

COMMONWEALTH OF MASSACHUSETTS

SENATE MAJORITY LEADER

STATE HOUSE BOSTON 02133-1053

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ROOM 333 TEL. (617) 722-1410

May 4, 2009

Honorable Chairs and Members Joint Committee on Housing State House, Room 38 Boston, MA 02133

Dear Chairman Honan, Chairwoman Tucker and Honorable Members:

I am writing today in support of Senate Bill, No. 617, An Act Authorizing Municipalities to Protect Low and Moderate Income Tenants and Units of Governmentally involved Housing. This bill will be heard before your Committee on May 5, 2009. As the lead sponsor of this legislation, it is my hope that the Committee will discharge the bill with a favorable report.

Senate Bill, No. 617 creates protections for tenants in affordable housing from displacement due to rising rental rates. This bill is a local option that would allow for the preservation of HUD-assisted affordable housing in a municipality. It would prevent conversion of affordable apartments to condominiums, require renewal of expiring Section 8 contracts, and allow cities to restore affordable rents. Additionally, the legislation would regulate rents as federal regulations expire, at no cost to the Commonwealth or municipality.

As you know, the preservation of affordable housing is a crisis both in Massachusetts and nationwide. In the midst of this severe economic downturn, this effort is particularly important. I believe it is our role as government leaders to ensure that these individuals, who in many cases are elderly, low-income, or disabled, are given the opportunity to access affordable housing.

It is for the above reasons that I respectfully urge the committee to discharge this bill with a favorable report. Thank you in advance for your attention to this important matter. Please feel free to contact my office if you have any further questions or comments.

Sincerely,

Frederick E. Berry

Majority Leader

MAJORITY LEADER

COMMONWEALTH OF MASSACHUSETTS

SENATE MAJORITY LEADER

STATE HOUSE, BOSTON 02133-1053

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ROOM 333 TEL. (617) 722-1410

May 4, 2009

Honorable Chairs and Members Joint Committee on Housing State House, Room 38 Boston, MA 02133

Dear Chairman Honan, Chairwoman Tucker, and Honorable Members:

I am writing today in support of Senate Bill, No. 618, An Act to Adopt Protections for Salem's Governmentally Involved Housing Stock. This bill will be heard before your Committee on May 5, 2009. As the lead sponsor of this legislation, it is my hope that the Committee will discharge the bill with a favorable report.

Senate Bill, No. 618 allows the City of Salem to protect its residents living in governmentally involved housing from displacement due to rising rental rates. This bill will authorize the City of Salem to regulate rental rates for properties that were built with taxpayers' money. This bill also states that the rents for these properties shall stay affordable within state and federal guidelines.

As you know, the preservation of affordable housing is a crisis both in Massachusetts and nationwide. In the midst of this severe economic downturn, this effort is particularly important. I believe it is our role as government leaders to ensure that these individuals, who in many cases are elderly, low-income, or disabled, are given the opportunity to access affordable housing.

It is for the above reasons that I respectfully urge the committee to discharge this bill with a favorable report. Thank you in advance for your attention to this important matter. Please feel free to contact my office if you have any further questions or comments.

Sincerely,

Frederick E. Berry

Majority Leader



COMMONWEALTH OF MASSACHUSETTS HOUSE OF REPRESENTATIVES

STATE HOUSE, BOSTON 02133-1054



ANTONIO CABRAL

REPRESENTATIVE
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CHĄĮRMAN COMMITTEE ON STATE ADMINISTRATION AND REGULATORY OVERSIGHT

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Rep.AntonioCabral@hou.state.ma.us

May 5, 2009

Rep. Kevin G. Honan, House Chair Sen. Susan C. Tucker, Senate Chair Joint Committee on Housing Room 38, State House

Dear Chairs Honan and Tucker:

I write in support of H3810, An Act Authorizing Municipalities to Protect Low and Moderate Income Tenants and Units of Governmentally Involved Housing or the Enabling Act to Save Affordable Housing. This bill is currently before your committee.

The Enabling Act is a no-cost solution that would protect tenants, save homes, guarantee owners a fair rate of return and does not cost the public a penny. The bill is intended to provide low and moderate income tenants with a decent, safe and affordable home.

