

Equitable Development Toolkit

Expiring Use: Retention of Subsidized Housing

Updated August 2002

What Is It?

The Opt-Out Epidemic

Since 1965, the federal government has supported the production of low-income rental housing primarily by giving subsidies to private owners of multifamily housing. These subsidy programs provide affordable housing to more than two million American families, most of whom have incomes below \$15,000 per year.

Timing is Everything

After 20 years (Section 236) or at the end of a contract (Section 8), owners of subsidized affordable housing can choose to go market-rate instead - and many are doing so.

The U.S. Department of Housing and Urban Development (HUD) administers two types of housing subsidy programs: subsidized mortgage and rental assistance. The primary subsidized mortgage program is Section 236. The main rental assistance program is project-based Section 8. Some developments have both types of subsidies.

- Section 236 originally provided owners with insured loans and subsidized their interest rates to as low as 1 percent. These benefits were provided in exchange for a commitment from the owners to rent only to eligible low-income tenants and charge only HUD-approved rents. The Section 236 program is no longer offering new mortgages, but buildings already in the program keep their subsidies.
- Project-based Section 8 subsidies pay the difference between a set "project rent" for the building and the tenants' rent contributions, which are set at 30 percent of their incomes. These subsidies can be provided for some or all units in a development. (Tenant-based Section 8, on the other hand, involves vouchers that tenants use to pay rent in an apartment of their choosing.)

The "expiring use" problem arises because the affordability of housing units receiving these subsidies is not permanently assured. The restrictions on rent levels, tenant eligibility, and overall operations last only for a specific time period. After 20 years, owners of most buildings with HUD-subsidized mortgages are allowed to convert to market-rate at any time by a prepayment of the mortgage loan. Developments with a project-based Section 8 contract have a restricted use only during the specific term of that contract, which is usually between five and 30 years, but most commonly 20. When the Section 8 contract expires, the owner can convert to market-rate by refusing to renew the contract, which is called "opting out." The movement to keep these expiring use properties affordable is called "affordable housing preservation."

Affordability restrictions and contracts for many properties began to expire in the mid-1980s and will continue to do so throughout most of the next decade. However, the situation has become more serious since 1995, when Congress began to lose interest in supporting the subsidies, and defunded

two of the main programs used to encourage preservation. At that time, owners of developments with HUD-subsidized mortgages were authorized to prepay their loans with few restrictions.

In 1997, Congress passed the "Mark to Market" bill, which established a general framework for renewing expiring subsidy contracts. While it covered all buildings with expiring contracts, its primary focus was to permit the reduction of rents and subsidies in developments with "above-market" rents. As originally written, it also permitted-but did not require-HUD to provide increased rents and subsidies for developments carrying "below-market" rents. In 1999, Congress *required* HUD to do so. This tool is called "Mark Up to Market."

Owners still have the option to reject any such offer from HUD, however, and convert to market-rate. In areas whose real estate markets boomed during the 1990s, many developments are at risk of conversion to market-rate use because owners know they can obtain higher returns or because they prefer the flexibility of lesser-regulated market-rate operation. Thousands of units have already been converted.

Tenants and advocates can play an important role in determining the choices an owner of an expiring use building makes, and in ensuring tenant protection if conversion proceeds.

This tool was developed in partner with James Grow, Staff Attorney of the National Housing Law Project (NHLP). NHLP advances housing justice for the poor by increasing and preserving the supply of decent affordable housing. NHLP provides invaluable housing resources on its website: www.nhlp.org.

Who Decides

Although there are some government programs to encourage owners to continue participating in affordable housing subsidy programs, ultimately the choice is up to them. Tenants and advocates, however, can often organize to influence that choice.

How to Use it

There are several steps to a successful campaign to preserve expiring use housing:

- *Get information about the scope of the problem and pick specific properties to focus on.* Developments that deserve attention first can either be those at the greatest risk for conversion or those with the best prospects for preservation.
- *Help tenants organize.* Success will invariably involve active and well-informed tenants.
- *Research the chosen properties in more depth.* Details about the market, legal restrictions, and owners' plans are crucial to choosing a strategy.
- *Make a plan.* Strategies can include litigation (if there other restrictions that forbid conversion), persuasion to renew (often including incentives), or purchase by a third party (usually a nonprofit). Even if conversion seems inevitable, plan to ensure timely and complete tenant protections.

Do your homework!

Each potential conversion is unique. The more you know about the property and its owners, the more able you are to craft a successful preservation plan.

Picking Properties

The first step in picking focus properties is to find out which buildings in your target area are in the Section 8 or Section 236 programs, and when they will be eligible for conversion. This information is available from various places:

- HUD has posted a [master list](#) of all multifamily Section 8 properties by state or area, (except possibly Section 8 Moderate Rehabilitation projects). The information includes subsidy, mortgage, and unit configuration, the expiration date of the contracts, and information about the owner and management agent. The database must be opened in a spreadsheet application.
- Local HUD offices refer properties to the Office of Multifamily Housing Assistance Restructuring (OMHAR) in DC for restructuring. HUD maintains a fairly current [list of properties](#) going through the restructuring process. Usually updated every few weeks, this site is a good place to monitor which properties are actively going through restructuring, and who the area [Participating Administrative Entities](#) (PAEs) are that will be handling those properties.
- HUD has published several reports in the [datasets](#) section of its Web site that also provide useful information. In 1996, 1997, and 1998, HUD published *A Picture of Subsidized Households*, a comprehensive database of HUD-assisted properties. It includes a large amount of demographic data about resident households in specific properties and the demographic characteristics of key census tracts.
- A state agency may have compiled information on the number and type of federally-assisted properties in a given area, which may point toward properties at risk of conversion.

- A regional or statewide nonprofit housing organization may also have collected and analyzed data regarding federally-assisted housing.

In addition, data on prepayments and opt-outs that have already occurred is available on the National Housing Trust's website at <http://www.nhtinc.org/data.asp>. This can be helpful for establishing trends.

Once you know which properties are eligible for conversion, sort the properties by several criteria in order to determine which ones are at the most risk:

- *Ownership type.* Generally, those properties owned by nonprofit organizations are not at risk of conversion to market-rate, due to the organization's mission and often other restrictions accompanying the financing. For-profit owners, however, usually have different objectives.
- *Expire date.* Focus on those properties where restrictions expire during the next two or three years.
- *Rent gap.* Compare the rents being charged under the current HUD program to local market rents the owner might obtain if the units were converted. If there is a big spread, then conversion may be a substantial threat.
- *Owner actions.* Find out whether the owner has already taken actions to prepare for conversion. For example, an owner may have filed notices of prepayment or opt-out with the tenants, HUD, or state or local government. The owner may also have recently undertaken some rehabilitation designed to make the property more marketable-such as new paint, landscaping, or added signs-or instituted new management policies, such as tougher tenant selection, house rules, or eviction policies.

