

**Asset Repositioning Discussion and Recommendations for the State Aided
Public Housing Portfolio**

Final Report

Submitted to:

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I. Executive Summary

There are currently approximately 43,000 units of state-aided public housing units operated by Local Housing Authorities (LHAs) in the Commonwealth of Massachusetts. Based on the most recent capital needs assessment, it is estimated that there is a backlog of approximately \$3.2 billion in work needed to modernize this portfolio and this amount may even be understated. Based on current funding levels provided for state capital work and the arduous process in undertaking such projects, there is a legitimate concern regarding the ability to preserve the state units as a long-term affordable housing asset.

TAG Associates, Inc. was retained by the Massachusetts Chapter of the National Association of Housing and Redevelopment Officials (MassNAHRO) to review the various components involved with the preservation of state aided public housing with a goal of:

1. Identifying current legislative or other procedural impediments to the current implementation of capital projects and which prevent the leveraging of other private and public funding sources which could be utilized to finance capital improvements.
2. Proposing recommendations that can both improve the efficiency of current projects, as well as provide a potential funding mechanism for future portfolio preservation projects.

As part of its scope of work, TAG performed the following tasks:

- Reviewed current formula funding mechanism in place for state capital projects.
- Reviewed current process for identifying state capital projects and their implementation through RCATs – through discussion with RCATs to understand current system and bottlenecks.
- Reviewed current relevant statutes and regulations governing state capital projects.
- Reviewed current state funding programs available – through the Department of Housing and Community Development (DHCD), which is now known as the Executive Office of Housing & Livable Communities (EOHLC)
- Interacted with other third parties to discuss current existing work on the issue – this included a review of project costs for construction projects undertaken by LHAs in Boston and Cambridge and the additional costs incurred because of current rules and regulations such as state prevailing wages.
- Reviewed current capital needs assessments for state portfolio and determined what that figure represents in terms of capital needs.
- Analyzed feasibility of potential recommendations, including but not limited to:
 - Strategies that would facilitate the leverage of private financing to support additional state capital investment.
 - Use of alternative procurement in lieu of Chapter 149 filed sub-bids (and potentially Chapter 30 requirements)
- Identified potential legislative and appropriations recommendations that would support initiatives determined to be of interest by MassNAHRO and its members.
- Conducted a variety of financial analyses, including:
 - Comparing EOHLC operating cost methodology versus what would be made available if the methodology recommended by the Public Housing Operating Cost Study (PHOCS) were to be adopted.
 - Running a repositioning cost analysis based on a sample of LHA developments utilizing HUD HCC and TDC limits for use as initial benchmarks in projecting portfolio-wide capital needs; and
 - Estimating the amount of additional Housing Assistance Payment (HAP) appropriations to fund estimated capital needs.

The following are some of the major recommendations being proposed by TAG for review and consideration by MassNAHRO:

- 1) Work with the Executive Office of Housing and Livable Communities (EOHLC) to modify some of its current authorizations under its Moving to Work (MTW) Agreement with HUD to create a Local Blended Subsidy (LBS) as an add-on to current operating formula expenses approach. This could potentially be done using EOHLC block grant authority using funds provided for Section 8 Housing Assistance Payments. Additionally, EOHLC could consider utilizing MTW funding for capital improvements or new construction in support of redevelopment by LHAs, as opposed to regional non-profits. This could include the federalization of some existing state public housing units or the addition of new units when there is availability under the HUD Faircloth cap.
- 2) Conduct outreach to and partner with elected federal representatives to advocate for an allocation of incremental funding for Section 8 Housing Assistance Payments of up to \$50 million per year for the next 10 years to support using as debt financing to fund capital improvements needed to reposition a significant portion of the state-assisted public housing portfolio. This represents only 0.2% of current annual federal housing choice voucher appropriations.
- 3) Develop a portfolio-wide, 10-year repositioning plan for state aided public housing to identify proposed treatments of individual developments, sequence and prioritize projects based upon identified criteria. The plan should provide for well-funded project capital reserve accounts to allow LHAs to properly plan for future capital improvements needed to maintain their properties as viable housing in the future. For implementation, this would require adjustments to EOHLC and LHA based and regional based capital improvement administration and monitoring to administer the increased volume of capital projects more efficiently and effectively. This will also require ensuring smaller LHAs are not prevented from undertaking projects through both available technical assistance and available funding to meet liquidity and net worth requirements of lenders and investors. A state guarantee fund through a portion of a bond authorization may be an approach to addressing this matter.
- 4) Identify housing developments as part of the 10-year planning process for which it is more appropriate to reconfigure or replace units versus solely providing capital improvements. This could be aided by creating a state definition of public housing obsolescence like what HUD has in place for federal public housing. Work with the appropriate funding agencies to designate these developments for priority consideration in receiving capital funds and where appropriate and feasible, receive allocations of low-income housing tax credits (LIHTCs). This could be through set-aside categories or points scoring for competitive funding sources. For these identified properties, develop a stabilization program with associated funding to assure the units remain as viable housing units for continued occupancy until such time as redevelopment takes place. The State can also expand upon existing successful programs through initiatives such as expanding the eligibility and amount of Partnership to Expand Housing Opportunities (PEHO) funding, as well as allowing for the project basing of vouchers under the Massachusetts Rental Voucher Program (MRVP).
- 5) Identify specific proposals for implementing needed regulatory and statutory changes to help reduce the cost of undertaking capital repairs, as well as expedite the procurement and contracting process for making the repairs and other rehabilitation work needed to sustain properties for the next 20 years in a manner consistent with contemporary housing standards. Potential changes may include allowing LHAs to take advantage of exemptions for pre-transfer of properties when the LHA or controlled affiliate is the developer, exemptions from prevailing wage and procurement obligations or filed sub-bids for projects over a certain dollar threshold and allowing LHAs to undertake development opportunities under the

- MBTA Communities initiative. This will require a collaborative process with stakeholders and industry professionals.
- 6) Assess other potential available capital funding opportunities that can be leveraged to finance capital improvements in the short term. These may include initiatives through the Inflation Reduction Act's nearly \$40 billion to be made available for Clean Energy and Climate Change and for which affordable housing is a priority. This could also include the allotment of additional MRVP vouchers to project-base where budget authority exists. This would involve expanding partnerships with local governments to allocate eligible resources as supplemental funding for repositioning projects.

II. Background on the State-Aided Public Housing Portfolio

Throughout the Commonwealth of Massachusetts there are approximately 43,000 units of state-aided public housing operated by local public housing authorities (LHA) across the state. Seeking to support vulnerable populations, many of these units fall under one of three state public housing programs including:

- Elderly/Handicapped Low-Income Housing (Chapter 667)
- Family Low-Income Housing (Chapters 200 and 705); and
- Special Needs Housing (Chapter 689 and 167)

Of the 43,000 units, approximately 70% house elderly and handicapped low-income renters, one quarter house families, and about 11% of the housing stock is allocated to special needs housing. While housing developments built under Chapter 200 and 705 are older, on average, than chapters 689, 667, and 167, the typical age of state aided public housing is around 52 years old.

Based on data provided by EOHLC, the total expired costs of the state aided public housing units, as shown by the component-based backlog in the CPS system, is estimated at about \$3.2 billion. This assumes replacing every item beyond its expiration date, which we recognize as unrealistic. However, this estimate also does not include associated soft costs which can be up to another 30%. Additionally, this figure also does not account for costs associated with hazardous materials abatement or capital improvements that involve accessibility upgrades, work items required for state or local code compliance and "green" and energy efficiency measures, including relocating utilities underground or building system upgrades, in support of climate change solutions and which will also help to reduce future operating costs of the portfolio.

It is important to note that there are some funding differences between the LHA owned housing programs. For example, while most housing programs listed above are funded at various levels by the state and receive financial support for operating and capital expenses, units and developments under Chapter 689 do not receive any financial support from the State. To be considered for this housing program, residents are referred by whichever Health and Human Services (HHS) agency based on the applicant needs and the services offered at each program or housing development. LHA's do not select residents for these programs and residents' living arrangements are managed by the Department of Mental Health or the Department of Developmental Services. Thus, while the LHA owns the building, it is leased to a residential services provider who supplies service staff necessary to support and assist residents. It follows that LHAs with Chapter 689 dwellings must fund basic building maintenance with tenant rent and

no subsidy whereas the other housing programs do receive more financial support from the Commonwealth's EOHLC for operations and major repairs.

Operating Funding

In most years since the early 2000s, EOHLC has increased the allowable non-utility expense level (ANUEL) annually. However, the annual increases have varied widely, from -4.7% to 12%, and the allowable expense level and resulting operating subsidy provided by EOHLC is significantly behind the actual funding need when compared with federally aided public housing. The 2005 Harvard Public Housing Operating Cost Study (PHOCS) for Massachusetts state-aided public housing found that the ANUEL for state-aided public housing funded by EOHLC at that time was anywhere from 27% to 92% below the amount needed to adequately operate state assisted housing developments based on their assessment of development characteristics and comparable costs for other publicly assisted housing in Massachusetts. The methodology used by the Harvard study to determine operating cost needs was similar, but not identical to the methodology that was adopted by HUD based on the 2003 Harvard Operating Cost Study for federal public housing. Although the approved ANUEL was increased 82% between 2005 and 2021, our analysis shows that if EOHLC had adopted the recommended PHOCS formula operating funding levels for state-aided public housing, funding would be substantially higher than they are today. This inadequate method of funding operating costs continues to contribute to a further acceleration of capital needs due to continued deferral of needed capital improvements.

These large swings in the amount of operating funding for state aided public housing poses significant challenges for LHAs when trying to plan for routine maintenance or contributions to operating reserves intended to cover unanticipated operating deficits and unplanned capital repairs. While the State does currently fund utility operating expenses at the actual expense levels, with costs savings from energy-saving improvements retained by the LHAs in many cases, using a budget-based formula in lieu of a needs-based formula such as the PHOCs formula forces LHAs to choose between an array of essential operating services, which in many cases are either not provided or are not provided at a level required to sustain all housing in decent, safe and sanitary condition.

While the correlation between underfunded operating subsidies and increased capital expenses should not be underestimated, it is important to note that strides have been made in helping LHAs manage capital improvements in a more efficient and effective manner. For example, the Regional Capital Assistance Team (RCAT) program, funded through EOHLC, provides experienced and skilled technical assistance resources to help bolster and support the work of smaller LHAs throughout Massachusetts. Chosen through a competitive process, LHAs can utilize one of three regional technical assistance teams which are deployed to assist LHAs in conducting physical needs assessments, planning for and executing capital plans, and developing maintenance plans and managing projects. The major objectives of the RCAT program are described as:

- Increasing the technical capacity available for smaller LHAs and, as a result, maximizing the utility of EOHLC's capital program that currently disburses \$90 million per year for the modernization and development of state public housing; and
- Facilitating collaboration across LHAs to capture economies of scale through bulk purchasing, bulk procurements, and other innovations.

While the state has made efforts to improve the management and delivery of capital program services, it is not sufficient alone in addressing substandard physical conditions in the state-aided portfolio as the

level of efficiency and effectiveness of the RCATs is not nearly enough to offset the extraordinarily high unfunded capital needs that exists throughout the public housing program.

Capital Improvements

An overview of available capital programs is provided in Appendix A. Aside from an insufficient amount operating funding, there is a notable discrepancy between how capital improvements are funded and the accrued capital needs of the state aided public housing units.

Although the expired costs of the state aided public housing units is vast and LHAs have historically had trouble accessing enough capital funds, it would be remiss not to mention that the State FY2022 Capital Budget allocates \$256 million to EOHLC. The distribution of this sum apportions \$146 million for the production and preservation of affordable housing and \$100+ million to support the state-aided public housing portfolio. These amounts are further spread between 25 affordable housing and community development programs. The delineation of appropriations per program included in the new annual budget can be seen in Appendix C.

Furthermore, the State Senate finalized its spending plan for spending the majority of the state's federal American Rescue Plan Act (ARPA) fiscal recovery funding, which included \$150 million of a total of \$595 million in funds accessible to state-aided public housing. The full amount for various housing related initiatives is dispersed as follows:

- **\$115 million** to support the production and preservation of affordable rental housing for residents of municipalities disproportionately impacted by COVID-19 through one or more of the following: Massachusetts Housing Finance Agency, Massachusetts Housing Partnership and Community Economic Development Assistance Corporation. For projects receiving federal or state low-income housing tax credits, state tax exempt bond financing or other state financial assistance in the form of grants or loans.
- **\$150 million** for a reserve to rehabilitate and modernize state-aided public housing developments through the funding of infrastructure improvements.
- **\$150 million** for a reserve to support the production of permanent supportive housing for chronically homeless individuals, families, youth and young adults, survivors of domestic violence, seniors and veterans through programs administered by EOHLC; funds for acquisition and development shall be encouraged to be integrated with other federal, state and municipal resources for operating subsidies and services.
- **\$180 million** for expanding various Homeownership Opportunities Initiatives.

While recent state appropriations for affordable housing offer some optimism that LHAs can begin to address the expired costs and replacement housing needs of state assisted housing developments, a significantly higher level of capital financing is required to prevent the loss of existing state aided housing. Further, even though these additional funds may alleviate some of the financial obstacles and deficiencies that LHAs have faced, there are still major obstacles to sound management operations and modernizations/redevelopment of the housing stock. These include State prevailing wage rates above Davis Bacon and the limitations set forth by Chapter 149 which increase the cost burden of addressing publicly funded capital needs.

Under current Massachusetts prevailing wage laws, LHAs face an increase in costs for any work requiring contractors and sub-bidders. While the objective of the Prevailing Wage Program is to ensure that all contractors will have the opportunity to operate on a level playing field with regards to labor costs and receive all the pay to which they are entitled, the program poses financial difficulties for LHAs in several

ways. For example, because the State assesses wage rates above the federal standard in most cases, and LHAs must pay the higher of the two, labor costs will be higher. Additionally, for projects lasting more than one year, awarding authorities must request an updated rate schedule from the Massachusetts Department of Labor Standards (DLS), which will become effective on the anniversary date of the contract, and may increase costs difficult to forecast at the outset of a project.

Discussed more in the following section, Chapter 149 of the Massachusetts General Laws outlines the rules and regulations of labor and industries. This law may apply if there is:

- Direct or indirect public ownership in part of or the entire project
- Public or quasi-public financing in the form of equity or debt, or assumption of risks or provision of guarantees
- Significant public entity control over the construction, rehabilitation, or design of the project,
- Construction to serve a specific public purpose or public use.

Generally, depending on the contract cost, which can fall under one of five different cost brackets, the State outlines specific procedural requirements that the projects and laborers must adhere to. For example, for procurement, projects under \$10,000 simply must use sound business practices in selecting a contractor, whereas projects estimated to cost between \$10,000-\$50,000 must prepare a solicitation which includes a scope of work statement. For projects estimated to be between \$50,000-\$150,000, there must be a bid that is in accordance with the competitive bidding procedure set forth in MGL c.30, section 39M, and for projects over \$150,000, building contracts must have a filed a sub-bid and certification. For those estimated to be over \$10 million, projects are subject to additional requirements for prequalification of general contractors and subcontractors submitting sub-bids.

