The Commonwealth of Massachusetts

The committee of conference on the disagreeing votes of the two branches, with reference to the Senate amendment (striking out all after the enacting clause and inserting in place thereof the text contained in Senate document numbered 2310) of the House Bill relative to local housing authorities (House, No. 4316), reported recommending passage the accompanying bill (House, No. 4374). July 30, 2014.

Kevin G. Honan  James B. Eldridge
Gloria L. Fox  Stephen M. Brewer
The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

An Act relative to local housing authorities.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 1 of chapter 121B of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by inserting after the definition of “Substandard area” the following definition:

“Tenant member”, a member of the board of the housing authority who is directly assisted by that housing authority pursuant to this chapter.

SECTION 2. The first paragraph of section 5 of said chapter 121B, as so appearing, is hereby amended by adding the following sentence: - Every member of a housing or redevelopment authority shall be a fiduciary of the housing or redevelopment authority.

SECTION 3. Said section 5 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 8, the word “four” and inserting in place thereof the following figure:- 3.

SECTION 4. Said section 5 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 11, the word “years,” and inserting in place thereof the following words:- years and.

SECTION 5. Said section 5 of said chapter 121B, as so appearing, is hereby further amended by striking out, in lines 12 and 13, the words “, and the one receiving the next highest number of votes shall serve for one year”.

SECTION 6. Said chapter 121B is hereby further amended by inserting after section 5 the following 2 sections:-
Section 5A. The department shall promulgate regulations establishing election procedures for tenants to elect a tenant as a member of the housing authority in the town and regulations establishing appointment by the board of selectmen of the town, if no election may be held; provided, however, that 1 member of the housing authority board shall be a tenant. The department shall provide regulations creating waiver of this section if federal law requires the town to maintain a tenant member as 1 of the 5 members or if a tenant has been elected under section 5.

Section 5B. The department shall establish and implement a comprehensive training program for members of a housing or redevelopment authority. The training program shall be developed by the department in consultation with representatives of local housing authorities, municipal officials, public housing residents, public housing industry professional organizations and relevant state agencies.

The department shall provide instructions and training to members on the proper management of a housing or redevelopment authority. The instructions and training shall include, but not be limited to, the following laws and topics: (i) the open meeting law established pursuant to sections 18 to 25, inclusive, of chapter 30A; (ii) the public records law established pursuant to chapter 66; (iii) the conflict of interest law established pursuant to chapter 268A; (iv) the uniform procurement act established pursuant to chapter 30B; (v) state finance provisions established pursuant to chapter 29; (vi) fraud prevention; (vii) fiduciary responsibilities; (viii) fair housing laws; (ix) tenant occupancy and tenant participation policies; (x) the laws prohibiting discrimination in publicly assisted housing established pursuant to clauses 6 to 7B, inclusive, of section 4 of chapter 151B; and (xi) best practices relating to the general inspection, maintenance and repair of existing units and capital improvements in public housing. The department may consult with the attorney general and the inspector general in developing instructions and training programs pursuant to this section.

The department shall further provide independent technical assistance training to tenant members. The department shall develop the training with the goal of enabling tenant members and members of local tenant organizations to participate fully in the oversight of the housing authority’s operation and capital planning. The department shall permit tenants and local tenant organizations who are not members to attend technical assistance training.

Upon appointment and reappointment or election and reelection, all members shall complete a training program, as developed by the department, within 90 days of assuming the member’s position. Members shall complete a training program every 2 years. Failure to complete a training program within 90 days of assuming a position as a member or failure to complete a training program every 2 years may constitute neglect of duty and that member may be subject to removal proceedings pursuant to section 6.
SECTION 7. Said chapter 121B is hereby further amended by inserting after section 7 the following section:-

Section 7A. The department shall promulgate guidelines for contracts to be executed by the housing authority and an executive director. The department may review all contracts between the housing authorities and executive directors and all terms for payments or monetary remuneration relevant to state payments; provided, however, that the department shall review all contracts and all terms for payments or monetary remuneration worth more than $100,000 per annum. The department may strike contract provisions that do not conform to the guidelines.

