

Single Room Occupancy

Chapter 121 A - Urban Redevelopment Corporations (URC)

This program takes on residential, commercial, civic, recreational, historic or industrial projects in areas which are considered to be decadent, substandard or blighted open space.

Massachusetts General Laws Chapter 121A and Massachusetts Regulations 760 CMR 25.00 authorize the creation of single-purpose, project-specific, private Urban Redevelopment Corporations (URC).

The URC's purpose is to undertake residential, commercial, civic, recreational, historic or industrial projects in areas which are considered to be:

- decadent
- substandard
- blighted open space.

The statute and regulations authorize the exemption of 121A developments from real and personal property taxes, betterments and special assessments.

They set forth procedures for negotiating an alternative tax payment on these developments. They also allow private developers to exercise the power of eminent domain to assemble development sites under certain circumstances.

By allowing tax exemptions, 121A Agreements are used to encourage:

- development in areas with high property tax rates
- or in areas that are minimally marketable as locations for private investments

The ability of a city or town to offer what is essentially a tax break and accept a substitute reduced tax, provides the city or town with at least some tax revenue on property that would otherwise have been undeveloped.

At the same time, 121A agreements provide certainty to developers in the amount of taxes they will pay for the duration of the agreement.

A 121A Agreement must serve a public purpose.

Although, the most frequent application of c.121A has been in the construction of housing for low and moderate income families, the opportunity exists to use this tool for economic development.

[M.G.L. Chapter 121A](#)

[M.G.L. Chapter 121A Implementation Regulations](#)

[M.G.L. Chapter 121A Preparation Guide](#)

Eligible Participants

Urban Redevelopment Corporations are:

- private limited dividend entities that are formed to develop 121A projects.

The corporation may not:

- undertake more than one project nor,
- engage in any other type of activity

Under c.121A, a private entity bears the responsibility for planning and implementing the project and owns the project throughout its existence.

The following may enter into 121A Agreements:

- Non-profit corporations
- For-profit corporations
- Joint ventures
- Public/private partnerships
- Insurance companies and banks also qualify under special statutory provisions of the law.

Commented [WR1]: However, under Ch. 121B, Community Development Departments can become URC's

Eligible Activities

- Acquire, sell and hold land, including the taking of land by eminent domain (in specified circumstances)
- Manage property
- Construct and improve facilities
- Borrow money and issue bonds, notes or other evidence of indebtedness
- Receive exemption from real and personal property tax

How it Works

Urban Redevelopment Corporations are exempt from real and personal property taxes, betterments and special assessments.

Instead, these 121A entities must make three types of substitute payments:

- Minimum Statutory Payment - paid to the Commonwealth's Department of Revenue and returned to the general fund of the city or town where the project is located.
- Negotiated Payment: paid directly to the city or town, and local officials have wide latitude in determining the amount of this payment.
- Excess Income Payment: as "limited dividend corporations" any excess profits above 8% ROI must be returned to the city or town up to the level of tax that would have been assessed if the property were a non-121A entity.

Property that is under a 121A Agreement does not have its value counted in assessments of municipal land.

Chapter 121A Application Approval Process

DHCD is responsible for the administration of the 121A program for all cities and towns in the Commonwealth, with the exception of Boston where it is administered by the Boston Redevelopment Authority (BRA).

The application for designation as a 121A entity must be approved by both the city, or town in which the proposed project is to be located, and DHCD.

The statute and regulations assign specific responsibilities to a number of different local officials, which all have legally defined roles in the c.121A approval process. Generally, the Board of Assessors has played the dominate role in negotiating the level of payments to be made under Section 6A of c.121A.

- The local Chief Executive Officer (CEO)
- The City Council
- The Board of Assessors
- The Planning Board

There are several important distinctions between cities and towns in the local approval process.

- In a city, the City Council acts as the local governing body and the Mayor or City Manager acts as the CEO.
- In a town, the Planning Board plays the role of the local governing body and the Board of Selectmen act as the CEO.

The 121A Agreement

A 121A entity is required to sign two agreements, one with the city or town and one with DHCD. The agreement signed with the city or town is known as a 6A Agreement because it is described in Section 6A of c.121A. The agreement signed with DHCD is known as the 18C Regulatory Agreement because it is described in Section 18C of c.121A.

- Section 6A Agreement: Following application approval, the developer must execute the 6A Agreement with the city or town agreeing to carry out the 121A project in accordance with the approved application. The 6A Agreement describes the tax payment to be paid by the developer and includes the duration of the agreement, the schedule of any payments above the statutory minimum (i.e., the negotiated payment) and any special conditions which have been negotiated with respect to parking, resident employment, exterior design treatment or other aspects of the project. The 6A Agreement may also include an escalation clause, a provision for an increase in the tax payment over the length of the agreement
- Section 18C Regulatory Agreement: Following submission of the 6A Agreement, the developer must execute the 18C Regulatory Agreement with DHCD, stating project costs and method of financing, limitations on cumulative annual return on investment to 8% of the amount invested in the project, the payment of excise as prescribed, and requirement that prior approval by DHCD must be obtained in the event that the project is to be transferred, assigned or sold.