As it stands today, the prescriptive nature of this law prolongs the restoration and modernization process that LHAs must go through to revamp their public housing stock. These cumbersome procedural requirements hinder the expediency of projects that might otherwise provide much needed relief to severely distressed units and buildings. Along with the other impediments summarized above, it becomes clear that there are three major issues currently affecting LHAs that need to be addressed:

1. More funding is needed to assist LHAs in remedying their operating and capital funding shortfalls.
2. Improvements in the streamlining and dispersal of funds should be considered.
3. Certain legal and structural obstacles which limit LHAs from upgrading their infrastructure and hinder their ability to upgrade and reposition the state-aided public housing portfolio.

Additionally, in accordance with the provisions of M.G.L. Chapter 7, the LHA is required to use the EOHLC Designer Selection process when design services are required for building- related work if the estimated construction cost is \$100,000 or greater, or the fee for design services is \$10,000, or greater.

Exceptions. The LHA does not have to use the EOHLC Designer Selection Process if: the construction budget for a Modernization job is greater than \$10,000 but less than \$100,000. In this case, the LHA may use a modified Designer Selection Procedures for jobs where the construction estimate is under \$100,000 or when the design fee is under \$10,000. In this case, a public selection process for selection is still required, but no Master File Brochure is required.

The following sections of this report will expand upon the identified concerns and offer solutions to help bolster affordable housing efforts across the State. In taking this approach, TAG Associates' final recommendations offer a holistic perspective for ways in which the Commonwealth can best support the advancement of the state-aided public housing portfolio.

III. Analysis and Assessment of State Housing Portfolio's Capital Needs

The Commonwealth of Massachusetts has a large state-aided public housing portfolio which consists of many housing developments which are approaching their third, fourth, fifth, sixth, seventh and even eighth decade of development life. Routinely, multifamily housing is maintained and expected to be renovated in what are customarily 20-year cycles. The state-aided public housing program has no real process for treating many housing developments in a comprehensive manner. It does have a capital program which is based largely on near term needs of fix up and repair which includes upgrades and replacements of major building systems and equipment. EOHLC assesses what it largely considers the essential capital repair needs of public housing and defines its overall estimate of these needs as “expired costs”. The total amount of the expired costs portfolio wide approaches about \$2.2 billion, which realistically is an amount that is beyond the capacity of the Commonwealth to fund in the foreseeable future. As further illustration, the State’s 2023 Capital Investment Plan allocates \$110 million to address all of the state public housing capital needs. This gap is particularly the case when considering that even this estimate will continue to grow due to continued accelerated deterioration when considering the mean age of the largest program (Chapter 667 housing developments) is approximately 54 years and its second largest (Chapter 200 housing developments) is approximately 74 years. These two programs consist of about 41,000 units out of a total just under 43,000, which is 95% of the total housing stock.

EOHLC and the over 240 Local Housing Authorities (LHAs) have done an extraordinary job at preserving and maintaining the large number of units, which are now on average one half to three quarters of a century old without a methodology to adequately address major rehabilitation and repositioning typical of multi-family housing in the private and privately owned publicly assisted sectors. Using the 20-year cycle, it is clear that the majority of the state-aided portfolio has missed two to three cycles of comprehensive reinvestment. The expired cost methodology and process used by EOHLC to allocate scarce capital funds, while subject to inherent inefficiencies, has been largely successful in minimizing the loss of this valuable state asset. In conducting select physical needs assessments of housing developments throughout the Commonwealth, we found that the accuracy and reliability of the state expired costs estimates were generally quite sound, though they are limited to funding replacement values only. These estimates also only consider “like for like” replacement (and not capital upgrades or improvements) and they totally exclude supporting soft costs which will be required to complete the projects. Nevertheless, the absence of a long-term strategy for reinvestment and providing a consistent method for funding ongoing housing operations will eventually lead to a significant amount of state-assisted housing developments facing both physical and functional obsolescence. In the case of the federal public housing portfolio, obsolescence is one basis in which HUD will allow the demolition and/or disposition (to development owner entities, of which the LHA is typically a member) in support of redevelopment.

The preservation of the state-assisted public housing program units must be an essential part of any strategy for meeting the Commonwealth’s dire affordable housing shortage. This preservation strategy, along with incentives for producing affordable housing, is critical to the long term social and economic health of the Commonwealth, which is a view widely shared across the political spectrum in Massachusetts. Any loss of public housing will have a significant detrimental effect on the Commonwealth’s ability to address the overwhelming need for decent, safe and sanitary housing affordable to its low income and most vulnerable residents for which there already exists an inadequate

supply. Given the age and characteristics of the housing in the state-aided portfolio, it is imperative that a strategy and plan for reinvestment be developed now.

In approaching the size and scale of the reinvestment needed in state-assisted public housing, it is first important to examine the cost of doing so. While the comprehensive physical assessment of the housing was beyond the scope of this study, the costs of addressing the portfolio can be reasonably benchmarked. In doing so, looking at HUD development and construction costs for the areas covered in the Commonwealth of Massachusetts can be used to derive an estimate. Knowing the age, location, and bedroom configuration of the nearly 43,000 units of state aided public housing, the following methodology in estimating the full costs of repositioning and sustaining the portfolio is being used:

To determine the actual construction costs, the HUD Housing Construction Cost (HCC) Limit component of Total Development Costs (TDC) Limit was used in the following manner:

- a) for units up to 30 years old, 50% of the HCC
- b) for units 31-50 years old, 80% of the HCC, and
- c) for units over 50 years old, 100% of the HCC

(See attached repositioning cost analysis in Appendix G)

Of course, major demolition, unit reconfiguration and new construction replacement would drive this cost even higher so the amount that is being estimated using this methodology should be considered conservative. Using this methodology, we arrive at a total housing need for funding only hard construction costs of approximately \$6.3 billion. When adding other essential soft costs (such as Architectural and Engineering), the number approximates \$7 billion per the attached. Even a \$6.3 billion estimate is nearly three times the total expired cost need currently estimated by EOHLIC.

If funding the full expired cost need is out of reach using the current funding process employed by the Commonwealth, certainly funding \$6-\$7 billion in needs is even more so. Accordingly, a new approach to funding the needs of public housing is required. In addressing the long-term repositioning needs of federally assisted public housing, a financing method which has been evolving over the past 30 years consists of a mixed finance approach where primarily (but not exclusively) private debt is accessed, as well as private equity typically provided through the Low-Income Housing Tax Credit (LIHTC) program. Unfortunately, Massachusetts, along with several other states, is severely limited in the amount of non-competitive tax credit allocations it can access due to restrictions resulting from private activity volume bond cap limits. Many affordable housing renovation and new construction projects wait years before they can be eligible to receive an allocation of private activity bonds needed to generate 4% LIHTCs. Without a lifting of the private activity volume bond cap nationally, this problem will continue to severely restrict the amount of LIHTC equity available for treating the capital needs of state-assisted public housing, along with statutory restrictions in place for using private investment for state-aided public housing.

Absent direct appropriations to meet the repositioning needs of state-assisted public housing through cash grants from appropriations by the General Court, the other option would be to raise the needed funds through debt financing (either private or public). In the analysis conducted, if the debt required to meet the full \$6.3 billion were to be the only source of funding, the annual amount required for debt service would be anywhere from \$482 million to \$644 million (see attached in Exhibit K). This is an amount that also would likely be considered unrealistic given the other needs of the Commonwealth. Therefore, in looking at how to raise the needed capital, there would need to be some major structural changes required

in the financing of state-aided public housing, along with an approach to access federal housing financial resources which is discussed further below.

EOHLC is unique in a few respects where it is considered a Public Housing Agency (PHA) by HUD which administers Section 8 Housing Choice Vouchers (HCVs). EOHLC is a participant in HUD's Moving to Work (MTW) Program that enables it to bypass many requirements of the 1937 Housing Act in order to structure local programs to better meet the needs of low-income public housing eligible households (a vast majority of which are residents of state-aided public housing). While work would be needed to revise the specific authorizations in the EOHLC MTW Agreement, as well as revise its MTW Annual Plan, many MTW agencies are permitted to undertake Local Blended Subsidy Programs which permit Section 8 funds (when block granted by an MTW agency) to supplement existing public housing. It is proposed that EOHLC seek such an authorization enabling it to use its MTW Block Grant authority to supplement the funds appropriated by the Commonwealth for public housing operations to have the block grant funds used primarily for raising the debt needed to finance the repositioning of state-aided public housing developments.

A first concern in using Section 8 funds for state-aided public housing would be that EOHLC already uses the funds to assist households in largely private units by providing rental assistance. If it were to use these existing funds for state-aided public housing, it would be reducing the total amount of state households served by diverting these funds to the preservation of state-aided public housing. This is likely not an acceptable approach to many, including members of the General Court. The preference would be to access additional Section 8 housing assistance from HUD and the US Congress. This is not an easy task, however when given the context of national appropriations for the Section 8 program, it is not necessarily unrealistic. The President proposed an increase of 200,000 HCVs in last year's White House budget request and the entire state aided public housing program is approximately 45,000 units. Moreover, the additional appropriation could be phased in over a period of years given that a complete repositioning of state-aided public housing could not occur in just one year, but likely over the course of 10 years or more. There just is not sufficient capacity to undertake all the planning, community engagement and construction work required for all developments in a shorter time period. An increase of \$45 to \$50 million a year to the Commonwealth from HUD under its Section 8 rental assistance budget for Public and Indian Housing would represent less than two tenths of one percent each year in the federal budget for HCVs. This level of increase to preserve nearly 45,000 units of existing low-income housing is expected to be worthy of consideration at the federal level, especially since the Commonwealth is the only state of the three remaining with state public housing that is already directly funding basic capital repairs and operations of the housing. As such, this proposed appropriation would not need to be replicated in other states.

Private debt can be one source of accessing the capital funding needed on a housing development basis, but it could also be that the Commonwealth could support a lower borrowing cost through the issuance of its own bonds to finance the debt (with the Commonwealth earning fees if it issues the bonds) with the additional Section 8 assistance as the source for covering principal and interest payments. This method of funding capital repairs for state-aided public housing has been undertaken in the past when the Section 8 New Construction and Rehabilitation Programs were in existence. If more acceptable, this is a way that the capital funds could still come through and be administered by the Commonwealth (presumably through EOHLC). Again, the capacity to administer the increase in funds would need to be given attention for this process to be successful.

IV. Legislative and Regulatory Challenges to the Efficient and Effective Delivery of Operating Services and Capital Improvements

Procurement and Construction Process

LHAs must operate under the requirements of M.G.L. Chapter 149 and Chapter 30 when procuring general contractors and subcontractors for any modernization, rehab, or new construction work on properties owned directly or indirectly the LHA or that are financed or guaranteed with public funds, which includes virtually any significant work by LHAs on their developments. The requirements include filed sub-bids for work over \$150,000, each of which must be reviewed by the LHA. The required filed sub-bid review includes, in addition to verification of DCAMM eligibility certification and required bid deposit, a complete review of each sub-bid for completeness, responsiveness, clarity, and bid conditions, as well as verification of subcontractor eligibility for the class of work, verification of sufficient subcontractor project limit, and verification of sufficient subcontractor bonding capacity. In addition, for work over \$10 million, an RFQ must be issued for both contractors and subcontractors, followed by an RFP. For all work over \$150,000, the subcontractors must prepare a bid form that is submitted with the general contractor's bid.

Chapter 149 requirements mandate an onerous and demanding process for hiring general contractors and subcontractors for larger projects. The review and screening process for sub-bids that awarding authorities must undertake not only consumes a lot of staff time, but also taxes the expertise of LHAs that do not have dedicated modernization or developments staff with experience required to perform the extensive multi-level review of the sub-bids and subcontractors. The process is also challenging for subcontractors who must prepare the sub-bids.

Although the underlying purposes of Chapter 149 in ensuring open competition for all aspects of work done using public funds, as well as obtaining well-qualified bidders at the best possible lowest price, should not be discounted, in practice, it hinders the cost-efficient and timely delivery of capital improvements. Especially for smaller LHAs, the required RFQ process and detailed sub-bid review substantially increase the cost and time required for procurement of all but the smallest and most limited capital projects which acts as a discouragement for LHAs to undertake needed modernization and redevelopment. In addition, the time and costs required to prepare the sub-bid documents may discourage qualified subcontractors from participating in bids for LHA projects. Recommendations for maintaining the integrity of the public construction process while improving its execution are presented in Section V of this report.

EOHLC Process for Estimating Capital Needs and Allocating Funds

As discussed in the preceding section, LHAs in Massachusetts use EOHLC's formula funding (FF) program as the methodology to receive and access state-aided public housing capital funds. Included in the EOHLC program budget for FF is EOHLC's web-based capital planning system (CPS), which catalogues the condition of every building and site in the state-aided public housing portfolio. CPS also includes a Facility Condition Index (FCI) for every development that compares the value of expired components, which is assessed through a state-commissioned capital needs assessment, to the sum of the replacement costs for said components.

Once capital needs and costs are determined and then entered in CPS, the program aggregates LHA level FCI into a single comprehensive statewide needs assessment. This allows the state to compare FCIs for individual developments to the overall FCI for the Commonwealth. Using this information, capital funds are disbursed to LHAs based on the immediacy of needs. To calculate the FF allocation, EOHLC's formula is:

$$\text{LHA expired components} / ((\text{portfolio expired components}) \times (\text{programmed formula funding}))$$

Following this logic, developments in better condition will get less formula funding per unit whereas developments in worse condition will get more. Similarly, LHAs with smaller portfolios will receive smaller total allocations because each LHA's FF is based on the number of units in their portfolio. Once FF is awarded, it is a multi-year share of capital funds issued to an LHA that will cover three years of capital funding with a new award made annually. However, LHAs do have cap share and an LHA's annual spending is controlled by EOHLC's bond cap.

Determined by the CPS inventory of expired building and site components, each LHA's FF award is a proportional needs-based share of EOHLC's capital funding. LHAs must have an EOHLC approved capital improvement plan (CIP) that prioritizes 3 years of capital projects as a pre-condition to spend FF. Each LHA updates its CIP shortly after submitting its annual Operating Budget. CIP amendments and updates must be submitted together, along with an LHA's annual operating budget, so that they can conduct planning for use of capital, operating and maintenance resources to manage its entire state-aided public housing portfolio.

In their CIP, LHAs prioritize such projects beginning with those that address core capital components and important health and safety needs. LHAs use CPS to create capital projects to include in the CIP. Construction costs embedded in CPS are based on conventional sources of component-based construction information. Soft costs are added when the project enters Cap Hub and are calculated as a percentage of the construction cost, usually around 25%, which is probably understated.

