

HOUSE No. 4374

The Commonwealth of Massachusetts

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 2310) of the House Bill relative to local housing authorities (House, No. 4316), reported recommending passage the accompanying bill (House, No. 4374). July 30, 2014.

Kevin G. Honan	James B. Eldridge
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HOUSE No. 4374

The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

An Act relative to local housing authorities.

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. Section 1 of chapter 121B of the General Laws, as appearing in the 2012
2 Official Edition, is hereby amended by inserting after the definition of “Substandard area” the
3 following definition:-

4 “Tenant member”, a member of the board of the housing authority who is directly
5 assisted by that housing authority pursuant to this chapter.

6 SECTION 2. The first paragraph of section 5 of said chapter 121B, as so appearing, is
7 hereby amended by adding the following sentence:- Every member of a housing or
8 redevelopment authority shall be a fiduciary of the housing or redevelopment authority.

9 SECTION 3. Said section 5 of said chapter 121B, as so appearing, is hereby further
10 amended by striking out, in line 8, the word “four” and inserting in place thereof the following
11 figure:- 3.

12 SECTION 4. Said section 5 of said chapter 121B, as so appearing, is hereby further
13 amended by striking out, in line 11, the word “years,” and inserting in place thereof the
14 following words:- years and.

15 SECTION 5. Said section 5 of said chapter 121B, as so appearing, is hereby further
16 amended by striking out, in lines 12 and 13, the words “, and the one receiving the next highest
17 number of votes shall serve for one year”.

18 SECTION 6. Said chapter 121B is hereby further amended by inserting after section 5 the
19 following 2 sections:-

20 Section 5A. The department shall promulgate regulations establishing election procedures
21 for tenants to elect a tenant as a member of the housing authority in the town and regulations
22 establishing appointment by the board of selectmen of the town, if no election may be held;
23 provided, however, that 1 member of the housing authority board shall be a tenant. The
24 department shall provide regulations creating waiver of this section if federal law requires the
25 town to maintain a tenant member as 1 of the 5 members or if a tenant has been elected under
26 section 5.

27 Section 5B. The department shall establish and implement a comprehensive training
28 program for members of a housing or redevelopment authority. The training program shall be
29 developed by the department in consultation with representatives of local housing authorities,
30 municipal officials, public housing residents, public housing industry professional organizations
31 and relevant state agencies.

32 The department shall provide instructions and training to members on the proper
33 management of a housing or redevelopment authority. The instructions and training shall
34 include, but not be limited to, the following laws and topics: (i) the open meeting law established
35 pursuant to sections 18 to 25, inclusive, of chapter 30A; (ii) the public records law established
36 pursuant to chapter 66; (iii) the conflict of interest law established pursuant to chapter 268A; (iv)
37 the uniform procurement act established pursuant to chapter 30B; (v) state finance provisions
38 established pursuant to chapter 29; (vi) fraud prevention; (vii) fiduciary responsibilities; (viii)
39 fair housing laws; (ix) tenant occupancy and tenant participation policies; (x) the laws
40 prohibiting discrimination in publicly assisted housing established pursuant to clauses 6 to 7B,
41 inclusive, of section 4 of chapter 151B; and (xi) best practices relating to the general inspection,
42 maintenance and repair of existing units and capital improvements in public housing. The
43 department may consult with the attorney general and the inspector general in developing
44 instructions and training programs pursuant to this section.

45 The department shall further provide independent technical assistance training to tenant
46 members. The department shall develop the training with the goal of enabling tenant members
47 and members of local tenant organizations to participate fully in the oversight of the housing
48 authority's operation and capital planning. The department shall permit tenants and local tenant
49 organizations who are not members to attend technical assistance training.

50 Upon appointment and reappointment or election and reelection, all members shall
51 complete a training program, as developed by the department, within 90 days of assuming the
52 member's position. Members shall complete a training program every 2 years. Failure to
53 complete a training program within 90 days of assuming a position as a member or failure to
54 complete a training program every 2 years may constitute neglect of duty and that member may
55 be subject to removal proceedings pursuant to section 6.

