

Building for All



Recommendations for expanding the supply of **housing available and affordable** to households with extremely low incomes.



Contents

Introductory Letter.....	3
Acknowledgements and About the Commission	4
Overview	4
Commission Membership	4
Commission Charge	5
Timeline & Methods.....	6
Executive Summary	7
Understanding the Challenge.....	9
What Massachusetts is Doing Today	16
Recommendations	18
Overall	18
Production	20
Strategy 1: Codify and expand MRVP	20
Strategy 2: Modify the Qualified Allocation Plan (QAP) and support flexible funding sources to better support ELI housing development	22
Strategy 3: Reduce Development Timelines and Project Costs for Extremely Low-Income (ELI) Housing	26
Preservation.....	30
Strategy 1: Preserve 100% of state-funded public housing units	30
Strategy 2: Codify and expand MRVP	33
Strategy 3: Invest in and Enable Naturally Occurring Affordable Housing (NOAH) Preservation	35
Supports & Services	38
Strategy 1: Maintain and enhance the Commonwealth’s housing safety net	38



Strategy 2: Expand Economic and Housing Mobility and Other Supports for Residents with Extremely Low Incomes	40
Strategy 3: Strengthen Program Coordination, Targeting, and Resilience	41
Conclusion	43

Introductory Letter

Dear Reader,

For decades, Massachusetts has led the nation in its commitment to providing safe, stable, affordable homes for residents of all incomes, and especially those with the greatest needs. Today, the Commonwealth faces strong headwinds which require us to renew that commitment and strengthen our resolve to make it a reality. As economic and demographic trends result in more residents needing the strong safety net Massachusetts has long been proud to provide, shifting federal policy priorities have reduced or withdrawn entirely the very supports that have made it possible for those with extremely low incomes to stay stably housed, and meet other critical needs.

The Healey-Driscoll Administration is responding to these changes forcefully to defend access to the federal resources on which residents rely, and which our residents' tax contributions to the federal government have long supported. However, even as we deploy all tools within our legal power to resist and reverse these changes, we must recognize the severe impact these changes will have while they remain in effect. The recommendations of this report, developed by stakeholders serving residents with extremely low incomes, would be difficult to achieve in any circumstances given the scale of the challenge.

However, as the federal government continues to neglect the needs of residents with extremely low incomes, we must redouble our efforts to fight for the federal resources those residents need, to provide as strong a safety net as we can in the absence of those resources, and to strengthen that safety net, building a better Commonwealth for these, and all residents.



We are grateful to undertake these efforts with such strong and committed partners, and we thank them for their work to develop these recommendations, and partner with us both to protect the resources we currently provide, and to achieve the aspirations laid out in the report that follows. We are likewise grateful for the work of the Special Commissions on Accessible Housing and Senior Housing, which have developed parallel reports addressing many similar issues given the high degree of overlap between the populations on which each Commission focused. We encourage you to review the reports of those Commissions as well.

Acknowledgements and About the Commission

Overview

Governor Maura T. Healey established the Special Commission on Extremely Low-Income Housing on August 6, 2024, with the signing of the Affordable Homes Act.¹

Staff from the Executive Office of Housing and Livable Communities (HLC), the Executive Office of Health and Human Services (HHS), MassHousing, the Massachusetts Housing Partnership (MHP) and other organizations represented on the Commission provided technical expertise and facilitated discussions with stakeholders in the extremely low-income housing space to develop and refine the recommendations presented in this report.