When preparing the CIP, LHAs must include a budget scenario showing LHA's active projects and proposed projects, funding sources including FF, and timeframe for planning and construction. Additionally, a narrative is prepared explaining how the projects included in its CIP support EOHLC's FF priorities, where they differ, and why the LHA made these choices.

EOHLC has outlined four priorities for the use of formula funding due to the limited capital and operating resources. These include:

- Keep occupied as many units as possible.
- Optimize life cycle investments.
- Reduce energy and water usage.
- Invest in projects that leverage additional public and private resources.

While most of the LHA's FF award is unrestricted, LHAs must use some of the award for set asides including an Emergency Set Aside—10% for an LHA having no more than 199 public housing units and 15% for an LHA having at least 200 public housing units and a 1% set aside for reasonable accommodations, modifications or other accessibility improvements. These Emergency Set Asides are to remain unplanned meaning that no CIP projects are to be assigned to this funding unless an emergency need develops. This allows LHAs to have funds available to address unforeseen events without having to reconfigure ongoing projects in the CIP. The reserve amount will be computed annually when the LHA submits its annual CIP, but a request can be submitted to draw down the emergency reserve as needed during the plan year. The set aside amount will be the applicable 10% or 15% of the total award balance. Additionally, LHAs with c. 689 or c. 167 for individuals supported by DDS or DMH have separate set-asides for those properties.

Apart from FF, as funding permits, EOHLC may award capital funds to LHAs for sustainability investments, mixed-finance, and high leverage projects, on a competitive basis. EOHLC has also

programmed at least \$5m annually in bond funds for sustainability and resiliency programs. LHAs may also choose to fund a capital project with available operating reserves exceeding 30% of its full reserve level. LHAs may also use c.689 or c.167 operating reserves exceeding 20% of full reserves for capital projects. Although currently unavailable, EOHLC also has a compliance reserve available for projects “required to comply with laws, codes, or regulations covering de-leading, abatement of friable asbestos, removal of abandoned underground oil tanks, and reasonable modification to units, common areas and sites in response to a specific request by, or on behalf of, a resident or anticipated resident with a disability”. To theoretically receive funding from this reserve, LHAs must dedicate operating reserves exceeding 70% of their full reserve to the compliance projects.

RCAT and EOHLC Oversight

Once capital projects are ready to be implemented, Massachusetts allows LHAs to manage their own projects with certain stipulations. LHAs can manage their own projects if they participate in an RCAT and the construction cost is under \$10,000. For projects with construction costs under \$50,000, LHAs can manage on their own if exempt or waived from RCAT requirements or they can have primary responsibility for managing with help from RCATs if not waived or exempt. For LHAs participating in RCAT, the RCAT will take over project management for projects with an estimated construction cost of \$50,000-\$100,000, but EOHLC will have responsibility to select designers, review design submissions, conduct bidding, etc.

For projects with a construction budget of \$50,000 or more, EOHLC initiates, reviews and approves all projects regardless of funding source. All projects over \$25,000 require using the services of a licensed design consultant approved by EOHLC. EOHLC implements a performance-based monitoring program to evaluate housing authority operations.

Disposition of State-Aided Public Housing Units and Mixed-Finance Development

Massachusetts state-aided public housing units were originally designed to be owned by LHAs and receive operating and capital funding from dedicated state funds through EOHLC under the Contract for Financial Assistance (CFA). Massachusetts LHAs may generally receive federal funds and pledge properties owned by them as collateral for loans, as well as issuing bonds. Under the CFA, state-aided public housing developments are under restrictions for 25 to 40 years from the date that they were constructed, or rehabbed with EOHLC state public housing capital funds and these restrictions prohibited the transfer of the property and prevented use of most non-EOHLC funding sources for capital improvement or rehab. The Legislature over the years has created carve outs from these requirements which allow transfer of state-aided units or land and the use of other subsidy platforms and mixed finance funding for certain units under certain circumstances.

- Restrictions on at least some state-aided units can be released if the original EOHLC development grant used to construct or rehab the units is repaid to EOHLC by the LHA.
- Existing state public housing units in need of substantial rehab may be transferred to a controlled affiliate of the LHA for the purpose of securing additional financing for the rehab. The units remain under a CFA and the controlled affiliate is subject to the same approval requirements for rehab plans as the LHA. EOHLC may approve new or replacement affordable units or market rate units (up to 25% of the total units) at a development if they are financially necessary for rehab of the remaining state-aided public housing units in the development. The regulations do not define the threshold for substantial rehabilitation and this determination appears to be at the discretion of EOHLC.

- Current regulations allow for use of private debt, as well as tax credits and other non-state capital funding sources (mixed finance) for state public housing developments requiring substantial rehab that are transferred to an LHA affiliate or for development of new low-income affordable units to be built on vacant land that is part of a state-aided public housing development. Land that is or was under a CFA and is not needed for future state-aided public housing may with approval of EOHLC be developed by the LHA without restrictions or be transferred/sold to another entity for development as new low-income affordable housing using non-EOHLC funding sources, such as federal rental assistance/subsidies, LIHTC, private debt, and other state and federal sources.
- Units approved by EOHLC through competitive applications under two recent mixed finance-type conversions programs, the Public Housing Innovations Funding program (2021) and the Modernization to Independence (MTI) Federalization Program (2018), which allow or encourage LHAs to convert units to non-state operating subsidy platforms, including federal public housing, RAD, or project-project based assistance, and to transfer units to other owners and utilize Low Income Housing Tax Credits, private hard debt, and other non-EOHLC funding sources. These programs were funded with \$30 million and \$3 million respectively and were therefore very limited in their reach.
- State-aided units that were converted to federal Section 8 New Construction or Substantial Rehab project-based rental assistance have been allowed by EOHLC to gradually terminate state restrictions and become fully federally assisted developments. Only a small number of state-aided developments have been eligible for such conversion.

Disposition by an LHA of state aided units other than under one of the above provisions or programs would generally require an act of the Legislature. There are past instances where state public housing developments were released from state restrictions for federalization through such special legislative acts. Not all requirements that are imposed on state-aided public housing are necessarily removed in the event of federal conversions, however. State prevailing wage requirements under C.149, for example, remain in effect after conversion to federal assistance. Under M.G.L. C. 121B, EOHLC is required to report to the Legislature when federal funding becomes available for state public housing units and make recommendations for any legislation that would be required for state public housing units to convert to federal funding and terminate the state assistance.

Allowing LHAs to utilize mixed finance to rehab and redevelop more state-aided public housing developments, through expansion of programs like the Public Housing Innovations Funding and MTI initiatives would enable LHAs to address capital needs through use of Low-Income Housing Tax Credits (LIHTC), private debt, and other federal funding sources. It appears that EOHLC has the legislative authority to initiate such programs for developments that are distressed or require substantial rehab. In addition, EOHLC has a statutory mandate to recommend to the Legislature any legislation that would be necessary to utilize federal funding programs that would otherwise be available for state-aided public housing. Such federal funding could include Project-based Voucher HAP assistance or RAD HAP assistance for LHAs that have available Faircloth units, which are federal units owned, operated or assisted by the LHA. HUD established baseline Faircloth limits as of October 1, 1999, such that if public housing units have been lost and not replaced subsequently to that date, HUD is still authorized to fund the construction or operation of public housing units up to the established Faircloth limits for each LHA. Bringing back Faircloth units and converting them to RAD through project-based vouchers would create operating cash flow for first mortgage financing in support of repositioning. The easing of restrictions on LHA disposition of state-aided units could also enable the use of federal LIHTC, HOME, and Housing Trust Fund funds, as well as facilitate the use of private debt.

V. Options for Treating State-Aided Public Housing

In 2021, the estimated replacement cost of the state-aided public housing programs was over \$13 billion which represents essentially the cost of rebuilding units as is. The market value or the value of creating units which are repositioned in the long term to be sustained for 20 years or more could easily be higher by 40% or more, which would suggest the value of this public asset is easily \$20 billion or more. Many state public housing units are over 50 years old (with the mean age of Chapter 200 units 74 years), indicating that nearly all housing units far surpass the major reinvestment period, which is typically every 20 years. The current condition of the state-aided housing portfolio is truly a testament to the incredible efforts of the over 240 LHAs, the work of Regional Capital Assessment Teams and the Commonwealth's EOHLC. Nevertheless, limiting the capital work on a very old housing stock to routine repairs and replacement will result in the units becoming physically and functionally obsolete in the long term and it appears likely that many housing units are or soon may reach what the industry standard is for obsolescence.

A significant effort is required to address the capital and related operating needs of the state-assisted public housing program. Based on the review and assessment conducted and as reflected earlier in this report, the following recommendations are being offered for consideration.

Develop New Innovative Funding Mechanisms to Cover Significant Existing Capital Needs Which Cannot be Met through the Current Method of Funding Expired Costs

The full need for treating the state-aided public housing programs is estimated to be well over three times the current estimate provided by EOHLC for what it terms "expired costs". The ability to fund capital needs for public housing is significantly constrained due to current methods for funding and competing state budget priorities. For federally subsidized public housing, there has been a significant move away from the public housing subsidy platform to a Section 8 Housing Assistance Payments platform along with accessing private debt and LIHTC equity. For most of the state program, it is limited by policy, as well as availability of LIHTC equity (due to private activity volume bond cap limitations), to follow this overall approach on a large scale that would be required to meet the capital funding needs of existing housing developments. The Administration's Build Back Better initiatives would have offered some opportunity for considering how to better access LIHTC equity had they been enacted. Accordingly, it is recommended that an effort be made to seek incremental funding for state-aided public housing through the federal Section 8 Housing Voucher Program. In the report, we indicate that it is likely that increments of about two tenths of 1 percent of the current federal appropriation for Section 8 Vouchers will be sufficient over a 10-year period to meet the estimated multi-billion dollar capital need for the Commonwealth's public housing program (see Section III) by using these funds to service debt (either private debt on a property basis or a bond issue by the Commonwealth). EOHLC would have block grant authority through its status as a Moving to Work (MTW) agency to utilize these additional funds for Section 8 Housing Assistance Payments (HAP) contracts which in turn would allow for the leverage of private debt in support of repositioning projects. Additionally, the use of block grant funds could be applied towards the federalization of some existing state public housing units, both rehabilitation of existing units and new construction units for those LHAs with HUD Faircloth unit availability to replace previously lost federally subsidized housing units.

Accordingly, in order to effectively allow for Section 8 Housing Voucher funding to be used to support financing capital needs, the Commonwealth of Massachusetts could use its MTW authorization from HUD that has been conferred upon EOHLC. This would require direct negotiations with HUD to allow the funds to be used likely as a “Local Blended Subsidy” for state-aided public housing units that would be phased in on a large portion of the state public housing portfolio over 10 or more years. An extension of the MTW Agreement would likely be necessary along with amendments to the MTW authorizations for EOHLC, as well as the submission of an amended +MTW Plan which provides for implementation of the changes.

Continue to Advocate for Increased Operating Funds to Reduce Deferred Maintenance which only Increases Future Capital Needs

Without question, a lack of predictability and underfunding of operating needs for public housing contributes to accelerating capital improvement needs. In 2005, EOHLC attempted to develop and operating funding system by commissioning a study of operating costs for public housing using the same basic methodology used by HUD and the US Congress, which was performed by Harvard University’s Graduate School of Design (GSD). For federally assisted public housing, the Project Expense Level (PEL), which is like the Annual non-utilities expense level (ANUEL) used by EOHLC, has been the benchmark for funding operating subsidy along with a provision for utilities costs using the previous three- year rolling consumption average for public housing developments. The total amount of operating subsidy available as determined by the formula is referred to as the eligibility level and based on Congressional appropriations, HUD funds at an amount typically equal to 90% to 100% of the operating subsidy eligibility level. That is not the case for state-aided public housing as the funding of operating subsidy is largely based on a budget-based level with an extraordinarily high gap (below) what the state version of the Public Housing Operating Cost Study (PHOCS) indicates should be provided based on an operating needs formula like that used by HUD (see attached exhibit on funding from 2005 through 2020). This shortfall inevitably results in a diminution of operating services, including low levels of maintenance resulting in increased capital needs. As a part of an overall strategy for repositioning the state-aided public housing portfolio, this matter needs to be addressed, especially if there is to be a program and approach to meeting the true full backlog of capital improvement needs. The increase in operating funding could occur with any savings that may result from the increase in capital funding that would come from Section 8 Housing Voucher funding.

Another change which should be given strong consideration is allowing all LHAs to freeze their utilities expense level for state-aided public housing to provide an incentive for pursuing major energy and water consumption improvements, or at least allow for a sharing program in savings between the LHA and the Commonwealth. Currently, this incentive is offered only to LHAs with large reserves and whose State public housing units produce net operating cash flow.

Create 10-Year Portfolio Repositioning Plan for State-Aided Portfolio

Due to the large size of the state-aided portfolio, significant unmet capital needs and limited current available resources, it will be critical to be strategic in terms of the various treatment options, prioritizing and sequencing and identifying the most appropriate development method and financing plan. There is a real need to develop a portfolio-wide 10-year repositioning plan for state aided public housing to serve as a roadmap for both short-term and long-term implementation. The plan should provide for well-funded

project capital reserve accounts to allow LHAs to properly plan for future capital improvements needed to maintain their properties as viable housing in the future to avoid the future use of operating funds for anything more than routine maintenance items and basic management services.

For implementation, this would require adjustments to EOHLC and LHA based and regional based capital improvement administration and monitoring to administer the increased volume of capital projects more efficiently and effectively. This will also require ensuring smaller LHAs are not prevented from undertaking projects through both available technical assistance and available funding to meet liquidity and net worth requirements of lenders and investors on tax credit projects.

Create and Maintain a Regular Program for Treating Very High Capital Needs Housing Developments

As a part of a long-term capital improvement and repositioning program, there will be certain housing developments for which even major upgrades and repairs will likely be insufficient to insure continued viability. These housing developments will require a major redevelopment or replacement of the units. Such redevelopment efforts typically call for funding at a level at or above the actual replacement cost of the unit which may be beyond that which can be reasonably achieved with simple debt financing using supplemental funding such as that to be derived with Section 8 Voucher Program funding. *It is recommended that a program comparable to a mixed finance approach be implemented as has been done previously in select cases for housing developments determined to be high needs or meeting a definition of severely distressed.* This could be accomplished by creating a definition of “obsolescence” for state aided public housing similar to what HUD has had in place for a long-time for federally subsidized developments. It is based on housing type and estimated rehab costs being above a certain percentage of the total development cost standard in effect for the locality.

