

An Act to Combat the Massachusetts Housing Crisis of Lack of Affordable Rental Housing and Homeownership Opportunities

The Problem this bill addresses:

There is a serious shortage of both affordable rental housing and homeownership opportunities for low and moderate income people. With the median price of a home topping \$165,000 a family needs an income of over \$50,000 a year to buy a home. With an average rent for a 2 bedroom apartment being \$650-\$850 a month, people must pay 40-60% of their income for rent.

Senate Sponsors: Senators Berry, Albano, Olver, Barrett, E. Burke, Bolling, Houston, J. Burke, Cellucci, LoPresti, White, Costello, Golden, Norton

House Sponsors: Representatives Fitzgerald, Gray, McDonough, Rushing, Magnani, Clapprood, Hildt, Beckwith, McIntyre, Mackey, Morrissey, Blanchette, Graham, Businger, Moriarty, White, Brownell, Hodgkins, Honan, Buell, Vellucci

What this bill does: This bill seeks to increase the production of affordable rental housing and homeownership opportunities. It includes:

- 1) Affordable Homeownership Program--\$50 million for low interest rate mortgages to enable 6000 families earning \$20-\$30,000 to buy a home.
- 2) State Urban Development Action Grant (UDAG) Program--\$60 million for the crucial grants or loans "gap financing" to enable the production of affordable low and moderate income housing.
- 3) Increased Rent Subsidies to Lower Income Renters--\$20 million increase in Section 707 rent subsidies to reach 5000 additional eligible households.
- 4) Financing for Tenant Cooperatives--\$10 million for low interest loans to save tenants in apartment buildings and mobile home parks from displacement due to condo conversions, rent increases, or park closings.
- 5) Housing Bond for Construction and Renovation of Housing--\$381.6 million
 - a) \$100 million for Chapter 705 scattered site public housing
 - b) \$66.6 million for Chapter 667 elderly housing
 - c) \$40 million for Chapter 689 handicapped/special needs housing
 - d) \$100 million for Modernization of state financed public housing with set asides for asbestos removal, day care, elderly housing repair
 - e) \$75 million for Modernization of federally financed public housing with set asides for asbestos removal, day care, elderly housing repair
- 6) Security in Public Housing--\$6 million for security programs in elderly and family public housing in high crime areas
- 7) Low Interest Home Improvement Loans to Low Income Homeowners--\$10 million targeted to elderly and non-elderly at less than 50% of median income
- 8) Low Interest Loans for Deleading and Rental to Families with Children--\$3 million for deleading if rented to a Section 8 or 707 certificate holder or family, with children, within the same income guidelines
- 9) Housing Innovations Fund--\$10 million for transitional housing for the homeless, battered women's shelters, and other innovative forms of housing
- 10) CEED Funding for CDC's--A \$1.3 million increase in funding for CDC's
- 11) EOCD Administrative Budget--\$952,765 increase for 38 positions
- 12) Housing Trust Fund for Affordable Housing Funding from Private Sources--a real estate transfer tax, interest earned above 5% on tenant security deposits, excess interest on homeowners property tax escrows, downpayment escrows--undesignated interest [r.e. transfer tax is like the land bank bills]

For information, contact Mass. Affordable Housing Alliance (MAHA) 262-3285

Ordered

January 26 '87

That the Cambridge City Council go on record supporting an act to combat Housing and Home Ownership Opportunities offered by a group of Representatives and Senators which includes Representative Graham, and Villuci and Senator Lopresti:

That the Mayor appoint 3 Councilors to as Special Committee who will appear at any and all Legislative Hearings — and to act as "Diplomatic Ambassadors" in support of said above mentioned act.

a Villuci



CAMBRIDGE CITY COUNCIL

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 498-9094

~~Sheila T. Russell~~
~~City Council Member~~



City of Cambridge

12.

IN CITY COUNCIL

January 26, 1987

VICE-MAYOR VELLUCCI

ORDERED: That the Cambridge City Council go on record supporting An Act to Combat Housing Crises and Home Ownership Opportunities offered by a group of Representatives and Senators which includes Representative Graham, and Vellucci and Senator LoPresti; and be it further

ORDERED: That His Honor, the Mayor be and hereby is requested to appoint three Councillors to a special committee who will appear at any and all Legislative hearings - and to act as "Diplomatic Ambassadors" in support of said above-mentioned Act.

In City Council January 26, 1987.
Adopted by the affirmative vote of 9 members.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script, reading "Joseph E. Connarton".

Joseph E. Connarton, City Clerk.



City of Cambridge

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12.

IN CITY COUNCIL

January 26, 1987

VICE-MAYOR VELLUCCI

Crises

ORDERED: That the Cambridge City Council go on record supporting An Act to Combat Housing and Home Ownership Opportunities offered by a group of Representatives and Senators which includes Representative Graham, and Vellucci and Senator LoPresti; and be it further

ORDERED: That His Honor, the Mayor be and hereby is requested to appoint three Councillors to a special committee who will appear at any and all Legislative hearings - and to act as "Diplomatic Ambassadors" in support of said above-mentioned Act.

Order #12 8-39

VM Vellucci order re: City Council go on record supporting An Act to Combat Housing and Homeownership Opportunities offered by a group of Representatives & Seantors & further, that His Honor, the Mayor appoint a special committee of three Councillors to appear at any & all Legislative hearings in support of said Act.

In City Council,

January 26, 1987

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Mayor appointed Councillors
Vellucci, Russell and Duxbury