

SENATE No. 2292

The Commonwealth of Massachusetts

—————
In the Year Two Thousand Fourteen
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SENATE, Tuesday, July 22, 2014

The committee on Ways and Means, to whom was referred the House Bill relative to local housing authorities (House, No. 4316); reports, recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 2292.

For the committee,
Stephen M. Brewer

SENATE No. 2292

The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

1 SECTION 1. The first paragraph of section 5 of chapter 121B of the General Laws, as
2 appearing in the 2012 Official Edition, is hereby amended by adding the following sentence:-
3 Every member of a housing or redevelopment authority shall be a fiduciary of the housing or
4 redevelopment authority.

5 SECTION 2. Said section 5 of said chapter 121B, as so appearing, is hereby further
6 amended by striking out, in line 8, the word “four” and inserting in place thereof the following
7 figure:- 3.

8 SECTION 2A. Said section 5 of said chapter 121B, as so appearing, is hereby further
9 amended by striking out, in line 11, the word “years,” and inserting in place thereof the
10 following words:- years and.

11 SECTION 3. Said section 5 of said chapter 121B, as so appearing, is hereby further
12 amended by striking out, in lines 12 and 13, the words “, and the one receiving the next highest
13 number of votes shall serve for one year”.

14 SECTION 4. Said section 5 of said chapter 121B, as so appearing, is hereby further
15 amended by adding the following 2 paragraphs:-

16 The department shall promulgate regulations establishing election procedures for tenants'
17 organizations to elect a tenant as a member of the housing authority in the town. If a tenant
18 organization holds an election in compliance with the department's regulations, the board of
19 selectmen shall appoint the tenant who wins the election as a member. Alternatively, a tenants'
20 organization may submit a list which contains not less than 2, but not more than 5 names to the
21 board of selectmen who shall make the selection from among the names submitted; provided,
22 however, that, where no public housing units are owned and operated by the housing authority
23 and no such units are owned and operated on behalf of the housing authority, the board of
24 selectmen shall appoint a tenant of the housing authority from lists submitted in accordance with
25 this section. If no tenants' organization is established or if no list of names is submitted within 60
26 days after a vacancy occurs, the board of selectmen shall solicit applications from tenants and
27 shall appoint a tenant of its choosing to the authority. The department shall notify in writing
28 tenant organizations and the board of selectmen as specified in this section not less than 90 days
29 prior to the expiration of the term of a tenant member. Whenever a vacancy occurs in the term of
30 a tenant member for any reason other than the expiration of a term, the housing authority shall
31 notify in writing the department, the tenant organizations and the board of selectmen within 10
32 working days after the vacancy occurs. The board of selectmen shall make an appointment
33 within a reasonable time after the expiration of 60 days after the notice. The department may
34 grant a waiver of this requirement if a tenant has been elected pursuant to this section.

35 The department may provide regulations creating an exemption of this section's tenant
36 member requirement in towns with over 300 units of federal public housing if federal law
37 requires the town to maintain a tenant member as 1 of the 5 members.

38 SECTION 5. Said chapter 121B is hereby further amended by inserting after section 5 the
39 following section:-

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

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

57 The department shall further provide independent technical assistance training to tenant
58 members. The department shall develop the training with the goal of enabling tenant members to

59 participate fully in the oversight of the housing authority's operation and capital planning. The
60 department may permit tenants who are not members to attend technical assistance training.

61 Once appointed, all members shall complete the training program, as developed by the
62 department, within 90 days of assuming the member's position. Members shall complete a
63 training program every 2 years. Failure to complete the training program within 90 days of
64 assuming a position as a member or failure to complete the training program every 2 years may
65 constitute neglect of duty and that member may be subject to removal proceedings pursuant to
66 section 6.

67 SECTION 6. Said chapter 121B is hereby further amended by inserting after section 7 the
68 following section:-

69 Section 7A. The department shall promulgate guidelines for contracts to be executed by
70 the housing authority and an executive director. The department may review all contracts
71 between the housing authorities and executive directors and all terms for payments or monetary
72 remuneration relevant to state payments. The department may strike contract provisions that do
73 not conform to the guidelines.

