

## **State Updates**

#### **Five Hundred Advocates Attend Affordable Housing Rally**

On July 31, over 500 residents, affordable housing advocates, and policymakers from across the state rallied in support of federal investments in affordable homes and our communities in the *Our Homes, Our Voices: Rally for Affordable Homes* in downtown Boston. CHAPA thanks everyone who participated, especially our sponsors and speakers, including Mayor Martin J. Walsh and Congresswoman Katherine Clark. Visit CHAPA's **Facebook page** for photos and video from the event.

Most importantly, we need to follow-up our show of support with ACTION. Please write to your U.S. Representative and Senator and ask Congress to lift budget caps and increase investments in affordable housing and community development programs! A sample letter can be found **here**. To find your member of Congress, click **here**.

## Governor Signs FY2018 Budget with \$320 million in Vetoes

On July 17, Governor Baker signed a \$39.4 billion **FY2018 budget**. The Governor made \$320 million worth of vetoes. The final state budget includes a \$6.2 million increase for the Massachusetts Rental Voucher Program and additional funds to implement public housing reforms. The budget also authorizes the statewide expansion of Housing Court. Unfortunately, many affordable housing, homelessness prevention, and community development programs faced vetoes from the Governor. For more information on CHAPA's budget priorities, including an overview on funding and vetoes, please **click here**.

The Legislature can override the Governor's veto with a two-thirds majority vote in each branch. The House and Senate will not take up overrides of the vetoes until at least September when the Legislature returns from summer recess. CHAPA will work to restore funding and language to these important affordable housing resources.

# Rep. Jeffrey Sánchez Appointed New Chairman of House Ways & Means

On July 17, Representative Jeffrey Sánchez was **appointed** the new Chairman of the House Committee on Ways and Means, which oversees the state budget process. Rep. Sánchez, a Democrat elected in 2002, represents Jamaica Plain and portions of Brookline. Most recently, he chaired the Health Care Finance Committee where he worked to address health disparities. Chairman Sánchez has supported affordable housing and homelessness prevention resources, including public housing and HomeBASE.

Rep. Sánchez replaces former Chairman Brian Dempsey, who resigned from the House after nearly 27 years representing Haverhill. CHAPA thanks Rep. Dempsey for his long-standing support for affordable housing, homelessness prevention, and community development programs in the state budget. We look forward to working with Chairman Sánchez to continue Massachusetts' commitment to these critical housing resources.



Citizens' Housing and Planning Association, Inc.

# CELEBRATING 50 YEARS!

Join us in celebrating CHAPA's 50th Anniversary this year! Help us make a difference in MA and across the nation because everyone should have a safe, healthy, and affordable place to call home. Click here to donate!

## **UPCOMING EVENTS**

#### August 26, 2017

CHAPA Young Professionals: Volunteer Day with Habitat for Humanity Greater Boston!

#### September 14, 2017

Save the date for CHAPA's Housing Day at the State House

#### September 18, 2017

**CHAPA Homelessness Committee Meeting** 

#### September 20, 2017

CHAPA Production & Preservation Committee Meeting

#### September 26, 2017

CHAPA Public Housing & Rental Assistance
Committee Meeting

#### October 26, 2017

Save the date for CHAPA's 50th Annual Dinner!

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

# WE WANT TO HEAR FROM YOU!

Help us tell the story of CHAPA's impact throughout the years. Send photos & stories to **eroussinova@chapa.org**.

#### **Legislative Agenda Updates**

On July 25, CHAPA's \$1.7 billion Housing Bond Bill (H.675) was heard before the Joint Committee on Housing. Thank you to all those who attended the hearing to show support for the legislation. Thanks also to the Housing Committee, including Chairman Boncore and Chairman Honan, for listening to all those who came to testify. For a copy of CHAPA's testimony, please click here.

Also on July 25, the Housing Committee reported out favorably several of CHAPA's legislative priorities. These include CHAPA's Production Bill (H.673) and a bill requiring multifamily zoning districts in every city and town (H.2237), which were sent to be considered by the House Ways and Means Committee. CHAPA's smart growth legislation (H.128), which would make creating 40R overlay districts easier, was also reported out favorably.

#### MassDevelopment Announces Lauren Liss as New President & CEO

MassDevelopment has announced Lauren Liss as its next president and CEO. Liss served as the former Commissioner of the Department of Environmental Protection under Governor Cellucci. She will oversee the finance and development agency which administers affordable housing and community development programs including MassWorks and the Brownfields Redevelopment Fund. Liss will take over for the outgoing president and CEO Marty Jones on September 5.

#### **DHCD Publishes Final MRVP Administrative Plan**

On August 1, the Department of Housing and Community Development (DHCD) implemented its final MRVP Administrative Plan. The final Admin Plan incorporates the FY2018 budget language for MRVP, which increases the initial income eligibility for the program from 50% of the Area Median Income (AMI) to 80% AMI. The plan also incorporates the updated regulations for MRVP (760 C.M.R. 49.00), which were promulgated on July 14.