A Short Cut

Someone else may have already performed some of this risk assessment process. In some states, local governments are required (or may have taken the initiative) to analyze and plan for the assisted housing inventory as part of their land use planning obligations.

Do not rely only on information that is area-wide or published on HUD's Web site. It is sometimes inaccurate or out of date, and may not be relevant to the particular property in question. Gather *specific* information about properties, the markets they are in, and the owner's plans.

Advocates should pick properties where they think they can have the most effect. Along with the threat of conversion, consider potential for preservation and strategic location in terms of neighborhood stability.

Help Tenants Organize

Invariably, a housing development will be preserved only when the tenants who live there strongly support that objective. But many of the current residents may not have any information about either the threat to their homes or available options and strategies. Tenant education and organizing is therefore an essential ingredient for preventing conversion.

Widen Your Base

It is important to consider whether prospective tenants of the development can be identified and contacted, since their perspective on the preservation issue may be different from that of the existing residents. For example, other people in the community in need of affordable housing or who have applied for occupancy in the property and have been placed on the waiting list may have a different interest in preserving the development, and stand to lose that opportunity. This position will usually not, but could, differ from that of the current tenants, since the position of current tenants might be affected by the tenant protections available to cushion the impact of conversion. In addition, the needs of other people in need of affordable housing may make them important allies.

Organized tenants should be involved in researching their properties and developing the action plan. They will often have important information about the property or the owner to contribute to the analysis and will be well situated to gather more. Tenants will often need help, however, in evaluating their options, understanding the legal technicalities, and advocating for their rights. Regional tenant education and organizing projects funded with federal, state, and often private or local funds can help get this part of the job done. (See Financing section for more details.)

In-Depth Research

Once advocates have selected specific properties, and begun to organize tenants and other affected parties, research into those properties should add to the information collected in the picking properties stage.

“In-depth research is aimed at (1) deciding on a strategy for action and (2) keeping track of, or anticipating, what the owner is going to do.”

Ownership Type and Plans.

The rules usually leave it to the owner to decide whether to preserve the property or convert it to market-rate. Therefore, information about the current ownership is key:

- Who is the owner?
- In what form is the ownership entity organized? (sole proprietorship, corporation, limited partnership)
- Who represents the owner?
- How long have they owned the property?
- Do they own other affordable housing properties?
- What is the status of their relationship with HUD?
- Are they active on the local housing scene?

- How is the property financed?
- What are the owner's plans?

How's the Relationship Going?

If an owner has a bad relationship with HUD, he or she may want to opt-out, even if it's costly in the short term.

Get some of this information from HUD data, but always double-check it with the local property records. It is also often very useful to talk with the property manager, the local HUD office asset managers, and the local government housing and planning staff to see what they know or have heard. The local HUD office may also have important historical or recent information about a given project's

status and contracts, including any applicable restrictions; reports of physical inspections conducted by HUD, lenders, or HUD's Real Estate Assessment Center (REAC); and any pending actions against the owner for program violations.

Sometimes local public officials can obtain information about the ownership and its plans more easily than advocates. Of course, the tenants themselves may have found out important information on these questions.

It is especially important to determine if the owner has a good working relationship with HUD. Those owners that do not are typically looking for a divorce, regardless of the economic impact of the decision in the short term. It may, in fact, be HUD who has been seeking to end the relationship, usually due to perceived shortcomings in the owner's performance, such as poor management, failing to maintain the property, or misusing funds.

Owner Actions

An owner may have already filed notices of prepayment or Section 8 opt-out with the tenants, with HUD, or with the state or local government. Ask if any notices have been received by tenants of the property, local government (mayor, county executive or housing department), the local public housing authority, any state agency overseeing housing and community development, or HUD (particularly the housing branch of the local field office with jurisdiction over the property).

Talk regularly to tenants and neighbors to keep abreast of any changes in maintenance or management policies.

Rent Gap

Owners facing conversion decisions want to know what rents can be obtained on the private market, so advocates should know too. Good data on the rent gap can not only help determine conversion risk, but can help identify which preservation strategies, if any, have potential. The greater the gap between HUD-approved rent levels and current market values, the stronger incentives the owner will need to renew.

A Word about "Fair Market Rent"

HUD's database shows the relationship between current rents and the so-called Section 8 "Fair Market Rents" (FMRs). This may not be very useful, however, because the FMR used in the HUD database may not be the current figure. Also, especially in hot-market areas, the FMR used to establish the local payment standard for the voucher program may not fairly represent what rents are generally available in the community (it could be too low or too high). Finally, the FMR may not be a good indicator of the actual rental "street" value of the units in a specific property.

Research and collect information on the average market rents by unit size being paid in the neighborhood. If a property in the area is going through Mark-to-Market (or if the project in question is in the Mark-to-Market process), a market survey will be part of the "Participating Administrative Entity's" recommendation, and should be accessible. There are also firms that sell market survey or appraisal information. If funds are available, consider contracting for an independent rent comparability study.

Even neighborhood data may not be precise enough, however. To gather data that is relevant to these specific units:

- ask around the neighborhood about the rents for units that are similar in building size, type, and condition; number of amenities; and location.
- check the classifieds for similar units;
- ask realtors, property managers, or even the local housing authority. The local housing authority may know about neighborhood rents because it must approve as "reasonable" the rent paid by each participant in its housing voucher program.

Information gathered in these ways can be much more helpful than the FMR in determining the "street value" of the units.

Other Restriction

Are there other restrictions on the property that may inhibit conversion? Beside the Section 8 or Section 236 program, the property could be subject to old agreements made by the owner, restrictions based on other funding or subsidy sources, or local notice and zoning laws.

Restriction Type	Comment
Federal Regulatory Agreements or Use Agreements	Accompanies the original financing or additional assistance provided after the property was developed (e.g., use agreements accompanying Flexible Subsidy funds or federal preservation plans, riders to promissory notes)
Other Federal Restrictions on Prepayment	Can be imposed on properties originally owned by a nonprofit or receiving Rent Supplement assistance

Section 8 Contracts	Some contain an obligation to renew or require agency consent to terminate
State or Local Regulatory Agreements	Accompany public financing such as bond financing, HOME or Community Development Block Grant (CDBG) money, or local redevelopment agency funds
State or Local Land Disposition Agreements	Executed as part of the transfer of the underlying land, usually in former urban renewal areas
Local Land-Use or Other Police Power Regulations	Zoning laws, variances and use permits, local rent or conversion control ordinances, and any other local ordinances that could impose substantive or procedural restrictions on conversion

Many developments with HUD-subsidized mortgages have another restriction on prepayment which effectively restricts them to their current use until the expiration of the full mortgage term (40 years), unless HUD approves a prepayment. These restrictions come from other subsidy contracts such as Rent Supplement or Flexible Subsidy, or because the property was

originally owned by a nonprofit organization that had agreed to a full mortgage term use restriction. HUD's approval of prepayments on these properties is governed by the *National Housing Act*, which requires notice to tenants, an opportunity to comment, and a HUD finding that the property is no longer needed as subsidized housing.

