AFFORDABLE HOMES ACT

FACT SHEET

On August 6, 2024, Governor Maura Healey signed the Affordable Homes Act into law (Chapter 150 of the Acts of 2024). The historic legislation authorizes **$5.16 billion** in spending over the next five years along with **nearly 50 policy initiatives** to counter rising housing costs caused by high demand and limited supply. Here's a look at the spending authorizations and policy initiatives in this comprehensive legislation:

UNLOCKING HOUSING PRODUCTION:

$800M for Affordable Housing Trust Fund
Provides resources to create or preserve affordable housing for households whose incomes are not more than 110% of area median income; includes up to $50M for MassDREAMS to provide downpayment/closing cost assistance for homebuyers in Disproportionately Impacted Communities.

$425M for Housing Stabilization and Investment Fund
Consolidates the Housing Stabilization Fund and the Community Investment and Preservation Fund; supports preservation, new construction, and rehabilitation projects. $10M made available for the Small Properties State Acquisition Funding Pilot Program.

$275M for Sustainable and Green Housing Initiatives
Consolidates the existing Transit Oriented Development Program and the Climate Resilient Affordable Multifamily Housing Program; supports innovative solutions to accelerating/unlocking new housing solutions (e.g., office conversions, modular homes, accessory dwelling units); adds language to authorize the creation of a new social housing pilot program.

$175M for HousingWorks Infrastructure Program
Funds infrastructure projects to encourage additional housing development.

$50M for the Momentum Fund
A new program that capitalizes a permanent, revolving fund (administered by MassHousing and seeded through state and private investment) to accelerate development of mixed-income multifamily housing.

$25M for Community Planning Grants
Makes grants to municipalities for planning and zoning initiatives that support housing.

$20M for Smart Growth/40R/40Y Program
Provides incentive payments to municipalities who adopt smart growth housing districts, under Chapter 40R/40Y.

Accessory Dwelling Units (ADUs) As-Of-Right
Permits ADUs (<900 SF) to be built by-right in single-family zoning districts in all communities; prohibits owner occupancy requirements as well as parking mandates within ½ mile of transit.
Effective Date: 180 days from the effective date of the Act.

Abutter Appeal Reforms
Increases the maximum bond that a court may require in an appeal of an approval of a special permit, variance or site plan from $50,000 to $250,000 and clarifies that a court need not find bad faith or malice of a plaintiff for the court to require posting of a bond; allows the courts to award reasonable attorneys' fees if the court finds the appellant acted in bad faith or with malice in making appeal.

Statewide Housing Plan
Requires EOHLC to prepare a statewide housing plan every 5 years, conducting regional outreach following robust data analysis, to help inform statewide housing goals and strategies

RESTORING DIGNITY TO PUBLIC HOUSING:

$2B for Public Housing
Supports the repair, rehabilitation and modernization of over 43,000 state-aided public housing units across the Commonwealth, includes $150 million dedicated to the decarbonization of public housing and $15 million for accessibility upgrades.

$200M for Public Housing Demonstration Program
Encourages housing authorities to pursue innovative, market-driven strategies and leverage private resources to maintain, preserve and create public housing.

Allowing Local Housing Authorities (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.

LHA Replacement Value for Mass. 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.

Increasing Availability of Regional Capital Assistance Teams (RCATs)
Allows RCATs, which help LHAs to plan for and complete capital projects, to expand their services and capacity by allowing payment for maintenance and operations services, as well as allows larger LHAs to join the program if they elect to pay for these services; eliminates the 3 separate advisory boards and replaces with 1 advisory board covering the entire RCAT program, with bi-annual meetings.

Sets Schedule for Agreed-Upon Procedure Audits (to align with LHA performance management reviews)
Allows EOHLC to set its own schedule for performance audits, which would be to follow the same practice as the Performance Management Review – biennial with more frequent follow-up in situations of poor performance.

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 subregulatory contracts and forms; (iv) provide that residents should not be adversely affected by change in subsidy or ownership; and (v) provide residents with technical assistance to allow for meaningful input.

BUILDING MIDDLE-INCOME & HOMEOWNERSHIP OPPORTUNITIES:

$100M for CommonWealth Builder
Creates a permanent capital resource to support the expansion of homeownership opportunities for first-time homebuyers and socially and economically disadvantaged individuals through the construction of affordable homeownership units.

$100M for Mixed-Income Housing Fund
Formerly known as the "Workforce Housing Fund;" funds housing development for households earning 60-120% AMI.

