



July 20, 2016

Senator Eileen Donoghue
Co-Chair

Representative Joseph Wagner
Co-Chair
Joint Committee on Economic Development
and Emerging Technologies
State House
Boston, MA 02133

Dear Chairwoman Donoghue and Chairman Wagner:

On behalf of the MACDC Board of Directors and Membership, we wish to thank you for your leadership of the Conference Committee for An Act Relative to Job Creation, Workforce Development and Infrastructure Investment (H.4483/S.2435), for reconciling the differences between the House and Senate bills, and for leading the way toward comprehensive economic development legislation. We are grateful that the House and the Senate adopted language to make a technical correction to the statutory language concerning the Community Investment Tax Credit (CITC) allocation formula (MGL Chapter 63, Section 38EE, (c) (4); MGL Chapter 62, Section 6M, (c) (4)). This revised language will give DHCD appropriate discretion to determine whether program participants are making adequate progress annually for dispensing with tax credits and will be less burdensome administratively for all parties involved in these activities. In addition to this important provision that improves the administration of the CITC program, both the House and the Senate versions of the economic development bill contain definitive language to provide \$45 million capital authorization for the Brownfields Redevelopment Fund, and \$6 million capital for the Massachusetts Food Trust.

We respectfully request that the Conference Committee adopt the following House and Senate provisions that will help to expand economic opportunity to families and communities across the Commonwealth:

- House-adopted amendment to authorize \$1 million capital funding for the Massachusetts Growth Capital Corporation (MGCC) to support a matching grant program for CDFIs and CDCs;
- Senate-adopted amendment to create a Donation Tax Credit (DTC) for affordable housing. This proposal would enable the existing State Low Income Housing Tax Credit (SLIHTC) to support more affordable homes, at no additional costs to the Commonwealth, by providing an incentive for owners to donate, rather than sell, their properties for use as affordable or mixed-income housing;

- Senate-adopted amendment to allow for the creation of Community Benefit Districts (CBDs), enabling collaborative public-private-nonprofit partnerships to implement local initiatives and to enhance community revitalization; and
- Senate-adopted amendment to increase the state Earned Income Tax Credit (EITC) from 23% to 28%.

The chart below offers a brief comparison of key economic-development priorities contained in the bills and that MACDC and its allies support.

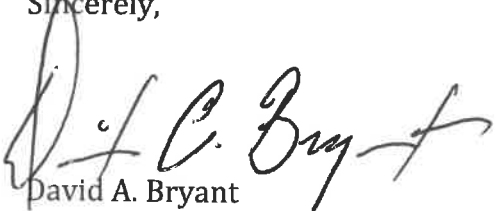
An Act Relative to Job Creation, Workforce Development and Infrastructure Investment (H.4483) (S.2435)

PRIORITY ISSUE	HOUSE BILL (H.4483)	SENATE BILL (S.2435)	MACDC RECOMMENDATIONS TO CONFERENCE COMMITTEE
CITC - REVISED "95% RULE" 3 YRS PRIOR ALLOCATION OF CREDITS	Technical correction adopted	Technical correction adopted	
MASSACHUSETTS FOOD TRUST PROGRAM	\$6 Million capital authorization	\$6 Million capital authorization	
BROWNFIELDS REDEVELOPMENT FUND	\$45 Million capital authorization	\$45 Million capital authorization	
TRANSFORMATIVE DEVELOPMENT INITIATIVE	\$45 Million capital authorization	\$45 Million capital authorization	
MASSWORKS INFRASTRUCTURE PROGRAM	\$500 Million capital authorization	\$330 Million capital authorization	Support House provision
SMART GROWTH TRUST FUND (CHAPTER 40R)	\$15 Million capital authorization	\$10 Million capital authorization	Support House provision
CDFI / CDC SMALL BUSINESS LENDING GRANT PROGRAM	\$1 Million		Support House provision
EARNED INCOME TAX CREDIT (EITC)		Increased State EITC	Support Senate provision

DONATION TAX CREDIT COMMUNITY BENEFIT DISTRICTS (CBDS)		from 23% to 28% Amendment adopted Amendment adopted	Support Senate provision Support Senate provision
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As always, we thank you and remain grateful for your strong support of our sector and our communities, and we look forward to working with you to advance additional shared priorities.

Sincerely,



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Cc: Hon. Brian Dempsey
 Hon. Karen Spilka
 Hon. Vinny deMacedo
 Hon. James Kelcourse