

**HOUSE . . . . . No. 3464**

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**The Commonwealth of Massachusetts**

**In the Year Two Thousand Thirteen**

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-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           7004-0028.. 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 and the joint committee on housing detailing the status of the  
31 program established herein..... \$55,000,000

32 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

33 Department of Housing and Community Development.

34 7004-0029.. For state financial assistance in the form of loans for the development of  
35 community-based housing or supportive housing for individuals with mental illness and  
36 individuals with intellectual disabilities; provided, that the loan program shall be administered by  
37 the department of housing and community development, hereinafter referred to in this item as the  
38 department, through contracts with the Massachusetts Development Finance Agency established  
39 in chapter 23G of the General Laws, the Community Economic Development Assistance  
40 Corporation established in chapter 40H of the General Laws, operating agencies established  
41 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency  
42 established in chapter 708 of the acts of 1966; provided further, that those agencies may develop  
43 or finance community-based housing or supportive housing, or may enter into subcontracts with  
44 nonprofit organizations established pursuant to chapter 180 of the General Laws or organizations  
45 in which such nonprofit corporations have a controlling financial or managerial interest or for-  
46 profit organizations; provided, however, that preference for the subcontracts shall be given to  
47 nonprofit organizations; provided further, that the department shall consider a balanced  
48 geographic plan for such community-based housing or supportive housing when issuing the  
49 loans; provided further, that the department shall consider development of a balanced range of  
50 housing models by prioritizing funds for integrated housing as defined by the appropriate  
51 housing and service agencies including, but not limited to, the department of housing and  
52 community development, the Massachusetts rehabilitation commission, the department of mental  
53 health and the department of developmental services, in consultation with relevant and interested  
54 clients, their families, advocates and other parties as necessary; provided further, that loans

55 issued pursuant to this item shall: (1) not exceed 50 per cent of the financing of the total  
56 development costs; (2) be issued only when a contract or agreement for the use of the property  
57 for such housing provides for repayment to the commonwealth at the time of disposition of the  
58 property in an amount equal to the commonwealth's proportional contribution from the Facilities  
59 Consolidation Fund to the cost of the development through payments made by the state agency  
60 making the contract; (3) only be issued when a contract or agreement for the use of the property  
61 for the purposes of such housing provides for the recording of a deed restriction in the registry of  
62 deeds or the registry district of the land court of the county in which the real property is located,  
63 for the benefit of the departments, running with the land, that the land be used to provide  
64 community-based housing or supportive housing for eligible individuals as determined by the  
65 department of mental health and the department of developmental services; provided, that the  
66 property shall not be released from such restriction until the balance of the principal and interest  
67 for the loan has been repaid in full or until a mortgage foreclosure deed has been recorded; (4) be  
68 issued for a term not to exceed 30 years during which time repayment may be deferred by the  
69 loan issuing authority; provided further, that if on the date the loans become due and payable to  
70 the commonwealth an outstanding balance exists, and if, on such date, the department, in  
71 consultation with the executive office of health and human services, determines that there still  
72 exists a need for such housing and that there is continued funding available for the provision of  
73 services to such development, the department may, by agreement with the owner of the  
74 development, extend the loans for such periods, each period not to exceed 10 years, as the  
75 department shall determine; provided, however, that the project shall remain affordable housing  
76 for the duration of the loan term, including any extension thereof, as set forth in the contract or  
77 agreement entered into by the department; and provided further, that in the event the terms of  
78 repayment detailed in this item would cause a project authorized by this item to become  
79 ineligible to receive federal funds which would otherwise assist in the development of that  
80 project, the department may waive the terms of repayment which would cause the project to  
81 become ineligible; and (5) have interest rates fixed at a rate, to be determined by the department,  
82 in consultation with the state treasurer; provided further, that the loans shall be provided only for  
83 projects conforming to the provisions of this item; provided further, that the loans shall be issued  
84 in accordance with a facilities consolidation plan prepared by the secretary of health and human  
85 services, reviewed and approved by the department and filed with the secretary of administration  
86 and finance, the house and senate committees on ways and means and the joint committee on  
87 housing; provided further, that no expenditure shall be made from this item without the prior  
88 approval of the secretary for administration and finance; provided further, that the department,  
89 the department of mental health and the Community Economic Development Assistance  
90 Corporation may identify appropriate financing mechanisms and guidelines for grants or loans  
91 from this item to promote private development to produce housing, to provide for independent  
92 integrated living opportunities, to write down building and operating costs and to serve  
93 households at or below 15 per cent of area median income for the benefit of department of  
94 mental health clients; provided further, that not more than \$10,000,000 may be expended from

