

**HOUSE . . . . . No. 3727**

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**The Commonwealth of Massachusetts**

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The committee of conference on the disagreeing votes of the two branches, with reference to the Senate amendment (striking out all after the enacting clause and inserting in place thereof the text contained in Senate document numbered 1845) of the House Bill relative to financing the production and preservation of housing for low and moderate income residents (House, No. 3492, amended), reports recommending that the House recede from its non-concurrence with the Senate in its amendment and concur therein with a further amendment by striking out all after the enacting clause and inserting in place thereof the text contained in House document numbered 3727.

Brian S. Dempsey	Stephen M. Brewer
Kevin G. Honan	James B. Eldridge
	Bruce E. Tarr

# HOUSE . . . . . No. 3727

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## The Commonwealth of Massachusetts

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In the Year Two Thousand Thirteen  
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By striking out all after the enacting clause and inserting in place thereof the following:

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           DEPARTMENT OF EARLY EDUCATION AND CARE

13           3000-0400. For the purpose of state financial assistance in the form of grants for the  
14 Early Education and Out of School Time Capital Fund for the development of eligible facilities  
15 for licensed early care and education and out of school time programs established in section 3 of  
16 chapter 121H of the General Laws; provided, that the department of early education and care  
17 may contract with 1 or more quasi-public or non-profit entities to administer the program,  
18 including, but not limited to, the Community Economic Development Assistance Corporation  
19 established in chapter 40H of the General Laws; provided further, that the department may  
20 develop or finance eligible facilities, may enter into subcontracts with nonprofit organizations  
21 established pursuant to chapter 180 of the General Laws or organizations in which such nonprofit  
22 corporations have a controlling financial or managerial interest; provided further, that the  
23 department shall: (i) consider a balanced geographic plan for such eligible facilities when issuing

the funding commitments; and (ii) consider funding large group and school age child care centers, as defined by the department of early education and care; provided further, that the services made available pursuant to such grants shall not be construed as a right or entitlement for any individual or class of persons to the benefits financing; provided further, that no expenditure shall be made from this item without the prior approval of the secretary of administration and finance; and provided further, that eligibility shall be established by regulations promulgated by the department pursuant to chapter 30A for the General Laws for the implementation, administration and enforcement of this item..... \$45,000,000

## EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

### Office of the Secretary.

7004-0039. For a program of loan guarantees or interest subsidies to assist homeowners with blindness or severe disabilities in making modifications to their primary residence for the purpose of improved accessibility or to allow those homeowners to live independently in the community; provided, that the secretary shall take all steps necessary to minimize the program's administrative costs; provided further, that the loan guarantees shall be available on the basis of a sliding scale that relates the homeowner's income and assets to the cost of home modifications; provided further, that interest subsidies shall be means-tested and may be for 0 per cent pursuant to income standards developed by the secretary; provided further, that the repayment of the loans may be delayed until the sale of the principal residence by the homeowner; provided further, that persons residing in a development covered by section 4 of chapter 151B of the General Laws shall not be eligible for the program unless the owner can show that the modification is an undue financial burden; provided further, that the secretary shall consult with the Massachusetts commission for the blind and the Massachusetts rehabilitation commission in developing the rules, regulations and guidelines for the program; provided further, that nothing in this item shall give rise to enforceable legal rights in any party or an enforceable entitlement to services; and provided further, that the secretary shall submit quarterly reports to the house and senate committees on ways and means, the house and senate committees on bonding, capital expenditures and state assets and the joint committee on housing detailing the status of the program established in this item..... \$55,000,000

## EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

### Department of Housing and Community Development.

7004-0040. For state financial assistance in the form of loans for the development of community-based housing or supportive housing for individuals with mental illness and individuals with intellectual disabilities; provided, that the loan program shall be administered by the department of housing and community development, referred to in this item as the department, through contracts with the Massachusetts Development Finance Agency established in chapter 23G of the General Laws, the Community Economic Development Assistance

