

PART I. ADMINISTRATION OF THE GOVERNMENT

TITLE XVII. PUBLIC WELFARE

CHAPTER 121B. HOUSING AND URBAN RENEWAL

OPERATING AGENCIES

Chapter 121B: Section 3. Housing authorities; creation; dissolution

Section 3. There is hereby created, in each city and town in the commonwealth, a public body politic and corporate to be known as the "Housing authority" of such city or town; provided, that no such authority shall transact any business or exercise any powers until the need for a housing authority has been determined and until a certificate of organization has been issued to it by the state secretary, both as hereinafter provided.

Whenever the municipal officers of a city or an annual or special town meeting shall determine **that a housing authority is needed therein for the purpose of the clearance of substandard, decadent or blighted open areas or the provision of housing for families or elderly persons of low income or engaging in a land assembly and redevelopment project, including the preservation, restoration or relocation of historical buildings**, it may by vote provide for the organization of such an authority. In determining the need for a housing authority, the city council or the town shall take into consideration **the need for relieving congestion of population, the existence of substandard, decadent or blighted open areas or unsanitary or unsafe inhabited dwellings, and the shortage of safe or sanitary dwellings available for families or elderly persons of low income at rentals which they can afford**.

Whenever a housing authority determines that there is no further need for its existence, that it has no property to administer, and that all outstanding obligations of the authority have been satisfied, it may by a majority vote of the five members submit the question of its dissolution, in a town, to the voters at an annual town meeting or, in a city, to the municipal officers. If a city or town votes for such dissolution in accordance herewith and the department is satisfied of the existence of the facts required herein it shall so certify to the state secretary and said housing authority shall be dissolved forthwith subject to the applicable provisions of [section fifty-one of chapter one hundred and fifty-five](#).

Chapter 121B: Section 3A. Regional housing authorities; creation; dissolution

Section 3A. Any number of cities or towns may, with the approval of their respective municipal officers and of the department, create or disband by a contract subject to the approval of the department a regional housing authority, with all of the powers and obligations of the constituent authorities, to act in the place of the several housing authorities, if any, theretofore existing. Such contract shall set forth the rights, powers and obligations of the regional housing authority within the several cities or towns in which it is to operate. Any unresolved dispute which may arise as to the rights, powers or obligations conferred by such contract shall be referred to the department for resolution.

Chapter 121B: Section 4. Redevelopment authorities; creation; dissolution

Section 4. There is hereby created, in each city and town in the commonwealth, a public body politic and corporate to be known as the "Redevelopment authority" of such city or town; provided, that no such authority shall transact any business or exercise any powers until the need for such an authority has been determined and a certificate of organization has been issued to it by the state secretary, both as hereinafter provided.

Whenever the municipal officers of a city, or the voters at an annual or special town meeting determine that there is a need for a redevelopment authority in such city or town for the purpose of engaging in urban renewal projects or other work under this chapter and that it is in the public interest that such an authority be organized in such city or town, a redevelopment authority shall be organized in such city or town.

Whenever a redevelopment authority determines that there is no further need for its existence, and that all outstanding obligations of the authority have been satisfied, it may by a majority vote of the five members submit the question of its dissolution, in a town, to the voters at an annual town meeting or, in a city, to the municipal officers. If a city or town votes for such dissolution in accordance herewith and the department is satisfied of the existence of the facts required herein, it shall so certify to the state secretary and said redevelopment authority shall be dissolved forthwith subject to the applicable provisions of section fifty-one of chapter one hundred and fifty-five.

Chapter 121B: Section 5. Membership; appointment; election; term of office

Section 5. Every housing and redevelopment authority shall be managed, controlled and governed by five members, appointed or elected as provided in this section, of whom three shall constitute a quorum.

In a city, four members of a housing or redevelopment authority shall be **appointed by the mayor subject to confirmation by the city council**; provided, that, the members shall be appointed to serve for initial terms of one, two, four and five years, respectively.

In a town, four members shall be elected by the town; provided, that of the members originally elected at an annual town meeting, the one receiving the highest number of votes shall serve for five years, the one receiving the next highest number of votes, for four years, the one receiving the next highest number of votes, for two years, and the one receiving the next highest number of votes shall serve for one year; provided, that upon the initial organization of a housing or redevelopment authority, if a town so votes at an annual or special town meeting called for the purpose, four members of such an authority shall be appointed forthwith by the selectmen to serve only until the qualification of their successors, who shall be elected at the next annual town meeting as provided above.

In a city or town, **one member of a housing or redevelopment authority shall be appointed by the department** for an initial term of three years.

Thereafter, as the term of a member of any housing or redevelopment authority expires, his successor shall be appointed or elected, in the same manner and by the same body, for a term of five years from such expiration. **Membership in a housing or redevelopment authority shall be restricted to residents of the city or town.**

In a city, one of the four members of a housing authority appointed by the mayor shall be a resident of that city and shall be **a representative of organized labor who shall be appointed by the mayor from a list of not less than two nor more than five names, representing different unions submitted by the Central Labor Council, AFL-CIO and the International Brotherhood of Teamsters**, Chauffeurs, Warehousemen and Helpers of America of the city or of the district within which the city is included. If no such list of names is submitted within sixty days after a vacancy occurs, the mayor may appoint any representative of organized labor of his own choosing to the authority. In a city, one of the four members of a housing authority appointed by the mayor shall be **a tenant in a building owned and operated by or on behalf of the local housing authority who shall be appointed by the mayor from lists of names submitted by each duly recognized city-wide and project-wide tenants' organization** in the city. A tenants' organization may submit a list which contains not less than two nor more than five names to the mayor who shall make his selection from among the names so submitted; provided that, where no public housing units are owned and operated by the local housing authority and no such units are owned and operated on behalf of the local housing authority, the mayor shall appoint any tenant of the housing authority from lists submitted in accordance with this section. If no list of names is submitted within sixty days after a vacancy occurs, the mayor shall appoint any tenant of his choosing to the authority. **The mayor shall notify in writing tenant organizations as specified herein not less than ninety days prior to the expiration of the term of a tenant member.** Whenever a vacancy occurs in the term of a tenant member for any reason other than the expiration of a term, the mayor shall notify in writing the tenant organizations specified herein within ten working days after the vacancy occurs. The mayor shall make an appointment within a reasonable time after the expiration of sixty days after said notice.

Vacancies, other than by reason of expiration of terms, shall be filled for the balance of the unexpired term, in the same manner and by the same body, except elected members in towns whose terms shall be filled in accordance with the provisions of section eleven of chapter forty-one. Every member, unless sooner removed, shall serve until the qualification of his successor.

As soon as possible after the qualification of the members of a housing or redevelopment authority the city or town clerk, as the case may be, shall file a certificate of such appointment, or of such appointment and election, as the case may be, with the department, and a duplicate thereof, in either case, in the office of the state secretary. If the state secretary finds that the housing or redevelopment authority has been organized and the members thereof elected or appointed according to law, he shall issue to it a certificate of organization and such certificate shall be conclusive evidence of the lawful organization of the authority and of the election or appointment of the members thereof.

Whenever the membership of an authority is changed by appointment, election, resignation or removal, a certificate and duplicate certificate to that effect shall be promptly so filed. A certificate so filed shall be conclusive evidence of the change in membership of the authority referred to therein.

Chapter 121B: Section 6. Charges against members; hearing; removal; resignation; suspension

Section 6. The mayor or city council or board of selectmen may make or receive written charges against, and the mayor with the approval of the city council, or the board of selectmen, as the case may be, may accept the resignation of, any member of a housing authority or redevelopment authority appointed or elected by such city or town or may, after hearing, remove any such member because of inefficiency, neglect of duty or misconduct in office provided that such member shall have been given, not less than fourteen days before the date set for such hearing, a copy in writing of the charges against him and written notice of the date and place of hearing to be held thereon, and at the hearing shall have been given the opportunity to be represented by counsel and to be heard in his defense. The mayor and city council or board of selectmen may also make or receive written charges against any member of a housing or redevelopment authority in such city or town appointed by the department and refer the same to the department which may proceed in the same manner as the mayor and city council or board of selectmen under the preceding sentence. Pending final action upon any such charges, the officer or officers having the power to remove such member may temporarily suspend him, provided that they shall immediately reinstate him in office if they find such charges have not been substantiated, and may appoint a person to perform the duties of such suspended member until he is reinstated or until he is removed and his successor is qualified. In case of any such removal the removing authority shall forthwith deliver to the clerk of the city or town attested copies of such charges and of its findings thereon, and the clerk shall cause the same to be filed with the certificate and duplicate certificate required to be filed with the department and the state secretary under section five.

A member of a housing or redevelopment authority who ceases to be a resident of the city or town shall be removed upon the date of his change of residence by operation of law. A member of a housing authority appointed as a tenant, in accordance with the provisions of section five, who ceases to be a tenant in a building owned and operated by or on behalf of the local housing authority shall be removed upon the date of such change by operation of law. A member of a housing authority who is a tenant in a housing project shall not participate in any decision relating to the project affecting his personal interest.

Chapter 121B: Section 7. Officers and executive director of authorities; compensation of members

Section 7. A housing or redevelopment authority shall elect from among its members a chairman and a vice-chairman, and may employ counsel, an executive director who shall be ex officio secretary of the authority, a treasurer who may be a member of the authority and such other officers, agents and employees as it deems necessary or proper, and shall determine their qualifications, duties and compensation, and may delegate to one or more of its members, agents or employees such powers and duties as it deems necessary or proper for the carrying out of any action determined upon by it. So far as practicable, a housing or redevelopment authority shall make use of the services of the agencies, officers and employees of the city or town in which such authority is organized, and such city or town shall, if requested, make available such services, except, that in the city of Boston, the housing authority may contract with said city for the assignment of thirty-seven police officers of the police department of said city to police the buildings and grounds owned by said authority with the proviso that said authority shall reimburse said city for one third of the cost thereof.

A housing authority may compensate its members for each day spent in the performance of their duties and for such other services as they may render to the authority in connection with projects commenced prior to July first, nineteen hundred and sixty-five. Such compensation shall not exceed fifty dollars a day for the chairman and forty dollars a day for a member other than the chairman, provided that the total sum paid to all the members in any one month or year shall not exceed two per centum of the gross income of the housing authority during such month or year, respectively, nor shall the total sum paid in any year exceed twelve thousand five hundred dollars in the case of the chairman or ten thousand dollars in the case of a member other than the chairman. Such compensation shall be allocated by the housing authority among its various projects commenced prior to July first, nineteen hundred and sixty-five, in such manner and amounts as it deems proper. Members of a housing authority shall be allowed, or be reimbursed for, all expenses properly incurred by them within or without the city or town in the discharge of their duties. Such expenses shall be allocated by the housing authority among its various projects in such manner and amounts as it deems proper.

For the purposes of [chapter two hundred and sixty-eight A or paragraph \(7\) of section forty-four D of chapter one hundred and forty-nine](#), each housing and redevelopment authority shall be considered a municipal agency and, without limiting the power of a city council or board of aldermen or board of selectmen to classify additional special municipal employees pursuant to said chapter, each member of such an authority, and any person who performs professional services for such an authority on a part-time, intermittent or consultant basis, such as those of architect, attorney, engineer, planner, or construction, financial, real estate or traffic expert, shall be considered a special municipal employee. Any compensation paid to a tenant member of a housing authority for services as a member shall be included as income in determining rent, and the tenant shall be subject to appropriate rent increases, as provided for in authority policy and as regulated by the department; provided, however, that such compensation shall not be considered income for purposes of determining continued occupancy.

Chapter 121B: Section 8. Operating agencies; housing authorities

Section 8. The operating agencies having the powers and subject to the limitations provided in sections twenty-five to thirty-three, inclusive, shall be housing authorities.

Chapter 121B: Section 9. Urban renewal agencies

Section 9. The operating agencies having the powers and subject to the limitations provided in sections forty-five to fifty-seven, inclusive, to be known as urban renewal agencies, shall be:—

- (a) each redevelopment authority;
- (b) each housing authority of a city or town in which no redevelopment authority has been organized; provided, however, that no housing authority shall initiate an urban renewal project until the municipal officers of a city or an annual or special town meeting shall have determined that there exists in such city or town a need for urban renewal;
- (c) each housing authority of a city or town in which a redevelopment authority has been organized, but only with respect to projects initiated by such authority before the organization of a redevelopment authority and subject to section fifty-one.

Chapter 121B: Section 10. Designation of authorities

Section 10. Unless otherwise particularly provided in sections fifty-eight and fifty-nine the operating agencies having the powers and subject to the limitations provided in sections fifty-eight and fifty-nine of this chapter shall be either housing authorities or urban renewal agencies, whichever may be designated for the purposes of the particular program by the municipal officers.

Chapter 121B: Section 11. Powers of operating agencies

Section 11. Each operating agency shall have the powers and be subject to the limitations provided in sections one to sixteen, inclusive, shall have the powers necessary or convenient to carry out and

effectuate the purposes of the relevant provisions of the General Laws and shall have the following powers in addition to those specifically granted in this chapter:—

- (a) To sue and be sued; to have a seal; to have corporate succession;
- (b) To act as agent of, or to cooperate with the federal government in any clearance, housing, relocation, urban renewal or other project which it is authorized to undertake;
- (c) To receive loans, grants and annual or other contributions from the federal government or from any other source, public or private;
- (d) To take by eminent domain under chapter seventy-nine or chapter eighty A, or to purchase or lease, or to acquire by gift, bequest or grant, and hold, any property, real or personal, or any interest therein, found by it to be necessary or reasonably required to carry out the purposes of this chapter, or any of its sections, and to sell, exchange, transfer, lease or assign the same; provided, that in case of a taking by eminent domain under said chapter seventy-nine, the provisions of section forty of said chapter shall be applicable, except that the security therein required shall be deposited with the mayor of the city or the selectmen of the town in which the property to be taken is situated. Except as herein otherwise provided, the provisions of chapters seventy-nine and eighty A relative to counties, cities, towns and districts, so far as pertinent, shall apply to operating agencies, and the members of a housing or redevelopment authority shall act on its behalf under those chapters.
- (e) To clear and improve any property acquired by it;
- (f) To engage in or contract for the construction, reconstruction, alteration, remodeling or repair of any clearance, housing, relocation, urban renewal or other project which it is authorized to undertake or parts thereof;
- (g) To make relocation payments to persons and businesses displaced as a result of carrying out any such project;
- (h) To borrow money for any of its purposes upon the security of its bonds, notes or other evidences of indebtedness, and to secure the same by mortgages upon property held or to be held by it or by pledge of its revenue, including without limitation grants or contributions by the federal government, or in any other lawful manner, and in connection with the incurrence of any indebtedness to covenant that it shall not thereafter mortgage the whole or any specified part of its property or pledge the whole or any specified part of its revenues;
- (i) To invest in securities legal for the investment of funds of savings banks any funds held by it and not required for immediate disbursement;
- (j) To enter into, execute and carry out contracts with any person or organization undertaking a project under chapter one hundred and twenty-one A;
- (k) To enter, with the approval of the mayor or board of selectmen and the department, into agreements with the federal government relative to the acceptance or borrowing of funds for any project it is authorized to undertake and containing such covenants, terms and conditions as the operating agency, with like approval, may deem desirable; provided, however, that nothing herein shall be construed to require approval by the mayor or selectmen or the department of requisition agreements and similar contracts between an agency and the federal government which are entered into pursuant to an agreement approved by them;
- (l) To enter into, execute and carry out contracts and all other instruments necessary or convenient to the exercise of the powers granted in this chapter;
- (m) To make, and from time to time amend or repeal, subject to the approval of the department, by-laws, rules and regulations, not inconsistent with pertinent rules and regulations of the department to govern its proceedings and effectuate the purposes of this chapter;
- (n) To join or cooperate with one or more other operating agencies in the exercise, either jointly or otherwise, of any of their powers for the purpose of financing, including the issuance of bonds, notes or other obligations and the giving of security therefor, planning, undertaking, owning, constructing, operating or contracting with respect to any project or projects authorized by this chapter located within the area within which one or more of such authorities are authorized to exercise their powers; and for such purpose to prescribe and authorize, by resolution, any operating agency so joining and cooperating with it to act in its behalf in the exercise of any of such powers; and
- (o) To lease energy saving systems that replace non-renewable fuels with renewable energy such as solar powered systems.

Chapter 121B: Section 12. Wages; labor requirements; social security

Section 12. Each contractor with an operating agency and each subcontractor shall comply with the applicable requirements of [chapter one hundred and forty-nine](#) as to wages and hours of labor and any other conditions relating to employment. The attorney general shall enforce this paragraph and shall also have power to petition the court for injunction or other appropriate relief against any operating agency which fails to comply herewith.

An operating agency shall enter into a compact or compacts with the Social Security Board or take such other action as it may deem appropriate to enable its employees to come within the provisions and obtain the benefits of the Social Security Act. If the employees of such an agency shall come within the provisions of the Social Security Act, their employment shall be included in the term "employment" as used in sections one to seven, inclusive, of chapter one hundred and fifty-one A.

Except as provided in section twenty-nine of this chapter, the provisions of chapter thirty-one and the rules made thereunder shall not apply to any officer, agent or employee of an operating agency or to any person employed on or in connection with any project of an operating agency.

Except as provided in sections twenty-eight and thirty all by-laws, ordinances and regulations of the city or town in which any such project lies relating to the construction of buildings, municipal planning, zoning and the protection of public health shall apply to every project of an operating agency located in such city or town.

Chapter 121B: Section 13. Contract and tort liability; member's personal liability; relocation of utility facilities

Section 13. An operating agency shall be liable in contract or in tort in the same manner as a private corporation. The members, employees, officers and agents of an operating agency shall not be liable as such on its contracts or for torts not committed or directly authorized by them nor shall said members be liable for any negligent or wrongful act or omission for which the operating agency would be liable under applicable rules of law, in which event any action either civil or criminal against the operating agency shall be the exclusive remedy for any injured party. The property or funds of an operating agency shall not be subject to attachment or to levy and sale on execution, but if such agency refuses to pay a judgment entered against it in any court of competent jurisdiction, the superior court, sitting within and for the county in which the agency is situated, may, by writ of mandamus, direct the treasurer of such agency to pay such judgment. The real estate of such an agency shall not be subject to liens under [chapter two hundred and fifty-four](#), but the provisions of sections [twenty-eight and twenty-nine of chapter one hundred and forty-nine](#) shall be applicable to any construction work by such agencies.

An operating agency shall reimburse the Massachusetts Bay Transportation Authority and every railroad corporation for all reasonable costs and expenses incurred by the said transportation authority or such railroad corporation to relocate such of their respective facilities as are required to be removed as part of a project being undertaken pursuant to this chapter by such operating agency and as are necessary for the continuance of the common carrier services performed by said transportation authority or such railroad corporation. "Facilities", as used in this paragraph, shall mean poles, tracks, switches, wires, conduits, cables, signals and structures and in addition thereto equipment appurtenant to any of the foregoing.

Chapter 121B: Section 14. Federal loans; conveyance upon default

Section 14. An operating agency may obligate itself, in any contract with the federal government for a loan or the payment of annual contributions authorized by section eleven, to convey to the federal government the project to which such contract relates, upon the occurrence of a substantial default with respect to the covenants, terms and conditions of such contract to which such agency is subject. Such contract may further provide that, in case of such conveyance, the federal government may complete, operate, manage, lease, convey or otherwise deal with the project in accordance with the terms of such contract; provided, that the contract shall require that, as soon as practicable, after the federal

government is satisfied that all of the defaults on account of which it acquired the project have been remedied, and that the project will thereafter be operated in compliance with the terms of the contract, the federal government shall reconvey to such agency or its successor the project in the condition in which it then exists. The obligation of an operating agency under such contract shall be subject to specific enforcement by any court having jurisdiction, and, notwithstanding any other provision of the law, shall not be deemed to constitute a mortgage.

