

Statement from Citizens' Housing and Planning Association  
July 20, 2007

Today, the Massachusetts Supreme Judicial Court issued its decision in *Town of Middleboro vs. Housing Appeals Committee*, which reaffirms The New England Fund (NEF) as a valid subsidy program under Chapter 40B. Further, the SJC agreed with the Housing Appeals Committee's more expansive definition of what constitutes a government subsidy as opposed to the Appeals Court's more narrow definition. CHAPA issued a joint amicus brief in this case along with MassHousing and Massachusetts Housing Partnership arguing for the importance and validity of NEF.

The decision states: "We conclude, however, that the Appeals Court should not have repudiated the reasoning of the Stuborn decision and, by necessary implication, the committee's reasoning in this case. The act and its regulations permit many kinds of government subsidies, and we disagree with the Appeals Court's rejection of the committee's more expansive interpretation of the fundability requirements of the act."

"This is one of the most critical decisions on 40B in many years," said Aaron Gornstein, Executive Director of CHAPA. "It's an important victory for affordable housing and now the NEF Program can continue to provide high quality homes for thousands of Massachusetts residents."

NEF, a program of the Federal Home Loan Bank of Boston, has been the primary source of financing for 40B developments since it became an eligible source of funding in 1999. An estimated 14,000 units of mixed income housing have been constructed using NEF, including both rental and homeownership developments for families and seniors.