



Board of Directors June 14, 2022

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RE: CHAPA FY2023 Budget Recommendations for Affordable Housing, Eviction Prevention, and Economic Recovery

Treasurer
Aida Franquiz

Dear Chairman Michlewitz, Chairman Rodrigues, Representative Ferrante, Senator Friedman, Representative Smola, and Senator O'Connor,

Clerk
Rachana Crowley

On behalf of Citizens' Housing and Planning Association (CHAPA), thanks to both the House and Senate for expanding investments in permanent affordable housing solutions, including our state's rental assistance programs and public housing, as well as housing assistance in the FY2023 budget.

Andrea Aldana
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As we continue to recover from the pandemic, these investments will help thousands of households in Massachusetts find or stay in their homes, avoid evictions and homelessness, and help prevent the spread of the virus.

Although the health crisis from the COVID-19 pandemic may be coming under control, our housing challenges remain. During the ongoing pandemic, the Legislature prioritized housing stability, which helped protect public health, and supported economic recovery. We now have a chance to act on equitable housing policies that can ensure long-term stability and prosperity for Massachusetts residents.

Chief Executive Officer
Rachel Heller

CHAPA is a non-profit organization that advocates for the resources and policies needed to support renters, homeowners, and landlords and to preserve and expand the state's affordable housing stock to make sure everyone in the Commonwealth has a safe, healthy, and affordable place to call home.

Below are funding and language recommendations supported by CHAPA that will help bridge the key differences between the House and Senate budgets and provide the strongest support for these critical resources to help many residents stay housed and recover during this pandemic.

MASSACHUSETTS RENTAL VOUCHER PROGRAM (MRVP) (7004-9024)

- *Adopt \$154 million appropriation in Senate budget*
- *Adopt Senate language to establish a payment standard, cap tenant rent share at 30% of household income and include utilities in tenant rent payment*

Thank you to the House and Senate for increasing allocations for MRVP in FY2023 and allowing leftover funds to carry over in the next fiscal year. This funding increase can help support many new rental vouchers to help thousands of people find a stable home that they can afford during the pandemic. Increasing investments in long-term affordable housing solutions like our MRVP and public housing will help protect individuals, families, and our communities through the pandemic recovery.

CHAPA asks that you adopt the higher appropriation in Senate budget of \$154 million to enable new vouchers to be issued to households who are currently rent burdened.

In order to ensure that MRVP allocation is utilized fully, effectively and timely, CHAPA asks that you adopt the Senate language on:

- *Establishing a payment standard payment standard between 100% and 110% of the fair market rent starting on January 1, 2023*
- *Lowering the tenant rent share to 30% of a household's income in the first year of occupancy once the payment standard is implemented while allowing beyond 40% of the household's income to be paid for rent at the tenant's option after the first year*
- *Including utilities in the tenant rent share*

Currently, most MRVP voucher holders pay 40% of their income towards rent. Households paying more than 30% of their income towards rent are 'housing cost burdened, which leaves less income to pay other necessities like food, healthcare, and childcare. Families that are cost burdened have increased over time in Massachusetts¹. Lowering the tenant rent share to 30% of income and including utilities will reduce the housing cost burden on many households with vouchers.

Implementing a payment standard, lowering the tenant rent share to 30%, and including utilities will better align the state MRVP program with federal Section 8 Housing Choice Voucher program making MRVP vouchers more competitive and effective to use in a tight housing market.

RESIDENTIAL ASSISTANCE FOR FAMILIES IN TRANSITION (RAFT) (7004-9316)

- *Adopt \$150 million total appropriation from Senate budget*
- *Adopt Senate language restoring the RAFT benefit cap to \$10,000/household for FY23, allowing receipt of MassHealth or DTA assistance as eligibility for RAFT for households to demonstrate below 50% AMI income*

¹ Greater Boston Housing Report Card. The Boston Foundation. 2021 Series. <https://www.tbf.org/news-and-insights/reports/2021/jun/greater-boston-housing-report-card-2021>

- *Adopt House language to expand categories of households eligible for RAFT with incomes above 50% area median income (AMI) but below 60% AMI*
- *Consider adding language that would not require additional documentation, like notice to quit, utility shut off notice, summary process summons for accessing RAFT*

Thanks to both the House and Senate for demonstrating support for RAFT and de-linking RAFT and HomeBASE allowing households to access the maximum of both programs and allowing carryover of leftover funds from previous fiscal year. CHAPA asks that you adopt the \$150 million total appropriation for RAFT provided in the Senate budget. The additional funds will help provide rental assistance given that the federal funds for emergency rental assistance have ended. These funds will also help support homeowners facing foreclosure with emergency mortgage assistance.

We request that you to adopt the Senate language to allow the maximum benefit of \$10,000 for FY2023. Unfortunately, with the federal funds for emergency rental assistance program (ERAP) ending, many households may be forced into evictions. Without a higher benefit amount, households that owe more than \$7,000 in rent are at the risk of being evicted.