Chapter 121B: Section 15. Bonds, notes, certificates; negotiable instruments

Section 15. The bonds, notes and certificates of indebtedness of an operating agency, in the absence of an express recital to the contrary on the face thereof, shall constitute negotiable instruments for all purposes. They may be payable from the income of the agency or constitute a general obligation thereof, may be sold at not less than par, at public or private sale, may mature at such time or times, may be secured in such manner, may provide for such rights and remedies upon their default, may contain such other covenants, terms and conditions not inconsistent with law, may be executed by such officers, and may be issued with or without the corporate seal, all as may be authorized either by vote of the agency or by the officer or officers to whom the power to determine any or all the matters set forth in this sentence may be expressly delegated by vote of such agency. The engraved or printed facsimile of the seal of an agency on its bonds, notes or certificates of indebtedness shall have the same validity and effect as if such seal were impressed thereon. Whenever a bond, note or certificate of indebtedness is required to bear the signatures of two or more officers, it shall be sufficient if the signature of any one of such officers upon such instrument is a written signature and the remaining signature or signatures are engraved, printed or stamped facsimile signatures; provided, that each officer whose facsimile signature appears on such instrument has, by a writing bearing his written signature and filed in the office of the secretary of the agency, authorized the officer whose written signature appears on such instrument to cause such facsimile to be placed thereon. The facsimile signature of any officer so engraved, printed or stamped thereon shall have the same validity and effect as his written signature. In case any officer whose signature or a facsimile thereof appears on any notes, bonds or coupons shall cease to be such officer before the delivery of such notes or bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery.

The bonds, notes and certificates of indebtedness of an operating agency issued under this chapter and the interest thereon shall be exempt from taxation, with respect to principal and income. The bonds of such an agency issued under this chapter shall be legal investments for the deposits and the income derived therefrom of savings banks, for the trust funds of trust companies, for the capital and other funds of insurance companies, and for funds over which the commonwealth has exclusive control.

Chapter 121B: Section 16. Exemption from taxation; revaluation or reassessment of real property; payments in lieu of taxes

Section 16. The real estate and tangible personal property of an operating agency including houses constructed by a housing authority on private land in rural areas under the provisions of section twenty-seven shall be deemed to be public property used for essential public and governmental purposes and shall be exempt from taxation and from betterments and special assessments; provided, that in lieu of such taxes, betterments and special assessments, a city or town in which an operating agency holds real estate used or to be used in connection with such a project may determine a sum to be paid to the city or town annually in any year or period of years, such sum to be in any year not in excess of the amount that would be levied at the current tax rate upon the average of the assessed value of such real estate, including buildings and other structures, for the three years preceding the year of acquisition thereof, the valuation for each year being reduced by all abatements thereon.

Whenever a city or town in which such real estate is located shall have made a general revaluation or reassessment of its real property for purposes of taxation, the valuation of such real estate shall be determined by the assessors of said city or town as of January first, in the year succeeding such revaluation or reassessment, by dividing the amount of the payment authorized by this section for the year last preceding the revaluation by the residential class tax rate of said city or town for the year of the

reevaluation, so that the payment with respect to such land shall remain substantially the same as that made prior to such reevaluation or reassessment. The operating agency, if aggrieved by the determination of the assessors, may within six months after written notice thereof appeal to the appellate tax board. Such a city or town may, however, agree with such an operating agency upon the payments to be made to the city or town as herein provided or such agency may make and such city or town may accept such payments, the amount of which shall not in either case be subject to the foregoing limitation. The last paragraph of section six and all of section seven of chapter fifty-nine shall, so far as apt, be applicable to payments under this section.

Nothing in this chapter shall be construed to prevent the taxation to the same extent and in the same manner as other real estate is taxed, of real estate acquired by an operating agency for an urban renewal project and sold by it, or of the leasehold interests and buildings and other structures belonging to private individuals or corporations on land acquired by it; provided, however, that real estate so acquired by an operating agency and sold or leased to an urban redevelopment corporation or other entity operating under chapter one hundred and twenty-one A, or to an insurance company or savings bank or group of savings banks operating under said chapter, shall be taxed as provided in said chapter and not otherwise; and provided, further, that nothing in this chapter or in chapter fifty-nine shall be construed to require a city or town to impose a tax on the leasehold of real estate owned by an operating agency and leased by it beyond any amount which the city or town and the operating agency have agreed to be the payment in lieu of taxes hereunder.

Chapter 121B: Section 17. Liability of commonwealth or political subdivisions for debts of housing authority

Section 17. No bond, note or other evidence of indebtedness executed or obligation or liability incurred by an operating agency shall be a debt or charge against the commonwealth or any political subdivision thereof other than such agency. Nothing in this chapter shall be construed to obligate the commonwealth, or any political subdivision thereof other than the applicable operating agency, or to pledge its credit, to any payment whatsoever to any operating agency or to any creditor or bondholder thereof, nor shall anything therein contained be construed as granting to any operating agency any exemption from taxation except as expressly provided therein or to render the commonwealth, or any political subdivision other than such agency liable for any indebtedness or liability incurred, acts done, or any omissions or failures to act, of any such agency.

Chapter 121B: Section 18. Preparation of master plans, etc. by city or town; appropriation and payment

Section 18. Whether or not an operating agency has been created therein any city or town may undertake, itself or by or through any department, board, agency, authority, or office of the city or town, or by or through any operating agency, planning district, metropolitan district, or other public body any planning activities within such city or town for the preparation or completion of master or general plans, a workable program for development of the community, general neighborhood renewal plans, a community renewal project, any other planning study, project or program and a code enforcement project, including the voluntary or compulsory repair and rehabilitation of buildings and improvements, the enforcement of laws, codes and regulations relating to the use of land and the use and occupancy of buildings and improvements, and the provision and repair of streets, curbs, sidewalks, street lighting, tree planting and similar improvements in connection therewith and may authorize such department, board, agency, authority, office, operating agency, district or public body to act as the agent of such city or town in entering contracts for financial assistance for such purposes from the federal government or the commonwealth. Any such city or town may raise and appropriate or agree with such department, board, agency, authority, office, district, operating agency or public body or with the federal government or the commonwealth to raise and appropriate such sums as may be necessary for the purpose.

Chapter 121B: Section 19. Initial costs and annual operating expenses of operating agencies; appropriations and payment by city

Section 19. Cities and towns may raise and appropriate money for the purpose of defraying the initial costs and annual administrative expenses of an operating agency authorized to be organized therein, including the expense of preparing any plans, studies, programs and surveys an operating agency is authorized to prepare and the expense of preparing plans in connection with one or more proposed projects.

Without limiting the generality of the foregoing, any city or town may from time to time appropriate or agree to appropriate money for the purpose of aiding in the preparation of plans and estimates needed to prepare applications for federal loans or grants and in the preparation of any other estimates, plans, orders of taking and contract documents in connection with any proposed or approved project. All moneys appropriated by a city or town under the preceding sentence shall be repaid by the operating agency to such city or town if said agency subsequently receives other moneys available for the purposes for which such moneys were appropriated, but otherwise such moneys need not be repaid.

All moneys appropriated under this section in aid of an operating agency or received by it from any source shall be paid to the treasurer of the agency or such other officer of the agency as may be authorized by it, and shall be disbursed by such treasurer or other officer, subject to accounting therefor as required by this chapter.

Chapter 121B: Section 20. Development, acquisition and operating costs; relocation payments; losses; appropriation and payment by city

Section 20. A city or town in which an operating agency has been organized may raise and appropriate, or may borrow, or may agree with such agency or with the federal government or the commonwealth to raise and appropriate or to borrow, in aid of such agency, such sums as may be necessary for:—

- (1) defraying all the development, acquisition and operating costs of a clearance, urban renewal, community renewal, relocation, rehabilitation or low-rent housing project within such city or town; or
- (2) defraying such part of the development, acquisition and operating costs of any such project to which either the federal government, pursuant to federal legislation, or any other source has rendered or has agreed to render financial assistance, as will not be met by loans other than temporary loans or by contributions or grants other than annual or other contributions and grants in the nature of reimbursement from the federal government or from any such other source; and for
- (3) the making of relocation payments by such agency; and
- (4) repaying any loss which the city or town has agreed to bear and which is incurred as a result of the early taking, acquisition or clearance of land not used for urban renewal purposes.

Chapter 121B: Section 21. Indebtedness limitation

Section 21. Indebtedness authorized under section twenty shall be outside the limit of indebtedness prescribed in [section ten of chapter forty-four](#), and shall be payable within twenty years and otherwise subject to sections sixteen to twenty-seven, inclusive, of said chapter forty-four, except that in the case of indebtedness authorized under clause (1) or clause (2) of section twenty, the first principal payment may be made within five years and the last within twenty-five years of the date of the bonds or notes issued for the Serial Loan. The total amount of indebtedness of any city or town outstanding at any one time under clause (3) of section twenty alone shall not exceed one half of one per cent, and under clauses (1), (2) and (4) combined of said section twenty shall not in any city with a population over one hundred and fifty thousand exceed seven per cent of its equalized valuation and in any other city exceed six per cent of its equalized valuation.

Chapter 121B: Section 22. Emergency finance board; permission to incur indebtedness

Section 22. So long as the emergency finance board, established under [section one of chapter forty-nine of the acts of nineteen hundred and thirty-three](#), is in existence, no city or town shall, without the approval of said board, incur indebtedness for any of the purposes of this chapter which would cause the total amount of its indebtedness for such purposes then outstanding to exceed two and one half per cent of its

equalized valuation. If said emergency finance board shall cease to exist, a commission consisting of the attorney general, the state treasurer and the director of the bureau of accounts in the department of corporations and taxation shall exercise the powers given to said emergency finance board by this section and section twenty-four. Said board or commission, as the case may be, shall hold a public hearing upon any matter submitted to it under this section if requested in writing to do so by twenty-five taxable inhabitants of such city or town within three days after the submission of such matter.

Chapter 121B: Section 23. Municipal powers

Section 23. For the purpose of complying with the conditions of federal legislation, or in lieu of a contribution, loan or grant in cash to an operating agency organized within its limits, or to aid and cooperate in the planning, construction or operation of any project of such an agency, a city or town, or the appropriate board or officer thereof on behalf of such city or town, may upon such terms, and with or without consideration, do or agree to do any or all of the following things, as such city, town, board or officer, as the case may be, may determine:—

- (a) Sell, convey or lease any of its interests in any property, or grant easements, licenses or any other rights or privileges therein to such agency or to the federal government;
- (b) Cause parks, playgrounds or schools, or water, sewer or drainage facilities, or any other public improvements which it is otherwise authorized to undertake, to be laid out, constructed or furnished adjacent to or in connection with a housing, clearance, relocation or urban renewal project;
- (c) Lay out and construct, alter, relocate, change the grade of, make specific repairs upon or discontinue, public ways and construct sidewalks, adjacent to or through a housing, clearance, relocation or urban renewal project;
- (d) Adopt ordinances or by-laws under section twenty-five to thirty A, inclusive, of chapter forty or repeal or modify such ordinances or by-laws; establish exceptions to existing ordinances and by-laws regulating the design, construction and use of buildings; annul or modify any action taken or map adopted under sections eighty-one A to eighty-one J, inclusive, of chapter forty-one;
- (e) Cause public improvements to be made and services and facilities to be furnished to or for the benefit of an operating agency for which betterments or special assessments may be levied or charges made, and assume or agree to assume such betterments, assessments or charges;
- (f) Purchase and hold any of the bonds or notes of an operating agency and exercise all of the rights of a holder of such bonds or notes;
- (g) Make available to an operating agency the services of its agencies, officers and employees;
- (h) Cause private ways, sidewalks, footpaths, ways for vehicular travel, playgrounds, or water, sewer or drainage facilities and similar improvements to be constructed or furnished within the site of a project for the particular use of the project or of those dwelling therein;
- (i) Enter into agreements with an operating agency, the term of which agreements may extend over the period of a loan to the operating agency by the federal government, respecting action to be taken by such city or town pursuant to any of the powers granted by this chapter; and
- (j) Do any and all other things necessary or convenient to aid and cooperate in the planning, construction or operation of a housing, clearance, relocation or urban renewal project within its limits.

The entering of a contract under this section between a city or town and the federal government or between a city or town and an operating agency shall not be subject to any provision of law relating to publication or to advertising for bids.

Chapter 121B: Section 24. Agreement to bear acquisition loss

Section 24. A city or town, in which the operating agency, pursuant to section forty-seven, proposes to take, acquire or clear land constituting the whole or part or parts of an area which the agency has determined to be a substandard, decadent or blighted open area and for which such agency is preparing an urban renewal plan, may enter into an agreement with the operating agency to bear any loss that may arise as a result of such taking, acquisition or clearance in the event that such land is not used for urban renewal purposes; provided, however, that no city or town shall, without first obtaining a finding of financial feasibility from the emergency finance board described in section twenty-two, or the commission

authorized to succeed to the function of said board under said section, enter into any agreement under this paragraph which would cause the losses agreed to be borne by such city or town under all agreements under this paragraph in effect at any one time, according to the estimates of costs upon which such agreement or agreements are originally based, to exceed four per cent of its equalized valuation.

Chapter 121B: Section 25. Statement of emergency

Section 25. It is hereby declared that substandard and decadent areas exist in certain portions of the commonwealth, and that there is not in the commonwealth, within a reasonable distance of the principal centers of employment, an adequate supply of low-rent housing for families of low income; that in certain portions of the commonwealth decent, safe and sanitary housing cannot be provided for families of low income in rural areas at a cost which would warrant private enterprise in the locality or in the same general area to provide an adequate supply thereof; that this situation tends to cause an increase and spread of disease and crime and constitutes a menace to the health, safety, morals, welfare and comfort of the inhabitants of the commonwealth and is detrimental to property values therein; that this situation cannot readily be remedied by the ordinary operations of private enterprise; that a public exigency exists which makes the clearance of substandard or decadent areas and the provision of housing for persons of low income a public necessity; that the clearance of substandard and decadent areas and the provision of housing for persons of low income, or either, constitute a public use for which private property may be acquired by eminent domain and public funds raised by taxation may be expended; and the enactment of sections one to forty-four of this chapter is declared to be a public necessity. Moreover, it is hereby declared that substandard and decadent areas can often be eliminated only by the development of housing of persons of varied economic means in the same project and neighborhood and that any benefit to tenants other than low or moderate income tenants provided under this chapter will be at most incidental to, and no greater than is necessary for, achieving proper housing in appropriate surroundings for low income persons and families.

Chapter 121B: Section 26. Powers of a housing authority

Section 26. A housing authority shall have the following powers in addition to those set forth in section eleven or elsewhere in this chapter:—

- (a) To make studies of housing needs and markets, including data with respect to population and family groups and their distribution according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages and other factors affecting housing needs and markets, and surveys and plans for housing related to community development, including desirable patterns for land use and community growth, and to make such studies, surveys and plans available to the federal government, the department and other state agencies, other operating agencies, the public and the building, housing and supply industries;
- (b) To conduct investigations and disseminate information relative to housing and living conditions and any other matter deemed by it to be material in connection with any of its powers and duties;
- (c) To determine what areas within its jurisdiction constitute substandard, decadent or blighted open areas;
- (d) To prepare plans for the clearance of such decadent, substandard or blighted areas and to clear open areas whenever necessary or desirable to provide for the equivalent elimination of substandard buildings in accordance with section thirty-three provided that no housing authority in any city or town in which a redevelopment authority has been organized shall initiate such a clearance project without the approval of such redevelopment authority and the approval of the municipal officers of the city or town;
- (e) To provide housing projects for families of low income;
- (f) To provide projects or parts thereof for elderly persons of low income;
- (g) To provide housing for families of low income in rural areas in accordance with provisions set forth in section twenty-seven;
- (h) To undertake and provide relocation projects in order to house for a limited period families who are displaced by an urban renewal project or other public improvement involving the elimination of dwelling

units whenever such project or public improvement is determined upon and it or an urban renewal agency finds that there exists in the city or town an acute shortage of housing and that there are no adequate means available for immediate relocation of persons and families displaced from that project area;

(i) To lease, operate and, subject to section thirty-two, establish or revise schedules of rents for any project or part thereof undertaken by it; and

[Text of clause (j) as amended by 1981, 789, Sec. 2.]

(j) To undertake as a separate project the renovation, remodeling, reconstruction, repair, landscaping and improvement of an existing housing project or part thereof, including the reduction of undesirable unit densities in an existing housing project as deemed necessary by the department for the improvement of an existing housing project assisted by the commonwealth pursuant to section thirty-four or forty-one;

provided, that an equal number of low-rent relocation units are provided to replace those occupied units which are removed in the reduction of an undesirable unit density; and provided, further, that the plans for each such project shall be undertaken in accordance with rules and regulations promulgated by the department for such projects; and provided, further, that notwithstanding the provisions of any other law, where the funding for such project or any similar state or federally funded undertaking with respect to low rent housing exceeds fifteen million dollars, the number of households living on the original site when funds are or were committed exceeds two hundred and a receiver has been appointed for the housing authority pursuant to section one hundred twenty-seven H of chapter one hundred eleven, the receiver shall award contracts for construction, reconstruction, installation, demolition, maintenance, alteration, remodeling or repair of any building as provided in **sections forty-four A to forty-four H, inclusive, of chapter one hundred and forty-nine** and the receiver shall not only prequalify general bidders as set forth in section forty-four D but shall also prequalify sub-bidders for all classes of work for which sub-bids are required in accordance with prequalification requirements the receiver shall establish. The receiver shall also include as a prequalification requirement for both general bidders and for sub-bidders for each such contract that each general bidder and each sub-bidder be able to furnish labor that can work in harmony with all other elements of labor employed or to be employed on each contract.

[Text of clause (j) as amended by 1981, 808, Sec. 27.]

(j) To undertake as a separate project the renovation, remodeling, reconstruction, repair, landscaping and improvement of an existing housing project or part thereof, including the reduction of undesirable unit densities in an existing housing project as deemed necessary by the department for the improvement of an existing housing project assisted by the commonwealth pursuant to section thirty-four or forty-one; provided, that an equal number of low-rent relocation units are provided to replace those occupied units which are removed in the reduction of an undesirable unit density; and provided, further, that the plans for each such project shall be undertaken in accordance with rules and regulations promulgated by the department for such projects; and provided, further, that notwithstanding the provisions of any other law, where the funding for such project or any similar state or federally funded undertaking with respect to low-rent housing exceeds fifteen million dollars, the number of households living on the original site when funds are or were committed exceeds two hundred and a receiver has been appointed for the housing authority pursuant to section one hundred and twenty-seven H of chapter one hundred and eleven, the award of construction, reconstruction, installation, demolition, maintenance, alteration, remodeling or repair contracts shall be governed by the provisions of section thirty-nine M of chapter thirty, and shall include a requirement for certification of ability to furnish labor that can work in harmony with all other elements of labor employed or to be employed in the work, and shall not be subject to the provisions of sections forty-four A to forty-four H, inclusive, of chapter one hundred and forty-nine.

