

SENATE No. 2386

Senate March 29, 2018 – Text of the Senate amendment to the House Bill financing the production and preservation of housing for low and moderate income residents (House, No. 4134)

The Commonwealth of Massachusetts

—
In the One Hundred and Ninetieth General Court
(2017-2018)
—

1 SECTION 1. To provide for a capital outlay program to rehabilitate, produce and
2 modernize state-aided public housing developments; to preserve the affordability and the income
3 mix of state-assisted multifamily developments; to support home ownership and rental housing
4 opportunities for low and moderate income citizens; to stem urban blight through the
5 implementation of housing stabilization programs; to support housing production for the elderly,
6 disabled and homeless; to preserve housing for the elderly, the homeless and low and moderate
7 income citizens and people with disabilities; to develop facilities for licensed early care and
8 education and out of school time programs; and to promote economic reinvestment through the
9 funding of infrastructure improvements, the sums set forth in section 2, for the several purposes
10 and subject to the conditions specified in this act, are hereby made available subject to the laws
11 regulating the disbursement of public funds.

SECTION 2.

DEPARTMENT OF EARLY EDUCATION AND CARE

12 3000-0410. For the purpose of state financial assistance in the form of grants for the
13 Early Education and Out of School Time Capital Fund for the development of eligible facilities

14 for licensed early education and care and out of school time programs established in section 18
15 of chapter 15D of the General Laws; provided, that the department of early education and care
16 may contract with 1 or more quasi-public or non-profit entities to administer the program,
17 including, but not limited to, the Community Economic Development Assistance Corporation
18 established in chapter 40H of the General Laws; provided further, that the department may
19 develop or finance eligible facilities and enter into subcontracts with nonprofit organizations
20 established pursuant to chapter 180 of the General Laws or organizations in which such nonprofit
21 corporations have a controlling financial or managerial interest; provided further, that when
22 issuing the funding commitments the department shall consider: (i) a balanced geographic plan
23 for such eligible facilities; and (ii) funding large group and school age child care centers, as
24 defined by the department of early education and care; provided further, that the services made
25 available pursuant to such grants shall not be construed as a right or entitlement for any
26 individual or class of persons to the financing; provided further, that no expenditure shall be
27 made from this item without the prior approval of the secretary of administration and finance;
28 and provided further, that the department of early education and care shall promulgate
29 regulations under chapter 30A of the General Laws to implement, administer and enforce this
30 item and to determine eligibility standards..... \$45,000,000

EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

Department of Housing and Community Development

31 7004-0049. For a program of loans or grants to assist homeowners or tenants with a
32 household member with blindness or severe disabilities in making modifications to their primary
33 residence for the purpose of improved accessibility or to allow those individuals to live

34 independently in the community or for construction costs to allow for the creation of an
35 accessory unit, defined as an additional dwelling unit separate from the primary dwelling unit,
36 for a person with disabilities or an elder needing assistance with activities of daily living;
37 provided, that not more than 10 per cent shall be used for grants to assist landlords seeking to
38 make modifications for a current or prospective tenant with disabilities, who but for such a grant
39 would be unable to maintain or secure permanent housing; provided further, that the secretary of
40 housing and economic development and the secretary of health and human services shall take all
41 steps necessary to minimize the program’s administrative costs; provided further, that the
42 program shall be available pursuant to income eligibility standards approved by the secretary of
43 health and human services; provided further, that the repayment of the loans may be delayed
44 until the sale of the principal residence by the homeowner; provided further, that persons
45 residing in a development covered by section 4 of chapter 151B of the General Laws shall not be
46 eligible for the program unless the owner can show that the modification is an undue financial
47 burden or that the landlord is participating in the grant program to maintain or secure housing for
48 a tenant with disabilities; provided further, that the secretary of health and human services shall
49 consult with the Massachusetts commission for the blind and the Massachusetts rehabilitation
50 commission in developing the rules, regulations and guidelines for the program; provided
51 further, that nothing in this item shall give rise to enforceable legal rights in any party or an
52 enforceable entitlement to services; and provided further, that the secretary of health and human
53 services shall submit quarterly reports to the house and senate committees on ways and means,
54 the house and senate committees on bonding, capital expenditures and state assets and the joint
55 committee on housing detailing the status of the program established in this

56 item..... \$60,000,000

57 7004-0050. For state financial assistance in the form of loans for the development of
58 community-based housing or supportive housing for individuals with mental illness and
59 individuals with intellectual disabilities; provided, that the loan program shall be administered by
60 the department of housing and community development, referred to in this item as the
61 department, through contracts with the Massachusetts Development Finance Agency established
62 by chapter 23G of the General Laws, the Community Economic Development Assistance
63 Corporation established by chapter 40H of the General Laws, operating agencies established
64 pursuant to chapter 121B of the General Laws and the Massachusetts Housing Finance Agency
65 established by chapter 708 of the acts of 1966; provided further, that those agencies may develop
66 or finance community-based housing or supportive housing or may enter into subcontracts with
67 nonprofit organizations, established pursuant to chapter 180 of the General Laws, or
68 organizations in which such nonprofit corporations have a controlling financial or managerial
69 interest or for-profit organizations; provided, however, that preference for the subcontracts shall
70 be given to nonprofit organizations; provided further, that the department shall consider a
71 balanced geographic plan for such community-based housing or supportive housing when
72 issuing the loans; provided further, that the department shall consider development of a balanced
73 range of housing models by prioritizing funds for integrated housing as defined by the
74 appropriate housing and service agencies including, but not limited to, the department of housing
75 and community development, the Massachusetts rehabilitation commission, the department of
76 mental health and the department of developmental services, in consultation with relevant and
77 interested clients, clients' families, advocates and other parties as necessary; provided further,
78 that loans issued pursuant to this item shall: (i) not exceed 50 per cent of the financing of the
79 total development costs; (ii) not be issued unless a contract or agreement for the use of the