95 this item for a pilot program of community-based housing or supportive housing loans to serve  
96 mentally ill homeless individuals in the current or former care of the department of mental  
97 health; provided further, that in implementing the pilot program, the department shall consider a  
98 balanced geographic plan when establishing community-based residences; provided further, that  
99 the housing services made available pursuant to such loans shall not be construed as a right or an  
100 entitlement for any individual or class of persons to the benefits of the pilot program; provided  
101 further, that eligibility for the pilot program shall be established by regulations promulgated by  
102 the department; provided further, that the department shall promulgate regulations pursuant to  
103 chapter 30A of the General Laws for the implementation, administration and enforcement of this  
104 item, consistent with the facilities consolidation plan prepared by the secretary of health and  
105 human services, and after consultation with the secretary and the commissioner of the division of  
106 capital asset management and maintenance..... \$47,000,000

107           7004-0030.. For state financial assistance in the form of loans for the development and  
108 redevelopment of community-based housing or supportive housing for persons with disabilities  
109 who are institutionalized or at risk of being institutionalized, who are not eligible for housing  
110 developed pursuant to item 7004-0029; provided, that the loan program shall be administered by  
111 the department of housing and community development, hereinafter referred to in this item as the  
112 department, through contracts with the Massachusetts Development Finance Agency established  
113 in chapter 23G of the General Laws, the Community Economic Development Assistance  
114 Corporation established in chapter 40H of the General Laws, operating agencies established  
115 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency  
116 established in chapter 708 of the acts of 1966; provided further, that the agencies may develop or  
117 finance the community-based housing or supportive housing, or may enter into subcontracts with  
118 nonprofit organizations established pursuant to chapter 180 of the General Laws or organizations  
119 in which such nonprofit corporations have a controlling financial or managerial interest or for-  
120 profit organizations; provided, however, that preference for such subcontracts shall be given to  
121 nonprofit organizations; provided further, that the department shall consider a balanced  
122 geographic plan for such community-based housing or supportive housing when issuing the  
123 loans; provided further, that all housing developed with these funds shall be integrated housing  
124 as defined by the appropriate state housing and service agencies including, but not limited to, the  
125 department, the executive office of health and human services and the Massachusetts  
126 rehabilitation commission in consultation with relevant and interested clients, their families,  
127 advocates, and other parties as necessary; provided further, that loans issued pursuant to this item  
128 shall: (1) not exceed 50 per cent of the financing of the total development costs; (2) be issued  
129 only when a contract or agreement for the use of the property for the purposes of such housing  
130 provides for repayment to the commonwealth at the time of disposition of the property in an  
131 amount equal to the commonwealth's proportional contribution from community based housing  
132 to the cost of the development through payments made by the state agency making the contract;  
133 (3) only be issued when a contract or agreement for the use of the property for the purposes of  
134 such community-based housing or supportive housing provides for the recording of a deed

