

2022 ADVOCACY AGENDA

MACDC's policy agenda in 2022 will address both the immediate needs created by the COVID-19 Pandemic and economic crises, as well as the long-term structural issues in our economy that have been our focus for years. MACDC and our members will focus on the following priorities:

American Recovery Plan Act (ARPA): The American Rescue Plan Act of 2021 is designed to facilitate nation-wide recovery from the devastating economic and health effects of the COVID-19 pandemic. Last year, the Governor and the Legislature authorized over \$4 billion in one-time funding using a combination of Federal ARPA dollars and state surplus revenue. In 2022, they are expected to pass legislation allocating the remaining \$2.3 billion in Federal ARPA funding. This represents a once-in-a-generation opportunity to tackle a wide range of issues. MACDC will be highly focused, therefore, on both the implementation of ARPA 1.0 and shaping ARPA 2.0.

- ARPA 1.0 included over \$600 million for several different affordable housing initiatives including both rental and homeownership opportunities, as well as a new pilot initiative to complete deep energy retrofits on older housing in Gateway Cities. MACDC will work with the relevant state agencies, and with our partners, to ensure the quick and sound implementation of these programs.
- ARPA 1.0 also included \$75 million to provide grants to small businesses, with at least \$50 million targeted to businesses owned by people of color, women, and other priority groups. Again, we will be working with Massachusetts Growth Capital Corporation to ensure the quick and effective implementation of that program.
- MACDC will also be serving on the newly created State ARPA Equity and Accountability Panel that is charged with making sure that state and municipal ARPA funds are spent in ways that address long-term racial inequities.
- MACDC will advocate that ARPA 2.0 provides at least \$600 million for affordable housing, with deeper investment in homeownership, a new program to retrofit older housing to make it healthier and safer, investments in clean energy retrofits, and, of course, more long-term affordable housing. We also will be seeking upwards of \$300 million for small business relief and support.

Eviction and Foreclosure Prevention: As the pandemic and resulting economic dislocation grind on, so too does the risk of a major wave of evictions and foreclosures. State funding for emergency rental assistance is expected to run out this spring or early summer. Without new Federal dollars the state will need to develop a new strategy for helping tenants remain housed.

- MACDC will advocate for continued procedural protections for tenants, legal services, mediation, and as much relief funding as possible.
- MACDC will partner with the state on the roll out of the new, federally-funded Homeownership Assistance Fund that will help thousands of homeowners avoid foreclosure.
- MACDC will advocate that the FY23 State budget includes \$3.05 million for Chapter 206 grants for foreclosure and homebuyer counseling with a requirement that the MA Division of Banks provide grants to counseling agencies of at least \$1.5 million.

Equitable Small Business Development: MACDC is helping to ease the difficulty small businesses have experienced accessing COVID-19 related state and federal relief dollars. It is clear that many of these disparities did not begin with COVID-19, so MACDC intends to address long-standing structural issues in order to advance an inclusive and equitable small business recovery. MACDC is advocating for:

- An increase in funding for the Small Business Technical Assistance program from \$7 million to \$10 million per year;
- Implementation of the newly funded \$75 million small business grant program;
- An additional \$300 million in ARPA funding for small business relief and support;
- Another round of investments in CDFIs and CDCs that offer small business loans, funded either through the state's capital budget and/or ARPA;
- At least \$3 million in new capital funding to support the Mass Food Trust program; and
- Enactment of "An Act to Promote Inclusive Entrepreneurship and Economic Justice" filed by Senator Lesser. These recommendations will drive state economic policy to focus more explicitly on diversity, equity, and inclusion; strengthen the state's supplier diversity efforts; and help revitalize business nodes in low-income areas.

HERO Campaign: MACDC is a founding member of the HERO Coalition – Housing and Environmental Revenue Opportunities – which is comprised of housing, climate, faith-based, labor, and social justice groups working together to secure a major new revenue stream to support investments in affordable housing, climate resiliency and mitigation. This legislation would double the deeds excise tax and dedicate 50% (approx. \$150 million/yr.) to housing and 50% to climate. Check out the HERO Legislative Briefing to learn more.

Affordable Housing Production and Preservation: MACDC will continue to advocate for increased resources to support affordable housing production and preservation through support of the Transfer Tax Enabling Act, a 10% increase in capital funding for privately-owned affordable housing to \$160.6 million. We will advocate for an increase in the FY23 State budget for MRVP from its FY22 level of \$150 million, in collaboration with our coalition partners. Finally, we will work to ensure a smooth introduction to new programs, including those funded with ARPA dollars.

Neighborhood Stabilization & Healthy Housing: MACDC is working to accelerate the renovation of vacant and blighted homes in weaker market areas of the state, so they offer healthy, safe, energy efficient homes to the community, while also working to expand efforts to renovate older homes in need of investment.

- We will be advocating for \$100 million in ARPA funding for a Massachusetts Healthy Homes Initiative to remove lead paint from older homes and to address other health and safety hazards.
- We are also requesting that Governor Baker specifically allocate capital funding, at least at level funding of their FY22 amounts, for two programs from the 2021 Economic Development Bill: \$6.5 million in rehab funding for the newly created Neighborhood Stabilization program, to be administered by MassHousing, and \$8 million for the Underutilized Properties Program at MassDevelopment. We will also push to increase funding for the Brownfields Redevelopment Fund above the current level of \$2.5 million.
- We will also advocate for an additional \$750,000 in the FY23 State Budget for the Neighborhood Hub, the same amount funded in each of the last 3 years, to support technical assistance to municipalities grappling with distressed properties.

Tenant Protections: MACDC is supporting legislation to protect tenants from evictions and displacement, including support for the Tenant Opportunity to Purchase Act, a right to counsel for tenants facing eviction, and legislation that seals certain eviction records so tenants have opportunities to find new housing.

Racial Homeownership Gap: MACDC will be working to close the racial homeownership gap by working with MassHousing to strengthen the Commonwealth Builder program as it deploys the \$115 million in new ARPA funding. We will also work with MassHousing and Massachusetts Housing Partnership to design and implement a new ARPA-funded homeownership assistance program. We will also seek additional funding for these efforts in ARPA 2.0.

Financial Prosperity: MACDC is ensuring that all communities in the Bay State have an opportunity to thrive and prosper, especially during these unprecedented times. We are calling for:

- Expansion of the state Earned Income Tax Credit program.
- A major initiative to expand tenant participation in the Federal Family Self Sufficiency program.
- Other income programs for low- and moderate-income people, such as legislation to create a matched savings account program.

Rural Development: MACDC will work with the members of the MA Rural Policy Advisory Commission and rural Regional Planning Agencies to encourage lawmakers to fulfill and implement recommendations within the new Rural Policy Plan for the Commonwealth of Massachusetts. This will help with the unique challenges faced by rural communities across the state. In particular, it will create the Office of Rural Policy. We will also work to ensure that the \$20 million authorized in the economic development bill for rural development is funded at a higher level than the \$2 million received in FY 22.

Land Use and Zoning: MACDC will work with CHAPA and others to advocate for land use and zoning policies that eliminate exclusionary zoning and expand housing opportunities throughout the Commonwealth.

Climate & Clean Energy: MACDC continues to advocate for new resources that will enable existing and future affordable housing to adopt renewable energy technologies, minimize their energy needs and move toward a carbon free future. We will also support program initiatives that help to retrofit existing housing in ways that reduce its carbon footprint and makes it climate resilient while ensuring affordability for low- and moderate-income people. We will seek funding from a variety of sources: the State's capital and operating budgets, the 3-Year Energy Efficiency Plan, and other sources.