61 Corporation established in chapter 40H of the General Laws, operating agencies established  
62 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency  
63 established in chapter 708 of the acts of 1966; provided further, that those agencies may develop  
64 or finance community-based housing or supportive housing or may enter into subcontracts with  
65 nonprofit organizations established pursuant to chapter 180 of the General Laws or organizations  
66 in which such nonprofit corporations have a controlling financial or managerial interest or for-  
67 profit organizations; provided, however, that preference for the subcontracts shall be given to  
68 nonprofit organizations; provided further, that the department shall consider a balanced  
69 geographic plan for such community-based housing or supportive housing when issuing the  
70 loans; provided further, that the department shall consider development of a balanced range of  
71 housing models by prioritizing funds for integrated housing as defined by the appropriate  
72 housing and service agencies including, but not limited to, the department of housing and  
73 community development, the Massachusetts rehabilitation commission, the department of mental  
74 health and the department of developmental services, in consultation with relevant and interested  
75 clients, their families, advocates and other parties as necessary; provided further, that loans  
76 issued pursuant to this item shall: (i) not exceed 50 per cent of the financing of the total  
77 development costs; (ii) be issued only when a contract or agreement for the use of the property  
78 for such housing provides for repayment to the commonwealth at the time of disposition of the  
79 property in an amount equal to the commonwealth's proportional contribution from the Facilities  
80 Consolidation Fund to the cost of the development through payments made by the state agency  
81 making the contract; (iii) only be issued when a contract or agreement for the use of the property  
82 for the purposes of such housing provides for the recording of a deed restriction in the registry of  
83 deeds or the registry district of the land court of the county in which the real property is located,  
84 for the benefit of the departments, running with the land, that the land be used to provide  
85 community-based housing or supportive housing for eligible individuals as determined by the  
86 department of mental health and the department of developmental services; provided, however,  
87 that the property shall not be released from such restriction until the balance of the principal and  
88 interest for the loan has been repaid in full or until a mortgage foreclosure deed has been  
89 recorded; (iv) be issued for a term not to exceed 30 years during which time repayment may be  
90 deferred by the loan issuing authority; provided, however, that if on the date the loans become  
91 due and payable to the commonwealth an outstanding balance exists and if, on such date, the  
92 department, in consultation with the executive office of health and human services, determines  
93 that there still exists a need for such housing and that there is continued funding available for the  
94 provision of services to such development, the department may, by agreement with the owner of  
95 the development, extend the loans for such periods, each period not to exceed 10 years, as the  
96 department shall determine; provided further, that the project shall remain affordable housing for  
97 the duration of the loan term, including any extension thereof, as set forth in the contract or  
98 agreement entered into by the department; provided, further, that in the event the terms of  
99 repayment detailed in this item would cause a project authorized by this item to become  
100 ineligible to receive federal funds which would otherwise assist in the development of that

project, the department may waive the terms of repayment which would cause the project to become ineligible; and (v) have interest rates fixed at a rate, to be determined by the department, in consultation with the state treasurer; provided further, that the loans shall be provided only for projects conforming to this item; provided further, that the loans shall be issued in accordance with a facilities consolidation plan prepared by the secretary of health and human services, reviewed and approved by the department and filed with the secretary of administration and finance, the house and senate committees on ways and means, the house and senate committees on bonding, capital expenditures and state assets and the joint committee on housing; provided further, that no expenditure shall be made from this item without the prior approval of the secretary of administration and finance; provided further, that the department, the department of mental health and the Community Economic Development Assistance Corporation may identify appropriate financing mechanisms and guidelines for grants or loans from this item to promote private development to produce housing, to provide for independent integrated living opportunities, to write down building and operating costs and to serve households at or below 15 per cent of area median income for the benefit of department of mental health clients; provided further, that not more than \$10,000,000 may be expended from this item for a pilot program of community-based housing or supportive housing loans to serve mentally ill homeless individuals in the current or former care of the department of mental health; provided further, that in implementing the pilot program, the department shall consider a balanced geographic plan when establishing community-based residences; provided further, that the housing services made available pursuant to such loans shall not be construed as a right or an entitlement for any individual or class of persons to the benefits of the pilot program; provided further, that eligibility for the pilot program shall be established by regulations promulgated by the department; and provided further, that the department shall promulgate regulations pursuant to chapter 30A of the General Laws for the implementation, administration and enforcement of this item, consistent with the facilities consolidation plan prepared by the secretary of health and human services and after consultation with the secretary and the commissioner of the division of capital asset management and maintenance..... \$47,000,000