135 restriction in the registry of deeds or the registry district of the land court of the county in which  
136 the real property is located, for the benefit of the departments, running with the land, that the  
137 land be used to provide community-based housing or supportive housing for eligible individuals  
138 as determined by the Massachusetts rehabilitation commission or other agency of the executive  
139 office of health and human services; provided further, that the property shall not be released from  
140 such restrictions until the balance of the principal and interest for the loan has been repaid in full  
141 or until a mortgage foreclosure deed has been recorded; (4) be issued for a term not to exceed 30  
142 years during which time repayment may be deferred by the loan issuing authority; provided  
143 further, that if on the date the loans become due and payable to the commonwealth an  
144 outstanding balance exists, and if on that date, the department, in consultation with the executive  
145 office of health and human services, determines that there still exists a need for such housing, the  
146 department may, by agreement with the owner of the development, extend the loans for such  
147 periods, each period not exceed 10 years, as the department shall determine; provided, however,  
148 that the project shall continue to remain affordable housing for the duration of the loan term,  
149 including any extensions thereof, as set forth in the contract or agreement entered into by the  
150 department; and provided further, that in the event the terms of repayment detailed in this item  
151 would cause a project authorized by this item to become ineligible to receive federal funds which  
152 would otherwise assist in the development of that project, that commissioner may waive the  
153 terms of repayment which would cause the project to become ineligible; and (5) have interest  
154 rates fixed at a rate, to be determined by the department, in consultation with the state treasurer;  
155 provided further, the loans shall be provided only for projects conforming to this item; provided  
156 further, that the loans shall be issued in accordance with an enhancing community-based services  
157 plan prepared by the secretary of health and human services, in consultation with the department  
158 and filed with the secretary for administration and finance and the house and senate committees  
159 on ways and means and the joint committee on housing; provided further, that no expenditure  
160 shall be made from this item without the prior approval of the secretary for administration and  
161 finance; provided further, that the department shall promulgate regulations pursuant to chapter  
162 30A of the General Laws for the implementation, administration and enforcement of this item,  
163 consistent with the enhancing community-based services plan prepared by the secretary of health  
164 and human services after consultation with the secretary and the commissioner of capital asset  
165 management and maintenance..... \$38,000,000

166           7004-0031.. For the capitalization of the Affordable Housing Trust Fund, established in  
167 section 2 of chapter 121D of the General Laws..... \$305,000,000

168           7004-0032.. For the purpose of state financial assistance in the form of grants or loans for  
169 the Housing Stabilization and Investment Trust Fund established in section 2 of chapter 121F of  
170 the General Laws and awarded only pursuant to the criteria established therein; provided, that  
171 not less than 25 per cent shall be used to fund projects which preserve and produce housing for  
172 families and individuals with incomes of not more than 30 per cent of the area median income, as  
173 defined by the United States Department of Housing and Urban Development; provided further,

174 that if the department of housing and community development has not been able to meet the  
175 spending authorized under the bond cap for this program, at the end of each year following the  
176 effective date of this act, the department may award the remaining funds to projects that serve  
177 households earning more than 30 per cent of the area median income, as defined by the United  
178 States Department of Housing and Urban Development; provided further, that not less than  
179 \$5,000,000 shall be expended for the production or preservation of housing for people age 60  
180 and over; and provided further, that not less than \$10,000,000 shall be expended to stabilize and  
181 promote reinvestment, through homeownership, in areas the department has determined to be  
182 weak markets as indicated by a high concentration of assisted rental housing or a low rate of  
183 homeownership or low median family income or low average sales prices or high levels of  
184 unpaid property taxes or vacant or abandoned buildings and, after making the finding, the  
185 department may waive the requirements of this section and said chapter 121F which are found to  
186 be inconsistent with promoting homeownership in weak markets and take other steps necessary  
187 to promote homeownership in the weak market including, but not limited to, reducing the length  
188 of required affordability to not less than 10 years and permitting the funded property to be  
189 purchased by a household whose income at the time of purchase does not exceed 135 per cent of  
190 the area median income, adjusted for family size, or both; provided however, that the purchaser  
191 shall own and occupy the property as his primary residence..... \$135,000,000

192 7004-0033.. For the purpose of state financial assistance in the form of grants for projects  
193 undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws; provided,  
194 that contracts entered into by the department of housing and community development for those  
195 projects may include, but shall not be limited to, projects providing for renovation, remodeling,  
196 reconstruction, redevelopment and hazardous material abatement, including asbestos and lead  
197 paint, and for compliance with state codes and laws and for adaptations necessary for compliance  
198 with the Americans with Disabilities Act, the provision of day care facilities, learning centers  
199 and teen service centers and the adaptation of units for families and persons with disabilities;  
200 provided further, that priority shall be given to projects undertaken for the purpose of compliance  
201 with state codes and laws or for other purposes related to the health and safety of residents;  
202 provided further, that funds may be expended from this item to make such modifications to  
203 congregate housing units as may be necessary to increase the occupancy rate of those units;  
204 provided further, that the department shall continue to fund a program to provide predictable  
205 funds to be used flexibly by housing authorities for capital improvements to extend the useful  
206 life of state-assisted public housing; provided further, that not less than 25 per cent shall be used  
207 to fund projects which preserve or produce housing for families and individuals with incomes of  
208 not more than 30 per cent of the area median income, as defined by the United States Department  
209 of Housing and Urban Development ..... \$500,000,000