80 property for such housing provides for repayment to the commonwealth at the time of disposition
81 of the property in an amount equal to the commonwealth's proportional contribution from the
82 Facilities Consolidation Fund established by chapter 52 of the acts of 1993 to the cost of the
83 development through payments made by the state agency making the contract; (iii) not be issued
84 unless contract or agreement for the use of the property for the purposes of such housing
85 provides for the recording of a deed restriction in the registry of deeds or the registry district of
86 the land court of the county in which the real property is located, for the benefit of the
87 departments, running with the land, that the land be used to provide community-based housing or
88 supportive housing for eligible individuals as determined by the department of mental health and
89 the department of developmental services; provided, however, that the property shall not be
90 released from such restriction until the balance of the principal and interest for the loan has been
91 repaid in full or until a mortgage foreclosure deed has been recorded; (iv) be issued for a term
92 not to exceed 30 years, during which time repayment may be deferred by the loan issuing
93 authority; provided, however, that if on the date the loans become due and payable to the
94 commonwealth, an outstanding balance exists and if, on such date, the department, in
95 consultation with the executive office of health and human services, determines that there still
96 exists a need for such housing and that there is continued funding available for the provision of
97 services to such development, the department may, by agreement with the owner of the
98 development, extend the loans for such periods, each period not to exceed 10 years, as the
99 department shall determine; provided further, that the project shall remain affordable housing for
100 the duration of the loan term, including any extension thereof, as set forth in the contract or
101 agreement entered into by the department; provided further, that in the event the terms of
102 repayment detailed in this item would cause a project authorized by this item to become

103 ineligible to receive federal funds which would otherwise assist in the development of that
104 project, the department may waive the terms of repayment which would cause the project to
105 become ineligible; and (v) have interest rates fixed at a rate, to be determined by the department,
106 in consultation with the state treasurer; provided further, that the loans shall be provided only for
107 projects conforming to this item; provided further, that the loans shall be issued in accordance
108 with a facilities consolidation plan prepared by the secretary of health and human services,
109 reviewed and approved by the department and filed with the secretary of administration and
110 finance, the house and senate committees on ways and means, the house and senate committees
111 on bonding, capital expenditures and state assets and the joint committee on housing; provided
112 further, that no expenditure shall be made from this item without the prior approval of the
113 secretary of administration and finance; provided further, that the department, the department of
114 mental health and the Community Economic Development Assistance Corporation may identify
115 appropriate financing mechanisms and guidelines for grants or loans from this item to promote
116 private development to produce housing, to provide for independent integrated living
117 opportunities, to write down building and operating costs and to serve households at or below 15
118 per cent of area median income for the benefit of department of mental health clients; provided
119 further, that not more than \$10,000,000 may be expended from this item for a pilot program of
120 community-based housing or supportive housing loans to serve mentally ill homeless individuals
121 in the current or former care of the department of mental health; provided further, that in
122 implementing the pilot program, the department shall consider a balanced geographic plan when
123 establishing community-based residences; provided further, that the housing services made
124 available pursuant to such loans shall not be construed as a right or an entitlement for any
125 individual or class of persons to the benefits of the pilot program; provided further, that

126 eligibility for the pilot program shall be established by regulations promulgated by the
127 department; and provided further, that the department shall promulgate regulations under chapter
128 30A of the General Laws to implement, administer and enforce this item, consistent with the
129 facilities consolidation plan prepared by the secretary of health and human services and after
130 consultation with the secretary and the commissioner of capital asset management and
131 maintenance..... \$65,000,000

132 7004-0051. For state financial assistance in the form of loans for the development and
133 redevelopment of community-based housing or supportive housing for persons with disabilities
134 who are institutionalized or at risk of being institutionalized and who are not eligible for housing
135 developed pursuant to item 7004-0050; provided, that the loan program shall be administered by
136 the department of housing and community development through contracts with the
137 Massachusetts Development Finance Agency established by chapter 23G of the General Laws,
138 the Community Economic Development Assistance Corporation established by chapter 40H of
139 the General Laws, operating agencies established pursuant to chapter 121B of the General Laws
140 and the Massachusetts Housing Finance Agency established by chapter 708 of the acts of 1966;
141 provided further, that the agencies may develop or finance the community-based housing or
142 supportive housing or may enter into subcontracts with nonprofit organizations established
143 pursuant to chapter 180 of the General Laws or organizations in which such nonprofit
144 corporations have a controlling financial or managerial interest or for-profit organizations;
145 provided further, that preference for such subcontracts shall be given to nonprofit organizations;
146 provided further, that the department shall consider a balanced geographic plan for such
147 community-based housing or supportive housing when issuing the loans; provided further, that
148 all housing developed with these funds shall be integrated housing as defined by the appropriate