74 SECTION 7. Said chapter 121B is hereby further amended by inserting after section 26A
75 the following 3 sections:-

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

78 (b) The department shall establish and implement a performance-based monitoring
79 program and develop and provide uniform assessment standards for evaluating housing authority

80 operations. The assessment standards may incorporate public housing industry standards and
81 measures and federal monitoring standards as applicable. The monitoring program and
82 assessment standards established by the department shall be structured to enable the department
83 to identify housing authorities that are failing to meet the minimum standards and to develop and
84 implement corrective action plans and targeted assistance by the department to improve
85 performance to a satisfactory level.

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

97 (d) The department shall establish guidelines for designating a housing authority as
98 “chronically poor performing” under the monitoring program. The department shall develop
99 these guidelines in consultation with representatives of local housing authorities, municipal
100 officials, public housing residents and public housing industry professional organizations. If a
101 housing authority is designated as “chronically poor performing”, the department may appoint a
102 chief administrative and financial officer, CAFO, who shall be responsible for the overall

103 administration of the housing authority. The department shall appoint the CAFO for a term of not
104 more than 3 years. The CAFO shall be appointed solely on the basis of administrative and
105 executive qualifications and shall be a person especially fitted by education, training and
106 experience to perform the duties of the office. The CAFO shall not be required to be a resident of
107 the commonwealth or of the same municipality in which the housing authority to be administered
108 is located. The powers and duties of the CAFO shall include the following: (i) coordinating,
109 administering and supervising financial services and activities; (ii) implementing and
110 maintaining uniform systems, controls and procedures for financial activities; (iii) reviewing
111 proposed contracts and obligations; (iv) reviewing the spending plan for each department; and
112 (v) evaluating the housing authority's current annual plan under section 28A and implementing a
113 written plan to meet the department's assessment standards established pursuant to this section,
114 including, but not limited to, merging with another housing authority or regional housing
115 authority. Annually not later than March 30, the CAFO shall submit a 4-year financial plan and a
116 5-year capital plan to the department that includes all capital needs of the housing authority.

117 Section 26C. (a) The department shall establish a program to provide capital planning and
118 technical assistance to housing authorities. The program shall include 3 capital assistance teams,
119 which shall aid housing authority members and executive directors in developing and managing
120 the housing authority's capital program, including: (i) developing a capital plan as required in the
121 housing authority's annual plan under section 26B; (ii) preparing applications for special capital
122 project funds; (iii) implementing capital improvement projects; (iv) managing updates to the
123 department's capital planning system; (v) facilitating coordination between housing authorities to
124 ensure efficient use of capital and maintenance funds; and (vi) other functions related to capital
125 planning, renovation and redevelopment as the department deems necessary; provided, however,

126 that the capital assistance team shall provide services to the housing authority without requiring
127 payment for such services by the housing authority. The capital assistance teams shall be located
128 in diverse regions to be designated by the department.

129 (b) Housing authorities with 500 or fewer state-aided units shall participate in the
130 program. The department may grant a waiver of this requirement to a housing authority that
131 demonstrates that such assistance is not necessary based upon the housing authority's
132 performance under the performance based monitoring and assessment standards of section 26B.

133 (c) Each capital assistance team shall be employed in offices at a host housing authority.
134 Not more than 3 host housing authorities shall be selected by the department. The department
135 shall develop and issue a request for proposals to solicit proposals from housing authorities to
136 serve as a host housing authority; provided, however, that the department shall select not more
137 than 1 host housing authority in each of the designated regions. The department shall promulgate
138 regulations to increase the salary of the host housing authority director.

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

144 (e) Each capital assistance team shall have an advisory board, which shall consist of 11
145 members. The host housing authority shall appoint 1 of its own board members to the advisory
146 board; the department shall promulgate regulations establishing election procedures for the
147 selection of the remaining 10 members. The department shall limit eligibility for election to

148 members of participating housing authorities in the region. The advisory board shall meet on a
149 quarterly basis with the capital assistance team director, host housing authority director and the
150 director of the department or a designee of the director of the department, and shall discuss
151 issues of program performance and coordination.