210 7004-0034.. For the purpose of state financial assistance in the form of grants for a 5 year  
211 demonstration program, administered by the department of housing and community development  
212 to demonstrate cost effective revitalization methods for state-aided family and elderly-disabled

213 public housing that seek to reduce the need for future state modernization funding; provided  
214 further, that housing authorities with state-aided housing developments pursuant to chapter 200  
215 of the acts of 1948, chapter 667 of the acts of 1954 or chapter 705 of the acts of 1966 shall be  
216 eligible to participate in demonstration program; provided further, that the department shall  
217 establish a 7-member advisory committee, to consist of the director of the department or his  
218 designee, 1 member selected by Citizens' Housing and Planning Association, 1 member selected  
219 by the Massachusetts Chapter of the National Association of Housing and Redevelopment  
220 Officials, 1 member selected by the Massachusetts Union of Public Housing Tenants and 3  
221 additional members chosen by the department to provide advice and recommendations to the  
222 department regarding regulations to implement the demonstration program; provided further, that  
223 the department may exempt a recipient of demonstration grants from the requirements of chapter  
224 7 and chapter 121B of the General Laws upon a showing by the recipient that such exemptions  
225 are necessary to accomplish the effective revitalization of public housing and will not adversely  
226 affect public housing residents or applicants of any income who are otherwise eligible; provided  
227 further, that the department may provide to recipients of demonstration grants such additional  
228 regulatory relief as is required to further the objectives of the demonstration program; provided  
229 further, that funds shall be made available for technical assistance provided by the Community  
230 Economic Development Assistance Corporation established in chapter 40H of the General Laws  
231 or the Massachusetts Housing Partnership Fund established pursuant to section 35 of chapter 405  
232 of the acts of 1985 to recipients of demonstration grants and for evaluation of the demonstration;  
233 provided further, that the department shall promulgate regulations for the implementation,  
234 administration and enforcement of this item within 90 days after the effective date of this act;  
235 provided, however, that the regulations shall: (i) require that housing authorities selected  
236 demonstrate innovative, replicable solutions to the management, marketing or capital needs of  
237 state-aided family and elderly-disabled public housing developments and contribute to the  
238 continued viability of the housing as a resource for public housing eligible residents; (ii)  
239 encourage proposals that demonstrate regional collaborations among housing authorities; and  
240 (iii) encourage proposals that propose new affordable housing units on municipally-owned land,  
241 underutilized public housing sites or other land owned by the housing authority; and provided  
242 further, that the department shall report to the house and senate committees on ways and means  
243 and the joint committee on housing on the progress of the demonstration program within 90 days  
244 after promulgation of the regulations and annually thereafter..... \$50,000,000

245 7004-0035.. For the purpose of state financial assistance in the form of grants or loans for  
246 the Housing Innovations Trust Fund established in section 2 of chapter 121E of the General  
247 Laws; provided, however, that not less than 25 per cent shall be used to fund projects which  
248 preserve and produce housing for families and individuals with incomes of not more than 30 per  
249 cent of the area median income, as defined by the United States Department of Housing and  
250 Urban Development..... \$80,000,000

251           7004-0036.. For the purpose of state financial assistance in the form of grants or loans for  
252 the Capital Improvement and Preservation Trust Fund for expiring use properties established in  
253 section 2 of chapter 121G of the General Laws..... \$100,000,000

254           7004-0037.. For the purpose of providing financial support for developing residential  
255 housing units and mixed use developments that include both residential housing units and  
256 commercial or retail space and are located within neighborhood commercial areas including, but  
257 not limited to, those areas designated as Main street areas by providing necessary financial  
258 assistance to the commercial components of these projects; provided, however, that the  
259 developments may include projects which have residential units above commercial space and  
260 shall be located in areas characterized by a predominance of commercial land uses, a high  
261 daytime or business population or a high concentration of daytime traffic and parking; provided  
262 further that the financial subsidy for the commercial portion of a project shall not exceed 25% of  
263 the total development cost of the commercial portion of the project or \$1 million, whichever is  
264 smaller, ; provided further, that \$15,000,000 shall be used to fund transit-oriented housing  
265 developments in proximity to public transit nodes; provided further, that eligible activities for  
266 transit-oriented development shall include, without limitation, planning grants, financing  
267 subsidies and environmental assessment; and provided further, that not less than 50 per cent of  
268 the beneficiaries of housing in projects assisted by this item shall be persons whose income is not  
269 more than 80 per cent of the area median income as defined by the United States Department of  
270 Housing and Urban Development,.... \$45,000,000

