



June 6, 2018

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**RE: CHAPA Recommendations for Affordable Housing,
Homelessness Prevention, & Community Development
Programs in the FY2019 Budget**

Dear Chairman Sánchez, Chairwoman Spilka, and Distinguished Conferees,

On behalf of Citizens' Housing and Planning Association (CHAPA), thank you to both the House and Senate for prioritizing affordable housing, homelessness prevention, and community development programs in your FY2019 budget proposals. Your support for these programs will help so many in the Commonwealth find 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 two budgets and provide the strongest support for these critical resources.

Massachusetts Rental Voucher Program (MRVP) (7004-9024)

Adopt the \$100 million appropriation and the language changes from both the House and Senate budgets.

CHAPA supports the House appropriation of \$100 million for MRVP. At this funding level, over 200 new vouchers will be created in the next year. These additional vouchers will help assist more extremely low-income families, seniors, and persons with disabilities find affordable homes. Unfortunately, keeping funding at \$97.5 million will only support the current number of MRVP vouchers. Although no vouchers would be lost at this funding level, no new vouchers would be made available in FY2019.

We also ask that you adopt the language changes proposed by both the House and Senate budgets. Both changes would help make MRVP a more effective and efficient program.

The first language change in the Senate budget requires DHCD to target 75% of new vouchers to extremely low income households, by changing the word "may" to "shall" in the second clause. This will help ensure that MRVP serves households with the greatest needs.

The second language change in the Senate budget requires DHCD to expend funds to complete a voucher management system and for DHCD to make its best efforts to complete and implement this system by the end of FY2019. Implementing this voucher management system will help administer the program more effectively and efficiently and increase access to this resource.

Finally, the language change in the House budget removes language that allows Local Housing Authorities to transfer voucher holders into another housing subsidy program.¹ This language from MRVP is unused. Removing the clause will help clean up and improve the program language.

Alternative Housing Voucher Program (AHVP) (7004-9030)

Adopt the \$6.15 million appropriation and the language from the House budget.

CHAPA supports the House appropriation of \$6.15 million for AHVP. The additional funding for the program will create new rental vouchers for persons with disabilities. This will help some of the over 1,400 people on the waitlist for an AHVP voucher as of last year find an affordable and accessible home.

We also ask that you adopt the House language which contains a reporting requirement on AHVP. This information will help providers better administer the program by helping understand how the program is used.

Public Housing Operating Subsidies (7004-9005)

Adopt the \$65.5 million appropriation.

CHAPA supports the House appropriation of \$65.5 million for public housing. These funds help support over 45,600 state public housing units, with over two-thirds of these homes dedicated for the elderly and persons with disabilities. The additional funds will help provide an increase to local housing authority operating budgets so these homes remain available for some of the lowest-income households in the Commonwealth.

Public Housing Reform (7004-9007)

Adopt the appropriation of \$1 million.

CHAPA supports the House appropriation of \$1 million for public housing reform. These additional funds will help further implement public housing reforms signed into law in 2014. These reforms improve governance and operation of local housing authorities by assisting with capital improvements, unit turn over, and help support a centralized waitlist. The increased funding will also help strengthen tenant participation in the governance of housing authorities by sponsoring trainings and technical assistance.

¹ The House budget removes the clause “participating local housing authorities may take all steps necessary to enable them to transfer mobile voucher program participants from the Massachusetts rental voucher program into another housing subsidy program;” from MRVP program language.

Housing Consumer Education Centers (HCECs) (7004-3036)

Adopt the \$3 million appropriation without earmarks.

CHAPA thanks both the House and Senate for showing increased support for HCECs. We ask that you adopt the Senate funding level of \$3 million for the program without earmarks. HCECs are the front line for those facing housing challenges, providing information to help people make essential connections to housing and related supports including first-time homebuyer courses and foreclosure counseling. HCECs also administer the homelessness prevention resources HomeBASE and RAFT.

We ask you to support the increased funding for HCECs while keeping the program free of earmarks. CHAPA does not oppose programs funded by earmarks in the House Budget but we respectfully request that the earmarks be included in a more appropriate budget line-item.

Residential Assistance for Families in Transition (RAFT) (7004-9316)

Adopt the \$18.5 million appropriation and language from the Senate budget.

Thank you to both the House and Senate for demonstrating increased support for RAFT, a critical homelessness prevention resource. We ask that you adopt the Senate appropriation of \$18.5 million. We also ask that you adopt the language in the Senate budget that maintains the expanded eligibility for the program and guarantees that at least \$3 million will be spent on these households, which include seniors, persons with disabilities, and unaccompanied homeless youth.

HomeBASE (7004-0108)

Adopt the \$32 million appropriation and the language from the Senate budget.

CHAPA supports the \$32 million appropriation in the House budget for HomeBASE, which will help more homeless families avoid or leave emergency shelters.

We also respectfully request that you adopt the Senate language that makes several important changes to the program. First, the Senate language allows families to access up to \$10,000 to help avoid or end homelessness. These additional funds will make the program more effective as families work to find stable homes.

