

# CHAPA Housing Briefs

November 10, 2016

## State Updates

### 11 Communities, Including Boston, Adopt the Community Preservation Act

On Election Day, 11 new communities across the Commonwealth, including Boston, voted to adopt the **Community Preservation Act (CPA)**. This election brings the total number of CPA communities in Massachusetts to 172, or nearly half of the cities and towns in the state. The measure adds a small property tax surcharge to residents' tax bills to fund local initiatives on affordable housing, open space, and historic preservation.

Along with Boston, the following communities adopted the CPA: Billerica, Chelsea, Holyoke, Hull, Norwood, Pittsfield, Rockland, Springfield, Watertown, and Wrentham. Five cities and towns voted against the measure: Amesbury, Danvers, East Bridgewater, Palmer, and South Hadley.

### DHCD Publishes NOFA for Supportive Housing for Vulnerable Populations

The Department of Housing and Community Development (DHCD) posted a **Notice of Funding Availability (NOFA)** for supportive housing for vulnerable populations. DHCD will make funds available from the National Housing Trust Fund (HTF) and the Massachusetts Rental Voucher Program (MRVP), in addition to other housing capital resources, for the creation of affordable rental housing with support services for homeless families and individuals, veterans, unaccompanied homeless youth, seniors with service needs, and individuals in recovery from substance abuse. Pre-applications are due to DHCD by November 21, 2016, with full applications due on January 13, 2017.

## Upcoming Events

November 16, 2016

**CHAPA's Fall 2016 Regional Meeting in Springfield, MA**  
*(WAITLIST)*

December 1, 2016

**20th Anniversary Celebration of The Massachusetts Homeownership Collaborative** *(FOR MA HOMEOWNERSHIP COLLABORATIVE ADVISORY COMMITTEE MEMBERS)*

December 12, 2016

**CHAPA Breakfast Forum: What can we Learn from a Successful Regional Voucher Mobility Program?**

December 16, 2016

**New England Housing Network Federal Forum**

To view all CHAPA events please visit [www.chapa.org/event](http://www.chapa.org/event).



## DHCD Releases CDBG Allocation Plan Change Highlights

DHCD recently posted a list of **FY2017 Final Changes** to its Community Development Block Grant (CDBG) Action Plan. Annual Plans outline how DHCD will select activities for funding among applications received from non-entitlement communities. DHCD expects to have about \$28 million available in FY2017 for distribution, including \$9.075 million reserved for 11 mini-entitlement communities. The list states that DHCD will not use Community Wide Needs (CWN) scores this year except as part of tie-breaking criteria, but will use, in part, HUD Low and Moderate Income (LMI) percentages in determining need. It also states that DHCD will undertake a comprehensive review of the structure of its CDBG program for FY2018. DHCD plans to make the 2017 application available early in November.

## Federal Government Approves MassHealth Waiver

On November 4, the federal Centers for Medicare and Medicaid Services (CMS) **approved** Massachusetts' request for a Section 1115 **waiver**, allowing it to modify its Medicaid program (MassHealth), designed among other things to improve care coordination and support long term supports and services through community partnerships. It provides funds for providers who organize themselves into Accountable Care Organizations to develop community partnerships to address health-related social needs. The waiver is likely to expand funding for housing-related supportive services. More detailed information can be found on the state's Health Care Reform **webpage**.

## Supplemental Budget Passes with Additional Funds for MRVP

At the end of September, the Legislature adopted a **supplemental budget**. As recommended by the Governor, the supplement budget included \$3.6 million in additional funds for MRVP (line-item 7004-9024). This brings the total amount of funds available for MRVP in FY2017 to \$88.9 million. The budget also included \$1 million more for housing and services for unaccompanied youth and young adults who are experiencing homelessness (line-item 4007-0007). CHAPA thanks the Legislature and the Governor for their support of these important resources for affordable housing and homelessness prevention.

## MassHousing Announces Improvements to the Get the Lead Out Program

In October, MassHousing announced improvements for its **Get the Lead Out (GTLO) program** to make it easier for families throughout the Commonwealth to access GTLO resources. Under the program, families with children under the age of six who own and occupy their home will continue to be able to access a zero percent deferred payment loan to de-lead their homes. MassHousing will now allow all income-eligible owners access zero percent deferred GTLO loans, instead of a 2% interest loan requiring a regular repayment schedule. MassHousing also reduced other costs and fees that will make the program more accessible for lenders and program participants.

CHAPA thanks MassHousing, DHCD, and the Massachusetts Department of Public Health for enacting these important changes that will help ensure healthy homes for everyone in Massachusetts, especially our young children. We also thank our partners at the Massachusetts Association for Community Development Corporations (MACDC), the Massachusetts Affordable Housing Alliance (MAHA), and the Massachusetts Public Health Association for helping to advocate for these changes.