271           7004-0038.. For the purpose of state financial assistance in the form of grants or loans for  
272 the Early Education and Out of School Time Capital Fund for the development of eligible  
273 facilities for licensed early care and education and out of school time programs established in  
274 section 3 of chapter 121H of the General Laws; provided, that the grant or loan program shall be  
275 administered by the department through contracts with the Community Economic Development  
276 Assistance Corporation established in Chapter 40H of the General Laws, provided further that  
277 the agency may develop or finance eligible facilities, or may enter into subcontracts with  
278 nonprofit organizations established pursuant to Chapter 180 of the General Laws , or  
279 organizations in which such nonprofit corporations have a controlling financial or managerial  
280 interest; provided further that the department shall: (1) consider a balanced geographic plan for  
281 such eligible facilities when issuing the funding commitments; and (2) consider funding large  
282 group and school age child care centers as defined by the department of early education and care;  
283 provided further that the services made available pursuant to such loans or grants shall not be  
284 construed as a right or entitlement for any individual or class of persons to the benefits financing;  
285 provided further that no expenditure shall be made from this item without the prior approval of  
286 the secretary for administration and finance; provided further that eligibility shall be established  
287 by regulations promulgated by the department; pursuant to chapter 30A for the General Laws for  
288 the implementation, administration and enforcement of this item..... \$45,000,000



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

291 CHAPTER 121H

292 Early Education and Out of School Time Capital Fund

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

295 “Department”, the Department of Housing and Community Development.

296 “EEC”, the Department of Early Education and Care.

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

299 “Eligible facility”, a building, structure or site that is, or will be, owned, leased, or  
300 otherwise used by 1 or more Eligible Organization(s) and licensed by EEC. At least 25% of the  
301 slots in the facility shall serve low income families who are eligible for public subsidy. Leased  
302 facilities shall have a lease term that is consistent with the scale of the capital investment, but  
303 under no circumstances should the lease term be less than fifteen years. Municipally owned  
304 buildings are eligible provided that there is dedicated single purpose space for licensed early  
305 education or out of school time programs.

306 “Eligible organization”, a non-profit corporation that is exempt from income taxation  
307 pursuant to chapter 180 of the organizations in which such nonprofit corporations have a  
308 controlling financial or managerial interest.

309 “Grant”, a direct grant of capital funds to an applicant for payment of the costs of an  
310 eligible project.

311 “Loan”, a direct loan of capital funds to an applicant to finance a portion of the cost of an  
312 eligible project.

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

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

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

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

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

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

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

341 SECTION 8. Said subsection (b) of section 3 of said chapter 121E, as so appearing, is  
342 hereby further amended by striking out, in lines 63 to 71, inclusive, the words “; and (7) for  
343 projects developed pursuant to this chapter not refinanced during the term of a loan issued  
344 pursuant to this chapter unless the balance of the principal and interest for the prior loan is repaid  
345 in full at the time of the refinancing; provided, however, that housing projects may be refinanced  
346 if the refinancing would result in a reduction of costs paid by the commonwealth; provided  
347 further, that a refinanced loan shall be due and payable not later than the date on which the prior  
348 loan was due and payable, except in accordance with clause (4) or when necessary to effect  
349 extraordinary repairs or maintenance to be approved by the department.”

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

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

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

361 SECTION 12. Section 100 of chapter 142 of the acts of 2011 is hereby amended by  
362 striking out the figure “2015” and inserting in place thereof the following figure:- 2020.