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

156 The department shall promulgate regulations to implement this section.

157 SECTION 8. Said chapter 121B is hereby further amended by inserting after section 28
158 the following section:-

159 Section 28A. (a) Each housing authority shall submit to the department an annual plan.
160 The annual plan shall state the housing authority's goals and objectives to meet or improve upon
161 the department's performance based review and assessment standards under section 26B. The
162 annual plan shall further include the housing authority's capital improvement plans for the
163 following year and address deficiencies in meeting applicable performance standards.

164 (b) The housing authority shall make the annual plan available for public review and
165 comment through an annual public hearing. Not later than 45 days before the date of a public
166 hearing, the housing authority shall publish a notice informing the public of the agenda items
167 which shall be covered at the hearing, including, but not limited to, the housing authority's: (i)
168 proposed operating budget; (ii) proposed capital plan; and (iii) specific plan to meet or improve
169 upon the performance based review and the assessment standards under section 26B.

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

171 SECTION 9. Section 29 of said chapter 121B, as appearing in the 2012 Official Edition,
172 is hereby amended by striking out the first paragraph and inserting in place thereof the following
173 3 paragraphs:-

174 The members of a housing authority shall annually, at a time to be determined by the
175 department, file with the department a written report for its last preceding fiscal year. The report
176 shall be filed in the manner prescribed by the department and shall contain an audited financial
177 statement, an annual plan as provided for in this chapter and other information as the department
178 may require. Each housing authority shall contract with an independent external auditor to
179 prepare the audited financial statement which shall be prepared in accordance with such
180 generally accepted accounting principles and reporting practices prescribed by the American
181 Institute of Certified Public Accountants, or its successor organization. An external auditor shall
182 perform not more than 3 consecutive audits for a housing authority. The department may grant a
183 waiver of this requirement to a housing authority that proves unsuccessful in procuring bids from
184 multiple external auditors qualified to perform the housing authority's state and federal audit.
185 The report, including the audited financial statement and the annual plan, shall be made available
186 to the public on the department's website, as well as the housing authority's website required
187 under section 26D. Failure of the members of a housing authority to provide the department with
188 the required written report may constitute neglect of duty and may subject a responsible member
189 to removal proceedings pursuant to section 6.

190 Housing authorities shall be subject to audit by the state auditor, in accordance with
191 generally accepted government auditing standards, as often as the auditor determines is

192 necessary. The auditor shall have access to the written report required by this section and have
193 the power to examine the properties and records of housing authorities and to prescribe methods
194 of accounting. In determining the audit frequency of housing authorities, the state auditor shall
195 consider the materiality, risk and complexity of housing authority activities, as well as the nature
196 and extent of prior audit findings. Each housing authority may be audited separately or as a part
197 of an audit covering multiple housing authorities.

198 The department shall investigate the budgets, finances and other affairs of housing
199 authorities and the housing authority's dealings, transactions and relationships. The department
200 may, severally with the state auditor, examine the properties and records of housing authorities
201 and prescribe methods of accounting and the rendering of periodical reports in relation to
202 clearance and housing projects undertaken by such authorities. The department shall make,
203 amend and repeal rules and regulations prescribing standards and stating principles governing the
204 planning, construction, maintenance and operation of clearance and housing projects by housing
205 authorities.

206 SECTION 10. Section 34 of said chapter 121B, as so appearing, is hereby amended by
207 striking out the eighth paragraph.

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

210 SECTION 12. Said chapter 121B is hereby further amended by inserting after section
211 38B the following 2 sections:-

212 Section 38C. The department shall establish and implement a program to conduct annual
213 surveys of public housing residents. The department shall develop the annual survey in

214 conjunction with stakeholders, including public housing residents. The survey shall be conducted
215 by the department and shall preserve the anonymity of the residents. The survey shall be
216 conducted in languages which reflect the native languages spoken by tenants residing in the
217 housing authorities and the survey respondents shall be allowed to respond in their native
218 language. The survey shall include, at a minimum, questions about maintenance and repair of
219 units, housing authority communication to residents, resident participation in housing authority
220 governance, resident safety and resident services, including, but not limited to, job training
221 programs. The department shall establish procedures to conduct physical inspections of a
222 representative sample of units in conjunction with the survey; provided, however, that the results
223 of the survey shall be used to evaluate the housing authority's performance under section 26B.
224 Housing authorities shall have the right to respond to the results of the surveys in writing within
225 60 days of the results being transmitted to the housing authority by the department.

