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December 6, 2021

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Governor Charlie Baker
Massachusetts State House
24 Beacon St., Room 280
Boston, MA 02133

RE: CHAPA ARPA Spending Bill Recommendations for Affordable Housing, Homeownership, Supportive Housing, Public Housing, and Housing Rehabilitation

Dear Governor Baker,

On behalf of Citizens' Housing and Planning Association (CHAPA), we write to thank you for prioritizing affordable housing in your proposal for the state's American Rescue Plan Act (ARPA) fiscal recovery funds. CHAPA is thankful for your strong proposal and we write in support of the Legislature's bill, investing \$600 million in affordable housing. We ask that you sign the bill into law so that we can advance our shared goals of ensuring everyone in the Commonwealth has opportunities for safe, healthy, and affordable homes in the communities they choose.

As we continue to recover from the pandemic, the ARPA fiscal recovery dollars represent a once-in-a-generation opportunity to address historical housing discrimination and inequities, create more climate resilient communities, and build a future where everyone can thrive.

Housing resources also improve our overall health, strengthen our economy, protect the environment, and build wealth for everyone. Investing in housing affordability means our schools will have teachers, hospitals will have nurses, businesses will have workers, and young families can build a future.

As such, CHAPA requests that you sign An Act Relative to Immediate COVID-19 Recovery Needs ([H.4269](#)) as soon as possible, so we may begin to implement the allocated investments in permanent affordable housing solutions for production and preservation, homeownership, supportive housing, public housing, and housing rehabilitation.

Below are an analysis of the housing provisions of the bill supported by CHAPA that will provide strong support for these critical housing resources to secure a healthy future for all.

AFFORDABLE RENTAL PRODUCTION & PRESERVATION (1599-2022)

- *Conference spending bill provides a \$115 million appropriation for production and preservation*
- *Prioritizes projects with clean energy and sustainability initiatives and directs funds to be spent in a way that promotes geographic equity*
- *Authorizes the preservation funds to be used for acquisition of naturally occurring and non-subsidized housing*

CHAPA supports allocating ARPA funding for affordable rental production and preservation. We ask that you sign into law the appropriation of \$115 million to enable the Department of Housing and Community Development (DHCD), Mass Housing, and the Community Economic Development Assistance Corporation (CEDAC) to build and preserve more affordable rental housing to meet the Commonwealth's production goals. This funding increase can help to create thousands of homes that are affordable and accessible to our most disproportionately impacted communities. There are currently 175 projects for affordable rental homes waiting for funding and these funds can immediately start to be distributed through our existing programs in order to allow for the projects to be built more quickly.

We also request that you keep the conference language that prioritizes clean energy projects and promotes geographic equity. This language can ensure that the new housing stock we build is energy efficient and climate resilient in order to meet our green energy goals and protect our families from severe weather disasters. This language also ensures that these funds are equitably distributed to all of our communities that have been disproportionately impacted by the COVID-19 pandemic.

Finally, we request that you keep the conference language that allows for the "acquisition of existing, occupied or unoccupied, multifamily rental housing that is not currently subject to affordability restrictions at the municipal or state level." This language can help to support the acquisition of Naturally Occurring Affordable Housing (NOAH) with the goal of ensuring its long-term availability as high quality, affordable homes for people of modest means. Allowing funding for NOAH acquisition will allow Massachusetts to stop eviction and displacement, secure properties for long-term affordability, and facilitate quick action by municipalities or non-profits to enable them to compete for these properties with cash-ready speculators.

HOMEOWNERSHIP PRODUCTION (1599-2021)

- *Conference spending bill provides a \$115 million appropriation for homeownership production*
- *Limits income eligibility and creates preferences for projects that meet certain income levels, achieve our clean energy goals, or are created using zoning changes in accordance with Housing Choice.*

CHAPA supports allocating ARPA funding for new homeownership opportunities for low- and moderate-income households through the Commonwealth Builder program. CHAPA asks that you sign into law the appropriation of \$115 million for the Commonwealth

Builder program provided in the Conference spending bill. These funds will help build over a thousand new homes affordable to first-time homebuyers. MassHousing can immediately use this increase in funding to build both single-family homes and condominiums in our disproportionately impacted communities and qualified census tracts.

CHAPA also asks that you keep the Conference language that limits income eligibility to 70-120% of Area Median Income (AMI) and provides preferences for projects at 70% AMI, projects that include clean energy and sustainability initiatives, and projects in communities that have made zoning changes in accordance with Housing Choice. These preferences will allow us to target these new homeownership opportunities to low- and moderate-income households. It will also allow us to meet both our climate and housing production goals while awarding communities that change exclusionary zoning laws.

HOMEOWNERSHIP ASSISTANCE (1599-2020)

- *Conference spending bill provides a \$65 million appropriation for homeownership assistance*

CHAPA supports allocating ARPA funding for homebuyers to assist them in buying their first home. CHAPA asks that you sign into the law the appropriation of \$65 million in the Conference spending bill. This allocation would allow for Massachusetts to provide down payment assistance through MassHousing's existing programs and scale up existing mortgage interest subsidy programs, including One Mortgage, ONE+ Boston, MassHousing Mortgages, and STASH matched-savings program.