56 SECTION 7. Said chapter 121B is hereby further amended by inserting after section 7 the
57 following section:-

58 Section 7A. The department shall promulgate guidelines for contracts to be executed by
59 the housing authority and an executive director. The department may review all contracts
60 between the housing authorities and executive directors and all terms for payments or monetary
61 remuneration relevant to state payments; provided, however, that the department shall review all
62 contracts and all terms for payments or monetary remuneration worth more than \$100,000 per
63 annum. The department may strike contract provisions that do not conform to the guidelines.

64 SECTION 8. Said chapter 121B is hereby further amended by inserting after section 26A
65 the following 3 sections:-

66 Section 26B. (a) A housing authority shall participate in the performance-based
67 monitoring program as established by the department in accordance with this section.

68 (b) The department shall establish and implement a performance-based monitoring
69 program and develop and provide uniform assessment standards for evaluating housing authority
70 operations. The assessment standards may incorporate public housing industry standards and
71 measures and federal monitoring standards as applicable. The monitoring program and
72 assessment standards established by the department shall be structured to enable the department
73 to identify housing authorities that are failing to meet the minimum standards and to develop and
74 implement corrective action plans and targeted assistance by the department to improve
75 performance to a satisfactory level.

76 (c) The monitoring program and assessment standards established by the department
77 under this section shall be developed and implemented by the department in consultation with
78 representatives of housing authorities, municipal officials, public housing residents and public
79 housing industry professional organizations. At a minimum, the department shall include
80 assessment standards for: (i) executive director and senior staff training; (ii) board member
81 training; (iii) senior staff certification in public procurement procedures; (iv) budget
82 management; (v) minimum experience and education qualifications for the hiring of executive
83 directors; (vi) maintenance and repair of existing units; (vii) vacant unit turnover procedures and
84 timelines ; (viii) capital project planning; (ix) resident services, including job training initiatives
85 and family self-sufficiency programming; and (x) participation in the capital assistance team
86 program established in section 26C.

87 (d) The department shall establish guidelines for designating a housing authority as
88 “chronically poor performing” under the monitoring program. The department shall develop
89 these guidelines in consultation with representatives of local housing authorities, municipal
90 officials, public housing residents and public housing industry professional organizations. If a
91 housing authority is designated as “chronically poor performing”, the department may appoint a
92 chief administrative and financial officer, CAFO, who shall be responsible for the overall

93 administration of the housing authority. The department shall appoint the CAFO for a term of not
94 more than 3 years. The CAFO shall be appointed solely on the basis of administrative and
95 executive qualifications and shall be a person especially fitted by education, training and
96 experience to perform the duties of the office. The CAFO shall not be required to be a resident of
97 the commonwealth or of the same municipality in which the housing authority to be administered
98 is located. The powers and duties of the CAFO shall include the following: (i) coordinating,
99 administering and supervising financial services and activities; (ii) implementing and
100 maintaining uniform systems, controls and procedures for financial activities; (iii) reviewing
101 proposed contracts and obligations; (iv) reviewing the spending plan for each department; and
102 (v) evaluating the housing authority's current annual plan under section 28A and implementing a
103 written plan to meet the department's assessment standards established pursuant to this section,
104 including, but not limited to, merging with another housing authority or regional housing
105 authority. Annually not later than March 30, the CAFO shall submit a 4-year financial plan and a
106 5-year capital plan to the department that includes all capital needs of the housing authority. If
107 the department finds clear and convincing evidence of a demonstrable threat to tenant safety
108 attributable to the conduct of the executive director or financial misconduct or criminal activity
109 by the executive director, the department may terminate the employment of the executive
110 director in accordance with the executive director's employment agreement with the authority as
111 approved by the department.

112 Section 26C. (a) The department shall establish a program based on best practices to
113 allow authorities to work collaboratively and shall provide capital, maintenance and repair
114 planning and technical assistance to housing authorities that shall facilitate the capturing of
115 economies of scale through increased collaboration relative to, but not limited to, bulk
116 purchasing, capital planning and capital projects. The program shall include 3 capital assistance
117 teams, which shall aid housing authority members and executive directors in developing and
118 managing the housing authority's capital, maintenance and repair program, including: (i)
119 developing a capital, maintenance and repair plan as required in the housing authority's annual
120 plan under section 26B; (ii) preparing applications for special capital project funds; (iii)
121 implementing capital improvement, maintenance and repair projects; (iv) managing updates to
122 the department's capital planning, maintenance and repair systems; (v) facilitating coordination
123 among housing authorities to ensure efficient use of capital and maintenance funds; and (vi)
124 other functions related to capital planning, renovation, maintenance, repair and redevelopment as
125 the department considers necessary; provided, however, that the capital assistance team shall
126 provide services to the housing authority without requiring payment for the services by the
127 housing authority. The capital assistance teams shall be located in diverse regions to be
128 designated by the department.

