

June 6, 2006

Honorable Therese Murray  
Honorable Steven Panagiotakos  
Honorable Michael Knapik

Honorable Robert DeLeo  
Honorable Marie St. Fleur  
Honorable Vinny deMacedo

State House  
Boston, MA 02133

**Re: Housing Items and the FY 07 Budget**

Dear Conference Committee Members:

On behalf of our 1,500 members, Citizens' Housing and Planning Association (CHAPA) asks that you take the following action with respect to the housing items described in this letter:

*FY 07 Operating Budget Line Items from SECTION 2*

**7004-9005** Public Housing Operating Subsidies  
Recede to the House and fund at \$45.1 million

“What we have seen can only be described as a hemorrhaging of resources, and the way to stop that hemorrhaging is money . . .” said the chairman of the Joint Committee on Housing’s public housing subcommittee after touring state-aided public housing developments earlier this year. The subcommittee’s findings coupled with those in the 2005 study conducted by Abt Associates and the Harvard Graduate School of Design indicate that the \$45.1 million contained in the House budget, with \$1 million earmarked to increase non-utility expense levels, more accurately represents the funding necessary to allow housing authorities to continue to do their work.

**7004-9024** Massachusetts Rental Voucher Program  
Recede to the House and fund at \$27.4 million

Rental assistance plays an important part in any comprehensive plan to reduce homelessness; however, while homelessness has increased in Massachusetts, the number of state rental vouchers has dropped. Last year the legislature made changes to stabilize the program. The \$1.2 million increase (over the FY 06 level) proposed by the House would allow for vouchers to continue to be reissued. It could also help to preserve project-based developments at risk of losing their affordability.

## Outside Sections

### **Affordable Housing Trust Fund**

Adopt House SECTION 42

This section provides \$2 million to the Affordable Housing Trust Fund for the preservation of expiring use properties and to help people purchase affordable homes that were built using other state and federal housing production resources.

### **Public Housing Operating Subsidies 7004-9005**

House SECTIONS 49 and 115 and Senate SECTIONS 2.F.I and 248

Recede to the Senate and fund at \$10.7 million

The branches have agreed that back funds are owed to local housing authorities (LHAs). We urge you to include in your final report \$7.7 million to pay for prior deficits and \$3 million to increase non-utility expense levels. LHA costs continue to increase, yet the expense levels remain frozen. Without an increase, directors will have to continue to cut services and reduce staff, ultimately leading to a downward spiral as repairs are delayed.

### **Employer Assisted Housing**

Adopt Senate SECTION 2.G.II, item 7004-2054 and SECTION 413

Young families and workers continue to leave the Commonwealth, often citing the high cost of housing. Employer assisted housing programs can help businesses recruit and retain workers. For a relatively small investment of \$5 million, this program will leverage at least \$10 million in private funds to help workers rent and buy housing in Massachusetts. This proposed program is also supported by the Greater Boston Chamber of Commerce.

### **Brownfields Tax Credits and Redevelopment Fund**

Senate SECTIONS: 346, 347, 358, 359, 421

House SECTIONS: 169, 170, 186, 210

Adopts sections where there is agreement and recede to House on 210

Last fall the House and Senate agreed to extend the Massachusetts Environmental Response Action Tax Credit, to make the credit transferable and assignable, and to recapitalize the Brownfields Redevelopment Fund with \$30 million. However, because the broader bills containing these changes were not reported out of conference, the legislative changes have not moved forward. CHAPA supports the proposed changes. Because the Brownfields Redevelopment Fund is oversubscribed, we also urge the adoption of the House language in SECTION 210 to use \$200,000 to study making the fund available for asbestos and lead paint abatement rather than the language in Senate SECTION 421 which would set aside \$3 million of the fund for those uses.

**Data Collection**

Senate SECTION 120

Adopt Compromise Language

Massachusetts' ability to address the housing needs of its residents and to continue the Commonwealth's leadership in providing equitable housing opportunities hinges upon assessing performance based on up-to-date and accurate information. The data collection language in this section would provide that information. The language comes from S.800 that was reported favorably by the Joint Committee on Housing. CHAPA urges you to adopt compromise language that can be found in H.4978, as recommended by the House Committee on Ways and Means, and that the amended version of SECTION 120 be included in the conference committee's report. This language is acceptable to those who crafted the original legislation and to the Department of Housing and Community Development.

Thank you for considering these requests. Please do not hesitate to contact me or our assistant director, Chris Norris, at 617-742-0820, if you have any questions.

Sincerely,

Aaron Gornstein  
Executive Director

cc: Honorable Robert Travaglini, Senate President  
Honorable Salvatore DiMasi, House Speaker  
Honorable Brian Joyce, Senate Housing Chairman  
Honorable Kevin Honan, House Housing Chairman