Commission Membership

Secretary Edward M. Augustus (Chair)

Executive Office of Housing and Livable Communities (HLC)

Bran Shim

Executive Office for Administration and Finance (A&F)

Emily Cooper

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Libby Hayes	MassHousing
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Representative Adrienne Ramos	House Vice Chair, Joint Committee on Housing <i>House Housing Chair designee</i>
Brian Bickford	Eliot Community Human Services <i>Senate Housing Chair designee</i>
Michael Smith	Office of Housing Minority Leader Bradley Jones
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Rachel Heller	Citizens Housing and Planning Association (CHAPA)
Emily Haber	Massachusetts Association of Community Development Corporations (MACDC)
Ann Jochnick	Massachusetts Law Reform Institute (MLRI)
Sarah Byrnes	Massachusetts Union of Public Housing Tenants
Bill Grogan	Planning Office of Urban Affairs (POUA)
Chris Norris	Metro Housing Boston <i>Regional Housing Network of Massachusetts designee</i>
John Yazwinski	Father Bill's & Mainspring

Commission Charge²

The Commission's charge is to study and make recommendations on:

expanding the supply of housing available and affordable to tenants with a household income of not more than 30 per cent of the area median income,



adjusted for household size, as periodically determined by the United States Department of Housing and Urban Development.

To accomplish this task, the Affordable Homes Act directs the Commission to:

review and evaluate federal, state and local subsidies that support the creation of housing for such tenants and make recommendations to increase the supply of housing that is available and affordable to households earning not more than 30 per cent of the area median income.

The Affordable Homes Act further directs the Commission to examine:

(i) the number of deeply subsidized rental units targeted at families with incomes at or below 30 per cent of the area median income and the percentage of those units that are accessible to persons with disabilities; (ii) the number of families with such incomes per deeply subsidized rental unit; (iii) the gap between median rents and the rent affordable to families with such incomes and an analysis of whether existing housing subsidies are sufficient to bridge such gap; (iv) the ratio of households with such incomes to unsubsidized units available at rents up to 50 per cent of such income; (v) housing market factors such as vacancy rates, rate of rent increases and conversion of rental housing to homeownership units; (vi) the impact of non-housing subsidies, including, but not limited to, the earned income tax credit on cost burdens for working families; (vii) barriers to accessing available housing, including racial and ethnic disparities in housing access; and (viii) any other factors that the commission deems relevant.

Timeline & Methods

Commission appointments were confirmed in February 2025, and the Commission first convened on March 26, 2025, and met each month through December 2025, both as a full body and in smaller, informal working group discussions. The Commission also met twice jointly with the Special Commissions on Accessible Housing and Senior Housing. At these meetings, commissioners worked to identify pressing challenges in preserving and expanding the supply of housing affordable to households with extremely low incomes (ELIs) and develop proposals for administrative, regulatory and legislative actions which



could help to mitigate or overcome these challenges. Throughout its work, the Commission consulted with experts from across the Commonwealth and the United States who develop and maintain housing affordable to households with extremely low incomes and provide the services and support which these households need to thrive.

The recommendations included in this report represent the consensus reached by members of the Special Commission on Extremely Low-Income Housing. They do not necessarily reflect the official positions of the Healey-Driscoll Administration, its constituent agencies, nor those of each individual commission members. Rather, they are recommendations submitted to the Administration and the Legislature by the Special Commission as an independent advisory body for consideration and potential future action.

Executive Summary

Massachusetts is experiencing a housing crisis which threatens the Commonwealth's long-term economic growth, affordability, and livability. The Unlocking Housing Production Commission created by Governor Healey analyzed and reported on the challenges driving this crisis across the Commonwealth and presented promising solutions to those challenges in its report, "Building for Tomorrow: Recommendations for addressing Massachusetts housing crisis." The challenges and potential solutions identified by "Building for Tomorrow" also apply to housing affordable to households with extremely low incomes (ELI Housing). As they are deployed, these solutions will help to reduce costs and increase the pace of ELI housing development. However, ELI housing development also faces unique challenges that these broad, market-based solutions identified in the "Building for Tomorrow" report cannot resolve on their own.