(k) To undertake as a separate project the demolition, clearance, preparation for sale, including the payment of relocation costs for occupants of such existing housing projects, and sale or other disposition of any of all of any existing housing project or part thereof assisted by the commonwealth, pursuant to section thirty-four, notwithstanding the provisions of clause (d) or section thirty-four, provided, that the department shall first have:

(1) found that all or a substantial portion of such existing housing project or part thereof no longer provides decent, safe and sanitary housing, as determined by the department of public health or the

department of public safety, and, in the judgment of the department, such project or part thereof cannot feasibly be operated or renovated pursuant to the provisions of this chapter;

(2) approved the proposed project, including a relocation plan for occupants of the existing project and a plan to make housing available on the land where the existing project is situated, at least twenty-five per cent of the units of which shall be for low income persons or families, which project may include plans to use a portion of such land for a public purpose ancillary to such development and approved by the department;

(3) approved the sale and the terms thereof, if the land is to be sold, which shall be at the fair market value for the proposed reuse, as determined by MHFA and approved by the department, and in accordance with the cooperation agreement referred to below;

(4) determined that the availability of funds to the housing authority for such project is conditioned upon the occurrence of the initial mortgage loan closing for the development of new or rehabilitated housing on the land where the existing project is situated; and the execution of a cooperation agreement by the MHFA and the department which shall establish a procedure for selection of a developer best qualified to develop, own and operate the new or rehabilitated housing on the existing land, for providing for such development of the new housing within a reasonable time in accordance with MHFA-approved contracts, and for assuring continued occupancy of at least twenty-five per cent of the dwelling units in the new development by families of low income;

(5) determined that the proceeds of such sale or other funds available to the housing authority for such project, or both, shall not be less than the amount necessary to pay in full the principal of and interest on the outstanding obligations of the housing authority with respect to such existing project if the whole is sold or not less than that percentage of such obligations which the original cost of the part sold bears to the total original cost of the entire existing project if a part is sold. Such amount of proceeds or other funds necessary to pay in full such obligations or percentage thereof shall be deposited in trust for the benefit of the holders of such outstanding obligations and until and unless all such obligations are paid and discharged in full said proceeds and other funds shall be expended solely for payment of principal and interest thereon.

(6) found that representatives of all occupants of such existing housing project, selected by the occupants in a manner approved by the department, have fully participated in the development of the project proposal and that all occupants of such existing housing projects have adequate notice and an opportunity to review the proposed project and relocation plan and an opportunity to present their views at a public hearing which shall be held by the department.

(l) To provide housing projects or specific parts thereof, or cooperative apartments, community residences and such other forms of congregate housing, or housing in separate dwelling units, for low income handicapped persons or low income families, of which one or more than one person is handicapped, or persons whose mobility, flexibility, coordination and perceptiveness are significantly reduced by aging; provided, that such housing may be provided in newly constructed buildings, or in buildings purchased or leased, and that may be made renovated as necessary, or in buildings already owned by local housing authorities that may be made accessible; and to provide living facilities for persons essential for the well-being of such handicapped persons or families; and to provide other such facilities as are necessary to the well-being of the handicapped residents of such housing; and to contract with various corporations for the provision of services to the handicapped residents, including but not limited to staffing, management and maintenance of such housing; provided further, that such contracting shall be in accordance with guidelines and directives or rules and regulations, or either, promulgated or issued by the department, and that such contracting shall be approved by the department.

(m) To participate in the development of low and moderate income housing undertaken or assisted pursuant to federal legislation and to finance mortgage loans for the construction or rehabilitation of low and moderate income housing, which may include ancillary commercial facilities to the extent permitted by the then applicable regulations of the department, and to purchase, or participate in the purchase of, securities which are secured by such mortgage loans. A local housing authority may create, designate or approve agencies or instrumentalities to provide such housing and do all other things necessary or desirable to secure financial or other forms of assistance from the federal government including the exemption from federal income taxation of interest on bonds or notes of such housing authority issued with respect to such housing. Low and moderate income housing shall be financed under this paragraph

only after the housing authority shall, pursuant to regulations adopted by the department, have found (A) that persons and families whose annual incomes are less than eighty per cent of the median income in the area in which such housing is to be constructed or rehabilitated, as determined by the department, can afford the rentals, including the provision of heat, electricity and hot water, set for twenty per cent of the units in the project on the basis of the use of not more than thirty per cent of their annual income or such greater portion of their annual income as may be required by laws or regulations applicable to any housing subsidy program of any agency of the United States government or the commonwealth to be used in connection with the proposed project or any laws or regulations applicable to the exemption of the interest on the bonds or notes of the housing authority from federal income taxation and (B) either (1) that the other tenants occupying the project shall pay a rental not less than one-seventh of their annual income but in no event greater than the maximum rental which could be obtained for such unit in light of the rentals charged for comparable units within the same market area; or (2) that the project is located in a blighted open area, or any decadent area, or any substandard area. Any bonds, notes or other securities issued by any local housing authority, or any agency or instrumentality designated or approved by any such authority, pursuant to the provisions of this paragraph, shall not create or imply any obligation or indebtedness of any kind on the part of any local housing authority, the commonwealth, or any political subdivision thereof. The department may promulgate such rules and regulations as it may deem necessary to further the purposes of this paragraph.

(n) to disseminate to and receive from other housing authorities information, including personal data as defined in section one of chapter sixty-six A, which could have a direct bearing on a determination as to whether an individual or household is qualified for selection or placement in accordance with state or federal eligibility or tenant selection regulations; provided, that in instances where the department of housing and community development or a nonprofit corporation is administering a state or federal housing program, a housing authority may disseminate to and receive such information for the aforementioned purpose from the department of housing and community development or a nonprofit corporation. Such information may be disseminated for the aforementioned purpose among the department of housing and community development and any nonprofit corporations administering a state or federal housing program. Any personal data, as defined in section one of said chapter sixty-six A, which is received by a housing authority, the department of housing and community development, or a nonprofit corporation pursuant to this paragraph, shall be used, maintained and disseminated further in accordance with the provisions of said chapter sixty-six A and this paragraph. Whenever such information is disseminated by a local housing authority, the department of housing and community development, or a nonprofit corporation, a copy of all such information and the names of the agencies which received it shall be sent to said individual or household. The department of housing and community development shall promulgate such rules and regulation as it deems necessary to further the purposes of this paragraph.

(o) To provide in the case of a unit in a housing project occupied by an elderly person of low income or a handicapped person of low income, for the installation, removal, or maintenance of air conditioner units, stoves, and such other personal property of said elderly person or such handicapped person as the housing authority may determine necessary to maintain the building and to protect the safety of tenants residing therein.

Chapter 121B: Section 26A. Powers of department in city without housing authority; financing of projects; bonds and notes; issuance and sale; approval of city or town

Section 26A. The department shall have all the powers of a housing authority under this chapter and be subject to all the limitations on such powers, provided for in this chapter, in order to provide housing for the elderly and for families of low income in any city or town where no housing authority has been organized.

Upon the organization of a local housing authority in such city or town, or of a regional housing authority under section three A, which includes such city or town, all the rights, required or exercised by the department or exercised by the department with respect to such housing shall immediately vest in such local or regional housing authority and the department shall enter into a contract for financial assistance with such local or regional housing authority provided for in this chapter.

The state treasurer may borrow from time to time on the credit of the commonwealth such sums of money as may be necessary for the purpose of meeting payments as authorized by this section, and may issue and renew from time to time notes and bonds of the commonwealth therefor, bearing interest payable at such times and at such rates as shall be fixed by the state treasurer, provided that the annual payment for any one project shall not exceed eight per cent of the project cost, as determined by the department.

To finance the costs of any projects undertaken under section twenty-six, and annual contributions by the commonwealth, as provided for under this chapter, the state treasurer shall, upon request of the governor, issue and sell at public or private sale, notes or bonds of the commonwealth, in an amount to be specified by the governor from time to time, but not exceeding in the aggregate the difference between the amounts authorized, in section forty-one with respect to elderly persons of low-income and in section thirty-four with respect to families of low-income, and the amount of notes or bonds of a housing authority guaranteed by the commonwealth issued to finance the cost of project. The provisions and limitations relating to such notes and bonds, as provided for under this chapter shall apply to such notes and bonds in the same manner and to the same extent as if such notes or bonds had been issued by a local housing authority.

The department shall not exercise its powers herein granted without the approval of the city or town in which such a project is planned in the same manner as would be required if a local or regional housing authority were to exercise its authority.

Notwithstanding the provisions of the foregoing, in any city where the department finds that the purpose of providing adequate housing for families of low income and the need for neighborhood revitalization would best be served if the department acts as a housing authority, the department shall have all the powers of a housing authority under this chapter, including, the power to contract directly with any private non-profit corporation for the purpose of developing and managing housing projects for families of low income pursuant to section thirty-one of this chapter involving the purchase or acquisition of the right to use completed or remodeled dwelling units whether condominium units, individual buildings part of a larger development, or a portion of the units in a multi-family development, or the construction of new buildings; provided, however, that the department shall obtain the approval of the mayor and the city council; and provided, further, that such projects shall be subject to rules and regulations promulgated by the department, in the event said department acts as a housing authority in a city pursuant to this paragraph, which regulations shall include, but not be limited to, a procedure for providing public notice of the availability of funding and a ranking of priority for projects according to criteria for selection; and provided, further, that such projects shall be subject to any applicable laws, ordinances, and regulations of the city in which the project is located, relating to the construction and repair of buildings, zoning and the protection of public health in accordance with the provision of section twenty-eight of this chapter. Said department shall annually provide for an evaluation of the effectiveness of its actions as a local housing authority pursuant to this section. Said evaluation shall be filed, together with drafts of legislation necessary to carry into effect any recommendations the department might make, with the clerks of the senate and the house of representatives, the house and senate committees on ways and means and the joint committee on urban affairs on or before the first Wednesday in December.

Chapter 121B: Section 27. Rural housing authority; additional powers

Section 27. If a housing authority organized in a city or town in which rural areas are located shall undertake the provision of housing for families of low income in such rural areas, it shall comply with the following provisions and shall have the following powers, in addition to others specifically granted in this chapter:—(i) The same preference shall be given to families of veterans as is provided in clause (f) of section thirty-two. (ii) So far as practicable, such housing shall consist of separate single-family houses. (iii) A housing authority which has undertaken housing in rural areas shall have the power to lease or sell houses erected or acquired by it, and, in case of sale, to impose such covenants, which shall run with the land if the housing authority so stipulates, regarding the land and the buildings thereon as it deems necessary to carry out the purposes of this chapter. In case of lease, the lessee shall have the option to purchase such house at any time during his occupancy thereof at the price designated in his lease. When any such option is exercised, the purchaser shall be given credit for payments made by him which were applied toward amortizing the cost of the house, and in case the lease with option to purchase, has been

assigned to him by a previous lessee, such credit shall include such payments made by previous lessees. (iv) Until a purchaser makes full payment for a house constructed by a housing authority under this subsection the title to such house shall remain in the housing authority regardless of ownership of the land. (v) Provision for farm housing for families of low income shall be subject to the following conditions: —(1) Before housing is constructed on a farm, the United States department of agriculture, or the United States department of the interior in the case of farms included in reclamation projects of that department through such representatives as it may designate shall certify that the net annual income of the farm, together with the nonfarm income of those to be housed, is less than the amount necessary to enable them otherwise to obtain and maintain decent, safe and sanitary housing and that the construction of a suitable type house on the farm is consistent with the respective programs of the department involved; (2) Based upon the normal earning capacity of the farm, as certified by the United States department of agriculture or department of the interior, the housing authority shall determine that the farm owner can meet at least the minimum payments required of him; (3) In developing standards as to what constitutes decent, safe and sanitary dwellings, the housing authority shall take into consideration the needs of the family for which such housing is to be used; (4) With respect to houses on farms, there shall, so far as practicable, be a system of variable payments so that in any year when there is below normal production or prices there may be an appropriate decrease that year in payment below the minimum otherwise required, but only to the extent that credits have been established as defined by the annual contributions contract through previous payments by the farm owner in excess of the minimum required payments. (vi) Provisions of nonfarm housing for families of low income in rural areas, with sufficient land for home gardens, shall be subject to the condition that the housing authority shall first determine that such housing will be so located that sources of employment will be accessible to the occupants thereof. The department, with the approval of the municipal officers shall have all the powers of a housing authority under this section in order to provide housing for families of low income in any city or town where no housing authority exists. Upon the organization of a housing authority in such a city or town, all the rights, titles, powers, duties and obligations of a housing authority acquired or exercised by the department with respect to such housing shall immediately vest in such housing authority.

Chapter 121B: Section 28. Application of laws, ordinances, and regulations of cities or towns relating to buildings, planning, zoning and public health

Section 28. Except as provided in section thirty with respect to projects leased from the federal government, every housing project shall be subject to all laws and all ordinances, by-laws and regulations of the city or town in which it lies, relating to the construction and repair of buildings, town planning, zoning and the protection of the public health; provided, that with the approval of the department and the supervisor of plans of the department of public safety, any building in a housing project of not more than three stories in height which is divided into two or more sections by fire division separations in accordance with any special law relative thereto or with any ordinance, by-law or regulation of the city or town in which it lies, which contains an enclosed stairway in each section extending from the roof to the ground directly accessible to the occupants of each dwelling unit therein, which is built of fireproof or fire resistive construction as defined by any special law relative thereto or by any ordinance, by-law or regulation of the city or town in which it lies, and which, together with the other buildings on the same project, does not occupy more than thirty per centum of the area thereof, may be designed, erected and maintained with only one means of egress from a dwelling unit to a stairway or public corridor; provided, that when any room in a dwelling unit is more than forty feet from such means of egress, there shall be two egresses from such dwelling unit located at points as widely separated from one another as may be reasonably feasible, with not more than four dwelling units above the second story in each section, with exterior egress doors not less than three feet in width, although such dwelling units contained in the aggregate more than eight rooms and the only means of egress is as above described; and provided, further, with the approval of the department, and the supervisor of plans of the department of public safety, any building in a housing project or any section of such a building which is set apart by a fire wall or fire walls of more than three stories in height, which is of fireproof or fire resistive construction in accordance with any special law relative thereto, or with any ordinance, by-law or regulation of the city or town in which it lies, and which is provided with two enclosed stairways isolated from each other by fire

division separations in accordance with any special law relative thereto or with any ordinance, by-law or regulation of the city or town in which it lies, or as widely separated from each other as may be reasonably feasible, and which, if of more than six stories in height, is equipped with automatic sprinklers installed in cellars, basements, workrooms, shops, storerooms and kitchens, may be designed, erected and maintained with only one means of egress from each dwelling unit to a public corridor; provided, that when any room of a dwelling unit is more than forty feet from such means of egress, there shall be two egresses from such dwelling unit located at points as widely separated from one another as may be reasonably feasible; and provided, further, that in buildings three or more stories in height, stairs and landings, and doors connecting public corridors and stair enclosures, when serving not more than three hundred persons, shall be not less than three feet in width between walls or between wall and balustrades with stairs equipped with a handrail on one side, although the only means of egress and fire extinguishing apparatus are as above described.

Chapter 121B: Section 29. Accounts and reports of housing authorities; investigations by department; rules and regulations of department

Section 29. Each housing authority shall keep an accurate account of all its activities and all its receipts and expenditures and shall annually in the month of January make a report thereof to the department, to the state auditor and to the mayor of the city or to the selectmen of the town within which such authority is organized, such reports to be in a form prescribed by the department with the written approval of said auditor. The department or said auditor shall investigate the budgets, finances and other affairs of housing authorities and their dealings, transactions and relationships. They shall severally have the power to examine into the properties and records of housing authorities and to prescribe methods of accounting and the rendering of periodical reports in relation to clearance and housing projects undertaken by such authorities. The department shall from time to time make, amend and repeal rules and regulations prescribing standards and stating principles governing the planning, construction, maintenance and operation of clearance and housing projects by housing authorities.

In the development or administration of a project which is not federally aided, a housing authority shall furnish the commissioner of labor and industries, upon his request, with a list of the classifications of work performed by all architects, technical engineers, draftsmen, technicians, laborers and mechanics employed therein, and shall notify him from time to time of any changes in said classifications. Said commissioner shall determine rates of wages and fees and payments to health and welfare plans for each such classification and shall furnish the housing authority with a schedule of such rates, fees and payments. The rates of wages and fees paid by each housing authority to such architects, technical engineers, draftsmen, technicians, laborers and mechanics shall not be less than those determined by said commissioner who shall set the rate at no less than eighty per cent of the prevailing wage in accordance with sections twenty-six and twenty-seven of chapter one hundred and forty-nine. In the event that any housing authority fails to furnish said commissioner with said list within two weeks after the date of his request, said commissioner shall determine said rates of wages and fees and payments to health and welfare plans.

A housing authority shall bargain collectively with labor organizations representing its employees and may enter into agreements with such organizations.

Notwithstanding any provision of law to the contrary the provisions of sections four, ten and eleven of chapter one hundred and fifty E shall apply to said authorities and their employees.

No employee of any housing authority, except an employee occupying the position of executive director, who has held his office or position, including any promotion or reallocation therefrom within the authority for a total period of five years of uninterrupted service, shall be involuntarily separated therefrom except subject to and in accordance with the provisions of sections forty-one to forty-five, inclusive, of said chapter thirty-one to the same extent as if said office or position were classified under said chapter.

Except as otherwise stated therein, compliance with this chapter, the rules and regulations adopted by the department and the terms of any low-rent housing project or clearance project authorized by this chapter, may be enforced by a proceeding in equity.

Chapter 121B: Section 30. Contract with federal government; acquiring federally owned project

Section 30. A housing authority, with the written approval of the department and of the mayor of the city or selectmen of the town in which the project is situated, may enter into a contract with the federal government for purchasing or leasing a clearance or housing project owned or controlled by the federal government. If such a project has been so leased by a housing authority and such authority has by vote declared that the buildings of the project have been constructed in a manner that will afford necessary safety, sanitation and protection in other respects to the public, no changes shall be required by any agent of the commonwealth or of the city or town in the manner of construction, or the buildings, the fixtures or appurtenances thereto or the use for which the project was designed.

Chapter 121B: Section 31. Submission of plans for low-rent housing project to department; application; hearing; disposition

Section 31. A housing authority shall not undertake a low-rent housing project until it has submitted to the department the plans and description of the project, the estimated cost thereof, the proposed method of financing it, and a detailed estimate of the expenses and revenues thereof and the department has found that the plans and description conform to proper standards of health, sanitation and safety.

In addition, the provisions of subparagraphs (a) and (b) shall apply to all state aided low-income projects:

(a) Projects involving the purchase or acquisition of the right to use completed dwelling units which have been recently constructed, reconstructed or remodeled, whether condominium units, individual buildings part of a larger development, or a portion of the units in a multi-family development, shall be approved by the department only after it makes the following determinations: (i) the number of units involved, other than units specifically to be used for elderly persons of low income, does not exceed one hundred in any one building or development; and (ii) the housing authority has made adequate arrangements for the maintenance and operation of the units, either through use of its own personnel or by contract with a private real estate management organization acceptable to the local housing authority with the approval of the department.

(b) Projects involving the construction of new buildings by a housing authority shall be approved by the department following due notice and a public hearing in the town or city involved held to consider testimony relating to the determinations required to be made. The department shall approve such a project only if it makes the following determinations: (i) the proposed project does not include in excess of one hundred dwelling units in any one site; (ii) the total combined number of units of the proposed project and any low rent housing project which is in existence or has been approved or is before the department for approval and is located adjacent to or within one-eighth of a mile of the site of the proposed project shall not exceed one hundred, other than those to be used specifically for elderly persons of low income. This provision shall not apply to sites for projects approved or being approved under the preceding paragraph (a); (iii) the design and layout of the proposed project is appropriate to the neighborhood in which it is to be located; and (iv) an adequate supply of dwelling units for families of low income is not then available in the private market, and the housing authority, after reasonable effort, has been unable to obtain such units either through reconstruction, remodeling, or repair of existing buildings or by the purchase of completed dwelling units. The provisions of this clause shall not apply to any project which shall be certified by the department to be a project designed specifically for elderly persons of low income. A project shall be deemed to be designed specifically for elderly persons of low income if a majority of the dwelling units in said project are designed specifically for elderly persons of low income and if not more than one hundred dwelling units in said project are designed for families of low income. The department shall give written notice to the authority of its decision with respect to any project within thirty days after submission of such project. The department shall hold a public hearing upon any project, if requested in writing so to do, within ten days after the submission of the project, by the housing authority, or by the mayor or city council of the city or the selectmen of the town in which the proposed project is located, or by twenty-five or more taxable inhabitants of such city or town. Such public hearing may be combined with that required under subparagraph (b) in the case of projects approved under that subparagraph. No such hearing shall be held on any day on which a state or municipal election, caucus or primary is held in such city or town. If the department shall disapprove any project, it shall state in writing in such notice its reason for disapproval.

