HOUSE DOCKET, NO. 1940 FILED ON: 1/19/2023

HOUSE . . . . . No. 1339

The Commonwealth of Massachusetts

PRESENTED BY:

Kevin G. Honan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act restoring the Commonwealth's public housing.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Kevin G. Honan	*17th Suffolk*	*1/19/2023*

HOUSE DOCKET, NO. 1940 FILED ON: 1/19/2023

HOUSE . . . . . No. 1339

By Representative Honan of Boston, a petition (accompanied by bill, House, No. 1339) of Kevin G. Honan relative to construction and development of state-aided or federally assisted public housing projects. Housing.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. *1417* OF 2021-2022.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act restoring the Commonwealth's public housing.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 1 of chapter 121B of the General Laws, as so appearing, is hereby amended by adding the following paragraph after the definition for “Community renewal program”:-

“Controlled entity”, an entity with the power to own or operate real property of which and over which actual and legal control shall be in a local housing authority.

SECTION 2. Section 34 of said chapter 121B is hereby amended by adding the following paragraph:-

Notwithstanding any general or special law to the contrary, construction and development activity related to development or redevelopment of state-aided or federally assisted public

housing projects by a public housing authority or a controlled entity of a public housing authority or where the land, buildings or structures associated with the housing project will be or have been conveyed or transferred to a housing authority's controlled entity or a designated private entity for purposes of completing the development or redevelopment shall not be subject to any general or special law related to the procurement and award of contracts for the planning, design, construction management, construction, reconstruction, installation, demolition, maintenance or repair of buildings by a housing authority's controlled entity or designated private entity, provided that the procurement process shall be in conformity with federal procurement requirements for similar projects in accordance with 2 C.F.R. 200 et. seq., if applicable. Nothing in this section shall be deemed to exempt a housing project from prevailing wage requirements in sections 26 to 27F, inclusive, and section 29 of chapter 149 of the General Laws.

SECTION 3. Section 16 of said chapter 121B, as so appearing, is hereby amended by adding the following paragraph:-

Notwithstanding any provision to the contrary in this chapter or in any other general or special law relative to the tax status of real property, buildings or other structures owned by a housing authority, its controlled entity, or its designated private entity, including without limitation a for-profit or charitable corporation, general or limited partnership, or limited liability company, that contain or will contain income-restricted units as defined in section 1, shall be exempt from taxation, betterments and special assessments to the extent such buildings or structures are restricted for use as income-restricted units, including associated common areas and associated land. If income-restricted units and associated common areas constitute only a portion of such resulting buildings or structures, the exemption shall be prorated based on the ratio which the square footage of income-restricted units bears to the square footage of all other

residential or commercial units within the buildings or structures. The housing authority, controlled entity or other designated private entity shall pay (a) with respect to the exempt portion of the buildings or structures and land, a payment in lieu of taxes consistent with the valuation or other formula generally applicable under this section to the housing authority's real estate in the city or town in which such real estate is located, or as otherwise previously agreed upon between the city or town and the housing authority as the method for computing the payments to be made in lieu of taxes, and using the ratio described above; and (b) with respect to the non-exempt portion of the buildings or structures and land, real estate taxes in accordance with chapter 59 of the General Laws based on the fair cash value of the non-exempt portion of the buildings or structures and non-exempt portion of the land using the ratio described above.

SECTION 4. Section 11 of said chapter 121B, as so appearing, is hereby amended by adding the following paragraph:-

Notwithstanding any general or special law to the contrary, a housing authority, with the approval of the department, shall have the power to secure indebtedness incurred for the preservation, modernization and maintenance of one or more of its low-rent housing developments assisted under section 32 or section 34 of chapter 121B by a pledge of a portion of capital funds awarded to it for improvements to be carried out pursuant to a department-approved capital improvement plan in accordance with department regulations governing capital projects. The department shall promulgate regulations establishing limitations on the percentage of awarded capital funds that may be pledged to secure indebtedness, describing permitted terms for borrowing and repayment, and establishing criteria for housing authorities that will be permitted to incur indebtedness secured by a pledge of capital funds. Any pledge of future year capital funds under this section is subject to the availability of funds under the department's capital

spending plan as approved by the governor for that year. All financing documents related to future year capital fund amounts must include a statement that the pledging of funds is subject to the availability of funds under the department's capital spending plan as approved by the governor.

SECTION 5. Section 34 of said chapter 121B, as so appearing, is hereby amended by striking out the fifth paragraph and inserting in place thereof the following paragraph:-

The proceeds of any sale or other disposition of such project in excess of the total of all obligations of the housing authority with respect to such project shall, after the payment of all bonds issued by the housing authority to finance the cost of such project and payment of the costs of the sale or disposition, be retained by the housing authority for the preservation, modernization and maintenance of its public housing assisted under this chapter as approved by the department, or where the housing authority has no public housing assisted under this chapter, such proceeds shall be paid to the department to fund capital improvements for the preservation, modernization and maintenance of its public housing or other lawful purposes of the housing authority.