SECTION 8. Said chapter 121B is hereby further amended by inserting after section 26A the following 3 sections:-

Section 26B. (a) A housing authority shall participate in the performance-based monitoring program as established by the department in accordance with this section.

(b) The department shall establish and implement a performance-based monitoring program and develop and provide uniform assessment standards for evaluating housing authority operations. The assessment standards may incorporate public housing industry standards and measures and federal monitoring standards as applicable. The monitoring program and assessment standards established by the department shall be structured to enable the department to identify housing authorities that are failing to meet the minimum standards and to develop and implement corrective action plans and targeted assistance by the department to improve performance to a satisfactory level.

(c) The monitoring program and assessment standards established by the department under this section shall be developed and implemented by the department in consultation with representatives of housing authorities, municipal officials, public housing residents and public housing industry professional organizations. At a minimum, the department shall include assessment standards for: (i) executive director and senior staff training; (ii) board member training; (iii) senior staff certification in public procurement procedures; (iv) budget management; (v) minimum experience and education qualifications for the hiring of executive directors; (vi) maintenance and repair of existing units; (vii) vacant unit turnover procedures and timelines; (viii) capital project planning; (ix) resident services, including job training initiatives and family self-sufficiency programming; and (x) participation in the capital assistance team program established in section 26C.

(d) The department shall establish guidelines for designating a housing authority as “chronically poor performing” under the monitoring program. The department shall develop these guidelines in consultation with representatives of local housing authorities, municipal officials, public housing residents and public housing industry professional organizations. If a housing authority is designated as “chronically poor performing”, the department may appoint a chief administrative and financial officer, CAFO, who shall be responsible for the overall
administration of the housing authority. The department shall appoint the CAFO for a term of not
more than 3 years. The CAFO shall be appointed solely on the basis of administrative and
executive qualifications and shall be a person especially fitted by education, training and
experience to perform the duties of the office. The CAFO shall not be required to be a resident of
the commonwealth or of the same municipality in which the housing authority to be administered
is located. The powers and duties of the CAFO shall include the following: (i) coordinating,
administering and supervising financial services and activities; (ii) implementing and
maintaining uniform systems, controls and procedures for financial activities; (iii) reviewing
proposed contracts and obligations; (iv) reviewing the spending plan for each department; and
(v) evaluating the housing authority’s current annual plan under section 28A and implementing a
written plan to meet the department’s assessment standards established pursuant to this section,
including, but not limited to, merging with another housing authority or regional housing
authority. Annually not later than March 30, the CAFO shall submit a 4-year financial plan and a
5-year capital plan to the department that includes all capital needs of the housing authority. If
the department finds clear and convincing evidence of a demonstrable threat to tenant safety
attributable to the conduct of the executive director or financial misconduct or criminal activity
by the executive director, the department may terminate the employment of the executive
director in accordance with the executive director’s employment agreement with the authority as
approved by the department.

Section 26C. (a) The department shall establish a program based on best practices to
allow authorities to work collaboratively and shall provide capital, maintenance and repair
planning and technical assistance to housing authorities that shall facilitate the capturing of
economies of scale through increased collaboration relative to, but not limited to, bulk
purchasing, capital planning and capital projects. The program shall include 3 capital assistance
teams, which shall aid housing authority members and executive directors in developing and
managing the housing authority’s capital, maintenance and repair program, including: (i)
developing a capital, maintenance and repair plan as required in the housing authority’s annual
plan under section 26B; (ii) preparing applications for special capital project funds; (iii)
implementing capital improvement, maintenance and repair projects; (iv) managing updates to
the department’s capital planning, maintenance and repair systems; (v) facilitating coordination
among housing authorities to ensure efficient use of capital and maintenance funds; and (vi)
other functions related to capital planning, renovation, maintenance, repair and redevelopment as
the department considers necessary; provided, however, that the capital assistance team shall
provide services to the housing authority without requiring payment for the services by the
housing authority. The capital assistance teams shall be located in diverse regions to be
designated by the department.

