

Dear Representative:

On behalf of our 97 member organizations across the Commonwealth, we are writing to ask your support of key amendments to *H.5007, An act relating to economic growth and relief for the Commonwealth.*

MACDC is an association of mission-driven community development organizations dedicated to creating places of opportunity where all people can live with dignity while participating in and benefiting from our Commonwealth's economy. We believe that if adopted, the following amendments will help to make a strong bill stronger and help create important opportunities to advance equity in our communities.

We ask that you please co-sponsor the following:

- **Amendment #508, Tenant Opportunity to Purchase Act (TOPA), by Rep Jay Livingstone & Rep Rob Consalvo**

The pandemic caused increased distress in the housing market and is expected to result in more turmoil, speculative purchases, and resident displacement. TOPA is an essential tool to help tenants keep their homes, preventing the displacement of vulnerable residents. TOPA would allow cities and towns the local option of providing tenants in multi-family buildings the right to match a third party offer when their homes are being sold. TOPA is revenue neutral, does not regulate sales price, and explicitly exempts small owners – it simply allows municipalities to adopt tenant right-of-first-refusal ordinances.

- **Amendment #379, Receivership Authorization for Nonprofits, by Rep Carlos Gonzalez:**

This amendment to M.G.L. c. 111, section 127I would permit a court to allow the sale of a vacant receivership property to a nonprofit entity for the fair market value of the property “as is,” in order for the nonprofit entity to rehabilitate the property and sell it affordably to an income-eligible first-time homebuyer. In this way the amendment would leverage a municipality’s code enforcement work to create an inventory of affordable properties, thereby simultaneously reducing blight, promoting homeownership among low-and moderate-income households, and stabilizing neighborhoods.

- **Amendment #662, \$250,000 for the Mel King Institute for Community Building to strengthen the capacity of community residents and community organizations, by Rep Nika Elugardo**

The [Mel King Institute for Community Building](#) fosters vibrant and thriving Massachusetts communities by advancing the skills, knowledge and leadership ability of professional practitioners and volunteer leaders in the community development field. This funding would enable the Institute to expand its trainings, including online and digital learning courses, on topics such as, affordable housing finance, small business

development, and other entrepreneurial and economic development and management topics in underinvested and majority BIPOC communities across Massachusetts.

- **Amendment #176, Local Option Real Estate Transfer Fee for Housing Affordability, by Rep Mike Connolly**

This Amendment will allow municipalities the opportunity to implement transfer fees for affordable housing if they so choose, to generate revenue specifically for the creation and preservation of affordable housing. This transfer fee would only apply to sales above the statewide (or county) median home price and gives municipalities the option to set a higher price threshold and to enact exemptions such as transactions by seniors, owner-occupants or others that are appropriate given their local housing market. Existing sources of funding for affordable housing do not sufficiently fund the programs needed to prevent displacement in our communities. Municipalities need this additional tool now.

- **Amendment #339, Small Business Empowerment, by Rep Russell Holmes**

This amendment would provide targeted support to build a stronger small business development eco-system that can reduce and eventually eliminate racial disparities in small business ownership. We believe now is the time for long-term, transformative programs like these:

- \$40 million to create a Commercial Real Estate Ownership Opportunity Fund to fill gaps in commercial real estate deals at MassDevelopment in order to help struggling business owners buy the real estate in which their business is located. This fund will help business owners from communities of color to build wealth and close the racial wealth gap, and it will help stabilize the business and the community by preventing the displacement and gentrification that is disrupting communities across the state.
- \$40 million for grants and TA for real estate enhancement financing. This amendment will supplement the Ownership Opportunity Fund, with an additional investment in Mass. Growth Capital Corp to fund a commercial real estate ownership loan product at MGCC, with the ability to provide gap-filling grants and technical assistance for new property owners. As a result of long-standing racial inequities in wealth creation, many business owners of color do not have the equity and financial wherewithal to buy these properties without grant funding and most are not experienced in these sort of real estate transactions.
- \$50 million to invest in partnerships between banks and CDFIs/CDCs to further expand access to capital for underserved businesses, specifically those owned by people of color, immigrants, women and other socially and economically disadvantaged small businesses.

- **Amendment #230 – (HERO) Sustainable Climate & Housing Revenue, by Rep. Nika Elugardo**

This amendment would double the deeds excise tax on the sale of real estate property and dedicates the estimated \$300 million in annual revenue towards investments in affordable housing and climate sustainability. The proposal represents an equitable and sustainable way to fund the investments we need to ensure that we can decarbonize our older residential housing, increase access to affordable housing, and invest in climate mitigation and resiliency.

- **Amendment #78, Zero Carbon Renovation Fund, by Rep. Tami Gouveia**

This amendment establishes a Zero Carbon Renovation Fund with an allocation of \$250 million for providing grants to fund deep energy retrofits and zero carbon renovations in older homes and buildings.

Thank you for your consideration of these critical economic development and housing equity amendments.

Please do not hesitate to contact me if you have any questions. I can be reached at joek@macdc.org or 617-721-7520.

Sincerely,

Joseph Kriesberg
President & CEO