149 state housing and service agencies including, but not limited to, the department, the executive
150 office of health and human services and the Massachusetts rehabilitation commission in
151 consultation with relevant and interested clients, clients' families, advocates and other parties as
152 necessary; provided further, that loans issued pursuant to this item shall: (i) not exceed 50 per
153 cent of the financing of the total development costs; (ii) not be issued unless a contract or
154 agreement for the use of the property for the purposes of such housing provides for repayment to
155 the commonwealth at the time of disposition of the property in an amount equal to the
156 commonwealth's proportional contribution from community based housing to the cost of the
157 development through payments made by the state agency making the contract; (iii) not be issued
158 unless a contract or agreement for the use of the property for the purposes of such community-
159 based housing or supportive housing provides for the recording of a deed restriction in the
160 registry of deeds or the registry district of the land court of the county in which the real property
161 is located, for the benefit of the department, running with the land, that the land be used to
162 provide community-based housing or supportive housing for eligible individuals as determined
163 by the Massachusetts rehabilitation commission or other agency of the executive office of health
164 and human services; provided further, that the property shall not be released from such
165 restrictions until the balance of the principal and interest for the loan has been repaid in full or
166 until a mortgage foreclosure deed has been recorded; (iv) be issued for a term not to exceed 30
167 years during which time repayment may be deferred by the loan issuing authority; provided
168 further, that if on the date the loans become due and payable to the commonwealth, an
169 outstanding balance exists and if, on that date, the department, in consultation with the executive
170 office of health and human services, determines that there still exists a need for such housing, the
171 department may, by agreement with the owner of the development, extend the loans for a

172 specified period, each period not to exceed 10 years, as the department shall determine;
173 provided, however, that the project shall continue to remain affordable housing for the duration
174 of the loan term, including any extensions thereof, as set forth in the contract or agreement
175 entered into by the department; provided, however, that in the event the terms of repayment
176 detailed in this item would cause a project authorized by this item to become ineligible to receive
177 federal funds, which would otherwise assist in the development of that project, that department
178 may waive the terms of repayment which would cause the project to become ineligible; and (v)
179 have interest rates fixed at a rate, to be determined by the department, in consultation with the
180 state treasurer; provided further, that the loans shall be provided only for projects conforming to
181 this item; provided further, that the loans shall be issued in accordance with an enhancing
182 community-based services plan prepared by the secretary of health and human services, in
183 consultation with the department and filed with the secretary of administration and finance and
184 the house and senate committees on ways and means, the house and senate committees on
185 bonding, capital expenditures and state assets and the joint committee on housing; provided
186 further, that an expenditure shall not be made from this item without the prior approval of the
187 secretary of administration and finance; and provided further, that the department shall
188 promulgate regulations pursuant to chapter 30A of the General Laws for the implementation,
189 administration and enforcement of this item, consistent with the enhancing community-based
190 services plan prepared by the secretary of health and human services after consultation with the
191 secretary and the commissioner of capital asset management and
192 maintenance..... \$55,000,000

193 7004-0052. For the capitalization of the Affordable Housing Trust Fund established in
194 section 2 of chapter 121D of the General Laws; provided, that up to \$50,000,000 shall be

195 provided to rehabilitate 1 to 4 unit housing in gateway cities, and other similarly-situated
196 municipalities as determined by the department of housing and community development, that
197 have been cited for building or sanitary code violations or that are subject to cancellation of
198 commercial property insurance due to substandard property conditions.....\$400,000,000

199 7004-0053. For the purpose of state financial assistance in the form of grants or loans for
200 the Housing Stabilization and Investment Trust Fund established in section 2 of chapter 121F of
201 the General Laws and awarded pursuant to the criteria established in said section 2 of said
202 chapter 121F; provided, that not less than 25 per cent of such financial assistance shall be used to
203 fund projects that preserve and produce housing for families and individuals with incomes of not
204 more than 30 per cent of the area median income, as defined by the United States Department of
205 Housing and Urban Development; provided further, that if the department of housing and
206 community development has not spent the amount authorized under the bond cap for this
207 program at the end of each year the department may award the remaining funds to projects that
208 serve households earning more than 30 per cent of the area median income, as defined by the
209 United States Department of Housing and Urban Development; provided further, that not less
210 than \$5,000,000 shall be expended for the production or preservation of housing for people who
211 are not less than 60 years of age; provided further, that the department may expend an amount
212 not to exceed \$10,000,000 to stabilize and promote reinvestment, through homeownership, in
213 areas the department has determined to be weak markets as indicated by a high concentration of
214 assisted rental housing, a low rate of homeownership, a low median family income, a low
215 average sales price or high levels of unpaid property taxes or vacant or abandoned buildings, by:
216 (i) waiving the requirements of this item and said chapter 121F; and (ii) subsidizing the purchase
217 price, borrowing costs or costs of renovation or new construction of 1 to 6 unit residential

