State Updates

House Ways and Means Releases FY2018 Budget Proposal

On April 10, the House Committee on Ways and Means (HWM) released its **FY2018 state budget proposal.** The $40.33 billion budget includes targeted increased investments for permanent affordable housing solutions, including the Massachusetts Rental Voucher Program (MRVP), the Alternative Housing Voucher Program (AHVP), and Public Housing.

CHAPA thanks Chairman Dempsey and other members of the HWM Committee for their commitment to these affordable housing and homelessness prevention resources.

Budget highlights include:
- **MRVP** - $100 million, including eligibility language addressing cliff effects. The increase of nearly $15 million over FY2017 will allow for up to 300 new vouchers.
- **AHVP** - $250,000 more to provide rental assistance for persons with disabilities
- **Public Housing** - $1 million more to support local housing authorities
- **RAFT** - $2 million more for this transitional assistance

Unfortunately, several of our priorities faced cuts in the HWM budget, including:
- **HomeBASE** - $800,000 decrease from last year
- **Foreclosure Prevention Counseling** - $700,000 decrease from last year
- **Unaccompanied Homeless Youths** - no funding for the reserve fund in FY2018

For a full overview of CHAPA’s budget priorities in the HWM budget, please [click here](#). For a detailed analysis of our priorities, including program language, please [click here](#).

Amendments to the HWM budget are due by the close of business this Thursday, April 13th. Please email or call your State Representative today to cosponsor amendments for our affordable housing, homelessness prevention, and community development priorities. For a list of House amendments supported by CHAPA, please [click here](#).

The House will then debate the budget and vote on its final budget proposal during the week of April 24th.
Baker-Polito Administration Announces $20 Million for Supportive Affordable Housing

On March 29, the Baker-Polito Administration announced a total of $20 million in awards to seven affordable housing projects in Massachusetts to support the creation and preservation of 177 supportive housing units for homeless families and individuals, veterans, the elderly, and individuals with disabilities. The awarded projects will provide affordable rental housing to extremely low-income families and individuals, and provide wraparound services to residents.

Funding for these projects includes $3.1 million from the National Housing Trust Fund, a newly-authorized federal program that supports the development of affordable housing for low-income individuals and families that include supportive services. The Department of Housing and Community Development (DHCD) is supporting the awarded projects through $14.9 million in state affordable housing subsidies, and 100 project-based MRVP vouchers. DHCD also allocated approximately $2 million in state and federal Low-Income Housing Tax Credits to the projects.

CHAPA Hosts Legislative Housing Tour with Massachusetts Housing Partnership

Earlier this month, CHAPA hosted a Legislative Housing Tour with Massachusetts Housing Partnership (MHP). CHAPA took members of the Joint Committee on Housing, led by Co-Chairs Representative Kevin Honan and Senator Joseph Boncore, on a tour of examples of suburban multi-family, smart growth, and affordable housing developments in Acton, Concord, and Wayland. Housing experts, including town planners, developers, and housing authority directors, joined the tour to provide information on the developments and what programs and policies helped to create them. CHAPA thanks the Members of the Legislature and their staff who joined the tour, including Rep. Carmine Gentile, Rep. Solomon Goldstein-Rose, Rep. Honan, and Sen. Boncore. Thank you also to staff from DHCD and the Metropolitan Area Planning Council for being available to answer questions.
Federal Updates

FY2017 Budget Remains Uncertain

The federal budget is operating on a Continuing Resolution that expires on April 28, leaving only four legislative days to pass a spending bill when Congress returns from its recess on April 24.

Low Income Housing Tax Credit Expansion Bills Introduced in House and Senate

On March 7, Senators Maria Cantwell (D-WA) and Orrin Hatch (R-UT) introduced the Affordable Housing Credit Improvement Act (S.548). On March 21, Rep. Richard Neal (D-MA) and Rep. Pat Tiberi (R-OH) introduced a companion bill (H.R. 1661). Both bills have strong bipartisan sponsorship. The main difference between the bills is that the Senate bill would provide a 50% increase in the annual per-capita allocation to states and small state minimum, both phasing in over 5 years, while the House bill does not. Both bills include a minimum 4% credit rate, allow a 30% basis boost for 4% credits, allow income averaging, allow a 50% basis boost for ELI units, and repeal the population cap on qualified census tracts.

“Common Sense Housing Investment Act of 2017” Re-Introduced

Representative Keith Ellison (D-MN) re-introduced legislation in February (H.R. 948) to reform the home mortgage interest deduction to better serve low and moderate income homeowners. The bill would convert the current deduction to a 15% flat rate tax credit on interest paid on mortgages up to $500,000. Providing a credit, rather than deduction, would raise the number of homeowners who benefit from 43 million to 60 million by extending it to non-itemizers. Lowering the cap on annual interest deductions from $1 million would save the Treasury $240+ billion over 10 years. The bill would require that the savings be used first to expand the low-income housing tax credit by raising the per-capita allocation, with the remainder going to the National Housing Trust Fund (60%), rental assistance and/or a renter’s tax credit (30%), and to the Public Housing Capital Fund (10%). The interest reforms would phase in over 5 years.

HUD Announces Moving to Work (MTW) Listening Sessions; Intent to Re-Open Notice for Comment

On April 7, HUD’s Office of Public and Indian Housing announced in an email to stakeholders that it plans in coming days to re-open for further comment the Operations Notice for the Expansion of the Moving to Work Demonstration published on January 23 in the Federal Register. In addition, the MTW Office will hold four listening sessions in April and May for PHAs interested in applying to MTW and other industry partners. Click here for information on the dates, sites and how to register.
Recent Research & Reports

Updated Chapter 40B Handbook for Zoning Boards

The state’s housing agencies (MHP, DHCD, MassHousing and MassDevelopment) have issued a new handbook on the comprehensive permit law last month to help zoning boards of appeal understand the comprehensive permit process. The handbook reflects updates to 40B regulations and guidelines.

Federal Rental Assistance Fact Sheets - 2017 Update

The Center on Budget and Policy Priorities issued updated state and national fact sheets on housing needs, homelessness, and 2016 utilization of federal rental assistance programs, including vouchers, public housing, and project-based assistance. In Massachusetts, these programs were utilized by 185,000 households in 2016.

2017 County Health Rankings

The Robert Wood Johnson Foundation recently released its annual county health rankings for every county in the U.S., examining 30 factors that influence health. The data allows comparisons both within and among states. Within Massachusetts’ 14 counties, Nantucket, Dukes, and Middlesex ranked first, second, and third on health outcomes. Collectively, Massachusetts ranked above the national average on 25 of the 30 health factors. Exceptions included the percentage of population with severe housing problems (19% vs. 14%), reported violent crimes per 100,000 persons (403 v. 198), commuting time for commuters driving alone, and income inequality.

The Cost of Segregation

A new study by the Urban Institute, The Cost of Segregation: National Trends and the Case of Chicago 1990-2010, finds an association between a region’s level of economic, racial, and ethnic segregation and incomes, education, and homicide rates. For the Chicago region, it estimates that reducing segregation to the national median levels would reduce homicide rates in Chicago by 30%, raise college graduation rates overall, raise per-capita incomes for African-Americans, and reduce public safety costs. The study’s data on segregation levels in 2010 in the nation’s 100 largest commuting zones (like a metro area) finds that Massachusetts has high levels of racial and ethnic segregation, despite mid-range economic segregation. The Boston region had the 12th highest level of Latino-White segregation, the 19th highest level of African American-White segregation, and 57th highest level of economic segregation. The Springfield region had the 3rd, 22nd, and 44th highest levels.