

HOUSE No. 770

By Mr. Meehan of Lawrence, petition of the State Board of Housing for establishment in the Department of Public Welfare of a state board of housing and that the powers and duties of such a board be defined. State Administration.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Four.

An Act establishing in the Department of Public Welfare a State Board of Housing and Defining its Powers and Duties, and relative to Certain Limited Dividend Corporations under the Control of Said Board.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter three hundred and sixty-four
2 of the acts of nineteen hundred and thirty-three is
3 hereby amended as follows:—

4 Section two, section twenty-three, line six, sub-
5 stitute for “tenement houses” the words:— build-
6 ings used for human habitation, — line ten, insert
7 after the words “homes for the people” the words:
8 — and of organizations intended to redevelop slum
9 or decadent areas that have become social or eco-
10 nomic liabilities to the community.

11 Section three, section twenty-four, line four,
12 change the last word “purpose” to:— purposes, —

13 line five, insert between “and” and “providing” the
14 word:— of, — line eight, after the words “the
15 commonwealth”, insert the words:— and of rede-
16 veloping slum or decadent areas, — line ten, sub-
17 stitute for the words “buildings constructed” the
18 word:— structures.

19 Section six, section twenty-six H, line nine, insert
20 between the words “part” and “as a rebate” the
21 words:— to renovating or to improving the prop-
22 erty, as by installing additional facilities for the use
23 of tenants, to the acquisition and development of
24 additional housing property which shall be subject
25 to the same control and regulation as the original
26 project or.

27 Section eight, line ten, eliminate the word “and”
28 and substitute the words:— or of, — substitute for
29 the word “clearance” the word:— redevelopment.

1 SECTION 2. Chapter one hundred and twenty-
2 one of the General Laws, as appearing in the Ter-
3 centenary edition thereof, is hereby further amended
4 by adding after section twenty-six H thereof the
5 following new sections:—

6 *Section 26I.* This section and the fourteen fol-
7 lowing sections shall be known and may be cited as
8 the “Housing Authority Law.”

9 *Section 26J.* The following words as used in
10 sections twenty-six I to twenty-six W inclusive shall
11 have the following meanings:—

12 “Housing Board” shall mean the state board of
13 housing of this commonwealth.

14 “Clearance areas” shall mean areas containing, in
15 the opinion of the board, congested, deteriorated,
16 unsanitary, unfit or unsafe housing which is a

17 menace to the health, safety, morals, welfare and
18 reasonable comfort of the citizens of the common-
19 wealth.

20 “Net area” shall mean that part of the area in-
21 cluded within the boundaries of a project actually
22 utilized by the project, exclusive of streets or other
23 public spaces.

24 “Housing Authority” shall mean a public corpo-
25 ration created pursuant to the provisions of sections
26 twenty-six I to twenty-six W inclusive.

27 *Section 26K.* Formation of Housing Authorities.
28 Whenever the housing board shall have determined
29 that there is need for a housing authority in one or
30 in two or more contiguous towns, it shall authorize
31 the creation of such housing authority by the city
32 council or the board of selectmen and shall define its
33 territorial limits. These territorial limits it may
34 later increase or decrease on petition of the housing
35 authority concerned or on petition of any town where
36 such housing authority operates and after a public
37 hearing. A housing authority created under the
38 terms of this law shall consist of five members, four
39 of whom shall be appointed by the mayor of the city
40 or the selectmen of the town in which the housing
41 authority is to operate and one of whom shall be ap-
42 pointed by the state board of housing. In case the
43 territory of a housing authority lies in two or more
44 towns the mayors or selectmen, as the case may be,
45 shall jointly appoint the four members in accord-
46 ance with procedure prescribed by the state board
47 of housing. The members first appointed shall be
48 designated to serve one, two, three and four years
49 respectively from the date of their original ap-
50 pointment. The appointee of the state board shall

51 serve five years. Thereafter the term of office of
52 members shall be five years. A member shall hold
53 office until his successor has been appointed and
54 qualified. Vacancies shall be filled for the unexpired
55 term. No member of a housing authority shall
56 receive compensation but shall receive the amount
57 of expenses incurred in the discharge of his duties.
58 The authority may delegate to one or more of its
59 members, agents or employees such powers and
60 duties as it may deem proper.