Residents with ELIs, who earn no more than 30 per cent of area median income (AMI), experience disproportionate housing cost burden, housing instability, homelessness, and a variety of other non-housing challenges which both exacerbate, and are exacerbated by, the inadequate supply of ELI housing which meets their needs. The demographic trends illustrated in "A Home for Everyone: A Comprehensive Housing Plan for Massachusetts 2025 – 2029," and its accompanying Statewide Housing Needs Assessment, indicate that



the number and proportion of residents with ELIs in Massachusetts will continue to grow, largely driven by an aging population and the increased rates of disability that come with that shift. High overall housing costs continue to rise as wages for households with ELIs remain low and relatively stagnant (or, in the case of older residents, drop sharply at retirement). As a result, demand for ELI housing will likely increase sharply over the coming years. This will require the Commonwealth to allocate funding to meet increased demand, prioritizing programs which serve households with ELIs, improving targeting within these programs, and increasing their efficiency to ensure that the Commonwealth's finite resources can support as many households as possible.

The Special Commission on Extremely Low-Income Housing worked to identify these challenges and develop solutions which will ensure that the Commonwealth preserves and expands housing supply and increases affordability for residents with extremely low-income, whom the market often fails to serve. The Commission is thus tasked with recommending administrative, regulatory, and legislative changes which would allow the Commonwealth to better and more efficiently provide for these residents' housing needs.

The Commission's recommendations are organized into three primary focus areas:

1. Production

ELI Housing is harder to produce than other housing types because of the large subsidies and complex, multi-source financing required to build a project while guaranteeing affordable rents for these households over the long term. This financing structure is necessitated by the fact that rents affordable to households with ELIs fall far short of covering operating costs. This limits a project's ability to borrow for capital costs and necessitates significant operating subsidies. ELI Housing also faces greater resistance in the development review process because of pervasive misconceptions about its quality and neighborhood impacts. The Commission identified strategies to provide enhanced, expanded, and more predictable project subsidies for developments affordable to households with ELIs, and to increase the dollar-for-dollar efficiency of these subsidies.



2. Preservation

It is critical to ensure homes currently affordable to households with ELIs stay that way, much in the way we cannot expect a bathtub to fill if we turn on the water but neglect to close the drain. Preservation opportunities often offer a significantly lower cost per unit than new development, making preservation not only a necessary strategy to prevent net losses, but also a more cost-effective way to provide affordability. The Commission identified strategies to ensure that units which are currently habitable and affordable to households with ELIs remain affordable to them over the long term.

3. Supports & Services

Ensuring that housing meets the needs of residents with ELIs requires operating subsidies to keep rents affordable and support financial feasibility. It also entails providing supportive services which help residents with ELIs climb the housing and income ladders. The importance of these supports has grown given current federal priorities and requirements placed on Continuum of Care (CoC) funding for individuals and families experiencing or at risk of homelessness.³ While these supportive services improve the lives of residents with ELIs and enable some residents to transition out of ELI housing, they also come at a considerable cost. This cost is extremely difficult for many developers and operators to bear without substantial subsidy, especially in regions of the Commonwealth with lower rents. The Commission identified strategies to enhance operating subsidies and more efficiently provide supportive services so residents with ELIs can afford to live in ELI housing and also benefit from resources which make ELI housing a springboard for upward economic and housing mobility in as many cases as possible.

Understanding the Challenge

Households with extremely low incomes (ELIs) are defined as those earning up to 30% of area median income (AMI), a figure that varies by region. In Massachusetts, the Fiscal Year 2025 ELI threshold for a two-person household ranges from \$27,450 in parts of the South Coast and \$28,750 in Berkshire County to almost \$40,000 in Metro Boston and on



Nantucket. For a family of four, the range is \$34,300 to \$49,700. As of 2023 (the most recent data available), there were approximately 470,000 households with ELIs in Massachusetts⁴, including approximately 320,000 renter households--just under a third of all renter households (30.7%) across the state.⁵

These households span a diverse range of household types: 40% include at least one member with earned income⁶, 50% have at least one member with retirement income⁷, and 22% include at least one member receiving public assistance from a cash safety-net program.⁸ A four-person household at the upper end of the ELI income range (\$48,000 annually) is considered cost burdened if they spend more than \$1,200 per month on housing and is considered severely cost burdened if they spend more than \$1,800 per month on housing.⁹ As a result, there is a significant gap between what households with ELIs can pay and the median rent in every region of the Commonwealth. Fair market rent data published by HUD indicates that the typical rent for a two-bedroom unit (the smallest that could serve a four-person household) ranges from \$1,500 in the New Bedford area to more than \$2,900 in the Boston market.