These housing developments could be made eligible on a selected basis to receive priority for allocations of Low-Income Housing Tax Credits and direct grants from the Commonwealth to implement a comprehensive revitalization or replacement strategy to assure long term viability and affordability. This could be achieved through the creation of set-aside categories in the Qualified Allocation Plan (QAP) or through adding a points category for state public housing to improve competitiveness of projects. In so doing and where needed, the Commonwealth should allow the repayment of the original development grant which created the project to be waived (as HUD does where applicable). Such projects where there is a sound plan should also be permitted to be transferred to a new alternative ownership entity that would be required by a tax credit equity investor and perhaps a private lender.

The State can also expand upon existing successful programs through initiatives such as expanding the eligibility and amount of Partnership to Expand Housing Opportunities (PEHO) funding, as well as allowing for the project basing of vouchers under the Massachusetts Rental Voucher Program (MRVP).

Implement Cost Savings Measures to Support the Significant Investment in Capital Improvements

For some time, LHAs and public housing professionals have been critical of certain requirements of Chapter 149 and have asked for relief. In recent years, an assessment and survey conducted by the Cambridge Housing Authority found significantly higher costs (in some cases of 30% or more) were the result of using the requirement to use the higher state prevailing wage rate rather than the federally mandated Davis Bacon Wage rate. *It is recommended that for this capital improvement program for state-aided public housing Davis Bacon be the wage rate that is required and that for capital projects*

under \$5 million, the filed sub bid requirement be eliminated. These changes would improve the ability to be more cost effective in the undertaking of this ambitious capital improvement program.

Currently, EOHLC requires that a licensed Architect be used for any capital work that is estimated to cost above \$25,000. LHAs and RCAT staff have consistently indicated that this requirement significantly increases the time required for making capital repairs, as well as increases the cost of repairs. We recommend that this cap on requiring the use of a licensed Architect be increased to reduce the time needed for repairs and the cost attributable to this requirement.

Other potential regulatory and statutory changes that could be considered include allowing LHAs to take advantage of exemptions for pre-transfer of properties when the LHA or controlled affiliate is the developer, exemptions from certain prevailing wage and procurement obligations or filed sub-bids for projects over a certain dollar threshold, including as proposed above, and allowing LHAs to undertake development opportunities under the MBTA Communities initiative. This will require a collaborative process with stakeholders and industry professionals.

Expand Upon Available Capacity Building and Planning Resources

The implementation of these recommendations will require significant effort to secure financial commitments from the federal government and the need to adjust the process for planning for capital repairs. The scope of repairs will be significantly increased and the staffing and technical capacity for LHAs, RCATs and EOHLC will need to be significantly enhanced. The ability to phase and sequence the work across the entire portfolio will require a long lead time as all units and developments cannot properly prepare and implement a comprehensive treatment program in just a few years. Many LHAs, even with RCAT assistance, will require development partners, general contractors and construction managers which will need to be procured and mobilized to undertake improvements. It is for this reason it is recommended that a planning process that considers a minimum of a 10-year time frame be implemented.

VI. Summary of Recommendations and Next Steps

Based on the presentation of recommendations presented in Section V above, it is proposed that the Commonwealth consider the following steps:

- 1) ***Pursue the necessary modifications to the EOHLC MTW Agreement with HUD*** to allow use of a Local Blended Subsidy (LBS) approach, together with the use of its block grant authority using funds provided for Section 8 Housing Assistance Payments to support the repositioning of the state portfolio through programs such as federalization and the use of Faircloth units.
- 2) ***Work with its representatives to advocate for an allocation of incremental funding for Section 8 Housing Assistance Payments*** of up to \$50 million per year for the next 10 years to support debt financing of capital improvements needed to reposition a significant portion of the state-assisted public housing portfolio.
- 3) ***Engage as soon as practical on a 10-year repositioning plan for public housing***, which will identify treatment and prioritize and sequence the projects, while also ensuring adequate capital reserves are provided to cover future minor capital improvements. Implementation of such a plan will require significant adjustments to EOHLC and LHA based, and regional

- based capital improvement administration and monitoring needed to effectively utilize the expected increase in capital funding.
- 4) ***Identify housing developments for which it is more appropriate to reconfigure or replace units*** and designate these for priority in receiving capital funds and where appropriate and feasible, receive allocations of LIHTCs. For these properties, depending upon the time frame for reconfiguration or replacement, develop a stabilization program to assure the units are operated in a safe, economical, and effective manner until revitalization work can commence. Ensure priority of project consideration through set-asides or scoring preferences for such projects as part of competitive funding rounds.
 - 5) ***Develop specific proposals for implementing needed regulatory and statutory changes with industry professionals and stakeholders*** to help reduce the cost of undertaking capital repairs, as well as expedite the procurement and contracting process for making the repairs and other rehabilitation work needed to sustain properties for the next 20 years in a manner consistent with contemporary housing standards. This may include changes as to wage rate and filed sub-bid requirements.
 - 6) ***Assess other potential available capital funding opportunities, such as through the Inflation Reduction Act's nearly \$40 billion*** to be made available for Clean Energy and Climate Change and for which affordable housing is a priority, local resources for which affordable housing improvements would be an eligible use and increasing the supply as well as ability to project-based vouchers under the current MRVP program to better access debt financing and the leverage of other financial resources for low income housing preservation and production.

Appendix A – Overview of Capital Programs

Currently there are several programs used to allocate state capital funds including:

- Formula Funding (FF)
- High Leverage (HILAPP)
- Compliance Reserve
- Emergency Reserve
- Sustainability Initiative; and
- Other Special Initiatives

LHAs in Massachusetts use EOHLC's formula funding (FF) program to receive and access state-aided public housing capital funds. According to the Massachusetts State-Aided Public Housing Preservation and Modernization Program Guidelines (January 2021), "Under FF, capital funds authorized periodically by the Massachusetts Legislature are issued to all LHAs using a needs-based formulas based on EOHLC's Capital Planning System. To access FF, LHAs must submit annually for EOHLC approval for a five-year Capital Improvement Plan (CIP) that describes their capital investment strategy to preserve and modernize their state aided public housing units." In other words, FF is an LHA's "multi-year share of capital funds based on an LHA's proportional capital funding need, as determined by the statewide CPS inventory of expired building and site components."

Apart from FF, as funding permits, EOHLC may award capital funds to LHAs for sustainability investments, mixed-finance, and high leverage projects, on a competitive basis. Nevertheless, LHAs with state-aided public housing units whose operating funds are provided under the Section 8 New Construction/Substantial Rehabilitation Program will not receive FF for those developments and should fund capital needs through project-based Section 8 Reserves. Furthermore, EOHLC's capital funding programs are mostly focused on activities that "preserve, stabilize, and/or modernize existing state-aided public housing." EOHLC recommends LHAs to seek additional sources of funding through other state, local or philanthropic organizations.

To help increase access to capital funds, the Commonwealth of Massachusetts has four state programs that are designed to assist LHAs receive financing. These include:

- Affordable Housing Trust Fund (AHTF)
- Housing Stabilization and Investment Fund (HSF)
- Facilities Consolidation Fund (FCF); and
- Community Based Housing (CBH)

Each of these programs serves a slightly different purpose with different requirements and award amounts. For example, AHTF funds must be used on activities that create, preserve, or acquire housing throughout the state for the benefit of households with incomes that do not exceed 110% AMI. AHTF funds may also be used for the modernization, rehabilitation, and repair of public housing. Preference will be given to those projects that create new housing units and to projects that use private funding sources and non-state funding sources to leverage the least amount of AHTF funds. This may create certain challenges for LHAs who may not be seen as competitive applicants unless they are able to dispose of their public housing units to access private fundings. Types of assistance available through AHTF funds include deferred payment loans, matching funds for municipalities that sponsor affordable housing projects, and up to 100 Section 8 PBV from EOHLC's own portfolio, subject to funding. The AHTF program limits the award amount to the lesser of \$1,000,000 per project or \$50,000 per assisted unit.

HSF funds can be used to support the acquisition, preservation, new construction, rehabilitation, and re-use of properties as affordable housing. HSF rental housing funds may be used for:

- One or more buildings on a single site that are under common ownership, management, and financings; and/or
- Scattered site properties that are under common ownership, management, and financing and are seeking HSF assistance as part of a single project.

Rental applications for projects must contain a minimum of 5 HSF assisted units, which must be occupied by households with incomes no greater than 80% AMI during the first 40 years. Consequently, for the years 41-50, the household income must not exceed 100% AMI. While HSF funds may be used for development hard costs and soft costs, they may not be used to provide project reserve accounts or operating subsidies, project PBRA, or acquire property owned by the Commonwealth of Massachusetts, unless the property is acquired in anticipation of carrying out an HSF project. The maximum loan amount that EOHLC will award is up to \$1,000,000 per project, which varies depending on HOME entitlement or consortium status.

The FCF program helps support individuals affected by the facilities consolidation/community expansion and restricting initiatives of the Department of Developmental Services (DDS) and Department of Mental Health (DMH). Under the FCF program, funds may be used for acquisition of real property, construction, and renovation of residential buildings, and/or soft costs directly related to development of residential units. In general, the following types of housing units may be funded through the program:

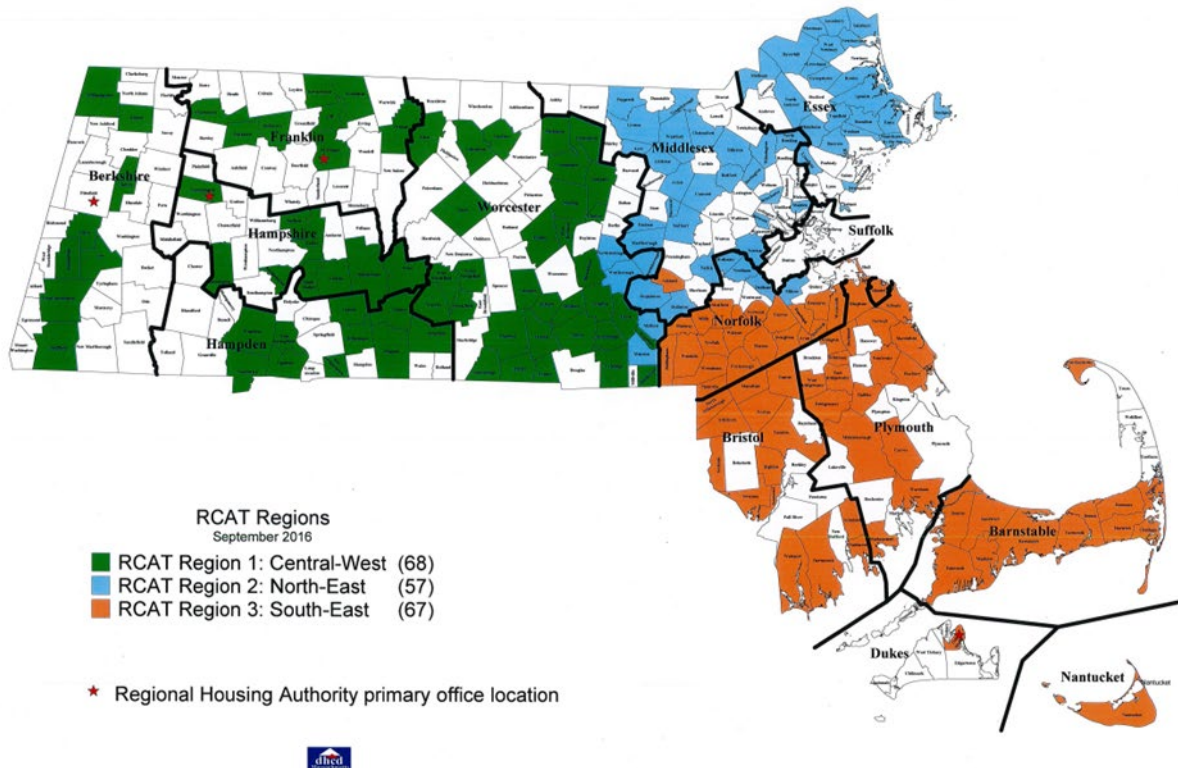
- Existing single or multi-family homes in typical neighborhoods with 2 to 6 bedrooms; Newly constructed homes in community settings
- Accessible homes, either new or existing, and including specialized unit types to serve the medical needs of consumers. The "medical model" should not take the place of a hospital or nursing home unit, but rather address specialized medical needs in a homelike environment.
- Single room occupancy units
- Group homes; or
- Units within larger developments in which the DMH or DDS consumers are integrated.

Loans may be made for up to 50% of the TDC of a project and in a project which only a portion of the units are eligible under the Facilities Consolidation Initiative, the 50% will be calculated on the TDC of units eligible for FCF.

Lastly, while CBH funds can similarly be used for the acquisition and/or rehabilitation of existing structures and for new construction of rental properties, all units receiving CBH assistance must be occupied by Persons Certified Eligible by the Massachusetts Rehabilitation Commission (MRC) with incomes no greater than 80% AMI. More specifically, CBH funds can be used for acquisition, construction, and soft costs of a project. It is important to note the CBH program excludes clients of the DMH and DDS who can access housing financed through the FCF program.

Projects seeking CBH funds must be certified by the Massachusetts Rehabilitation Commission and priority will be given to projects that provide integrated housing that includes several CBH units within a larger rental building or development. The maximum loan amount will be no more than 50% of the total project development costs per CBH unit with a recommended limit of \$750,000 per project. The Community Economic Development Assistance Corporation (CEDAC) will monitor construction to confirm, prior to disbursement of each loan draw, that the work has been completed as represented and may elect to accept the monitoring reports of a senior lender or may engage its own construction inspector and charge the cost to the borrower.