In the last five years over 4000 affordable homes have been converted to market rent. In the next six years, however, over 27,000 units are at risk. At the time when virtually no affordable housing is being produced, we can ill afford to lose the housing units that we have now. This vital legislation would also allow but not require any locality, city council or governing body to hold a local referendum to implement Enabling Act protections for their respective cities.

I would appreciate the favorable passage of H3810 by the Committee on Housing.

ANTÓNIO F.D. CABRAL

State Representative, 13th Bristol District

Chairman, Committee on State Administration and Regulatory Oversight

AFDC/ajm



COMMONWEALTH OF MASSACHUSETTS

MASSACHUSETTŠ SENATE

STATE HOUSE, BOSTON 02133-1053



SENATOR MICHAEL W. MORRISSEY

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WAYS AND MEANS

ECONOMIC DEVELOPMENT & EMERGING TECHNOLOGIES

POST AUDIT & OVERSIGHT

GLOBAL WARMING

May 5, 2009

The Honorable Susan C. Tucker Senate Chair – Joint Committee on Housing State House, Room 424 Boston, MA 02133

The Honorable Kevin G. Honan House Chair – Joint Committee on Housing State House, Room 38 Boston, MA 02133

Dear Chairman Tucker and Chairman Honan,

I am writing to express my support for Senate Bill No. 655, AN ACT RELATIVE TO GOVERNMENTALLY INVOLVED HOUSING IN THE CITY OF QUINCY.

As you know, Senate Bill No. 655 would authorize the city of Quincy to institute rent controls on apartment buildings built with federal mortgages, whose developers were required, as part of the mortgage program, to offer low and moderate income units, to the extent such rent controls are not preempted by federal law.

I urge the Joint Committee on Housing to report Senate Bill No. 655 favorably.

Thank you for your consideration. Please do not hesitate to contact me if I can be of further assistance regarding this matter.

Sincerely

Michael W. Morrisse

State Senator

Norfolk and Plymouth District

MWM/fmo



HOUSE OF REPRESENTATIVES STATE HOUSE, BOSTON 02133-1054

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FRANK I. SMIZIK 15TH NORFOLK DISTRICT ROOM 274, STATE HOUSE

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CHAIRMAN
House Committee on:
Global Warming and Climate Change

Testimony of Representative Frank I. Smizik
Before the Joint Committee on Housing
In support of S617/H3689

An Act authorizing municipalities to protect low and moderate income tenants and units of governmentally involved housing

May 5, 2009

What the problem is:

Over 27,000 families across the state currently face the expiration of Federal HUD subsidy contracts on their multifamily apartment buildings. In response to this crisis, last session the Joint Committee on Housing released a bill establishing a "right of first refusal" for the state or municipalities to purchase expiring-use buildings placed on the market by their owners in a manner that ends federal subsidies. This bill, of course, has been re-filed as S666/H3573. The "right of first refusal" is a good concept, and I support S666/H3573, but I believe we need to put more protections in place for two reasons:

- 1) Even under S666/H3573, an owner could convert every unit in an expiring-use building to market-rate without putting the building on the market, thus rendering a "right of first refusal" meaningless.
- 2) Even if an expiring-use building was put on the market, given the state's current finances, there is little reason to believe that any public entity outside of the Federal Government could assemble the finances necessary to purchase the building so as to keep it affordable.

Thus, I encourage the Committee to favorably report out S617/H3689, An Act authorizing municipalities to protect low and moderate income tenants and units of governmentally involved housing, as a complement to S666/H3573. This bill would give cities and towns the right to do more to protect affordable housing, if they wanted.

What this bill does:

Essentially, S617/H3689 would permit any city or town to save affordable housing through no-cost regulatory mechanisms. It is an enabling act that would allow municipalities to save at-risk apartments by allowing cities and towns to require the renewal of expiring Section 8 contracts, thus preserving low-income units while still allowing owners to increase their



HOUSE OF REPRESENTATIVES
STATE HOUSE, ROOM 167 BOSTON 02133-1054

#3689 fav

Chair Committee on Elder Affairs

REP. ALICE K. WOLF

REPRESENTING THE PEOPLE OF CAMBRIDGE

STATE HOUSE, TEL (617) 722-2810 STATE HOUSE, FAX (617) 722-2197 DISTRICT TEL. (617) 868-9653 E-Mail:Rep.AliceWolf@hou.state.ma.us

May 5, 2009

Joint Committee on Housing State House, Room 38 Boston, MA 02133

Dear Chairman Honan, Chairwoman Tucker, and Honofable Members of the Committee:

I write in support of House Bill 3689, An Act Authorizing Municipalities to Protect Low and Moderate Income Tenants and Units of Governmentally Involved Housing. I am a co-sponsor of this bill.