After DHCD has reviewed and approved the application, the 18C Regulatory Agreement is executed, the letter of approval is issued and the Secretary of State approves the formation of the Urban Redevelopment Corporation.

Three County Continuum of Care (CoC)
Hampshire, Franklin, and Berkshire Counties

Regional planning and implementation body

The HEARTH Act consolidates the three separate McKinney-Vento homeless assistance programs, including the Supportive Housing Program, Shelter Plus Care Program, and Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program into a single grant program known as the Continuum of Care (CoC) Program. The SRO Program, which is no longer eligible under the new CoC Program, provides rental assistance in connection with the moderate rehabilitation of residential properties that, when renovations are completed, will contain upgraded single occupancy units for individuals who are homeless. As a result, it is designed to move people into the permanent housing phase within the Continuum of Care.

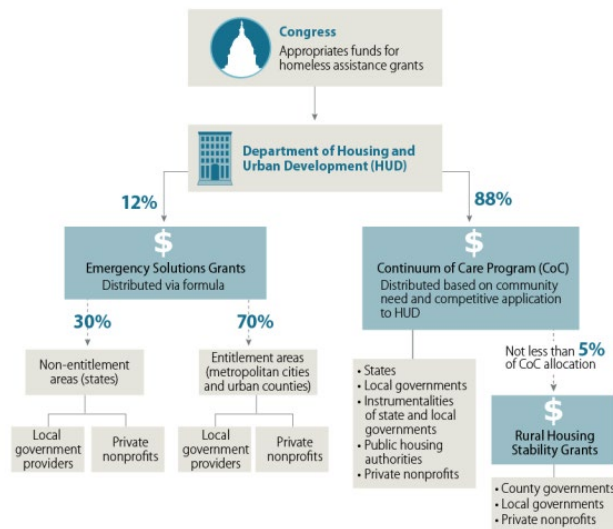
Commented [WR2]: Homeless Emergency Assistance and Rapid Transition to Housing

The Department of Housing and Urban Development (HUD)

- Promotes access to and utilization of mainstream programs by homeless individuals and families
- Holds Coordinated Entry Meetings with area partners working to house our most vulnerable neighbors
- Optimizes self-sufficiency among individuals and families experiencing homelessness
- Minimizes the trauma and dislocation caused to homeless individuals, families, and communities by homelessness.

In 2012, there was a reorganization of Western Massachusetts CoCs, which was driven by the HEARTH Act mandates and related local resource challenges. The Berkshire CoC merged with a newly configured Three County CoC, covering Berkshire, Hampshire, and Franklin Counties ... creating a rural CoC.

In 2018, Community Action Pioneer Valley was selected to succeed Hilltown CDC as the lead agency (Collaborative Applicant) for the Three County CoC.



South Middlesex Opportunity Council (SMOC)

Incorporated in 1965, SMOC is a Community-based, non-profit organization that provides a broad spectrum of Behavioral Health Care, Community Development (economic, workforce development, housing) services in local communities across the Commonwealth of Massachusetts.

Section 8 Moderate Rehabilitation Single Room Occupancy Program

The Department of Housing and Community Development's Division of Public Housing and Rental Assistance is responsible for the oversight of all state and federally-aided rental assistance programs that address the needs of low-income families, the elderly, and persons with disabilities. This program is eligible for very low-income homeless individuals who may or may not have supportive service needs.

Tenants pay no more than 30% of their adjusted income for rent and utilities. Supportive services are generally required to be made available to the tenants and a project sponsor arranges for the provision of these services. Acceptance of these services, however, is not a tenant eligibility requirement.

DHCD administers five Section 8 Moderate Rehabilitation SRO developments, as follows:

- Lowell, 8 units targeted to persons living with AIDS / HIV
- Worcester, 38 units for homeless individuals
- Gardner, 15 units targeted to homeless veterans
- Haverhill, 19 units targeted to homeless veterans
- Springfield, 44 units targeted to homeless individuals

The monthly rental assistance housing subsidy is administered by DHCD's regional Section 8 contractors. For more information on SRO developments, contact the Bureau of Federal Rental Assistance at DHCD at (617) 573-1150.

[Massachusetts Housing & Shelter Alliance - Housing First](#)

Founded in 1988, MHSA is a nonprofit, public policy advocacy organization that has evolved to include nearly 100 community-based member agencies throughout Massachusetts. With our statewide perspective rooted in the experiences of local communities, MHSA brings member agencies and partners together around a unified vision to build a commonwealth where everyone has access to stable housing and the services they need to thrive.

MHSA advocates for policies that meet the needs of the most vulnerable. We collaborate with member agencies and partners to pilot and scale innovative programs that have already helped thousands of people move into permanent housing. We examine how public systems — behavioral health, corrections and more — feed into homelessness, and we work with local and state partners to make change

Our programs primarily serve unaccompanied homeless adults, especially those who have cycled in and out of homelessness for years or live with disabling conditions, including complex medical and behavioral issues that are challenging to manage in the unstable setting of homelessness. While these vulnerable adults can be costly users of our Commonwealth's health care and criminal justice systems, we can conclusively point to improvements in health, stability and cost when they receive services with permanent housing through our member agencies.