Appendix B- RCAT Regions



Source: <https://www.mass.gov/files/documents/2016/09/us/rcatmap.pdf>

Appendix C -FY22 Capital Budget for Affordable Housing and Community Development Programs

Program	FY22 Total Capital Budget	FY21 Total Capital Budget
Affordability Preservation (Capital Improvement & Preservation Fund)	\$ 5,000,000	\$ 10,000,000
Affordable Housing Trust Fund (AHTF)	\$ 35,000,000	\$ 35,000,000
Brownfields Redevelopment Fund	\$ 2,500,000	\$ 2,500,000
Climate Resilient Affordable Housing (NEW)	\$ 1,700,000	\$ -
Commercial Area Transit Node Housing	\$ 0	\$ 2,000,000
Community Based Housing	\$ 5,000,000	\$ 5,000,000
Community Scale Housing	\$ 4,000,000	\$ 4,000,000
Facilities Consolidation Fund	\$ 11,600,000	\$ 11,600,000
Gateway Cities Housing Rehabilitation (NEW)	\$ 1,300,000	\$ -
Home Modification Loan Program	\$ 3,801,159	\$ 3,801,159
Housing Choice Grants	\$ 5,000,000	\$ 5,000,000
Housing Innovations Funds	\$ 12,438,194	\$ 12,438,194
Housing Stabilization Fund	\$ 21,175,000	\$ 21,175,000
Mixed Income Community Development	\$ 8,000,000	\$ 8,000,000
Mixed Income Housing Demonstration (Public Housing Demonstration)	\$ 8,500,000	\$ 8,000,000
Neighborhood Stabilization (NEW)	\$ 6,538,841	\$ -
Public Housing – AHTF	\$ 5,000,000	\$ 5,000,000
Public Housing – General	\$ 90,000,000	\$ 90,000,000
Public Housing – New Accessible Units	\$ 1,000,000	\$ 1,000,000
Public Housing – Sustainability & Resiliency	\$ 5,000,000	\$ 5,000,000
Regional & Community Planning (NEW)	\$ 1,000,000	\$ -
Rural & Small Town Development Fund (NEW)	\$ 2,000,000	\$ -
Smart Growth – 40R Trust Fund	\$ 2,000,000	\$ 2,000,000
Supportive Housing	\$ 10,000,000	\$ 10,000,000
Transit Oriented Housing	\$ 10,000,000	\$ -
TOTAL	\$ 257,553,194	\$ 241,514,353

Source: <https://www.chapa.org/sites/default/files/FY22%20Capital%20Budget%20Table.pdf>

Appendix D - Procurement and Construction Process

There are generally two state laws concerning procurement and construction processes: Chapter 30 and Chapter 149. Whereas Chapter 149 provides for vertical Public Works Construction, Chapter 30 outlines the rules and regulations for horizontal Public Works Construction. More specifically, sections 39A-39Q detail the legal limitations and allowances for construction contracts and materials procurement. There are different regulations based upon the estimated contract amounts for procurement processes, advertising requirements and bid deposits for public works (non-building) and construction contracts (with labor). Appendix F outlines the various guidelines for construction materials procurement without labor for several different estimated contract amounts.

The rules and regulations of labor and industries, and the governance of contracts for construction, reconstruction, installation, demolition, maintenance, or repair of a public building as dictated under Chapter 149 and in sections 44A-44J, may apply if there is:

- Direct or indirect public ownership in part of all the project
- Public or quasi-public financing in the form of equity or debt, or assumption of risks or provision of guarantees
- Significant public entity control over the construction, rehabilitation, or design of the project,
- Construction to serve a specific public purpose or public use.

Although major repair contracts are bid on based on detailed specifications for a particular project, contracts for maintenance, materials, and services are typically bid on frequently as an annual basis. In general, building construction services must be procured under MGL c. 149 unless:

- If a sewer or water supply project includes buildings whose sole function is to house pumps related to equipment (c.30)
- Energy saving improvements to public buildings (c.25A)
- Modular buildings may use RFP (c.149)
- Awarding authorities can choose to use a construction management¹ at risk delivery method underlined in c.149A for contracts estimated to cost \$5m or more.

Chapter 149 sets forth guidelines for notice/advertisement requirements, DCAMM certification requirements, OSHA training requirements, and prequalification, among many others. Included in Appendix E is a table showing all the requirements LHA's must adhere to relative to the cost of the project.

If the contract price is greater than \$25,000, the contractor must supply the jurisdiction with a payment bond of at least 50% of the contract price within 10 days of the notification of the contract award. Additionally, EOHLC requires a licensed designer to be hired for projects where construction cost is between \$25,000 and \$50,000. For projects estimated to be between \$50,000-\$150,000, contracts are similarly awarded to the lowest responsible and eligible bidder.

¹ Construction management at risk (CMAR) is a construction method wherein the construction manager guarantees to complete the project for a specified price and must cover any cost overruns regardless of whether there are additional funds available from the owner or funders. Construction managers differ from general contractors (GC) in that they are typically brought into the project earlier than GCs and actively participate in the project design process. They usually get a separate fee for the pre-construction work.

If the estimated cost of work is over \$150,000 or the estimated cost of a subcontract is greater than \$25,000, the subcontractors to be used in the following categories must file a sub-bid form.

- Roofing and flashing
- Sprinkler fitter
- Metal windows
- Glass and glazing
- Waterproofing, dam proofing, and caulking
- Electrical
- Lathing and plastering
- Elevators
- Marble
- Metal windows
- Terrazo
- Misc. and ornamental iron
- HVAC
- Acoustical tile
- Painting
- Resilient floors
- Masonry
- Tile

The subcontractor's sub-bid form must contain the following information:

- Bid amount for work within trade specification.
- Bid amount for any alternate(s) identified in trade specification, with alternates prioritized.
- Names of all personnel and other contractors providing labor and materials and bid price for labor and materials.
- Number of years in business
- Indicate if ever failed to complete work awarded.
- One or more past buildings/projects with similar work with name of GC and architect
- Bank reference

Sub-bidders are selected through a multi-step process. Four days prior to the date set for the opening of general bids, all sub-bids are opened publicly and read by the awarding LHA. Within two business days of the opening, the authority must review the Division of Capital Asset Management and Maintenance (DCAMM) Certificate of Eligibility and determine:

- That the certificate is current.
- The sub-bidder is certified for class of work being bid; and
- The sub-bidder's Single Project Limit amount and bonding capacity are sufficient for the project.

Before selecting the general bid, the LHA must also:

- Verify that bidders have not been suspended or debarred by DCAMM.
- Verify bidders that have submitted bid deposit.
- Review bids for completeness and responsiveness.
- Review bid for clarity, or any conditions included in bid.
- If a bidder makes a request for minor clarifications or corrections, determine if allowable and receive clarifications/corrections from bidder.

Sub-bidders may submit unrestricted or restricted bids, meaning either any GC can use the sub bids (unrestricted) or only certain contractors are allowed to use the sub bids (restricted). Awarding authorities may reject sub-bids if they are not accompanied by a bid deposit form in the form of a bid bond, cash, or certified check. Furthermore, sub-bids that submit incomplete forms or do not conform with M.G.L. c. 149 section 44A-44H, may be rejected.

Sections 44A-44H of the MGL c. 149 outline the rules and regulations on fair competition for bidders on construction; plans and specifications and bid deposits; submissions and applications for certification; prequalification procedures; filing of bids and forms; allowances; and enforcement. Additionally, a sample form is included in Appendix H for reference. No sub-bid will be rejected because of the failure to submit prices or information relating to any item or items for which no space is provided in the sub-bid form furnished by the awarding authority. This, however, does not apply to any failure to furnish prices or information required by section 44F to be furnished in the Form for Sub-Bid.

After the sub-bids are screened, two days before the general bid opening date, the authority must determine which bids were rejected upon review, although bids may still be rejected by the LHA after this date. Additionally, the authority must provide to all bidders who received plans and specifications and whose bids were not rejected by the LHA:

- A list of bidders by sub-trade who submitted non-rejected bids; and
- The name, address, and sub-bid amount by subtrade for all non-rejected bidders.

Within five days of the general contract execution, the authority must return the bid deposits of the sub-bidders whose applications were not chosen. Interested contractors will then need to submit their bid including any filed sub bidders that will be used on the work. Each GC must select, in each sub bid category, the subcontractor it wished to use and must list in its general bid the names of the selected subcontractors and the respective sub bid amounts. As a note, GCs are not required to take the lowest sub bid in each category.

Appendix E - Public Works Construction Contract Bidding Requirements (with Labor)

M.G.L. c. 30, § 39M, or M.G.L. c. 30B, § 5 – PUBLIC WORKS (NON-BUILDING) CONSTRUCTION CONTRACTS (WITH LABOR)

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	\$50,000 or less	Over \$50,000
	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30B, § 5 Option ¹	M.G.L. c. 30, § 39M
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2). ²	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. ³	Sealed bids.	Sealed bids.
Notice/Advertising Requirements	None.	Post a notice at least two weeks before responses are due on 1) your jurisdiction's website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ⁴	Post a notice at least two weeks before bids are due 1) in your jurisdiction's office, and publish 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> . ⁵	Post a notice 1) in your jurisdiction's office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁶
OSHA Training	No.	Yes.	Yes.	Yes.
Prequalification	No.	No.	No.	Maybe. ⁷
Bid Deposit	No.	No.	No.	5% of the value of the total bid.
Payment Bond	No.	50% payment bond if contract is more than \$25,000. ⁸	50% payment bond if contract is more than \$25,000. ⁹	50% payment bond.
Performance Bond	No.	No.	No.	No.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.
OSD or Blanket Contract Option	Yes.	Yes.	No.	No.

Source: <https://www.mass.gov/doc/charts-on-procurement-procedures-effective-june-15-2018/download>

Appendix F - Public Works Construction Contract Bidding Requirements (w/out Labor)

M.G.L. c. 30, § 39M, or M.G.L. c. 30B, § 5 – CONSTRUCTION MATERIALS PROCUREMENTS (WITHOUT LABOR)

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000	Any Amount
	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30B, § 5 Option ¹
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2). ²	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work.	Sealed bids.	Sealed bids.
Notice/Advertising Requirements	None.	Post a notice at least two weeks before responses are due on 1) your jurisdiction's website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ³	Post a notice 1) in your jurisdiction's office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁴	Post a notice at least two weeks before bids are due 1) in your jurisdiction's office, and publish 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> . ⁵
OSHA Training	No.	No.	No.	No.
Prequalification	No.	No.	No.	No.
Bid Deposit	No.	No.	5% of the value of the total bid.	No.
Payment Bond	No.	50% payment bond if contract is more than \$25,000. ⁶	50% payment bond.	50% payment bond if contract is more than \$25,000. ⁷
Performance Bond	No.	No.	No.	No.
Prevailing Wage	No.	No.	No.	No.
OSD Option	Yes.	Yes.	Yes.	No.
Blanket Contract Option	Yes.	Yes.	No.	No.

Source: <https://www.mass.gov/doc/charts-on-procurement-procedures-effective-june-15-2018/download>

Appendix G. Building Construction Contracts with Labor MGL c.149



M.G.L. c.149 - BUILDING CONSTRUCTION CONTRACTS WITH LABOR

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000 to \$150,000	Over \$150,000	Over \$10,000,000
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2).	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. Solicitation is in addition to the advertising requirements below.	Sealed bids (using M.G.L. c. 30, § 39M).	Sealed bids (using M.G.L. c. 149, §§ 44A – 44J).	Solicit statements of qualifications prior to soliciting sealed bids (using M.G.L. c. 149, §§ 44A – 44J).
Notice/Advertisement Requirements	None.	Post a notice at least two weeks before responses are due on: 1) your jurisdiction's website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office.	Post a notice: 1) in your jurisdiction's office for at least one week before bids are due; and at least two weeks before bids are due, publish: 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS.	Post a notice: 1) in your jurisdiction's office for at least one week before bids are due; and at least two weeks before bids are due, publish: 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS.	Advertise the request for qualifications at least two weeks before responses are due 1) in a newspaper; 2) in the <i>Central Register</i> ; and 3) on COMMBUYS.
DCAMM Certification	No.	No.	Yes if contract is > \$100,000. This is a DHCD requirement.	Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000.	Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000.
OSHA Training	No.	Yes.	Yes.	Yes.	Yes.
Prequalification	No.	No.	No.	Optional.	Yes.
Filed Sub-bids	No.	No.	No.	Yes, if more than \$25,000.	Yes, if more than \$25,000.
Bid Deposit	No.	No.	5% of the value of the total bid.	5% of the value of the total bid or sub-bid.	5% of the value of the total bid or sub-bid.
Payment Bond	No.	100% payment bond if the contract is >\$25,000. This is a DHCD requirement.	100% payment bond. This is a DHCD requirement.	100% payment bond.	100% payment bond.
Performance Bond	No.	100% performance bond if contract is > \$25,000. This is a DHCD requirement.	100% performance bond. This is a DHCD requirement.	100% performance bond.	100% performance bond.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.	Yes.
Contractor Evaluation	No.	No.	No.	Yes.	Yes.
OSD or Blanket Contract Option	Yes.	Yes.	No.	No.	No.

Source: https://www.mass.gov/files/documents/2016/11/sp/charts-proc_0.pdf

Appendix H - FORM FOR SUB-BID

To all General Bidders Except those Excluded:

A. The undersigned proposes to furnish all labor and materials required for completing, in accordance with the hereinafter described plans, specifications and addenda, all the work specified in Section No. _____ of the specifications and in any plans specified in such section, prepared by

_____ for _____ in
(name of architect or engineer) (project)

_____, Massachusetts, for the contract
(City or town)

sum of _____ dollars (\$ _____).

For Alternate No. _____; Add \$ _____ Subtract \$ _____

[Repeat preceding line for each alternate]

B. This sub-bid includes addenda numbered _____

C. This sub-bid

☐ may be used by any general bidder except:

☐ may only be used by the following general bidders:

[To exclude general bidders, insert 'X' in one box only and fill in blank following that box. Do not answer C if no general bidders are excluded.]

D. The undersigned agrees that, if he is selected as a sub-bidder, he will, within 5 days, Saturdays, Sundays and legal holidays excluded, after presentation of a subcontract by the general bidder selected as the general contractor, execute with such general bidder a subcontract in accordance with the terms of this sub-bid, and contingent upon the execution of the general contract, and, if requested so to do in the general bid by the general bidder, who shall pay the premiums therefor, or if prequalification is required pursuant to section 44D 3/4, furnish a performance and payment bond of a surety company qualified to do business under the laws of the commonwealth and satisfactory to the awarding authority, in the full sum of the subcontract price.

E. The names of all persons, firms and corporations furnishing to the undersigned labor or labor and materials for the class or classes or part thereof of work for which the provisions of the section of the specifications for this sub-trade require a listing in this paragraph, including the undersigned if customarily furnished by persons on his own payroll and in the absence of a contrary provision in the specifications, the name of each such class of work or part thereto and the bid price for such class of work or part thereof are:

[Do not give bid price for any class or part thereof furnished by undersigned.]

F. The undersigned agrees that the above list of bids to the undersigned represents bona fide bids based on the hereinbefore described plans, specifications, and addenda and that, if the undersigned is awarded the contract, they will be used for the work indicated at the amounts stated, if satisfactory to the awarding authority.

G. The undersigned further agrees to be bound to the general contractor by the terms of the hereinbefore described plans, specifications, including all general conditions stated therein, and addenda, and to assume toward him all the obligations and responsibilities that he, by those documents, assumes toward the owner.

H. The undersigned offers the following information as evidence of his qualifications to perform the work as bid upon according to all the requirements of the plans and specifications.

1. Have been in business under present business name

_____ years.

2. Ever failed to complete any work awarded?

3. List one or more recent buildings with names of the general contractor and architect on which you served as a sub-contractor for work of similar character as required for the above-named building.

4. Bank reference _____

I. The undersigned hereby certifies that he is able to furnish labor that can work in harmony with all other elements of labor employed or to be employed on the work; that all employees to be employed at the worksite will have successfully completed a course in construction safety and health approved by the United States Occupational Safety and Health Administration that is at least 10 hours in duration at the time the employee begins work and who shall furnish documentation of successful completion of said course with the first certified payroll report for each employee; and that he will comply fully with all laws and regulations applicable to awards of subcontracts subject to section 44F.