A project which has not been approved by the department when submitted to it may be again submitted to it with such modifications as are necessary to meet its objections.

When a housing authority has determined the location of a proposed clearance or low-rent housing project, it may, without awaiting the approval of the department, proceed by option or otherwise, to obtain control of the real property to be acquired for the project; provided, however, that it shall not, without the approval of the department, unconditionally obligate itself to acquire such real estate. When a housing authority receives notice that such a project has been approved by the department, it may proceed to acquire real estate for the project, and may construct, or contract for the construction of, any buildings and facilities planned therefor.

Chapter 121B: Section 32. Maintenance and operation of project; rentals; tenant selection; eligibility for continued occupancy; hearings; waiver

Section 32. Upon the completion or acquisition of a housing project by a housing authority, it shall be maintained and operated by such authority. It is hereby declared to be the policy of this commonwealth that each housing authority shall manage and operate decent, safe and sanitary dwelling accommodations at the lowest possible cost, and that no housing authority shall manage and operate any such project for profit. To this end, an authority shall fix the rents for dwelling units in its projects in accordance with regulations issued by the department, so that no tenant shall be required to pay a rental of more than 32 percent of his income if heat, cooking fuel and electricity are provided by the authority, 30 percent of his income if one or more utility is provided, or 27 percent of his income if such utilities are not provided; provided however, that in calculating the amount of such rental, an authority may round the amount of such rental payment to the nearest whole dollar. In no instance shall a tenant household pay a rental fee of less than \$5 per household, provided that exceptions to payment of such minimum rent shall be allowed in accordance with regulations issued by the department. An authority shall grant an exemption from application of the minimum monthly rent to any resident unable to pay such amount because of severe financial hardship, which shall include situations in which the family is awaiting an eligibility determination for an application for any federal, state, or local assistance program, the tenant would be evicted as a result of the imposition of the minimum rent requirements, the income of the tenant has decreased because of changed circumstances, including involuntary loss of employment, the occurrence of a death in the household, and such other severe financial hardship situations as may be determined by the housing authority. If a resident requests a hardship exemption and the authority reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90 day period beginning upon the day in which the request for exemption is made to the authority. A resident may not be evicted during such 90 day period for nonpayment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term nature, the authority shall retroactively exempt the resident from the applicability of the minimum rent requirements for such 90 day period. Notwithstanding the provisions of section 49 of chapter 271, the authority may impose a late penalty of \$25 for failure to pay rent due. For the purpose of determining continued eligibility, pursuant to regulations of the department, the authority shall determine the appropriate unit size based on the composition of each tenant household. If a tenant is determined to be overhoused, such tenant shall be subject to transfer to a unit of appropriate size, as required by the lease. If an overhoused tenant household refuses a transfer to an available unit of appropriate size, the tenant shall be subject to a minimum rental fee of 150 percent of the tenant's rent. Any deficiency in the budget of a housing authority caused by such reduced rental shall be paid by the commonwealth to the housing authority in an amount equal to the difference between the tenant's rent and the prorated cost of operating that unit. The commonwealth, acting through the department, may make payments in advance on account of such deficiency in such amounts and at such times as it deems proper. The prorated cost of operations shall be computed on the basis of the operating budget of the housing authority as approved by the department with provisions for a full operating reserve. Said rentals together with all other available moneys, revenues, income and receipts of the authority, from whatever sources derived, and together with the requisite annual contribution, will be sufficient (a) to pay, as the same become due, the principal and interest on the bonds of the authority; (b) to meet the cost of insurance and the payments in lieu of taxes provided by section sixteen and to provide for maintaining, operating and using the projects and the

administrative expenses of the authority; (c) to create, during not less than the twelve years immediately succeeding its issuance of any bonds, notes or other evidences of indebtedness, a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve; and (d) to provide such tenant services for residents of housing projects as the department may approve.

In calculating a household's income for purposes of computing the rent due under the previous paragraph and for purposes of determining continued eligibility, a housing authority shall provide an income exclusion of not more than the amount earned for employment of 20 hours per week at the minimum wage, as determined by section 1 of chapter 151, for a person 62 years of age or older.

In the operation or management of state-aided low-rent housing projects an authority shall at all times observe the following requirements with respect to rentals and tenant selection:— (a) It shall rent or lease the dwelling accommodations therein only at rentals within the financial reach of persons and families of low income. (b) It shall rent or lease to a tenant dwelling accommodations consisting of the least number of rooms which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding. (c) It shall not accept as a tenant any person or persons whose net annual income at the time of admission, less an exemption of one hundred dollars for each minor member of the family other than the head of the family and his spouse, exceeds five times the annual rental, including the value or cost to them of water, electricity, gas, other heating and cooking fuels and other utilities, of the dwellings to be furnished such person or persons. For the sole purpose of determining eligibility for continued occupancy, it may allow, from the net income of any family, an exemption for each minor member of the family (other than the head of the family and his spouse) of either (1) one hundred dollars, or (2) all or any part of the annual income of such minor. For the purpose of this section, a minor shall mean a person less than eighteen years of age or a full-time student between the ages of eighteen and twenty-one years of age. (d) It shall not accept as a tenant in any project any person who is not a citizen of the United States; provided, however, that aliens who have served honorably in the armed forces of the United States, and who have been honorably discharged therefrom, shall be admitted to occupancy if they have made application for such citizenship; and provided, further, that aliens who have reached the age of sixty-five and who are eligible to receive old age assistance under chapter one hundred and eighteen A shall be admitted to occupancy. (e) There shall be no discrimination or segregation; provided, that if the number of qualified applicants for dwelling accommodations exceed the dwelling units available, preference shall be given to inhabitants of the city or town in which the project is located, and to the families who occupied the dwellings eliminated by demolition, condemnation and effective closing as part of the project as far as is reasonably practicable without segregation or discrimination against persons living in other substandard areas within the same city or town. For all purposes of this chapter no person shall, because of race, color, creed, religion, blindness or physical handicap, be subjected to any discrimination or segregation. No inhabitant of the city or town or no person employed in the city or town in which the project is located shall be refused eligibility to a waiting list or occupancy based solely upon the grounds of a residency prerequisite. (f) As between applicants equally in need and eligible for occupancy of the dwelling and at the rent involved, preference shall be given in the selection of tenants in the following order:— (1) to families or eligible persons which are to be displaced by any low-rent housing project or by a public slum clearance or urban renewal project initiated after January first, nineteen hundred and forty-seven, or other public improvement, or which were so displaced within three years prior to making application to such housing authority for admission to any low-rent housing; and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the veterans' administration to be service-connected, and second preference shall be given to families of deceased veterans whose death has been determined by the veterans' administration to be service-connected, and third preference shall be given to families of other veterans; and (2) to families of other veterans, and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the veterans' administration to be service-connected, and second preference shall be given to families of deceased veterans whose death has been determined by the veterans' administration to be service-connected; and (3) to persons and families displaced by other public action including, without limitation, enforcement of the minimum standards of fitness for human habitation established by the state sanitary code and other local ordinances, by-laws, rules or regulations. (g) It shall not establish

any requirement that applicants who have been displaced by any such public action be residents of the city or town in which the project is located, but may establish a requirement that any such applicant be a resident of the commonwealth for a period of six months prior to becoming a tenant. (h) It shall take steps necessary to maximize the utilization of handicap-accessible units by a person whose disability requires the accessibility features of the particular unit, including, but not limited to, (1) assuring that timely and appropriate information regarding the availability of handicap-accessible units reaches persons who may be interested in and eligible for such units, (2) except in an emergency, making available a vacant handicap-accessible unit to a person whose disability requires the accessibility features of the particular unit even though another person not requiring the accessibility features of the particular unit would otherwise be offered the unit according to the tenant selection criteria established pursuant to this chapter.

In computing the rental for the purpose of this section, there shall be included therein the average annual cost, as determined by the authority, to occupants of heat, water, electricity, gas, cooking range and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental.

In determining net income for the purpose of tenant eligibility with respect to a low-rent housing project financed by the commonwealth or by any city, town or other political subdivision thereof or administered by a housing authority under the provisions of this chapter or as agent for any municipality, the housing authority is authorized, where it finds such action equitable and in the public interest, to exclude amounts or portions thereof paid by the United States government or the commonwealth or any of its political subdivisions to the tenant for disability occurring in connection with military service. In determining the net income for the purpose of computing the rent of a totally unemployable disabled veteran, a housing authority is authorized to exclude amounts of disability compensation paid by the United States government for disability occurring in connection with military service in excess of eighteen hundred dollars in any year, but such authorization shall apply only in state-aided projects and while such projects are receiving state financial assistance, as provided in sections thirty-five and thirty-six.

In determining the net income of the tenant family for the purpose of computing the rent and determining eligibility for admission and continued occupancy, proceeds paid to such tenant family from policies of insurance shall be excluded from income.

The tenancy of a tenant of a housing authority shall not be terminated without cause and without reasons therefor given to said tenant in writing prior to such housing authority filing an action for summary process or seeking an injunction pursuant to section nineteen of chapter one hundred and thirty-nine. A tenant at his request shall be granted a hearing by a housing authority at least fifteen days prior to any such termination, except in the case of non-payment of rent, or if there is reason to believe that the tenant or a member of the tenant's household has (1) unlawfully caused serious physical harm to another tenant or employee of the housing authority, or any other person lawfully on the premises of the housing authority, or (2) threatened to seriously physically harm another tenant or housing authority employee, or any person lawfully on the premises of the housing authority, or (3) destroyed, vandalized or stolen property of a tenant or the housing authority or any person lawfully on the premises of the housing authority which thereby creates or maintains a serious threat to the health or safety of a tenant or employee of the housing authority or any person lawfully on the premises of the housing authority, or (4) on or adjacent to housing property, possessed, carried, or illegally kept a weapon in violation of section ten of chapter two hundred and sixty-nine or possessed or used an explosive or incendiary device or has violated any other provisions of section one hundred and one, or has violated any other provision of sections one hundred and one, one hundred and two, one hundred and two A or one hundred and two B of chapter two hundred and sixty-six, or (5) on or adjacent to housing authority property, unlawfully possessed, sold, or possessed with intent to distribute a controlled substance as defined in classes A, B, or C of section thirty-one of chapter ninety-four C, or (6) engaged in other criminal conduct which seriously threatened or endangered the health or safety of another tenant, an employee of the housing authority or any other person lawfully on the premises of the housing authority, or (7) for any of the reasons set forth in section nineteen of chapter one hundred and thirty-nine, or (8) a guest of a tenant or of a household member engages in any such behavior listed in clauses (1) to (7), inclusive, where the tenant knew or should have known that there was a reasonable possibility that the guest would engage in misconduct. In the event the housing authority brings an action for summary process for possession of the premises, such action

shall be accorded an expedited hearing and trial if any of the reasons set forth in clauses (1) to (8), inclusive, for termination of the tenancy are alleged. Notwithstanding the provisions of any general or special law to the contrary, including, but not limited to, the provisions of chapter two hundred and thirty-nine, if the court shall enter a judgment for possession in favor of the housing authority on account of one or more of the reasons specified in said clauses (1) to (8), the court's judgment shall not be stayed pending any appeal unless the court makes written findings that there is a reasonable likelihood that the tenant will prevail on appeal; provided, however, that a motion for a stay pending appeal may be made to the appropriate appellate court or to a single justice, but the motion shall show that application to the lower court for the relief sought is not practicable, or that the lower court has denied an application, or has refused to afford the relief which the applicant requested, with the reasons given by the lower court for its action, if any. If judgment for possession in favor of the housing authority has not been stayed and is thereafter set aside and a judgment entered for the tenant, the tenant shall be housed in the next available unit of suitable size of the housing authority as determined by regulations of the department. A tenant shall not be awarded or receive any consequential or other damages or relief as a result of said judgment or initial eviction. Any regulation of any agency of the commonwealth or subdivision thereof, or any provision in any lease between the tenant and a housing authority contrary to the provisions of this paragraph, shall be void and against public policy.

A housing authority or its designee shall meet at reasonable times with tenant organizations to confer about complaints and grievances; provided, that if there is more than one tenant organization in any housing project, said authority or its designee shall not be obliged to meet with more than the two organizations in each project which represent, as the housing authority may determine, the largest number of tenants in that project. The housing authority shall inform the tenant organizations of its decisions on any matters presented.

In the operation or management of state-aided low rent housing projects, an authority shall not, if the tenant, in a unit consisting of two bedrooms or less, is a veteran or a widow or widower of a veteran or is a Gold Star Mother and has lived in the residency for at least the last eight consecutive years, deny such a tenant continued occupancy at such residence provided that the rent is not more than three months in arrears.

In determining the net income and assets of an applicant or tenant for the purpose of computing rent, or determining eligibility for admission, or determining eligibility for continued occupancy, information provided by such applicant or tenant shall be given under the pains and penalties of perjury. Such information, as provided by such applicant or tenant, shall be subject to verification by the housing authority.

In addition to determining whether an applicant is eligible for public housing and whether such applicant is eligible for a particular housing program, each housing authority shall screen all applicants and household members for qualification pursuant to regulations adopted under this paragraph and the following paragraph. The department shall adopt regulations which shall require disqualification of an applicant for housing developed pursuant to sections thirty-four, thirty-nine and forty for reasons, absent outweighing mitigating circumstances, including the following:

- (a) The applicant or a household member has disturbed a neighbor or neighbors in a prior residence by behavior, which if repeated by a tenant in public housing, would substantially interfere with the rights of other tenants to peaceful enjoyment of their units.
- (b) The applicant or a household member has caused damage or destruction of property at a prior residence, and such damage or destruction, if repeated by a tenant in public housing, would have a material adverse effect on the housing development or any unit in such development.
- (c) The applicant or a household member has displayed living habits or poor housekeeping at a prior residence, and such living habits or poor housekeeping, if repeated by a tenant in public housing, would pose a substantial threat to the health or safety of the tenant or other tenants or would adversely affect the decent, safe and sanitary condition of all or part of the housing.
- (d) The applicant or a household member in the past has engaged in criminal activity, or activity in violation of section four of chapter one hundred and fifty-one B, which if repeated by a tenant in public housing, would interfere with or threaten the rights of other tenants to be secure in their persons or in their property or with the rights of other tenants to the peaceful enjoyment of their units and the common areas of the housing development.

(e) The applicant or any household member who will be assuming part of the rent obligation has a history of non-payment of rent and such non-payment, if repeated by a tenant in public housing, would cause monetary loss; provided, however, that if the tenant paid at least fifty percent of his household's monthly income for rent each month during a tenancy but was unable to pay the full rent, an eviction for non-payment of the balance of the rent shall not disqualify such individual from public housing pursuant to this paragraph.

(f) The applicant or a household member has a history of failure to meet material lease terms or the equivalent at one or more prior residences, and such failure if repeated by a tenant of public housing, would be detrimental to the housing authority or to the health, safety, security or peaceful enjoyment of other tenants.

(g) The applicant has failed to provide information reasonably necessary for the housing authority to process the applicant's application.

(h) The applicant has misrepresented or falsified any information required to be submitted as part of the applicant's application, and the applicant fails to establish that the misrepresentation or falsification was unintentional.

(i) The applicant or any household member does not intend to occupy public housing, if offered, as his primary residence.

The regulations shall also provide that prior to disqualifying an applicant for any of the reasons for disqualification set forth above, the housing authority shall permit the applicant to show whether there are mitigating circumstances, which may include a showing of rehabilitation or rehabilitating efforts, sufficient so that when the potentially disqualifying conduct is weighed against the mitigating circumstances, the housing authority is reasonably certain that the applicant will not engage in any similar conduct in the future. In making this determination, the housing authority shall consider all relevant circumstances, including the severity of the potentially disqualifying conduct, the amount of time which has elapsed since the occurrence of such conduct, the degree of danger, if any, to the health, safety and security of others or to the security of the property of others or to the physical conditions of the housing development and its common areas if the conduct recurred, the disruption and inconvenience which recurrence would cause the housing authority, and the likelihood that the applicant's behavior in the future will be substantially improved. The greater the degree of danger, if any, to the health, safety and security of others or to the security of property of others or the physical condition of the housing, the greater must be the strength of the showing that a recurrence of behavior, which would have been disqualifying, will not occur in the future.

Nothing stated herein shall give rise to enforceable legal rights in any party or an enforceable entitlement to any form of housing and further, nothing stated herein shall be construed as giving rise to such enforceable legal rights or such enforceable entitlement.

Chapter 121B: Section 32A. Parking areas; rules and regulations; towing

Section 32A. A housing authority may make reasonable rules and regulations for the use of parking areas under its control and may make reasonable charges for the use of such areas; provided, however, no housing authority shall charge its tenants for the use of any parking space within an area under its control. Any such authority shall have the power to tow any abandoned or unregistered vehicle which is parked in any area under their control. At least one attested copy of said rules and regulations shall be posted at each facility and any violation thereof shall be punished by a fine of not more than twenty dollars.

Chapter 121B: Section 32B. Definitions

Section 32B. As used in sections thirty-two B to thirty-two F, inclusive, the following words shall have the following meanings unless the content otherwise requires:

"Landlord", the owner or managing agent of a public housing development or a subsidized housing development.

"Public housing development", such developments for housing owned and operated by a housing authority pursuant to this chapter.

“Subsidized housing development”, such multi-family developments for housing as: (a) receive the benefit of subsidy in the form of project-based assistance under the section 8 housing assistance program for the disposition of projects owned by the United States Department of Housing and Urban Development; or (b) are owned or held by the United States Department of Housing and Urban Development as mortgagee-in-possession.

“Tenant household”, an individual, family unit, or other group living in a public housing development or a subsidized housing development, as reported to the landlord of the development at initial occupancy or thereafter.

Chapter 121B: Section 32C. Unlawful conduct by tenant, members or non-members of tenant household; civil action by landlord for injunctive or other equitable relief

Section 32C. Whenever a person who is not a member of a tenant household has, on or near a public housing development or a subsidized housing development: (a) caused serious physical harm to a member of a tenant household or employee of the landlord or any other person lawfully on the premises of the housing authority; (b) intentionally, willfully, and repeatedly destroyed, vandalized, or stolen property of a member of a tenant household or of the landlord or any other person lawfully on the premises of the housing authority; (c) intentionally and willfully destroyed, vandalized, or stolen property of a member of a tenant household or of the landlord or any other person lawfully on the premises of the housing authority and attempted to seriously physically harm a member of a tenant household or employee of the landlord or any other person lawfully on the premises of the housing authority; (d) possessed or carried a weapon in violation of section 10 of chapter 269 or possessed or used an explosive or infernal machine, as such as defined in section 102A of chapter 266 with the exception of fire-crackers or violated any other provision of section 101, 102, 102A or 102B of said chapter 266; (e) unlawfully sold or possessed with intent to distribute a controlled substance as established as Class A, B, C, or D in section 31 of chapter 94C; or (f) committed or repeatedly threatened to commit a battery upon a person or damaged or repeatedly threatened to commit damage to the property of another for the purpose of intimidation because of the person’s race, color, religion, or national origin or on account of the person’s participation in an eviction proceeding; the landlord of such premises may bring a civil action for injunctive or other appropriate equitable relief in order to prohibit the person from entering or remaining in or upon the public or subsidized housing development, unless there is cause to believe that such unlawful conduct is unlikely to continue or to pose a serious threat to the health or safety of the development, the tenant households at such development, or the employees of the landlord. Whenever a tenant or member of a tenant’s household residing in a public or subsidized housing development has caused or threatened to cause harm to another tenant, an employee of the landlord, or any other person who is known or believed to be a witness in an eviction against the tenant, the landlord may bring a civil action for injunctive or other appropriate equitable relief in order to protect the witness from harm threatened by the tenant or member of the tenant household.

Nothing in this section shall be read to limit the civil and criminal remedies otherwise available under section thirty-nine of chapter two hundred and sixty-five or section one hundred and twenty-seven B of chapter two hundred and sixty-six.