(b) All housing authorities may participate in the program; provided, however, that those
housing authorities with 500 or fewer state-aided units shall participate in the program. The
department may grant a waiver of this requirement to a housing authority that demonstrates that
the assistance is not necessary based upon the housing authority’s performance under the
performance based monitoring and assessment standards of section 26B.

(c) Each capital assistance team shall be employed in offices at a host housing authority. Three host housing authorities shall be selected by the department. The department shall develop
and issue a request for proposals to solicit proposals from housing authorities to serve as a host
housing authority; provided, however, that the department shall select not more than 1 host
housing authority in each of the designated regions. The department shall promulgate regulations
to increase the salary of the host housing authority director.

(d) Each capital assistance team shall have a director to be hired by the host housing
authority in consultation with the department. The director shall hire project management and
capital planning staff to work directly with housing authorities to provide the technical assistance
described; provided, however, that no staff member shall individually oversee more than 2,500
units on a permanent basis.

(e) Each capital assistance team shall have an advisory board consisting of 11 members. The host housing authority shall appoint 1 of its own board members to the advisory board; the
department shall appoint 1 member, who shall have at least 5 years of experience as the manager
of not less than 200 units of privately owned housing; and the department shall promulgate
regulations establishing election procedures for the selection of the remaining 9 members. The
department shall limit eligibility for election to members of participating housing authorities in
the region. The advisory board shall meet on a quarterly basis with the capital assistance team
director, host housing authority director and the director of the department or a designee of the
director of the department and shall discuss issues of program performance and coordination.

Section 26D. Housing authorities shall post on the wall of the community center for each
of its developments the names, addresses, phone numbers, email addresses or other means of
contact for all members and senior staff. Housing authorities shall maintain a website that shall
display the same information.

The department shall promulgate regulations to implement this section.

SECTION 9. Said chapter 121B is hereby further amended by inserting after section 28
the following section:-

Section 28A. (a) Each housing authority shall submit to the department an annual plan.
The annual plan shall state the housing authority’s goals and objectives to meet or improve upon
the department’s performance based review and assessment standards under section 26B. The
annual plan shall further include the housing authority’s capital improvement, maintenance and
repair plans for the following year and address deficiencies in meeting applicable performance
standards.
(b) The housing authority shall make the annual plan available for public review and comment through an annual public hearing. Not later than 45 days before the date of a public hearing, the housing authority shall publish a notice informing the public of the agenda items which shall be covered at the hearing, including, but not limited to, the housing authority’s: (i) proposed operating budget; (ii) proposed capital plan; and (iii) specific plan to meet or improve upon the performance based review and the assessment standards under section 26B.

(c) The department shall promulgate regulations to implement this section.

SECTION 10. Section 29 of said chapter 121B, as appearing in the 2012 Official Edition, is hereby amended by striking out the first paragraph and inserting in place thereof the following 4 paragraphs:-

The members of a housing authority shall annually, at a time to be determined by the department, file with the department a written report for its last preceding fiscal year. The report shall be filed in the manner prescribed by the department and shall contain an agreed upon procedure for review of housing authority financial records, an annual plan as provided for in this chapter and other information as the department may require.

Each housing authority shall contract with an independent external auditor to prepare the agreed upon procedures for review of housing authority financial records. An external compliance auditor shall perform not more than 5 consecutive agreed upon procedures for review of housing authority financial records for a housing authority; provided, however, that the department may grant a waiver of this requirement to a housing authority that proves unsuccessful in procuring bids from multiple external auditors qualified to perform the housing authority’s state compliance audit. The department shall promulgate procedures, rules or regulations prescribing the requirements to be included in the agreed upon procedures for review of housing authority financial records.