129 (b) All housing authorities may participate in the program; provided, however, that those
130 housing authorities with 500 or fewer state-aided units shall participate in the program. The
131 department may grant a waiver of this requirement to a housing authority that demonstrates that

132 the assistance is not necessary based upon the housing authority's performance under the
133 performance based monitoring and assessment standards of section 26B.

134 (c) Each capital assistance team shall be employed in offices at a host housing authority.
135 Three host housing authorities shall be selected by the department. The department shall develop
136 and issue a request for proposals to solicit proposals from housing authorities to serve as a host
137 housing authority; provided, however, that the department shall select not more than 1 host
138 housing authority in each of the designated regions. The department shall promulgate regulations
139 to increase the salary of the host housing authority director.

140 (d) Each capital assistance team shall have a director to be hired by the host housing
141 authority in consultation with the department. The director shall hire project management and
142 capital planning staff to work directly with housing authorities to provide the technical assistance
143 described; provided, however, that no staff member shall individually oversee more than 2,500
144 units on a permanent basis.

145 (e) Each capital assistance team shall have an advisory board consisting of 11 members.
146 The host housing authority shall appoint 1 of its own board members to the advisory board; the
147 department shall appoint 1 member, who shall have at least 5 years of experience as the manager
148 of not less than 200 units of privately owned housing; and the department shall promulgate
149 regulations establishing election procedures for the selection of the remaining 9 members. The
150 department shall limit eligibility for election to members of participating housing authorities in
151 the region. The advisory board shall meet on a quarterly basis with the capital assistance team
152 director, host housing authority director and the director of the department or a designee of the
153 director of the department and shall discuss issues of program performance and coordination.

154 Section 26D. Housing authorities shall post on the wall of the community center for each
155 of its developments the names, addresses, phone numbers, email addresses or other means of
156 contact for all members and senior staff. Housing authorities shall maintain a website that shall
157 display the same information.

158 The department shall promulgate regulations to implement this section.

159 SECTION 9. Said chapter 121B is hereby further amended by inserting after section 28
160 the following section:-

161 Section 28A. (a) Each housing authority shall submit to the department an annual plan.
162 The annual plan shall state the housing authority's goals and objectives to meet or improve upon
163 the department's performance based review and assessment standards under section 26B. The
164 annual plan shall further include the housing authority's capital improvement, maintenance and
165 repair plans for the following year and address deficiencies in meeting applicable performance
166 standards.

167 (b) The housing authority shall make the annual plan available for public review and
168 comment through an annual public hearing. Not later than 45 days before the date of a public
169 hearing, the housing authority shall publish a notice informing the public of the agenda items
170 which shall be covered at the hearing, including, but not limited to, the housing authority's: (i)
171 proposed operating budget; (ii) proposed capital plan; and (iii) specific plan to meet or improve
172 upon the performance based review and the assessment standards under section 26B.

173 (c) The department shall promulgate regulations to implement this section.

174 SECTION 10. Section 29 of said chapter 121B, as appearing in the 2012 Official Edition,
175 is hereby amended by striking out the first paragraph and inserting in place thereof the following
176 4 paragraphs:-

177 The members of a housing authority shall annually, at a time to be determined by the
178 department, file with the department a written report for its last preceding fiscal year. The report
179 shall be filed in the manner prescribed by the department and shall contain an agreed upon
180 procedure for review of housing authority financial records, an annual plan as provided for in
181 this chapter and other information as the department may require.

182 Each housing authority shall contract with an independent external auditor to prepare the
183 agreed upon procedures for review of housing authority financial records. An external
184 compliance auditor shall perform not more than 5 consecutive agreed upon procedures for
185 review of housing authority financial records for a housing authority; provided, however, that the
186 department may grant a waiver of this requirement to a housing authority that proves
187 unsuccessful in procuring bids from multiple external auditors qualified to perform the housing
188 authority's state compliance audit. The department shall promulgate procedures, rules or
189 regulations prescribing the requirements to be included in the agreed upon procedures for review
190 of housing authority financial records.