In the early 1990s, other restrictions arose when many owners and nonprofit or tenant purchasers made use of the Preservation Program, Title II (*the Emergency Low-Income Housing Preservation Act*, or ELIHPA, 1988) and Title VI (*the Low-Income Housing Preservation and Resident Homeownership Act*, or LIHPRHA, 1990). Generally, under these programs, the federal government provided virtually all of the funds necessary for pre-development expenses and transaction costs, capital grants for acquisition costs, or additional Section 8 operating subsidies needed to cover additional debt service for acquisition and rehabilitation. Developments preserved under ELIHPA or LIHPRHA became subject to additional use restrictions for the remaining term of the original mortgage (usually about 20 years) under ELIHPA, or for their remaining useful life under LIHPRHA.

Finding out if any of these restrictions apply to your property will require a fair amount of looking. First, research HUD's files. A list of relevant forms to request might include the mortgage, note, regulatory agreement, and Section 8 HAP (Housing Assistance Payment) contract and amendments. Some HUD offices will willingly provide the information when asked; others may require a formal request under the federal Freedom of Information Act. The latter may involve more time and expense; HUD is often slow to respond, and sometimes claims it can't release some information because it is a "trade secret" of owners or would violate tenants' right to privacy. HUD also sometimes seeks to charge for providing information because it takes a narrow view of what constitutes the "public interest," for which the fee would be waived.

Running a Preliminary Title Report

Advocates can ask if a local nonprofit developer or a city agency will request a report at no charge.

After HUD, check all public records to see if there are any other restrictions affecting the property's use or value. Most of these other restrictions establish covenants running with the land and can be found through a title search in the recorder's office or in contracts that are part of federal, state, or local public agencies' transaction files for the property. They could be found at housing finance authorities, redevelopment agencies, city housing departments, tax credit allocation boards, bond allocation boards, or even housing authorities that finance multifamily housing

Detective Work

There are many ways a property can acquire additional affordability restrictions - and many places those restrictions are recorded. But finding them is worth the looking, because they can provide legal leverage for preservation.

Make a Plan

Keeping in mind in the information they have gathered on the selected properties, advocates now need an action plan. A preservation action plan should have three parts: a preservation goal (renewal or purchase), a set of strategies (persuasion, pressure, litigation), and a plan for protecting the tenants if the preservation goal is not met. In some cases, preservation is not a feasible goal. For these Buildings, tenant protection will be the whole plan.

Action!

A preservation action plan should have three parts:

- a preservation goal
- a set of strategies; and
- a plan for protecting the tenants.

There are two basic ways an expiring use property can be preserved: the owner can renew participation or the building can be purchased by someone committed to affordability.

Renewal

Renewal by the current owner may be the least complicated route to preservation because it does not involve all of the planning and resources of a purchase. It only requires a decision by the owner. The drawback is that renewal may be just for a short period of time (as short as one to five years), putting the property at almost perpetual risk of conversion.

There are a number of federal programs that offer financial incentives to help make renewal worthwhile. These usually involve increasing rents or restructuring mortgages. State and local governments often have separate incentive programs of their own. See the [Financing](#) section for details.

Sale to a Preservation Purchaser

This route involves more complications, but may be superior in providing long-term assurances of preservation. In considering its feasibility, consider issues such as the:

- capacity of the tenant organization to establish or engage and evaluate a prospective purchaser (which will usually be a nonprofit);
- amount and type of financial resources required to support a purchase, given the nature of the project (equity, rehabilitation, and operating needs);

- availability of funds from federal, state, local, private, and equity sources, and their timing; (see [Financing](#) section)
- capacity and interest of qualified nonprofit organizations for the type of transaction required;
- amount of time available for assembling the transaction;
- owner's inclination toward sale; and
- ability to create sufficient political support from federal, state, and local government.

Some state or local laws now provide nonprofits and other qualified organizations the right to buy, or to make offers to buy, threatened properties when owners are seeking to sell them for conversion to market rate. This is called "right of first refusal." Some states have gone a step further by giving right of first refusal to the state housing agency, housing nonprofits, or other preservation purchasers *whenever* the owner gives notice of an action that would terminate a project's subsidies, before it's for sale. In almost all of these cases, however, owners do not have to accept offers; they could keep the property or sell to someone else after a waiting period.

Remember!

Where right of first refusal laws exist, organizations interested in purchasing at-risk properties still need to ask state housing agency to notify them of intended conversions.

Renewal or Purchase?

Every situation and every owner is unique, but good research will often point to a particular goal. The owner's desires are often key. If the owner and/or management company appear happy working with HUD, but say they just need more money, education about the various incentive programs available could lead to a renewal. If, however, they appear frustrated with the government, and say things about just wanting to get out from under the property and get their investment back, then they may be open to a reasonable purchase offer.

There are also considerations on the advocates' and tenants' side. Access to resources can be an obstacle to a preservation purchase, especially if the rent gap is high and the property very costly, or if the property is in need of many repairs. The tenants' experiences with their current management can also be a factor: if they have been bad, then advocates might want to consider a purchase goal more strongly.

Strategies

Advocates' two major strategies will be persuasion and pressure. There are many incentives out there for owners to renew, and they may not be aware of all of them. One role of advocates can be to help an owner see how renewal or sale can be a worthwhile approach. In most situations, however, it will take active organizing of the tenants and the community, combined with support from relevant government agencies, to achieve a preservation goal. In the case of a purchase it will also involve finding a purchaser, and helping that purchaser locate the funds for purchase. (See [Financing](#) section.)

Litigation can delay or prevent a conversion, or at least force an owner to comply with all notice requirements and tenant protections before proceeding.

One strategy available for properties subject to additional restrictions is litigation.(See [Other Restrictions](#), above.) Because HUD may not carefully review an owner's certification of a project's eligibility to prepay, an owner may be allowed to convert to market rate illegally unless advocates take to the courts.

Litigation can delay or prevent a conversion, or at least force an owner to comply with all notice requirements and tenant protections before proceeding. Possible plaintiffs include existing tenants, families on the project waiting list, others in the community in need of affordable housing, and low-income community or housing advocacy organizations. If there is a strong claim that will prevent conversion, litigation can be your primary strategy. Usually, however, it will be a tool to buy time or provide extra pressure.