We also request you to adopt the House language to expand categories of households eligible for RAFT with incomes above 50% area median income (AMI) but below 60% AMI. Extending the maximum RAFT benefits will help households catch up on missed rent or mortgage payments.

We request you consider adding language that ensure that households are able to access RAFT without requiring to notice quit, utility shut off notice and summary process summons. By the time a households receives these notices, they are closer to the eviction process. Receiving rental assistance prior to receiving these notices is critical to maintain tenancy and housing stability. Following language can be added to the line item to ensure access to RAFT:

“provided further, that to be eligible for funds or services in 7004-9316, it is not necessary for a household to have received a shut-off notice from a utility company, notice to quit, or summary process summons and complaint or otherwise be subject to summary process pursuant to chapter 239”

MASSACCESS REGISTRY (4120-4001)

- *Adopt \$150,000 appropriation in Senate budget*

Thanks to the House and Senate for supporting this line item. The [MassAccess website](#) helps people to find affordable rental and homeownership opportunities in Massachusetts. The MassAccess Housing Registry line item has been level-funded for 12 years and this is the first time we are requesting an increase to modernize housing search and ensure that people can find the affordable housing that has been developed throughout the Commonwealth.

The \$70,000 increase will help support the replacement of MassAccess with two technologically modern websites for rentals ([Housing Navigator](#) – which already up and running) and homeownership opportunities (MyMassHome – which needs additional funding to go live). The modest increase in funding will ensure that people can find the affordable housing that has been developed throughout the Commonwealth. In order for people to have opportunities to live in the communities they choose, it is critical that they know where affordable homes are located!

HOUSING CONSUMER EDUCATION CENTERS (7004-3036)

- *Adopt \$9.7 million appropriation in House budget*
- *Adopt language change in House budget that adds \$1.5 million for housing stabilization services under the eviction diversion initiative who face significant barriers to sustaining housing payments*

Thank you to both House and Senate for supporting this program. The HCECs line item supports regional housing organizations that offer anyone in the Commonwealth a wide range of resources, including housing search assistance, eviction prevention, and homebuyer and foreclosure counseling. HCECs are also essential to delivering other housing resources, such as RAFT and HomeBASE. The additional allocation will help provide housing stabilization services as households are still facing financial hardships and housing insecurity.

HOMEBASE (7004-0108)

- *Adopt \$59.4 million appropriation in House budget*
- *Adopt Senate language that eliminates the income eligibility limit for families enrolled in HomeBASE*
- *Adopt language change in Senate budget that allows eligible households to maximize both HomeBASE and RAFT benefits*

Thanks to both the House and Senate for supporting HomeBASE. CHAPA respectfully asks that you adopt the House appropriation of \$59.4 million and the Senate version of this language that eliminates the income eligibility limit for families enrolled in HomeBASE. This would help participating families to have the opportunity to increase their income without fear of being terminated from HomeBASE.

HOME & HEALTHY FOR GOOD (7004-0104)

- *Adopt \$6.39 million appropriation in House budget*

Home and Healthy for Good (HHG) provides housing and supportive services to chronically homeless individuals through a housing first model that is less costly and more effective than managing residents' homelessness and health problems on the street or in shelter. HHG also supports a pilot program to provide shelter and support services for LGBTQ unaccompanied homeless youths.

ACCESSIBLE AFFORDABLE HOUSING GRANTS (AAHG) (7004-9031)

- *Adopt \$2.5 million appropriation in Senate budget*

Thank you to Senate for supporting the capital grants for production of affordable accessible housing. The housing built through these grants prioritizes AHVP voucher holders while increasing the stock of accessible housing.

FORECLOSURE & HOUSING COUNSELING (7006-0011)

- *Adopt the \$3.05 million appropriation in the Senate budget*
- *Adopt the Senate language providing higher guaranteed amounts for the housing/foreclosure counseling grants*

CHAPA requests that you adopt the \$3.05 million appropriation in the Senate budget. This line item, funded through retained revenue from mortgage loan originator license fees, supports foreclosure prevention and housing counseling across the Commonwealth. By allowing the Division of Banks to retain more revenue, it can support additional effective foreclosure prevention tools, such as direct advocacy and counseling. Additional funds for the program will help prevent more foreclosures and help maintain housing stability.

Finally, CHAPA thanks the House and Senate for both agreeing to critical funding for our other affordable housing and homelessness prevention priorities, including **Alternative Housing Voucher Program, Public Housing, Tenancy Preservation Program, Unaccompanied Homeless Youth, New Lease for Homeless Families**, and the **Department of Mental Health Rental Subsidy Program**.

All these programs will help thousands of residents find an affordable home, remain stably housed, or prevent homelessness.

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: House Speaker Ronald Mariano
Senate President Karen Spilka