$50M for MassDREAMS program
Included within the Affordable Housing Trust Fund authorization to support first-time homebuyers through down payment and closing cost assistance in Disproportionately Impacted Communities.

Creates a Homeownership Production Tax Credit
Learn more under tax credits

SUPPORTING OUR VETERANS:

Veterans Supportive Housing
Creates a program to help develop supportive housing for veterans.

Veterans Preference
Allows cities and towns to create a preference for veterans in affordable housing.

PRESERVING & STRENGTHENING LIVABLE COMMUNITIES:

$426M for Local Housing Initiatives
Authorizes over $426M in spending on local capital projects in communities across Massachusetts.

$50M for Neighborhood Stabilization
Funds the acquisition, rehabilitation, and sale of distressed properties.

$50M for Housing Choice Grant Program
Provides payments to municipalities that receive a Housing Choice designation through high housing production and/or demonstration of housing best practices and a grant program to assist MBTA communities in complying with the multi-family zoning requirement.

$30M for State Surplus Property Disposition
Authorization to support efforts to use state surplus land to address housing and other critical needs, for example, when sites with existing, obsolete structures such as former hospitals or prisons may need costly demolition or environmental remediation.

Seasonal Communities Designation
Creates the framework for designating communities with substantial seasonal variations in employment and housing needs to develop policies and programs targeting seasonal communities; creates a Seasonal Communities Coordinating Council to provide advice and recommendations to EOHLC regarding seasonal communities.

Surplus Public Land Disposition Reforms
Creates a temporary streamlined disposition process for land under the control of a state agency or public agency if it will be conveyed for housing purposes.

Receivership Reforms for Affordable Housing
Amends the state's receivership statute to permit courts to expeditiously approve the sale of vacant properties in receivership to a nonprofit for the fair market value of the property "as is" if the entity will rehabilitate and sell affordably to an income-eligible first-time homebuyer.

Commercial Property Conversion Program
Creates a program to support the conversion of commercial properties into housing or mixed-use developments.

Municipal Conversion Project Program
Creates a program for municipalities to assist with the development costs of converting commercial property into residential housing.

SUPPORTING VULNERABLE POPULATIONS:

Supportive Housing Pool Fund
Creates a flexible supportive housing pool program to provide critical assistance for supportive housing by funding staffing, case management, service coordination and other tenancy-related services not funded through other sources.

$200M for Housing Innovations Fund
Supports innovative and alternative forms of rental housing including single person occupancy units, transitional and permanent housing for people experiencing homelessness, housing for seniors and veterans, and transitional units for persons recovering from substance use disorder.

$70M for Facilities Consolidation Fund
Supports the development of appropriate community-based housing for clients of the Department of Mental Health and Department of Developmental Services.

$60M for Home Modification Loan Program
Provides funding to modify homes or create accessory dwelling units for individuals or families with disabilities or seniors so that they may stay in their homes or return home from institutional or skilled care settings.

$55M for Community Based Housing
Provides funding for the development of integrated housing for people with disabilities, including seniors, with priority for individuals who are in institutions, nursing facilities or at risk of institutionalism.

Massachusetts Healthy Homes Program
Creates a program to address habitability concerns in homes, including lead paint, asbestos, & mold abatement

$50M for Early Education and Out of School Time Grants
Offers grants to help build early education and out of school time program facilities that serve low-income children.

ESTABLISHING MEANINGFUL COMMISSIONS:

Extremely Low-Income Commission
Creates a commission to recommend policy, programs, and other investments to expand the supply of housing that is affordable to households earning not more than 30% AMI.

Senior Housing Commision
Creates a commission to recommend policy, programs, and other investments to expand the supply of housing for seniors and older adults.

Accessible Housing Commission
Creates a commission to study accessibility in housing for persons with disabilities and seniors.

FAIR HOUSING FOR ALL:

Eviction Record Sealing
Provides a process for tenants to petition the court to seal an eviction record for: (i) no-fault evictions, or eviction actions where the case was dismissed/tenant prevailed: after conclusion of the case; (ii) solely non-payment evictions: no other eviction action within past 4 years and judgment for underlying eviction has been satisfied; and (iii) all other fault evictions: 7 years from conclusion of the matter and 3 years without any other eviction case filed against the tenant. Also prohibits consumer reporting agencies from disclosing information in a sealed eviction record. *Effective Date: 270 days from the effective date of the Act.*

Establishes the Office of Fair Housing and Fair Housing Trust Fund
Establishes an office within EOHLC with explicit focus on fair housing as an essential element of EOHLC's mission and establishes a trust fund for enforcement initiatives, fair housing testing, education, and outreach.