Chapter 121B: Section 32D. Actions by tenants or tenants’ organizations

Section 32D. A tenant or member of a tenant household in a public or subsidized housing development whose health or safety has been seriously threatened as described in section thirty-two C, and where there is reasonable cause to believe that such unlawful conduct will continue to pose a serious threat to his health and safety may institute and prosecute in his own name and on his own behalf or on behalf of other willing household members a civil action requiring the landlord of the public or subsidized housing development to seek injunctive and other appropriate relief as provided in section thirty-two C, provided that the landlord of the public or subsidized housing development has actual or constructive notice of said unlawful conduct. Such civil action may also be pursued by a tenants organization, whether incorporated or unincorporated, on behalf of its members, and without any requirement that such organization be represented by counsel in order to pursue such action. This paragraph shall not be construed so as to

limit relief otherwise available under chapter two hundred and nine A. Nothing in this section shall be read to limit the civil and criminal remedies otherwise available under section thirty-nine of chapter two hundred and sixty-five or section one hundred and twenty-seven B of chapter two hundred and sixty-six. This paragraph does not limit any existing nor create any new civil or criminal liability.

Chapter 121B: Section 32E. Jurisdiction over civil actions; appellate review

Section 32E. Civil actions under section thirty-two C or thirty-two D shall be instituted in the housing or superior court departments having jurisdiction where the residential premises are located. Orders and judgments entered in such actions shall be subject to appellate review as if the interlocutory order or judgment was entered in the superior court department.

Chapter 121B: Section 32F. Restraining orders and injunctions; form; service; enforcement; violations; effect; modification and vacation

Section 32F. Whenever a court, pursuant to section thirty-two C, issues a temporary restraining order or a preliminary or permanent injunction ordering a defendant to refrain from entering or remaining in a public or subsidized housing development or from harming a witness under this section, the order issued shall specify the person and the addresses covered and contain the following statement: VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE. The clerk shall transmit two certified copies of each such order to the appropriate law enforcement agency, and such law enforcement agency shall serve one copy of the order upon such defendant. Unless otherwise directed by the court, for good cause shown, service shall be by delivering a copy in hand to the defendant. Law enforcement agencies shall establish procedures adequate to ensure that all officers responsible for the enforcement of the order are informed of the existence and terms of such orders. Whenever any law enforcement officer has probable cause to believe that a defendant has violated the terms of an order issued pursuant to this section, such officer shall have the authority to arrest said defendant. After any such order has been served upon the defendant, any violation of such order during its effective term shall be punishable by a fine of not more than three thousand five hundred dollars or by imprisonment for not more than two years in a house of correction, or both. Any such violation may be enforced in the court that issued the order which is alleged to have been violated.

All temporary restraining orders granted under section thirty-two C shall remain in effect for no more than ten days from issuance. All other interlocutory orders granted under section thirty-two C shall be for a fixed period of time not to exceed one year, at the expiration of which time the court may extend any order upon a showing of good cause. All orders granted under section thirty-two C which expire after a limited term shall so state on the order. No permanent order shall be granted except as a final judgment after a trial on the merits.

A person subject to an order under sections thirty-two C may request that such order be modified or vacated at any time. Grounds for modification shall include, but not be limited to, hardship that would result from the person's inability to visit a tenant or a member of a tenant household, the person's need to carry out legitimate business on or near the public or subsidized housing development, or new evidence or evidence of a change in circumstances showing that it is unlikely that the person's presence in the public or subsidized housing development shall continue to pose a serious threat to the health and safety of the development.

All orders granted shall be crafted in such a manner as to minimize interference with the rights of tenant households to reasonable visitation in accordance with any orders issued in any other court proceeding. The court shall notify the appropriate law enforcement agency in writing whenever an order issued pursuant to this section is stayed, modified, or vacated, and shall direct the agency to destroy all record of any order which is vacated, and not to act on any order which is stayed. Such law enforcement agency shall comply with court directives on stayed or vacated orders, and shall only enforce orders with a limited term during the term of such orders.

Chapter 121B: Section 33. Equivalent elimination of substandard dwelling units

Section 33. No project for low-rent housing involving the construction of new dwellings shall be undertaken by a housing authority unless the city or town has entered into an agreement with the housing authority providing that, subsequent to the initiation of the project and within five years after the completion thereof, there has been or will be elimination by demolition, condemnation, effective closing or compulsory repair or improvement of unsafe or unsanitary dwelling units situated in the locality or metropolitan area substantially equal in number to the number of newly constructed dwelling units provided by such project; provided, that where more than one family is living in an unsafe or unsanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and provided, further, that such elimination may, in the discretion of the department be deferred in any locality or metropolitan area where there is an acute shortage of decent, safe or sanitary housing available to families of low income; and provided, further, that this requirement shall not apply in the case of any low-rent housing project located in a rural nonfarm area, or to any low-rent housing project undertaken under the provisions of section thirty-four.

Chapter 121B: Section 34. State and federal financial assistance; general provisions

Section 34. The commonwealth acting by and through the department may enter into a contract or contracts with a housing authority for state financial assistance in the form of a grant by the commonwealth of the development cost of a housing project or projects. The total amount of grants financed by bonds authorized prior to September first, nineteen hundred and eighty-three shall not exceed the sum of one hundred and thirty-eight million dollars. Each such contract shall contain such limitations as to the development cost of the project and administrative and maintenance costs, and such other provisions as the department may require and shall require that said grant shall be applied only to development cost of the project or to pay the principal and interest on notes of the housing authority issued to temporarily finance the development cost; and provided further, that grants under this section shall not be used for the modernization or renovation of existing projects as provided for in paragraph (j) of section twenty-six. Each such contract shall provide for a period during which state financial aid shall be deemed to be continuing notwithstanding that it is paid as a single grant or as several grants, which period shall continue until at least twenty-five years but not more than forty years from the completion date of the project unless and until the full amount of the state grant is reimbursed to the commonwealth as provided in this section. Each project shall be based upon a separate application made to the department and shall be planned to conform, as nearly as possible, to the existing published requirements of the federal government for low-rent or other housing projects, except such requirements as are based upon the cost limitations set forth in federal legislation. A housing authority may, with the approval of the department, acquire under the provisions of clause (d) of section eleven for the purposes of a project under this section or section thirty-five any land acquired by a city or town under the provisions of chapter three hundred and seventy-two of the acts of nineteen hundred and forty-six, as amended; provided, that such city or town has not completed construction of a housing project on such land. Each project developed under this section and section thirty-five shall be administered for occupancy in accordance with section thirty-two, except clause (c), and except that each such project shall be occupied, except as hereinafter provided by veterans and their families, and priority shall be given first to veterans of World War II of low income and to veterans of low income who have served in the active armed forces of the United States at any time between June the twenty-fifth, nineteen hundred and fifty and January the thirty-first, nineteen hundred and fifty-five, both dates inclusive; then to veterans of low income, such low income to be determined from time to time by the department; then to a person without regard to family status who is a veteran and who is fifty years of age or over; then to elderly persons qualifying for housing under the provisions of section forty; then, without regard to family status, to a person of low income who is permanently and totally disabled and eligible for assistance under chapter one hundred and eighteen A, or blind, then to other persons of low income living in substandard housing, and a housing authority may remodel or reconstruct parts of projects erected under this section to make the same available for occupancy by elderly persons qualifying for housing under the provisions of section forty and such remodeled or reconstructed apartments shall be available for occupancy by eligible elderly persons of low income only to the extent that no eligible veterans apply for such units; provided, that if no eligible veterans or elderly persons of low income apply for such remodeled or

reconstructed units, the units shall be made available to other persons of low income living in substandard housing. Notwithstanding the requirement that each project shall be based upon a separate application made to the department, the department may consolidate two or more projects of the same housing authority, for which projects applications have been seasonably made under this section and which projects shall have been approved by the department, into a single project, and may make on behalf of the commonwealth a contract with the housing authority for state financial assistance in respect of such consolidated project superseding any such contract made in respect of any of the constituent projects, and may determine the date of completion of the consolidated project superseding any such date determined in respect of any of the constituent projects and such consolidated project shall be constructed, financed and managed as a single project; provided, that nothing contained in this sentence shall affect the rights of the holders of any notes outstanding in respect of any of the constituent projects at the time of such consolidation.

If federal assistance for low-rent housing becomes available in any form not applicable to projects under this chapter, the department shall immediately report the circumstances to the general court together with such recommendations for legislation as may be necessary to enable such projects to qualify for such assistance. Upon the availability of federal financial assistance for low-rent housing projects, each housing authority having a contract for state financial assistance shall, upon receipt of written notice from the department, immediately enter into negotiations with the federal government to arrange for federal assistance with respect to any project developed hereunder and for the termination or reimbursement, in whole or in part, of state financial assistance. For any such project the department may order any housing authority (1) to apply for federal financial assistance and (2) upon obtaining the approval of the federal government, to enter into a contract or contracts for federal assistance and to make such arrangements as are possible to terminate, reduce or subordinate the obligation of the commonwealth to render financial assistance in such amount as is provided by federal assistance. No order of the department shall in any way affect any outstanding obligations of a housing authority or the rights of any holders of the notes thereof. The amount of federal payments shall be used to the fullest allowable extent, first, to meet the payment of principal and interest on all notes guaranteed by the commonwealth and, second, to reimburse the commonwealth for grants made on account of the project for which the federal payment was received.

If the department shall determine that an acute shortage of housing for veterans constituting a public exigency, emergency or distress no longer exists and that a shortage of low-rent housing no longer exists in a particular city or town, any project, or a part of any project with the land appurtenant thereto, constructed under this section may, with the approval of the department, be sold for the fair market value thereof as determined by the department, but for not less than the total of the outstanding obligations of the housing authority with respect to such project if the whole is sold, or not less than that percentage of the total outstanding obligations of the authority with respect to such project which the cost of the part sold bears to the total cost of the entire project if a part is sold.

There is hereby established the Housing Authority Bonds Sinking Fund and the state treasurer is hereby designated custodian thereof. He shall administer such fund in accordance with the provisions of chapter twenty-nine. So long as any bonds issued by a housing authority to finance the cost of a project under this section or section thirty-five and guaranteed by the commonwealth are outstanding, the proceeds of any sale of such project shall be paid by the housing authority into such fund and shall be expended from time to time by the state treasurer to pay interest and principal of any bonds issued by such housing authority to finance such project.

The proceeds of any sale of such project in excess of the total of all obligations of the housing authority with respect to such project shall, after the payment of all bonds issued by the housing authority to finance the cost of such project, be paid to the commonwealth as a reimbursement of any grant made pursuant to this section and after the full reimbursement of such grant any remaining proceeds shall be paid to the city or town in which the project is located and to the commonwealth in proportion to the respective contributions made by each toward the development and maintenance of such project as determined by the department. In determining the contributions of a city or town, the department shall include the amounts which the city or town would have received if such project had not been exempt from taxes, betterments and special assessments, less any amounts paid by the housing authority to the city

or town in lieu of such taxes, betterments and special assessments. Payments to the commonwealth hereunder shall be paid into the state treasury and shall be credited to the General Fund.

The provisions of sections one to forty-four, inclusive, except section thirty-three shall, as far as apt, be applicable to projects developed under this section and under section thirty-five and to housing authorities while engaged in developing and administering such projects; provided, that whenever the phrases "federal government" or "federal legislation" are used in said sections one to forty-four, inclusive, they shall also mean the commonwealth or laws of the commonwealth, as the case may be; and that whenever the words "low-rent housing project" or "projects" are used in said sections they shall also mean a state-aided project under this section and section thirty-five.

The department may enforce any of its orders, rules or regulations or the provisions of any contract between the commonwealth and a housing authority by a civil action filed under the provisions of section five of chapter two hundred and forty-nine. In the event of a breach by a housing authority of any provisions of contract between it and the commonwealth relating to a project, the commonwealth, acting by the department, may take immediate possession of the project and retain possession and operate the project in the place and stead of the housing authority, with all the rights and powers of the housing authority, and subject to all of its obligations respecting the possession and operation of the project and the revenues therefrom, until such time as such breach shall have been corrected to the satisfaction of the department.

A housing authority which has received state financial assistance to finance a project under authority of this section, or which has received funds from a city or town under authority of chapter three hundred and seventy-two of the acts of nineteen hundred and forty-six as amended, shall cause an audit to be made of its accounts annually at the close of a fiscal year by the department of the state auditor and a copy of the report of said audit shall be filed promptly with the department.

Any type of housing including one, two and three family dwellings may be constructed under this section notwithstanding the provision that each project shall conform as nearly as possible to the existing published requirements of the federal government for low-rent or other housing projects. In offering for sale residences constructed under this section, preference to potential buyers shall be given whenever reasonably possible as follows: (1) veteran tenants of such residences; (2) all other World War II veterans, as defined in section seven of chapter four; (3) surviving spouses and parents of said veterans of World War II; (4) all other United States war veterans; (5) all other resident citizens of the city or town in which said residences are located; (6) all other citizens of the commonwealth; (7) an urban redevelopment corporation; and (8) all others. The provisions of this paragraph shall not apply to projects completed after July first, nineteen hundred and sixty-six.

Whenever a housing authority shall determine that land acquired by it under clause (d) of section eleven for the purpose of this section is in excess of or no longer required for such purposes it may, upon approval by the department, sell or otherwise dispose of such land by deed or instrument approved as to form by the attorney general. Funds received from a sale of land as herein provided shall be paid into the Housing Authority Bonds Sinking Fund or to the commonwealth and the city or town in which the land is located, as provided in this section.

Whenever a housing authority shall determine that any gas, electric or heating distribution system which has been built or acquired for the purposes of this section is no longer required for such purposes, it may upon approval by the department, sell or otherwise dispose of such gas, electric or heating distribution system, or any part thereof, by deed or instrument approved as to form by the attorney general. Funds received from a sale of a gas, electric or heating distribution system or any part thereof, as herein provided, shall be paid into the Housing Authority Bonds Sinking Fund or to the commonwealth and the city or town in which the system is located, as provided in this section.

The department shall promulgate rules and regulations relative to uniform standards for tenant selection which shall establish the order of priority governing the selection of tenants, and a housing authority thereafter shall be bound by such standards in its selection of tenants.

Notwithstanding any of the provisions of sections thirty-five through thirty-seven, inclusive, any housing authority having a contract for state financial assistance, may, with respect to any project developed hereunder, and in accordance with the provisions of sections fourteen and thirty, contract with the federal government for financial assistance in accordance with the provisions of federal legislation. Commencing with the first of January, nineteen hundred and eighty-seven, housing authorities which have received

federal financial assistance shall satisfy the requirements of the Single Audit Act of 1984, 31 USC 7501 et seq. by causing audits of their records to be made annually or biennially by the state auditor or an independent auditor to be selected by such housing authorities to conduct such audits. Said audits shall be made in accordance with generally accepted government auditing standards as well as standards prescribed by the office of the state auditor. Housing authorities acting under the requirements of this section shall submit said audited financial statements to the office of the state auditor for his notice and approval; provided, that all independent audits conducted in accordance with the aforementioned requirements and standards shall be deemed to meet the approval of the state auditor.

Chapter 121B: Section 34A. Contracts for state financial assistance on leased MHFA projects to provide replacement or relocation housing; annual contributions; limitations

Section 34A. The commonwealth, acting by and through the department, may enter into a contract or contracts with a housing authority for state financial assistance in the form of annual contributions to assist projects financed by the MHFA which are leased in whole or in part by the said housing authorities to provide replacement housing units for, or relocation housing for occupants of, housing projects which are demolished, cleared, sold or otherwise disposed of pursuant to the provisions of this chapter. Such contract shall contain a provision that such annual contributions shall be used for the payment of interest on, and the principal of, mortgages held by the MHFA. The annual contributions for any one MHFA project shall be payable in an amount not exceeding six per cent of the cost of that portion of the project leased by such housing authority, as determined by the department, and for the fixed period during which said mortgage for such MHFA project remains outstanding, but in no event for more than forty years after completion of the MHFA project, as determined by the department; provided, however, that the total amount of such annual contributions contracted for by the commonwealth for any one year shall not exceed one hundred and ninety thousand dollars. Each such annual contribution by the commonwealth to the housing authorities shall be paid by the commonwealth to the housing authority for payment to the MHFA upon approval and certification by the state comptroller.

Each such contract shall provide:

- (i) that whenever in any year the earned surplus accumulated by the mortgagor exceeds the amount permitted by section five of chapter seven hundred and eight of the acts of nineteen hundred and sixty-six, as determined by MHFA, an amount equal to that portion of such excess allocable to the units leased by such housing authorities shall be applied or set aside for application to purposes which shall effect a reduction in the amount of subsequent annual contributions, and
- (ii) for enforcement by the department of such contract in the manner set forth in clause (e) of section thirty-four, and
- (iii) that such annual contributions may be terminated by the department if the mortgagor in the judgment of MHFA ceases to operate the project in accordance with the requirements of chapter seven hundred and eight of the acts of nineteen hundred and sixty-six.

The full faith and credit of the commonwealth is hereby pledged to the payment of all annual contributions contracted for by the commonwealth. The provisions of section thirty-four shall not apply to such contracts for financial assistance, but each such contract shall contain such limitations as to the development cost of such MHFA projects and such administration and maintenance costs as the department may require. The amount of annual contributions contracted for by the commonwealth pursuant to this section shall reduce, pro tanto, the maximum amount of annual contributions authorized under the third and fourth paragraphs of clause (b) of section thirty-four.

Chapter 121B: Section 34B. Commonwealth guaranteed temporary notes; authorization and execution; sale and refunding limitations; terms

Section 34B. Any contract for state financial assistance entered into by the commonwealth with a housing authority pursuant to section thirty-four may provide for additional state financial assistance in the form of a guarantee by the commonwealth of notes of the housing authority issued to finance temporarily the development cost of a housing project or projects for which a grant is to be made, by the amount of notes so guaranteed on account of any project shall not exceed the amount of the grant for that project. The

total amount of all notes guaranteed pursuant to this section shall not exceed one hundred and twenty-eight million dollars exclusive of any such notes which may be issued for refunding purposes. The guarantee by the commonwealth of the notes of a housing authority shall be executed on each note by the director or an associate director of housing and community development. It shall be sufficient if the signature of said director or associate director upon such note is an engraved, printed or stamped facsimile signature provided that he has, by a writing bearing his written signature and filed in the office of said director, authorized his facsimile signature to be placed thereon. The facsimile signature of said director or associate director so engraved, printed or stamped thereon shall have the same validity and effect as his written signature. If any said director or associate director shall cease to be such officer before the delivery of such note, his signature or facsimile signature shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery.

A housing authority may sell commonwealth guaranteed temporary notes to finance a project; provided, that the total amount outstanding at any time, exclusive of any notes which may be issued for refunding purposes, shall not be in excess of the development cost of the project. Any such notes, whether original or refunding, may at any time be refunded through the issue and sale of notes hereunder but in no event for a term more than one year after completion of the project, as determined by the department. No notes may be issued on account of any project which cause the total amount of notes outstanding for that project, exclusive of notes which may be issued for refunding purposes, to exceed the amount of grant to be received thereafter under the contract relating thereto.

Notwithstanding the provisions of section seventeen the payment of the principal of, and interest on, all such notes shall be guaranteed by the commonwealth, and the full faith and credit of the commonwealth is hereby pledged for any such guarantee. Any excess between the completed cost of a project as determined by the department and the notes outstanding for such project may be retired from the proceeds of the notes, and if so retired, shall not be used in computing the total amount of notes guaranteed by the commonwealth under this section.

No housing authority shall sell or offer for sale any such notes without receiving from the department approval of the amount, the term, the time of sale, and other conditions which the department may deem relevant in connection with the sale of such notes.

