



Affordable Homes Act – Public Housing

Healey-Driscoll Administration

Introduction

Massachusetts' existing stock of 43,000 public housing units is at risk due to deferred maintenance, with a documented backlog of approximately \$4 billion in capital repairs including roofs, boilers and other essential building components. These units play a critical role in housing vulnerable populations, with more than half of the units occupied by extremely low-income seniors and persons with disabilities.

To address this critical need, the Affordable Homes Act includes ground-breaking investments in public housing, including **\$1.6B to put Massachusetts on track to significantly address its public housing backlog within a decade**. This represents a nearly 250% increase over the prior (2018) housing bond bill.

Historic Investments in Public Housing

The Affordable Homes Act includes authorizations that will fund the deep needs of our state-aided public housing portfolio, including **\$1.5B for the Public Housing Capital Fund** to support the repair, rehabilitation, and modernization of public housing units across the state – including up to **\$150M** dedicated specifically to supporting **sustainability initiatives to reduce greenhouse gas emissions** and support **decarbonization** efforts and **\$15M** for public housing accessibility upgrades. The bill also includes **\$100M** for a **Public Housing Mixed Income Demonstration Program**, which supports Local Housing Authorities (LHAs) that partner with developers to add mixed-income developments on LHA land, leveraging funds to maintain and preserve public housing while increasing the overall housing supply.

Addressing Shortcomings of the Current Production Environment

The Affordable Homes Act also includes a package of policy initiatives and technical fixes that will expedite maintenance, repairs, and renovations to the Commonwealth's public housing stock while ensuring tenants' rights are protected.

- **LHA Replacement Value for the Massachusetts Architectural Access Board (MAAB):** Requires calculation of replacement value for Public Housing for MAAB accessibility threshold to align with requirements governing state-owned properties, basing values on industry standards per a published database.
- **Regional Housing Authorities:** Removes the requirement for a Home Rule Petition if LHAs choose to regionalize and have approval from each involved LHA board and the Executive Office for Housing and Livable Communities (EOHLC).

Investing in Public Housing

- **Allow LHAs to Borrow Against Capital Funding:** Allows LHAs, with approval from EOHLC, to raise additional funds for rehabilitation projects by borrowing against their capital funds.
- **Increase Availability of Regional Capital Assistance Teams (RCATs):** Allows RCATs to expand their services and capacity by allowing payment for maintenance and operations services not envisioned in the 2014 reform legislation, and allows larger LHAs to join the program if they elect to pay for these services; eliminates the three separate advisory boards and replaces with one advisory board covering the entire RCAT program, with bi-annual meetings.
- **Increased Flexibility to Set Schedules for Agreed-Upon Procedure Audits:** Amends the public housing statute to allow EOHLC to set its own schedule for performance audits, which would follow the same practice as the Performance Management Review – biennial with more frequent follow-up in situations of poor performance.
- **Chapter 149 exemption technical fix:** Amends the Public Housing filed-sub bid exemption to clarify that the exemption applies to both redevelopment and new development of housing units and removes an extra transfer of ownership between entities before final disposition.
- **Tenant Protections in LHA Redevelopment:** Requires any public housing redevelopment project to (i) ensure certain resident protections; (ii) provide a clear path to enforce protections; (iii) provide for the issuance of regulations and sub-regulatory contracts and forms; (iv) provide that residents should not be adversely affected by change in subsidy or ownership; (v) provide residents with technical assistance to allow for meaningful input.

Taken together, the financial investments and policy changes in the Affordable Homes Act **will preserve approximately 10,000 public housing units** in critical need of repair or requiring accessibility upgrades.