement, including asbestos and lead
206 paint, and for compliance with state codes and laws and for adaptations necessary for compliance
207 with the Americans with Disabilities Act, the provision of day care facilities, learning centers
208 and teen service centers and the adaptation of units for families and persons with disabilities;
209 provided further, that priority shall be given to projects undertaken for the purpose of compliance
210 with state codes and laws or for other purposes related to the health and safety of residents;
211 provided further, that funds may be expended from this item to make such modifications to
212 congregate housing units as may be necessary to increase the occupancy rate of those units;
213 provided further, that the department shall continue to fund a program to provide predictable
214 funds to be used flexibly by housing authorities for capital improvements to extend the useful
215 life of state-assisted public housing; provided further, that not less than 25 per cent shall be used
216 to fund projects which preserve or produce housing for families and individuals with incomes of
217 not more than 30 per cent of the area median income, as defined by the United States Department
218 of Housing and Urban Development \$500,000,000

219 7004-0045.. For the purpose of state financial assistance in the form of grants for a 5 year
220 demonstration program, administered by the department of housing and community development
221 to demonstrate cost effective revitalization methods for state-aided family and elderly-disabled

222 public housing that seek to reduce the need for future state modernization funding; provided
223 further, that housing authorities with state-aided housing developments pursuant to chapter 200
224 of the acts of 1948, chapter 667 of the acts of 1954 or chapter 705 of the acts of 1966 shall be
225 eligible to participate in demonstration program; provided further, that the department shall
226 establish a 7-member advisory committee, to consist of the director of the department or his
227 designee, 1 member selected by Citizens' Housing and Planning Association, 1 member selected
228 by the Massachusetts Chapter of the National Association of Housing and Redevelopment
229 Officials, 1 member selected by the Massachusetts Union of Public Housing Tenants and 3
230 additional members chosen by the department to provide advice and recommendations to the
231 department regarding regulations to implement the demonstration program; provided further, that
232 the department may exempt a recipient of demonstration grants from the requirements of chapter
233 7 and chapter 121B of the General Laws upon a showing by the recipient that such exemptions
234 are necessary to accomplish the effective revitalization of public housing and will not adversely
235 affect public housing residents or applicants of any income who are otherwise eligible; provided
236 further, that the department may provide to recipients of demonstration grants such additional
237 regulatory relief as is required to further the objectives of the demonstration program; provided
238 further, that funds shall be made available for technical assistance provided by the Community
239 Economic Development Assistance Corporation established in chapter 40H of the General Laws
240 or the Massachusetts Housing Partnership Fund established pursuant to section 35 of chapter 405
241 of the acts of 1985 to recipients of demonstration grants and for evaluation of the demonstration;
242 provided further, that the department shall promulgate regulations for the implementation,
243 administration and enforcement of this item within 90 days after the effective date of this act;
244 provided, however, that the regulations shall: (i) require that housing authorities selected

245 demonstrate innovative, replicable solutions to the management, marketing or capital needs of
246 state-aided family and elderly-disabled public housing developments and contribute to the
247 continued viability of the housing as a resource for public housing eligible residents; (ii)
248 encourage proposals that demonstrate regional collaborations among housing authorities; and
249 (iii) encourage proposals that propose new affordable housing units on municipally-owned land,
250 underutilized public housing sites or other land owned by the housing authority; and provided
251 further, that the department shall report to the house and senate committees on ways and means,
252 the house and senate committees on bonding, capital expenditures and state assets and the joint
253 committee on housing on the progress of the demonstration program within 90 days after
254 promulgation of the regulations and annually thereafter..... \$50,000,000

255 7004-0046.. For the purpose of state financial assistance in the form of grants or loans for
256 the Housing Innovations Trust Fund established in section 2 of chapter 121E of the General
257 Laws; provided, however, that not less than 25 per cent shall be used to fund projects which
258 preserve and produce housing for families and individuals with incomes of not more than 30 per
259 cent of the area median income, as defined by the United States Department of Housing and
260 Urban Development..... \$80,000,000

261 7004-0047.. For the purpose of state financial assistance in the form of grants or loans for
262 the Capital Improvement and Preservation Trust Fund for expiring use properties established in
263 section 2 of chapter 121G of the General Laws..... \$100,000,000

264 7004-0048.. For the purpose of providing financial support for developing residential
265 housing units and mixed use developments that include both residential housing units and
266 commercial or retail space and are located within neighborhood commercial areas including, but