MHSA spearheaded the introduction of **Housing First** programs in Massachusetts. The Housing First approach centers around providing permanent housing as the solution to homelessness and the foundation for people experiencing homelessness to pursue their goals. Guided by the belief that everyone can achieve stability in permanent housing directly from homelessness, Housing First's framework prioritizes providing a place to live as quickly as possible.

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Permanent supportive housing is a Housing First intervention typically targeted to people who have experienced chronic homelessness and also face the challenges of chronic illnesses, mental health needs or substance use disorders. Supportive services are offered to help them stay housed and improve their quality of life. **Rapid re-housing** provides short-term support, often in the form of rental assistance. The goal is to quickly get the person into housing so they can maintain their self-sufficiency and then stay housed.

A Guide to State Development Resources

This "Guide to State Development Resources" is an easy to use tool that municipal officials and volunteers can employ to access information regarding resources provided by the Commonwealth of Massachusetts that assist in the planning, funding and implementation of a wide range of local development projects. Each page provides summaries of, and links to, key resources. Affordable Housing Development - Financing Resources that provide assistance to communities to finance the development of affordable housing for low- and moderate-income households. Primary Resources (see summaries below)

- Affordable Housing Trust Fund
- Capital Improvement and Preservation Fund
- Chapter 40R (Smart Growth Zoning Act)
- Commercial Area Transit Node Housing Program
- Community Preservation Act
- HOME Investment Partnerships
- Housing Stabilization Fund
- Low-Income Housing Tax Credit Program
- MassWorks Infrastructure Program
- Neighborhood Housing Services Program
- Urban Center Housing Tax Increment Financing Program Secondary Resources (see summaries below)
- Citizen Planner Training Collaborative
- Peer-to-Peer Technical Assistance Program
- Relocation Assistance Program
- Smart Growth / Smart Energy Toolkit Additional Assistance for Affordable Housing Developers.

The organizations linked below provide affordable housing resources and programs directed to non-profit and for profit affordable housing developers, as well as valuable affordable housing information, guides and other resources for cities and towns.

- DHCD Housing Development
- MassHousing
- Massachusetts Housing Partnership
- CEDAC
- CHAPA
- MassDevelopment

Please be aware that your Local Housing Authority can be an excellent source of information and resources regarding affordable housing development. Please note that all units produced shall be marketed in a fair and open process consistent with state and federal fair housing laws.

Helpful Links:

[Massachusetts Department of Housing and Community Development \(DHCD\)](#)

[Economic Opportunity Act of 1964](#)

[Hearth Act of 2009](#)

[McKinney-Vento Homeless Assistance Programs](#)

[Affordable Housing Trust Fund \(AHTF\)](#)

[Covid-19 Eviction Diversion Initiative](#) (Governor Baker)

[Wayfinders](#)

[State-Funded Public Housing Subsidies](#) (list of each program and how Public Housing works)

[State Public Housing Programs](#) (explanation of each program)

- Chapter **667** Housing - Low Income Elderly Housing
- Chapters **705** and **200** - Low Income Family Housing
- Chapters **689** and **167** - Special Needs Housing
- Chapter **200** - Veterans Family Housing

Massachusetts Low-Income Assistance Programs (near Ware)

Regional Admin Agency:

Section 8, MRVP, RAFT, ERMA, HCEC

[Way Finders](#)

1780 Main St.

Springfield, MA 01103

(413) 233-1600

Local Housing Authority:

Public Housing, Section 8, MRVP, AHVP

Ware Housing Authority

20 Valley View

Ware, MA 01082

(413) 967-4477

Emergency Shelter Assistance (Families):

Springfield / Liberty TAO
Room # 1052
243 Cottage Street
Springfield, MA 01104
(413)774-2318

Emergency Shelter Assistance (Individuals):

*** Closest Emergency Shelter to Ware is in Amherst***

Community Action Agency:

Community Action Pioneer Valley
393 Main Street
Greenfield, MA 01301
(413) 774-2318

Fuel Assistance:

Community Action Pioneer Valley
377 Main Street
Greenfield, MA 01301
(413) 774-2310
1(800) 370-0940 - Toll Free (Hampshire County)

Weatherization Services:

Community Action Pioneer Valley
377 Main Street
Greenfield, MA 01301
(413) 774-2310
1(800) 370-0940 - Toll Free (Hampshire County)

Heating System Services:

Community Action Pioneer Valley
377 Main Street
Greenfield, MA 01301
(413) 774-2310
1(800) 370-0940 - Toll Free (Hampshire County)

Housing Mediation:

[Collaborative Resolutions Group](#)
PO Box 931
Greenfield, MA 01302
(413) 774-7469

Legal Help (Eviction Diversion Initiative):

[Community Legal Aid](#)
405 Main Street, 4th Floor
Worcester, MA 01608
(855) 252-5342