

Housing First for Hampden, Hampshire, Franklin and Berkshire Counties

October 11, 2023

Honorable Susan L. Moran Senate Chair Joint Committee on Revenue Honorable Mark J. Cusack House Chair Joint Committee on Revenue

Re: An Act granting a local option for a real estate transfer fee to fund affordable housing (S.1771/H.2747)

Dear Chairs Cusack and Moran and Honorable Members of the Joint Committee on Revenue:

I am writing on behalf of the Western Massachusetts Network to End Homelessness ("Network") in support of An Act granting a local option for a real estate transfer fee to fund affordable housing (S.1771/H.2747, sponsored by Senator Jo Comerford and Representative Mike Connolly). This local option bill is a top priority for the Network because of the extreme affordable housing crisis facing our western Massachusetts communities.

The Western Massachusetts Network to End Homelessness supports collaborative solutions across Hampden, Hampshire, Franklin and Berkshire Counties to prevent and end homelessness through a Housing First approach that centers racial equity. It includes hundreds of partners from every sector who are committed to making safe, decent and affordable housing a reality for all in western Massachusetts. The Network joins over 100 others as a proud member of the Local Option for Housing Affordability Coalition (LOHA) in support of this bill and is especially grateful to our western Massachusetts Senator Jo Comerford for her lead sponsorship.

In western Massachusetts, a recent report by the UMass Donahue Institute showed an affordable housing gap of 11,000 units, slated to grow to 19,000 by 2025. This gap is lived every day in devastating ways with unprecedented rates of homelessness across the western region. Our Network partners all too frequently share the story of housing subsidies "returned" due to the inability to locate an affordable place in which to use it. Eviction filings in western Massachusetts have increased 36% over the last year alone, creating even more pressure on a housing market that offers no place to go.

This local option bill's flexibility is especially suited to meet the needs of western Massachusetts where are our median home sales prices are lower than the eastern part of the state. Providing for the option to use the county median sales price if the median is below \$750,000 is critical to making this a useful affordable housing development tool in our region. The bill also allows communities to pool transfer fees across communities into regional affordable housing funds, a crucial option to make this resource available to our rural sub-regions in Hampshire, Franklin and Berkshire counties.

While our western Massachusetts' communities grapple with the affordable housing crisis, and discussion of the real estate transfer fee gains momentum (Amherst has filed a Home Rule Petition and several others are actively considering it), this bill offers an effective and comprehensive vehicle to make this tool available to all of our communities all at once. It would shorten a process that desperately needs to be shortened, so that communities can be empowered to decide if and how a transfer fee would address their affordable housing needs with the knowledge that they can act immediately.

We ask for your favorable report on this bill, and deeply appreciate your consideration of the urgency at hand for western Massachusetts and the entire Commonwealth.

Best,

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