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

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

232 "Affordable housing development", a development of new or rehabilitated affordable
233 housing which may include market-rate housing if such market-rate housing is reasonably
234 necessary for the financial feasibility of construction or operation of the affordable housing.

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

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

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

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

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

254 “Public housing”, state-assisted housing developed through funds provided under chapter
255 200 of the acts of 1948, chapter 667 of the acts of 1956, chapter 705 of the acts of 1966, chapter
256 689 of the acts of 1974 and chapter 167 of the acts of 1987.

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

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

262 (2) The department shall develop a regional public housing innovation program. The
263 program shall be designed to achieve: (i) innovative models for the development, redevelopment
264 and repair of public housing; (ii) innovative models for improved management of public
265 housing; (iii) increased coordination among several housing authorities; (iv) increased economic
266 efficiencies; and (v) the expansion of economic opportunities for tenants and the commonwealth.
267 The department shall establish criteria to evaluate a regional housing authority’s application for
268 the program.

269 (b)(1) A regional housing authority may apply to the department for approval to
270 participate in the program. Participation shall be limited to applicants that have the ability to
271 plan and carry out activities under the program, as evidenced by their prior performance in the
272 operation and maintenance of public housing, demonstrate a need to redevelop and repair
273 occupied and vacant public housing units and other appropriate factors as determined by the
274 director of the department.

275 (2) The department may determine the housing authorities participating in the program;
276 provided, however that the total number of authorities shall not exceed 4. To be eligible to
277 participate in the program, a housing authority shall be a regional housing authority under
278 section 3A. Not more than 3 of the participating housing authorities shall have fewer than 7

279 participating communities and portfolios of fewer than 750 state-aided public housing units. Not
280 less than 1 of the 4 authorities shall have a portfolio of between 250 and 700 state-aided public
281 housing units and not fewer than 10 participating communities. In selecting participating
282 authorities, the department shall establish criteria that provides for representation of housing
283 authorities having various characteristics, including housing authorities serving urban, suburban
284 and rural areas and housing authorities in various geographical regions throughout the
285 commonwealth. The department shall provide assistance to housing authorities during the
286 process of becoming a regional housing authority under section 3A. Nothing in this section shall
287 prohibit participation by an otherwise eligible housing authority on Nantucket Island or Martha's
288 Vineyard.

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

297 (4) The department shall act on the application within 90 days of its submission and shall
298 approve not more than 4 applications that meet the criteria established by the director. The
299 department and the participating housing authority shall enter into a program participation
300 agreement summarizing the terms of participation, voluntary withdrawal and termination for
301 material default and a timetable for achieving objectives of the program. The initial term of

302 participation shall be not more than 10 years, which shall be extended in whole or in part by the
303 department so long as: (i) the housing authority has made satisfactory progress toward its goals;
304 (ii) the extension will meet the original objectives of the program; and (iii) the housing authority
305 has not received a negative evaluation pursuant to subsection (n).

306 (5) Upon expiration, withdrawal or termination of an agreement, the department shall
307 work cooperatively with the housing authority in a transition process. The transition process
308 may provide for retention of elements of the program implemented during participation,
309 including, but not limited to, contractual agreements with third parties that contain terms that
310 extend beyond the term of participation that were referenced in the program participation
311 agreement, approved annual plans or approved annual reports.

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

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

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

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

331 (ii) to establish a reasonable rent policy, which shall be included in the annual plan
332 required by subsection (h), that shall: (A) provide for rents that are affordable to tenants
333 throughout the term of the program; (B) be designed to provide incentives to
334 improve employment and training and self-sufficiency by participating families; (C) include
335 transition and hardship provisions; (D) include in the transition period a limit on rent increases in
336 any 1 year related solely to the change in the rent policy to not more than 10 per cent for the
337 duration of the transition period; (E) provide a rent cap for tenant households at or below 50 per
338 cent of area median income, adjusted for family size, of not more than the maximum tenant
339 rental payments, including, if applicable, minimum rents permitted by section 32; and (F)
340 provide a rent cap for elderly and handicapped persons of low income of not more than the
341 maximum tenant rental payments including, if applicable, minimum rents permitted by said
342 section 32 and subsection (e) of section 40;