218 buildings for a person who owns the property and occupies any portion of the property as the
219 person's primary residence for not less than 5 years from the date of purchase; provided further,
220 that if more than 5 years, but less than 10 years, from the date the owner takes ownership of the
221 property, the owner sells any of the owner's interest in the property, the new owner shall occupy
222 1 unit in the property for a period equal to the difference between 10 years and the amount of
223 time the first owner occupied the property as the owner's primary residence; provided further,
224 that if the owner fails to so occupy a unit on the property or ceases to be the owner of the
225 property as required by this section, the department shall recoup the value of any subsidy
226 provided to the owner; and provided further, that 10 years after the owner takes possession of the
227 property pursuant to this item, all restrictions on the property created by this item shall be
228 void.....\$150,000,000

229 7004-0054. For the purpose of state financial assistance in the form of grants for projects
230 undertaken pursuant to clause (j) of section 26 of chapter 121B of the General Laws; provided,
231 that contracts entered into by the department of housing and community development for those
232 projects may include, but shall not be limited to, projects providing for renovation, remodeling,
233 reconstruction, redevelopment and hazardous material abatement, including asbestos and lead
234 paint, and for compliance with state codes and laws and for adaptations necessary for compliance
235 with the Americans with Disabilities Act of 1990, the provision of day care facilities, learning
236 centers and teen service centers and the adaptation of units for families and persons with
237 disabilities; provided further, that priority shall be given to projects undertaken to comply with
238 state codes and laws or for other purposes related to the health and safety of residents; provided
239 further, that funds may be expended from this item to make such modifications to congregate
240 housing units as may be necessary to increase the occupancy rate of those units; provided further,

241 that the department shall continue to fund a program to provide predictable funds to be used
242 flexibly by housing authorities for capital improvements to extend the useful life of state-assisted
243 public housing; and provided further, that not less than 25 per cent of the funds from this item
244 shall be used to fund projects which preserve or produce housing for families and individuals
245 with incomes of not more than 30 per cent of the area median income, as defined by the United
246 States Department of Housing and Urban Development.....\$600,000,000”

247 7004-0055. For the purpose of state financial assistance in the form of grants for a 5-year
248 demonstration program, administered by the department of housing and community development
249 to demonstrate cost effective revitalization methods for state-aided family and elderly-disabled
250 public housing that seek to reduce the need for future state modernization funding; provided, that
251 housing authorities with state-aided housing developments pursuant to chapter 200 of the acts of
252 1948, chapter 667 of the acts of 1954, chapter 705 of the acts of 1966, chapter 689 of the acts of
253 1974 or chapter 167 of the acts of 1987 shall be eligible to participate in the demonstration
254 program; provided further, that the department shall establish an advisory committee, to consist
255 of: the director of the department or a designee; 3 members to be appointed by the governor, 1 of
256 whom shall be recommended by the Citizens Housing and Planning Association, Inc., 1 of who
257 shall be recommended by the Massachusetts chapter of the National Association of Housing and
258 Redevelopment Officials and 1 of whom shall be recommended by the Massachusetts Union of
259 Public Housing Tenants, Inc.; and 3 members chosen by the department to provide advice and
260 recommendations to the department regarding the program; provided further, that the department
261 may exempt a recipient of demonstration grants from the requirements of chapter 7C of the
262 General Laws and chapter 121B of the General Laws upon a showing by the recipient that such
263 exemptions are necessary to accomplish the effective revitalization of public housing and shall

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

283 7004-0056. For the purpose of state financial assistance in the form of grants or loans for
284 the Housing Innovations Trust Fund established in section 2 of chapter 121E of the General
285 Laws; provided, that not less than 25 per cent of the funds made available in this item shall be
286 used to fund projects which preserve and produce housing for families and individuals with

287 incomes of not more than 30 per cent of the area median income, as defined by the United States
288 Department of Housing and Urban Development; and provided further, that the department may
289 expend \$10,000,000 or more from this item for the production and preservation of housing for
290 people in recovery from substance use disorder..... \$100,000,000

291 7004-0057. For the purpose of state financial assistance in the form of grants or loans for
292 the Capital Improvement and Preservation Trust Fund established in section 2 of chapter 121G of
293 the General Laws for expiring use properties..... \$125,000,000

294 7004-0058. For the purpose of providing financial support for developing residential
295 housing units and mixed use developments that include both residential housing units and
296 commercial or retail space and are located within neighborhood commercial areas including, but
297 not limited to, those areas designated as main street areas by providing necessary financial
298 assistance to the commercial components of these projects; provided, that the developments may
299 include projects which have residential units above commercial space and shall be located in
300 areas characterized by a predominance of commercial land uses, a high daytime or business
301 population or a high concentration of daytime traffic and parking; provided further, that the
302 financial subsidy for the commercial portion of a project shall not exceed 25 per cent of the total
303 development cost of the commercial portion of the project or \$1,000,000, whichever is smaller;
304 provided further, that \$15,000,000 shall be used to fund transit-oriented housing developments in
305 proximity to public transit nodes; provided further, that eligible activities for transit-oriented
306 development shall include, but not be limited to, planning grants, financing subsidies and
307 environmental assessment; and provided further, that not less than 50 per cent of the
308 beneficiaries of housing in projects assisted by this item shall be persons whose income is not

309 more than 80 per cent of the area median income, as defined by the United States Department of
310 Housing and Urban Development..... \$50,000,000

311 7004-0060. For the Workforce Housing Fund administered by the Massachusetts
312 Housing Finance Agency;..... \$100,000,000

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

316 SECTION 4. Said section 18 of said chapter 15D, as so appearing, is hereby further
317 amended by inserting after the word “interest”, in lines 16 and 17, the following words:- and
318 such corporation or organization is, at the time of its initial application, providing early care and
319 education or out-of-school-time care for low-income families who are eligible for a public
320 subsidy.

