

SECTION-BY-SECTION SUMMARY

An Act restoring the Commonwealth's public housing

[HD.3891](#)

Sponsor: Rep. Kevin Honan

SECTION 1: ADDING DEFINITION FOR “CONTROLLED ENTITY”

SECTION 2: PUBLIC BIDDING EXEMPTION

SECTION 3: CONTINUATION OF PILOT AGREEMENT FOR LHA REDEVELOPMENT PROJECT

SECTION 4: BORROWING AGAINST CAPITAL FUNDS

SECTION 5: RETAINING PROCEEDS FROM SALE OF LHA LAND

SECTION 1: ADDING DEFINITION FOR “CONTROLLED ENTITY”

Adds a definition for “controlled entity” in Chapter 121B as an entity with the power to own or operate property of a local housing authority (LHA).

SECTION 2: PUBLIC BIDDING EXEMPTION

Exempts public housing redevelopment projects from the public bidding requirements of Chapter 149, including filed sub-bid requirements.¹ This section explicitly does not relieve such projects from prevailing wage requirements.

SECTION 3: CONTINUATION OF PILOT AGREEMENT FOR LHA REDEVELOPMENT PROJECT

Allows the payment in lieu of taxes (PILOT) agreement that an LHA has with a municipality to apply to a public housing redevelopment project. Clarifies that the PILOT agreement shall not apply to any market-rate unit in a redevelopment project.

SECTION 4: BORROWING AGAINST CAPITAL FUNDS

Allows LHAs, with approval from the Department of Housing and Community Development, to raise additional funds for rehabilitation projects by borrowing against their capital funds.

¹ General Contractors on most major public construction projects typically use subcontractors to perform specialized aspects of the work, such as for plumbing or electrical. Chapter 149 requires a “filed sub-bid” system for selecting certain subcontractors.

SECTION 5: RETAINING PROCEEDS FROM SALE OF LHA LAND

Allows an LHA to retain the proceeds from the sale of its property to support rehabilitation projects.