7004-0041. For state financial assistance in the form of loans for the development and redevelopment of community-based housing or supportive housing for persons with disabilities who are institutionalized or at risk of being institutionalized, who are not eligible for housing developed pursuant to item 7004-0040; provided, that the loan program shall be administered by the department of housing and community development, referred to in this item as the department, through contracts with the Massachusetts Development Finance Agency established in chapter 23G of the General Laws, the Community Economic Development Assistance Corporation established in chapter 40H of the General Laws, operating agencies established pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency established in chapter 708 of the acts of 1966; provided further, that the agencies may develop or finance the community-based housing or supportive housing or may enter into subcontracts with nonprofit organizations established pursuant to chapter 180 of the General Laws or organizations

141 in which such nonprofit corporations have a controlling financial or managerial interest or for-  
142 profit organizations; provided, however, that preference for such subcontracts shall be given to  
143 nonprofit organizations; provided further, that the department shall consider a balanced  
144 geographic plan for such community-based housing or supportive housing when issuing the  
145 loans; provided further, that all housing developed with these funds shall be integrated housing  
146 as defined by the appropriate state housing and service agencies including, but not limited to, the  
147 department, the executive office of health and human services and the Massachusetts  
148 rehabilitation commission in consultation with relevant and interested clients, their families,  
149 advocates and other parties as necessary; provided further, that loans issued pursuant to this item  
150 shall: (i) not exceed 50 per cent of the financing of the total development costs; (ii) be issued  
151 only when a contract or agreement for the use of the property for the purposes of such housing  
152 provides for repayment to the commonwealth at the time of disposition of the property in an  
153 amount equal to the commonwealth's proportional contribution from community based housing  
154 to the cost of the development through payments made by the state agency making the contract;  
155 (iii) only be issued when a contract or agreement for the use of the property for the purposes of  
156 such community-based housing or supportive housing provides for the recording of a deed  
157 restriction in the registry of deeds or the registry district of the land court of the county in which  
158 the real property is located, for the benefit of the departments, running with the land, that the  
159 land be used to provide community-based housing or supportive housing for eligible individuals  
160 as determined by the Massachusetts rehabilitation commission or other agency of the executive  
161 office of health and human services; provided, however, that the property shall not be released  
162 from such restrictions until the balance of the principal and interest for the loan has been repaid  
163 in full or until a mortgage foreclosure deed has been recorded; (iv) be issued for a term not to  
164 exceed 30 years during which time repayment may be deferred by the loan issuing authority;  
165 provided, however, that if on the date the loans become due and payable to the commonwealth  
166 an outstanding balance exists and if on that date, the department, in consultation with the  
167 executive office of health and human services, determines that there still exists a need for such  
168 housing, the department may, by agreement with the owner of the development, extend the loans  
169 for such periods, each period not to exceed 10 years, as the department shall determine;  
170 provided, however, that the project shall continue to remain affordable housing for the duration  
171 of the loan term, including any extensions thereof, as set forth in the contract or agreement  
172 entered into by the department; provided however, that in the event the terms of repayment  
173 detailed in this item would cause a project authorized by this item to become ineligible to receive  
174 federal funds which would otherwise assist in the development of that project, that department  
175 may waive the terms of repayment which would cause the project to become ineligible; and (v)  
176 have interest rates fixed at a rate, to be determined by the department, in consultation with the  
177 state treasurer; provided further, the loans shall be provided only for projects conforming to this  
178 item; provided further, that the loans shall be issued in accordance with an enhancing  
179 community-based services plan prepared by the secretary of health and human services, in  
180 consultation with the department and filed with the secretary of administration and finance and

