State Updates

State Senate Passes Housing Bond Bill

On March 29, the Massachusetts Senate unanimously passed a $1.8 billion Housing Bond Bill, S.2368, to recapitalize affordable housing programs through the capital budget. The bond bill, which also expands the Massachusetts Low Income Housing Tax Credit, the Community Investment Tax Credit, and the Massachusetts Historic Tax Credit and extends the Brownfields Tax Credit, and the Housing Development Incentive Program, is the largest housing bond bill in the state’s history. A conference committee will reconcile the differences between the bills.

House Ways and Means Releases FY2019 Budget Proposal

On April 11, the House Committee on Ways and Means released its FY2019 state budget proposal, with funding increases for many affordable housing and homelessness prevention programs, including the Massachusetts Rental Voucher Program, the Alternative Housing Voucher Program, Public Housing, and Residential Assistance for Families in Transition. The House of Representatives will debate the budget the week of April 23. The Senate will then release and debate its budget proposal in May.

Foreclosure Education & Homebuyer Counseling Grants Announced

On April 9, the Baker-Polito Administration announced $1.5 million in grants to fund first-time homeownership counseling programs and foreclosure prevention education centers throughout the Commonwealth. Twenty-one awards were made to ten consumer counseling organizations and eleven foreclosure prevention regional centers. This is the tenth year the Division of Banks has awarded financial education programming to support Massachusetts residents pursuing homeownership opportunities as well as those families working to stay in their homes.

UPCOMING EVENTS

April 19, 2018
Young Professionals’ Brown Bag Lunch Series presents: Exploring Homeownership Solutions

May 1, 2018
Foundations for the Future: State and Federal Affordable Housing Programs

May 4, 2018
Chapter 40B Conference: Shaping the 40B Process in Your Community

May 10, 2018
Save the Date! CHAPA Breakfast Forum & Report Release: The Use of Chapter 40R in Massachusetts

December 4, 2018
Save the date for CHAPA’s 51st Annual Dinner!

To view all CHAPA events please visit www.chapa.org/events.

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On April 9, Congressman Richard Neal, Economic Development Secretary Jay Ash, Easthampton Mayor Nicole LaChapelle, State Rep. John Scibak, and other affordable housing leaders joined us for a roundtable discussion on the housing challenges facing Massachusetts and the impact of the recent FY2018 federal spending bill at Beacon Communities’ Treehouse development.

2018 CITC Awards Announced

On April 3, the Baker-Polito Administration announced $5.9 million in allocations from the Community Investment Tax Credit (CITC) program to 46 community development corporations (CDCs). Over the program’s first four years, $34.5 million was raised for critical community development programs that directly benefit low- and moderate-income households across Massachusetts. These funds help CDCs work with residents in their communities by providing affordable housing options, access to services, and economic development opportunities.

Legislature Passes Short-Term Rental Bills

Last month, the House and Senate passed legislation to tax and regulate short-term rentals, including Airbnb and other similar platforms. The House bill, H.4327, imposes three different tax rates on short-term rentals, depending on the number of units. The House bill also allows municipalities to create an excise tax on short-term rentals, with a portion of that local tax being dedicated to low- and moderate-income housing programs. The Senate bill, S.2400, extends the existing state hotel lodging tax and allows an option to municipalities to impose regulations and a local excise tax. A conference committee will be appointed to reconcile the difference between the two versions.

MassNAHRO Announces New Executive Director

On March 23, the Massachusetts Chapter of the National Housing and Redevelopment Officials (MassNAHRO) announced Donna Brown Rego as its new Executive Director. Rego has more than 23 years of experience working at MassNAHRO as Member Services Coordinator, Deputy Director, and Acting Executive Director. She replaces former Executive Director Tom Connelly, who retired in October 2017 after 38 years as Director.

DHCD Posts Draft FY2019 MTW Plan

The Department of Housing and Community Development (DHCD) posted its Draft Moving to Work (MTW) Program Plan for FY2019. The MTW Plan summarizes the planned activities and uses of the Section 8 Housing Choice Voucher Program that DHCD administers for the upcoming year.
Federal Updates

Omnibus FY2018 Federal Spending Bill Increases Funding for Affordable Housing

On March 23, the President signed the **FY2018 omnibus spending bill** that includes significant increases in funding for federal affordable housing and community development programs. The legislation also expands and strengthens the Low Income Housing Tax Credit (LIHTC). The bill includes $4.6 billion in additional funding for the Department of Housing and Urban Development (HUD) over FY2017, including increases for Section 8 vouchers, public housing, and the Community Development Block Grant program.

HUD Issues 2018 Income Limits

On April 1, HUD issued the **2018 income limits** that determine eligibility for assisted housing programs including the Public Housing, Section 8 project-based, Section 8 Housing Choice Voucher, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities programs. The 80% limit in the Boston-Cambridge-Quincy FMR area rose by $2,950 for a household of four (to $81,100).

Recent Research & Reports

Creating Well-Designed Affordable Housing: Opportunities and Obstacles

How do the notoriously complicated funding and approval processes for affordable housing shape the design of those projects? A **research brief** by the Harvard Joint Center for Housing Studies examines that question in Massachusetts, particularly in greater Boston, where a variety of public, non-profit, and for-profit actors and entities have long been at the forefront of efforts to build well-designed affordable housing. The findings underscore how the complex interplay of funding, design, regulatory processes, and local politics creates both challenges to and opportunities for efforts to ensure that affordable housing projects are designed and built in ways most likely to benefit residents of those buildings as well as people in the neighborhoods that surround them.

Study Finds Disparities Across LIHTC Neighborhoods

The study, **Gateway to Opportunity? Disparities in Neighborhood Conditions Among Low-Income Housing Tax Credit (LIHTC) Residents**, finds that LIHTC renters are typically located in neighborhoods with better transit access, but higher poverty rates, weaker labor market engagement, and lower school proficiency than...
other renters. LIHTC renters with incomes below the poverty rate and those who are Hispanic or black have even less access to high opportunity neighborhoods than LIHTC renters with incomes above the poverty line or who are white. The authors recommend that policymakers adopt policies that encourage a balanced distribution of LIHTC developments across neighborhoods and ensure equal access to these developments.

**RAD Program Assessed by GAO**

The Government Accountability Office (GAO) examined the public housing component of the Rental Assistance Demonstration (RAD) program. The report, *Rental Assistance Demonstration: HUD Needs to Take Action to Improve Metrics and Ongoing Oversight*, examines how RAD conversions are affecting residents, the extent to which RAD is designed to help preserve the long-term affordability of units, HUD’s assessment of the physical and financial outcomes of RAD conversions, and challenges public housing agencies face in implementing RAD.

**Studies Focus on Racial Inequities**

Several important pieces on racial inequities were published in the past month, including the Building Movement Project’s “Race to Lead” series, funded in part by The Boston Foundation and the Barr Foundation, which examines findings from 4,000 survey respondents working in the nonprofit sector to understand why there are so few nonprofit leaders of color; the MassINC Polling Group’s “Racial Inequities, Policy Solutions: Perceptions of Boston’s Communities of Color on Racism and Race Relations,” commissioned by the Hyams Foundation, which surveyed more than 900 Boston voters on their perceptions of racism; and the National Community Reinvestment Coalition’s report “How 1930s Discrimination Shaped Inequality in Today’s Cities,” which shows that racial and economic segregation of neighborhoods in cities today reflect discrimination entrenched in local housing markets in the 1930s.