The undersigned further certifies under penalties of perjury that this sub-bid is in all respects bona fide, fair, and made without collusion or fraud with any other person. As used in this subsection, the word "person" shall mean any natural person, joint venture, partnership, corporation or other business or legal entity. The undersigned further certifies under penalty of perjury that the said undersigned is not presently debarred from doing public construction work in the commonwealth under the provisions of section twenty-nine F of chapter twenty-nine, or any other applicable debarment provisions of any other chapter of the General Laws or any rule or regulation promulgated thereunder.

Date _____

(Name of Sub-bidder)

By _____

(Title and Name of Person Signing Bid)

(Business Address)

Appendix I – Estimated HAP Needed to Fund State Repositioning

Mass. State Public Housing Portfolio

HAP Need For Repositioning

Total No. of Units in State Public Housing Portfolio	44,891
Total No. of Developments in State Public Housing Portfolio	1,404
Estimated Repositioning Cost of State Public Housing Portfolio	\$6,296,591,224
Per Unit	\$140,264

Capital Replacement Costs:

			Per Unit	Per Development
Total Hard Construction Cost		\$6,296,591,224	\$140,264	\$4,484,752
Bond/Financing Fees	5.0%	\$314,829,600	\$7,013	\$224,238
Architecture/Engineering	5.0%	\$314,829,600	\$7,013	\$224,238
Other Soft Costs	5.0%	\$314,829,561	\$7,013	\$224,238
Total		\$6,926,250,424	\$154,290	\$4,933,228

Loan Assumptions:

Amortization	35
Minimum DSC	1.15

PUPA		
Interest Rate	5.00%	
Annual HAP Needed for Debt & DSC	\$482,391,864	\$10,746
Interest Rate	5.50%	
Annual HAP Needed for Debt & DSC	\$513,292,274	\$11,434
Interest Rate	6.00%	
Annual HAP Needed for Debt & DSC	\$545,000,186	\$12,141
Interest Rate	6.50%	
Annual HAP Needed for Debt & DSC	\$577,464,326	\$12,864
Interest Rate	7.00%	
Annual HAP Needed for Debt & DSC	\$610,633,319	\$13,603
Interest Rate	7.50%	
Annual HAP Needed for Debt & DSC	\$644,456,286	\$14,356

Appendix J – EOHLC Approved ANUEL versus PHOCS Recommended ANUEL

Mass. State Public Housing

DHCD-Approved ANUEL Compared with 2005 PHOCS Recommended ANUEL

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Average Annual Increase
DHCD-Approved Increase		0.00%	7.00%	12.00%	0.00%	-4.70%	0.00%	3.00%	6.50%	9.00%	3.00%	0.00%	3.00%	10.00%	4.00%	10.00%	0.00%	4.00%	9.00%	5.93%
DHCD-Approved ANUEL (PUM)																				
Chapter 200 Family	\$286.62	\$286.62	\$306.68	\$343.48	\$343.48	\$327.34	\$327.34	\$337.16	\$359.08	\$391.40	\$403.14	\$403.14	\$415.23	\$456.75	\$475.02	\$522.52	\$522.52	\$543.42	\$592.33	
Chapter 667 Senior	\$157.60	\$157.60	\$168.63	\$188.87	\$188.87	\$179.99	\$179.99	\$185.39	\$197.44	\$215.21	\$221.67	\$221.67	\$228.32	\$251.15	\$261.20	\$287.32	\$287.32	\$298.81	\$325.70	
Chapter 705 Family	\$313.66	\$313.66	\$335.62	\$375.89	\$375.89	\$358.22	\$358.22	\$368.97	\$392.95	\$428.32	\$441.17	\$441.17	\$454.41	\$499.85	\$519.84	\$571.82	\$571.82	\$594.69	\$648.21	
2005 PHOCS Recommended ANUEL with DHCD-Approved Increase (PUM)																				
Chapter 200 Family	\$422.00	\$422.00	\$451.54	\$505.72	\$505.72	\$481.95	\$481.95	\$496.41	\$528.68	\$576.26	\$593.55	\$593.55	\$611.36	\$672.50	\$699.40	\$769.34	\$769.34	\$800.11	\$872.12	
Chapter 667 Senior	\$303.00	\$303.00	\$324.21	\$363.12	\$363.12	\$346.05	\$346.05	\$356.43	\$379.60	\$413.76	\$426.17	\$426.17	\$438.96	\$482.86	\$502.17	\$552.39	\$552.39	\$574.49	\$626.19	
Chapter 705 Family	\$399.00	\$399.00	\$426.93	\$478.16	\$478.16	\$455.69	\$455.69	\$469.36	\$499.87	\$544.86	\$561.21	\$561.21	\$578.05	\$635.86	\$661.29	\$727.42	\$727.42	\$756.52	\$824.61	
Difference DHCD Approved vs. PHOCS Recommended (\$\$\$ PUM)																				
Chapter 200 Family	(\$135.38)	(\$135.38)	(\$144.86)	(\$162.24)	(\$162.24)	(\$154.61)	(\$154.61)	(\$159.25)	(\$169.60)	(\$184.86)	(\$190.41)	(\$190.41)	(\$196.13)	(\$215.75)	(\$224.38)	(\$246.82)	(\$246.82)	(\$256.69)	(\$279.79)	
Chapter 667 Senior	(\$145.40)	(\$145.40)	(\$155.58)	(\$174.25)	(\$174.25)	(\$166.06)	(\$166.06)	(\$171.04)	(\$182.16)	(\$198.55)	(\$204.50)	(\$204.50)	(\$210.64)	(\$231.71)	(\$240.97)	(\$265.07)	(\$265.07)	(\$275.68)	(\$300.49)	
Chapter 705 Family	(\$85.34)	(\$85.34)	(\$91.31)	(\$102.27)	(\$102.27)	(\$97.47)	(\$97.47)	(\$100.39)	(\$106.92)	(\$116.54)	(\$120.04)	(\$120.04)	(\$123.64)	(\$136.01)	(\$141.45)	(\$155.60)	(\$155.60)	(\$161.83)	(\$176.40)	

Appendix K– State Public Housing Repositioning Cost Analysis

Mass. State Public Housing
Repositioning Cost Analysis

Develoment Sample		Development Information										Bedroom Mix									
LHA	Development Name	Dev No	Chapter	Year Built	Num Bldgs	Dwelling Units	Building_Type1	Current Total Expired Cost	Current Total Expired Cost Per Unit	Total Replacement Value	Current FCI	Total Residential Dwelling Building SF	RCAT/ Region	0/SRO	1	2	3	4	5	6	Total Residential Units
AUBURN HOUSING AUTHORITY	PHEASANT COURT	017-705-01	705	1988	10	20	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$948,712	\$47,436	\$8,857,496	10.7%	22,148	Central-West			11	8	1			20
AMESBURY HOUSING AUTHORITY	MACY TERRACE	007-705-01	705	1981	5	10	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$335,075	\$33,508	\$4,219,300	7.9%	10,900	North-East				10				10
ATTLEBORO HOUSING AUTHORITY	BROOKSIDE	016-667-04	667	1975	1	75	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$2,543,450	\$33,913	\$17,480,110	14.6%	53,080	South-East		75						75
BILLERICA HOUSING AUTHORITY	Talbot School Apartments	031-667-03	667	1902	1	33	Wood Frame/Masonry Enclosure (1-3 floors)	\$2,615,232	\$79,249	\$7,204,180	36.3%	22,050	North-East		33						33
BREWSTER HOUSING AUTHORITY	HUCKLEBERRY LANE	041-705-02	705	1988	12	24	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$2,555,253	\$106,469	\$8,354,497	30.6%	18,361	South-East			6	18	0	0	0	24
BRIMFIELD HOUSING AUTHORITY	COLONIAL PARK	043-667-01	667	1976	4	56	Concrete Frame/Masonry Enclosure (1-3 floors)	\$1,959,192	\$34,986	\$17,875,446	11.0%	38,598	Central-West		52						52
BROCKTON HOUSING AUTHORITY	WALNUT-CROWELL	044-705-01	705	1982	9	18	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,090,902	\$60,606	\$8,448,578	12.9%	17,914	South-East			2	12	4			18
BROCKTON HOUSING AUTHORITY	RAINBOW TERRACE	044-667-1A	667	1957	10	64	Wood Frame/Masonry Enclosure (1-3 floors)	\$5,043,332	\$78,802	\$12,722,562	39.6%	34,592	South-East		64						64
BROOKLINE HOUSING AUTHORITY	HIGH STREET VETS	046-200-01	200	1949	7	177	Concrete Frame/Masonry Enclosure (1-3 floors)	\$11,385,191	\$64,323	\$63,812,358	17.8%	163,494	North-East		20	113	53				186
CAMBRIDGE HOUSING AUTHORITY	HAMMOND ST	049-167-01	167	1991	1	8	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$39,289	\$4,911	\$1,593,800	2.5%	5,400	North-East	8							8
CARVER HOUSING AUTHORITY	MEADOWBROOK NORTH	052-705-01	705	1984	2	8	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$691,309	\$86,414	\$2,466,720	28.0%	5,760	South-East			1	5	2			8
CHELMSFORD HOUSING AUTHORITY	ARMS	056-667-01	667	1973	3	64	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$3,542,349	\$55,349	\$21,224,964	16.7%	66,584	North-East		64						64
CHELSEA HOUSING AUTHORITY	FITZPATRICK	057-200-01	200	1948	12	70	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$4,333,870	\$61,912	\$24,699,200	17.5%	75,800	North-East		42	28					70
CHELSEA HOUSING AUTHORITY	PRATTVILLE APTS	057-200-02	200	1950	9	128	Wood Frame/Masonry Enclosure (1-3 floors)	\$4,596,403	\$35,909	\$46,725,300	9.8%	144,000	North-East		77	51					128
BLACKSTONE HOUSING AUTHORITY	FOX BROOK MANOR	032-667-01	667	1972	8	56	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$2,414,802	\$43,121	\$14,283,368	16.9%	34,300	Central-West		56						56
DEDHAM HOUSING AUTHORITY	DOGGETT CIRCLE	073-667-02	667	1967	11	80	Concrete Frame/Masonry Enclosure (1-3 floors)	\$4,139,901	\$51,749	\$19,168,020	21.6%	44,880	North-East		80						80
DEDHAM HOUSING AUTHORITY	O'NEIL DRIVE	073-667-03	667	1977	8	100	Wood Frame/Masonry Enclosure (1-3 floors)	\$2,977,601	\$29,776	\$25,405,920	11.7%	68,280	North-East		100						100
DENNIS HOUSING AUTHORITY	MULHERN DRIVE FAMILY HOUSING	075-705-02	705	1987	6	12	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$797,106	\$66,425	\$6,851,000	11.6%	9,000	South-East				10	2		12	
EAST BRIDGEWATER HOUSING AUTHORITY	RIDDELL ROAD 667-2	083-667-02	667	1974	7	48	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,543,151	\$32,149	\$11,700,576	13.2%	29,952	South-East		48						48
EASTON HOUSING AUTHORITY	CHANDLER WAY	088-705-02	705	1984	4	7	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$439,610	\$62,801	\$5,669,200	7.8%	12,600	South-East				7			7	
ESSEX HOUSING AUTHORITY	CHEBACCO TERRACE	092-667-01	667	1969	6	40	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$2,280,516	\$57,013	\$9,090,520	25.1%	21,840	North-East		40						40
FAIRHAVEN HOUSING AUTHORITY	Ash Street	094-705-01	705	1989	3	6	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$297,497	\$49,583	\$3,700,680	8.0%	8,640	South-East			1	5			6	
GEORGETOWN HOUSING AUTHORITY	JEWETT ST	105-705-01	705	1988	5	10	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$659,356	\$65,936	\$3,007,065	21.9%	7,695	North-East			4	6			10	
GROVELAND HOUSING AUTHORITY	Scattered Site Cannon Hill and Gardner	115-705-01	705	1956	2	3	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$109,535	\$36,512	\$1,881,840	5.8%	3,680	North-East				3			3	
GREENFIELD HOUSING AUTHORITY	ELM TERRACE 667-1	113-667-01	667	1967	9	68	Concrete Frame/Masonry Enclosure (1-3 floors)	\$3,069,702	\$45,143	\$21,557,568	14.2%	42,728	Central-West		68						68
GREENFIELD HOUSING AUTHORITY	ELM TERRACE 667-2	113-667-02	667	1974	5	40	Concrete Frame/Masonry Enclosure (1-3 floors)	\$1,235,816	\$30,895	\$9,831,006	12.6%	25,088	Central-West		40						40
HADLEY HOUSING AUTHORITY	BURKEWAY APTS.	117-705-01	705	1990	6	12	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$840,771	\$70,064	\$4,573,344	18.4%	12,972	Central-West				12			12	
HATFIELD HOUSING AUTHORITY	CAPAWONK	127-667-01	667	1972	2	44	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,141,412	\$25,941	\$9,783,000	11.7%	28,920	Central-West		44						44
HAVERHILL HOUSING AUTHORITY	KENNEDY CIRCLE	128-667-02	667	1963	9	80	Wood Frame/Masonry Enclosure (1-3 floors)	\$2,778,941	\$34,737	\$22,216,752	12.5%	58,104	North-East		48						48
HINGHAM HOUSING AUTHORITY	THAXTER PARK 667-2	131-667-02	667	1987	3	26	Concrete Frame/Masonry Enclosure (1-3 floors)	\$1,519,457	\$58,441	\$8,491,972	17.9%	21,376	South-East		26						26
HOLYOKE HOUSING AUTHORITY	705-1	137-705-01	705	1987	6	12	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$703,722	\$58,643	\$5,134,780	13.7%	12,640	Central-West			5	7			12	
HOPKINTON HOUSING AUTHORITY	BISSON RUE	139-705-01	705	1989	3	6	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$99,337	\$16,556	\$2,180,700	4.6%	6,300	North-East			3	3			6	
LANCASTER HOUSING AUTHORITY	BIGELOW GARDENS	147-667-01	667	1960	14	70	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$3,236,257	\$46,232	\$16,261,412	19.9%	32,087	Central-West		70						70
LEXINGTON HOUSING AUTHORITY	GREELEY VILLAGE	155-667-01	667	1968	26	104	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$3,587,172	\$34,492	\$22,806,141	15.7%	60,677	North-East		100						100
LUNENBURG HOUSING AUTHORITY	WHITE STREET	162-705-01	705	1989	3	6	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$407,895	\$67,983	\$3,653,700	11.2%	6,900	Central-West			3	3			6	
MANCHESTER HOUSING AUTHORITY	FAMILY 705	166-705-01	705	1989	2	4	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$270,587	\$67,647	\$3,502,040	7.7%	4,520	North-East			2	2			4	
MEDFIELD HOUSING AUTHORITY	TILDEN VILLAGE	175-667-01	667	1976	8	60	Wood Frame/Masonry Enclosure (1-3 floors)	\$2,238,744	\$37,312	\$19,952,352	11.2%	48,024	South-East		54						54
MERRIMAC HOUSING AUTHORITY	Lincoln Street / Green Street	180-705-01	705	1890	2	4	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$254,066	\$63,516	\$1,988,700	12.8%	6,000	North-East			2	2			4	
MILLBURY HOUSING AUTHORITY	Scattered Site	186-705-01	705	1963	5	6	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$478,486	\$79,748	\$2,966,708	16.1%	5,532	Central-West		6					6	
NANTUCKET HOUSING AUTHORITY	MIACOMET VILLAGE	201-705-01	705	1988	7	12	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$794,512	\$66,209	\$5,664,026	14.0%	12,188	South-East			2	8	2		12	
NORTON HOUSING AUTHORITY	JACOBS WAY	218-705-01	705	1991	7	14	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$562,870	\$40,205	\$11,991,476	4.7%	16,938	South-East			5	8	1		14	
NORTH ATTLEBOROUGH HOUSING AUTHORITY	CIRCLE COURT	197-667-01	667	1967	14	104	Wood Frame/Masonry Enclosure (1-3 floors)	\$6,451,138	\$62,030	\$24,821,720	26.0%	70,434	South-East		86						86
NORFOLK HOUSING AUTHORITY	PINE KNOLL	212-705-01	705	1990	10	20	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,107,143	\$55,357	\$16,505,794	6.7%	28,122	South-East			11	9			20	
NORTHAMPTON HOUSING AUTHORITY	SALVO HOUSE	214-667-2A	667	1975	1	192	Steel Frame/Concrete Panel Enclosure (4-7 floors)	\$6,869,023	\$35,776	\$44,043,125	15.6%	126,000	Central-West		192						192
NORTH BROOKFIELD HOUSING AUTHORITY	GROVE STREET SCHOOL APTS	198-705-01	705	1900	1	14	Concrete Frame/Masonry Enclosure (4-7 floors)	\$871,371	\$62,241	\$6,158,970	14.1%	19,200	Central-West			14				14	
NORWOOD HOUSING AUTHORITY	NAHATAN VILLAGE 667-3	220-667-03	667	1968	5	72	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$4,695,409	\$65,214	\$19,112,654	24.6%	50,328	South-East		152					152	
NORWOOD HOUSING AUTHORITY	NAHATAN VILLAGE 667-4	220-667-04	667	1973	5	80	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,798,934	\$22,487	\$19,166,492	9.4%	57,024	South-East		86					86	
PEABODY HOUSING AUTHORITY	COLONIAL MANOR	229-705-03	705	1974	3	25	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$911,182	\$36,447	\$6,511,237	14.0%	16,081	North-East		4	22				26	
ROCKLAND HOUSING AUTHORITY	STUDLEY COURT	251-667-01	667	1967	8	42	Wood Frame/Masonry Enclosure (1-3 floors)	\$2,503,053	\$59,596	\$9,352,080	26.8%	22,050	North-East		42						42
ROCKPORT HOUSING AUTHORITY	KITEFIELD ROAD	252-705-01	705	1989	12	24	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,553,914	\$64,746	\$12,758,460	12.2%	27,180	North-East			7	15	2		24	
SOUTHBRIDGE HOUSING AUTHORITY	SCHOOL APARTMENTS	278-705-01	705	1900	1	8	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$552,160	\$64,020	\$1,987,831	25.8%	5,603	Central-West				4	4		8	
SOUTHBOROUGH HOUSING AUTHORITY	103 FRAMINGHAM RD.	277-705-01	705	1900	2	3	Wood Frame/Masonry Enclosure (1-4) floors	\$131,128	\$43,709	\$2,865,985	4.6%	4,245	North-East			2	1			3	
SALEM HOUSING AUTHORITY	COLONIAL TERRACE	258-667-02	667	1961	11	40	Wood Frame/Masonry Enclosure (1-3 floors)	\$1,593,032	\$39,826	\$8,298,180	19.2%	24,170	North-East		40					40	
SALISBURY HOUSING AUTHORITY	GREAT MEADOWS VILLAGE	259-667-01	667	1974	7	80	Wood Frame/Masonry Enclosure (1-3 floors)	\$5,420,290	\$67,754	\$34,690,464	15.6%	90,200	North-East		80					80	
SAUGUS HOUSING AUTHORITY	ARMITAGE ARMS	262-705-01	705	1986	1	8	Concrete Frame/Masonry Enclosure (1-3 floors)	\$796,172	\$99,522	\$5,198,820	15.3%	13,760	North-East			6	2			8	
SHARON HOUSING AUTHORITY	21 S. Pleasant St.	266-705-01	705	1900	1	6	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$419,797	\$69,966	\$1,909,990	22.0%	3,025	South-East			6				6	
STOUGHTON HOUSING AUTHORITY	LA CIVITA COURT	285-667-01	667	1966	7	50	Wood Frame/Masonry Enclosure (1-3 floors)	\$2,598,306	\$51,966	\$10,646,880	24.4%	31,135	South-East		18						18
STOUGHTON HOUSING AUTHORITY	LA CIVITA COURT	285-667-02	667	1972	7	48	Wood Frame/Masonry Enclosure (1-3 floors)	\$1,676,605	\$34,929	\$9,937,728	16.9%	25,296	South-East		48						48
SUTTON HOUSING AUTHORITY	ORCHARD APARTMENTS	290-667-01	667	1969	5	40	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$520,366	\$13,009	\$11,858,028	4.4%	33,860	Central-West		40						40
TAUNTON HOUSING AUTHORITY	JOHN SHEA COURT	293-667-03	667	1982	1	44	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$2,187,855	\$49,724	\$6,825,654	32.1%	22,982	South-East		44						44
WALTHAM HOUSING AUTHORITY	SOUTH STREET	315-705-2A	705	1988	3	6	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$425,718	\$70,953	\$3,690,720	11.5%	3,360	North-East	6						6	
WARE HOUSING AUTHORITY	161 West Street	316-705-02	705	1986	4	22	Wood Frame/Wood or Other Siding Enclosure (1-4) floors	\$1,152,000	\$52,364	\$4,446,240											