61 *Section 26L.* A housing authority shall elect a
62 chairman and a vice-chairman from among its
63 members and shall have power to employ counsel,
64 a director who shall be ex officio secretary and such
65 other officers and employees as may be required and
66 to determine their qualifications and compensation.

67 *Section 26M.* No member or employee of any
68 housing authority shall have any interest directly
69 or indirectly in any contract for property, materials
70 or services to be furnished or used in connection
71 with any project of said housing authority.

72 *Section 26N.* The town or towns within which a
73 housing authority's territory lies may appropriate
74 and advance to the authority the sums that may be
75 necessary for the payment of its expenses or any part
76 thereof.

77 *Section 26O.* A housing authority shall constitute
78 a body both corporate and politic and for the pur-
79 pose of clearing, replanning and rebuilding areas
80 within its territory shall have the following powers in
81 addition to others herein specifically granted:

82 (a) To sue and to be sued, to have a seal, to have
83 corporate succession, to receive grants from the
84 state, federal or other governments, to conduct in-

85 vestigations into housing and living conditions, to
86 conduct examinations, subpoena and require the
87 attendance of witnesses and the production of books
88 and papers and to issue commissions for the examina-
89 tion of witnesses who are out of the state or unable
90 to attend before the authority or excused from at-
91 tendance, and in connection with these powers any
92 member of the authority shall have the power to
93 administer oaths, take affidavits and issue subpoenas.

94 (b) To determine, subject to the approval of the
95 housing board, what areas are unsanitary or sub-
96 standard and to prepare plans for projects in such
97 areas; to purchase, lease, sell, exchange, transfer,
98 assign or mortgage any property in such areas real
99 or personal or any interest therein or acquire the
100 same by gift, bequest or eminent domain; to own,
101 hold, clear and improve property; to engage in or
102 to contract for the construction, reconstruction,
103 alteration and/or repair of any project or parts
104 thereof; to lease, operate and establish or revise
105 schedules of rents for any projects or part thereof;
106 to make applications for increase of rentals in the
107 same manner as is provided by law for limited divi-
108 dend housing corporations; to arrange with the
109 town for the replanning of public ways, alleys and
110 other public places or facilities in connection with
111 any area or project; to borrow money upon its bonds,
112 notes, debentures or other evidences of indebtedness
113 and to secure the same by mortgages upon property
114 held or to be held by it or by pledge of its revenue
115 or in any other manner; to invest any funds held in
116 reserves or sinking funds or not required for im-
117 mediate disbursements; to execute contracts and all
118 other instruments necessary or convenient to the

119 exercise of the powers granted herein and to conform
120 with agreements that may be made with the federal
121 government or any of its agencies; to make and
122 from time to time amend and repeal by-laws, rules
123 and regulations not inconsistent with this chapter or
124 with the rules and regulations adopted by the hous-
125 ing board to carry into effect its powers and purpose
126 under this chapter and

127 (c) To do all things necessary or convenient to
128 carry out the powers expressly given in sections
129 twenty-six I to twenty-six W inclusive.

130 *Section 26P.* The housing board may investigate
131 into the affairs of housing authorities and into their
132 dealings, transactions or relationships. It shall have
133 the same power to examine into the properties and
134 records of housing authorities and to prescribe methods
135 of accounting and the rendering of periodical reports
136 in relation to projects undertaken by them as is pro-
137 vided by sections twenty-three to twenty-six H in-
138 clusive. It may from time to time make, amend and
139 repeal rules and regulations fixing standards and
140 principles governing the planning, construction,
141 maintenance and operation of projects by housing
142 authorities. Compliance with the provisions of sec-
143 tions twenty-six I to twenty-six W inclusive of this
144 chapter, the rules and regulations adopted by the
145 housing board or the terms of a project approved by
146 the housing board may be enforced in the same man-
147 ner as is provided by sections twenty-three to twenty-
148 six H inclusive for the enforcement of the orders of
149 the housing board in the case of a project operated
150 by a limited dividend housing company.