363 SECTION 13. Notwithstanding any general or special law to the contrary, the secretary  
364 of housing and economic development and the secretary for administration and finance shall  
365 jointly submit a report on the progress of all projects and expenditures related to the funds  
366 available in this act or any outstanding authorizations from prior authorization act for housing  
367 projects, and undertaken by the executive office of housing and economic development or any of  
368 its constituent agencies to the house and senate committees on ways and means, the joint  
369 committee on bonding, capital expenditures and state assets and the joint committee on housing.  
370 This report shall include, but not be limited to: the address, the nature of the work and scope of  
371 work of each project funded in this act, the total amount allocated for each project broken down  
372 by fiscal year in which the allocation occurred, the total estimated cost of each project, the  
373 amount expended for the planning and design of each project up to the time the report is filed,  
374 the amount expended on construction of each project up to the time the report is filed, the total  
375 amount currently expended on each project, a schedule of life cycle standards for each completed  
376 project, the original estimated completion date of each project, the current anticipated completion  
377 date of each project and, if the project has been de-authorized, the reason for and date of de-  
378 authorization. The information required in this report shall be current as of 30 days before the  
379 submission of the report and the report shall be submitted bi-annually for 6 years after the  
380 effective date of this act.

381 SECTION 14. Notwithstanding any general or special law to the contrary, to meet the  
382 expenditures necessary in carrying out section 2, the state treasurer shall, upon receipt of a  
383 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified  
384 by the governor from time to time but not exceeding, in the aggregate, \$1,400,000,000. All  
385 bonds issued by the commonwealth, as aforesaid, shall be designated on their face, Housing  
386 Production, Preservation, Modification and Neighborhood Development Loan Act of 2013, and  
387 shall be issued for a maximum term of years, not exceeding 30 years, as the governor may  
388 recommend to the general court pursuant to Section 3 of Article LXII of the Amendments to the  
389 Constitution; provided, however, that all such bonds shall be payable not later than June 30,  
390 2048. All interest and payments on account of principal on such obligations shall be payable  
391 from the General Fund. Bonds and interest thereon issued under the authority of this section  
392 shall, notwithstanding any other provision of this act, be general obligations of the  
393 commonwealth. An amount not to exceed 2 per cent of the authorizations may be expended by  
394 the department of housing and community development for administrative costs directly

395 attributable to the purposes of this act, including costs of clerical and support personnel. The  
396 director of the department of housing and community development shall file an annual spending  
397 plan with the fiscal affairs division, the house and senate committees on ways and means, the  
398 joint committee on bonding, capital expenditures and states assets and the joint committee on  
399 housing which details, by subsidiary, all personnel costs and any administrative costs charged to  
400 expenditures made pursuant to this act.

401 SECTION 15. Notwithstanding any general or special law to the contrary, within 120  
402 days after the expiration of affordability restrictions on housing units assisted under items 7004-  
403 0029 and 7004-0030 of section 2, the department of housing and community development or its  
404 assignee, who is a qualified developer selected pursuant to the terms of said items 7004-0029 and  
405 7004-0030 of said section 2 under the guidelines of the department, shall have an option to  
406 purchase any such housing units at their current appraised value reduced by any remaining  
407 obligation of the owner upon the expiration of the affordability restrictions. The department or its  
408 assignee may purchase or acquire such housing units only for the purposes of preserving or  
409 providing affordable housing. The department or its assignee shall hold such purchase option for  
410 the first 120 days after the expiration of the affordability restrictions. Failure to exercise the  
411 purchase option within 120 days after the expiration of the affordability restriction shall  
412 constitute a waiver of the purchase option by the department or its assignee. Two impartial  
413 appraisers shall determine, within 60 days after the expiration of the affordability restrictions, the  
414 current appraised value in accordance with recognized professional standards. Two professionals  
415 in the field of multi-unit residential housing shall each select an appraiser. The owner and the  
416 department, respectively, shall each designate a professional within 30 days after the expiration  
417 of these affordability restrictions. If there is a difference in the valuations, the valuations shall be  
418 added together and divided by 2 to determine the current appraised value of the units. No sale,  
419 transfer or other disposition of the property shall be consummated until either the purchase  
420 option period shall have expired or the owner shall have been notified, in writing, by the  
421 department or its assignee that the option will not be exercised. The option shall be exercised  
422 only by written notice signed by a designated representative of the department or its assignee,  
423 mailed to the owner by certified mail at address specified in the notice of intention and recorded  
424 with the registry of deeds or the registry district of the land court of the county in which the  
425 affected real property is located, within the option period. If the purchase option has been  
426 assigned to a qualified developer selected pursuant to said items 7004-0029 and 7004-0030 of  
427 section 2, the written notice shall state the name and address of the developer and the terms and  
428 conditions of the assignment. Before any sale or transfer or other disposition of the housing  
429 where the department has not previously exercised an option to purchase, an owner shall offer  
430 the department or its assignee, who shall be a qualified developer selected pursuant to this  
431 section, a first refusal option to meet a bona fide offer to purchase the units.. The owner shall  
432 provide to the department or its assignee written notice by regular and certified mail, return  
433 receipt requested, of the owner's intention to sell, transfer or otherwise dispose of the property.  
434 The department or its assignee shall hold the first refusal option for the first 120 days after

