



Statement from CHAPA, MACDC, and MAHA on American Rescue Plan Act housing spending in Massachusetts

December 7, 2021

We thank the Legislature for passing a bill that invests over \$600 million from the Commonwealth's American Rescue Plan Act (ARPA) Fiscal Recovery Funds into affordable housing. This funding will have a real impact on people's lives by allowing us to quickly produce new affordable homes. We urge Governor Baker to sign this bill into law and put Massachusetts on a path to making homes more affordable and closing our racial homeownership gap.

This funding is a strong first step. And, we can do more. To fully capitalize on the opportunity presented by this once-in-a-generation investment from the federal government, we must continue down this path and invest an additional \$600 million of the remaining ARPA funds into affordable housing.

Whether you are examining rents or home prices, Massachusetts is one of the highest-cost states in the country. The National Low Income Housing Coalition's Out of Reach report ranks Massachusetts as the 3rd least affordable state for renters. And we have profound racial disparities in who gets to own a home in our state, with 70% of white households owning compared to just 35% of Black, Latinx, and Asian households. Those disparities extend to renters, with more tenants of color being cost-burdened than their white counterparts.

Given the level of housing stress that exists for so many Massachusetts families and our capacity at the state and local levels to create the homes we need, we should build upon Governor Baker's proposal to spend \$1 billion of ARPA funds on affordable housing. Massachusetts has been awarded \$5.3 billion. There has never been a better moment to put our state on a path to equity by investing in affordable housing, particularly in communities of color.

By investing in housing and narrowing the racial homeownership gap, we can emerge from the pandemic stronger. Hundreds of families will be able to purchase their first home and start building for the future. We will be able to create the homes with the supportive services needed to help get people off the streets and recover. We can make our housing safer, healthier, more energy efficient and resilient to climate change. Thousands of current and future residents of public housing will benefit by ensuring these deeply affordable homes remain for generations to come.

We call on our state legislative leaders to pass a second ARPA spending bill by the end of this legislative session that commits an additional \$600 million to affordable housing opportunities and closing the racial homeownership gap.

The urgent impacts of the COVID pandemic and the damaging legacy of racial injustice are putting our entire Commonwealth's future at risk. We applaud the initial down payment of \$600 million, which will make a difference in so many lives, but we must invest more in our communities before the end of the legislative session to ensure a better future for every Massachusetts resident.