

**AN ACT PRESERVING PUBLICLY ASSISTED AFFORDABLE HOUSING – SD
1309**

Clarice B. Gordon, LWVMA Meeting Basic Human Needs Specialist

Urge your legislators to support “An Act Preserving Publicly Assisted Affordable Housing” SD 1309, which would maintain the affordable restrictions on thousands of housing units that otherwise would revert to market rate housing and displace low income residents.

Lead Sponsors: Sen. Susan C. Tucker and Rep. Kevin Honan

Background:

- Much of the affordable housing in the Commonwealth has been built under programs that gave the developer the right to convert affordable units to market rate housing after a certain time period. These are known as “expiring use” properties.
- 24,638 units are in properties that will lose affordable restrictions by the end of 2012.
- 41,000 units could lose their affordable restrictions by 2019.
- It would be extremely difficult to replace these affordable units and the current housing crisis makes it urgent to preserve what we have. The financial burdens of moving and the shortage of affordable housing would put many residents at risk of homelessness.

Main Provisions of the Bill:

- Tenant notification that restrictions are set to expire two years and one year prior to termination.
- A 90-day exclusive opportunity for the Dept. of Housing and Community Development, or its designee (which may be a nonprofit, local housing authority, for-profit or municipality), to negotiate the purchase of publicly-assisted housing developments, and a 30-day right of refusal to match any purchase contract for the sale of publicly-assisted housing. Properties that are sold in transactions that preserve affordability are exempt from these provisions.
- Modest protections for tenants in properties that terminate affordability restrictions and do not receive enhanced Section 8 vouchers. Rents would be capped at Consumer Price Index plus three percent for each year for a three year period, and no fault evictions for tenants are prevented during that period.

Talking Points:

- We need all the affordable housing units we have, since the need has been much greater than we can supply for decades.
- The bill gives a window of opportunity for public officials to negotiate for public control of properties with expiring use contracts and/or for tenants to seek other affordable housing.
- Once properties become market-rate housing, there is very little chance of public purchase or control and returning the units to the Affordable Housing Inventory that determines whether communities are subject to Chapter 40B.

- This is a necessary strategy during a time when more families are losing their homes. Providing homeless shelters is more expensive than placing low-income families and individuals in appropriate apartments.
- Waiting for the economy to improve does not make sense because prices are expected to rise then, with more competition for available land.