Family-sized homes for rental or ownership at these price points are extremely scarce, and even housing marketed as “affordable” to households at 60 or 80% of AMI is typically unattainable for households with ELIs without additional subsidies such as rental vouchers.

When considering the income and purchasing power of households with ELIs, it is important to note that tax programs such as the Earned Income Tax Credit and the Child Tax Credit are not considered income for the purpose of tabulating rents for housing programs but still play a role in increasing spending power for some eligible households with ELIs. For example, the hypothetical four-person household with \$48,000 of earned income described above represents a near-optimal scenario for each of these tax programs. This household would be eligible for over \$3,000 of federal Earned Income Tax Credits in 2024¹⁰, as well as \$1,700 of refundable Additional Child Tax Credits per child (\$3,400 total). Massachusetts also provides an additional 40% of the value of the federal Earned Income Tax Credit (EITC) as a state credit—for this hypothetical family the value of this credit would be \$1,200. Smaller deductions like the Massachusetts renter deduction may provide further tax relief of up to \$200 if the family rents. Taken together, these tax



benefits can be substantial, equaling \$7,800 of additional spending power.¹¹ Please also note, however, that this represents a high scenario for each of these tax programs. For a hypothetical single-person household with earned income of \$10,000, the total federal EITC would be \$632, while the state EITC would be \$253. A household with no earned income would be wholly ineligible for the EITC, as would any taxpayers who do not have social security numbers valid for employment.

Generally, there are two different types of income-restricted housing: units with a fixed below-market rent considered affordable to households at a specified AMI, and units with rents based on household income. Because incomes for households with ELIs are so low, these households rely heavily on units with rents based on income. A recent analysis conducted by the Metropolitan Area Planning Council and Housing Navigator estimated that there is a total of 153,300 units in Massachusetts with rents based on income, all of which would be affordable to households with ELIs. This group includes approximately 71,000 federal- and state-supported public housing units as well as approximately 82,000 privately owned units with project-based vouchers. Meanwhile, there are approximately 1,900 fixed below-market rent units that are targeted to households with ELIs. All told, there are just over two households with ELIs for every unit with rents affordable to those households.

Of the units with rents based on income, Metropolitan Area Planning Council (MAPC) and Housing Navigator estimate that 121,000 are occupied by households with ELIs, constituting 38% of all households with ELIs. Only 1% of households with ELIs are in units with fixed rents set at the 30% AMI limit. Meanwhile, 61% of households with ELIs are in unrestricted market-rate housing; though some of those may be assisted by mobile vouchers that close the gap between the contract rent and what the household can pay. Future research and analysis by EOHLC and its partners will seek to investigate how many households with ELIs are in unrestricted units without voucher support.

Massachusetts has a limited inventory of rental units affordable to households with ELIs without vouchers, even those willing to pay up to 50% of their income on rent. According to [Comprehensive Housing Affordability Strategy data from HUD](#), the number of vacant units available for rent at prices affordable to very low income (VLI) households



(equivalent to 50% cost burden for households with ELIs) declined to 13,800 between 2017–2021, down from 25,300 between 2007–2011.¹²

Low vacancy rates in rental units throughout the Commonwealth contribute to lack of affordability for households with ELIs. When many households are looking for housing, but not enough units are available on the market, landlords are able to raise their rents because would-be tenants have few other options. This includes units at the low end of the market that would otherwise be available to households with ELIs. Despite the growth in households and housing units, the number of homes available for rent has been declining for the past twenty years. Between 2006–2010, there were an estimated 54,300 homes for rent at any given time. By 2018–2022, the estimated number of vacant units for rent—at any price—had dropped to 35,400. It must also be noted that increasing property taxes, and utility and insurance costs combine with this lack of inventory to further exacerbate increasing rents.