191 The report, agreed upon procedures for review of housing authority financial records and
192 the annual plan, shall be made available to the public on the department's website, as well as the
193 housing authority's website required under section 26D. Failure of the members of a housing
194 authority to provide the department with the required written report may constitute neglect of
195 duty and may subject a responsible member to removal proceedings pursuant to section 6.

196 Housing authorities shall be subject to audit by the state auditor, in accordance with
197 generally accepted government auditing standards, as often as the auditor determines is
198 necessary. The auditor shall have access to the written report required by this section and shall
199 have the power to examine the property and records of housing authorities and to prescribe
200 methods of accounting. In determining the audit frequency of housing authorities, the state
201 auditor shall consider the materiality, risk and complexity of housing authority activities, as well
202 as the nature and extent of prior audit findings. Each housing authority may be audited separately
203 or as a part of an audit covering multiple housing authorities.

204 The department shall investigate the budgets, finances and other affairs of housing
205 authorities and the housing authority’s dealings, transactions and relationships. The department
206 may, severally with the state auditor, examine the properties and records of housing authorities
207 and prescribe methods of accounting and the rendering of periodical reports in relation to
208 clearance and housing projects undertaken by such authorities. The department shall make,
209 amend and repeal rules and regulations prescribing standards and stating principles governing the
210 planning, construction, maintenance and operation of clearance and housing projects by housing
211 authorities.

212 SECTION 11. Said section 34 of said chapter 121B, as so appearing, is hereby further
213 amended by striking out, in lines 208 and 209, the words “ the state auditor or”.

214 SECTION 12. Said chapter 121B is hereby further amended by inserting after section
215 38B the following 2 sections:-

216 Section 38C. The department shall establish and implement a program to conduct annual
217 surveys of public housing residents. The department shall develop the annual survey in
218 conjunction with stakeholders, including public housing residents. The survey shall be conducted
219 by the department and shall preserve the anonymity of the residents. The survey shall be
220 conducted in languages which reflect the native languages spoken by tenants residing in the
221 housing authorities and the survey respondents shall be allowed to respond in their native
222 language. The survey shall include, at a minimum, questions about maintenance and repair of
223 units, housing authority communication to residents, resident participation in housing authority
224 governance, resident safety and resident services, including, but not limited to, job training
225 programs. The department shall establish procedures to conduct physical inspections of a
226 representative sample of units in conjunction with the survey; provided further, that the results of
227 the survey shall be used to evaluate the housing authority’s performance under section 26B.
228 Housing authorities shall have the right to respond to the results of the surveys in writing within
229 60 days of the results being transmitted to the housing authority by the department.

230 Section 38D. (a) (1) As used in this section, the following words shall have the following
231 meanings, unless the context clearly requires otherwise:

232 “Affordable housing”, homeownership or rental housing which is restricted to occupancy
233 by low or moderate income households of 1 or more persons and for which the sale price or rent
234 is affordable as defined by the criteria for inclusion in the department’s subsidized housing
235 inventory or consistent with funding sources.

236 “Affordable housing development”, a development of new or rehabilitated affordable
237 housing which may include market-rate housing if such market-rate housing is reasonably
238 necessary for the financial feasibility of construction or operation of the affordable housing.

239 “Extremely low income household”, a household with a gross income at or less than 30
240 per cent of area median household income as most recently determined by the United States
241 Department of Housing and Urban Development, adjusted for household size.

242 “Housing authority”, a housing authority established pursuant to section 3.

243 “Low or moderate income household”, a household with gross income at or less than 80
244 per cent of area median household income as most recently determined by the United States
245 Department of Housing and Urban Development, adjusted for household size; provided,
246 however, that in Nantucket or Dukes county “low or moderate income household” shall mean
247 persons and households earning less than 150 per cent of Nantucket or Dukes county median
248 household income as reported from time to time by the United States Department of Housing and
249 Urban Development.

250 “Market-rate housing”, homeownership or rental housing which is not restricted to
251 occupancy by low or moderate income households; provided, however, that “market-rate
252 housing” may be available for occupancy by households without regard to income and may also
253 include housing subject to maximum income limits to be occupied by households with gross
254 income greater than 80 per cent but not more than 150 per cent of the area median household
255 income as most recently determined by the United States Department of Housing and Urban
256 Development, adjusted for household size.