#### Baker-Polito Administration Awards \$1.5 Million in Brownfields Funding

On July 26, the Baker-Polito Administration announced nearly \$1.5 million in Brownfields Redevelopment Fund awards to support the environmental assessment and cleanup of contaminated sites across the Commonwealth. Awards were made to 9 projects that will support over 132 units of affordable housing.

### Healthy Neighborhoods Equity Fund Announces Closing of HNEF I

On July 26, the Massachusetts Housing Investment Corporation (MHIC) and the Conservation Law Foundation (CLF), co-founders of the Healthy Neighborhoods Equity Fund (HNEF), announced the closing of HNEF I at \$22.35 million. Launched in 2015, HNEF invests in mixed-use, mixed-income real estate projects in neighborhoods that are in the early stages of transformational change. Projects must have strong potential to strengthen community and environmental health and promote regional equity while providing a reasonable rate of return for investors.

### State Announces \$30.5 Million in CDBG Awards to 58 Municipalities

On July 20, DHCD announced \$30.5 million in federal Community Development Block Grant (CDBG) awards for activities and developments in 58 "non-entitlement" cities and towns. The activities supported by this award include housing rehabilitation (286 units), infrastructure, and social services.

### Massachusetts Building Permit Activity Up 21% through June

According to U.S. Census Bureau estimates, building permits were issued for 8,158 units in Massachusetts between January and June of 2017, a 21.3% increase over the 6,728 units permitted during the same period in 2016. The units in multifamily buildings rose by 41% compared to the same period in 2016, totaling 3,906 (48% of all units permitted). Units in one-unit structures (3,898) rose by 9% compared to 2016 accounted for close to 48% of the 2017 permitting activity. Nine cities and towns accounted for 85% of the multifamily units permitted, including Boston (48%), Framingham, Weymouth, Sharon, Somerville, Cambridge, Lunenburg, Stoughton, and Chelmsford.





## **Federal Updates**

## **Senate Appropriations Committee Approves FY2018 THUD Appropriations Bill**

The Senate Appropriations Committee approved an FY2018 Transportation, Housing and Urban Development (THUD) appropriations bill (**S.1655**), which provides \$3.6 billion more than the bill approved by the House Appropriations Committee last month, and \$1.4 billion more than the FY2017 budget, as the Senate decided to use FY2017 funding levels, rather than **Budget Control Act** caps, to guide its work. Few believe that the House and Senate will agree on a conference bill before September 30, meaning one or more continuing resolutions are likely. As explained in an Enterprise **blog**, the Senate funding will not prevail unless the BCA caps are raised. Things are further complicated by the fact that Congress has not yet addressed the debt ceiling.

As detailed in a National Low Income Housing Coalition (NLIHC) **budget chart** and Enterprise **blog**, the Senate bill retains the National Housing Trust Fund (NHTF) program and the Interagency Council on Homelessness, raises voucher renewal funding, lifts the unit cap for the RAD program and funds use by Section 202 developments, slightly increases funding for public housing and lead paint programs, among other things. The Senate committee believes its bill will cover all renewal costs, but the Center on Budget and Policy Priorities (CBPP) believes that there may be a **shortfall**.

### **HUD Nominations Approved**

On August 3, the Senate approved 65 nominations for positions at several federal agencies including two at HUD. It approved **Neal Rackleff** as Assistant Secretary for Community Planning and Development (CPD) and **Anna Maria Farias** as Assistant Secretary for Fair Housing. **Ten other** key HUD positions remain unfilled, many with no nominees proposed yet. The Senate also approved two Treasury nominees expected to be active in tax policy: former Senate Finance Committee staffer **Christopher Campbell** (Assistant Secretary for Financial Institutions) and **David Kautter** (Assistant Secretary for Tax Policy).

#### **Senate Finance Committee Holds Hearing on Proposed LIHTC Expansion**

On August 1, the Senate Finance Committee held a **hearing** on "America's Affordable Housing Crisis: Challenges and Solutions", in light of legislation before it (**S.548**, the Affordable Housing Credit Improvement Act) to greatly expand the federal low income housing tax credit (LIHTC). The bi-partisan bill, introduced by Senator Cantwell in March, is co-sponsored by the Committee co-chairs. **Witnesses** testified on ways to improve program data quality and IRS guidance, ways to make tax-exempt bonds more usable, how authority to convert some credit funding to vouchers might make it easier to provide units for extremely low-income (ELI) households, and ways to better target new units to areas with rental shortages and encourage mixed-income development.