Notes issued hereunder prior to the execution and delivery of a contract for the construction or acquisition of the project shall be payable not later than twelve months after such issuance and shall not exceed in aggregate principal amount outstanding at any time, exclusive of renewals, fifteen per cent of the development cost of the project as estimated by the department at the time of issuance. Except for notes described in the following paragraph, notes issued hereunder after the date of execution and delivery of a contract for the construction or acquisition of the project shall be payable in not more than ten months from such date or on such date or other notes for the same project shall be payable, whichever date shall later occur.

Notes issued after the execution and delivery of a contract for the construction or acquisition of the project, and after a grant under section thirty-four has been made to pay all or a portion of the costs of said project, shall not exceed in aggregate principal amount outstanding at any time, exclusive of renewals, ten per cent of the development cost of the project as determined by the department at the time of issuance; provided that said limitation shall not apply to notes issued to finance that portion of the development cost which is in excess of the development cost as estimated by the department at the time such grant was made. If the department determines that notes are outstanding which if renewed by the issuance of other notes would exceed the periods or amounts of notes permitted to be issued or outstanding by this section and if the department is advised by the state treasurer that in his best judgment bond market conditions are adverse and, therefore, it is not feasible to issue bonds in order to make a grant to retire such notes, then the department may authorize refunding notes which shall be payable not later than twelve months after their issuance without regard to the other limitations of this section; provided, however, that so long as any note which could not have been issued but for the provisions of this sentence is outstanding for any project, the department shall not approve under section thirty-one any housing project which requires the issuance of bonds or notes by or guaranteed by the commonwealth as part of the financing thereof.

Chapter 121B: Section 35. Contracts for supplementary state financial assistance

Section 35. The commonwealth, acting by and through the department, may enter into a contract or contracts with a housing authority for supplementary state financial assistance in the form of grants and guarantees as provided in and subject to the limitations of sections thirty-four and thirty-four B with respect to that portion of the development cost of a federally assisted housing project or projects which is not financed by such federal assistance.

Chapter 121B: Section 36. Receipt of loans and grants from federal sources or from other sources

Section 36. The commonwealth shall have power to receive loans and grants from the federal government or any agency or instrumentality thereof, or from any other source, public or private, and to use any such loan or grant or part thereof for any purpose of this chapter, or to act as agent of, or to cooperate in any way with, the federal government or any agency or instrumentality thereof on any project authorized by this chapter.

Chapter 121B: Section 37. Commonwealth grants; guarantee of temporary notes; sale, maintenance, and operation of relocation projects; limitations on eminent domain

Section 37. For the purpose of avoiding, so far as practicable, during the period of public exigency, emergency and distress now existing on account of the acute shortage of housing in many cities and towns of the commonwealth, the making of persons or families homeless as the result of the demolition of dwelling units on land acquired or to be acquired for the purposes of an urban renewal project, or any other public improvement by the commonwealth, a city or town, or any other public body, the commonwealth acting by and through the department may enter into a contract or contracts with a housing authority, or, in the event an urban renewal agency exists within a city or town, with a housing authority upon request of the urban renewal agency, for state financial assistance in the form of a grant by the commonwealth of the development cost of a relocation project or projects. The total amount of grants so contracted for shall not exceed twenty-five million dollars in the aggregate or the actual cost of the construction of two thousand units, whichever amount is the lesser. Each such contract shall contain such limitations as to the development cost of the project and administrative and maintenance costs, as the department may require. Each project shall be based upon a separate application made to the department, which shall include such evidence of need as the department may require including a statement that the local planning board has been informed as to the location and number of dwelling units of the proposed project. The department shall ascertain and certify the need for each project after determining that there exists in such city or town and its vicinity a period of public exigency, emergency and distress occasioned by an acute shortage of housing; provided, that the department may not approve a project or projects in any city or town for a number of dwelling units in excess of fifty per cent of the number of families to be displaced by an urban renewal project or other public improvement.

Contracts for financial assistance entered into under this section may also provide for a guarantee by the commonwealth of notes of a housing authority issued to temporarily finance a relocation project. Such guarantee and such notes shall be made and issued as provided in section thirty-four B and shall be subject to the limitations on period and amount set forth therein. The total amount of notes guaranteed hereunder, exclusive of refunding notes, shall not exceed twenty-five million dollars.

After such date as the department may determine that such acute shortage of housing for displaced persons constituting a public exigency, emergency or distress no longer exists, any relocation project acquired, constructed, moved or rehabilitated may, with the approval of the department, be offered for sale at its fair market value and disposed of as soon as is consistent with sound business judgment; provided, that no such sale shall be for less than the total of the outstanding obligations of the housing authority with respect to such project. If the proceeds of the sale of such a project are in excess of the total of all obligations for the housing authority with respect to such project, such excess shall, after the payment of all notes and other outstanding obligations of the housing authority relating to such project, be paid to the commonwealth as a reimbursement of grants made hereunder, and, after full reimbursement, to the city or town in which such project is located.

Sections one to forty-four, inclusive, except sections thirty-two and thirty-three, shall, as far as apt, be applicable to projects developed under this section and to housing authorities while engaged in developing and administering such projects; provided, that no application for state financial assistance under this section shall be accepted by the department after January the first, nineteen hundred and sixty-five.

An authority shall not acquire land for the site of a relocation project by eminent domain under chapter seventy-nine or chapter eighty A, or by purchase, gift or otherwise, unless such land is entirely or almost entirely unoccupied by inhabited dwellings; provided, however, that an authority may acquire a completed dwelling or a group of dwellings for a relocation project if acquisition of such does not involve their demolition. The total number of dwelling units to be created in any one city or town in connection with relocation projects, for which state assistance may be granted, shall not exceed two per cent of the total of dwelling units in such city or town as reported by the United States census of nineteen hundred and fifty.

Upon the completion or acquisition of a project by a housing authority, it shall be maintained and operated by such authority. In the operation or management of relocation projects, an authority shall at all times observe the following requirements with respect to rentals and tenant selection:—

(1) It shall rent to a tenant dwelling accommodations consisting of the least number of rooms which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof without overcrowding, in accordance with a rent schedule approved by the department. Such rent schedule shall be arranged so as to be sufficient, in the opinion of the department, to pay all of the costs of maintaining and operating the project, including a reasonable allowance for depreciation, and may, in the discretion of the department, be sufficient so as also to include each year an allowance for the amortization of all or part of the cost of acquiring and constructing the project not otherwise provided for by grants or otherwise.

(2) A housing authority shall not admit a person or family for occupancy in a relocation project for a period longer than may be from time to time determined by the department. A housing authority shall accept as tenants persons or families who occupied dwellings eliminated by demolition, condemnation and effective closing as part of any public improvement made by the commonwealth, city or town or other body politic and corporate or of any urban renewal, code enforcement or chapter one hundred and twenty-one A project; provided, that to the extent that no displaced persons apply for tenancy in such relocation project the authority may admit as tenants veterans, elderly persons of low income, and families of low income; provided, that no vacancies exist for such elderly persons and families of low income in existing low-rent public housing projects. If a housing authority acquired a completed dwelling or group of dwellings for a relocation project, and the acquisition of such does not involve their demolition, the authority may permit any person or family otherwise eligible under this chapter to continue in occupancy for such period or periods that such dwelling units are not needed for persons or families displaced by any public improvement or urban renewal, code enforcement or chapter one hundred and twenty-one A project.

(3) In any action to recover possession of premises, occupied in a relocation project, the provisions of sections twelve and thirteen of chapter one hundred and eighty-six and section nine of chapter two hundred and thirty-nine shall not apply.

The provisions of this chapter or any other law to the contrary notwithstanding, a housing authority may acquire with the approval of the department for use as a relocation project any existing project owned by it or leased to it by the federal government and may with the approval of the department operate and maintain such project as a relocation project.

Chapter 121B: Section 38. Declaration of policy

Section 38. It is hereby declared that substandard and decadent areas exist in certain portions of the commonwealth and that there is not, in certain parts of the commonwealth, an adequate supply of decent, safe and sanitary housing for elderly persons of low income, available for rents which such persons can afford to pay, and the rents which such persons can afford to pay would not warrant private enterprise in providing housing for such persons; that this situation tends to cause an increase and spread of communicable and chronic diseases, that the lack of properly constructed dwelling units designed specifically to meet the needs of elderly persons aggravates those diseases peculiar to the elderly

thereby crowding the hospitals in the commonwealth with elderly persons under conditions of idleness that inevitably invite further senility; that this situation constitutes a menace to the health, safety, welfare and comfort of the inhabitants of the commonwealth and is detrimental to property values in the localities in which it exists; that this situation cannot readily be remedied by private enterprise; and that a public exigency exists which makes the provision of housing for elderly persons of low income and the clearance of decadent or substandard areas a public necessity; that the provision of housing for elderly persons of low income for the purpose of reducing the cost to the commonwealth of their care by promoting their health and welfare, thereby prolonging their productivity in the interest of the state and nation, and the clearance of decadent or substandard areas, or either, constitutes and hereby is declared to be a public use for which private property may be taken by eminent domain and public funds raised by taxation may be expended.

It is hereby further declared that there is not, in certain parts of the commonwealth, an adequate supply of decent, safe and sanitary housing for handicapped persons of low income available for rents which such persons can afford to pay, and the rents which such persons can afford to pay would not warrant private enterprise in providing housing for such persons; that this situation often results in the institutionalization of such persons at substantial cost to the commonwealth or their resort to decadent or substandard housing with the result that such decadent or substandard housing cannot be eliminated; that this situation aggravates the hardship of handicapped persons and prevents their living productive lives and that the provision of housing for handicapped persons of low income is in the interest of the commonwealth and hereby is declared to be a public use for which private property may be taken by eminent domain and public funds may be expended.

Chapter 121B: Section 38A. Bureau of housing for the handicapped; director; functions

Section 38A. There shall be within the department a bureau of housing for the handicapped, in the division of community development. The bureau shall consist of the director, and other such persons as shall be necessary to conduct the work of the bureau. The director shall be selected by the commissioner after consultation with representative consumer groups, with preference given to a qualified handicapped person, or to a person who has expertise in the area of the housing needs of the handicapped.

The functions of the bureau shall include but not be limited to the following activities: to coordinate within the department the several program elements relative to housing and services for handicapped persons of low income; to assist local housing authorities in planning, developing and implementing appropriate housing, management and service programs for handicapped persons of low income; to issue guidelines and directives and to promulgate rules and regulations relative to adequately housing the handicapped; to promulgate regulations and guidelines relative to contracts entered into for the provisions of services to residents of housing for handicapped persons, including the management and maintenance of the premises; to approve such contracts; to serve as a focus in developing local and statewide planning to assist handicapped persons obtain the housing and services that will increase their ability to live independently; to seek, accept and otherwise take full advantage of all federal and state aid available to the department to assist in developing housing and related services for handicapped persons; to assist other agencies to take full advantage of all federal, state and local assistance for housing, rehabilitation, and the provision of services to assist handicapped persons to live with greater independence; and to work in close cooperation with consumers, including representatives from the various organizations of physically handicapped, deaf or blind, and advocates for persons with mental retardation, emotional deficiencies, and for other socially disadvantaged and handicapped persons, and also all federal, state and local organizations and agencies concerned with developing rational planning and effective implementation of housing and related services for handicapped persons of low income and to increase their independence, productivity and self-satisfaction.

Chapter 121B: Section 38B. Service coordinator program

Section 38B. The department is authorized to establish a program to provide service coordinators to assist residents in housing developed pursuant to sections thirty-nine and forty. The purpose of such program shall be to assist tenants living in such housing to meet tenancy requirements in order to

maintain and enhance the quality of life in such housing. Service coordinators shall be assigned to said housing as determined necessary by the department. The department shall consult with the executive office of health and human services, the executive office of elder affairs, housing authorities, the Massachusetts rehabilitation commission, and the office on disability in developing the guidelines of said service coordinator program and in evaluating said program.

Chapter 121B: Section 39. Power to provide housing for elderly and handicapped persons of low income; priorities in placement

Section 39. The housing authority of each city or town organized under section three shall have power to provide housing for elderly persons of low income and handicapped persons of low income either in separate projects or as a definite portion of any other projects undertaken under sections twenty-five to forty-four, inclusive, of this chapter, or in remodeled or reconstructed existing buildings, or through the purchase of condominium units, and the provisions of sections one to forty-four, inclusive, of this chapter shall, so far as apt, be applicable to projects and parts of projects undertaken under sections thirty-eight through forty-one except as otherwise provided in section forty or elsewhere in this chapter. The power to provide such housing shall include the provision of facilities for congregate living, either in separate projects or as a definite portion of any other projects so undertaken. A housing authority with the approval of the department may in addition to, and to the extent not inconsistent with this section or section forty-one provide that on project sites which include convenience stores or ancillary commercial facilities housing projects may be planned and designed so as to permit the continued operation of such stores or facilities. Such stores or facilities may be rented or leased by such housing authorities. The provisions of the preceding two sentences shall apply also to any low rent housing project for families of low income undertaken pursuant to this chapter.

In any town in which a veterans' housing project or project for the housing of elderly persons has already been constructed or established, the local housing authority shall not be empowered to erect a new housing project for elderly persons nor shall a contract for financial assistance applicable to the construction of a new project for the housing of elderly persons be entered into pursuant to the provisions of section forty-one until there shall have been submitted to, and approved by vote of, an annual town meeting or a special town meeting called therefor, the question whether the local housing authority should be empowered to erect such new housing project, for one of the purposes authorized by law, as said authority should thereafter determine to be reasonably necessary and feasible.

Notwithstanding any general or special law to the contrary, a housing authority which manages units provided under this section and section forty shall give priority in placement to non-elderly handicapped persons of low income, who are eligible to receive such housing and who are qualified under the criteria established in regulations promulgated by the department, in thirteen and one-half percent of said units. If a local housing authority determines that there are insufficient numbers of eligible and qualified non-elderly handicapped persons of low income to fill thirteen and one-half percent of the housing units, the local housing authority shall then place eligible and qualified elderly persons of low income in said units. The thirteen and one-half percent of units for which eligible and qualified non-elderly handicapped persons of low income receive priority in placement shall include the percentage of units for which handicapped persons of low income without regard to age, and their families, are given priority pursuant to subsection (f) of section forty, when such units are occupied by non-elderly handicapped persons of low income.

Notwithstanding any general or special law to the contrary, a housing authority which manages units provided under this section and section forty shall give priority in placement to elderly persons of low income, who are eligible to receive such housing and who are qualified under the criteria established by regulations of the department, in eighty-six and one-half percent of said units. If a local housing authority determines that there are insufficient numbers of eligible and qualified elderly persons of low income to fill eighty-six and one-half percent of said units the local housing authority shall give priority in placement to eligible and qualified handicapped persons of low income who are on a waiting list for housing developed pursuant to this section or section forty, and who have attained the age of fifty, but who are less than sixty years old. If a local housing authority determines that there are insufficient numbers of elderly persons of low income and handicapped persons of low income who have attained the age of fifty but who are less

than sixty years old, who have applied for occupancy in housing developed pursuant to this section and section forty to fill eighty-six and one-half percent of said units, the local housing authority shall place other non-elderly handicapped persons of low income who have applied for occupancy in said housing in said units.

Preference for accessible or modified units pursuant to subsection (f) of section forty may be given to handicapped persons of low income, without regard to age, who need one or more of the special design features of said units.

Among non-elderly handicapped persons of low income who are eligible and qualified for housing pursuant to this section a preference shall be given in the community in which they reside to eligible and qualified non-elderly handicapped persons of low income who are veterans, and among elderly persons of low income who are eligible and qualified for housing pursuant to this section a preference shall be given in the community in which they reside to eligible and qualified elderly persons of low income who are veterans.

The numerical percentages stated herein shall be deemed policy objectives and in no way shall be an entitlement to any form of housing necessary for compliance with the provisions of this chapter.

The department shall, after consultation with the secretaries of elder affairs and health and human services, promulgate rules and regulations concerning the implementation of the priorities in placement, as set forth herein not later than October first, nineteen hundred and ninety-five, and may establish placement ratios among elderly persons of low income and non-elderly handicapped persons of low income to provide for an equitable transition to encourage the percentage policy objectives stated herein for said persons of low income. Until such time that said percentage policy objectives, stated herein, are substantially met, said placement ratios shall not be less than one elderly person of low income for each placement of one non-elderly handicapped person of low income. Said placement ratios shall only be implemented at local housing authorities where non-elderly handicapped persons of low income represent less than thirteen and one-half percent of the total residents at said authority; provided, that said placement ratios shall not be implemented at any local housing authority where non-elderly handicapped persons of low income represent greater than thirteen and one-half percent of the total residents. The priorities in placement established herein shall not be implemented by local housing authorities until such rules and regulations have been promulgated. Any person who is lawfully residing in housing developed pursuant to this section and section forty when such rules and regulations are promulgated may not be evicted or otherwise required to vacate a housing unit solely as a consequence of the priorities in placement established herein.

Nothing stated herein shall give rise to enforceable legal rights in any party or an enforceable entitlement to any form of housing and further, nothing stated herein shall be construed as giving rise to such enforceable legal rights or such enforceable entitlement.

Chapter 121B: Section 40. Provisions applicable to housing for elderly and handicapped persons of low income

Section 40. The following provisions shall be applicable to housing for elderly persons of low income and handicapped persons of low income:

(a) There shall be no requirement that the occupants of such housing constitute families, and housing may be provided in separate dwelling units for elderly persons and handicapped persons living alone or with such other persons who are either eligible under the provisions of sections thirty-eight to forty-one, inclusive, or necessary to the physical welfare of the elderly occupant; provided, that such other necessary person is eligible for low-rent housing or is a live-in staff member of a cooperative apartment, community residence or other such form of congregate housing. Single handicapped persons or families of one or more persons, one of whom is handicapped, shall be eligible for admission to such housing, regardless of their age, provided that such persons or families satisfy the eligibility standards required for admission under section thirty-two.

(b) Projects for such housing may and shall, when practicable, be established near the neighborhoods where the elderly persons reside.

(c) Housing for elderly persons of low income and handicapped persons of low income shall conform to standards established by the department after consultation with the department of public health, the

department of public welfare, the secretary of elder affairs and the board of standards and shall be designed so as to alleviate the infirmities characteristic of the elderly or the handicapped; provided that nothing in this paragraph shall be construed to prevent the occupancy of an elderly person in a unit designed for the handicapped or a handicapped person in a unit designed for the elderly.

(d) Projects or parts of projects shall be constructed for elderly persons of low income and shall be available and assigned to such persons without regard to their status as veterans upon the application of such elderly persons and the establishment of their eligibility under the provisions of sections thirty-eight to forty-one, inclusive.

(e) Rents for dwelling units in projects or parts of projects constructed for elderly persons of low income shall be computed as provided in section thirty-two; provided that in the case of persons receiving old age assistance under chapter one hundred and eighteen A, directly or indirectly in whole or in part, from the commonwealth, dwelling units in projects or parts of projects constructed under section thirty-nine shall be deemed to be adequate housing for elderly persons and shall qualify for and rent at the maximum rental allowance under the old age assistance laws, regulations, and policies. Notwithstanding any provision of law to the contrary no elderly person of low income or handicapped person of low income shall be required to pay more than twenty-five per cent of his or her income without utilities or thirty percent with utilities for rent for dwelling units in projects or parts of projects constructed or leased or purchased under this chapter. For purposes of calculating the rent of elderly tenants in state-aided public housing, local housing authorities shall treat pharmacy costs reimbursed pursuant to section 16B of chapter 118E as deductible medical expenses. Any deficiency in the budget of a housing authority caused by such reduced rental shall be paid by the commonwealth and paid to the housing authority in an amount equal to the difference between the tenant's rent and the prorated cost of operating that unit. The commonwealth, acting through the department, may make payments in advance on account of such deficiency at such times and in such amounts as it deems proper. The prorated cost of operations shall be computed by the department with provision for a full operating reserve.