the house and senate committees on ways and means, the house and senate committees on bonding, capital expenditures and state assets and the joint committee on housing; provided further, that no expenditure shall be made from this item without the prior approval of the secretary of administration and finance; and provided further, that the department shall promulgate regulations pursuant to chapter 30A of the General Laws for the implementation, administration and enforcement of this item, consistent with the enhancing community-based services plan prepared by the secretary of health and human services after consultation with the secretary and the commissioner of capital asset management and maintenance..... \$38,000,000

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

7004-0043. For the purpose of state financial assistance in the form of grants or loans for the Housing Stabilization and Investment Trust Fund established in section 2 of chapter 121F of the General Laws and awarded only pursuant to the criteria established in said section 2 of said chapter 121F; provided, that not less than 25 per cent shall be used to fund projects which preserve and produce housing for families and individuals with incomes of not more than 30 per cent of the area median income, as defined by the United States Department of Housing and Urban Development; provided further, that if the department of housing and community development has not spent the amount authorized under the bond cap for this program, at the end of each year following the effective date of this act, the department may award the remaining funds to projects that serve households earning more than 30 per cent of the area median income, as defined by the United States Department of Housing and Urban Development; provided further, that not less than \$5,000,000 shall be expended for the production or preservation of housing for people age 60 and over; provided further, that the department may expend an amount not to exceed \$10,000,000 to stabilize and promote reinvestment, through homeownership, in areas the department has determined to be weak markets as indicated by a high concentration of assisted rental housing, a low rate of homeownership, low median family income, low average sales prices, high levels of unpaid property taxes or vacant or abandoned buildings, by waiving the requirements of this item and said chapter 121F, and by subsidizing the purchase price, borrowing costs or costs of renovation or new construction of 2 to 6 unit residential buildings for a person who shall own the property and occupy any portion of the property as the person's primary residence for at least 5 years from the date of purchase; provided further, that if more than 5 years, but less than 10 years, from the date the owner takes ownership of the property, the owner sells any of the owner's interest in the property, the new owner shall so occupy 1 unit in the property for a period equal to the difference between 10 years and the amount of time the first owner occupied the property as the owner's primary residence; provided further, that if the owner fails to so occupy a unit on the property or ceases to be the owner of the property as required by this section, the department shall recoup the value of any subsidy provided to the owner; and provided further, that 10 years after the owner takes possession of the property pursuant to this item, all restrictions on the property created by this item shall be

220               void.               . \$135,000,000.

221               7004-0044. For the purpose of state financial assistance in the form of grants for projects  
222 undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws; provided,  
223 that contracts entered into by the department of housing and community development for those  
224 projects may include, but shall not be limited to, projects providing for renovation, remodeling,  
225 reconstruction, redevelopment and hazardous material abatement, including asbestos and lead  
226 paint, and for compliance with state codes and laws and for adaptations necessary for compliance  
227 with the Americans with Disabilities Act, the provision of day care facilities, learning centers  
228 and teen service centers and the adaptation of units for families and persons with disabilities;  
229 provided further, that priority shall be given to projects undertaken for the purpose of compliance  
230 with state codes and laws or for other purposes related to the health and safety of residents;  
231 provided further, that funds may be expended from this item to make such modifications to  
232 congregate housing units as may be necessary to increase the occupancy rate of those units;  
233 provided further, that the department shall continue to fund a program to provide predictable  
234 funds to be used flexibly by housing authorities for capital improvements to extend the useful  
235 life of state-assisted public housing; and provided further, that not less than 25 per cent of the  
236 funds made available in this item shall be used to fund projects which preserve or produce  
237 housing for families and individuals with incomes of not more than 30 per cent of the area  
238 median income, as defined by the United States Department of Housing and Urban  
239 Development..... \$500,000,000