257 “Program”, the regional public housing innovation program under this section.

258 “Public housing”, state-assisted housing developed through funds provided under chapter
259 200 of the acts of 1948, chapter 667 of the acts of 1956, chapter 705 of the acts of 1966, chapter
260 689 of the acts of 1974 and chapter 167 of the acts of 1987.

261 “Regional housing authority”, a housing authority established pursuant to section 3A.

262 “Very low income household”, a household with a gross income at or less than 50 per
263 cent but greater than 30 per cent of area median household income as most recently determined
264 by the United States Department of Housing and Urban Development, adjusted for household
265 size.

266 (2) The department shall develop a regional public housing innovation program. The
267 program shall be designed to achieve: (i) innovative models for the development, redevelopment
268 and repair of public housing; (ii) innovative models for improved management of public
269 housing; (iii) increased coordination among several housing authorities; (iv) increased economic
270 efficiencies; and (v) the expansion of economic opportunities for tenants and the commonwealth.
271 The department shall establish criteria to evaluate a regional housing authority’s application for
272 the program.

273 (b)(1) A regional housing authority may apply to the department for approval to
274 participate in the program. Participation shall be limited to applicants that have the ability to plan
275 and carry out activities under the program, as evidenced by their prior performance in the
276 operation and maintenance of public housing, demonstrate a need to redevelop and repair
277 occupied and vacant public housing units and other appropriate factors as determined by the
278 director of the department.

279 (2) The department may determine the housing authorities participating in the program;
280 provided, however, that the total number of authorities shall not exceed 4. To be eligible to
281 participate in the program, a housing authority shall be a regional housing authority under
282 section 3A. Not more than 3 of the participating housing authorities shall have not fewer than 7
283 participating communities and portfolios of not fewer than 750 state-aided public housing units.
284 Not less than 1 of the 4 authorities shall have a portfolio of between 250 and 700 state-aided
285 public housing units and not fewer than 10 participating communities. In selecting participating
286 authorities, the department shall establish criteria that provides for representation of housing
287 authorities having various characteristics, including housing authorities serving urban, suburban
288 and rural areas and housing authorities in various geographical regions throughout the
289 commonwealth. The department shall create a position within the department to provide
290 assistance to housing authorities during the process of becoming a regional housing authority
291 under section 3A. Nothing in this section shall prohibit participation by an otherwise eligible
292 housing authority on Nantucket Island or Martha's Vineyard.

293 (3) The department shall require program applicants to describe how tenants shall be
294 provided with independent technical assistance sufficient to allow them meaningful and
295 informed input and shall encourage applications that demonstrate, create or seek to achieve, with
296 respect to public housing: (i) innovative models for the redevelopment and repair of public
297 housing, including housing for the elderly and frail; (ii) innovative models for improved
298 management; (iii) coordination among several housing authorities; (iv) economic efficiencies;
299 and (v) expansion of economic opportunities for tenants and the commonwealth. Additionally,
300 the department shall encourage applications that achieve the development of affordable housing.

301 (4) The department shall act on the application within 90 days of its submission and shall
302 approve not more than 4 applications that meet the criteria established by the director. The
303 department and the participating housing authority shall enter into a program participation
304 agreement summarizing the terms of participation, voluntary withdrawal and termination for
305 material default and a timetable for achieving objectives of the program. The initial term of
306 participation shall be 10 years, which shall be extended in whole or in part by the department so
307 long as: (i) the housing authority has made satisfactory progress toward its goals; (ii) the
308 extension will meet the original objectives of the program; and (iii) the housing authority has not
309 received a negative evaluation pursuant to subsection (n).

310 (5) Upon expiration, withdrawal or termination of an agreement, the department shall
311 work cooperatively with the housing authority in a transition process. The transition process may
312 provide for retention of elements of the program implemented during participation, including,
313 but not limited to, contractual agreements with third parties that contain terms that extend
314 beyond the term of participation that were referenced in the program participation agreement,
315 approved annual plans or approved annual reports.

316 (c) The department, subject to appropriation, shall disburse all funding for a participating
317 housing authority or regional housing authority on a predictable schedule to permit and
318 encourage planning and efficiency by the housing authority. Further, the department shall
319 increase participating regional housing authorities annual operating subsidy by providing an
320 additional subsidy which is equal to 20 per cent of the regional housing authority's annual
321 budget for elderly and family state public housing, minus the cost of utilities.

