

## State's Affordable Housing In Danger

By Bill Brauner

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Massachusetts faces a growing crisis regarding the availability of affordable housing.

If the federal government does not act to preserve them, the state could lose almost 10,000 units of affordable rental housing in the next decade. Without action, working families across the state, including the cities and towns in Central Massachusetts, could see their rents increase dramatically.

The problem stems from the laudable efforts of the 1960s and 1970s to build housing that was affordable for lower income families and individuals.

Nationwide, almost a million affordable rental housing units were produced by private owners through federally assisted mortgage programs that tied affordability restrictions to below-market-rate 40-year mortgages. Many of those mortgages are now reaching maturity.

### **Behind The Numbers**

Community Economic Development Assistance Corp. is a public-private, community development finance agency that provides financial and technical assistance to nonprofit organizations involved in affordable housing development and preservation, agencies that promote workforce development and child care facilities that serve families in low-income communities. We recently performed an analysis of the complexes where mortgages had already reached maturity to determine how many units we have lost and what can be done to preserve projects approaching Year 40.

We discovered that in Massachusetts, 2,095 of the 3,800 eligible units went from affordable to market rate. We know that another 13,200 apartments in 110 projects will reach Year 40 by decade's end and we estimate that as many as 9,500 homes could lose affordability status if no changes are made. The analysis included a large-scale building in Worcester.

Our study also revealed that one solution to the problem is for the federal government to make more project-based Section 8 available to preserve affordability. The properties with a large presence of Section 8 assistance were far more likely to retain affordability than those without. For the buildings that had no Section 8 at mortgage maturity, 95 percent of the units were lost.

In contrast, the complexes with at least 70 percent of Section 8 saw only 20 percent convert to market.

Massachusetts has played a leading role in anticipating and addressing this problem. But the federal government should demonstrate the same kind of leadership that the state has provided. Two congressmen from Massachusetts — U.S. Reps. Barney Frank, D-4th District, and John Olver, D-1st District — proposed creative solutions to this problem in the past year but were unable to see them passed.

The most effective solution is likely to be found in expanding project-based Section 8 vouchers to preserve housing affordability, something that only the federal government can do. With the assistance of Congress, we can help to keep working men and women in their homes.

*Bill Brauner is the housing preservation manager of the Boston-based Community Economic Development Assistance Corp.*

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