(f) The department shall, after consultation with the secretary of elder affairs, promulgate rules and regulations relative to uniform standards for tenant selection which shall establish the order of priority governing the selection of tenants, and a housing authority thereafter shall be bound by such standards in its selection of tenants. Such rules and regulations shall provide that handicapped persons and their families, who are eligible under the provisions of paragraph (a), shall receive priority in placement in not less than five per cent of all dwelling units provided under any authorization for housing of elderly persons of low income approved after January first, nineteen hundred and seventy-seven.

(g) following receipt of project plans and descriptions submitted to the department and the department of elder affairs, the department shall consult with the department of elder affairs in all phases of the development and approval of said plans and submissions. No contracts between the department and a housing authority for state financial assistance under sections thirty-eight to forty-one, inclusive, shall be entered into without prior review and comment of the secretary of elder affairs.

(h) A housing authority shall not provide such housing to any person who is a current illegal user of one or more controlled substances as defined in section one of chapter ninety-four C. A person's illegal use of a controlled substance within the preceding twelve months shall create a presumption that such person is a current illegal user of a controlled substance, but the presumption may be overcome by a convincing showing that the person has permanently ceased all illegal use of controlled substances. The prohibition of the provision of housing contained in this subsection shall not apply to housing provided through residential treatment programs for illegal users of controlled substances.

Chapter 121B: Section 41. State financial assistance; housing for elderly persons of low income

Section 41. The commonwealth, acting by and through the department, may enter into a contract or contracts with a housing authority for state financial assistance in the form of a grant by the commonwealth for the development cost of a housing project or projects or a part or parts of a housing project or projects for elderly persons of low income. The total amount of grants financed by bonds authorized prior to September first, nineteen hundred and eighty-three shall not exceed the sum of seven hundred and one million dollars; provided, however, that the amount expended pursuant to this section during any one fiscal year shall not exceed thirty-three million three hundred thousand dollars. The

contract or contracts for financial assistance may provide for additional state financial assistance in the form of a guarantee by the commonwealth of notes of the housing authority issued to temporarily finance the development cost of such a project but the amount guaranteed on account of any project shall not exceed the amount of grant for that project. The total amount of all notes guaranteed pursuant to this section prior to September first, nineteen hundred and eighty-three shall not exceed seven hundred and one million dollars, exclusive of notes which may be issued for refunding purposes. Any excess between the completed cost of a project as determined by the department and the notes outstanding therefore may be retired from the proceeds of such notes and if so retired, shall not be used in computing the total amount of notes guaranteed by the commonwealth under this section. The provisions of sections thirty-four, thirty-four B and thirty-five shall, so far as apt, be applicable to contracts, grants, guarantees and notes authorized by this section.

Chapter 121B: Section 41A. State financial assistance; housing for handicapped persons of low income

Section 41A. The commonwealth acting through and by the department, may enter into a contract or contracts with a housing authority for financial assistance in the form of a grant by the commonwealth of the development cost of a project or projects or a part or parts of a project or projects for handicapped persons of low income or families of low income of which one or more persons is handicapped. The total amount of grants financed by bonds authorized prior to September first, nineteen hundred and eighty-three shall not exceed the sum of twenty-five million dollars. Such contract or contracts may provide for additional state financial assistance in the form of a guarantee by the commonwealth of notes of the housing authority issued to finance temporarily the development cost of such a project but the amount guaranteed on account of any project shall not exceed the amount of grant for that project. The total amount of all notes guaranteed pursuant to this section prior to September first, nineteen hundred and eighty-three shall not exceed the sum of twenty-five million dollars, exclusive of notes which may be issued for refunding purposes. Housing units for handicapped persons of families of low income, of which one or more persons is handicapped, provided as a project or a part of a project for housing for elderly persons and subject to a contract for financial assistance pursuant to section forty-one, shall not be included in the computation of the dollar or unit limits of this section. The provisions of sections thirty-four, thirty-four B and thirty-five, shall, so far as apt, be applicable to contracts for financial assistance, grants, notes and guarantees authorized under this section. The department shall report to the general court the use for which such funds were expended prior to requesting additional funds for further construction under this program.

Chapter 121B: Section 42. Declaration of necessity

Section 42. It is hereby declared (a) that there does not now exist within the commonwealth an adequate supply of decent, safe and sanitary dwelling and such other housing units subject to regulations promulgated by the department not inconsistent with the standards required for dwelling units, which are available at rents which families of low income and handicapped persons of low income or families of low income of which one or more persons is handicapped can afford without depriving themselves of the other necessities of life, (b) that the elimination of decadent or substandard areas in the commonwealth and the rehousing of the families now in such areas, many of them of low income, in decent, safe and sanitary housing is a public necessity, (c) that experience has demonstrated that the construction of the new low-rent housing projects on the large scale required to provide the needed dwelling and said other housing units would be unduly expensive and would generate undesirable social consequences, (d) that there exists a supply of moderate rental dwelling and said other housing units within the commonwealth presently under construction or vacant which could be used to house such families of low income and handicapped persons of low income or families of low income of which one or more persons is handicapped as cannot presently afford decent, safe and sanitary housing, provided public funds are available to supplement the portion of their income which they can afford to spend on housing, and (e) a program of rental assistance operated through the housing authorities in the cities and towns would help end the undesirable concentration and segregation of families of low income, in separate, concentrated

areas of our cities and towns and help give every citizen an equal opportunity to enjoy decent, safe and sanitary housing in a neighborhood of his own choice.

Chapter 121B: Section 43. Contracts to rent, lease or provide financial assistance to housing units by housing authorities

Section 43. In addition to its other powers and for the purpose of implementing a program of rental assistance a housing authority may enter into contracts to rent, lease or otherwise provide financial assistance to dwelling units or such other housing units subject to regulations promulgated by the department of community affairs not inconsistent with the standards required for dwelling units for periods of not more than ten years. Any such contract or lease shall contain a provision conditioning the obligations of the housing authority thereunder upon the certification by the housing authority that such dwelling unit or said other housing units are in compliance with the provisions of the minimum standards of fitness for human habitation set forth in the state sanitary code. No housing authority shall enter into any such contract or lease until (a) the housing authority has adopted a scale of maximum rents, including specified utility charges, payable by the authority for housing units of various types under such contracts or leases and the department has approved such scale as being consistent with the purposes of the rental assistance program, (b) the housing authority has determined that an adequate supply of the type of housing to be contracted for or leased is not presently available in the low rent housing projects located within the city or town, and (c) the housing authority has determined that the rent payable under the contract or lease is not in excess of rents payable for similar types of housing units within the city or town. A housing authority shall, in order to encourage the construction and remodeling of dwelling units or such other housing units subject to regulations promulgated by the department of community affairs not inconsistent with the standards required for dwelling units, endeavor to contract for or lease units recently constructed, reconstructed or remodeled but may enter into contracts or leases for other units.

A housing authority which, as a lessee or tenant, enters into a lease or rental agreement with a cooperative corporation or other legal entity which is the owner of a cooperative project may require that any tenant occupying the leased premises with the consent of the authority shall have all the rights of a member of the corporation.

If a resident of a city or town is eligible for rental assistance and locates or occupies a standard dwelling unit or said other housing unit other than the one receiving financial assistance or leased by the local housing authority and if said dwelling unit or said other housing unit and the rental thereof is reasonable and acceptable to said housing authority in accordance with this section, and if the owner of said unit is willing to enter into a contract or lease agreement with said authority, said authority shall within thirty days of application to it by said resident execute a contract or lease for occupancy of said unit for not more than five years by said resident under the guidelines of the rental assistance program as established by the department. All housing authorities shall make application to the department of community affairs for funds with which to participate in the rental assistance program. The department may directly enter into contracts to rent, lease or otherwise provide financial assistance and exercise all other rights and duties of housing authorities under the rental assistance program in cities or towns where no local housing authority exists or where the department finds that the local housing authority has not carried out the provisions of the rental assistance program.

The number of units leased by any housing authority in any one building or development shall not exceed the following limits: In a building or development containing one to twelve units, no limit, in a building or development containing thirteen to thirty units, twelve units or fifty percent of the units, whichever is higher, in a building or development containing thirty-one or more units, forty percent of the total units, rounded up to the next highest whole number; provided, however, that the department may, in its discretion, permit a housing authority to lease additional units in a building or development containing more than twenty but less than one hundred units if the department determines that the owner of said buildings or development needs and will use the proceeds from said lease for the sole purpose of improving said building or development; and, provided further, that there shall be no limits in any building or development containing less than one hundred units where the department determines that such units are necessary to provide affordable housing for persons and families of low income; and, provided further,

that there shall be no limits in any building where the department determines that all such units are for single room occupancy.

The department of community affairs is hereby authorized and directed to allocate funds appropriated for the state rental assistance program to eligible units within developments financed by the Massachusetts Housing Finance Agency, hereinafter known as MHFA, pursuant to the provisions of sections twenty-five to twenty-seven, inclusive, of chapter twenty-three B.

The department is hereby authorized to provide funds appropriated for the state rental assistance program to a limited equity cooperative housing corporation, as defined in section four of chapter one hundred and fifty-seven B, on behalf of an owner who, but for such ownership, is eligible to participate as a tenant in a program of rental assistance.

Chapter 121B: Section 43A. Relocation of residents; leased housing units

Section 43A. If a person resides in a private dwelling unit or such other housing unit subject to regulations promulgated by the department of housing and community development not inconsistent with the standard required for dwelling units leased by a local housing authority under any federal or state rent subsidy program and if that unit does not meet reasonable standards of human habitation, provided that the tenant shall not have caused such conditions, and the authority has terminated the lease as to said substandard unit then the resident may vacate the substandard unit and may relocate in another unit. The housing authority shall assist the resident in locating another unit. The rental subsidy shall be withdrawn from the vacated substandard unit and shall be transferred to the unit in which the resident may relocate. If the alternate dwelling unit or said other housing unit is standard or if the owner of said unit agrees to make the unit standard and if the rental thereof is reasonable and acceptable to the housing authority in accordance with section forty-three, and if the owner of said unit is willing to enter into a leasing agreement with said authority, said authority shall expeditiously execute a lease for occupancy of said unit by said resident under the guidelines of the rent subsidy program affected.

Whenever a local housing authority determines that a unit leased by it under a federal or state rent subsidy program is going to be withdrawn from such program by termination or expiration of the rental agreement with the owner of said unit, the occupant of said unit may relocate to another unit. Such unit shall be leased by the Authority, provided that it meets all the requirements of the subsidy program under which the original unit was leased.

Chapter 121B: Section 44. Rentals and tenant selection

Section 44. The requirements with respect to rentals and tenant selection for low-rent housing projects shall apply to units leased by a housing authority under the rental assistance program, except that (a) as between applicants, who need not be residents of the city or town, but shall be residents of the commonwealth who applied at the same time and who are eligible for occupancy, preference shall be given in the selection of tenants to the following types of applicants: first to families with four or more minor dependents, then to families displaced by public action, then to elderly persons of low income, and then to handicapped persons of low income or families of low income of which one or more persons is handicapped; provided, however, that in the case of any project financially assisted by the federal government, preference shall be given in the selection of tenants in whatever manner is required by federal legislation or regulation; *[There is no clause (b).]* (c) a housing authority shall release and assign its rights under any lease to the tenant then occupying a dwelling unit or such other housing units subject to regulations promulgated by the department of community affairs not inconsistent with the standards required for dwelling units under the rental assistance program provided the tenant so requests, and provided the tenant demonstrates financial ability to pay the full rent called for under the lease; and (d) payments to the owner of a dwelling unit or said other housing unit leased under the rental assistance program shall be made in the manner determined by the housing authority and agreed to by said owner. Amounts paid on behalf of tenant families under the rental assistance program shall not be considered in determining the amount of welfare or other public assistance payments to which they may be entitled. Funds appropriated for the rental assistance program established by sections forty-two to forty-four, inclusive, or which may become available therefor from the federal government or any other sources,

shall be allocated within the following limits:— cities with over five hundred thousand population, not in excess of fifty per cent of such funds for any one such city; cities and towns with between one hundred thousand and five hundred thousand population, not in excess of twenty per cent of such funds for any one such city or town; and cities and towns under one hundred thousand population, not in excess of ten per cent of such funds for any one such city or town. The department shall allocate funds on the basis of applications therefor from the housing authorities; provided, however, that if, after May the thirty-first, nineteen hundred and seventy, a housing authority has expended all of the funds allocated pursuant to this paragraph, the department may, in its discretion, utilize funds appropriated but not allocated pursuant to sections forty-two to forty-four, inclusive of this chapter to provide additional rental assistance funds to such an authority. The department may make advances of funds to a local housing authority in such amount not to exceed five thousand dollars to an authority in each calendar year for purposes of negotiating leases for the rental assistance program; provided, however, such advances of funds shall be made upon the condition that such advances of funds shall be repaid out of any monies which become available to such authority for said rental assistance program.

No more than five per cent of the funds allocated by the department for the purposes of carrying out the provisions of the rental assistance program shall be used for the leasing of units other than dwelling units.

Chapter 121B: Section 44A. Leasing of housing units in MHFA projects for replacement or relocation housing authorized

Section 44A. Notwithstanding any other provision of this chapter, a housing authority, in addition to its other powers and for the purpose of replacing dwelling units or said other housing units subject to regulations promulgated by the department of community affairs not inconsistent with the standards required for dwelling units for persons and families of low income which will be eliminated through the demolition, clearance, sale or other disposition of low rent housing projects or to provide relocation housing for persons and families of low income and elderly persons of low income displaced thereby, may lease dwelling units or said other housing units in projects financed by the MHFA for a period not to exceed forty years from the completion of such MHFA project, as determined by the department. The requirements with respect to rentals and tenant selection for low rent housing projects shall apply to units leased by such housing authorities pursuant to this section, except that preference shall be given to displaced occupants of the low rent housing projects so demolished, cleared, sold or otherwise disposed of.

URBAN RENEWAL PROGRAMS

Chapter 121B: Section 45. Declaration of necessity

Section 45. It is hereby declared that substandard, decadent or blighted open areas exist in certain cities and towns in this commonwealth; that each constitutes a serious and growing menace, injurious and inimical to the safety, health, morals and welfare of the residents of the commonwealth; that each contributes substantially to the spread of disease and crime, necessitating excessive and disproportionate expenditure of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution and punishment and the treatment of juvenile delinquency and for the maintenance of adequate police, fire and accident protection and other public services and facilities; that each constitutes an economic and social liability, substantially impairs or arrests the sound growth of cities and towns, and retards the provision of housing accommodation; that each decreases the value of private investments and threatens the sources of public revenue and the financial stability of communities; that because of the economic and social interdependence of different communities and of different areas within single communities, the redevelopment of land in decadent, substandard and blighted open areas in accordance with a comprehensive plan to promote the sound growth of the community is necessary in order to achieve permanent and comprehensive elimination of existing slums and substandard conditions and to prevent the recurrence of such slums or conditions or their development in other parts of the community or in other communities; that the redevelopment of blighted open areas promotes the clearance of decadent or substandard areas and prevents their creation and

occurrence; that the menace of such decadent, substandard or blighted open areas is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided; that the acquisition of property for the purpose of eliminating decadent, substandard or blighted open conditions thereon and preventing recurrence of such conditions in the area, the removal of structures and improvement of sites, the disposition of the property for redevelopment incidental to the foregoing, the exercise of powers by urban renewal agencies and any assistance which may be given by cities and towns or any other public bodies in connection therewith are public uses and purposes for which public money may be expended and the power of eminent domain exercised; and that the acquisition, planning, clearance, conservation, rehabilitation or rebuilding of such decadent, substandard and blighted open areas for residential, governmental, recreational, educational, hospital, business, commercial, industrial or other purposes, including the provision of streets, parks, recreational areas and other open spaces, are public uses and benefits for which private property may be acquired by eminent domain or regulated by wholesome and reasonable orders, laws and directions and for which public funds may be expended for the good and welfare of this commonwealth.

It is further declared that while certain of such decadent, substandard and blighted open areas, or portions thereof, may require acquisition and clearance because the state of deterioration may make impracticable the reclamation of such areas or portions by conservation and rehabilitation, other of such areas, or portions thereof, are in such condition that they may be conserved and rehabilitated in such a manner that the conditions and evils enumerated above may be alleviated or eliminated; and that all powers relating to conservation and rehabilitation conferred by this chapter are for public uses and purposes for which public money may be expended and said powers exercised.

The necessity in the public interest for the provisions of this chapter relating to urban renewal projects is hereby declared as a matter of legislative determination.

Chapter 121B: Section 46. Powers of urban renewal agency

Section 46. An urban renewal agency shall have all the powers necessary or convenient to carry out and effectuate the purposes of relevant provisions of the General Laws, and shall have the following powers in addition to those specifically granted in section eleven or elsewhere in this chapter:—

- (a) to determine what areas within its jurisdiction constitute decadent, substandard or blighted open areas;
- (b) to prepare plans for the clearance, conservation and rehabilitation of decadent, substandard or blighted open areas, including plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, plans for the enforcement of laws, codes and regulations relating to the use of land and the use or occupancy of buildings and improvements, plans for the compulsory repair and rehabilitation of buildings and improvements, and plans for the demolition and removal of buildings and improvements;
- (c) to prepare or cause to be prepared urban renewal plans, master or general plans, workable programs for development of the community, general neighborhood renewal plans, community renewal programs and any plans or studies required or assisted under federal law;
- (d) to engage in urban renewal projects, and to enforce restrictions and controls contained in any approved urban renewal plan or any covenant or agreement contained in any contract, deed or lease by the urban renewal agency notwithstanding that said agency may no longer have any title to or interest in the property to which such restrictions and controls apply or to any neighboring property;
- (e) to conduct investigations, make studies, surveys and plans and disseminate information relative to community development, including desirable patterns for land use and community growth, urban renewal, relocation, and any other matter deemed by it to be material in connection with any of its powers and duties, and to make such studies, plans and information available to the federal government, to agencies or subdivisions of the commonwealth and to interested persons;
- (f) to develop, test and report methods and techniques and carry out demonstrations for the prevention and elimination of slums and urban blight;
- (g) to receive gifts, loans, grants, contributions or other financial assistance from the federal government, the commonwealth, the city or town in which it was organized or any other source; and

(h) In any city whose population exceeds one hundred and fifty thousand, to own, construct, finance and maintain intermodal transportation terminals within an urban renewal project area. As used in this clause an "intermodal transportation terminal" shall mean a facility modified as necessary to accommodate several modes of transportation which may include, without limitation, inter-city mass transit service, rail or rubber tire, motor bus transportation, railroad transportation, and airline ticket offices and passenger terminal providing direct transportation to and from airports.

Chapter 121B: Section 47. Acquisition by eminent domain; notice; petition

Section 47. Notwithstanding any contrary provision of this chapter, an urban renewal agency may, with the consent of the department and municipal officers, and after a temporary loan contract for the purpose has been executed under the federal Housing Act of 1949, as amended, take by eminent domain, as provided in clause (d) of section eleven, or acquire by purchase, lease, gift, bequest or grant, and hold, clear, repair, operate and, after having taken or acquired the same, dispose of land constituting the whole or any part or parts of any area which, after a public hearing of which the land owners of record have been notified by registered mail and of which at least twenty days notice has been given by publication in a newspaper having a general circulation in the city or town in which the land lies it has determined to be a decadent, substandard or blighted open area and for which it is preparing an urban renewal plan, and for such purposes may borrow money from the federal government or any other source or use any available funds or both; provided, however, that no such taking or acquisition shall be effected until the expiration of thirty days after the urban renewal agency has notified the land owner of record by registered mail and has caused a notice of such determination to be published, in a newspaper having general circulation in such city or town. Within thirty days after publication of the notice of such determination, any person aggrieved by such determination may file a petition in the supreme judicial or superior court sitting in Suffolk county for a writ of certiorari against the urban renewal agency to correct errors of law in such determination, which shall be the exclusive remedy for such purpose; and the provisions of section one D of chapter two hundred and thirteen, and of section four of chapter two hundred and forty-nine, shall apply to said petition except as herein provided with respect to the time for the filing thereof.