Residents of government housing live with the constant awareness that any fluctuation in housing market conditions, such as increases in rent, may result in displacement. This uncertainty especially affects the elderly and the disabled. It is the responsibility of the Commonwealth to care for its most vulnerable members.

House Bill 3689 will allow municipalities to regulate rent in government housing units, in order to ensure that there is a steady supply of affordable housing. Providing protection against eviction and rent increases would also help maintain important job stability that can easily be lost when a tenant is displaced. Preserving affordable housing in the Commonwealth should reinforce healthy economic activity among low and moderate income tenants.

Thank you for your consideration. I ask the Committee to give House Bill 3689 a favorable report.

Sincerely yours,

Alice K. Wolf



HOUSE OF REPRESENTATIVES
STATE HOUSE, ROOM 167 BOSTON 02133-1054

H3463

Chair

Committee on Elder Affairs

REP. ALICE K. WOLF

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May 5, 2009

Joint Committee on Housing State House Room 38 Boston, MA 02133

Dear Chairwoman Tucker, Chairman Honan, and Honorable Members of the Committee:

I write in support of House Bill 3463, An Act Preserving Publicly Assisted Affordable Housing. I am the lead sponsor of this bill.

According to CEDAC's most recent survey (from December 2008), over 24,000 units across Massachusetts are at risk of losing affordability in the next six years in some of the housing programs covered by this proposed bill. It goes without saying that loss of affordable housing could not come at a worse time.

H. 3463 provides detailed notice to tenants and governmental officials. In the event that an owner of low income rental housing intends to prepay his mortgage, terminate his subsidy contract, or otherwise end the affordability restrictions on the property, then tenants, the Department of Housing and Community Development, the Community Economic Development Assistance Corporation (CEDAC), and city and state officials will receive at least 2 years advance notice of this action.

This legislation also gives the right of first refusal to the DHCD or its designee if an owner wants to sell the property, and protects tenants from increases in rent and evictions without good cause for 3 years.

I urge the committee to report H. 3463 favorably. Thank you for your consideration.

Sincerely yours,

Alice K. Wolf



HOUSE OF REPRESENTATIVES
STATE HOUSE, ROOM 167 BOSTON 02133-1054

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Chair

Committee on Elder Affairs

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REP. ALICE K. WOLF

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May 5, 2009

Joint Committee on Housing State House Room 38 Boston, MA 02133

Dear Chairwoman Tucker, Chairman Honan, and Honorable Members of the Committee:

I write in support of House Bill 1237, An Act Relative to Public Housing. I am a sponsor of this bill.

The housing authorities in Massachusetts have an important and substantial mandate that they cannot achieve under the current financing provisions. The lack of flexibility compounds an inherent shortage of funds which reduces efficiency and cripples innovation. This bill would allow public housing authorities to direct any available funding, regardless of appropriation, to the most pressing local needs in the community, by permitting operating funds, rental subsidy funds and to the extent permissible, modernization funds to be used interchangeably.

H. 1237 allows the housing authorities to make the best use of their allotted funds by reducing some of the strict guidelines regarding use of the funds. In addition, the bill encourages innovative programs that would reduce administrative costs and, in turn, create a more efficient system benefiting the tenants who reside in public housing.

A key element of the bill requires the creation of an advisory committee comprising housing advocates, tenant groups, and other experts on issues related to public housing. Such committee will be attuned to the needs of housing authorities and their tenants and will provide valuable information to the Department of Housing and Community Development and this legislature about action that may be necessary in the future.

I urge the committee to report H. 1237 favorably and help the housing authorities provide the best possible service to families and individuals throughout the Commonwealth.