The report, agreed upon procedures for review of housing authority financial records and the annual plan, shall be made available to the public on the department’s website, as well as the housing authority’s website required under section 26D. Failure of the members of a housing authority to provide the department with the required written report may constitute neglect of duty and may subject a responsible member to removal proceedings pursuant to section 6.

Housing authorities shall be subject to audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary. The auditor shall have access to the written report required by this section and shall have the power to examine the property and records of housing authorities and to prescribe methods of accounting. In determining the audit frequency of housing authorities, the state auditor shall consider the materiality, risk and complexity of housing authority activities, as well as the nature and extent of prior audit findings. Each housing authority may be audited separately or as a part of an audit covering multiple housing authorities.
The department shall investigate the budgets, finances and other affairs of housing authorities and the housing authority’s dealings, transactions and relationships. The department may, severally with the state auditor, examine the properties and records of housing authorities and prescribe methods of accounting and the rendering of periodical reports in relation to clearance and housing projects undertaken by such authorities. The department shall make, amend and repeal rules and regulations prescribing standards and stating principles governing the planning, construction, maintenance and operation of clearance and housing projects by housing authorities.

SECTION 11. Said section 34 of said chapter 121B, as so appearing, is hereby further amended by striking out, in lines 208 and 209, the words “the state auditor or”.

SECTION 12. Said chapter 121B is hereby further amended by inserting after section 38B the following 2 sections:

Section 38C. The department shall establish and implement a program to conduct annual surveys of public housing residents. The department shall develop the annual survey in conjunction with stakeholders, including public housing residents. The survey shall be conducted by the department and shall preserve the anonymity of the residents. The survey shall be conducted in languages which reflect the native languages spoken by tenants residing in the housing authorities and the survey respondents shall be allowed to respond in their native language. The survey shall include, at a minimum, questions about maintenance and repair of units, housing authority communication to residents, resident participation in housing authority governance, resident safety and resident services, including, but not limited to, job training programs. The department shall establish procedures to conduct physical inspections of a representative sample of units in conjunction with the survey; provided further, that the results of the survey shall be used to evaluate the housing authority’s performance under section 26B. Housing authorities shall have the right to respond to the results of the surveys in writing within 60 days of the results being transmitted to the housing authority by the department.

Section 38D. (a) (1) As used in this section, the following words shall have the following meanings, unless the context clearly requires otherwise:

“Affordable housing”, homeownership or rental housing which is restricted to occupancy by low or moderate income households of 1 or more persons and for which the sale price or rent is affordable as defined by the criteria for inclusion in the department’s subsidized housing inventory or consistent with funding sources.

“Affordable housing development”, a development of new or rehabilitated affordable housing which may include market-rate housing if such market-rate housing is reasonably necessary for the financial feasibility of construction or operation of the affordable housing.
“Extremely low income household”, a household with a gross income at or less than 30 per cent of area median household income as most recently determined by the United States Department of Housing and Urban Development, adjusted for household size.

“Housing authority”, a housing authority established pursuant to section 3.

“Low or moderate income household”, a household with gross income at or less than 80 per cent of area median household income as most recently determined by the United States Department of Housing and Urban Development, adjusted for household size; provided, however, that in Nantucket or Dukes county “low or moderate income household” shall mean persons and households earning less than 150 per cent of Nantucket or Dukes county median household income as reported from time to time by the United States Department of Housing and Urban Development.

“Market-rate housing”, homeownership or rental housing which is not restricted to occupancy by low or moderate income households; provided, however, that “market-rate housing” may be available for occupancy by households without regard to income and may also include housing subject to maximum income limits to be occupied by households with gross income greater than 80 per cent but not more than 150 per cent of the area median household income as most recently determined by the United States Department of Housing and Urban Development, adjusted for household size.

“Program”, the regional public housing innovation program under this section.