151 *Section 26Q.* When an area shall have been de-
152 termined by a housing authority to be a clearance

153 area, the said housing authority shall prepare a
154 project or projects for the clearance and rebuilding
155 of the area or any part thereof and shall submit to
156 the housing board the plans and lay-out, the esti-
157 mated cost and the proposed method of financing.
158 If the housing board shall find that the plans and
159 lay-out conform to proper standards of health,
160 sanitation and safety, that the financial plan is
161 feasible and that the probable costs are such that it
162 will be practicable to rent the reconstructed prop-
163 erty within the maximum rentals provided by the
164 housing board, it shall approve the project and there-
165 upon the housing authority shall proceed to carry
166 out the terms thereof. No amendment to the proj-
167 ect shall take effect until approved by the housing
168 board.

169 *Section 26R.* Whenever an area has been deter-
170 mined by a housing authority to be a clearance area,
171 the said housing authority may proceed to assemble
172 and by option or otherwise obtain control of real
173 property within the area. Whenever a project has
174 been approved by the housing board, the housing
175 authority may proceed to acquire real property by
176 eminent domain, purchase, lease, gift, exchange or
177 otherwise. If property is acquired by eminent
178 domain the procedure shall be in accordance with
179 the procedure prescribed in chapter seventy-nine or
180 in chapter eighty A.

181 *Section 26S.* Upon the approval of a project and
182 the acquisition of the land the housing authority
183 shall proceed to construct or contract for the con-
184 struction of the buildings and facilities included in
185 the project.

186 (a) Upon the completion of the project, the hous-

187 ing authority shall operate the same. The rentals
188 for the housing facilities shall not exceed the maxi-
189 mum rentals fixed by the housing board unless an
190 increase in rentals is granted by the housing board.

191 (b) All projects of a housing authority shall be
192 subject to local planning, zoning and buildings laws,
193 by-laws and regulations.

194 *Section 26T.* Each housing authority shall keep
195 an accurate account of all its activities and of all
196 receipts and expenditures and make an annual re-
197 port thereof to the housing board. All moneys re-
198 ceived in excess of operating expenditures shall be
199 devoted to the payment of interest and sinking fund
200 charges for the retirement of indebtedness whether
201 secured by mortgage or otherwise and from the ex-
202 cess there shall be set aside such fund as the housing
203 authority, subject to the approval of the housing
204 board, may deem proper for the purpose of covering
205 repairs, depreciation and reserves. Whatever bal-
206 ance then remains shall be applied to the reduction
207 of rentals thereafter falling due or to renovating or
208 improving the property, or shall be paid into the
209 sinking fund of the town or towns in which the
210 property is located.

211 *Section 26U.* Notes or other evidences of in-
212 debtedness executed or any other obligation incurred
213 by a housing authority shall not be a debt or charge
214 against the town, county, state or any other gov-
215 ernmental authority other than said housing au-
216 thority and no individual liability shall attach for
217 any official act done by any member of such housing
218 authority.

219 *Section 26V.* Whenever a housing authority de-
220 sires to discontinue its operation, it shall make ap-

221 plication to the housing board for authority to dis-
222 solve. If such application be granted the housing
223 board shall act as a receiver, take possession and
224 dispose of all property belonging to the housing au-
225 thority and after paying the debts and liabilities of
226 said housing authority and the expenses of adminis-
227 tering the dissolution, the balance remaining, if any,
228 shall be paid into the sinking fund of the town or
229 towns in which the housing authority had existence.
230 If the housing authority had property in two or more
231 towns the said balance shall be divided between the
232 towns in proportion that the property value in each
233 town bears to the total net assets of the housing
234 authority.

235 *Section 26W.* The provisions of this chapter shall
236 be severable and if any of its provisions shall be held
237 to be unconstitutional, the decision so holding shall
238 not be construed to affect the validity of any of the
239 remaining provisions of this chapter. It is hereby
240 declared as the legislative intent that this chapter
241 would have been adopted had such unconstitutional
242 provision not been included therein.

