



## **MACDC Lauds House Action on the Economic Development Bill and Urges further Refinements by the Massachusetts Senate**

**The emerging legislation would support small businesses, promote affordable and equitable housing development, and protect tenants across the Commonwealth**

### **MACDC urges Senate approval of amendments that would make a good bill even better**

MACDC is excited to see the Massachusetts Legislature making substantial progress toward enacting legislation that would support small businesses, promote affordable and equitable housing development, and protect tenants across the Commonwealth. On July 28, the House adopted its version of [H. 4879](#), An Act Enabling Partnerships for Growth, also known as the Economic Development bill. MACDC strongly supports the bill, which was originally filed by Governor Baker and was made stronger by the House. We are pleased to see the Senate take up this legislation on Wednesday, July 29<sup>th</sup>, when debate begins on its version of An Act Enabling Partnerships for Growth ([S.2842](#)).

MACDC is particularly appreciative that the Senate bill includes several MACDC priorities in its legislation, in particular:

- \$35 million in capital authorization for CDFIs and CDCs that lend to small & micro businesses, with a focus on those owned by people of color, immigrants, women and lower-income people;
- \$20 million for a small business grant program for low- and moderate-income entrepreneurs;
- \$20 million for a small business grant program aimed at restaurants impacted by COVID-19;
- \$40 million to support neighborhood stabilization by revitalizing underutilized properties into active commercial space, housing, green or civic space;
- \$10 million to a new Rural and Small-Town Development Fund; and
- Additional funding for green and smart growth housing development.

MACDC also urges Senators to co-sponsor and support:

- Amendment #1 (Sen. Crighton) to enact modified Housing Choices legislation;
- Amendment # 6 (Sen. Crighton) to guarantee a tenant's first right of refusal, so that tenants can work together (or with a nonprofit partner) to acquire their property if/when it goes on the market (to learn more see this [article](#));
- Amendment #22 (Sen. Crighton) to effect rehabilitation of blighted properties and creation of affordable housing in the Commonwealth by making it easier for municipalities to acquire long vacant and blighted properties for the purpose of rehabilitation;
- Amendment #23 (Sen. Crighton) to increase the low-income housing tax credit by \$20 million per year to build and preserve much needed affordable housing;
- Amendments #42 (Sen. Moore) to fund the [MA Food Trust](#) by authorizing \$10 Million for the MFT Program over the next 5 years, including unreleased funds from 2016;
- Amendment #87 (Sen. Cyr) to attain parity and flexibility for small businesses by allowing grant dollars to be used for capital investments, safety equipment, working capital and payroll;

- Amendment #96 (Sen. Collins) to enact the City of Boston’s Home Rule petition to strengthen its Inclusionary Development and Linkage programs (for more info read this [letter](#));
- Amendment #161 (Sen. Hinds) for the creation of an office of rural policy;
- Amendment #167 (Sen. Hinds) to increase the annual cap on the Housing Development Incentive Program to \$30 million; and
- Amendment #175 (Sen. DiDomenico) for a pilot right to counsel pilot program.

Approval of these amendments would build on the excellent bill adopted by the House on July 28. The House-passed legislation includes several provisions that are particularly important to MACDC and its members:

- ✓ Authorizes capital funding for critical programs, such as
  - \$35 million in capital authorization for CDFIs and CDCs that lend to small & micro businesses, with a focus on those owned by people of color, immigrants, women and lower-income people;
  - \$15 million for a micro business matching grant program;
  - \$30 million for a forgivable loan program for small businesses;
  - \$40 million to support neighborhood stabilization by revitalizing underutilized properties into active commercial space, housing, green or civic space; and
  - \$10 million to a new Rural and Small-Town Development Fund;
  - Additional funding for green and smart growth housing development.
- ✓ Triples the Housing Development Incentive Program from \$10 Million to \$30 Million annually;
- ✓ Increases the state housing tax credit from \$20 Million to \$40 Million annually;
- ✓ Provides new language to protect tenants from eviction (after the moratorium ends) by requiring landlords to engage in good faith mediation before evicting a tenant impacted by COVID-19;
- ✓ Provides tenants with an opportunity to purchase their property when it goes up for sale;
- ✓ Provides a mechanism for public housing tenants to serve on the boards of Local Housing Authorities consistent with the public housing reform program adopted by the legislature several years ago;
- ✓ Creates an Office of Rural Policy;
- ✓ Includes the Housing Choices legislation filed by Governor Baker that would reduce the threshold for approving smart growth housing from two-thirds to a simple majority.

Massachusetts faces the most severe economic and housing challenges since the Great Depression. The COVID-19 pandemic has devastated workers, families, businesses, and communities across the Commonwealth. The economic development legislation now pending in the Massachusetts State Senate offers an opportunity to begin to address these needs. We urge the Senate to adopt these amendments and to enact the strongest possible economic development program.