267 not limited to, those areas designated as Main street areas by providing necessary financial
268 assistance to the commercial components of these projects; provided, however, that the
269 developments may include projects which have residential units above commercial space and
270 shall be located in areas characterized by a predominance of commercial land uses, a high
271 daytime or business population or a high concentration of daytime traffic and parking; provided
272 further that the financial subsidy for the commercial portion of a project shall not exceed 25% of
273 the total development cost of the commercial portion of the project or \$1 million, whichever is
274 smaller, ; provided further, that \$15,000,000 shall be used to fund transit-oriented housing
275 developments in proximity to public transit nodes; provided further, that eligible activities for
276 transit-oriented development shall include, without limitation, planning grants, financing
277 subsidies and environmental assessment; and provided further, that not less than 50 per cent of
278 the beneficiaries of housing in projects assisted by this item shall be persons whose income is not
279 more than 80 per cent of the area median income as defined by the United States Department of
280 Housing and Urban Development,.... \$45,000,000

281 DEPARTMENT OF EARLY EDUCATION AND CARE

282 7004-0049.. For the purpose of state financial assistance in the form of grants for the
283 Early Education and Out of School Time Capital Fund for the development of eligible facilities
284 for licensed early care and education and out of school time programs established in section 3 of
285 chapter 121H of the General Laws; provided, that the department of early education and care
286 may contract with one or more quasi-public or non-profit entities to administer the program;
287 provided further that the department may develop or finance eligible facilities, or may enter into
288 subcontracts with nonprofit organizations established pursuant to Chapter 180 of the General
289 Laws, or organizations in which such nonprofit corporations have a controlling financial or

290 managerial interest; provided further that the department shall: (1) consider a balanced
291 geographic plan for such eligible facilities when issuing the funding commitments; and (2)
292 consider funding large group and school age child care centers as defined by the department of
293 early education and care; provided further that the services made available pursuant to such
294 grants shall not be construed as a right or entitlement for any individual or class of persons to the
295 benefits financing; provided further that no expenditure shall be made from this item without the
296 prior approval of the secretary for administration and finance; provided further that eligibility
297 shall be established by regulations promulgated by the department; pursuant to chapter 30A for
298 the General Laws for the implementation, administration and enforcement of this
299 item..... \$45,000,000

300 SECTION 3. The General Laws are hereby amended by inserting after chapter 121G the
301 following chapter:-

302 CHAPTER 121H

303 Early Education and Out of School Time Capital Fund

304 Section 1. As used in this chapter the following words shall, unless the context clearly
305 requires otherwise, have the following meanings:

306 “Department”, the department of early education and care.

307 “Eligible project”, the acquisition, design, construction, repair, renovation, rehab or other
308 capital improvement or deferred maintenance of an eligible facility.

309 "Eligible facility”, a building, structure or site that is, or will be, owned, leased, or
310 otherwise used by 1 or more Eligible Organizations and licensed by the department. At least 25

311 per cent of the slots in the facility shall serve low income families who are eligible for public
312 subsidy. Leased facilities shall have a lease term that is consistent with the scale of the capital
313 investment, but under no circumstances should the lease term be less than fifteen years.
314 Municipally owned buildings are eligible provided that there is dedicated single purpose space
315 for licensed early education or out of school time programs.

316 "Eligible organization", a non-profit corporation that is exempt from income taxation
317 pursuant to chapter 180 of the organizations in which such nonprofit corporations have a
318 controlling financial or managerial interest.

319 "Grant", a direct grant of capital funds to an applicant for payment of the costs of an
320 eligible project.

321 Section 2. Each recipient of a loan or grant from the Early Education and Out of School
322 Time Capital Fund established in section 3 shall be an eligible project that demonstrates: (i) need
323 for such a project; (ii) project benefits to low-income children and the effected community; (iii)
324 financial need for assistance in the form of such a loan or grant; and (iv) local support for the
325 project.

326 Section 3. There shall be within the department a separate fund to be known as the Early
327 Education and Out of School Time Capital Fund. The department shall administer the fund for
328 the purpose of making grants for the development of eligible facilities for licensed early care and
329 education and out of school time programs.

330 SECTION 4. Section 3 of chapter 121D of the General laws, as appearing in the 2010
331 Official Edition, is hereby amended by adding the following subsection:-

332 (e) Funds provided for the fund may be used to write down interest rates and related costs
333 for a program for low- and moderate-income first-time homebuyers administered by the
334 Massachusetts Housing Partnership Fund Board.

335 SECTION 5. Section 1 of chapter 121E of the General Laws, as so appearing, is hereby
336 amended by striking out, in lines 3 and 4, the words “housing for the homeless; battered
337 women’s shelters”, and inserting in place thereof the following words:- or permanent housing for
338 the homeless; shelters for victims of domestic abuse.