321 SECTION 5. Section 6 of chapter 62 of the General Laws is hereby amended by striking
322 out, in line 281, as so appearing, the figure “2018” and inserting in place thereof the following
323 figure:- 2023.

324 SECTION 6. Said section 6 of said chapter 62is hereby further amended by striking out,
325 in lines 284 and 285, as so appearing, the words “at the time such permanent solution or remedy
326 operation status is achieved” and inserting in place thereof the following words:- in the taxable
327 year in which the documentation of a permanent solution or remedy operation status was filed
328 with the department of environmental protection.

329 SECTION 7. Said section 6 of said chapter 62 is hereby further amended by striking out,
330 in line 287, as so appearing, the figure “2019” and inserting in place thereof the following
331 figure:- 2024.

332 SECTION 8. Said section 6 of said chapter 62 is hereby further amended by striking out,
333 in line 297, as so appearing, the figure “40.00” and inserting in place thereof the following
334 figure:- 40.0000.

335 SECTION 9. Said section 6 of said chapter 62 is hereby further amended by inserting
336 after the word “limitation”, in lines 297 and 298, as so appearing, the following words:- or which
337 includes such an activity and use limitation recorded on or after July 31, 2018 in the case of a
338 development in which at least 20 per cent of the residential units are restricted to occupancy by
339 households earning 120 per cent or less of area median income.

340 SECTION 10. Paragraph (1) of subsection (j) of said section 6 of said chapter 62, as so
341 appearing, is hereby amended by adding the following paragraph:-

342 A nonprofit organization shall only receive a credit under this subsection based upon a
343 nonprofit organization’s documentation that a permanent solution or remedy operation status was
344 submitted to the department of environmental protection in a taxable year that commenced on or
345 after June 24, 2006.

346 SECTION 11. Section 6I of said chapter 62, as so appearing, is hereby amended by
347 inserting after the word “project”, in line 73, the following words:- ; and (iv) \$5,000,000 to
348 preserve and improve existing state or federally-assisted housing.

349 SECTION 12. Said Section 6I of said chapter 62, as so appearing, is hereby further
350 amended by striking out, in lines 112 to 115, inclusive, the words “; provided further, that no
351 credit shall be authorized related to a project that receives state financial assistance authorized
352 under section 7A of chapter 244 of the acts of 2002”.

353 SECTION 13. Section 6J of said chapter 62, as so appearing, is hereby amended by
354 striking out, in line 41, the figure “\$50,000,000” and inserting in place thereof the following
355 figure:- \$55,000,000.

356 SECTION 14. Subsection (c) of section 6M of said chapter 62, as so appearing, is hereby
357 amended by striking out clause (4) and inserting in place thereof the following clause:-

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

365 SECTION 15. Subsection (e) of said section 6M of said chapter 62, as so appearing, is
366 hereby amended by striking out the first sentence.

367 SECTION 16. Subsection (i) of said section 6M of said chapter 62, as so appearing, is
368 hereby amended by striking out the second sentence and inserting in place thereof the following
369 sentence:- The total value of the tax credits authorized in this section, together with those
370 authorized in section 38EE of chapter 63, shall not exceed: (i) \$3,000,000 in taxable year 2014;

371 (ii) \$6,000,000 in each of taxable years 2015 to 2018, inclusive; (iii) \$8,000,000 in each of
372 taxable years 2019 and 2020; (iv) \$10,000,000 in each of taxable years 2021 and 2022; and (v)
373 \$12,000,000 in each of taxable years 2023 to 2025, inclusive.

374 SECTION 17 Section 31H of chapter 63 of the General Laws, as so appearing, is hereby
375 amended by inserting after the word “project”, in line 74, the following words:- ; and (iv)
376 \$5,000,000 to preserve and improve existing state or federally-assisted housing.

377 SECTION 18. Said section 31H of said chapter 63, as so appearing, is hereby further
378 amended by striking out, in lines 114 to 117, inclusive, the words “; provided further, that no
379 credit shall be authorized related to a project that receives state financial assistance authorized
380 under section 7A of chapter 244 of the acts of 2002”.

381 SECTION 19. Section 38Q of said chapter 63, as so appearing, is hereby amended by
382 striking out, in line 3, the figure “2018” and inserting in place thereof the following figure:-
383 2023.

384 SECTION 20. Said section 38Q of said chapter 63, as so appearing, is hereby amended
385 by striking out, in lines 6 and 7, the words “at the time the permanent solution or remedy
386 operation status is achieved” and inserting in place thereof the following words:- in the taxable
387 year in which the documentation of a permanent solution or remedy operation status was filed
388 with the department of environmental protection.

389 SECTION 21. Said section 38Q of said chapter 63, as so appearing, is hereby further
390 amended by striking out, in line 9, the figure “2019” and inserting in place thereof the following
391 figure:- 2024.

392 SECTION 22. Said section 38Q of said chapter 63, as so appearing, is hereby further
393 amended by striking out, in line 17, the figure “40.00” and inserting in place thereof the
394 following figure:- 40.0000.

