State Updates

Housing Bond Bill Reported Out Favorably by Senate Bonding Committee

On February 27, the Senate Committee on Bonding, Capital Expenditures, and State Assets favorably reported out the Housing Bond Bill (S.2317). The legislation reauthorizes affordable housing programs in the capital budget with $1.7 billion over the next five years. The legislation extends the Massachusetts Low Income Housing Tax Credit and raises its authorization by $5 million for a total annual allocation of $25 million. The bill also extends and expands the Community Investment Tax Credit and extends the Brownfields Tax Credit and the Housing Development Incentive Program. The legislation is now before the Senate Committee on Ways and Means.

Great Neighborhoods Bill Reported Out Favorably by Municipalities Committee

On March 7, the Joint Committee on Municipalities and Regional Government favorably reported out the Great Neighborhoods Bill (H.2420) that reforms the state’s zoning laws. The bill now goes before the House Committee on Ways and Means, chaired by Rep. Jeffrey Sánchez.

Governor Baker Files Economic Development Bill

On March 9, the Baker-Polito Administration filed an Economic Development Bill, An Act Enhancing Opportunities for All, H.4297. The legislation includes $300 million in capital reauthorization for the MassWorks infrastructure program. The bill proposes giving local housing authorities more flexibility to enter redevelopment partnerships and to address deferred capital needs. The bill also clarifies how Community Preservation Act funds can be used for housing purposes.

To view all CHAPA events please visit www.chapa.org/events.
Governor Baker Opens Opportunity Zone Application Process

On March 9, the Baker-Polito Administration opened the process for Massachusetts cities and towns to apply for federal designation as an Opportunity Zone. The Opportunity Zone program will serve as an economic development tool for municipalities and will incentivize investment in low-income areas by offering favorable federal tax treatment for investors. The program is designed to drive increased investment in local opportunities, with the potential to support business growth, housing, and commercial construction. Applications are due March 22.

DHCD and MassHousing Release NOFA for Community Scale Housing Initiative

The Department of Housing and Community Development (DHCD) and MassHousing released a Notice of Funding Availability for the second Community Scale Housing Initiative competition. The initiative provides up to $10 million in funding for smaller scale affordable housing projects of 5-20 units.

Updated State Guidelines Issued for Hospital Community Benefits Spending

Massachusetts Attorney General Maura Healey announced updated guidelines for non-profit Hospitals and HMOs obliged under state and federal law to invest in community benefits in exchange for their tax-exempt status. The new guidelines emphasize community engagement, collaboration, and investments in statewide priorities including housing instability and homelessness. The updated guidelines are fully effective starting in FY2019.

Federal Updates

Congress May Include LIHTC Expansion in FY2018 Omnibus Spending Bill

The House of Representatives is expected to introduce a $1.3 trillion omnibus spending bill for FY2018 in March. The Senate may include an expansion of the Low Income Housing Tax Credit (LIHTC) and important improvements to the program as part of its omnibus spending bill proposal. The changes would expand LIHTC by 50% and make changes that would allow the program to serve more extremely low income households. Congress needs to pass a FY18 spending bill by March 23 to avoid another continuing resolution.

Thank you to the Senate Committee on Bonding, Capital Expenditures and State Assets and Senator John Keenan for hearing our testimony on February 13th in support of the Housing Bond Bill (S.2317). Thanks also to all our partners who testified in support of passing this bill.
New Draft HUD Mission Statement Removes Anti-Discrimination Language

On March 5, a HUD memo announced Secretary Ben Carson’s consideration of revising the agency’s mission statement and removing anti-discrimination language and promises of inclusive communities. The modified mission statement reads: “HUD’s mission is to ensure Americans have access to fair, affordable housing and opportunities to achieve self-sufficiency, thereby strengthening our communities and nation.” The draft statement removes previous references to creating “inclusive and sustainable communities free from discrimination.” The memo was circulated to senior political staff at HUD and sought input on the changes. Advocacy groups across the country immediately objected to the proposed modifications.

CHAPA Submits Comments to HUD Opposing Delay of Assessment of Fair Housing Requirement

On March 6, CHAPA submitted comments to HUD opposing the delay of the Assessment of Fair Housing requirement. Earlier this year, HUD announced that it was pushing back the deadline for municipalities to submit an Assessment of Fair Housing (AFH) – a 5-year plan to address housing discrimination – in order to receive HUD block grant funds. The postponement applies to all municipalities except those already with an approved AFH.

National Housing Trust Fund Protected for FY2018

The Federal Housing Finance Agency (FHFA) announced that it would protect funding for the National Housing Trust Fund in FY2018. The recently passed tax law made funding for the Trust Fund uncertain. Nationally, it is expected that nearly $269 million for affordable housing will made available to states through the Trust Fund in FY2018. In the past two years, Massachusetts has received $8 million from the Trust Fund to fund affordable supportive housing.

President Trump Releases FY2019 Federal Budget Proposal with Cuts for Affordable Housing Programs

On February 12, President Trump released his FY2019 federal budget proposal with drastic cuts to affordable housing and community development programs. Overall, the Trump Administration proposes cutting funding for the U.S. Department of Housing and Urban Development (HUD) by $8.8 billion or 18.3% compared to 2017, including the elimination of the Community Development Block Grant and HOME, and deep cuts for public housing and the Section 8 Housing Choice Voucher Program.
Recent Research & Reports

RAFT Statewide Report for FY2017

On March 5, the Regional Housing Network of Massachusetts published its report, *The Massachusetts RAFT Program: Preventing Homelessness, Providing Family Stability*. The report details the use of the Residential Assistance for Families in Transition program (RAFT) in FY2017 and demonstrates that RAFT continues to be cost-effective in helping Massachusetts families avoid homelessness. In FY2017, the Commonwealth spent an average of $3,084 in RAFT to ensure continued housing for 4,215 households. By contrast, the state spent an average of $41,990 for each household that entered the state’s family shelter program. This represents an average savings of $38,906 for each family that avoided homelessness through the RAFT program in terms of shelter costs alone.

NLIHC Reports Shortage of Rental Housing for Extremely Low Income Households

On March 13, the National Low Income Housing Coalition (NLIHC) released *The Gap: A Shortage of Affordable Homes*, an updated estimate of the gap between the number of extremely low-income (ELI) renter households and the number of rental units available and affordable to them. NLIHC estimates a shortage of 7.2 million affordable and available rental homes. In Massachusetts, the report estimates that there are over 299,000 ELI rental households, with 60% of those households paying more than half of their income towards rent, and only 46 affordable and available units per 100 ELI households.