240               7004-0045. For the purpose of state financial assistance in the form of grants for a 5 year  
241 demonstration program, administered by the department of housing and community development  
242 to demonstrate cost effective revitalization methods for state-aided family and elderly-disabled  
243 public housing that seek to reduce the need for future state modernization funding; provided, that  
244 housing authorities with state-aided housing developments pursuant to chapter 200 of the acts of  
245 1948, chapter 667 of the acts of 1954 or chapter 705 of the acts of 1966 shall be eligible to  
246 participate in demonstration program; provided further, that the department shall establish a 7-  
247 member advisory committee, to consist of the director of the department or a designee, 1  
248 member selected by Citizens' Housing and Planning Association, 1 member selected by the  
249 Massachusetts chapter of the National Association of Housing and Redevelopment Officials, 1  
250 member selected by the Massachusetts Union of Public Housing Tenants and 3 additional  
251 members chosen by the department to provide advice and recommendations to the department  
252 regarding regulations to implement the demonstration program; provided further, that the  
253 department may exempt a recipient of demonstration grants from the requirements of chapter 7  
254 of the General Laws and chapter 121B of the General Laws upon a showing by the recipient that  
255 such exemptions are necessary to accomplish the effective revitalization of public housing and  
256 will not adversely affect public housing residents or applicants of any income who are otherwise  
257 eligible; provided further, that the department may provide to recipients of demonstration grants  
258 such additional regulatory relief as is required to further the objectives of the demonstration



program; provided further, that funds shall be made available for technical assistance provided by the Community Economic Development Assistance Corporation established in chapter 40H of the General Laws or the Massachusetts Housing Partnership Fund established pursuant to section 35 of chapter 405 of the acts of 1985 to recipients of demonstration grants and for evaluation of the demonstration; provided further, that the department shall promulgate regulations for the implementation, administration and enforcement of this item within 90 days after the effective date of this act; provided, however, that the regulations shall: (i) require that housing authorities selected demonstrate innovative and replicable solutions to the management, marketing or capital needs of state-aided family and elderly-disabled public housing developments and contribute to the continued viability of the housing as a resource for public housing eligible residents; (ii) encourage proposals that demonstrate regional collaborations among housing authorities; and (iii) encourage proposals that propose new affordable housing units on municipally-owned land, underutilized public housing sites or other land owned by the housing authority; and provided further, that the department shall report to the house and senate committees on ways and means, the house and senate committees on bonding, capital expenditures and state assets and the joint committee on housing on the progress of the demonstration program within 90 days after promulgation of the regulations and annually thereafter..... \$50,000,000

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

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

7004-0048. For the purpose of providing financial support for developing residential housing units and mixed use developments that include both residential housing units and commercial or retail space and are located within neighborhood commercial areas including, but not limited to, those areas designated as main street areas by providing necessary financial assistance to the commercial components of these projects; provided, that the developments may include projects which have residential units above commercial space and shall be located in areas characterized by a predominance of commercial land uses, a high daytime or business population or a high concentration of daytime traffic and parking; provided further, that the financial subsidy for the commercial portion of a project shall not exceed 25 per cent of the total development cost of the commercial portion of the project or \$1,000,000, whichever is smaller; provided further, that \$15,000,000 shall be used to fund transit-oriented housing developments in proximity to public transit nodes; provided further, that eligible activities for transit-oriented

development shall include, without limitation, planning grants, financing subsidies and environmental assessment; and provided further, that not less than 50 per cent of the beneficiaries of housing in projects assisted by this item shall be persons whose income is not more than 80 per cent of the area median income, as defined by the United States Department of Housing and Urban Development,..... \$45,000,000

SECTION 3. Subsection (a) of section 63 of chapter 23A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by striking out, in line 20, the words “.25 miles” and inserting in place thereof the following words:- .5 miles.