#### **NYC Council Approves Right to Counsel Legislation for Low-Income Tenants**

On July 20, New York City's City Council approved a **local law** providing full legal representation to all low-income tenants (incomes up to 200% of the federal poverty guideline) facing eviction in housing court and "brief legal assistance" for other tenants. The bill requires the Office of Civil Justice to create a program gradually - starting with the establishment of a program for tenants in buildings operated by the New York City Housing Authority no later than October 1, 2017 and growing to serve all eligible tenants by July 31, 2022, subject to appropriation. The legislation builds on **initiatives begun in recent years** that increased the share of tenants with representation when facing eviction or foreclosure from 1% in 2013 to 27% in 2016 and reduced the number of evictions by nearly 25%. For more details, see **Housing Wire** and the City Council **press release**.



## **Recent Research & Reports**

# GAO Report Examines Challenges in Efforts to Align Federal Benefit Programs for Low Income Households

A July **report** by the U.S. Government Accountability Office (GAO), *Federal Low-Income Programs: Eligibility and Benefits Differ for Selected Programs Due to Complex and Varied Rules*, looks at eligibility criteria and benefits of six federal programs for low income families and individuals - the Earned Income Tax Credit (EITC), Medicaid, Housing Choice Vouchers, SNAP, SSI, and Temporary Assistance to Needy Families (TANF) - and how they differ in terms of who they serve, income definitions and limits, asset limits and work requirements. The report also looks at how these differences increase administrative costs and affect household access to assistance. It finds that "streamlining eligibility rules would require changing many laws and coordination among a broad set of lawmakers and congressional committees" and federal agencies. It further notes that for some programs, states also establish program rules and that "financial constraints may also affect efforts..." However, it reports that federal agencies and states have taken some steps to streamline program administration and rules through data-sharing and aligning application and eligibility determination processes (e.g. some states have integrated the SNAP eligibility process with other low-income programs, such as through combined applications).

#### **Boston Reports Increase in Inclusionary Housing Production**

As **reported** in the Boston Globe on August 8, Boston's building boom has led to a boom in the number of affordable units created through the City's Inclusionary Development Program (IDP) and an increase in the geographic diversity of their location. As detailed in a **press release** and **report** by the Boston Planning and Development Agency, over 1,700 affordable homes, two thirds rental, have been built under the policy since 2000, including 226 completed in 2016, though they continue to comprise a small share of city housing production. The program has generated \$23.7 million in developer contributions in 2016 alone. IDP and linkage funds made up 30% and 25% respectively of city affordable housing resources in 2011-2016, helping to offset declines in federal funding. The location of IDP units now more closely tracks the location of recent market rate construction. Over 400 IDP units are in the Seaport District or South Boston, compared to 36 in Roxbury, Roslindale and Mattapan.

# 2017 Assets & Opportunity Scorecard Ranks Massachusetts Near Bottom of States on Housing

This July, the Corporation for Enterprise Development (CFED) issued its **2017 Assets & Opportunity Scorecard**, examining the financial well-being of U.S. households overall and by state and the extent to which state policies support progress toward prosperity for low and moderate income families. It looks at five issue areas: financial assets/income, housing and homeownership, business and jobs, health care and education. This year's report also looks at income volatility (the extent to which household incomes vary each month). The report includes rankings of states in each of the five issue areas. While **Massachusetts** ranks 12th overall among the 50 states plus the District of Columbia, it ranks 48th in the issue area of housing, due to high housing costs and racial and income disparities in the rate of homeownership.

### Study Finds Racial Disparities in Child Asthma due to Neighborhood Characteristics

As reported by **CityLab** on July 28, a new **working paper** from the National Bureau of Economic Research finds that the higher asthma rates among black and Hispanic children are largely due to the characteristics of the neighborhoods in which they live ("poor air quality, proximity to highways and an aging housing stock"). Using data on all children born in New Jersey between 2006 and 2010, they found that after dividing the data by whether or not children live in a "black zip code", the difference in the incidence of asthma by race disappears, with all children in those zip codes having a higher incidence of asthma. The authors conclude that their results "point to the importance of residential segregation and neighborhoods in explaining persistent racial health disparities."

#### Shelterforce Examines the 30% of Income Definition of Affordability

The **Spring 2017 issue** of *Shelterforce* examines in a series of articles the complexity of defining housing affordability - the short-comings of the 30% of income standard and how it compares with a residual income approach. The NLIHC also posted a **summary** of the articles. All agree that the 30% standard understates affordability problems for extremely low income households.



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On July 26, over 100 people joined us for a **forum** exploring programs that help families increase their incomes and the barriers participants face.



On July 18, CHAPA's Policy Leadership Council met and heard from guest speaker Noah Berger, President of the Massachusetts Budget and Policy Center.



On July 13, over 50 people joined us for The Southeastern Massachusetts Housing Counseling Event in Brockton. Local housing counseling agencies, realtors, lenders and other industry professionals in the area discussed how to respond to the needs of homebuyers in Southeastern MA.