



**C H A P A**

**Citizens' Housing and  
Planning Association**

**Testimony to the Joint Committee on Small Business  
and Community Development  
S-146 and H. 159**

Aaron Gornstein, Executive Director

Citizens' Housing and Planning Association (CHAPA) supports Senate 146 and House 159 (known as Chapter 40T), which would create special district financing for infrastructure improvements at the local level through bond financing.

CHAPA supports this bill primarily because it could help to spur the creation of housing in situations that require new or upgraded infrastructure, such as roads, sidewalks, water/septic, lighting, or parking. Often times, new housing development is infeasible due to a lack of infrastructure funding. Special district financing has been used successfully in our state; however, it has required passage of a home rule petition in each case. This enabling legislation would increase its use across the Commonwealth.

It is our understanding that special district financing does not place any responsibility on the municipality to repay the debt on the bonds or tap into local revenues and it requires municipal approval. The legislation could help to complement other tools the legislature has created including, district improvement financing and tax increment financing.

We hope you will give favorable consideration to this legislation.