339 SECTION 6. Subsection (b) of section 3 of said chapter 121E, as so appearing, is hereby
340 amended by striking out clause (2).

341 SECTION 7. Said section 3 of said chapter 121E, as so appearing, is hereby further
342 amended by striking out, in lines 42 to 49, inclusive, the words “unless, at the end of a fiscal
343 year, cash collections from all sources in connection with the housing, except for contributions,
344 donations or grant moneys, exceed 105 per cent of cash expenditures on behalf of the housing,
345 including debt service, operating expenses, operating revenues and capital reserves; provided
346 further, that any excess cash shall be paid to the commonwealth within 45 days after the end of
347 the fiscal year, payable first to interest due under this section and then to principal advanced
348 pursuant to the loan”.

349 SECTION 8. Said subsection (b) of section 3 of said chapter 121E, as so appearing, is
350 hereby further amended by striking out, in lines 63 to 71, inclusive, the words “; and (7) for
351 projects developed pursuant to this chapter not refinanced during the term of a loan issued
352 pursuant to this chapter unless the balance of the principal and interest for the prior loan is repaid
353 in full at the time of the refinancing; provided, however, that housing projects may be refinanced

354 if the refinancing would result in a reduction of costs paid by the commonwealth; provided
355 further, that a refinanced loan shall be due and payable not later than the date on which the prior
356 loan was due and payable, except in accordance with clause (4) or when necessary to effect
357 extraordinary repairs or maintenance to be approved by the department.”

358 SECTION 9. Section 3 of chapter 121F of the General Laws, as so appearing, is hereby
359 amended by inserting after the word “preservation”, in line 37, the following words:- , new
360 construction.

361 SECTION 10. Said Section 3 of chapter 121F, as so appearing, is hereby amended by
362 inserting after the figure “(6)”, in line 87, the following words:- notwithstanding the restrictions
363 in this chapter.

364 SECTION 11. Subsection (b) of said section 3 of said chapter 121F, as so appearing, is
365 hereby further amended by striking out clause (7) and inserting in place thereof the following
366 clause:- (7) notwithstanding the restrictions in this chapter, to write down interest rates and
367 related costs for a program for low- and moderate-income first-time homebuyers administered by
368 the Massachusetts Housing Partnership Fund Board.

369 SECTION 12. Section 23 of chapter 40B of the General Laws, as appearing in the 2010
370 Official Edition, is hereby amended by inserting after the second sentence the following
371 sentences:- If the committee finds that a denial is not consistent with local needs, in directing the
372 board to issue a comprehensive permit or approval to applicant, the committee may also direct
373 the board to include reasonable conditions and requirements that are consistent with local needs,
374 that relate to matters of legitimate local concern, that were identified at the committee hearing,
375 and that the committee deems not adequately or acceptably addressed in the application. When

376 directing the board to include such condition and requirements, the committee may specify
377 specific conditions or requirements or may require that the conditions or requirements be
378 developed by the board.

379 SECTION 13. Section 20 of chapter 40B of the General Laws, as so appearing, is hereby
380 amended by striking out, in line 9, the words “limited dividend organization.” And inserting in
381 place thereof the following:- limited dividend organization, or any housing that the department of
382 housing and community development has agreed to consider low or moderate income housing.

383 SECTION 14. The Department of Housing and Community Development shall
384 promulgate regulations defining a continuing care retirement community as an entity that
385 provides a continuum of residential living options, including both nursing facility services and
386 assisted living or independent living services, and support services to persons sixty years of age
387 or older. The department shall further adopt regulations defining a life lease as a written
388 agreement for the use of a rental unit for the life of the tenant or for a specific term wherein a
389 tenant pays an entrance fee followed by a monthly fee to cover maintenance and other expenses.
390 Said regulations shall also specify that all units in a life lease development shall be eligible to be
391 counted on the Subsidized Housing Inventory if the development otherwise satisfies the
392 affordability conditions under sections 20-23 of chapter 40B of the General Laws. The
393 department shall further adopt regulations specifying that for units previously marketed in the
394 absence of an Affordable Fair Housing Marketing Plan, all affordable housing units shall be
395 eligible for inclusion on the Subsidized Housing Inventory as soon as an affordable fair housing
396 marketing plan is in place and upon a showing that occupants meet the income limitations set
397 forth by 760 CMR 56.02 and that the occupants are substantially similar to occupants that would
398 have been selected had an Affordable Fair Housing Marketing Plan been in place.

399 SECTION 15. Section 63 of chapter 23A of the General Laws, as appearing in section 11
400 of chapter 238 of the acts of 2012, is hereby amended in paragraph (a) by striking out the words
401 “.25 miles” and inserting in place thereof the following words:- .5 miles.