343 (iii) to establish, and include as part of the annual plan required by subsection (h), local
344 methods of tenant or homeowner selection; provided, however, that the method shall be fair,

345 objective, public and shall not discriminate against an applicant based on a protected category in
346 chapter 151B or violate other fair housing laws or department policies and provides admissions
347 preferences for homeless households, veterans and victims of domestic violence;

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

351 (v) to participate in a mixed public-private affordable housing development or create
352 legal entities or instrumentalities necessary to participate in mixed public-private affordable
353 housing development designed to rehabilitate, repair, replace or develop affordable housing,
354 including public housing developments and projects developed pursuant to sections 26, 34 and
355 40.

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

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

364 (viii) to enter into energy services contracts in accordance with section 11C of chapter
365 25A for a period of up to 20 years.

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

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

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

376 (ii) comply with section 29 , related to wage rates and collective bargaining;

377 (iii) retain the same number of public housing units as existed before participation in this
378 program and to the greatest extent possible: (A) provide for full tenant participation, including
379 public hearings, on adoption or material amendment of its annual plan as required under
380 subsection (h); (B) provide for a tenant lease and grievance procedure substantially similar to
381 that in effect prior to entry into this program; (C) provide that evictions shall be only for good
382 cause; (D) assure that housing assisted under this program is decent, safe and sanitary and that,
383 excepting any market-rate housing, the housing is deed restricted to occupancy by extremely low
384 income households, very low income households or low and moderate income households at
385 affordable rents or sales prices, in perpetuity or for such other term as may be approved by the
386 department, consistent with funding sources; and (E) assure that proceeds from the disposition of
387 public housing and funds generated from new affordable and market-rate housing created to

388 replace public housing, unless restricted to a particular use, shall be allocated to the
389 reconstruction, rehabilitation or repair of public housing developments;

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

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

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

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

408 The annual plan shall:

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

410 (ii) describe the housing authority's proposed use of assistance for activities under the
411 program for the fiscal year;

412 (iii) describe how the housing authority will achieve the repair and redevelopment of
413 public housing;

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

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

419 (vi) include appropriate budgets and financial statements; and

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

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

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

436 Each annual report shall:

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

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

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

443 (4) include a certification by the housing authority that it has prepared an annual plan in
444 accordance with subsection (h);

445 (5) describe and document how the housing authority has provided tenants assisted under
446 the program and the wider community with opportunities to participate in the development or
447 material modification of the annual plan and an opportunity to comment on the annual plan
448 which shall include not less than 1 public hearing;

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

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

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

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

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

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

469 (n) Each authority shall be evaluated by an independent evaluator twice during the initial
470 term of participation and periodically thereafter, in accordance with standards adopted by the

471 department, to determine the success of initiatives undertaken to achieve the purposes set forth in
472 this section and the housing authority's plan.

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

477 (p) The department shall establish a 9 member advisory committee whose members shall
478 include the director of the department or a designee, 1 representative selected by Citizens
479 Housing and Planning Association, Inc., 1 representative selected by the Massachusetts chapter
480 of the National Association of Housing and Redevelopment Officials, 1 representative selected
481 by the Massachusetts Union of Public Housing Tenants, Inc., 1 representative selected by the
482 Massachusetts Coalition for the Homeless, Inc., and 4 additional members chosen by the director
483 of the department to provide advice and recommendations to the department regarding
484 regulations to implement this section and to provide ongoing assistance in determining the
485 effectiveness of the program.

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

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

490 SECTION 13. Notwithstanding any general or special law to the contrary, each capital
491 assistance team established by the department of housing and community development pursuant
492 to section 26D of chapter 121B of the General Laws shall complete a survey of all department or

493 housing authority owned surplus land within 1 year of the effective date of this act. The capital
494 assistance teams shall use the results of the survey to coordinate communication and resources
495 between local housing authorities and the department to encourage development of the land for
496 new units of affordable housing. The department shall report the results of the survey to the joint
497 committee on housing within 90 days of the completion of the survey.

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