

760 CMR 14.00: LEAD PAINT ABATEMENT LOAN PROGRAM

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14.01: Scope, Purpose, and Applicability

The Lead Paint Abatement Loan Program was created by St. 1993, c. 482, § 13, An Act Further Regulating Lead Paint in the Commonwealth (M.G.L. c. 111, § 197E). It assists residential property owners in financing the abatement and containment of lead paint hazards. DHCD administers the program in consultation with the Commissioner and the Lead Poisoning Control Director appointed by the Commissioner.

14.02: Definitions

Abatement. The removal and replacement of paint, plaster, or other accessible structural material containing dangerous levels of lead.

Commissioner. The Commissioner of the Department of Public Health (DPH).

Containment. The encapsulation, covering, or enclosing by means authorized by the director of paint, plaster or other accessible structural material containing dangerous levels of lead.

Deferred Loan. A loan secured by a mortgage on real estate or personal property, the repayment of which may be deferred until sale, transfer, or refinancing of the property, as more fully defined in the *Operations Manual*.

DHCD. The Department of Housing and Community Development.

DPH. The Department of Public Health of the Commonwealth of Massachusetts.

Dwelling Unit (unit). A unit which includes separate cooking, sleeping and individual bathroom facilities.

Lead Poisoning Control Director. The Director of the Childhood Lead Poisoning Prevention Program at DPH, appointed by the Commissioner as provided for in M.G.L. c. 111, § 190 and 105 CMR 460.000: *Lead Poisoning Prevention and Control*.

Low or Moderate Income Person or Family. An individual or family whose income meets the requirements of the Mortgage Revenue Bond program established pursuant to the Internal Revenue Code of 1986, § 143.

LPALP. The Lead Paint Abatement Loan Program, established pursuant to M.G.L. c. 111, § 197E.

Operations Manual. The publication, *Homeownership - Second Mortgage Loan Products, Get Out the Lead Program* issued by MHFA in consultation with DHCD containing guidelines that clarify and elaborate upon 760 CMR 14.00.

MHFA. The Massachusetts Housing Finance Agency of the Commonwealth of Massachusetts, created pursuant to St. 1966, c. 708.

14.03: High-risk Areas and Communities

DPH shall designate High-risk Areas and Communities based upon the following criteria:

14.03: continued

- (a) the incidence of childhood lead poisoning reported in the previous five years;
- (b) the proportion of residential housing stock containing lead paint hazards;
- (c) the proportion of residents of low and moderate income; and
- (d) prior efforts of appropriate agencies and organizations to promote and carry out preventative measures to alleviate lead hazards.

14.04: Application Process and Administrative Fees

- (1) The LPALP application process and administrative procedures shall be established by MHFA in the *Operations Manual*, provided that the *Operations Manual* and all amendments thereto shall be approved by DHCD.
- (2) The following may apply to DHCD to be selected as Eligible Agencies and Organizations, which may distribute LPALP funds:
 - (a) community action agencies;
 - (b) redevelopment agencies;
 - (c) local or regional nonprofit community and housing agencies;
 - (d) appropriate municipal and nonprofit agencies and organizations; and
 - (e) appropriate lending institutions.
- (3) Each agency or organization wishing to be selected as an Eligible Agency or Organization must apply to DHCD on a form provided by DHCD. DHCD shall forward one copy of each application received to the Lead Poisoning Control Director so that the Commissioner of DPH and the Lead Poisoning Control Director may have the opportunity for review and comment.
- (4) Each application shall include a proposed plan to reduce lead paint hazards, which shall contain:
 - (a) the applicant's name, address, and telephone number;
 - (b) a description of the area in which work is to be completed and the type of housing that will be targeted;
 - (c) a description of the applicant's past rehabilitation or abatement activities; and
 - (d) a list of other sources of funds to be used in conjunction with LPALP funds.
- (5) DHCD shall select and prepare a list of Eligible Agencies and Organizations.
- (6) Periodically, MHFA shall establish administrative fees, including loan processing fees, to be paid by Eligible Agencies and Organizations.

14.05: Program Components

- (1) All LPALP loans shall be used for lead paint abatement and containment activities in compliance with the Massachusetts Lead Law, M.G.L. c. 111, §§ 190 through 199B.
- (2) LPALP loans shall be made only to owners of dwelling units in which low or moderate income persons or families reside or will reside immediately after abatement or containment.
- (3) MHFA shall publish the terms and conditions of LPALP loans in the *Operations Manual*, provided that:
 - (a) such terms and conditions shall be based upon income level criteria;
 - (b) borrowers may be permitted to defer loan repayment until sale, transfer, or refinancing of the property; and
 - (c) the rate of interest shall not exceed the maximum rate set in the *Operations Manual* subject to approval of DHCD, provided that this maximum rate may be increased upon written authorization by the Undersecretary of DHCD or his or her designee.
- (4) Not less than ½ of the funds allocated for the LPALP shall be distributed to agencies and organizations serving high-risk areas and communities.

760 CMR: DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

14.06: Waiver by Director of Housing and Community Development

The Undersecretary of DHCD or his or her designee may waive in writing any provision of 760 CMR 14.00 not otherwise required by M.G.L. c. 111, § 197E when the Undersecretary of DHCD or such designee determines that such action is in the public interest.

REGULATORY AUTHORITY

760 CMR 14.00: M.G.L. c. 111, § 197E and funded in St. 1993; c. 495, § 2A, budget line item 3799-1966.