Not only does increasing rents result in fewer units available for households with ELIs, but they also ultimately reduce the number of vouchers available. Rental housing vouchers cover the difference between what a renter household can pay, often 30% of their total income, and what a landlord is charging for rent. There are different types of housing vouchers, with different funding sources, eligibility, and usage limits. There are long waitlists across both federal and state programs as appropriated funding falls well short of covering the entire eligible population. Furthermore, the current limits in housing supply have created significant challenges for voucher programs as rising rental costs outpace program funding, while EOHLC has had to increase payment standards and implement other costly measures to ensure vouchers are competitive in the market. The cost for each federal Section 8 voucher increased from \$1,094 in 2020 to \$1,585 in 2024.¹³ Similarly, the cost of each state mobile voucher increased from \$967 in fiscal year 2020 to \$1,574 in fiscal year 2024. This increase drives up cost for the program and results in long waitlists for vouchers. Near its peak in 1990, the Massachusetts Rental Voucher Program (MRVP) provided vouchers to approximately 20,000 households.¹⁴ Funding cuts to the program through the early 2000s reduced the number of vouchers provided significantly, with only 5,200 households supported in 2009.¹⁵ However, the Commonwealth has since made steady progress in increasing funding for the program. As a result, MRVP now sustains



roughly 11,000 total vouchers, including 6,483 actively leased mobile vouchers and 4,483 project-based vouchers, while the Alternative Housing Voucher Program (AHVP) provides 862 vouchers.¹⁶ In January 2025, HLC announced a pause in issuing and re-issuing new mobile vouchers in response to the state's constrained fiscal environment and in order to maintain support for existing voucher holders. Project-based vouchers remain available for new developments.

Unfortunately, there is limited information about the number of subsidized units that are accessible to households with ELIs that include people with disabilities. Housing Navigator Massachusetts maintains a database of affordable accessible housing units. The organization recently collected data from property owners across the state and while the data is not comprehensive, [they found](#) that there are 10,200 accessible deed restricted affordable units in Massachusetts (excluding naturally occurring affordable and accessible housing, and closed referral programs such as Community Based Housing and Section 811).¹⁷ Approximately 60% of these units have rents based on income, making them affordable to households with ELIs. This includes 2,400 accessible public housing units and 3,770 privately-owned accessible units with rents based on income.

There are also unrestricted accessible units, but few of these are truly available for households with ELIs, and not only because of cost. Accessible units can be rented to anyone, and most households with ELIs with disabilities can't afford market rate units that do become available. It's likely that many accessible units are occupied by households who don't need those features. This results in both a shortage and a mismatch. Because of their limited resources and already high rates of cost burden, households with ELIs face heightened risk of homelessness and have little capacity to absorb rent increases or unexpected expenses. Some also require supportive services to remain stably housed.

The number of households with ELIs is expected to rise as Massachusetts population ages and income inequality deepens. Analysis from the Commonwealth's 2025 Statewide Housing Needs Assessment projects significant growth in the number of households headed by individuals over age 75 between today and 2035. Many of these households will consist of one or two people living on fixed incomes such as Social Security or modest retirement savings. With these fixed income retirement benefits as their primary source of income, households headed by older adults who are not already ELI are likely to become



households with ELIs as costs continue to outpace cost-of-living adjustments assessed on their fixed incomes.