## Celebrating 30 Years of the Low Income Housing Tax Credit in Massachusetts

In October, housing advocates, developers, legislators, and Administration officials celebrated the 30th anniversary of the Federal Low Income Housing Tax Credit (LIHTC) program in Massachusetts. LIHTC is an important tool to create affordable housing by helping to raise capital for the production or preservation of rental housing developments. Massachusetts is also one of only 15 states to have its own state version of the tax credit.

In its 30 years in Massachusetts, LIHTC has helped create or preserve over 800 multifamily rental housing developments and over 66,000 homes, serving many low-income households, including homeless families, veterans, persons with disabilities, and seniors. CHAPA thanks DHCD for hosting this important celebration.

## DHCD Plans Second Round of Partnership to Expand Housing Opportunities for LHAs

In September, the Baker Administration announced awards for the Partnership to Expand Housing Opportunities, a new initiative to support public housing. The initiative will encourage local housing authorities (LHAs) to enter into development partnerships with private housing developers to rehabilitate existing public housing while constructing additional new market-rate and middle-income units. DHCD announced two planning and predevelopment grants to the Chelsea and Somerville Housing Authorities that will create mixed-income communities at public housing developments with over 500 new housing units in addition to modernizing the existing portfolio of 312 state-aided public housing units. DHCD will be making a second round of planning and predevelopment grants available to LHAs later this fall.

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# Federal Updates

## HUD Issues Enhanced Voucher Rule for Comment

On October 26, HUD published a **proposed rule** for Enhanced Vouchers (EVs). Enhanced vouchers are a type of tenant protection voucher issued to households losing certain other forms of federal housing assistance due to such events as demolition or reconstruction of a development or termination/expiration of a development's subsidy contract. Since their inception, HUD has used PIH notices, rather than regulation, to govern the program. The proposed rule creates a regulation instead. The notice seeks comment on a number of specific issues, including treatment of over-housed households and the ability of owners to re-screen tenants when they receive an EV. The Housing Justice Network and the Preservation Working group, among others, have long called for the creation of a regulation but some have concerns about parts of the current draft around issues such as the right to remain and an owner's obligation to accept EVs. Comments are due by December 27.

## HUD Issues Initial Guidance on Housing Opportunity through Modernization Act (HOTMA)

On October 24, HUD published **initial guidance** detailing which elements of the Housing Opportunity through Modernization Act of 2016 (HOTMA) can be implemented immediately and which require rulemaking or other actions by HUD first. Changes that PHAs can implement now include: (1) establishing a payment standard of up to 120% of the FMR as a reasonable accommodation; (2) where FMRs fall, choosing to use the previous payment standard for families who continue to reside in the same unit, and (3) expanding eligibility for Family Unification Program (FUP) vouchers for youths aging out of foster care, allowing assistance for up to 36 months for youths up to age 24. HOTMA changes to the project-based voucher program require further HUD action.

## GAO Recommends Better Monitoring of the Provision of Supportive Services in Section 202 Elderly Housing

In a **report** and **summary** released on October 6, the Government Accountability Office (GAO) described the extent to which supportive services are provided in HUD's Section 202 program for the elderly and disabled. It estimated that about half of 202 developments in 2014 received HUD funding to provide supportive services. Among the half that did not, 77% relied on property managers to provide assistance or referral; 54% used area agencies on aging and a few were able to use Medicaid or Medicare-funded programs, such as PACE, to cover certain support services. The report recommended that HUD improve its data collection on supportive services provision and outcomes to make it possible to measure the extent to which 202 housing helps residents remain in their homes.

## HUD Proposes Utility Benchmarking Requirement for HUD Multifamily Housing and Public Housing

In **notices** published in the Federal Register on October 4, HUD proposes requiring owners of certain HUD-assisted multifamily housing and public housing agencies with more than 250 federal public housing units to periodically report on energy and water consumption by building. The proposed reporting requirement is less stringent than some local ordinances and is intended to advance the President's Climate Action Plan by giving HUD the data necessary to identify opportunities to improve energy efficiency. Energy and water costs currently make up 22% of public housing and assisted housing operating budgets. Comments are due no later than December 5.





## Recent Research & Reports

### HUD Study Finds Long-Term Housing Subsidies Most Effective Form of Assistance for Homeless Families

In late October, HUD issued a follow up **report** and **summary brief** on its Family Options Study, looking at the costs and benefits of various approaches to helping homeless families leave shelter. It also posted **links** to additional research. The report compares the well-being of families 37 months after they were randomly assigned to receive priority for one of three types of housing assistance or to receive no such priority (“usual care”). The three types of assistance were (1) short-term rapid rehousing assistance for up to 18 months, (2) project-based transitional housing, or (3) a long term subsidy without services (typically a voucher). The study was conducted in 12 cities including Boston. The authors conclude that “for most families, homelessness is a housing affordability problem that can be remedied with long-term housing subsidies without specialized services.” The cost of providing priority access to housing assistance cost under \$4000 more per family over 37 months but offered measurable benefits.