SUPPORTIVE HOUSING (1599-2023)

- *Conference spending bill provides a \$150 million appropriation for supportive housing production*
- *Prioritizes funding for our most vulnerable populations and disproportionately impacted communities*
- *Allows for funds to be used for acquisition of hotels and motels for supportive housing*
- *Provides \$15 million of total supportive housing allocation to Massachusetts Alliance for Supportive Housing (MASH) to create supportive housing*
- *Provides \$50 million of total supportive housing allocation to DHCD, in consultation with MASH, to create supportive housing for persons experiencing chronic and long-term homelessness*

CHAPA supports allocating ARPA funding for housing with supportive services for our most vulnerable individuals and families. CHAPA asks that you sign into law the appropriation of \$150 million in the conference spending bill. This allocation would allow for the production of thousands of healthy and safe homes for some of our most vulnerable households. These resources can be immediately distributed through existing programs to cover the costs for the production of housing with supportive services and the acquisition of hotels, motels, nursing homes, and other forms of temporary housing for the purpose of conversion to permanent supportive housing.

CHAPA respectfully asks that you keep the conference language that prioritizes our most disproportionately impacted communities and includes all the priority populations named in the conference bill. These priority populations include: individuals and families who may be classified as chronically homeless; individuals and families with behavioral health needs or substance addiction needs; survivors of domestic violence; survivors of human trafficking; survivors of sexual violence; individuals and families at risk of entering or transitioning out of the foster care system; youth and young adults; seniors and veterans. This will allow for more supportive housing projects to be funded more quickly across the Commonwealth and ensure that funds are equitably distributed across all of our most disproportionately impacted communities.

CHAPA also asks that you support the specific earmarks of the supportive housing allocation to DHCD and MASH and the conference language that requires DHCD to consult with MASH. Collaboration between DHCD and MASH will help us to create evidence-based and evidence-informed best practices for creating and expanding permanent supportive housing for the populations prioritized in this line item. This will ensure coordination of these public resources by DHCD with best practices for creating supportive housing.

PUBLIC HOUSING (1599-2024)

- *Conference spending bill provides a \$150 million appropriation for public housing*
- *Prioritizes projects in disproportionately impacted communities*
- *Directs funds to be distributed to achieve geographic equity*
- *Allows grants to require matching funds from the municipality*

CHAPA supports ARPA funding for preserving our aging public housing stock and protecting its residents. CHAPA asks that you sign into law the \$150 million appropriation in the conference spending bill. This appropriation will allow our public housing agencies to begin to address the \$3 billion of deferred capital repairs and maintenance needs. These funds will help install safer fire alarm systems, increase accessibility, fix leaky plumbing, improve energy efficiency, complete climate resiliency and mitigation projects, and close budget shortfalls caused by increased costs due to the pandemic.

We also request that you keep the conference language that prioritizes projects in disproportionately impacted communities and promotes geographic equity. This language can ensure that public housing dollars are equitably distributed to all of our communities that have been disproportionately impacted by the COVID-19 pandemic.

GREEN ENERGY RETROFITTING & HOUSING REHABILITATION (1599-2035)

- *Conference spending bill provides a \$6.5 million appropriation for a pilot program to retrofit moderate to low-income housing with green technologies*
- *Requires retrofit projects to have 10 or more units*

CHAPA supports ARPA funding for green energy retrofitting and housing rehabilitation. CHAPA asks that you sign into law this \$6.5 million appropriation in the conference spending bill, which will create a pilot program administered by the Department of Energy Resources for moderate to low-income housing in Gateway Municipalities, qualified census tracts and similar municipalities to be retrofitted with energy efficient, clean, and renewable technologies. Massachusetts' aging housing stock does not meet modern energy efficiency standards and are not climate resilient to withstand extreme weather conditions. This investment for green energy retrofitting will improve the safety of families currently living in these older homes while also allowing for our most disproportionately residents to live in more climate-resilient communities in the future.

Conclusion

We applaud the Legislature for passing a bill that invests over \$600 million from the Commonwealth's American Rescue Plan Act (ARPA) Fiscal Recovery Funds into affordable housing. All these investments will help thousands of residents find an affordable home, remain stably housed, and begin to close the racial homeownership gap.

To fully capitalize on the opportunity presented by this once-in-a-generation investment from the federal government, we ask that you sign the legislature's ARPA spending plan into law as soon as possible. We must ensure that we begin to implement these new investments now to ensure we can adequately address the impacts of the pandemic and build a future where everyone can thrive.

Thank you for your consideration and for your leadership in helping everyone in Massachusetts have a safe, healthy, and affordable place to call home.

Sincerely,



Rachel Heller
Chief Executive Officer

cc: Lt. Governor Karyn Polito