“Public housing”, state-assisted housing developed through funds provided under chapter 200 of the acts of 1948, chapter 667 of the acts of 1956, chapter 705 of the acts of 1966, chapter 689 of the acts of 1974 and chapter 167 of the acts of 1987.

“Regional housing authority”, a housing authority established pursuant to section 3A.

“Very low income household”, a household with a gross income at or less than 50 per cent but greater than 30 per cent of area median household income as most recently determined by the United States Department of Housing and Urban Development, adjusted for household size.

(2) The department shall develop a regional public housing innovation program. The program shall be designed to achieve: (i) innovative models for the development, redevelopment and repair of public housing; (ii) innovative models for improved management of public housing; (iii) increased coordination among several housing authorities; (iv) increased economic efficiencies; and (v) the expansion of economic opportunities for tenants and the commonwealth. The department shall establish criteria to evaluate a regional housing authority’s application for the program.
(b)(1) A regional housing authority may apply to the department for approval to participate in the program. Participation shall be limited to applicants that have the ability to plan and carry out activities under the program, as evidenced by their prior performance in the operation and maintenance of public housing, demonstrate a need to redevelop and repair occupied and vacant public housing units and other appropriate factors as determined by the director of the department.

(2) The department may determine the housing authorities participating in the program; provided, however, that the total number of authorities shall not exceed 4. To be eligible to participate in the program, a housing authority shall be a regional housing authority under section 3A. Not more than 3 of the participating housing authorities shall have not fewer than 7 participating communities and portfolios of not fewer than 750 state-aided public housing units. Not less than 1 of the 4 authorities shall have a portfolio of between 250 and 700 state-aided public housing units and not fewer than 10 participating communities. In selecting participating authorities, the department shall establish criteria that provides for representation of housing authorities having various characteristics, including housing authorities serving urban, suburban and rural areas and housing authorities in various geographical regions throughout the commonwealth. The department shall create a position within the department to provide assistance to housing authorities during the process of becoming a regional housing authority under section 3A. Nothing in this section shall prohibit participation by an otherwise eligible housing authority on Nantucket Island or Martha’s Vineyard.

(3) The department shall require program applicants to describe how tenants shall be provided with independent technical assistance sufficient to allow them meaningful and informed input and shall encourage applications that demonstrate, create or seek to achieve, with respect to public housing: (i) innovative models for the redevelopment and repair of public housing, including housing for the elderly and frail; (ii) innovative models for improved management; (iii) coordination among several housing authorities; (iv) economic efficiencies; and (v) expansion of economic opportunities for tenants and the commonwealth. Additionally, the department shall encourage applications that achieve the development of affordable housing.

(4) The department shall act on the application within 90 days of its submission and shall approve not more than 4 applications that meet the criteria established by the director. The department and the participating housing authority shall enter into a program participation agreement summarizing the terms of participation, voluntary withdrawal and termination for material default and a timetable for achieving objectives of the program. The initial term of participation shall be 10 years, which shall be extended in whole or in part by the department so long as: (i) the housing authority has made satisfactory progress toward its goals; (ii) the extension will meet the original objectives of the program; and (iii) the housing authority has not received a negative evaluation pursuant to subsection (n).
(5) Upon expiration, withdrawal or termination of an agreement, the department shall work cooperatively with the housing authority in a transition process. The transition process may provide for retention of elements of the program implemented during participation, including, but not limited to, contractual agreements with third parties that contain terms that extend beyond the term of participation that were referenced in the program participation agreement, approved annual plans or approved annual reports.

(c) The department, subject to appropriation, shall disburse all funding for a participating housing authority or regional housing authority on a predictable schedule to permit and encourage planning and efficiency by the housing authority. Further, the department shall increase participating regional housing authorities annual operating subsidy by providing an additional subsidy which is equal to 20 per cent of the regional housing authority’s annual budget for elderly and family state public housing, minus the cost of utilities.