Along with trying to enforce existing restrictions, here a few other types of potential preservation claims:

- *Avoidance of Rent Control.* Existing rent control laws may apply to a property after its conversion. Local rent control laws in many cities set the base rent for properties leaving the federal subsidy system at the last federally controlled rent, thus diminishing the short-term gain available to an owner upon conversion. Owners may fail to observe these restrictions, either in planning a conversion or after the fact, and local government may fail to enforce the requirements. A state court claim may bring them into compliance.

If and owner's business interests can clearly be protected under a preservation plan, then a conversion that harms protected classes may well be illegal.

- *Violation of Notice Requirements.* There are multiple, and constantly changing, federal, state, and local requirements to serve notices of a specific content at a specified time upon certain parties during the process of conversion. These requirements are rarely fulfilled completely. Tenants (and others) are likely to have claims of violation of these requirements. (Download [Checklist of Notice Requirements](#)). This is may buy time until the owner complies.
- *Fair Housing Claims.* Opt-outs and prepayments that involve the displacement and the denial of affordable housing opportunities to families of color, families with children, or people with disabilities may be subject to challenge under civil rights and fair housing laws. The federal Fair Housing Act prohibits both purposeful discrimination in housing based on race, national origin, familial status, and disability, as well as actions that have a disparate impact on these classes, regardless of the intent of the defendant. Conversion claims usually involve disparate impact. *If an owner's business interests can clearly be protected under a preservation plan, then a conversion that harms protected classes may well be illegal.*

For a list of recent cases that raised some of the above claims to challenge conversions, visit National Housing Law Project's [Case List](#).

Tenant Protection

Some developments may not be preserved. Organizers and advocates should be aware of this as they work toward preservation, making sure that tenants are prepared for that possibility. They should also

continue to monitor converting buildings to make sure tenants get timely and accurate information and benefits.

Required tenant protections, on both the owner and government side, are rarely carried out completely or on-time. There are two categories for advocates to pay attention to: notices and vouchers.

No one entity monitors owner compliance with federal, state, or local notice requirements. Federally required notices often fail to cover a full year, to contain the right information, or to be served on the right parties. State notices are often not provided at all, or fail to meet applicable legal requirements. (Download [Checklist of Notice Requirements](#).)

Since 1999, tenants facing any "housing conversion action" can receive "enhanced" vouchers, whose value can be set at the reasonable market rental value of the unit. Tenants can use enhanced vouchers to stay in their homes or to move to another unit with a willing landlord. Federal law obliges owners to accept the vouchers in almost all cases. In 2000, Congress extended eligibility for this special protection to tenants whose homes were converted since October 1, 1994, and clarified the owners' duty to accept them.

Any tenant *in residence* at conversion who was previously assisted under a project-based Section 8 contract is eligible. Most low-income tenants residing in a development with a HUD-subsidized mortgage that is being pre-paid are eligible.

The responsible agencies, however-HUD's local Offices of Housing (responsible for multifamily opt-outs and prepayments), Public and Indian Housing (responsible for processing replacement enhanced voucher funding), and local PHAs (responsible for certifying tenants, inspections, and approving rent levels under the enhanced voucher program)-are usually not well coordinated, especially in locations where there have not been many conversions. PHA recertifications are often delayed or inappropriate or funding fails to arrive on time.

Tenants can have a hard time getting accurate information from the responsible agencies as well. Public officials will often "sell" the voucher program and downplay its deficiencies. National acceptance rates (recent HUD studies indicate) are plummeting down to 70%. Although voucher acceptance rates in tight markets are at times less than 20 percent, HUD tells people they have the freedom to move anywhere in the country with their voucher. There are reasons for such over-selling. Vouchers relieve a shrunken national HUD staff of administrative work, while local Housing Authorities get additional fees for administering the program. And HUD often has a close relationship with the owner who benefits from the opt-out/prepayment.

Tenants Should Stay Put

The most important thing for the tenants to know is that if they move during the transition before receiving their vouchers they will be ineligible to receive assistance.

Why Use It?

"Affordable Housing is far harder to develop than it is to protect....If it goes away, the community loses a valuable asset over time as residents disperse. Low-income tenants also face increased discrimination as they seek new housing....And this is exacerbated if there are not enough units in the neighborhood or the region. In hot real estate markets, there is double pressure on renters...."
Jim Grow, National Housing Law Project

There are many reasons why preserving expiring use housing can play a powerful role in equitable development. Keeping existing affordable housing affordable requires fewer resources - financial and time - per unit than developing new affordable housing. It also maintains the stability of a neighborhood by preventing displacement of current residents from their homes.

Preservation is a particularly important strategy for maintaining a mix of incomes in gentrifying neighborhoods. In these booming neighborhoods there is often little land for new housing, and when there is, the cost of building can be very high. They are, however, likely to have concentrations of existing subsidized housing. Preserving that existing subsidized housing can be a cost-effective way to prevent wholesale displacement before it happens. It is precisely in these neighborhoods, however, that the loss of these units is most pressing, because owners have a strong financial incentive to convert to market rate.

The numbers are big. The National Alliance of HUD Tenants, working with HUD data, estimates that up to 200,000 units have been lost to conversion nationally since 1996. According to the Section 8 Collaborative, a group of tenant and housing advocates working on preservation in Chicago, between 2000 and 2005 as many as 16,000 Chicago tenants will face the possibility of their landlords converting to market rate. Without stemming the tide of conversions, advocates for affordable housing and equitable development will be taking three steps back for every two steps forward.

Key Players

A preservation campaign is complex. Very few organizations have all of the capacity required to carry out the organizing, legal, and other components. Building a preservation coalition will bring the needed skills and connections together.

- **Resident Leaders and Associations**
Leaders within the buildings will do outreach to tenants, and conduct tenant informational meetings. They can form an organizing committee, as well as an official HUD resident council. HUD Resident Capacity Grants are available only to tenant groups. These groups will be central to the organizing needed for a successful coalition. The National Alliance of HUD Tenants provides peer support for groups organizing tenants.
- **Legal Services**
Legal professionals will play key roles in both consultations and research, and as a litigation team if one is necessary. Look for opportunities to leverage pro bono legal support.
- **Nonprofit Housing Agencies**
These organizations could purchase units that might be preserved through sale. They can also provide expertise on the financial and rehab aspects of affordable housing development.
- **National Resource and Advocacy Organizations**
Groups with a national reach, like the National Housing Trust, National Housing Law Project, or National Low Income Housing Coalition, can carry out advocacy at national HUD offices. They have a wide store of information, research capacity, specialized legal resources, and existing relationships to draw on.
- **Local Stakeholders**
These can include community groups, congregations, and service agencies. They can provide pressure locally to move preservation forward.
- **Government Housing Agencies**
Government agencies can provide both funding and information to a preservation campaign.