395 SECTION 23. Said section 38Q of said chapter 63, as so appearing, is hereby further
396 amended by inserting after the word “limitation”, in line 18, the following words:- or which
397 includes such an activity and use limitation recorded on or after July 31, 2018 in the case of a
398 development in which at least 20 per cent of the residential units are restricted to occupancy by
399 households earning 120 per cent or less of area median income.

400 SECTION 24. Subsection (a) of said section 38Q of said chapter 63, as so appearing, is
401 hereby amended by adding the following paragraph:-

402 A nonprofit organization shall only receive a credit under this section based upon a
403 nonprofit organization’s documentation that a permanent solution or remedy operation status was
404 submitted to the department of environmental protection in a taxable year that commenced on or
405 after June 24, 2006.

406 SECTION 25. Section 38R of said chapter 63, as so appearing, is hereby amended by
407 striking out, in line 40, the figure “\$50,000,000” and inserting in place thereof the following
408 figure:- \$55,000,000.

409 SECTION 26. Subsection (c) of section 38EE of said chapter 63, as so appearing, is
410 hereby amended by striking out clause (4) and inserting in place thereof the following clause:-

411 (4) no community partner shall receive a community investment tax credit allocation of
412 less than \$50,000 or more than 2 1/2 per cent of the total credits available in any 1 taxable year;

413 provided, however, that the department may waive this cap if it determines that it would be
414 unable to otherwise fully allocate the credits available during that calendar year to eligible
415 community partners; and provided further, that no community partner shall receive a subsequent
416 allocation unless the department has determined that it has made satisfactory progress toward
417 utilizing any prior allocation.

418 SECTION 27. Subsection (e) of said section 38EE of said chapter 63, as so appearing, is
419 hereby amended by striking out the first sentence.

420 SECTION 28. Subsection (i) of said section 38EE of said chapter 63, as so appearing, is
421 hereby amended by striking out the second sentence and inserting in place thereof the following
422 sentence:- The total value of the tax credits authorized in this section, together with those
423 authorized in section 6M of chapter 62, shall not exceed: (i) \$3,000,000 in taxable year 2014; (ii)
424 \$6,000,000 in each of taxable years 2015 to 2018, inclusive; (iii) \$8,000,000 in each of taxable
425 years 2019 and 2020; (iv) \$10,000,000 in each of taxable years 2021 and 2022; and (v)
426 \$12,000,000 in each of taxable years 2023 to 2025, inclusive.

427 SECTION 29. Subsection (a) of section 2 of chapter 121G of the General Laws, as so
428 appearing, is hereby amended by adding the following sentence:- An eligible property that has
429 been acquired for the purpose of preserving or improving the property shall not lose its eligibility
430 due to actions by the purchaser to renew or extend state or federal contracts or subsidies.

431 SECTION 30. Section 4 of chapter 708 of the acts of 1966, as most recently amended by
432 section 6 of chapter 239 of the acts of 1998, is hereby further amended by adding the following
433 paragraph:-

434 (aa) Take all actions necessary and appropriate, directly or through an affiliate or
435 subsidiary entity, to provide: (i) contract administration services in or for the commonwealth,
436 any other state or the District of Columbia in connection with a multifamily rental subsidy
437 program of the United States Department of Housing and Urban Development; (ii) loan servicing
438 services with respect to 1-family to 4-family residential mortgage loans secured by mortgages on
439 real property located in the commonwealth, any other state or the District of Columbia;
440 provided, however, that the MHFA shall not enter into an agreement for such loan servicing
441 unless the majority of loans to be serviced are mortgage loans secured by mortgages on real
442 property located within the commonwealth; and (iii) loan servicing, master servicing, mortgage
443 insurance and other commercial services and products related to residential mortgage loans in
444 partnership with a governmental or quasi-governmental agency in the commonwealth, any other
445 state or the District of Columbia in each case unless prohibited by the laws of the
446 commonwealth, any other state or the District of Columbia.

447 SECTION 31. Section 100 of chapter 142 of the acts of 2011 is hereby amended by
448 striking out the figure “2020”, inserted by section 14 of chapter 129 of the acts of 2013, and
449 inserting in place thereof the following figure:- 2025.

450 SECTION 32. Section 98 of chapter 238 of the acts of 2012 is hereby amended by
451 striking out the figure “2019” and inserting in place thereof the following figure:- 2025.

452 SECTION 33. Chapter 287 of the acts of 2014 is hereby amended by striking out section
453 125 and inserting in place thereof the following section:-

454 Section 125. Sections 46, 48, 61 and 63 shall take effect on January 1, 2024.

455 SECTION 34. Notwithstanding any general or special law to the contrary, the secretary
456 of housing and economic development and the secretary of administration and finance shall
457 jointly submit a report on the progress of all projects and expenditures related to the funds
458 available in this act or any outstanding authorizations from a prior authorization act for housing
459 projects that were undertaken by the executive office of housing and economic development or
460 any of its constituent agencies to the house and senate committees on ways and means, the house
461 and senate committees on bonding, capital expenditures and state assets and the joint committee
462 on housing. This report shall include, but not be limited to: (i) the address and the nature and
463 scope of the work for each project funded in this act; (ii) the total amount allocated for each
464 project, broken down by fiscal year during which the allocation occurred and the total estimated
465 cost of each project; (iii) the amount expended for the planning and design of each project up to
466 the time the report is filed; (iv) the amount expended on construction of each project up to the
467 time the report is filed; (v) the total amount currently expended on each project; (vi) a schedule
468 of life cycle standards for each completed project; (vii) the original estimated completion date of
469 each project; (viii) the current anticipated completion date of each project; and (ix) if the project
470 has been deauthorized, the reason for and date of the deauthorization. The information required
471 in this report shall be current as of 30 days before the submission of the report and the report
472 shall be submitted biannually for 6 years after the effective date of this act.