322 (d) Except for subsection (g), if any provision of this chapter conflicts with the powers
323 granted under this section or substantially restricts a housing authority's ability to achieve the
324 goals specified in its application or plan, such provision shall not apply to a housing authority or
325 regional housing authority approved by the department to participate in the public housing
326 innovation program, to the extent the department determines it is necessary.

327 (e) Regional housing authorities participating in the program shall, in addition to those
328 powers conferred in this chapter, have the following powers:

329 (i) to combine all forms of assistance received from the commonwealth and other
330 sources, including, but not limited to, public housing operating subsidies appropriated by the
331 commonwealth through a general appropriations act and public housing modernization funds
332 authorized by the commonwealth to be funded through the sale of general obligation bonds,
333 other funds or grants; provided, however, that a housing authority shall not receive diminished
334 assistance by virtue of participation in the program under this section;

335 (ii) to establish a reasonable rent policy, which shall be included in the annual plan
336 required by subsection (h), that shall: (A) provide for rents that are affordable to tenants
337 throughout the term of the program; (B) be designed to provide incentives to improve
338 employment and training and self-sufficiency by participating families; (C) include transition
339 and hardship provisions; (D) include in the transition period a limit on rent increases in any 1
340 year related solely to the change in the rent policy to not more than 10 per cent for the duration
341 of the transition period; (E) provide a rent cap for tenant households at or below 50 per cent of
342 area median income, adjusted for family size, of not more than the maximum tenant rental
343 payments, including, if applicable, minimum rents, permitted by section 32; and (F) provide a
344 rent cap for elderly and handicapped persons of low income of not more than the maximum
345 tenant rental payments including, if applicable, minimum rents, permitted by said section 32 and
346 subsection (e) of section 40;

347 (iii) to establish, and include as part of the annual plan required by subsection (h), local
348 methods of tenant or homeowner selection; provided, however, that the method shall be fair,
349 objective, public and shall not discriminate against an applicant based on a protected category in
350 chapter 151B or violate other fair housing laws or department policies and provides admissions
351 preferences for homeless households, veterans and victims of domestic violence;

352 (iv) to create efficient, fair and open procurement policies for supplies, services and real
353 property, designed to reduce costs and to meet local need, which shall be included in the annual
354 plan required by subsection (h);

355 (v) to participate in a mixed public-private affordable housing development or create
356 legal entities or instrumentalities necessary to participate in mixed public-private affordable
357 housing development designed to rehabilitate, repair, replace or develop affordable housing,
358 including public housing developments and projects developed pursuant to sections 26, 34 and
359 40;

360 (vi) to create partnerships or consortia with other public or private entities for the
361 operation, financing or development of any program otherwise authorized by law;

362 (vii) to acquire property to carry out its purposes and to dispose of property of the local
363 housing authority without repayment of bonds to the commonwealth, notwithstanding any
364 provision of this chapter to the contrary, unless otherwise required by law or contract; provided,
365 however, that the proceeds of such disposition shall be applied to acquisition, operation,
366 development, rehabilitation or repair of public or affordable housing consistent with the
367 limitations on use of proceeds in subclause (E) of clause (3) of subsection (g); and

368 (viii) to enter into energy services contracts in accordance with section 11C of chapter
369 25A for a period of up to 20 years.

370 (f) Projects pursuant to this section may include a mix of extremely low income
371 households, low or moderate income households and market-rate housing and may utilize any
372 available source of rental subsidy or financial assistance; provided, however, that operating
373 subsidies appropriated by the general court and bond funds authorized by the general court for
374 the benefit of low rent housing projects operated pursuant to sections 32 and 40 shall not be used
375 to fund capital or operating costs other than those for the redevelopment, repair and operation,
376 including services benefitting the tenants, of such housing.