Chapter 121B: Section 48. Public hearing; notice; urban renewal plans; approval; acquisition of property

Section 48. No urban renewal project shall be undertaken until (1) a public hearing relating to the urban renewal plan for such project has been held after due notice before the city council of a city or the municipal officers of a town and (2) the urban renewal plan therefor has been approved by the municipal officers and the department as provided in this section.

Whenever a public hearing on an urban renewal plan is held, notice thereof shall be sent to the Massachusetts historical commission together with a map indicating the area to be renewed.

Whenever the urban renewal agency determines that an urban renewal project should be undertaken in the city or town in which it was organized, it shall apply to the municipal officers for approval of the urban renewal plan for such project. Such application shall be accompanied by an urban renewal plan for the project, a statement of the proposed method for financing the project and such other information as the urban renewal agency deems advisable.

Every urban renewal plan approved by the municipal officers shall be submitted to the department together with such other material as the department may require.

The department shall not approve any urban renewal plan unless the planning board established under the provisions of section seventy or eighty-one A of chapter forty-one for the city or town where the project is located has found and the department concurs in such finding or, if no planning board exists in such city or town, the department finds that the urban renewal plan is based upon a local survey and conforms to a comprehensive plan for the locality as a whole. The department shall likewise not approve any urban renewal plan unless it shall have found (a) the project area would not by private enterprise alone and without either government subsidy or the exercise of governmental powers be made available for urban renewal; (b) the proposed land uses and building requirements in the project area will afford maximum

opportunity to privately financed urban renewal consistent with the sound needs of the locality as a whole; (c) the financial plan is sound; (d) the project area is a decadent, substandard or blighted open area; (e) that the urban renewal plan is sufficiently complete, as required by section one; and (f) the relocation plan has been approved under chapter seventy-nine A.

Within sixty days after submission of the urban renewal plan, the department shall give written notice to the urban renewal agency of its decision with respect to the plan. If the department shall disapprove any such plan, it shall state in writing in such notice its reasons for disapproval. A plan which has not been approved by the department when submitted may be again submitted to it with such modifications, supporting data or arguments as are necessary to meet its objections. The department may hold a public hearing upon any urban renewal plan submitted to it, and shall do so if requested in writing within ten days after submission of the plan by the urban renewal agency, the mayor or city council of the city or selectmen of the town in which the proposed project is located, or twenty-five or more taxable inhabitants of such city or town.

Any provision to the contrary notwithstanding, when the location of a proposed urban renewal project has been determined, the urban renewal agency may, without awaiting the approval of the department, proceed, by option or otherwise, to obtain control of such property within the urban renewal project area as is necessary to carry out the urban renewal plan; but it shall not, without the approval of the department, unconditionally obligate itself to purchase or otherwise acquire any such property except as provided in section forty-seven.

When the urban renewal plan or such a project has been approved by the department and notice of such approval has been given to the urban renewal agency, such agency may proceed at once to acquire real estate within the location of the project, either by eminent domain or by grant, purchase, lease, gift, exchange or otherwise.

Chapter 121B: Section 49. Sale or lease of property acquired for urban renewal project

Section 49. If an urban renewal agency shall sell or lease any property acquired by it for an urban renewal project, the terms of such sales or leases shall obligate the purchasers or lessees, (a) to devote the land to the use specified in the urban renewal plan for said land; (b) to begin the building of their improvements within a reasonable time; provided, however, that, with respect to any improvements of a type which any federal agency, as defined in subsection (b) of section 3 of the Federal Property and Administrative Services Act of 1949, as amended, is otherwise authorized to make, this clause shall apply to such federal agency only to the extent that it is authorized, and funds have been made available, to make the improvements involved; (c) to give preference in the selection of tenants for dwelling units built in the project area to families displaced therefrom because of clearance and renewal activity who desire to live in such dwelling units and who will be able to pay rents or prices equal to rents or prices charged other families for similar or comparable dwelling units built as a part of the same redevelopment; and (d) to comply with such other conditions as are deemed necessary to carry out the purposes of this chapter, or requirements of federal legislation or regulations under which loans, grants or contributions have been made or agreed to be made to meet a part of the cost of the project. Nothing in this chapter shall be construed as limiting the power of an urban renewal agency in the event of a default by a purchaser or lessee of land in an urban renewal project to retake title to and possession of the property sold or leased free from the obligations in the conveyance or lease thereof.

Chapter 121B: Section 50. Delegation of power to municipality to plan and undertake project

Section 50. An urban renewal agency is hereby authorized to delegate to a city or town or other public body or to any board or officer of a city, town or other public body any of the powers or functions of the agency with respect to the planning or undertaking of an urban renewal project in the area in which such city, town or other public body is authorized to act, and such city, town or other public body, or such board or officer thereof, is hereby authorized to carry out or perform such powers or functions for the agency. Any public body is hereby authorized to enter into agreements which may extend over the period of a loan to the urban renewal agency by the federal government, notwithstanding any provision of rule of law to the contrary, with any other public body or bodies respecting action to be taken pursuant to any of the

powers granted by this chapter, including the furnishing of funds or other assistance, in connection with an urban renewal plan or urban renewal project. An urban renewal agency, to the greatest extent it determines to be feasible in carrying out the provisions of this chapter, shall afford maximum opportunity consistent with the sound needs of the city or town as a whole for the rehabilitation or redevelopment of decadent, substandard or blighted open areas by private enterprise.

Chapter 121B: Section 51. Redevelopment authority taking over project initiated by housing authority

Section 51. A housing authority of a city or town which, prior to the organization of a redevelopment authority in such city or town, has initiated an urban renewal project may complete, operate and maintain such project notwithstanding such organization of a redevelopment authority; provided, however, that if the municipal officers of such city or town so order and with the consent in writing of the holders of any bonds, notes or certificates of indebtedness of the housing authority issued for such project and then outstanding, the redevelopment authority shall take over a planned or existing urban renewal project initiated by a housing authority. The initiating authority shall use its best efforts promptly to secure the consent of all such holders and, all necessary consents having been secured, shall promptly execute an agreement with the authority which is to take over such project. Thereupon such authority shall assume, exercise, continue, perform and carry out all undertakings, obligations, duties, rights, powers, plans and activities with respect to such project and the authority which initiated the project shall have no powers and duties with respect to such project.

Chapter 121B: Section 52. Accounts and reports of urban renewal agencies; civil service rules

Section 52. Each urban renewal agency shall keep an accurate account of all its activities, receipts and expenditures in connection with the planning and execution of urban renewal projects and shall annually in the month of January make a report of such activities, receipts and expenditures to the department, the state auditor and the mayor of the city or to the selectmen of the town within which such authority is organized, such reports to be in a form prescribed by the department and approved by the state auditor; provided, that such form shall not be inconsistent with any federal legislation and shall conform as closely as may be to such legislation. The department or state auditor shall have the power to examine into the properties and records of urban renewal agencies and to prescribe methods of accounting, not inconsistent with federal legislation, for such activities, receipts and expenditures.

A veteran, as defined in section one of chapter thirty-one, who holds an office or position in the service of a redevelopment authority not classified under said chapter thirty-one, and has held such office or position for not less than three years, shall not be involuntarily separated from such office or position except subject to and in accordance with the provisions of sections forty-one to forty-five, inclusive of said chapter thirty-one to the same extent as if said office or position were classified under said chapter. If the separation in the case of such unclassified offices or positions results from lack of work or lack of money, such a veteran shall not be separated from his office or position while similar offices or positions in the same group or grade, as defined in section forty-five of chapter thirty, exist unless all such offices or positions are held by such veterans, in which case such separation shall occur in the inverse order of their respective original appointments.

No person permanently employed by a redevelopment authority, who is not classified under chapter thirty-one, shall, after having actually performed the duties of his office or position for a period of six months, be discharged, removed, suspended, laid off, transferred from the latest office or employment held by him without his consent, lowered in rank or compensation, nor shall his office or position be abolished, except for just cause and in the manner provided by sections forty-one to forty-five, inclusive, of chapter thirty-one.

Any employee who has transferred from a housing authority to a redevelopment authority in the same city or town shall, for the purposes of this section, be credited for the period of time in which he was employed by a housing authority.

Chapter 121B: Section 53. Application for urban renewal assistance grant or urban revitalization and development grant

Section 53. Any city or town, acting by and through its urban renewal agency, may apply to the department for an urban renewal assistance grant to meet in part the cost of an approved urban renewal project. Any city or town, acting by and through its urban renewal agency, may apply to the department for an urban revitalization and development grant to meet in part the cost of an approved urban revitalization and development project. Such application shall be in the form prescribed by the department, and shall be accompanied by such additional information, drawings, plans, reports, estimates and exhibits as the department may require. The department may make such rules and regulations as are necessary to effectuate the purposes of this section and sections fifty-four to fifty-seven, inclusive.

Chapter 121B: Section 54. Determination of compliance and final approved cost; notice

Section 54. Upon receipt of an application under the provisions of section fifty-three the department shall examine such application and any facts, estimates or other information relative thereto, and shall determine whether the proposed project complies with the provisions of the general laws and with rules and regulations prescribed in accordance therewith governing the approval and administration of urban renewal assistance grants or urban revitalization and development grants. Upon the determination of satisfactory compliance, the department shall determine the estimated approved cost of such project, and compute the amount of the urban renewal assistance grant or urban revitalization and development grant to which the city or town would be entitled under section fifty-five.

Within a reasonable time after receipt of such application, the department shall notify such city or town of its approval or rejection thereof, and, in the event of its rejection, of the reasons therefor. If the department rejects such application, the city or town may elect to proceed with such project without the benefit of said urban renewal assistance grant or urban revitalization and development grant. Notice of approval hereunder shall be accompanied by a statement of the estimated approved cost as determined by the department and an estimate of the amount of urban renewal assistance grant or urban revitalization and development grant to which such city or town may be entitled under the provisions of section fifty-five.

The final approved cost shall be determined by the department within a reasonable time after the completion of the urban renewal project by the urban renewal agency.

If the determination of the final approved cost is delayed because the project is not completed, the payments preceding determination of the final approved cost may be based upon the estimated approved cost, and adjustments shall be made in the payment or payments which are made subsequent to the determination of the final approved cost.

Chapter 121B: Section 55. Certification and payment of grants

Section 55. From time to time, the department shall certify to the comptroller, and the state treasurer shall, within thirty days after each such certification, pay to the several cities and towns, from any amounts appropriated therefor, the amounts due them in accordance with the following clauses:—

- (a) Certification may be made only of projects with respect to which contracts for federal capital grants under Title I of the Federal Housing Act of 1949, as amended, have been signed.
- (b) The total urban renewal assistance grant for any approved federally-aided project as defined in clause (a) shall not exceed one half of the local share of the contribution required from the municipality under the federal capital grant contract or more than one sixth of the net project cost when the municipality pays for administrative planning and legal expenses as a part of the gross project cost.
- (c) The total urban renewal assistance grant to be paid under the provisions of this section shall be payable in twenty equal annual installments, except that the department may adjust the annual payment upon final determination of the net cost of each approved project.
- (d) The total amount of urban renewal assistance grants to be paid under this section shall not exceed \$4,500,000 in any one fiscal year or a total of \$70,000,000 in the aggregate.

Chapter 121B: Section 56. Contract to provide financial assistance

Section 56. The commonwealth, acting by and through the department, may contract with the cities and towns of the commonwealth, acting by and through urban renewal agencies to provide financial assistance for residential, commercial including the conduct of a trade or business by governmental or nonprofit entities or industrial urban renewal projects as authorized by the provisions of this chapter. Such state financial assistance may be provided only for projects which are to be redeveloped for residential, commercial or industrial reuse, and which projects are ineligible for federal capital grants under federal legislation or for which a grant application has been denied. In determining whether a project is rendered ineligible for federal capital-grant assistance, the provisions of federal legislation permitting a limited amount of redevelopment for nonresidential uses need not be considered unless federal funds have been made available under such provisions.

Chapter 121B: Section 57. Advance of funds; amount; payments

Section 57. The department may make advances of funds to local urban renewal agencies for up to seventy-five per cent of the estimated cost of surveys and plans and administrative expenses in preparation of projects which may be assisted under this section, and contracts for such advances of funds shall be made upon the condition that such advances of funds shall be repaid out of any moneys which become available to such agency for the undertaking of the project or projects under this section and section fifty-six.

The contracts referred to in section fifty-six shall provide for a state grant-in-aid equal to one half of the net cost of each project as determined by the department. Any such contract shall provide that no state grant-in-aid shall be made until the city or town shall have appropriated the funds required for the entire project cost excluding funds otherwise available.

From time to time the department shall certify to the state comptroller, and the state treasurer shall, within thirty days after such certification, pay to the several cities and towns, from any amounts appropriated therefor, the amounts due them in accordance with the provisions of section fifty-six and of the following clauses:—

(a) The total state grant-in-aid for any approved project shall not exceed one half of the net cost of project, including advances for surveys, planning and administrative expenses, with respect to which a contract under the provisions of section fifty-six and this section has been signed.

(b) The total amount of urban renewal assistance grants or urban revitalization and development grants to be paid under the provisions of this section shall be payable in twenty equal annual installments, except that the department may deduct any advances of funds for surveys and plans and administrative expenses from the commonwealth's share before determining said twenty equal annual installments, and may adjust the annual payment upon final determination of the net cost of each approved project.

(c) The total amount of urban renewal assistance grants to be paid under the provisions of this section shall not exceed one million dollars in any one fiscal year or a total of twenty million dollars in the aggregate, including amounts authorized by the department to be advanced for the estimated expenses as provided in the first paragraph.

(d) The total amount of urban revitalization and development grants to be paid under this section shall not exceed \$4,400,000 in any 1 fiscal year or a total of \$60,000,000 in the aggregate, including amounts authorized by the department to be advanced for the estimated expenses as provided in the first paragraph.

Chapter 121B: Section 57A. Community development projects; application for grants; notice; rules and regulations

Section 57A. (a) Any eligible city or town, acting by and through its municipal officers or by and through any agency designated by such municipal officers to act on their behalf, including but not limited to its urban renewal agency, may apply to the department for a grant in a specific amount to fund a specified community development project. Said grants shall be in addition to the assistance otherwise made available under this chapter and to other forms of local, state and federal assistance.

(b) No application for a community development action grant shall be made until a public hearing relating to the proposed community development project has been held after due notice before the appropriate municipal officers of the city or town. The department shall not approve any community development project unless it shall have found that:—

- (1) The project area is a decadent, substandard or blighted open area.
- (2) The project will be of public benefit, in the public interest and for a public purpose, consistent with the sound needs of the community as a whole, and any benefit to private entities or individuals will be indirect and incidental and not the purpose of the project.
- (3) The project area would not by private enterprise alone and without either government subsidy or the exercise of governmental powers be made available for redevelopment.
- (4) The amount of the grant to be provided appears to be the minimum amount necessary to make the project feasible.
- (5) The project will have a significant impact on the economic condition of the city or town, including the generation or retention of long-term employment.
- (6) There exist firm commitments of private or other public resources in amounts sufficient, when added to the amount of the proposed grant, to render the project financially sound.

Within a reasonable time after application of a grant, the department shall give written notice to the applicant of its decision with respect to the application.

(c) The department may promulgate such rules and regulations as are necessary to effectuate the objectives of this section. In establishing criteria for the purpose of making grants under this section, the department shall include but not be limited to the following:—

- (1) the comparative degree of economic distress among applicants;
- (2) the comparative degrees of physical deterioration of the areas in question;
- (3) demonstrated performance of the eligible entity in housing and community development programs;
- (4) impact of the proposed community development project on the special problems of low and moderate income persons and minorities;
- (5) the extent of financial participation by other public or private entities;
- (6) the extent to which the project represents a special or unique opportunity to meet local priority needs;
- (7) the impact of the proposed project on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood in which the project is to be located; and
- (8) the feasibility of accomplishing the proposed project in a timely fashion within the grant amount available.

(d) The department shall give priority to applications for grants which promise to (1) provide substantial employment or other direct benefit for low-income persons; (2) significantly improve the condition of a low-income neighborhood; (3) provide reinforcement for other housing or other community development-related investments by the commonwealth; or (4) combine the aforementioned characteristics.

Chapter 121B: Section 58. Declaration of necessity

Section 58. It is hereby declared (a) that there exist in certain cities and towns in the commonwealth substandard dwelling houses in urban renewal project areas which constitute a serious and growing menace and create a housing shortage, injurious to the public health, safety, morals and welfare of the residents of the commonwealth, and the declarations heretofore made in this chapter with respect to such areas are hereby reaffirmed; (b) that while many of such dwelling houses may require acquisition and clearance as provided in this chapter because their state of deterioration may make impracticable their reclamation by conservation or rehabilitation, others in such areas are in such condition that they may, through the means provided in section fifty-nine, be conserved or rehabilitated in such a manner that the conditions and evils hereinbefore enumerated may be alleviated or eliminated so that such dwelling houses may be returned to or remain in private ownership and be available as decent, safe and sanitary housing; and (c) that all powers conferred by said section fifty-nine are for public uses and purposes for which public money may be expended.

Chapter 121B: Section 59. Contracts for state financial assistance; rehabilitation projects

Section 59. The commonwealth, acting by and through the department, may enter into a contract or contracts with an operating agency having powers under this section for state financial assistance in the form of a guarantee by the commonwealth of notes and bonds of such agency issued to finance the acquisition and rehabilitation of dwellings within the limits of an urban renewal project area. The guarantee of the commonwealth of such notes and bonds of such agency shall be executed on each note and bond by the director of housing and community development or such associate director as he may from time to time designate. The amount of notes and bonds guaranteed by the commonwealth under this section shall not exceed twenty million dollars.

In addition to its other powers, an operating agency may plan and undertake the rehabilitation of dwellings within the limits of an urban renewal project area, and structures of mixed residential and commercial use and may acquire by purchase, deed or grant or take by eminent domain, hold, improve, rent, lease for a period not in excess of five years, with options to lessees or tenants to purchase during such five-year period, grant, sell, convey, as condominiums or otherwise, or deliver possession, of such property in accordance with such terms and conditions as it may determine, and shall have the power to make mortgage loans for the purpose of financing the rehabilitation of dwellings and structures of mixed residential and commercial use within an urban renewal project area, subject to such regulations as the department may make as to interest rates, maturity dates and other terms and conditions.

A rehabilitation project shall be any work or undertaking involving the rehabilitation of a dwelling or dwellings including structures of a mixed residential and commercial use in an urban renewal project area so as to provide decent, safe and sanitary housing; such work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, site preparation or improvement.

Whenever the department determines a public emergency or distress no longer exists in a particular city or town, a rehabilitation project, or a part of any such project with the land appurtenant thereto, rehabilitated or reconstructed under this section, may, at the direction of the department, be sold for the fair market value thereof, as determined by the department, but not for less than the total of the outstanding obligations of the applicable operating agency with respect to such project if the whole is sold, or not for less than that percentage of the total cost which the cost of the part sold bears to the total cost of the entire project if a part is sold. So long as any notes and bonds issued by the operating agency to finance the cost of such project and guaranteed by the commonwealth are outstanding, the proceeds of any sale of such project shall be paid by the operating agency into the Housing Authority Bonds Sinking Fund and shall be expended from time to time by the state treasurer to pay interest and principal of any notes and bonds issued by such operating agency to finance such project.

Owners of dwellings and structures of a mixed residential and commercial use rehabilitated under this section shall, during the period of five years following the completion of such rehabilitation and in any event during the period any mortgage loan made under this section to finance such rehabilitation is outstanding, and subject to such regulations as the department may establish, give preference in the selection of tenants for such dwellings, first to the individuals or families in occupancy thereof last prior to such rehabilitation and second to other residents of the city or town in which such dwellings are located; and who are able to pay rents charged other individuals or families for similar or comparable dwellings in the urban renewal project area.