402 SECTION 16. Section 100 of chapter 142 of the acts of 2011 is hereby amended by
403 striking out the figure “2015” and inserting in place thereof the following figure:- 2020.

404 SECTION 17. Section 2 of chapter 18 of the acts of 2013 is hereby amended by striking
405 out the item number "6122-1223" and inserting in place thereof the following number:- 6122-
406 1323.

407 SECTION 18. Notwithstanding any general or special law to the contrary, the secretary
408 of housing and economic development and the secretary for administration and finance shall
409 jointly submit a report on the progress of all projects and expenditures related to the funds
410 available in this act or any outstanding authorizations from prior authorization act for housing
411 projects, and undertaken by the executive office of housing and economic development or any of
412 its constituent agencies to the house and senate committees on ways and means, the house and
413 senate committees on bonding, capital expenditures and state assets and the joint committee on
414 housing. This report shall include, but not be limited to: the address, the nature of the work and
415 scope of work of each project funded in this act, the total amount allocated for each project
416 broken down by fiscal year in which the allocation occurred, the total estimated cost of each
417 project, the amount expended for the planning and design of each project up to the time the
418 report is filed, the amount expended on construction of each project up to the time the report is
419 filed, the total amount currently expended on each project, a schedule of life cycle standards for
420 each completed project, the original estimated completion date of each project, the current

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

425 SECTION 19. Notwithstanding any general or special law to the contrary, to meet the
426 expenditures necessary in carrying out section 2, the state treasurer shall, upon receipt of a
427 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified
428 by the governor from time to time but not exceeding, in the aggregate, \$1,400,000,000. All
429 bonds issued by the commonwealth, as aforesaid, shall be designated on their face, Housing
430 Production, Preservation, Modification and Neighborhood Development Loan Act of 2013, and
431 shall be issued for a maximum term of years, not exceeding 30 years, as the governor may
432 recommend to the general court pursuant to Section 3 of Article LXII of the Amendments to the
433 Constitution; provided, however, that all such bonds shall be payable not later than June 30,
434 2048. All interest and payments on account of principal on such obligations shall be payable
435 from the General Fund. Bonds and interest thereon issued under the authority of this section
436 shall, notwithstanding any other provision of this act, be general obligations of the
437 commonwealth. An amount not to exceed 2 per cent of the authorizations may be expended by
438 the department of housing and community development for administrative costs directly
439 attributable to the purposes of this act, including costs of clerical and support personnel. The
440 director of the department of housing and community development shall file an annual spending
441 plan with the fiscal affairs division, the house and senate committees on ways and means, the
442 house and senate committees on bonding, capital expenditures and states assets and the joint

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

445 SECTION 20. Notwithstanding any general or special law to the contrary, within 120
446 days after the expiration of affordability restrictions on housing units assisted under items 7004-
447 0040 and 7004-0041 of section 2, the department of housing and community development or its
448 assignee, who is a qualified developer selected pursuant to the terms of said items 7004-0040 and
449 7004-0041 of said section 2 under the guidelines of the department, shall have an option to
450 purchase any such housing units at their current appraised value reduced by any remaining
451 obligation of the owner upon the expiration of the affordability restrictions. The department or its
452 assignee may purchase or acquire such housing units only for the purposes of preserving or
453 providing affordable housing. The department or its assignee shall hold such purchase option for
454 the first 120 days after the expiration of the affordability restrictions. Failure to exercise the
455 purchase option within 120 days after the expiration of the affordability restriction shall
456 constitute a waiver of the purchase option by the department or its assignee. Two impartial
457 appraisers shall determine, within 60 days after the expiration of the affordability restrictions, the
458 current appraised value in accordance with recognized professional standards. Two professionals
459 in the field of multi-unit residential housing shall each select an appraiser. The owner and the
460 department, respectively, shall each designate a professional within 30 days after the expiration
461 of these affordability restrictions. If there is a difference in the valuations, the valuations shall be
462 added together and divided by 2 to determine the current appraised value of the units. No sale,
463 transfer or other disposition of the property shall be consummated until either the purchase
464 option period shall have expired or the owner shall have been notified, in writing, by the
465 department or its assignee that the option will not be exercised. The option shall be exercised