Figure 1 – A [Home for Everyone](#) projected housing demand for households with annual earnings of \$35,000 or less by generation and household type. A Home for Everyone’s analysis estimates that the number of households with annual incomes at or below \$35,000 will grow by 83,000 households 2025–2035.¹⁸

At the same time, income inequality is deepening across the Commonwealth. The 2025 Housing Needs Assessment notes that although higher-income households (those earning 120% or more of AMI) have experienced robust income gains, wages for low- and very low-



income workers have remained largely stagnant. This divergence means that an increasing share of working households will find themselves unable to afford housing at market rents. Rising housing, utility, and healthcare expenses compound this dynamic, eroding limited earnings and pushing more families below the 30% AMI threshold that defines ELI status.

All of these factors work in tandem. More seniors are aging into fixed incomes on one end, and more workers with stagnant wages are unable to keep up with costs on the other. The result is a projected expansion of the ELI population, underscoring the urgency of producing deeply affordable housing and expanding rental assistance to prevent further displacement and homelessness. Even absent these trends, the National Low Income Housing Coalition (NLIHC) estimates indicate a current shortage of 183,253 units of housing affordable to households with ELIs to meet existing need, based on current availability of 44 units affordable to households with ELIs for every 100 households with ELIs.¹⁹ Compared to NLIHC's earliest available Gap Report in 2019, Massachusetts' shortage of ELI housing was estimated at 169,809 units (based on 2019 availability of 46 units affordable to households with ELIs for every 100 households with ELIs), it is clear that this gap will not close without intervention.²⁰ This will hold true even if market rents decline due to robust production because market rents are so far out of reach for households with ELIs. Taken together, these demographic trends, the existing shortage of ELI housing, and trends showing the continued loss of ELI housing over time, make clear the need for urgent action to increase the production and preservation of ELI housing.

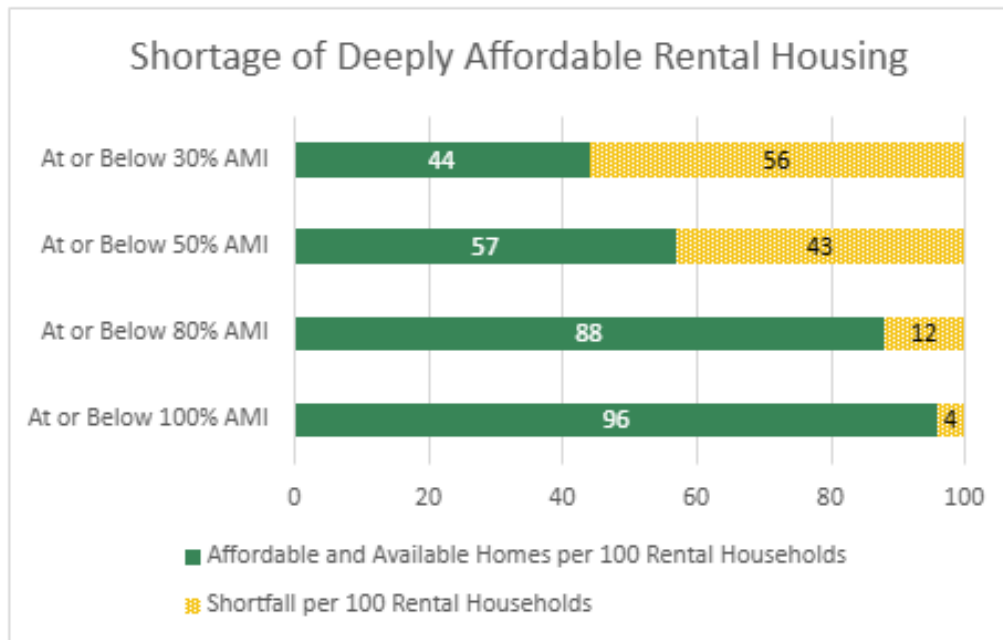


Figure 2 – Shortage of rental housing in Massachusetts affordable to households at various income levels²¹

What Massachusetts is Doing Today

With roughly 43,000 units, Massachusetts has the largest inventory of state-funded public housing in the nation, surpassing even more populous states like New York in both gross and per-capita terms.²² In addition to these state-funded units, Local Housing Authorities (LHAs) also manage approximately 27,000 units of federally funded public housing units. Together, these two types of public housing provide an unmatched 70,000 units of public housing to Massachusetts residents. These units are among the most efficient ways for Massachusetts to provide desperately needed homes which are affordable for households with ELIs.