Second, the Senate language improves data collection and reporting requirements for HomeBASE. Specifically, the language requires DHCD to report on the number of families receiving both emergency assistance and HomeBASE benefits in the previous three years. This will allow a better understanding of HomeBASE, how the resource is used, and its success in helping families achieve long-term housing stability.

Third, the Senate language removes the \$300,000 cap on the program within HomeBASE that allows survivors of domestic violence or families in substance abuse and sober living programs access to the resource. This program, in place for the last two year, has helped all families facing homelessness, regardless of the cause, find an affordable home. Removing the \$300,000 cap on the program will ensure that all families in these shelters will be able to access HomeBASE if they are eligible.

Foreclosure Prevention Counseling (7006-0011)

Adopt the \$2.05 million appropriation.

CHAPA asks that you adopt the \$2.05 million appropriation in the Senate budget to provide increased support for foreclosure prevention and housing counseling across the Commonwealth. This program administered by the Division of Banks (DOB) is revenue neutral as it is funded through licensing fees for mortgage loan originators in Massachusetts. The Senate budget would allow the DOB to retain additional funds from these licensing fees to support first-time homebuyers and families facing foreclosure.

Housing Court Expansion (0036-0003)

Adopt the \$2.6 million appropriation.

CHAPA supports the \$2.6 million appropriation in the Senate budget to allow for the statewide expansion of Housing Court. Thanks again to the Legislature for expanding access to Housing Court last year, which will protect landlords and tenants by providing a forum with expertise in housing law, provide for the enforcement of building, fire, and sanitary codes, and prevent homelessness. The increased funding will help facilitate this expansion, including the hiring of new judges and staff for Housing Court.

Tenancy Preservation Program (TPP) (7004-3045)

Adopt the \$1.3 million appropriation.

Thanks to both the House and Senate for the increased support for TPP in your budgets. We ask you to adopt the \$1.3 million Senate appropriation for TPP, which is offered in Housing Court to help persons with disabilities facing eviction. TPP is a proven effective program, preventing homelessness in 93% of the cases served by TPP in FY2017. The additional funds for TPP will allow the program to grow as Housing Court expands statewide. The funds will also continue an upstream early intervention pilot designed to keep at-risk households out of Housing Court.

Home and Healthy for Good (7004-0104)

Adopt the \$2.34 million appropriation.

CHAPA asks you to adopt the House appropriation of \$2.34 million for Home and Healthy for Good. The increased funding will allow more people to access this housing-first program that provides permanent supportive housing for the chronically homeless, including a program for LGBTQ unaccompanied homeless youth. Since 2006, 973 chronically homeless adults have been placed into permanent homes with supportive services. The program saves the Commonwealth an estimated annual average of \$12,428

per person because of a decreased reliance on other expensive public services once an individual is in a permanent home.

Unaccompanied Homeless Youth (4000-0007)

Adopt the \$3.3 million appropriation.

Thanks to both the House and Senate for including increased support for this program that provides housing and services to unaccompanied homeless youth and young adults experiencing homelessness. CHAPA asks that you adopt the Senate appropriation of \$3.3 million.

New Lease for Homeless Families (NEW – 7004-0106)

Adopt the \$250,000 House appropriation for the new line-item.

CHAPA asks that you adopt the House appropriation of \$250,000 to support the ongoing work of New Lease for Homeless Families in a newly created line-item. New Lease houses homeless families residing in state-funded shelters and hotels by implementing a preference for these families in private developments across the Commonwealth. Through New Lease, homeless families have the opportunity to live in desirable and affordable communities with the supports they need to achieve successful tenancies.

Community Preservation Trust Fund

Adopt Sections 45–47, 142–143, & 196 in the Senate budget to increase the state match to CPA Communities.

CHAPA asks that you adopt Sections 45–47, 142–143, and 196 of the Senate Budget to provide increased support for the Community Preservation Trust Fund. These sections increase the recording fees at the State’s Registries of Deeds by \$30, providing a higher state match to all Community Preservation Act (CPA) communities. It is estimated that this increase would restore the state match to CPA communities to 30%. Without the increase to the deeds recording fee, the match for next year is expected to drop to less than 12%.

CHAPA thanks both the House and Senate for including level funding for the **Massachusetts Access Affordable Housing Registry (4120-4001)**, which supports an online database of affordable and accessible homes at www.massaccesshousingregistry.org.

Finally, we thank the House and Senate for both including an increase to the **Massachusetts Earned Income Tax Credit (EITC)**, which will raise the match for the state EITC from 23% to 30% of the federal credit. This will benefit working families in the state as the EITC has been proven to increase economic mobility and reduce inequality.

Thank you again for your leadership and continued support for providing quality, safe, and affordable homes for everyone in the Commonwealth. Please do not hesitate to contact me with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Eric Shupin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Eric Shupin
Director of Public Policy