



Mass Alliance of HUD Tenants

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Since 1983, the Mass Alliance of HUD Tenants (MAHT) has helped tenants save more than 11,400 apartments as affordable housing through tenant organizing, one building at a time. MAHT is the only statewide coalition representing HUD tenants, with member groups in 38 developments representing more than 8,000 seniors and families today.

For 16 years, MAHT has led the fight for legislation to save the homes of more than 25,000 families facing expiring HUD contracts on their apartments in the next five years, a problem that has continued despite the passage of Chapter 40T in November 2009. Chapter 40T did extend Notice to tenants and limited rent increases for a few hundred at risk families. *But this bill did NOT solve the “expiring use” crisis or save at-risk senior and family housing. Here’s why.*

Here’s why Chapter 40T is an insufficient response to the “expiring use” crisis:

- **Ch. 40T will not save the state’s at-risk housing.** The Right of First Refusal in 40T would *only* apply to HUD buildings offered for sale in a manner that ends use restrictions. It does *not apply* to the vast majority of buildings where the owners are converting to market and *not selling*.
- Of the first 52 Notices filed under Chapter 40T since its passage in November 2009, **NOT ONE triggered the Right of First Refusal.**
- Instead, *more than 770 units have already been lost* as affordable housing in “expiring mortgage” buildings alone since November 2009, including most recently Burbank Apartments in the Fenway, and also buildings in Brockton, Roslindale, Taunton, Worcester, Lawrence, and Stoughton.
- If a HUD building were offered for sale, the State would have to come up with full market purchase price *within 6 months* under the Right of First Refusal—more than \$165,000 per apartment! **With the State budget crisis, the State cannot afford to buy the 967 unit Georgetowne complex in Hyde Park for \$180 million, for example, even if it were up for sale, which it is not.**
- **Ch. 40T does nothing for the 7,148 apartments already converted to market**, such as Burbank Apartments in the Fenway, High Point Village in Roslindale, Mayflower Village in Plymouth, Allen Street in Springfield and Rockdale West in New Bedford.

Additional Action Needed to Save Our Homes:

Pass the Enabling Act or Home Rule Petitions to Save Affordable Housing!

To supplement Chapter 40T, the legislature should also pass legislation to allow cities and towns the right to do more, if they choose. **This is a NO COST way to save 100% of the 15,000 apartments at immediate risk through 2012!**

The Enabling Act to Save Affordable Housing (H381, filed by Rep. Smizik, or S581, filed by Sen. Berry) would “enable” any city or town to save expiring use housing. The related Home Rule Petitions (HRPs) would do the same, for the six cities that have or may re-file them (Boston (H3635), Salem (S480), New Bedford (H3428), Lawrence(S1983), Quincy and Lowell.

Only these *local option* bills save at-risk apartments at NO COST to the State or localities by allowing cities to:

- **Require renewal of expiring Section 8 contracts** to preserve apartments for future low income seniors and families
- **Regulate rents when federal “use restrictions” expire to prevent displacement** and keep rents low for moderate income tenants
- **Prevent conversion to condominiums**
- **Allow cities to restore affordable rents to 7,148 apartments** which have already been converted
- **Promote sales to nonprofits who pledge to keep the property affordable**, when they can assemble the funds

With the state budget crisis, these no-cost bills are needed now more than ever. The State cannot afford to dole out hundreds of millions of MORE dollars for windfall profits to a handful of wealthy landlords as the price to “buy out” their developments or induce them to keep their rents low.

We urge legislators to support bills H381, S581, H3635, H3428, S 480 and S 1983!