Elected Representatives

Elected officials at federal, state, and local levels can enact policy that supports preservation, and therefore may be a target of tenant organizing. Congressional representatives can be particularly useful because the programs in question are federal programs.

Challenges

Picking Battles

Early on it will be important to determine whether preservation of a particular development is feasible or likely, or whether efforts should instead be concentrated solely upon ensuring timely and complete tenant protections. Otherwise, energy and political capital that could have been devoted to buildings with a better chance for preservation will be wasted. Telling the difference, however, is difficult. Doing as much research as possible up-front is the best way to be prepared to make educated choices.

Layers of Bureaucracy

Government agencies at the local, state, and federal levels are involved in preservation and assisted housing. Even within HUD, the Offices of Housing and of Public and Indian Housing have different roles. Keeping track of what all these agencies are doing (or not doing), and what they know about what the others are doing, can be a monumental task.

To keep your head above water, check out the "Bureaucracy Busters" below:

Bureaucracy Buster

- Never assume that government agencies are communicating with each other, unless you've received confirmation.
- Follow up, follow up, follow up.
- Keep a complete paper trail. Document all contacts in writing.
- Make friends with the helpful person in any given office, even if that person isn't the one technically in charge of what you're after.
- Keep the lines of communication open, even when there's nothing pressing.
- If you're being stonewalled, try going through respected experts or elected officials.

Changing Regulations

New programs, new incentives, and new requirements, along with the defunding or expiring of old ones, are all fairly regular occurrences in the housing preservation world. This can cause both confusion about the present and uncertainty about the future. In Fall 2001, for example, the Mark to Market program came very close to expiring before anyone had a clear sense of whether it would be renewed. The best defense against this is having someone in every preservation coalition who follows these developments closely and can explain them to everyone in non-technical terms.

See the [National Housing Law Project](#) web site for current information.

Success Factors

Network with Peers

One of the first things the National Housing Law Project does when a group calls for advice is connect it with organizations that have taken on similar projects. Groups who have faced similar situations, worked with the same HUD officials, or developed innovative responses can provide useful support and lessons.

Build Community Support

It will usually be important to build additional community support for a preservation effort, either to convince an owner to preserve the development or sell to a preservation purchaser, or to secure the additional subsidy funds necessary to make a transfer feasible.

Along with tenants and neighborhood residents, "the community" includes numerous organizations that can add the support of their constituencies or members to the effort, or provide additional connections into the local political structure. These include:

- housing and homeless advocacy organizations;
- nonprofit housing providers;
- social service organizations providing services to low-income constituents;
- neighborhood organizations;
- churches and faith-based institutions; and
- civic organizations working on anti-poverty issues.

Engage Local Government

In many situations, the support of local government is crucial. This could include city housing and planning staff, members of the legislative body such as the city or county council, and those with executive authority such as the mayor, city manager, or county executive.

Local government can:

- get information;
- provide funding;
- take regulatory action;
- enforce existing restrictions;
- encourage the owner toward a preservation plan by leveraging its discretionary authority over local approvals sought by the owner for other development or land use decisions; or

Community Survey

Local governments often assess housing needs and develop action plans, which creates obvious advocacy opportunities for advancing local preservation work.

- advocate for preservation with the federal or state government.

It is important to start this process of communication early.

Financing

Funding Tenant Organizing

Organizations working with tenants in expiring use housing can get funding from federal and state sources, including HUD Outreach and Technical Assistance Grants (OTAGs). You can find a list of OTAGs at HUD's [Web site](#).

Funds have also been available directly to tenant groups (\$20,000 maximum, for resident capacity building) under the HUD Intermediary Technical Assistance Grant (ITAG) program. Also under the HUD ITAG program, nonprofit legal services and public agencies can receive Public Entity Grants (\$20,000 maximum) to work on developments with expiring contracts in their service areas. As of August 2002 HUD had not yet made new ITAG funds available. For the current status check with the [National Housing Law Project](#).

Regional nonprofit intermediaries can provide guidelines and an application:

- *Northeast:* Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Washington, D.C., Vermont, West Virginia

National Center for Tenant Ownership
Harrison Institute for Public Law,
Georgetown University Law Center
111 S Street NW, #102
Washington, DC 20001
Contact: Roslyn Morris-Davis, (202) 662-9601
rm89@law.georgetown.edu

- *Southwest:* Arizona, Arkansas, California, Louisiana, Nevada, New Mexico, Oklahoma, Texas
Southeast: Alabama, Caribbean, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia

Low-Income Housing Fund
330 Broadway, Suite 600
Oakland, CA 94612
Contact: Abby Rowe, (510) 893-3811 x315,
arowe@lihf.org

- *Northwest :* Alaska, Colorado, Hawaii, Idaho, Illinois, Iowa, Kansas, Minnesota, Montana, Nebraska, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming
Midwest : Indiana, Michigan, Ohio, Wisconsin

Amador-Tuolumne Community Action Agency
N. Hwy 49 #302
Sonora, CA 95370

Contact: Diane Bennett, (209) 533-1397 x225,
dbennett@atcaa.org

Contact the National Alliance of HUD Tenants (NAHT) for more information: 353 Columbus Ave., Boston MA 02116, (617) 267-9564.

Incentives for Owners to Renew

For developments with expiring Section 8 contracts, Congress and HUD have provided a wide variety of preservation tools that give owners financial incentives to renew. Most of these tools are described in HUD's [Section 8 Renewal Guide](#). Note however, that federal policies and funding are constantly changing. Check the [Office of Multifamily Housing Assistance Restructuring](#) or [National Housing Law Project](#) for current information on the following programs:

- *Section 8 renewal contracts* at specified rent levels, usually at market rents for most properties. Now these contracts can be for terms up to 20 years, subject to Congress' annual appropriations;
- the *Mark to Market mortgage restructuring program* for developments with HUD-insured mortgages and Section 8 rents that exceed market rents;
- the *Mark Up to Market program*, which requires HUD to offer to *increase* the Section 8 rents to market levels for properties meeting certain specific eligibility criteria, and permits HUD to offer even higher rents on others. HUD is also authorized to waive restrictions on the amount of profit owners with HUD-subsidized mortgages can pocket rather than put into the project or reserves in some fashion;
- the *Mark Up to Budget program*, which permits existing nonprofit owners to obtain rent increases up to market levels to support budget-based rent increases for rehabilitation and operating cost increases;
- HUD has authority to make grants or loans for rehabilitation of certain qualified properties (under Section 531 of the Multifamily Assisted Housing Reform and Affordability Act of 1997). As of August 2002, however, the money for this project has been entirely diverted to war efforts;
- authority to refinance a Section 236 property and preserve the Section 236 interest reduction payments (called "IRP decoupling"); and
- planning requirements and various funding resources for the rehabilitation of troubled properties facing foreclosure, disposition, or disqualification from Section 8 renewal;

Funding Preservation Purchases

Very little money is earmarked for preservation, so capital resources for purchases can be difficult to put together. Following are some of the most common sources.