377 (g) Notwithstanding subsection (d), the local housing authority shall:

378 (i) comply with section 12, related to wages, labor requirements and the Social Security
379 Act;

380 (ii) comply with section 29 , related to wage rates and collective bargaining;

381 (iii) retain the same number of public housing units as existed before participation in this
382 program and to the greatest extent possible: (A) provide for full tenant participation, including
383 public hearings, on adoption or material amendment of its annual plan as required under
384 subsection (h); (B) provide for a tenant lease and grievance procedure substantially similar to
385 that in effect prior to entry into this program; (C) provide that evictions shall be only for good
386 cause; (D) assure that housing assisted under this program is decent, safe and sanitary and that,
387 excepting any market-rate housing, the housing is deed restricted to occupancy by extremely low
388 income households, very low income households or low and moderate income households at
389 affordable rents or sales prices, in perpetuity or for such other term as may be approved by the
390 department, consistent with funding sources; and (E) assure that proceeds from the disposition of
391 public housing and funds generated from new affordable and market-rate housing created to
392 replace public housing, unless restricted to a particular use, shall be allocated to the
393 reconstruction, rehabilitation or repair of public housing developments;

394 (iv) assure that if a participating housing authority redevelops its public housing units, all
395 households residing in the units at the time of planned redevelopment shall receive relocation
396 assistance, if eligible, under this chapter or other applicable statutes; provided however, that such
397 households shall have the right to return to the redeveloped public housing, unless such
398 household is determined to be in unlawful occupancy prior to the approval of the housing
399 authority's application, has materially breached the lease agreement or has been evicted for
400 cause, under applicable law, subject to units of the appropriate size and requirements being
401 available; provided further, that such households shall have priority for placement over new
402 applicants;

403 (v) comply with chapter 334 of the acts of 2006; and

404 (vi) comply with the audit requirements of section 29.

405 (h) Each housing authority participating in this program shall prepare an annual plan.
406 Tenants assisted by the housing authority and the wider community shall be provided with
407 adequate notice and opportunities to participate in the development and preparation of the plan.
408 The tenants shall be provided an opportunity to comment and make recommendations on the
409 plan which shall include not less than 1 public hearing held at a time and location that the
410 participating housing authority reasonably believes will facilitate attendance by and input from
411 tenants.

412 The annual plan shall:

413 (i) state the housing authority's goals and objectives under the program for its fiscal year;

414 (ii) describe the housing authority's proposed use of assistance for activities under the
415 program for the fiscal year;

416 (iii) describe how the housing authority will achieve the repair and redevelopment of
417 public housing;

418 (iv) state the housing authority's proposed income mix for its housing portfolio of: (A)
419 extremely low income households; (B) very low income households; (C) low or moderate
420 income households; and (D) market-rate housing;

421 (v) explain how the housing authority's proposed activities will meet its goals and
422 objectives;

423 (vi) include appropriate budgets and financial statements; and

424 (vii) describe the tenant participation procedure and what independent technical
425 assistance will be made available to tenants.

426 A plan submitted pursuant to subsection (i) shall be deemed approved unless the
427 department, within 60 days of submission, issues a written disapproval. The department shall
428 disapprove the plan if the department reasonably determines, based on information contained in
429 the plan or other reliable information available to the department, that the plan does not comply
430 with this section or other applicable law or cannot reasonably be expected to achieve the
431 purposes of this section. The housing authority shall notify tenants of such approval or
432 disapproval.

433 (i) In place of all other planning and reporting requirements of the department, each
434 housing authority participating in this program shall submit to the department an annual report,
435 in a form and at a time specified by the department. The annual report shall be the primary
436 means by which the housing authority shall be required to provide information to the department,
437 to tenants and the public on the activities assisted under this section during a fiscal year, unless
438 the department has reason to believe that the housing authority has violated the terms of the
439 program.

440 Each annual report shall:

441 (1) document the housing authority's use of assistance under the program, including
442 appropriate financial statements;

443 (2) describe and analyze the effect of assisted activities in addressing the objectives of
444 this section, including the effect of rent and tenant selection policies;

445 (3) state the previous year's income mix of residents in the housing authority's public
446 housing and affordable housing developments under this program;

447 (4) include a certification by the housing authority that it has prepared an annual plan in
448 accordance with subsection (h);

449 (5) describe and document how the housing authority has provided tenants assisted under
450 the program and the wider community with opportunities to participate in the development or
451 material modification of the annual plan and an opportunity to comment on the annual plan
452 which shall include not less than 1 public hearing;

453 (6) include a report on the annual incomes of persons served in the previous year; and

454 (7) include other information as may be required by the department pursuant to
455 subsection (k) to determine the effectiveness of the program.

