# New Law Protects Public Housing Tenants in Massachusetts Facing Redevelopment

In August 2024, the Governor signed into law The Affordable Homes Act (also known as Housing Bond bill). Section 35 of the new law protects tenants during public housing redevelopment.<sup>1</sup> But the law is only one tool. It is important for tenants to have a tenant organization and be organized so they can have a strong voice during redevelopment.

## Why is public housing facing redevelopment?

Redevelopment brings in money to pay for major repairs to buildings. It can help preserve the public housing. But no two projects are the same. Sometimes redevelopment happens through partnerships between a <u>public</u> housing authority and <u>private</u> entities. These private entities could be a non-profit, a for-profit, or a public housing authority affiliate.<sup>2</sup>

# What if the redevelopment plan is to transfer the public housing to a private entity?

Under the new law, if the ownership of public housing is transferred to a private entity, existing tenants' rights must also be transferred. But sometimes the funding sources and subsidy programs needed to pay for the redevelopment have different rules. These rules may require changes. If there are any changes to tenants' existing rights, the housing authority or private entity must give tenants notice about the proposed changes and an opportunity to comment.

# What rights are protected?

Existing rights that are protected include:

- rent rules
- lease terms
- grievance process
- eviction rights
- privacy rights
- preference in hiring
- resident rights to participate in how their housing operates

Federal and state tenants in some cases have different rights. What is important is to understand what tenants' existing rights are.

### Who is protected?

Tenants in state and federal public housing.

# Will existing tenants have the right to return?

Yes. During redevelopment tenants often have to relocate and the housing authority must provide tenants with other housing. Under the new law, existing tenants have the right to return after redevelopment. A housing authority cannot just evict tenants. If relocation happens there will be a relocation and rehousing plan. Tenants must have input into this plan.

#### Are existing tenants rescreened before being able to come back?

No. Existing tenants cannot be rescreened or considered a new applicant.

#### Will there be 1-for-1 replacement of the public housing apartments?

Yes. There must be at least the same number of public housing units after redevelopment. These units must be permanently affordable and they must be "deeply affordable." It is also important to protect the existing mix of bedroom sizes so that larger units for families are not lost in the redevelopment process.

## What does "deeply affordable" mean?

"Deeply affordable" means that a tenant's rent is set as a percentage of their income, usually between 27-32% of income. The rent can be adjusted if a tenant's income changes. For example, if income goes down, so must the rent. Examples of deeply affordable housing programs include **Public Housing, Project Based Section 8 Vouchers**, and the **Massachusetts Rental Voucher Program**.

# Can redevelopment result in more housing?

Yes. Sometimes redevelopment results in more housing, but the new housing may not have the same rents as public housing and should not be counted as part of the 1-for-1 replacement.<sup>3</sup>

## Do tenants have a right to participate in the redevelopment process?

Yes. Tenants can be strong partners throughout redevelopment. The new law protects tenants' right to participate from the beginning to the end of the process. The housing authority must give tenants an opportunity to comment on a proposed project. Tenant participation is critical to good redevelopment and building a healthy community.

# Can tenants get help during redevelopment?

Under the new law, tenants can get technical assistance to help them give meaningful input. Technical assistance could include organizers, lawyers, relocation specialists, architects, financial advisors, or others. If you are facing redevelopment, ask the housing authority how it will provide tenants in your development with technical assistance.<sup>4</sup>

Questions? If you have questions about the new law or hear that your development may be facing redevelopment, contact the Mass. Union of Public Housing Tenants at (617) 825-9750.

Section 35 of <u>Chapter 150 of the Acts of 2024</u> amends Mass. General Law, Section 34, Chapter 121B. Section 35 went into effect immediately on August 6, 2024, the date the law was signed.

<sup>&</sup>lt;sup>2</sup> Sometimes, housing authorities create non-profits to help with redevelopment. Those non-profits are called "public housing authority affiliates." A public housing authority affiliate can have similar people on the board. For example, the Cambridge Housing Authority (CHA) has an affiliate called the Cambridge Affordable Housing Corporation which owns housing and has a contract with the CHA to develop, manage and make major repairs.

Often private owners use the Low Income Housing Tax Credit (LIHTC) program to raise money to redevelop housing by selling tax credits to investors. But unlike public housing or vouchers, rents in LIHTC units do not change if family income or size changes. LIHTC can, however, be layered on top of a deep affordable housing program in a way that allows rents to be adjusted if a tenant's income changes.

<sup>4</sup> A developer could agree to make a percentage of their developer's fee available for technical assistance for residents throughout the redevelopment process. While currently there is no dedicated state funding to provide tenants facing redevelopment with technical assistance, Mass Union plans to pursue this.