- High-value federal Low-Income Housing Tax Credits, distributed by states; Below-market-interest loans from state bond funds or deferred loans. These usually come with lower value Tax Credits that provide additional equity.

- Locally controlled sources include funds provided under federal programs like HOME, CDBG, or project-based Section 8 vouchers, or locally generated funds such as redevelopment agency revenues. Competition for these funds may be intense.
- Some states have created specific funds targeted for preservation.
- State Housing Trust Funds permit preservation as an eligible use.
- Federal Mortgage Insurance might underwrite a loan on a property of this type.

HUD's Intermediary Technical Assistance Grant (ITAG) program provides predevelopment grant funding for evaluating the feasibility of a nonprofit purchase (\$70,000 maximum).

Policy

Faced with the growing need for affordable rental housing, housing advocates and state and local governments have begun to take action to preserve this housing stock. Local advocates can replicate or build on these initiatives to create a more consistent and effective set of protections for tenants and the affordable housing stock.

Limit Owner Returns

Since the primary purpose of market-rate conversions is to increase the owner's income and profits, one obvious approach to preventing a conversion is to reduce the profitability of the transaction. This can be done either through direct regulation of rent levels or through any requirement that increases an owner's conversion costs.

The greatest advantages of this type of approach are complete protection for tenants and continued affordability of the housing. It is simple and usually extremely cost-effective. Owners assessing the economic benefits of conversion may simply view a conversion that would yield only restricted rents as not worth the time and expense, and remain under the federal program.

Regulating Opt-Out Rents

Some local governments with rent regulations have amended their laws to cover converting buildings, which has been a valuable move for preservation. At the state level, Massachusetts is the only state that has considered regulation of rents in projects exiting the federal subsidy programs. One version of the proposed bill would have given subsidy programs. One version of the proposed bill would have given municipalities the right to establish administrative boards with the power to set rent levels in any "former governmentally involved housing." Localities would also have been able to require project owners to renew their Section 8 contracts. The bill did not pass, however.

Another alternative involves so-called "statutory leases," in which tenants in converted buildings get mandatory temporary lease renewals under terms specified by law, at rent levels roughly equal to those in effect under the federal program before a conversion. Rhode Island and Maryland both have statutes employing this concept. A similar statute in Maine requires owners to "allow tenants to remain" for up to six months at rent levels equal to those at conversion.

Several other legislatures have enacted measures imposing certain costs on owners who prepay or opt-out. These provisions generally take the form of payments for services or reimbursements to affected tenants. San Francisco charges owners a relocation fee of \$5,250 per household for displaced tenants. Rhode Island and Maryland statutes require coverage of reasonable moving costs up to a certain limit.

Impose Procedural Requirements

One of the most popular restrictions on conversion involves the imposition of a time-consuming process that must be completed before conversion, usually in the form of a required notice to tenants or local governments. Since May 1999, HUD has required owners to clearly state in their notice whether or not they intend to renew the federal assistance.

Many state and local laws also require things above and beyond the federal requirements, such as additional notice time, disclosure of more information, or a right of first refusal for tenant, nonprofit or government purchasers. Statutes requiring written prepayment notices more than five months ahead are of particular use in discouraging conversions.

Tenant Impact Statements

Minnesota has adopted a mandatory "tenant impact statement," requiring owners of HUD-subsidized and assisted developments to provide, at least 12 months prior to termination, a statement of the impact of any proposed termination on residents to the state housing agency, local government, and the residents themselves.

www.nhlp.org/html/hlb/1099/#24

Fund Preservation Purchases

If cost were no object, the best way to permanently preserve at-risk properties would be transferring them to non-speculative ownership. Moving projects into the hands of entities whose purpose is providing housing rather than generating profit—such as tenant-endorsed or controlled nonprofits—is more likely to keep tenants in their homes and preserve the property as a future housing resource.

If cost were no object, the best way to permanently preserve at-risk properties would be transferring them to non-speculative ownership.

Although there are a wide variety of sources of housing dollars, very few of these are currently earmarked for preservation.

There are some limited federal resources for this purpose, including HUD's Mark Up to Market program and other federal financing tools, but obtaining sufficient capital funds will usually require state or local financial contributions, which may include passed-through federal funds such as Low-Income Housing Tax Credits, HOME or CDBG funds. [Financing](#)

State and local governments can and should set aside some housing money for preservation.

- Washington, Minnesota, and California have all recently dedicated some general revenues to maintaining affordability in HUD-subsidized housing.
- San Francisco has established a comprehensive "Affordable Housing Preservation Program" operated by the [San Francisco Redevelopment Agency](#).
- Federal Low-Income Housing Tax Credits, a limited resource for every state, often provide an important source of "equity" funds for nonprofit acquisitions. These scarce credits are usually

allocated through a competitive process, which could award preference points for preserving at-risk housing.

- Tax-exempt bond allocations can provide an important source of below-market debt financing for nonprofit acquisitions.

Beyond providing support for capital or operating costs, government can reduce the costs of acquiring or operating an expiring-use property in exchange for affordability restrictions. This would usually be done after it has been bought by a targeted purchaser. Cost reductions may be an important component of maintaining affordability after transfer, particularly where the HUD subsidy will cease or be limited, or where a property contains unassisted units. Cost reduction measures that have been considered or proposed include exemption from various state taxes and lower utility rates for nonprofit purchasers.

Allow Preemptive Purchase Offers

A number of state and local governments have enacted "rights of first refusal," providing nonprofits or public agencies with rights to purchase expiring use properties that are up for sale. The utility of those laws is limited, however, since these rights are only triggered by sale or transfer. Owners can therefore convert first and then sell when they are no longer covered by the law. To overcome this limitation, governments can introduce "preemptive options," triggered by the act of prepayment or opt-out.

Provide Additional Preservation Incentives to Current Owners

Some owners who might otherwise exit government programs can be enticed to stay with financial or other benefits. Incentives are often useful, but when they rely on relaxing restrictions or on providing additional debt financing, care must be taken to ensure that tenants are not adversely affected by rent increases to cover the costs of the incentives. Poorly implemented incentive programs can serve to enrich the owner without providing corresponding benefits to tenants or the property, or longer affordability commitments.