Mass. State Public Housing
Repositioning Cost Analysis

Develoment Sample		HUD HCC Limit (2022)												Estimated Repositioning Cost				
LHA	Development Name	HUD TDC/HCC Bldg Type	HUD TDC/ HCC City	0	1	2	3	4	5	6	Total	Per Unit	Estimated Modernization Cost	Per Unit	% of HUD HCC	% of DHCD Expired Cost	% of DHCD Total Replacement Value	
AUBURN HOUSING AUTHORITY	PHEASANT COURT	Detached/Semi-Detached	Worcester	\$0	\$0	\$2,102,782	\$1,821,424	\$267,861	\$0	\$0	\$4,192,067	\$209,603	\$3,353,654	\$167,683	80%	353%	38%	
AMESBURY HOUSING AUTHORITY	MACY TERRACE	Detached/Semi-Detached	Lawrence	\$0	\$0	\$0	\$2,341,110	\$0	\$0	\$0	\$2,341,110	\$234,111	\$1,872,888	\$187,289	80%	559%	44%	
ATTLEBORO HOUSING AUTHORITY	BROOKSIDE	Elevator	New Bedford	\$0	\$10,573,875	\$0	\$0	\$0	\$0	\$0	\$10,573,875	\$140,985	\$8,459,100	\$112,788	80%	333%	48%	
BILLERICA HOUSING AUTHORITY	Talbot School Apartments	Walkup	Worcester	\$0	\$4,237,629	\$0	\$0	\$0	\$0	\$0	\$4,237,629	\$128,413	\$4,237,629	\$128,413	100%	162%	59%	
BREWSTER HOUSING AUTHORITY	HUCKLEBERRY LANE	Rowhouse	New Bedford	\$0	\$0	\$935,022	\$3,428,208	\$0	\$0	\$0	\$4,363,230	\$181,801	\$3,490,584	\$145,441	80%	137%	42%	
BRIMFIELD HOUSING AUTHORITY	COLONIAL PARK	Rowhouse	Springfield	\$0	\$6,676,072	\$0	\$0	\$0	\$0	\$0	\$6,676,072	\$119,216	\$5,340,858	\$95,372	80%	273%	30%	
BROCKTON HOUSING AUTHORITY	WALNUT-CROWELL	Detached/Semi-Detached	Spring	\$0	\$0	\$419,900	\$3,002,328	\$1,177,752	\$0	\$0	\$4,599,980	\$255,554	\$3,679,984	\$204,444	80%	337%	44%	
BROCKTON HOUSING AUTHORITY	RAINBOW TERRACE	Walkup	Boston	\$0	\$8,900,032	\$0	\$0	\$0	\$0	\$0	\$8,900,032	\$139,063	\$8,900,032	\$139,063	100%	176%	70%	
BROOKLINE HOUSING AUTHORITY	HIGH STREET VETS	Walkup	Boston	\$0	\$2,781,260	\$19,900,543	\$12,303,844	\$0	\$0	\$0	\$34,985,647	\$197,659	\$34,985,647	\$197,659	100%	307%	55%	
CAMBRIDGE HOUSING AUTHORITY	HAMMOND ST	Detached/Semi-Detached	Boston	\$1,083,856	\$0	\$0	\$0	\$0	\$0	\$0	\$1,083,856	\$135,482	\$541,928	\$67,741	50%	1379%	34%	
CARVER HOUSING AUTHORITY	MEADOWBROOK NORTH	Rowhouse	New Bedford	\$0	\$0	\$155,837	\$952,280	\$451,654	\$0	\$0	\$1,559,771	\$194,971	\$1,247,817	\$155,977	80%	181%	51%	
CHELMSFORD HOUSING AUTHORITY	ARMS	Elevator	Lowell	\$0	\$9,229,696	\$0	\$0	\$0	\$0	\$0	\$9,229,696	\$144,214	\$7,383,757	\$115,371	80%	208%	35%	
CHELSEA HOUSING AUTHORITY	FITZPATRICK	Rowhouse	Boston	\$0	\$5,861,100	\$4,731,636	\$0	\$0	\$0	\$0	\$10,592,736	\$151,325	\$10,592,736	\$151,325	100%	244%	43%	
CHELSEA HOUSING AUTHORITY	PRATTVILLE APTS	Rowhouse	Boston	\$0	\$10,745,350	\$8,618,337	\$0	\$0	\$0	\$0	\$19,363,687	\$151,279	\$19,363,687	\$151,279	100%	421%	41%	
BLACKSTONE HOUSING AUTHORITY	FOX BROOK MANOR	Walkup	Worcester	\$0	\$7,191,128	\$0	\$0	\$0	\$0	\$0	\$7,191,128	\$128,413	\$5,752,902	\$102,730	80%	238%	40%	
DEDHAM HOUSING AUTHORITY	DOGGETT CIRCLE	Walkup	Boston	\$0	\$11,125,040	\$0	\$0	\$0	\$0	\$0	\$11,125,040	\$139,063	\$11,125,040	\$139,063	100%	269%	58%	
DEDHAM HOUSING AUTHORITY	O'NEIL DRIVE	Walkup	Boston	\$0	\$13,906,300	\$0	\$0	\$0	\$0	\$0	\$13,906,300	\$139,063	\$11,125,040	\$111,250	80%	374%	44%	
DENNIS HOUSING AUTHORITY	MULHERN DRIVE FAMILY HOUSING	Detached/Semi-Detached	New Bedford	\$0	\$0	\$0	\$2,302,170	\$541,800	\$0	\$0	\$2,843,970	\$236,998	\$2,275,176	\$189,598	80%	285%	33%	
EAST BRIDGEWATER HOUSING AUTHORITY	RIDDELL ROAD 667-2	Walkup	New Bedford	\$0	\$6,173,664	\$0	\$0	\$0	\$0	\$0	\$6,173,664	\$128,618	\$4,938,931	\$102,894	80%	320%	42%	
EASTON HOUSING AUTHORITY	CHANDLER WAY	Detached/Semi-Detached	New Bedford	\$0	\$0	\$0	\$1,611,519	\$0	\$0	\$0	\$1,611,519	\$230,217	\$1,289,215	\$184,174	80%	293%	23%	
ESSEX HOUSING AUTHORITY	CHEBACCO TERRACE	Rowhouse	Lowell	\$0	\$5,269,440	\$0	\$0	\$0	\$0	\$0	\$5,269,440	\$131,736	\$5,269,440	\$131,736	100%	231%	58%	
FAIRHAVEN HOUSING AUTHORITY	Ash Street	Detached/Semi-Detached	New Bedford	\$0	\$0	\$193,224	\$1,151,085	\$0	\$0	\$0	\$1,344,309	\$224,052	\$1,075,447	\$179,241	80%	361%	29%	
GEORGETOWN HOUSING AUTHORITY	JEWETT ST	Detached/Semi-Detached	Lawrence	\$0	\$0	\$786,120	\$1,404,666	\$0	\$0	\$0	\$2,190,786	\$219,079	\$1,752,629	\$175,263	80%	266%	58%	
GROVELAND HOUSING AUTHORITY	Scattered Site Cannon Hill and Gardner	Detached/Semi-Detached	Lawrence	\$0	\$0	\$0	\$702,333	\$0	\$0	\$0	\$702,333	\$234,111	\$0	\$0	100%	641%	37%	
GREENFIELD HOUSING AUTHORITY	ELM TERRACE 667-1	Rowhouse	Springfield	\$0	\$8,730,248	\$0	\$0	\$0	\$0	\$0	\$8,730,248	\$128,386	\$8,730,248	\$128,386	100%	284%	40%	
GREENFIELD HOUSING AUTHORITY	ELM TERRACE 667-2	Rowhouse	Springfield	\$0	\$5,135,440	\$0	\$0	\$0	\$0	\$0	\$5,135,440	\$128,386	\$4,108,352	\$102,709	80%	332%	42%	
HADLEY HOUSING AUTHORITY	BURKEWAY APTS.	Detached/Semi-Detached	Springfield	\$0	\$0	\$0	\$2,768,280	\$0	\$0	\$0	\$2,768,280	\$230,690	\$1,384,140	\$115,345	50%	165%	30%	
HATFIELD HOUSING AUTHORITY	CAPAWONK	Rowhouse	Springfield	\$0	\$5,648,984	\$0	\$0	\$0	\$0	\$0	\$5,648,984	\$128,386	\$4,519,187	\$102,709	80%	396%	46%	
HAVERHILL HOUSING AUTHORITY	KENNEDY CIRCLE	Walkup	Lawrence	\$0	\$6,309,888	\$0	\$0	\$0	\$0	\$0	\$6,309,888	\$11,574,880	\$144,686	\$11,574,880	\$144,686	100%	417%	52%
HINGHAM HOUSING AUTHORITY	THAXTER PARK 667-2	Rowhouse	New Bedford	\$0	\$3,347,084	\$0	\$0	\$0	\$0	\$0	\$3,347,084	\$128,734	\$2,677,667	\$102,987	80%	176%	32%	
HOLYOKE HOUSING AUTHORITY	705-1	Detached/Semi-Detached	Springfield	\$0	\$0	\$967,755	\$1,614,830	\$0	\$0	\$0	\$2,582,585	\$215,215	\$2,066,068	\$172,172	80%	294%	40%	
HOPKINTON HOUSING AUTHORITY	BISSON RUE	Detached/Semi-Detached	Worcester	\$0	\$0	\$573,486	\$683,034	\$0	\$0	\$0	\$1,256,520	\$209,420	\$1,005,216	\$167,536	80%	1012%	46%	
LANCASTER HOUSING AUTHORITY	BIGLOW GARDENS	Rowhouse	Worcester	\$0	\$8,954,190	\$0	\$0	\$0	\$0	\$0	\$8,954,190	\$127,917	\$8,954,190	\$127,917	100%	277%	55%	
LEXINGTON HOUSING AUTHORITY	GREELEY VILLAGE	Walkup	Boston	\$0	\$13,906,300	\$0	\$0	\$0	\$0	\$0	\$13,906,300	\$139,082	\$14,464,500	\$139,082	100%	403%	63%	
LUNENBURG HOUSING AUTHORITY	WHITE STREET	Rowhouse	Boston	\$0	\$558,200	\$0	\$0	\$0	\$0	\$0	\$558,200	\$139,082	\$14,464,500	\$139,082	100%	403%	63%	
MANCHESTER HOUSING AUTHORITY	FAMILY 705	Rowhouse	Worcester	\$0	\$0	\$464,250	\$566,865	\$0	\$0	\$0	\$1,031,115	\$171,853	\$824,892	\$137,482	80%	202%	23%	
MEDFIELD HOUSING AUTHORITY	TILDEN VILLAGE	Rowhouse	Lawrence	\$0	\$0	\$317,636	\$388,010	\$0	\$0	\$0	\$705,646	\$176,412	\$564,517	\$141,129	80%	209%	16%	
MERRIMAC HOUSING AUTHORITY	Lincoln Street / Green Street	Rowhouse	Boston	\$0	\$7,535,700	\$0	\$0	\$0	\$0	\$0	\$7,535,700	\$125,595	\$6,028,560	\$100,476	80%	269%	30%	
MILLBURY HOUSING AUTHORITY	Scattered Site	Detached/Semi-Detached	Lawrence	\$0	\$0	\$393,060	\$468,222	\$0	\$0	\$0	\$861,282	\$215,321	\$861,282	\$215,321	100%	339%	43%	
NANTUCKET HOUSING AUTHORITY	MIACOMET VILLAGE	Walkup	Boston	\$0	\$834,378	\$0	\$0	\$0	\$0	\$0	\$834,378	\$139,063	\$834,378	\$139,063	100%	174%	28%	
NORTON HOUSING AUTHORITY	MIACOMET VILLAGE	Detached/Semi-Detached	New Bedford	\$0	\$0	\$386,448	\$1,841,736	\$541,800	\$0	\$0	\$2,769,984	\$230,832	\$2,215,987	\$184,666	80%	279%	39%	
