



Testimony in Support of
An Act to Preserve Affordable Housing Through a Local Option Tenant's Right to
Purchase (H.3017)

David A. Bryant
Director of Advocacy
to the
Joint Committee on Housing

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Chairman Honan, Chairman Boncore, and Members of the Joint Committee, on behalf of MACDC and our members, I am testifying in support of An Act to Preserve Affordable Housing Through a Local Option Tenant's Right to Purchase (H.3017), legislation filed by Rep. Denise Provost that provides new tools to help tenants and their community-based partners, including CDCs, to preserve tenancies at reasonable rent levels, and to ensure that the Commonwealth can meet its housing needs and preserve more affordable housing.

MACDC represents all 60 state-certified CDCs in Massachusetts as well as 30 other non-profit organizations that share our mission of expanding economic opportunity across the Commonwealth. CDCs work collaboratively with residents and local governments to identify community goals and develop projects with strong local support. In 2016 alone, our members built or preserved 1,643 units (including 814 homes) and provided 1,438 jobs to local workers in real estate construction projects, representing 34 projects and a \$186.6 million investment.

There are several elements in this enabling legislation that can offer important resources to tenants and community partners who are committed to prevent the occurrence of widespread displacement of low- and moderate-income residents and neighbors, as we work together to promote local initiatives that strengthen existing small businesses and institutions and attract new investments to our shared community and neighborhood revitalization efforts.

This bill is based on the Tenant Opportunity to Purchase Act (TOPA) in Washington, DC, adopted nearly forty years ago. TOPA helped to preserve housing affordability for thousands of D.C. residents since its passage in 1980.

At the time a purchase and sale agreement (PSA) is executed, non-resident owners of a residential building with three units or more, must give written notice of the agreed-upon sale price to the tenants and the local municipality, at which time the tenants, or their designees, would have forty-five days to make a five-percent deposit to match and to establish a priority PSA, and an additional 120 days from execution from the PSA to secure financing for and close on the purchase of the building. Further, the bill outlines

steps for any municipality that adopts this program to take to establish an authorized housing trust fund to further assist with financing transactions.

MACDC members commend Rep. Provost for highlighting this important preservation tool and bringing it to the attention of her colleagues and the Commonwealth's affordable housing community. We appreciate the leadership of Chairman Honan and Chairman Boncore in supporting affordable housing production and preservation legislation this session, and seeking new initiatives to leverage scarce housing resources to meet our most pressing housing needs over many years.

Massachusetts has long been a national leader on affordable housing, and we have more work to do. We urge the Joint Committee to report favorably H.3017, so that all communities may benefit from the new tools and incentives that may come with passage of this bill. We look forward to working with you all to advance this legislation and to maintain Massachusetts' leadership in the affordable housing sector for years to come.

Respectfully submitted,



David A. Bryant
Director of Advocacy
Massachusetts Association of
Community Development Corporations
15 Court Square, Suite 600
Boston, MA 02108
(617) 379-5927
davidb@macdc.org