



City of Cambridge

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Councillor Graham

IN CITY COUNCIL

March 6 '89

WHEREAS, the City of Cambridge is experiencing a severe shortage of affordable housing units, as evidenced by over 1,800 families of the Cambridge Housing Authority waiting lists; and

WHEREAS, the preservation and creation of affordable housing in Cambridge has depended, in part, on the availability of State housing programs particularly the Chapter 707 Rental Assistance Program and the State Housing Assistance for Rental Production (SHARP) Program; and

WHEREAS, the State's House Ways and Means Budget proposes drastic cuts in these programs;

NOW, THEREFORE, be it resolved that the City of Cambridge City Council go on record urging its legislative delegation to support amendments to the House Ways and Means Committee budget which restore the \$8.5 million in proposed cutbacks to the Chapter 707 Program and allocate \$8 million to the SHARP Program which would allow 2000 units to be built.



Citizens Housing and Planning Association, Inc.

7 Marshall Street • Boston, Massachusetts • 02108 • 742-0820

President
Bonnie Heudorfer
Executive Director
Marc D. Draisen

LEGISLATIVE ALERT

TO: All CHAPA Members

FROM: Marc D. Draisen, Executive Director

SUBJECT: Chapter 707 and SHARP Cutbacks in House Ways and Means Budget

DATE: February 28, 1989

Last week, House Ways and Means issued a budget proposal which would drastically hurt housing programs in Massachusetts, including CHAPA's three legislative priorities for Fiscal Year 1990. The details are included on the back of this sheet.

All CHAPA members are urged to make immediate calls to:

- 1) Your own state representative (see list);**
- 2) House Speaker George Keverian (722-2500); and**
- 3) Housing and Urban Development Committee Chairman Kevin Fitzgerald (722-2470).**

Tell them that housing cannot afford the drastic cuts included in the House Ways and Means budget. Specifically, ask them to support floor amendments to restore the \$8.5 million cut from the Chapter 707 Rental Assistance Program, and to add \$8 million in new budget authority to the SHARP Program.

The House is expected to take up the budget March 6-8, so call **immediately**. If you want further information, or if you can attend the budget date and visit reps, please call Marc Draisen or Aaron Gornstein at (617) 742-0820.

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**DETAILS OF HOUSE WAYS AND MEANS BUDGET
ON CHAPA'S 1990 BUDGET PRIORITIES**

Chapter 707 Rental Assistance. The good news is that House Ways and Means included 500 "project based" 707 units in their budget (the Governor's budget contained no project based units); the bad news is that they cut the overall budget by \$8.5 million, making it unlikely that EOCD will be able to issue the new project based certificates, or to increase the number of units available for homeless and at-risk families.

House Ways and Means wants to achieve the \$8.5 million savings by curbing rent increases, and by requiring tenants to pay 30% instead of 25% of their income for rent. However, since a change in the payment percentage would require legislation, it probably won't generate any real savings during Fiscal 1990. So EOCD could be forced to accomplish the savings by cutting rents, administrative fees, or pulling units out of the system.

CHAPA Position on 707: We very much appreciate the Committee's commitment to 500 project based units, but we urge the full House to restore the \$8.5 million in cutbacks.

State Housing Assistance for Rental Production (SHARP). Here, the news is all bad. The Governor requested \$8 million in additional budget authority -- enough to build another 2,000 units; House Ways and Means approved no additional authority, which would effectively terminate SHARP for Fiscal 1990.

CHAPA Position on SHARP: SHARP is the state's primary vehicle for the production of private mixed-income rental housing. Demand for affordable rental housing remains high, and the private sector is building very little rental housing on its own. The House must restore the \$8 million request for additional budget authority.

Rental Housing Development Action Loans (RHDAL). A little good news: the Governor requested \$4.7 million, and House Ways and Means concurred. We are pleased at their support, but frankly it's hard to understand how the Committee could provide \$4.7 million for the new RHDAL program, while refusing to provide funds to continue the SHARP.

CHAPA Position on RHDAL: The Committee made the right move in funding RHDAL; the full House should follow suit.



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March 6, 1989

COUNCILLOR GRAHAM

- WHEREAS: The City of Cambridge is experiencing a severe shortage of affordable housing units, as evidenced by over 1,800 families of the Cambridge Housing Authority waiting lists; and
- WHEREAS: The preservation and creation of affordable housing in Cambridge has depended, in part, on the availability of State housing programs particularly the Chapter 707 Rental Assistance Program and the State Housing Assistance for Rental Production (SHARP) Program; and
- WHEREAS: The State's House Ways and Means Budget proposes drastic cuts in this programs; now therefore be it
- RESOLVED: That the City of Cambridge City Council go on record urging its legislative delegation to support amendments to the House Ways and Means Committee budget which restore the \$8.5 million in proposed cutbacks to the Chapter 707 Program and allocate \$8 million to the SHARP Program which would allow 2,000 units to be built.

In City Council March 6, 1989.

Adopted by the affirmative vote of 9 members.

Attest:- Joseph E. Connarton, City Clerk.

A true copy;

A handwritten signature in dark ink, appearing to read "Joseph E. Connarton".

ATTEST:-

Joseph E. Connarton, City Clerk.

Order #12

S-143

C. Graham re: resolutions that the City Council go on record urging its legislative delegation to support the House Ways & Means Committee budget which would restore \$8.5 million in proposed cutbacks to the Ch. 707 Program & allocation of \$8 million to the SHARP Program.

In City Council,

March 6, 1989

3-6-89

O.D. Adopted

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