473 SECTION 35. To meet the expenditures necessary in carrying out section 2, the state
474 treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an
475 amount to be specified by the governor from time to time but not exceeding, in the aggregate,
476 \$1,700,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their
477 face, Housing Production, Preservation, Modification and Neighborhood Development Loan Act

478 of 2018, and shall be issued for a maximum term of years, not exceeding 30 years, as
479 recommended by the governor to the general court under section 3 of Article LXII of the
480 Amendments to the Constitution; provided, however, that all such bonds shall be payable not
481 later than June 30, 2053. All interest and payments on account of principal on such obligations
482 shall be payable from the General Fund. Bonds and interest thereon issued under the authority of
483 this section shall, notwithstanding any other provision of this act, be general obligations of the
484 commonwealth. An amount not to exceed 2 per cent of the authorizations may be expended by
485 the department of housing and community development for administrative costs directly
486 attributable to the purposes of this act, including costs of clerical and support personnel. The
487 director of housing and community development shall file an annual spending plan with the
488 fiscal affairs division, the house and senate committees on ways and means, the house and senate
489 committees on bonding, capital expenditures and states assets and the joint committee on
490 housing which details, by subsidiary, all personnel costs and any administrative costs charged to
491 expenditures made pursuant to this act.

492 SECTION 36. Notwithstanding any general or special law to the contrary, not later than
493 120 days after the expiration of affordability restrictions on housing units assisted under items
494 7004-0050 and 7004-0051 of section 2, the department of housing and community development
495 or its assignee, who shall be a qualified developer selected pursuant to the terms of said items
496 7004-0050 and 7004-0051 of said section 2 under the guidelines of the department, shall have an
497 option to purchase any such housing units at their current appraised value, reduced by any
498 remaining obligation of the owner, upon the expiration of the affordability restrictions. The
499 department or its assignee shall only purchase or acquire such housing units to preserve or
500 provide affordable housing. The department or its assignee shall hold such purchase option for

501 the first 120 days after the expiration of the affordability restrictions. Failure to exercise the
502 purchase option within 120 days after the expiration of the affordability restriction shall
503 constitute a waiver of the purchase option by the department or its assignee. Not later than 30
504 days after the expiration of an affordability restriction, the owner and the department shall each
505 designate a professional in the field of multi-unit residential housing. Each professional shall
506 select an impartial appraiser. Not later than 60 days after the expiration of the affordability
507 restriction, the 2 impartial appraisers shall determine the current appraised value in accordance
508 with recognized professional standards. If there is a difference in the valuations, the valuations
509 shall be added together and divided by 2 to determine the current appraised value of the units. No
510 sale, transfer or other disposition of the property shall be completed until either the purchase
511 option period expires or the owner has been notified, in writing, by the department or its assignee
512 that the option will not be exercised. The option shall be exercised only by written notice signed
513 by a designated representative of the department or its assignee, mailed to the owner by certified
514 mail at the address specified in the notice of intention and recorded with the registry of deeds or
515 the registry district of the land court in the county in which the affected real property is located,
516 within the option period. If the purchase option has been assigned to a qualified developer
517 selected pursuant to said items 7004-0050 and 7004-0051 of said section 2, the written notice
518 shall state the name and address of the developer and the terms and conditions of the assignment.

519 Before any sale or transfer or other disposition of housing that the department has not
520 previously exercised an option to purchase, an owner shall offer the department or its assignee,
521 who shall be a qualified developer selected pursuant to items 7004-0050 and 7004-0051 of
522 section 2, a first refusal option to meet a bona fide offer to purchase the units. The owner shall
523 provide to the department or its assignee written notice by regular and certified mail, return

524 receipt requested, of the owner's intention to sell, transfer or otherwise dispose of the property.
525 The department or its assignee shall hold the first refusal option for the first 120 days after
526 receipt of the owner's written notice of intent to transfer the property. Failure to respond to the
527 written notice of intent to sell, transfer or otherwise dispose of the property within the 120-day
528 period shall constitute a waiver of the right of first refusal by the department. No sale, transfer or
529 other disposition of the property shall be completed until either this first refusal option period has
530 expired or the owner has been notified in writing by the department or its assignee that the option
531 will not be exercised. The option shall be exercised only by written notice signed by a designated
532 representative of the department or its assignee, mailed to the owner by certified mail at the
533 address specified in the notice of intention and recorded with the registry of deeds or the registry
534 district of the land court of the county in which the affected real property is located, within the
535 option period. If the first refusal option has been assigned to a qualified developer selected
536 pursuant to said items 7004-0050 and 7004-0051 of said section 2, the written notice shall state
537 the name and address of the developer and the terms and conditions of the assignment.