Be Careful with Incentives

Relaxing restrictions or providing additional debt financing can keep and owner in a subsidy program - but they're of dubious use if they don't also keep tenants in their homes.

Incentives can work well too. Some creative programs include:

- offering refinancing to decrease debt service or cash-out current equity
- equity takeout loans for other purposes
- allowing partial access to residual receipts or excess income accounts
- allowing increased dividends

These benefits are usually exchanged for new or extended use agreements.

Another possible incentive is streamlined regulatory burdens. Vermont reports that their concerted effort to reduce reporting requirements and to condense and simplify their program guidelines has reduced owner opt-outs.

Clarify Potential Federal/State Conflicts

Many prospective state or local preservation measures potentially share a common obstacle: the prospect of being overruled ("preempted") by Section 232 of the Low-Income Housing Preservation and Resident Homeownership Act ("LIHPRHA"). Section 232 purports to preempt state or local laws if they restrict owners' ability to prepay or receive incentives authorized by LIHPRHA, are incompatible with the terms of LIHPRHA, or are otherwise targeted exclusively at units that are considered "eligible low-income housing" under LIHPRHA. Owners have also argued, although not yet successfully, that Section 232's language requires preemption of any legislation that has the effect of reducing the profitability or ease of prepayment. Laws of "general applicability," like zoning, are not affected.

Although Congress is no longer funding LIHPRHA, it has not been repealed and the preemption provision arguably remains effective. To avoid the cloud of preemption, proponents of local preservation initiatives must ensure that the initiative's language affects a wider array of projects than those eligible under LIHPRHA.

Case Studies

With a housing vacancy rate of less than one percent, low-income households rely heavily on subsidized housing in San Francisco. In 1997, in response to the change in federal guidelines that allowed the affordability provisions on subsidized housing to expire, the City created a groundbreaking Housing Preservation Program to preserve affordable housing throughout the County of San Francisco.

At the inception of the program, 9,000 households lived in 88 HUD-assisted housing developments that held project-based rental assistance contracts. Thirty-five of these developments were privately owned and deemed to be "at-risk" of a market-rate conversion at the contract's term. As of August 2002, the program successfully had acquired and transferred 17 of these at-risk developments to non-profit entities-preserving 1,745 units.

The Mayor's Office of Housing established the preservation program in the San Francisco Redevelopment Agency. The two agencies work to restructure funding terms of Community Development Block Grant funds and housing office bonds to extend the development's affordability. In most cases, the land is purchased by the Redevelopment Agency and leased to the owners of the improvements for use as affordable housing for up to 99 years. Some properties enter a 50-year affordability contract with the Agency. The program's success depends on supportive local ordinances, financial assistance for tenant organizing and capacity building, substantial local funding, and the effective use of other fiscal resources for acquisition and renovation purposes. Since the inception of the program, San Francisco has not lost a single "at-risk" expiring use unit.

Local Legislation

The City of San Francisco crafted four key ordinances to support the preservation of expiring use developments. Combined, these laws make it burdensome for an owner to profit from a market-rate conversion, as well as can open legal avenues for recourse if the owner fails to follow the requirements.

The [Rent Control Ordinance](#) (Administrative Code, Chapter 37) limits the amount of immediate financial rewards an owner can secure through a market-rate conversion. The ordinance prohibits an overall increase of rents and protects the units' affordability. The administrators of the ordinance establish eligible rent increases based on the prior HUD contract rent. By restricting immediate profit growth, rent control serves as a persuasive motivation for a HUD contract renewal or the sale of the property to non-profit ownership.

The [Assisted Housing Preservation Ordinance](#) (Administrative Code, Chapter 60) gives a city-level tenant notice requirement that works in conjunction with the state and federal notice requirements. It requires an 18-month notification, providing tenants more time to organize, and the Agency time to negotiate terms. The preservation ordinance also establishes a first right of refusal requirement, permitting qualified non-profits and government entities the opportunity to bid on the development.

The Source of Income Ordinance (City Police Code, Article 33, Section 3304) prohibits any rental preference or limitation based on an applicant or tenant's source of income. It also establishes eviction protections for residents who receive tenant-based rental subsidies. This provision restricts

an owner's ability to drop their project-based contracts and refuse vouchers in order to empty out the units and charge market rents.

The Just Cause Eviction Ordinance (Residential Rent Stabilization and Arbitration Ordinance, Chapter 37.9) restricts an owner's ability to evict without contractual grounds; curbing many other strategies owners use to force unwanted tenants to vacate the units.

Tenant Organizing

The Redevelopment Agency recognizes the need for tenant organizing to amass support, acquire important information on the development and persuade owners to begin negotiations. By providing Resident Capacity Grants and doing direct outreach, the Housing Preservation Program continuously engages tenants and builds organizing capacity. As a result of the large number of preservation acquisitions, these tenant groups now play a direct role in the decision making process for their respective buildings.

Early education is important because owners often begin actively marketing their properties years before their HUD contracts are to expire. To address this, preservation program liaisons begin contacting tenants and owners of every "at-risk" building prior to the contract's expiration date. Liaisons work to educate both parties about the preservation program and its options. In addition, liaisons work to inform tenants about the Section 8 program, community-based resource contacts, as well as assist tenant groups in applying for the program's Resident Capacity Grants and HUD's Outreach and Technical Assistance Grants.

Funding

The city has recognized the housing crisis and committed substantial financial support to the preservation of existing affordable housing. The program has also effectively used tax-exempt bond financing, low income tax credits and federal "Mark up to Market" funds for acquisition and rehabilitation costs. In addition to the Resident Capacity and Predevelopment Grants provided to 18 tenants groups, the Agency provided additional grants to the Agape Outreach Center, a community based non-profit for area-wide tenant organizing and education efforts in the targeted developments.

For more information on the program, see <http://www.ci.sf.ca.us/sfra/housing.htm>

In December 1997, the Anoka, Minnesota tenant-organizing group Home Line heard rumors that the Franklin Lane apartment building was going to be sold. Home Line kept a database of housing developments "at risk" of losing their affordability. Through contacts in other buildings under similar conditions, they were informed that the owner, Lang Nelson, intended to prepay his HUD Section 236 mortgage and sell the 66-unit building for market rate housing.

Anoka had very little affordable housing, and even less for seniors. Franklin Lane apartments served a considerably older and disabled population through very low rents. Their loss would be devastating to both the residents and the community. Home Line engaged the Minnesota Senior Federation, and they began a joint organizing effort to preserve Franklin Lane.