(d) Except for subsection (g), if any provision of this chapter conflicts with the powers granted under this section or substantially restricts a housing authority’s ability to achieve the goals specified in its application or plan, such provision shall not apply to a housing authority or regional housing authority approved by the department to participate in the public housing innovation program, to the extent the department determines it is necessary.

(e) Regional housing authorities participating in the program shall, in addition to those powers conferred in this chapter, have the following powers:

(i) to combine all forms of assistance received from the commonwealth and other sources, including, but not limited to, public housing operating subsidies appropriated by the commonwealth through a general appropriations act and public housing modernization funds authorized by the commonwealth to be funded through the sale of general obligation bonds, other funds or grants; provided, however, that a housing authority shall not receive diminished assistance by virtue of participation in the program under this section;

(ii) to establish a reasonable rent policy, which shall be included in the annual plan required by subsection (h), that shall: (A) provide for rents that are affordable to tenants throughout the term of the program; (B) be designed to provide incentives to improve employment and training and self-sufficiency by participating families; (C) include transition and hardship provisions; (D) include in the transition period a limit on rent increases in any 1 year related solely to the change in the rent policy to not more than 10 per cent for the duration of the transition period; (E) provide a rent cap for tenant households at or below 50 per cent of area median income, adjusted for family size, of not more than the maximum tenant rental payments, including, if applicable, minimum rents, permitted by section 32; and (F) provide a rent cap for elderly and handicapped persons of low income of not more than the maximum tenant rental payments including, if applicable, minimum rents, permitted by said section 32 and subsection (e) of section 40;
(iii) to establish, and include as part of the annual plan required by subsection (h), local methods of tenant or homeowner selection; provided, however, that the method shall be fair, objective, public and shall not discriminate against an applicant based on a protected category in chapter 151B or violate other fair housing laws or department policies and provides admissions preferences for homeless households, veterans and victims of domestic violence;

(iv) to create efficient, fair and open procurement policies for supplies, services and real property, designed to reduce costs and to meet local need, which shall be included in the annual plan required by subsection (h);

(v) to participate in a mixed public-private affordable housing development or create legal entities or instrumentalities necessary to participate in mixed public-private affordable housing development designed to rehabilitate, repair, replace or develop affordable housing, including public housing developments and projects developed pursuant to sections 26, 34 and 40;

(vi) to create partnerships or consortia with other public or private entities for the operation, financing or development of any program otherwise authorized by law;

(vii) to acquire property to carry out its purposes and to dispose of property of the local housing authority without repayment of bonds to the commonwealth, notwithstanding any provision of this chapter to the contrary, unless otherwise required by law or contract; provided, however, that the proceeds of such disposition shall be applied to acquisition, operation, development, rehabilitation or repair of public or affordable housing consistent with the limitations on use of proceeds in subclause (E) of clause (3) of subsection (g); and

(viii) to enter into energy services contracts in accordance with section 11C of chapter 25A for a period of up to 20 years.

(f) Projects pursuant to this section may include a mix of extremely low income households, low or moderate income households and market-rate housing and may utilize any available source of rental subsidy or financial assistance; provided, however, that operating subsidies appropriated by the general court and bond funds authorized by the general court for the benefit of low rent housing projects operated pursuant to sections 32 and 40 shall not be used to fund capital or operating costs other than those for the redevelopment, repair and operation, including services benefitting the tenants, of such housing.