538 An affidavit before a notary public that the notice of intent was mailed on behalf of an
539 owner shall conclusively establish the manner and time of the giving of notice to sell, transfer or
540 otherwise dispose of the property. The affidavit and notice that the option shall not be exercised
541 shall be recorded with the registry of deeds or the registry district of the land court in the county
542 in which the affected real property is located. Each notice of intention, notice of exercise of the
543 purchase option or first refusal option and notice that the purchase option or first refusal option
544 shall not be exercised shall contain the name of the recorded owner of the property and a
545 reasonable description of the premises to be sold or converted. Each affidavit signed before a
546 notary public shall have attached to it a copy of the notice of intention to which it relates. The

547 notice of intention shall be mailed to the relevant parties in the care of the keeper of the records
548 for the party in question. Upon notifying the owner in writing of its intention to exercise its
549 purchase option or first refusal option during the 120-day period, the department or its assignee
550 shall have an additional 120 days, beginning on the date the purchase option period or first
551 refusal option period expires, to purchase the units. Those time periods may be extended by
552 mutual agreement between the department or its assignee and the owner of the property. Any
553 extension agreed upon shall be recorded in the registry of deeds or the registry district of the land
554 court in the county in which the affected real property is located. Within a reasonable time after
555 requesting an extension, the owner shall make available to the department or its assignee any
556 information that is reasonably necessary for the department to exercise its option.

557 SECTION 37. Notwithstanding any general or special law to the contrary, not later than
558 July 1, 2018, and annually thereafter, the director of housing and community development shall
559 submit to the secretary of administration and finance, the house and senate committees on ways
560 and means, the joint committee on housing and the house and senate committees on bonding,
561 capital expenditures and state assets a capital plan for fiscal years 2019 to 2023, inclusive, for the
562 capital funds authorized in section 2.

563 SECTION 38. Notwithstanding any general or special law to the contrary, a private entity
564 engaged in a construction, development, renovation, remodeling, reconstruction, rehabilitation or
565 redevelopment project receiving funds pursuant to this act shall properly classify individuals
566 employed on the project and shall comply with all laws concerning workers' compensation
567 insurance coverage, unemployment insurance, social security taxes and income taxes with
568 respect to all such employees. All construction contractors engaged by an entity on any such
569 project shall furnish documentation to the appointing authority showing that all employees

570 employed on the project have hospitalization and medical benefits that meet the minimum
571 requirements of the connector established in chapter 176Q of the General Laws.

572 SECTION 39. Notwithstanding any general or special law to the contrary, the
573 unexpended and unencumbered balances of the bond-funded authorizations in the following
574 accounts shall cease to be available for expenditure 180 days after the effective date of this act:
575 3000-0400; 7004-0039; 7004-0040; 7004-0041; 7004-0042; 7004-0043; 7004-0044; 7004-0045;
576 7004-0046; 7004-0047; 7004-0048.

577 SECTION 40. Notwithstanding any general or special law to the contrary, the bonds that
578 the state treasurer may issue pursuant to section 2 shall be issued for terms not to exceed 30
579 years. All such bonds shall be payable not later than June 30, 2053, as recommended by the
580 governor in a message to the general court dated April 24, 2017, under section 3 of Article LXII
581 of the Amendments to the Constitution.

582 SECTION 40A. Notwithstanding any special or general law there shall be a special
583 commission to: (i) determine the level of need for additional housing for disabled adults; (ii)
584 create a portfolio accounting for all occupied and available housing for individuals with
585 disabilities; and (iii) determine best practices and costs to increase the stock of housing for
586 disabled adults to meet the level of need.

587 The commission shall consist of: the secretary of housing and economic development or
588 a designee; the undersecretary for housing and community development or a designee; the
589 commissioner of developmental services or a designee; 2 members of the house of
590 representatives, 1 of whom shall be appointed by the minority leader; 2 members of the senate, 1
591 of whom shall be appointed by the minority leader; a representative of the Massachusetts

592 Housing Partnership; a representative of the Citizens Housing and Planning Association, Inc.; a
593 representative of the Arc of Massachusetts; 2 representatives from local housing authorities who
594 shall be appointed by the commissioner of housing and economic development; a representative
595 of the Massachusetts Developmental Disabilities Council; and 2 persons who shall be parents or
596 guardians of adult disabled children. The first meeting of the commission shall take place not
597 later than December 1, 2018.

598 The special commission shall submit its recommendations, together with drafts of
599 legislation necessary to carry those recommendations into effect, by filing the same with the
600 clerks of the senate and house of representatives and the senate and house chairs of the joint
601 committee on mental health and substance abuse not later than July 1, 2019.

602 SECTION 40B. Notwithstanding any general or special law to the contrary the
603 department of housing and community development may award funds for projects involving
604 energy efficiency, sustainability, climate adaptation and resiliency.

605 SECTION 41. Sections 11, 12, 13, 17,18 and 25 shall be effective for tax years beginning
606 on or after January 1, 2018.

607 SECTION 42. Sections 6, 10, 20 and 24 shall take effect as of June 24, 2006; provided,
608 however, that nothing in sections 6, 10, 20 and 24 shall affect any credit issued pursuant to
609 subsection (j) of section 6 of chapter 62 of the General Laws before the effective date of this act;
610 provided further, that nothing in sections 6, 10, 20 and 24 shall affect any credit issued pursuant
611 to section 38Q of chapter 63 of the General Laws before the effective date of this act.