435 receipt of the owner's written notice of intent to transfer the property. Failure to respond to the  
436 written notice of intent to sell, transfer or otherwise dispose of the property within the 120-day  
437 period shall constitute a waiver of the right of first refusal by the department. No sale, transfer or  
438 other disposition of the property shall be consummated until either this first refusal option period  
439 shall have expired or the owner shall have been notified in writing by the department or its  
440 assignee that the option will not be exercised. The option shall be exercised only by written  
441 notice signed by a designated representative of the department or its assignee, mailed to the  
442 owner by certified mail at the address specified in the notice of intention and recorded with the  
443 registry of deeds or the registry district of the land court of the county in which the affected real  
444 property is located, within the option period. If the first refusal option has been assigned to a  
445 qualified developer selected pursuant to said items 7004-0029 and 7004-0030 of section 2, the  
446 written notice shall state the name and address of the developer and the terms and conditions of  
447 the assignment. An affidavit before a notary public that the notice of intent was mailed on behalf  
448 of an owner shall conclusively establish the manner and time of the giving of notice the affidavit  
449 and notice that the option shall not be exercised shall be recorded with the registry of deeds or  
450 the registry district of the land court of the county in which the affected real property is located.  
451 Each notice of intention, notice of exercise of the purchase option or first refusal option and  
452 notice that the purchase option or first refusal option shall not be exercised shall contain the  
453 name of the record owner of the property and a reasonable description of the premises to be sold  
454 or converted of and each affidavit signed before a notary public, shall have attached to it a copy  
455 of the notice of intention to which it relates. The notices of intention shall be mailed to the  
456 relevant parties, in the care of the keeper of records for the party in question. Upon notifying the  
457 owner in writing of its intention to exercise its purchase option or first refusal option during the  
458 120-day period, the department or its assignee shall have an additional 120 days, beginning on  
459 the date the purchase option period or first refusal option period expires, to purchase the units.  
460 Those time periods may be extended by mutual agreement between the department or its  
461 assignee and the owner of the property. Any extension agreed upon shall be recorded in the  
462 registry of deeds or the registry district of the land court of the county in which the affected real  
463 property is located. Within a reasonable time after requesting an extension, the owner shall make  
464 available to the department or its assignee any information that is reasonably necessary for the  
465 department to exercise its options.

466 SECTION 16. Notwithstanding any general or special law to the contrary, not later than  
467 July 1, 2013, and annually thereafter, the director of housing and community development shall  
468 submit to the secretary of administration and finance, the house and senate committees on ways  
469 and means, the joint committee on housing and the joint committee on bonding, capital  
470 expenditures and state assets a capital plan for fiscal years 2014 to 2018, inclusive, for capital  
471 funds authorized in section 2.

472 SECTION 17. Notwithstanding any general or special law to the contrary, a private entity  
473 engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or

474 redevelopment project receiving funds pursuant to this act shall properly classify individuals  
475 employed on the project and shall comply with all laws concerning workers' compensation  
476 insurance coverage, unemployment insurance, social security taxes and income taxes with  
477 respect to all such employees. All construction contractors engaged by an entity on any such  
478 project shall furnish documentation to the appointing authority showing that all employees  
479 employed on the project have hospitalization and medical benefits that meet the minimum  
480 requirements of the connector board established in chapter 176Q of the General Laws.