Sincerely yours

Alice K. Wolf

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SENATOR JAMES B. ELDRIDGE
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COMMUNITY DEVELOPMENT & SMALL BUSINESS HOUSING ELDER AFFAIRS

May 5, 2009

Honorable Susan Tucker, Senate Chair Joint Committee on Housing State House, Room 424 Boston, MA 02133

Honorable Kevin Honan, House Chair Joint Committee on Housing State House, Room 38 Boston, MA 02133

RE: H3573 - An Act preserving publicly assisted affordable housing and S666 - An Act Preserving Publicly Assisted Affordable Housing.

Dear Chairwoman Tucker and Chairman Honan,

As Co-Chair of the Asset Development Commission I am writing in support of H3573, An Act preserving publicly assisted affordable housing, filed by Representative Honan and S666, An Act Preserving Publicly Assisted Affordable Housing, filed by Senator Tucker.

The Asset Development Commission supports passage of legislation that would help preserve the affordability of units located in so-called 'Expiring Use' properties whose state and federal subsidies are ending and could be converted to market rate housing. Such legislation should include a Right of First Refusal for the state to purchase such a property before it is converted to market rate housing.

When cost of housing exceeds what low- and moderate-income families can reasonably afford, public housing assistance programs play a critical role in supplementing insufficient income, by providing security and stabilizing community ties for the family. Families living in unaffordable housing are financially insecure, vulnerable to unexpected increases in other costs, and therefore more likely to frequently move.

States around the nation increasingly recognize that preservation of existing affordable housing must be part of the solution to America's affordable housing shortage. Concern is mounting as many of the privately developed housing projects with affordability restrictions have reached the point where owners can end these restrictions by not renewing their rent assistance contract when it expires, or by prepaying their subsidized mortgage.

If the owner has a willing buyer, the public entity (state of municipality) would have the right to purchase the property first under the same terms and conditions offered by the potential buyer.

I thank you for the consideration of my remarks. Please do not hesitate to contact me or my staff for any further information or clarification.

Very Truly Yours,

James B. Eldridge

State Senator

Middlesex and Worcester District



HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON, MA 02133-1054

H3573

Committee:

Ways and Means, Vice-Chair

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BARBARA L'ITALIEN REPRESENTATIVE

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May 5, 2009

The Honorable Kevin Honan House Chair Joint Committee on Housing State House Room 38 Boston MA 02133

Committee Hearing May 5, 2009

Dear Representative Honan,

I am wiring in support of House Bill 3573: an act preserving publicly assisted affordable housing as filed by you.

Within the next three years, nearly 24,000 units of affordable housing that have affordability restrictions are running the risk of expiring. That means that thousands of elderly and disabled, among others will be displaced from their homes. Some will receive section 8 vouchers to cover the host of housing; most will not. Those who do not receive assistance will risk the threat of forced displacement and homelessness.

This legislation is a compromise to address the expiring use restrictions, and has three main components: 1. Tenant notification that restrictions are set to expire two years, and one year prior to termination; 2. 90 days for Department of Housing and Community Development or designee to negotiate to purchase a publicly assisted housing development; and 3. Protections for tenants in properties that terminate affordability restrictions and do not receive enhanced Section 8 vouchers. The tenant protection caps at Consumer Price Index plus three percent for each year for a three-year period, and prevents no fault eviction for tenants during that period.

Protecting those that cannot protect themselves is a key element of this legislation as these units are at risk of being converted to market rate rental units, depleting our stock of affordable housing, and leaving our vulnerable populations susceptible to becoming homeless.

I respectfully request that these bills be considered during the next executive session and reported out favorably as they are continued steps in promoting environmental safeguards. Should you have any further questions or comments, please do not hesitate to contact me.

Very truly vours,

Barbara L'Italien

Cc: Senator Susan Tucker

The Commonwealth of Massachusetts House of Representatives

BYRON RUSHING

Second Assistant Majority Leader

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9th Suffolk District

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Lower Roxbury
Fenway
Kenmore
Prudential
Copley Place
West Campus,
MIT

H3573 S666 fav

May 5, 2009

Representative Kevin Honan House Chair, Joint Committee on Housing State House Room 38 Boston MA 02133

Deat Remoderative Honan:

I am writing in support of H 3573 and S. 666, An Act Preserving Publicly Assisted Affordable Housing, which are before the Committee today.