SECTION 4. Section 3 of chapter 121D of the General laws, as appearing in the 2012 Official Edition, is hereby amended by adding the following subsection:-

(e) Funds provided for the fund may be used to write down interest rates and related costs for a program for low-income and moderate-income first-time homebuyers administered by the board of directors of the Massachusetts Housing Partnership Fund established pursuant to section 35 of chapter 405 of the acts of 1985.

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

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

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

SECTION 8. Said section 3 of said chapter 121E as so appearing, is hereby further amended by inserting after the word “treasurer”, in line 61, the following word:- and.

SECTION 9. Said subsection (b) of section 3 of said chapter 121E, as so appearing, is hereby further amended by striking out, in lines 62 to 71, inclusive, the words “; and (7) for projects developed pursuant to this chapter not refinanced during the term of a loan issued pursuant to this chapter unless the balance of the principal and interest for the prior loan is repaid in full at the time of the refinancing; provided, however, that housing projects may be refinanced

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

SECTION 10. Section 3 of chapter 121F of the General Laws, as so appearing, is hereby amended by inserting after the word “preservation”, in line 37, the following words:- , new construction.

SECTION 11. Said section 3 of said chapter 121F, as so appearing, is hereby further amended by inserting after the figure “(6)”, in line 87, the following words:- notwithstanding the restrictions in this chapter,.

SECTION 12. Subsection (b) of said section 3 of said chapter 121F, as so appearing, is hereby further amended by striking out clause (7) and inserting in place thereof the following clause:- (7) notwithstanding the restrictions in this chapter, to write down interest rates and related costs for a program for low-income and moderate-income first-time homebuyers administered by the board of directors of the Massachusetts Housing Partnership Fund established pursuant to section 35 of chapter 405 of the acts of 1985.

SECTION 13. The General Laws are hereby amended by inserting after chapter 121G the following chapter:-

#### CHAPTER 121H. Early Education and Out of School Time Capital Fund

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

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

"Eligible facility", a building, structure or site that is, or will be, owned, leased or otherwise used by 1 or more eligible organizations and licensed by the department; provided, that at least 25 per cent of the slots in the facility shall serve low-income families who are eligible for public subsidy; provided further, that leased facilities shall have a lease term that is consistent with the scale of the capital investment, but shall not be less than 15 years; and provided, further, that municipally-owned buildings shall be eligible provided that there is dedicated single purpose space for licensed early education or out of school time programs.

“Eligible organization”, a non-profit corporation that is exempt from income taxation under chapter 180, or an organization in which a non-profit corporation has a controlling financial or managerial interest.

“Eligible project”, the acquisition, design, construction, repair, renovation, recovery from a natural or man-made disaster, rehabilitation or other capital improvement or deferred maintenance of an eligible facility.

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

Section 2. Each recipient of a grant from the Early Education and Out of School Time Capital Fund established in section 3 shall be an eligible project that demonstrates: (i) need for such a project; (ii) project benefits to low-income children and the affected community; (iii) financial need for assistance in the form of such grant; and (iv) local support for the project. Preference may be given to projects that have suffered partial or complete damage to an eligible facility from a natural or man-made disaster.

Section 3. There shall be within the department a separate fund to be known as the Early Education and Out of School Time Capital Fund. The department shall administer the fund for the purpose of making grants for the development of eligible facilities for licensed early care and education and out of school time programs; provided, however that the department may contract with 1 or more quasi-public or non-profit entities to administer the program, including, but not limited to, the Community Economic Development Assistance Corporation established in chapter 40H of the General Laws.