NORTH ATTLEBOROUGH HOUSING AUTHORITY	JACOBS WAY	Detached/Semi-Detached	New Bedford	\$0	\$0	\$966,120	\$1,841,736	\$270,900	\$0	\$0	\$3,078,756	\$219,911	\$1,539,378	\$109,956	50%	273%	13%	
NORFOLK HOUSING AUTHORITY	CIRCLE COURT	Walkup	Boston	\$0	\$11,959,418	\$0	\$0	\$0	\$0	\$0	\$11,959,418	\$114,994	\$11,959,418	\$114,994	100%	185%	48%	
NORFOLK HOUSING AUTHORITY	PIKE KNOLL	Detached/Semi-Detached	Boston	\$0	\$0	\$2,309,450	\$2,251,746	\$0	\$0	\$0	\$4,561,196	\$228,060	\$2,280,598	\$114,030	50%	206%	14%	
NORTHAMPTON HOUSING AUTHORITY	SALVO HOUSE	Elevator	Springfield	\$0	\$27,034,368	\$0	\$0	\$0	\$0	\$0	\$27,034,368	\$140,804	\$21,627,494	\$112,643	80%	315%	49%	
NORTH BROOKFIELD HOUSING AUTHORITY	GROVE STREET SCHOOL APTS	Walkup	Worcester	\$0	\$0	\$2,278,038	\$0	\$0	\$0	\$0	\$2,278,038	\$162,717	\$2,278,038	\$162,717	100%	261%	37%	
NORWOOD HOUSING AUTHORITY	NAHATAN VILLAGE 667-3	Walkup	Boston	\$0	\$21,137,576	\$0	\$0	\$0	\$0	\$0	\$21,137,576	\$293,577	\$21,137,576	\$293,577	100%	450%	111%	
NORWOOD HOUSING AUTHORITY	NAHATAN VILLAGE 667-4	Walkup	Boston	\$0	\$11,959,418	\$0	\$0	\$0	\$0	\$0	\$11,959,418	\$149,493	\$9,567,534	\$119,594	80%	532%	50%	
PEABODY HOUSING AUTHORITY	COLONIAL MANOR	Walkup	Boston	\$0	\$556,252	\$3,874,442	\$0	\$0	\$0	\$0	\$4,430,694	\$177,228	\$3,544,555	\$141,782	80%	389%	54%	
ROCKLAND HOUSING AUTHORITY	STUDLEY COURT	Rowhouse	Boston	\$0	\$5,861,100	\$0	\$0	\$0	\$0	\$0	\$5,861,100	\$139,550	\$5,861,100	\$139,550	100%	234%	63%	
ROCKPORT HOUSING AUTHORITY	KITEFIELD ROAD	Rowhouse	Lawrence	\$0	\$0	\$1,111,726	\$2,910,075	\$459,978	\$0	\$0	\$4,481,779	\$186,741	\$3,585,423	\$149,393	80%	231%	28%	
SOUTHBRIDGE HOUSING AUTHORITY	SCHOOL APARTMENTS	Detached/Semi-Detached	Worcester	\$0	\$0	\$0	\$910,712	\$1,071,444	\$0	\$0	\$1,982,156	\$247,770	\$1,982,156	\$247,770	100%	387%	100%	
SOUTHBOROUGH HOUSING AUTHORITY	103 FRAMINGHAM RD.	Rowhouse	Worcester	\$0	\$0	\$309,500	\$188,955	\$0	\$0	\$0	\$498,455	\$166,152	\$498,455	\$166,152	100%	380%	17%	
SALEM HOUSING AUTHORITY	COLONIAL TERRACE	Walkup	Boston	\$0	\$5,562,520	\$0	\$0	\$0	\$0	\$0	\$5,562,520	\$139,063	\$5,562,520	\$139,063	100%	349%	67%	
SALISBURY HOUSING AUTHORITY	GREAT MEADOWS VILLAGE	Rowhouse	Lawrence	\$0	\$10,499,200	\$0	\$0	\$0	\$0	\$0	\$10,499,200	\$131,240	\$8,399,360	\$104,992	80%	155%	24%	
SAUGUS HOUSING AUTHORITY	ARMITAGE ARMS	Walkup	Boston	\$0	\$0	\$1,056,666	\$464,296	\$0	\$0	\$0	\$1,520,962	\$190,120	\$1,216,770	\$152,096	80%	153%	23%	
SHARON HOUSING AUTHORITY	21 S. Pleasant St.	Walkup	Boston	\$0	\$0	\$1,056,666	\$0	\$0	\$0	\$0	\$1,056,666	\$176,111	\$1,056,666	\$176,111	100%	252%	55%	
STOUGHTON HOUSING AUTHORITY	LA CIVITA COURT	Rowhouse	Boston	\$0	\$2,511,900	\$0	\$0	\$0	\$0	\$0	\$2,511,900	\$139,238	\$6,961,916	\$139,238	100%	268%	65%	
STOUGHTON HOUSING AUTHORITY	LA CIVITA COURT	Walkup	Boston	\$0	\$4,450,016	\$0	\$0	\$0	\$0	\$0	\$4,450,016	\$139,238	\$6,961,916	\$139,238	100%	268%	65%	
STOUGHTON HOUSING AUTHORITY	LA CIVITA COURT	Walkup	Boston	\$0	\$6,675,024	\$0	\$0	\$0	\$0	\$0	\$6,675,024	\$139,063	\$5,340,019	\$111,250	80%	319%	54%	
SUTTON HOUSING AUTHORITY	ORCHARD APARTMENTS	Walkup	Worcester	\$0	\$5,136,520	\$0	\$0	\$0	\$0	\$0	\$5,136,520	\$128,413	\$5,136,520	\$128,413	100%	987%	43%	
TAUNTON HOUSING AUTHORITY	JOHN SHEA COURT	Walkup	New Bedford	\$0	\$5,659,192	\$0	\$0	\$0	\$0	\$0	\$5,659,192	\$128,618	\$4,527,354	\$102,894	80%	207%	66%	
WALTHAM HOUSING AUTHORITY	SOUTH STREET	Rowhouse	Boston	\$639,486	\$0	\$0	\$0	\$0	\$0	\$0	\$639,486	\$106,581	\$511,589	\$85,265	80%	120%	14%	
WARE HOUSING AUTHORITY	161 West Street	Rowhouse	Springfield	\$0	\$0	\$2,488,224	\$1,141,428	\$0	\$0	\$0	\$3,629,652	\$164,984	\$2,903,722	\$131,987	80%	252%	65%	
WATERTOWN HOUSING AUTHORITY	LEXINGTON GARDENS - BRICKS	Walkup	Boston	\$0	\$3,337,512	\$0	\$0	\$0	\$0	\$0	\$3,337,512	\$139,063	\$3,337,512	\$139,063	100%	405%	45%	
WATERTOWN HOUSING AUTHORITY	MCSHERRY GARDENS	Walkup	Boston	\$0	\$5,562,520	\$0	\$0	\$0	\$0	\$0	\$5,562,520	\$139,063	\$5,562,520	\$139,063	100%	390%	76%	
WELLESLEY HOUSING AUTHORITY	MORTON CIRCLE	Walkup	Boston	\$0	\$5,006,268	\$0	\$0	\$0	\$0	\$0	\$5,006,268	\$139,063	\$5,006,268	\$139,063	100%	263%	63%	
WELLESLEY HOUSING AUTHORITY	WASHINGTON STREET	Walkup	Boston	\$0	\$5,562,520	\$0	\$0	\$0	\$0	\$0	\$5,562,520	\$139,063	\$4,450,016	\$111,250	80%	235%	49%	
WINCHENDON HOUSING AUTHORITY	16 Ready Drive	Detached/Semi-Detached	Worcester	\$1,234,930	\$0	\$0	\$0	\$0	\$0	\$0	\$1,234,930	\$123,493	\$617,465	\$61,747	50%	146%	36%	
WINCHENDON HOUSING AUTHORITY	14 Ready Drive	Detached/Semi-Detached	Worcester	\$987,944	\$0	\$0	\$0	\$0	\$0	\$0	\$987,944	\$123,493	\$493,972	\$61,747	50%	355%	8%	
WINCHENDON HOUSING AUTHORITY	1-12 Ready Drive	Detached/Semi-Detached	Worcester	\$0	\$0	\$1,146,972	\$1,366,068	\$0	\$0	\$0	\$2,513,040	\$						

HUD 2022 UNIT TOTAL DEVELOPMENT COST (TDC) LIMITS

	<i>0</i> <i>HCC</i> <i>500 sqft</i>	<i>1</i> <i>HCC</i> <i>700 sqft</i>	<i>2</i> <i>HCC</i> <i>900 sqft</i>	<i>3</i> <i>HCC</i> <i>1200 sqft</i>	<i>4</i> <i>HCC</i> <i>1500 sqft</i>	<i>5</i> <i>HCC</i> <i>1700 sqft</i>	<i>6</i> <i>HCC</i> <i>1900 sqft</i>
Region I - Northeast							
MASSACHUSETTS							
<i>BOSTON</i>							
Detached/Semi-Detached	135,482	175,711	209,950	250,194	294,438	322,828	350,269
Row House	106,581	139,550	168,987	206,630	245,053	269,998	293,299
Walkup	101,961	139,063	176,111	232,148	287,684	324,153	360,177
Elevator	109,248	152,947	196,646	262,194	327,743	371,442	415,141
<i>LAWRENCE</i>							
Detached/Semi-Detached	126,919	164,531	196,530	234,111	275,454	301,982	327,591
Row House	100,312	131,240	158,818	194,005	229,989	253,344	275,142
Walkup	96,318	131,456	166,544	219,603	272,202	306,756	340,901
Elevator	102,588	143,623	184,658	246,210	307,763	348,798	389,833
<i>LOWELL</i>							
Detached/Semi-Detached	127,510	165,314	197,479	235,262	276,821	303,488	329,238
Row House	100,673	131,736	159,442	194,810	230,965	254,431	276,338
Walkup	96,586	131,801	166,966	220,145	272,860	307,487	341,701
Elevator	103,010	144,214	185,418	247,224	309,030	350,234	391,438
<i>NEW BEDFORD</i>							
Detached/Semi-Detached	124,736	161,738	193,224	230,217	270,900	297,005	322,221
Row House	98,359	128,734	155,837	190,456	225,827	248,786	270,225
Walkup	94,270	128,618	162,916	214,787	266,201	299,971	333,334
Elevator	100,704	140,985	181,267	241,689	302,111	342,393	382,674
<i>PITTSFIELD</i>							
Detached/Semi-Detached	117,416	152,237	181,865	216,673	254,955	279,520	303,244
Row House	92,644	121,242	146,754	179,332	212,626	234,237	254,413
Walkup	88,837	121,215	153,548	202,444	250,912	282,747	314,202
Elevator	94,824	132,753	170,683	227,577	284,472	322,401	360,331
<i>SPRINGFIELD</i>							
Detached/Semi-Detached	124,857	161,963	193,551	230,690	271,509	297,703	323,033
Row House	98,021	128,386	155,514	190,238	225,652	248,646	270,133
Walkup	93,618	127,646	161,624	213,022	263,955	297,395	330,422
Elevator	100,574	140,804	181,034	241,379	301,723	341,953	382,183
<i>WORCESTER</i>							
Detached/Semi-Detached	123,493	160,059	191,162	227,678	267,861	293,643	318,520
Row House	97,804	127,917	154,750	188,955	223,964	246,683	267,880
Walkup	94,062	128,413	162,717	214,585	266,009	299,797	333,191
Elevator	99,924	139,893	179,862	239,816	299,771	339,740	379,709