456 (j) A report submitted pursuant to subsection (i) shall be deemed approved unless the
457 department, within 60 days of submission, issues a written disapproval because the department
458 reasonably determines, based on information contained in the report or other reliable information
459 available to the department, that the housing authority is not in compliance with this section or
460 other applicable law.

461 (k) Each housing authority shall keep such records as the department may prescribe as
462 reasonably necessary to document the amount of funds and the disposition of funds under this
463 program, to ensure compliance with the requirements of this section and to measure
464 performance.

465 (l) The department shall have access, for the purpose of audit and examination, to any
466 books, documents, papers and records that are pertinent to the requirements of this section and
467 assistance given in connection with this section; provided, however, that reporting shall be
468 conducted solely through the annual report unless the department has reason to believe that the
469 housing authority is not in compliance with this program.

470 (m) The state auditor shall have access, for the purpose of audit and examination, to any
471 books, documents, papers and records that are pertinent to the requirements of this section and
472 assistance given in connection with this section.

473 (n) Each authority shall be evaluated by an independent evaluator twice during the initial
474 term of participation and periodically thereafter, in accordance with standards adopted by the
475 department, to determine the success of initiatives undertaken to achieve the purposes set forth in
476 this section and the housing authority's plan.

477 (o) The department shall establish a manner in which to post the housing innovations
478 plan, annual report, independent evaluation and other public records pertaining to each housing
479 authority's public housing innovations program established pursuant to this section so that the
480 progress of each public housing innovations program is publicly available and free to access.

481 (p) The department shall establish a 9 member advisory committee whose members shall
482 include the director of the department or a designee, 1 representative selected by Citizens
483 Housing and Planning Association, Inc., 1 representative selected by the Massachusetts chapter

484 of the National Association of Housing and Redevelopment Officials, 1 representative selected
485 by the Massachusetts Union of Public Housing Tenants, Inc., 1 representative selected by the
486 Massachusetts Coalition for the Homeless, Inc., and 4 additional members chosen by the director
487 of the department, 1 of whom shall have at least 5 years of experience as the manager of not less
488 than 200 units of privately owned housing, to provide advice and recommendations to the
489 department regarding regulations to implement this section and to provide ongoing assistance in
490 determining the effectiveness of the program.

491 (q) The department shall adopt regulations implementing this section.

492 (r) The department shall annually report to the house and senate committees on ways and
493 means and the joint committee on housing on the participation of housing authorities in the
494 public housing innovations program.

495 SECTION 13. Notwithstanding any general or special law to the contrary, each capital
496 assistance team established by the department of housing and community development pursuant
497 to section 26D of chapter 121B of the General Laws shall complete a survey of all department or
498 housing authority owned surplus land within 1 year of the effective date of this act. The capital
499 assistance teams shall use the results of the survey to coordinate communication and resources
500 between local housing authorities and the department to encourage development of the land for
501 new units of affordable housing. The capital assistance teams and the department shall also work
502 collaboratively with local veterans' service officers and veterans' service organizations to
503 facilitate the use of surplus land and housing units for the development of affordable housing
504 units for disabled veterans. The department shall report the results of the survey to the joint
505 committee on housing within 90 days of the completion of the survey.

506 SECTION 14. Within 1 year of the effective date of this act, the department of housing
507 and community development shall establish and implement a single statewide centralized wait
508 list for state-aided public housing, after consultation with representatives of local housing
509 authorities, municipal officials, public housing residents and public housing industry professional
510 organizations. Such centralized wait list shall enable public housing applicants to submit a
511 standardized application through a centralized internet website or through any housing authority.
512 An applicant for tenancy in a housing authority may designate a preference by naming housing
513 authorities. All housing authorities shall use the centralized wait list for selection of public
514 housing tenants, with all local preferences and other preferences applied as required by law.

515 SECTION 15. The department shall conduct an investigation and study of the feasibility
516 and benefits of an alternative to the requirement of section 5A of chapter 121B of the General
517 Laws. The study shall evaluate alternatives, including but not limited to, permitting a town to
518 establish a housing authority board of 7 or more members, 1 of whom is a tenant, permitting a
519 town to establish a tenant advisory board to review a housing authority's financial and capital
520 planning decisions and under what circumstances, if any, a town may be exempt from the

521 requirements of said section 5A of said chapter 121B. The department shall make
522 recommendations and shall submit its findings to the joint committee on housing not later than
523 December 31, 2014.