



SMART GROWTH AND REGIONAL COLLABORATION

Affordable Homes Act Summary: House Final

H.4977

For questions, please contact: [Leah Robins](#), [Matt Walsh](#), [Georgia Barlow](#), [Norman Abbott](#)

Summary: Early in the morning of August 1, the Affordable Homes Act Conference Committee issued its report, which both the House and Senate passed shortly thereafter. The bill includes \$5.16 billion in spending authorizations with several policy priorities included, though many from each branch and the Governor did not advance. MAPC’s top priorities in the final bill include \$2 billion in funding authorizations for public housing modernization and decarbonization, statewide legalization of accessory dwelling units (ADUs), eviction sealing provisions, the creation of an office of fair housing,

What’s next: Governor Healey signed the bill into law on August 6, 2024. Policy measures included in the bill will now go into effect, except where later effective dates are noted. MAPC and other supporters of the bill will now turn to support the issuance of bonds in the amounts authorized in the bill.

Key MAPC Line Items

Line Item	Subject	Governor’s Proposal	House Final	Senate Final	Conference Final
7004-0074	Public Housing Modernization	\$1.5 billion	\$2 billion	\$2 billion	\$2 billion
Within 7004-0074	Public Housing Decarbonization	\$150 million	\$150 million	\$150 million	\$150 million
7004-0072	Affordable Housing Trust Fund	\$800 million	\$800 million	\$800 million	\$800 million
7004-0073	Housing Stabilization & Investment Trust Fund	\$425 million	\$425 million	\$425 million	\$425 million
Within 7004-0073	Small Properties State Acquisition Fund	\$0	\$0	\$10 million	\$10 million
7004-0078	Sustainable & Green Housing Initiatives	\$275 million	\$275 million	\$275 million	\$275 million
7004-0083	HousingWorks Infrastructure Program	\$175 million	\$175 million	\$375 million	\$175 million
7004-0092	Grants & Technical Assistance for Commercial Conversions	\$0	\$150 million	\$0	\$0
7004-0081	Commonwealth Builder	\$100 million	\$100 million	\$200 million	\$100 million
1599-3032	MWRA Expansion	\$0	\$1 billion	\$0	\$0

Several MAPC priority policy measures were included in the bill:



Accessory Dwelling Units (ADUs) By-Right (Section 7-8)

The bill includes language that would require that all communities allow one ADU by-right on all single-family residential lots, as included by both branches. This ADU would be subject to “reasonable regulations,” including water and sewer regulations, site plan review, dimensional and setback requirements, and restrictions or prohibitions on the accessory unit’s use as a short-term rental. Owner occupancy requirements are prohibited, as are parking requirements, provided an ADU is within 0.5 miles of transit. The bill requires that any subsequent ADUs on the same lot be subject to a special permit.

Office of Fair Housing (Section 5)

The bill includes language establishing an Office of Fair Housing within the Executive Office of Housing and Livable Communities, and a Fair Housing Trust Fund to support the Office’s activities, as included by both branches. The Office would be charged with proactively furthering fair housing law and making policy recommendations to improve equitable access to housing.

Eviction Sealing (Sections 28 & 52)

The bill includes language establishing a process to seal eviction records through the Trial Court, as included by the Senate.

Several MAPC priorities were not included:

Local Option Transfer Fees (Sections 19-20 of H.4138)

The bill does not include language enabling local option transfer fees as included by the Governor. It also omits language included by the Senate (Section 142 of S.2850) that would have established a special commission to study local option transfer fees and other revenue generation mechanisms for housing.

Inclusionary Zoning by Simple Majority (Section 13 of S.2850)

The bill does not include language that would have allowed the passage of inclusionary zoning votes by a simple majority, rather than the current two-thirds majority requirement as included by the Governor and Senate.

Tenant Opportunity to Purchase Act/Tenant’s Right of First Refusal (Section 36D of H.4726)

The bill does not include language establishing a local option for a tenant’s right of first refusal, as included by the House. These provisions would have granted tenant’s the right to match an offer on their building when it goes up for sale or designate that right to an affordable housing development partner.

Other Notable Inclusions:

Seasonal Communities (Section 5 & 136)

The bill includes language establishing a Seasonal Communities designation which will by default include all municipalities in Dukes and Nantucket Counties, communities with more than 35 percent seasonal housing in Barnstable County, communities with more than 40 percent season housing in Berkshire County, and other communities as designated by the Secretary of Housing and Livable Communities. The bill establishes a Seasonal Communities advisory council comprising at least seven members, including a representative from each regional planning agency which serves at least one seasonal community. Finally, the bill grants seasonal communities the power to acquire year-round housing occupancy restrictions, develop housing for essential public employees and artists, permit undersized lots for tiny homes and more.



Healthy Homes Program (Section 5)

The bill includes language establishing a Healthy Homes program to support the rehabilitation of existing housing to address health and safety hazards such as mold, asbestos, pests, and lead, and remove barriers to energy and water efficiency improvements. The program will provide grants and loans of up to \$50,000 per unit to low-to-moderate income owner occupants, small landlords, and large landlords with varying terms for each category of eligible recipient, with a requirement that at least half of funds made available through the program be made for rehabilitation of housing in gateway cities.

Commercial Conversion Tax Incentives (Sections 5, 17 & 26)

The bill includes language establishing a tax credit for up to ten percent of the development cost of projects which convert commercial spaces to housing.

Homeownership Production Tax Credit (Section 26)

The bill includes language establishing a homeownership production tax credit to support the production of homeownership units for homebuyers at or below 120 percent of area median income (AMI), covering up to 35% of qualified project expenditures. The bill establishes an annual cap of \$10 million for credits issued under these provisions.

Tenant Protections in Public Housing Redevelopment (Section 35)

The bill includes language establishing protections for tenants of public housing projects in the case of that project's redevelopment. These protections prevent evictions, reduction of assistance, and re-screening, and require that housing authorities develop plans to rehouse tenants during redevelopment.

Flexible Funding Pool for Supportive Housing (Section 44)

The bill includes language establishing a Supportive Housing Pool Fund to allow a more flexible funding stream for supportive housing, better able to cover expenses for wrap-around services which many funding sources primarily focused on housing do not cover.

Condo Conversions (Section 57)

The bill includes language removing exemptions to the condo conversion law (M.G.L. c.183A) for buildings with fewer than four units, preserving the exemptions only for buildings which are owner-occupied.

Surplus Land Disposition Reform (Section 121-123)

The bill includes language prioritizing housing uses, and particularly affordable housing uses, in the disposition of state-owned properties, and gives the Governor the authority to order any public agency to determine if certain parcels of land are surplus within 30 days of such request.

Commissions (Sections 126-128)

The bill includes language establishing special commissions on: 1) affordable and healthy senior housing (Section 126), 2) accessibility in housing for people with disabilities and seniors (Section 127), and 3) expanding the supply of extremely low-income housing (Section 128).

Foreclosure Mediation Program (Section 129)

The bill includes language establishing a foreclosure mediation pilot program administrated by the Mass. Office of Public Collaboration at UMass Boston, which will select participating communities based on



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foreclosure rates. The program will support pre-foreclosure mediation and establish certain protections for eligible borrowers during mediation.

Other Notable Exclusions:

MWRA Expansion (1599-3032 in H.4726)

The bill does not include \$1 billion for the expansion of the Massachusetts Water Resources Authority (MWRA), as proposed by the House.

Related Housing Wins:

Access to Counsel (0321-2000)

The FY25 budget included \$2.5 million for the implementation of an access to counsel pilot program, a long-time MAPC housing priority.