466 only by written notice signed by a designated representative of the department or its assignee,
467 mailed to the owner by certified mail at address specified in the notice of intention and recorded
468 with the registry of deeds or the registry district of the land court of the county in which the
469 affected real property is located, within the option period. If the purchase option has been
470 assigned to a qualified developer selected pursuant to said items 7004-0040 and 7004-0041 of
471 section 2, the written notice shall state the name and address of the developer and the terms and
472 conditions of the assignment. Before any sale or transfer or other disposition of the housing
473 where the department has not previously exercised an option to purchase, an owner shall offer
474 the department or its assignee, who shall be a qualified developer selected pursuant to this
475 section, a first refusal option to meet a bona fide offer to purchase the units.. The owner shall
476 provide to the department or its assignee written notice by regular and certified mail, return
477 receipt requested, of the owner's intention to sell, transfer or otherwise dispose of the property.
478 The department or its assignee shall hold the first refusal option for the first 120 days after
479 receipt of the owner's written notice of intent to transfer the property. Failure to respond to the
480 written notice of intent to sell, transfer or otherwise dispose of the property within the 120-day
481 period shall constitute a waiver of the right of first refusal by the department. No sale, transfer or
482 other disposition of the property shall be consummated until either this first refusal option period
483 shall have expired or the owner shall have been notified in writing by the department or its
484 assignee that the option will not be exercised. The option shall be exercised only by written
485 notice signed by a designated representative of the department or its assignee, mailed to the
486 owner by certified mail at the address specified in the notice of intention and recorded with the
487 registry of deeds or the registry district of the land court of the county in which the affected real
488 property is located, within the option period. If the first refusal option has been assigned to a

489 qualified developer selected pursuant to said items 7004-0040 and 7004-0041 of section 2, the
490 written notice shall state the name and address of the developer and the terms and conditions of
491 the assignment. An affidavit before a notary public that the notice of intent was mailed on behalf
492 of an owner shall conclusively establish the manner and time of the giving of notice the affidavit
493 and notice that the option shall not be exercised shall be recorded with the registry of deeds or
494 the registry district of the land court of the county in which the affected real property is located.
495 Each notice of intention, notice of exercise of the purchase option or first refusal option and
496 notice that the purchase option or first refusal option shall not be exercised shall contain the
497 name of the record owner of the property and a reasonable description of the premises to be sold
498 or converted of and each affidavit signed before a notary public, shall have attached to it a copy
499 of the notice of intention to which it relates. The notices of intention shall be mailed to the
500 relevant parties, in the care of the keeper of records for the party in question. Upon notifying the
501 owner in writing of its intention to exercise its purchase option or first refusal option during the
502 120-day period, the department or its assignee shall have an additional 120 days, beginning on
503 the date the purchase option period or first refusal option period expires, to purchase the units.
504 Those time periods may be extended by mutual agreement between the department or its
505 assignee and the owner of the property. Any extension agreed upon shall be recorded in the
506 registry of deeds or the registry district of the land court of the county in which the affected real
507 property is located. Within a reasonable time after requesting an extension, the owner shall make
508 available to the department or its assignee any information that is reasonably necessary for the
509 department to exercise its options.

510 SECTION 21. Notwithstanding any general or special law to the contrary, not later than
511 July 1, 2013, and annually thereafter, the director of housing and community development shall

512 submit to the secretary of administration and finance, the house and senate committees on ways
513 and means, the joint committee on housing and the house and senate committees on bonding,
514 capital expenditures and state assets a capital plan for fiscal years 2014 to 2018, inclusive, for
515 capital funds authorized in section 2.

516 SECTION 22. Notwithstanding any general or special law to the contrary, a private entity
517 engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or
518 redevelopment project receiving funds pursuant to this act shall properly classify individuals
519 employed on the project and shall comply with all laws concerning workers' compensation
520 insurance coverage, unemployment insurance, social security taxes and income taxes with
521 respect to all such employees. All construction contractors engaged by an entity on any such
522 project shall furnish documentation to the appointing authority showing that all employees
523 employed on the project have hospitalization and medical benefits that meet the minimum
524 requirements of the connector board established in chapter 176Q of the General Laws.

525 SECTION 23. Notwithstanding any general or special law to the contrary, the
526 unexpended and unencumbered balances of the bond-funded authorizations in the following
527 accounts shall cease to be available for expenditure 90 days after the effective date of this act:
528 4000-8200, 3722-8891, 3722-8892, 3722-8896, 3722-8871, 3722-8872, 4000-7998, 4000-8201,
529 4000-8202, 7004-0021, 7004-0022, 7004-0028, 7004-0029, 7004-0030, 7004-0031, 7004-0032,
530 7004-0036, 7004-0037, 7004-0038, 7004-6666, 7004-7011, 7004-7013, 7004-7014, 7004-7015,
531 7004-7016, 7004-7017, 7004-7018, 7004-8984, 7004-8985, 7004-9982.

532 SECTION 24. This act shall take effect on July 1, 2013.