SECTION 14. Section 100 of chapter 142 of the acts of 2011 is hereby amended by striking out the figure “2015” and inserting in place thereof the following figure:- 2020.

SECTION 15. Item 6121-1217 of section 2A of chapter 242 of the acts of 2012 is hereby amended by striking out, in lines 119 and 198, the words “train with rail in the Grand Junction corridor” and inserting in place thereof the following words:- rail trail in the Grand Junction corridor.

SECTION 16. Section 2 of chapter 18 of the acts of 2013 is hereby amended by striking out the item number "6122-1223" and inserting in place thereof the following item number:- 6122-1323.

SECTION 17. Notwithstanding any general or special law to the contrary, the secretary of housing and economic development and the secretary of administration and finance shall jointly submit a report on the progress of all projects and expenditures related to the funds available in this act or any outstanding authorizations from a prior authorization act for housing projects that were undertaken by the executive office of housing and economic development or any of its constituent agencies to the house and senate committees on ways and means, the house and senate committees on bonding, capital expenditures and state assets and the joint committee on housing. This report shall include, but not be limited to: the address, the nature of the work and scope of work of each project funded in this act; the total amount allocated for each project

broken down by fiscal year in which the allocation occurred and the total estimated cost of each project; the amount expended for the planning and design of each project up to the time the report is filed; the amount expended on construction of each project up to the time the report is filed; the total amount currently expended on each project; a schedule of life cycle standards for each completed project; the original estimated completion date of each project; the current anticipated completion date of each project; and, if the project has been de-authorized, the reason for and date of de-authorization. The information required in this report shall be current as of 30 days before the submission of the report and the report shall be submitted bi-annually for 6 years after the effective date of this act.

SECTION 18. Notwithstanding any general or special law to the contrary, to meet the expenditures necessary in carrying out section 2, the state treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$1,400,000,000. All bonds issued by the commonwealth, as aforesaid, shall be designated on their face, Housing Production, Preservation, Modification and Neighborhood Development Loan Act of 2013, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor may recommend to the general court pursuant to Section 3 of Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall be payable not later than June 30, 2048. All interest and payments on account of principal on such obligations shall be payable from the General Fund. Bonds and interest thereon issued under the authority of this section shall, notwithstanding any other provision of this act, be general obligations of the commonwealth. An amount not to exceed 2 per cent of the authorizations may be expended by the department of housing and community development for administrative costs directly attributable to the purposes of this act, including costs of clerical and support personnel. The director of the department of housing and community development shall file an annual spending plan with the fiscal affairs division, the house and senate committees on ways and means, the house and senate committees on bonding, capital expenditures and states assets and the joint committee on housing which details, by subsidiary, all personnel costs and any administrative costs charged to expenditures made pursuant to this act.

SECTION 19. Notwithstanding any general or special law to the contrary, within 120 days after the expiration of affordability restrictions on housing units assisted under items 7004-0040 and 7004-0041 of section 2, the department of housing and community development or its assignee, who shall be a qualified developer selected pursuant to the terms of said items 7004-0040 and 7004-0041 of said section 2 under the guidelines of the department, shall have an option to purchase any such housing units at their current appraised value, reduced by any remaining obligation of the owner, upon the expiration of the affordability restrictions. The department or its assignee shall only purchase or acquire such housing units to preserve or provide affordable housing. The department or its assignee shall hold such purchase option for the first 120 days after the expiration of the affordability restrictions. Failure to exercise the