The study found that at 37 months (1) families prioritized for the long-term subsidy were faring much better along multiple dimensions than the other groups and (2) that the cost of providing long-term subsidies was only slightly higher cost over 37 months. Long-term subsidy families had much lower levels of housing instability, children had fewer absences from child care or school and fewer school changes; families were less likely to be food-insecure and less likely to become separated from a child. It found no significant difference between “usual care” and permanent subsidy households in terms of the proportion of family heads working at 37 months.

### Terner Center Paper Proposes Federal Renter Tax Credit

The Terner Center at UC Berkeley released a **policy paper** last month examining the potential of a “Federal Assistance in Rental” credit as a way to reduce the cost burdens of up to 15 million low and moderate income households (up to 80% of AMI). The paper examines three potential credit designs, their costs (\$41-76 billion a year) and challenges that must be resolved before such a credit could be implemented.

### Study Finds Regional Voucher Mobility Program with Modest Incentives Didn’t Increase Opportunity Moves

A new **study**, *Encouraging Residential Moves to Opportunity Neighborhoods: An Experiment Testing Incentives Offered to Housing Voucher Recipients*, reviews the state of knowledge about necessary and effective elements of voucher mobility programs and evaluates a HUD-funded pilot to test a “low-touch”, relatively low cost approach to mobility counseling. It found that the light-touch pilot did not increase moves to “neighborhoods of opportunity” and suggests new ways to test mobility program designs. The pilot was part of the Chicago Regional Housing Choice Initiative (CRHCI) operated by seven public housing agencies outside Chicago.

## Report Finds Many Closed Waiting List and Long Waits for Public Housing and Housing Choice Vouchers

A new **report** by the National Low Income Housing Coalition (NLIHC), *Housing Spotlight: The Long Wait for a Home*, documents the challenges facing applicants for federal public housing units and housing choice vouchers. Based on a sample of 320 PHAs nationwide, NLIHC found that 53% of Housing Choice Voucher (HCV) waiting lists were closed to new applicants, while another 4% were only open to specific populations (e.g. veterans, homeless individuals and families, local residents, person with a disability). The median length of time lists had been closed was 18 months. Median wait times were 1.5 years for HCV and 9 months for public housing lists but data limitations made it impossible to distinguish between waits by household (families, elderly, etc.). Extremely Low Income (ELI) household made up 74% of HCV wait list households and 67% of public housing wait lists households.

## ULI/CoStar Profile Naturally Occurring Affordable Housing in U.S.

A new **report** commissioned by the Urban Land Institute (ULI) Terwilliger Center for Housing and conducted by CoStar estimates that nationally the U.S. has 5.5 million units of older, naturally occurring affordable housing (NOAH) with rents affordable to households up to 100% of area median without public subsidies, including over 77,000 units in Greater Boston. Because this stock is not subject to affordability restrictions, it is perpetually at risk of loss. The study calls for innovative capital strategies to preserve the affordability and sound maintenance of these units.

## Center for Community Change Publishes National Survey of State and Local Housing Trust Funds

The Center for Community Change recently released its 2016 Housing Trust Fund Survey **report**, finding that there are now more than 770 state and local trusts. Collectively, these trust funds provided more than \$1 billion for affordable housing in 2015. They include 48 state housing trust funds (including the District of Columbia). The report details the varied funding sources, spending priorities, and affordability requirements of these trusts. Massachusetts had the second highest number of local housing trusts (161) in the nation, behind New Jersey (304).

## HUD Releases Annual 2015 Homeless Count Data

On October 25, HUD issued **part 2** of its 2015 Annual Homelessness Assessment Report (AHAR), with detailed information on national and state counts of homeless households and individuals by population type in 2015 and changes in counts between 2014-2015 and 2008-2015.

## Furman Center Issues Gentrification Response Report

The Furman Center at New York University released a new report this month, ***Gentrification Responses: A Survey of Strategies to Maintain Economic Diversity***, reviewing strategies localities might enlist to preserve affordable housing, protect tenants from harassment, help displaced households move, and maintain economic diversity in gentrifying areas.





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**Thank you to everyone who made this year's Annual Dinner such a success!**

*CHAPA especially wants to thank our sponsors for supporting us as we advocate for affordable housing opportunities in MA, keynote speaker Diane Yentel for sharing her passionate perspective, Community Service Awardee Tom Gleason for his thoughtful remarks and long-term commitment to affordable housing, and CEDAC and the Children's Investment Fund for honoring CHAPA with the Mav Pardee Award for Building Quality. Last but not least, thank you to everyone who came out and celebrated our collective accomplishments on November 1st!*

*We look forward to celebrating our 50th anniversary with everyone next year on Thursday, October 26, 2017! Save the date!*

Photos: © Leise Jones Photography 2016 (Keep an eye on our Facebook page! More photos to come!)