(g) Notwithstanding subsection (d), the local housing authority shall:

(i) comply with section 12, related to wages, labor requirements and the Social Security Act;

(ii) comply with section 29, related to wage rates and collective bargaining;
(iii) retain the same number of public housing units as existed before participation in this program and to the greatest extent possible: (A) provide for full tenant participation, including public hearings, on adoption or material amendment of its annual plan as required under subsection (h); (B) provide for a tenant lease and grievance procedure substantially similar to that in effect prior to entry into this program; (C) provide that evictions shall be only for good cause; (D) assure that housing assisted under this program is decent, safe and sanitary and that, excepting any market-rate housing, the housing is deed restricted to occupancy by extremely low income households, very low income households or low and moderate income households at affordable rents or sales prices, in perpetuity or for such other term as may be approved by the department, consistent with funding sources; and (E) assure that proceeds from the disposition of public housing and funds generated from new affordable and market-rate housing created to replace public housing, unless restricted to a particular use, shall be allocated to the reconstruction, rehabilitation or repair of public housing developments;

(iv) assure that if a participating housing authority redevelops its public housing units, all households residing in the units at the time of planned redevelopment shall receive relocation assistance, if eligible, under this chapter or other applicable statutes; provided however, that such households shall have the right to return to the redeveloped public housing, unless such household is determined to be in unlawful occupancy prior to the approval of the housing authority’s application, has materially breached the lease agreement or has been evicted for cause, under applicable law, subject to units of the appropriate size and requirements being available; provided further, that such households shall have priority for placement over new applicants;

(v) comply with chapter 334 of the acts of 2006; and

(vi) comply with the audit requirements of section 29.

(h) Each housing authority participating in this program shall prepare an annual plan. Tenants assisted by the housing authority and the wider community shall be provided with adequate notice and opportunities to participate in the development and preparation of the plan. The tenants shall be provided an opportunity to comment and make recommendations on the plan which shall include not less than 1 public hearing held at a time and location that the participating housing authority reasonably believes will facilitate attendance by and input from tenants.

The annual plan shall:

(i) state the housing authority’s goals and objectives under the program for its fiscal year;

(ii) describe the housing authority’s proposed use of assistance for activities under the program for the fiscal year;
(iii) describe how the housing authority will achieve the repair and redevelopment of public housing;

(iv) state the housing authority’s proposed income mix for its housing portfolio of: (A) extremely low income households; (B) very low income households; (C) low or moderate income households; and (D) market-rate housing;

(v) explain how the housing authority’s proposed activities will meet its goals and objectives;

(vi) include appropriate budgets and financial statements; and

(vii) describe the tenant participation procedure and what independent technical assistance will be made available to tenants.

A plan submitted pursuant to subsection (i) shall be deemed approved unless the department, within 60 days of submission, issues a written disapproval. The department shall disapprove the plan if the department reasonably determines, based on information contained in the plan or other reliable information available to the department, that the plan does not comply with this section or other applicable law or cannot reasonably be expected to achieve the purposes of this section. The housing authority shall notify tenants of such approval or disapproval.

(i) In place of all other planning and reporting requirements of the department, each housing authority participating in this program shall submit to the department an annual report, in a form and at a time specified by the department. The annual report shall be the primary means by which the housing authority shall be required to provide information to the department, to tenants and the public on the activities assisted under this section during a fiscal year, unless the department has reason to believe that the housing authority has violated the terms of the program.

Each annual report shall:

(1) document the housing authority’s use of assistance under the program, including appropriate financial statements;

(2) describe and analyze the effect of assisted activities in addressing the objectives of this section, including the effect of rent and tenant selection policies;

(3) state the previous year’s income mix of residents in the housing authority’s public housing and affordable housing developments under this program;

(4) include a certification by the housing authority that it has prepared an annual plan in accordance with subsection (h);
(5) describe and document how the housing authority has provided tenants assisted under
the program and the wider community with opportunities to participate in the development or
material modification of the annual plan and an opportunity to comment on the annual plan
which shall include not less than 1 public hearing;

(6) include a report on the annual incomes of persons served in the previous year; and

(7) include other information as may be required by the department pursuant to
subsection (k) to determine the effectiveness of the program.

(j) A report submitted pursuant to subsection (i) shall be deemed approved unless the
department, within 60 days of submission, issues a written disapproval because the department
reasonably determines, based on information contained in the report or other reliable information
available to the department, that the housing authority is not in compliance with this section or
other applicable law.