purchase option within 120 days after the expiration of the affordability restriction shall constitute a waiver of the purchase option by the department or its assignee. Within 30 days after the expiration of an affordability restriction, the owner and the department shall each designate a professional in the field of multi-unit residential housing. Each of those professionals shall select an impartial appraiser. Within 60 days after the expiration of the affordability restriction, the 2 impartial appraisers shall determine the current appraised value in accordance with recognized professional standards. If there is a difference in the valuations, the valuations shall be added together and divided by 2 to determine the current appraised value of the units. No sale, transfer or other disposition of the property shall be completed until either the purchase option period expires or the owner has been notified, in writing, by the department or its assignee that the option will not be exercised. The option shall be exercised only by written notice signed by a designated representative of the department or its assignee, mailed to the owner by certified mail at the address specified in the notice of intention and recorded with the registry of deeds or the registry district of the land court of the county in which the affected real property is located, within the option period. If the purchase option has been assigned to a qualified developer selected pursuant to said items 7004-0040 and 7004-0041 of said section 2, the written notice shall state the name and address of the developer and the terms and conditions of the assignment.

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

An affidavit before a notary public that the notice of intent was mailed on behalf of an owner shall conclusively establish the manner and time of the giving of notice to sell, transfer or otherwise dispose of the property. The affidavit and notice that the option shall not be exercised

shall be recorded with the registry of deeds or the registry district of the land court of the county in which the affected real property is located. Each notice of intention, notice of exercise of the purchase option or first refusal option and notice that the purchase option or first refusal option shall not be exercised shall contain the name of the recorded owner of the property and a reasonable description of the premises to be sold or converted. Each affidavit signed before a notary public shall have attached to it a copy of the notice of intention to which it relates. The notices of intention shall be mailed to the relevant parties in the care of the keeper of records for the party in question. Upon notifying the owner in writing of its intention to exercise its purchase option or first refusal option during the 120 day period, the department or its assignee shall have an additional 120 days, beginning on the date the purchase option period or first refusal option period expires, to purchase the units. Those time periods may be extended by mutual agreement between the department or its assignee and the owner of the property. Any extension agreed upon shall be recorded in the registry of deeds or the registry district of the land court of the county in which the affected real property is located. Within a reasonable time after requesting an extension, the owner shall make available to the department or its assignee any information that is reasonably necessary for the department to exercise its option.

SECTION 20. Notwithstanding any general or special law to the contrary, not later than July 1, 2014, and annually thereafter, the director of housing and community development shall submit to the secretary of administration and finance, the house and senate committees on ways and means, the joint committee on housing and the house and senate committees on bonding, capital expenditures and state assets a capital plan for fiscal years 2015 to 2018, inclusive, for the capital funds authorized in section 2.

SECTION 21. Notwithstanding any general or special law to the contrary, a private entity engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or redevelopment project receiving funds pursuant to this act shall properly classify individuals employed on the project and shall comply with all laws concerning workers' compensation insurance coverage, unemployment insurance, social security taxes and income taxes with respect to all such employees. All construction contractors engaged by an entity on any such project shall furnish documentation to the appointing authority showing that all employees employed on the project have hospitalization and medical benefits that meet the minimum requirements of the connector established in chapter 176Q of the General Laws.

SECTION 22. Notwithstanding any general or special law to the contrary, not later than January 1, 2014, the director of housing and community development shall submit to the secretary of administration and finance, the house and senate committees on ways and means, the joint committee on housing and the house and senate committees on bonding, capital expenditures and state assets a capital plan for fiscal year 2014 for capital funds authorized in section 2.

516           SECTION 23. Notwithstanding any general or special law to the contrary, the  
517 unexpended and unencumbered balances of the bond-funded authorizations in the following  
518 accounts shall cease to be available for expenditure 90 days after the effective date of this act:  
519 4000-8200, 3722-8891, 3722-8892, 3722-8896, 3722-8871, 3722-8872, 4000-7998, 4000-8201,  
520 4000-8202, 7004-0021, 7004-0022, 7004-0028, 7004-0029, 7004-0030, 7004-0031, 7004-0032,  
521 7004-0036, 7004-0037, 7004-0038, 7004-6666, 7004-7011, 7004-7013, 7004-7014, 7004-7015,  
522 7004-7016, 7004-7017, 7004-7018, 7004-8984, 7004-8985, 7004-9982.