Preserving "expiring use" affordable housing that already exists is integral in keeping communities vibrant and diverse. The preservation of privately-owned affordable housing units is always critical in Massachusetts, and especially now in this economy. You have taken the lead on this important issue and I support your efforts to make sure we keep housing within reach for all the residents of Massachusetts.

Since, as you know, the Senate passed this bill unanimously last session, I ask that the Committee report H 3573 and S 666 favorably as soon as possible so that we have the time to do the necessary work and education in the House.

Yours truly,



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MARY E. GRANT STATE REPRESENTATIVE

Sixth Essex District Beverly

State House, Room 236

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The Commonwealth of Massachusetts House of Representatives State House, Boston 02133-1054

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VICE-CHAIR
Joint Committee
Health Care Financing

District Phone: (978) 927-1504 Rep.MaryGrant@hou.state.ma.us

May 5, 2009

Chairman Susan C. Tucker Chairman Kevin G. Honan Joint Committee on Housing State House, Room 38 Boston, MA 02133

Re: House Bill No. 3689, An Act authorizing municipalities to protect low and moderate income tenants and units of governmentally involved housing; and

House Bill No. 3573, An Act preserving publicly assisted affordable housing.

Dear Chairpersons Tucker and Honan and Members of the Committee,

I am writing in support of these bills which both address how to preserve affording housing from the threat of expiring use under HUD contracts. This brings the possibilities of conversion to market rate rentals and leaves families with low and moderate incomes as well as seniors and people with disabilities who depend on the long term federal subsidies without protection. This issue is particularly important to the city of Beverly where we have over 440 units of housing in this category. In the near term the most at risk property is Apple Village with 232 units with a contract expiration date of July 31, 2010. Groups within my city work very hard to continue to add to and preserve affordable housing and the loss of any of these large rental properties to market rates would create a very difficult situation for our residents.

Please give your careful consideration to these bills. I appreciate your efforts to address our statewide housing problems.

Sincerely,

Mary E. Grant



DENISE PROVOST

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The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES STATE HOUSE, BOSTON 02133-1054

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COMMITTEES: Elder Affairs

Bonding, Capital Expenditures and State Assets
Personnel and Administration

Joint Committee on Housing The Honorable Susan Tucker, Senate Chair The Honorable Kevin Honan, House Chairman

May 5, 2009

Testimony in support of: S.666/H.3573

Dear Members of the Joint Committee on Housing,

I am writing today to voice support for "An Act Preserving Publicly Assisted Affordable Housing" (S. 666/H.3575). The high cost of existing housing, foreclosures, and resulting homelessness are taking an increasing toll on the people of Massachusetts. Since new construction of affordable housing is prohibitively high, and resources few, it is imperative that we think hard about how best to preserve the affordability of the housing units that we have now.

In Somerville, our affordable housing is divided between public housing, owned and operated by the Somerville Housing Authority, and privately owned, publicly subsidized units. In the latter category, there are 1,122 units. For 531 of these units – almost half the inventory – the agreements that keep them affordable will expire within the next ten years.

The timing of these expirations is particularly perilous, given that the Green Line extension into Somerville is slated for completion on December 31, 2014. The advent of vastly improved public transportation is already increasing the value of real estate within the Green Line Corridor. The City of Somerville, our CDC, and other agencies and organizations are currently facing the challenge of keeping the city affordable for long time and current residents.

Most of Somerville's expiring use units are within the Green Line Corridor. The owners of these units will be greatly tempted to convert them to market-rate units. Right now, there is nothing in law to impede this slide toward displacement of the less privileged.

S.666 and H.3573 provide at least minimal tools for implementing alternatives to Market Rate conversions. Notice to tenants and communities allows for organizing; a right of first refusal allows for options, like the successful buyout of Clarendon Hill Towers in Somerville in the 1980s, keeping that 500 unit development tenant-owned, and affordable perpetuity.

My only concern about the passage of this bill is that it may be inadequate to addressing the need for affordable units, amidst market pressures. We do need to implement some measures now. I respectfully ask that Committee to take action to address this problem, but reporting favorably on these bills.

Very Truly Yours,