

Executive Office of Housing and Livable Communities Healthy Homes Program & Fund Guidance

The Executive Office of Housing and Livable Communities (“EOHLC”) is issuing this guidance pursuant to St. 2024, c. 150, §§ 5, 136 (the “Affordable Homes Act” or “AHA”) and M.G.L. c. 23B, § 33 (the “Healthy Homes Program”) and § 34 (the “Healthy Homes Fund”). EOHLC will continue to update this guidance from time to time.

What is the Healthy Homes Program and the Healthy Homes Fund?

Under the Affordable Homes Act, EOHLC is to establish The Healthy Homes Program and administer the Healthy Homes Fund (collectively, the “Healthy Homes Program and Fund”) to address residential habitability concerns and create a healthier environment for residents, including, but not limited to, rehabilitating existing housing or making homes lead-safe.

Subject to funding availability, the Healthy Homes Program may be used to provide grants or no- and low-interest loans (collectively, “Financial Assistance”) of up to \$50,000 per unit to property owners for repairs to address Habitability Concerns. Pursuant to the Affordable Homes Act, “Habitability Concerns” are defined as home repairs that are required to ensure residential units are:

- Fit for human habitation;
- Free from defective conditions and health and safety hazards (including, but not limited to, asbestos, mold, pests, and lead); and
- Free of conditions preventing measures to improve energy or water efficiency, use renewable energy, or reduce utility costs.

EOHLC may waive the \$50,000 per unit limit upon a determination of necessity, provided that the average amount of assistance per unit for a particular project shall not exceed \$50,000.

What is the purpose of Financial Assistance under the Healthy Homes Program?

The goal of Financial Assistance under the Healthy Homes Program is to address habitability concerns. In addition, all Financial Assistance under the Healthy Homes Program must:

- Augment funds from other home repair programs;
- Increase retention in workforce development programs associated with home repairs;
- Provide technical assistance to address habitability concerns; and

- Support outreach, including, but not limited to, minimizing cultural, linguistic or other barriers and maximizing access to program resources.

Where/how can Financial Assistance be used? Who is eligible?

The Affordable Homes Act requires that at least 50% of any funds from the Healthy Homes Program be made to owners of residential buildings located in a Gateway Municipality as defined in M.G.L. c. 23A, § 3A.

Subject to funding availability, Financial Assistance will be available to eligible applicants who own residential property in Massachusetts in need of repairs to address Habitability Concerns. Eligibility for Healthy Homes Program funds and the type of Financial Assistance depends on whether a property owner falls into one of the following categories of owner-occupants:

Low Income Owner-occupants:

- A Low-Income Owner-occupant is an individual earning not more than 80% of the Area Median Income (“AMI”) who has title to a residential building with 1–3 units and one of the units is the owner’s principal residence.
- **Financial Assistance:** Grant.

Moderate Income Owner-occupants:

- A Moderate-Income Owner-occupant is an individual earning between 80% and 135% AMI who has title to a residential building with 1–3 units and one of the units is their principal residence.
- **Financial Assistance:** Zero percent interest deferred payment loan with no repayment due until sale or refinancing of the property. The loan is forgiven if the owner continues to own the property for three years from the date of receiving the loan.

Other Eligible Owner-occupants

- An Other Eligible Owner-occupant is an individual who has title to a residential building with 1–3 units and one of the units is their principal residence and leases at least one other unit in the building.
- **Financial Assistance:** Zero percent interest deferred payment loan with no repayment due until sale or refinancing of the property. An owner may apply for loan forgiveness after three years following receipt of the loan. EOHLC may forgive the loan upon a determination that the owner has:
 - Owned the property without interruption after having received the loan;
 - Addressed all habitability concerns in a timely fashion;

- Not evicted tenants, other than for cause; and
- Kept rent increases to not more than five percent per year in each of the past three years.

Small Landlords

- A Small Landlord is an individual who either (i) owns a 1–3 unit residential building but does not live in such building for more than six months in any 12-month period or (ii) owns a 4+ unit residential building and does not have a financial interest in more than three buildings or more than 15 units.
- **Financial Assistance:** Zero percent interest deferred payment loan with no repayment due until sale or refinancing of the property. An owner may apply for loan forgiveness after three years following receipt of the loan. EOHLC may forgive the loan upon a determination that the owner has:
 - Owned the property without interruption after having received the loan;
 - Addressed all habitability concerns in a timely fashion;
 - Not evicted tenants, other than for cause; and
 - Kept rent increases to not more than five percent per year in each of the past three years.

Larger Landlords

- A Larger Landlord is an individual who owns more than one residential building and has a financial interest in more than three buildings or a financial interest in more than 15 units.
- **Financial Assistance:** Below-market-rate loan with an interest rate and repayment terms determined by EOHLC. An owner must execute an agreement with EOHLC for a term of three years. The agreement must require the owner to:
 - Maintain ownership of the property for three years without interruption after having received the loan;
 - Address all habitability concerns in a timely fashion;
 - Not evict tenants, other than for cause; and
 - Keep rent increases to not more than five percent per year for each of the three years.

If an owner does not comply with the requirements of the loan agreement, EOHLC may require immediate repayment.

When will funding be available?

The Healthy Homes Fund may be credited with legislative appropriations or other money authorized by the General Court and contributions in the forms of gifts, grants, and donations from sources including but not limited to governmental, quasi-governmental, nonprofit organizations, for-profit organizations, and individuals.

The Affordable Homes Act did not authorize or appropriate any funding for the Healthy Homes Program and Fund and as of January 31, 2025, the Healthy Homes Program and Fund have not received contributions from other sources. This guidance will be updated when funding becomes available.