Tenants formed the Franklin Lane Tenants Association, retained an attorney from the Housing Preservation Project and within a month, presented their case to city, state and federal

representatives. Many members of the Tenants Association were in their 80's. The majority were feisty former farm women who were determined to save their homes. They joined the National Alliance of HUD Tenants and petitioned HUD to review the case. They prepared and submitted a resident impact report and demanded that HUD follow the [Transfer of Physical Assets](#) (TPA) requirements. Although HUD provided tenants a two-week stay, it ultimately approved the sale of the building in October, 1998 to Sage Companies. At this point, the property was still under a forty-year Section 236 mortgage contract, which originated in 1975. It was apparent, however, that Sage intended to convert the property to market rate.

Tenants got the media to cover their plight, putting pressure on both the owner and on government officials. One week after the sale of the property, tenants called a meeting with Sage Companies to assert their intentions to stay in their homes. They demanded that Sage follow state and federal notification guidelines for prepaying the mortgage. Six months later, Sage Companies delivered a prepayment notice, asserting their intention to terminate the development's affordability. Their plan was to turn Franklin Lane into an assisted living facility, displacing all current residents.

Tenants hastily arranged a press conference at the building to draw attention to the loss of affordable housing both locally and nationally. Part of the national "Save our Home" campaign with the National Alliance of HUD Tenants, the Franklin Lane Tenants Association advocated support for the Preservation Matching Grant Bill (HR 425), which would provide federal matching funds to affordable housing preservation efforts when state and local governments commit resources. (HR 425 died in congress in 2001, but is now regaining momentum).

In the spring of 1999, the Franklin Lane Tenants Association decided to pursue a non-profit buy-out of the property. They met with the Mayor and city council and demanded that the owner be convinced to sell. One strong-willed tenant told Anoka's Mayor that he had better support them because she used to change his diapers! Tenants put consistent pressure on the owners through elected officials, public meetings, letters to the editor, and television press conferences. They began planning a full-scale metro area boycott of Sydney's Restaurants and the Great Clips haircutting chain, two companies in which Sage had significant ownership interest.

City officials met three times with Sage Companies, and in June of 1999, the owner agreed to enter negotiations with the Community Housing Development Corporation (CHDC) The building was sold to the CHDC in May of 2000 and underwent complete renovation over the next three months. In April of 2002, HUD allowed section 8 vouchers to be project-based on all units, and added 66 tenant-based vouchers, making the units more deeply affordable.

A huge celebration honored the preservation of their building-a victory that was possible because of the commitment and creativity of the Franklin Lane tenants.

For more information, visit Home Front at <http://www.homelinemn.org>.

Resources

National Housing Law Project

Provides research, legal assistance, training, publications, and technical assistance to a broad audience of housing lawyers and advocates. NHLP focuses on issues and problems that will have the greatest impact on the housing rights of the poor. (See Readings section below.)

<http://www.nhlp.org/>

California Housing Partnership Corporation

Offers data on expiring Section 8 and prepayments in California as well as general information about the preservation issue.

www.chpc.net/index.html.

HUD's Office of Multifamily Housing Assistance Restructuring (OMHAR)

Some data on project filings, rules and guidelines, PAEs, and other helpful information.

www.hud.gov/offices/omhar/index.cfm

HUDClips

Applicable statutes, regulations, notices, and guidelines.

www.hudclips.org/sub_nonhud/cgi/hudclips.cgi.

National Housing Trust

Data on Section 8 Opt-Outs and Terminations through 12/31/98 , updated occasionally.

www.nhtinc.org

National Alliance Of HUD Tenants

Tenant-controlled national organization of local tenant organizations working to preserve and improve Section 8 housing.

353 Columbus Ave.

Boston , MA 02116

(617) 267-9564, fax (617) 267-4769

<http://www.saveourhomes.org>

Legislation/Ordinances

[Notice Requirements for Conversions](#) (PDF download)

[Conversion Case List](#)

[Relevant Federal Laws, Regulations, and Notices](#) (PDF download)

Readings

Roisman, Florence W., *An Outline of Principles, Authorities and Resources for Fair Housing Litigation* , updated October 27, 2000 (available from the NHLP Web site at www.nhlp.org under *Fair Housing*).

The National Housing Law Project has many written materials about expiring use. Some of the most

relevant are listed below. You may download *Housing Law Bulletin* articles that are more than one year old free of charge from NHLP's Web site, www.nhlp.org. For newer articles you must subscribe. To subscribe, or order other publications, go to NHLP's [order form](#).

[Challenging Conversions of Federally Assisted Housing in California](#) (Much of this guide is applicable nationally.)

Let's Choose a New Owner! What Residents Need to Know When an Owner Wants to Sell an Expiring Use Project Under Title VI (1993) (master for duplicating)

"HUD Multifamily Inventory Awaits Decisions," *Housing Law Bulletin* Vol. 27, page 139 (Sept. 1997).

"The New Section 8 Renewal and Restructuring Program: An InDepth Review," *Housing Law Bulletin* Vol. 27, page 175 (Nov. 1997) (long summary).

"Moving Forward on Project-Based Section 8 Expiring Contracts," *Housing Law Bulletin* Vol. 27, page 195 (Dec. 1997) (next steps).

"What Might Happen to Section 8 Properties Under the New Law?", *Housing Law Bulletin* Vol. 28, page 17 (Feb. 1998) (how to begin categorizing properties).

"Section 8 Renewal and Restructuring: Working At the State Level", *Housing Law Bulletin* Vol. 28, page 35 (Mar. 1998) (commencing state and local activities).

"Important New Laws for HUD Multifamily Housing", *Housing Law Bulletin* Vol. 28, page 191 (Oct./Nov. 1998) (reviews relevant provisions of FY '99 HUD Appropriations Act).

"Preservation Crisis Mounts: HUD and Congress Respond" *Housing Law Bulletin* Vol. 29, page 67 (April 1999).

"HUD's Final "Mark-Up" Notice Contains Important Changes", *Housing Law Bulletin* Vol. 29, page 138 (July/Aug. 1999) (reviewing the final HUD "Mark Up" policy Notice H 99-15).

"Minnesota Section 8 Tenants Win Major Preservation Victory", *Housing Law Bulletin* Vol. 29, page 161 (Sept. 1999) (reviewing 215 Alliance v. Cuomo).

"Preserving Federally Assisted Housing at the State and Local level: A Legislative Tool Kit," *Housing Law Bulletin* Vol. 29, page 183 (Oct. 1999) (survey of state and local preservation initiatives).

"HUD Issues New Section 8 Renewal Policy Guide," *Housing Law Bulletin* Vol. 31, page 61 (March 2001).

"HUD Revises Enhanced Voucher Guidance," *Housing Law Bulletin* Vol. 32, page 8 (Jan. 2002).