(k) Each housing authority shall keep such records as the department may prescribe as
reasonably necessary to document the amount of funds and the disposition of funds under this
program, to ensure compliance with the requirements of this section and to measure
performance.

(l) The department shall have access, for the purpose of audit and examination, to any
books, documents, papers and records that are pertinent to the requirements of this section and
assistance given in connection with this section; provided, however, that reporting shall be
conducted solely through the annual report unless the department has reason to believe that the
housing authority is not in compliance with this program.

(m) The state auditor shall have access, for the purpose of audit and examination, to any
books, documents, papers and records that are pertinent to the requirements of this section and
assistance given in connection with this section.

(n) Each authority shall be evaluated by an independent evaluator twice during the initial
term of participation and periodically thereafter, in accordance with standards adopted by the
department, to determine the success of initiatives undertaken to achieve the purposes set forth in
this section and the housing authority’s plan.

(o) The department shall establish a manner in which to post the housing innovations
plan, annual report, independent evaluation and other public records pertaining to each housing
authority’s public housing innovations program established pursuant to this section so that the
progress of each public housing innovations program is publicly available and free to access.

(p) The department shall establish a 9 member advisory committee whose members shall
include the director of the department or a designee, 1 representative selected by Citizens
Housing and Planning Association, Inc., 1 representative selected by the Massachusetts chapter
of the National Association of Housing and Redevelopment Officials, 1 representative selected
by the Massachusetts Union of Public Housing Tenants, Inc., 1 representative selected by the
Massachusetts Coalition for the Homeless, Inc., and 4 additional members chosen by the director
of the department, 1 of whom shall have at least 5 years of experience as the manager of not less
than 200 units of privately owned housing, to provide advice and recommendations to the
department regarding regulations to implement this section and to provide ongoing assistance in
determining the effectiveness of the program.

(q) The department shall adopt regulations implementing this section.

(r) The department shall annually report to the house and senate committees on ways and
means and the joint committee on housing on the participation of housing authorities in the
public housing innovations program.

SECTION 13. Notwithstanding any general or special law to the contrary, each capital
assistance team established by the department of housing and community development pursuant
to section 26D of chapter 121B of the General Laws shall complete a survey of all department or
housing authority owned surplus land within 1 year of the effective date of this act. The capital
assistance teams shall use the results of the survey to coordinate communication and resources
between local housing authorities and the department to encourage development of the land for
new units of affordable housing. The capital assistance teams and the department shall also work
collaboratively with local veterans’ service officers and veterans’ service organizations to
facilitate the use of surplus land and housing units for the development of affordable housing
units for disabled veterans. The department shall report the results of the survey to the joint
committee on housing within 90 days of the completion of the survey.

SECTION 14. Within 1 year of the effective date of this act, the department of housing
and community development shall establish and implement a single statewide centralized wait
list for state-aided public housing, after consultation with representatives of local housing
authorities, municipal officials, public housing residents and public housing industry professional
organizations. Such centralized wait list shall enable public housing applicants to submit a
standardized application through a centralized internet website or through any housing authority.
An applicant for tenancy in a housing authority may designate a preference by naming housing
authorities. All housing authorities shall use the centralized wait list for selection of public
housing tenants, with all local preferences and other preferences applied as required by law.

SECTION 15. The department shall conduct an investigation and study of the feasibility
and benefits of an alternative to the requirement of section 5A of chapter 121B of the General
Laws. The study shall evaluate alternatives, including but not limited to, permitting a town to
establish a housing authority board of 7 or more members, 1 of whom is a tenant, permitting a
town to establish a tenant advisory board to review a housing authority’s financial and capital
planning decisions and under what circumstances, if any, a town may be exempt from the
requirements of said section 5A of said chapter 121B. The department shall make
recommendations and shall submit its findings to the joint committee on housing not later than
December 31, 2014.