Foreclosure Prevention Pilot Program
Creates a Massachusetts Foreclosure Prevention Pilot Program, administered by the Massachusetts Office of Public Collaboration at UMass Boston, to operate in up to 5 communities disproportionately impacted by high rates of foreclosure. The program will provide supervised conferences where parties make a good faith effort to avoid foreclosure through sustainable foreclosure prevention alternatives.

TAX CREDITS:

Homeownership Production Tax Credit
Creates a new tax credit to incentivize production of homeownership units for first-time homebuyers earning up to 120% AMI.

Community Investment Tax Credit (CITC)
Makes the CITC permanent and expands its annual authorization from $12M to $15M to support Community Development Corporations or nonprofit Community Support Organizations.

Commercial Property Conversion Tax Credit
Creates a new tax credit to support the conversion of commercial properties into housing or mixed-use developments.

Historic Rehabilitation Tax Credit
Increases the annual authorization for the State Historic Rehabilitation Tax Credit from $55M to $110M; extends sunset date to December 31, 2030.

CREATING A STRONGER COMMONWEALTH:

Adjacent Lots Merger Reforms
Establishes that adjacent lots under common ownership shall not be treated as a single lot for local zoning purposes.

Alternative Housing Voucher Program (AHVP)
Amends the AHVP statute to allow for project-based vouchers.

Condo Board Meeting Reforms
Allows condo boards and governing bodies to conduct meetings by telephone or video conference call; allows unit owners to vote by mail-in ballot or by electronic means so long as there is a quorum.

Condo Conversion Protections
Extends the condo conversion protection law to buildings that are not owner-occupied and contain fewer than four residential units.

Home Inspection Regulations
Requires EOHLC to promulgate regulations to prohibit a residential home seller from (1) conditioning the sale on the potential buyer waiving or limiting an inspection; or (2) accepting an offer if the seller has been informed in advance that the prospective buyer intends to waive their right to an inspection.

Homestead Exemption Increase
Increases the Declared Homestead Exemption from $500,000 to $1M to protect homeowner equity from certain debt.

Housing Appeals Committee (HAC) Reporting
Requires the HAC to notify the Secretary of any deadline extensions or delays for any appeals and report annually to the Governor and the legislature on the delay or extension of any deadlines.

MassDevelopment I-Cubed
Allows MassDevelopment to support and prioritize Economic Development Projects that incorporate residential development.

MassHousing Licensing Exemptions
Exempts MassHousing from debt collectors/third party loan servicers licensing; mortgage lender/broker licensing; and mortgage loan originator licensing.

MassHousing Borrowing Authority Increase
Increases MassHousing borrowing authority from $4.9B to $10.8B

Registered Land Administration Modernization
Modernizes the administration of registered land.

Security Deposit Reform
Authorizes EOHLC to promulgate regulations to authorize a lessor and a tenant to agree to payment of a fee in lieu of a security deposit.

Worker Protections
Requires a private entity engaged in projects receiving funds under the bond bill to properly classify individuals employed on the project and comply with all laws concerning workers' compensation.

TECHNICAL UPDATES:

Community Economic Development Assistance Corporation (CEDAC) Updates
Amends CEDAC enabling act to place it under EOHLC rather than EOED and repeals EOED reporting requirements that are no longer relevant to CEDAC.

MassHousing & MassachusettsHousing Partnership (MHP) Updates
Amends the MassHousing and MHP enabling acts to replace DHCD with EOHLC.

Community Based Housing (CBH) Updates
Amends prior authorizations of CBH to clarify that (i) CBH loans may be refinanced and (ii) CBH property owners may transfer an affordable housing restriction to a new property if it is determined that clients will be better served at an alternative property.

Facilities Consolidation Fund (FCF) Updates
Amends prior authorizations of FCF to clarify that (i) FCF loans may be refinanced and (ii) FCF property owners may transfer an affordable housing restriction to a new property if it is determined that clients will be better served at an alternative property.

Housing Innovations Fund (HIF) Updates
Amends prior authorizations of HIF to clarify that (i) HIF loans may be refinanced and (ii) HIF property owners may transfer an affordable housing restriction to a new property if it is determined that clients will be better served at an alternative property.

HousingWorks Infrastructure Program Updates
Technical amendments to HWIP to align funding to support housing purposes.

Capital Improvement & Preservation Fund (CIPF) Updates
Combines CIPF into the Housing Stabilization Fund statute.