Rental units on the private market may be bound by affordability restrictions, with these restrictions often requiring renewal with additional investment after a specified term, most frequently 30 years. Unlike privately-owned subsidized units, both state and federally funded public housing units have rents based on household income, ensuring they remain affordable permanently by virtue of their government ownership. Guaranteeing the



availability and affordability of state and federally funded units requires the state and federal government, respectively, to provide operating subsidies to ensure appropriate staffing and support other day-to-day operational needs, and capital subsidies to ensure necessary upgrades are made to keep units safe, healthy, and comfortable for residents.

Historically, capital funding for maintenance and upgrades in state-funded units has been insufficient, leading to significant maintenance backlogs in state-funded public housing. In some cases, these backlogs have been so severe that units become uninhabitable and must sit empty until sufficient investment is made to make them safe for prospective residents. Recognizing this longstanding challenge, the FY26–30 CIP invests \$656.9 million of the Governor’s historic Affordable Homes Act authorizations in public housing in Public Housing General, the primary state-funded capital support for 229 LHAs, in addition to two new initiatives: a vacant unit turnover effort to accelerate the return of offline units and the Comprehensive Modernization (Comp Mod) program to fund substantial modernization projects. This funding will help to ensure that the Commonwealth maximally leverages these state-funded public housing units so that each of these units will provide affordable, stable housing to Massachusetts residents for decades to come.

In addition to Massachusetts’ nation-leading public housing portfolio, the Commonwealth also stands out nationally through the provision of ongoing project-based and tenant-based rental vouchers, as well as capital supports and one-time emergency rental assistance programs.²³ While 33 states provide some form of rental assistance program, Massachusetts is one of only eight states which provides project- and tenant-based rental assistance in addition to capital resources for the development of affordable rental housing. Massachusetts’ premier statewide programs providing rental assistance resources are the Massachusetts Rental Voucher Program (MRVP) and Alternative Housing Voucher Program (AHVP), which provide ongoing rental subsidies, and the Residential Assistance for Families in Transition (RAFT) Program, which provides emergency assistance for families at risk of displacement. MRVP provides permanent rental subsidies through two distinct voucher types: project-based vouchers and mobile vouchers. Project-based vouchers support a specific unit or units within a development and the subsidy they provide is attached to that unit. Mobile vouchers provide subsidies to a specific program



participant, subsidizing the housing costs of that participant and their household for any unit that meets the standards of the state sanitary code and other program requirements.

Recommendations

Overall

The following recommendations were developed by members working across the Commission's Production, Preservation, and Supports and Services working groups, and they are thus placed here as general recommendations to support issue-specific recommendations detailed in each section which follows.

Recommendation 1: Increase the budget for the Massachusetts Rental Voucher Program (MRVP)

Rental assistance programs, like MRVP, are the Commonwealth's principal tool in bridging the gap between what households with ELIs can afford to pay for housing, and the actual cost of operating and maintaining housing affordable to these households. This investment should balance project-based vouchers for both newly produced and preserved units, with mobile vouchers to provide operational support and housing choice. Project-based vouchers support both the production of new units, and the preservation of existing units, affordable to households with ELIs, while mobile vouchers ensure housing choice and expand options for households with ELIs beyond units produced or preserved with direct public support. Expanding access to both project-based and mobile vouchers will help to reduce the number of households with ELIs experiencing, or at risk of, homelessness.

Adding 4,400 total vouchers annually would provide operational support allowing property owners to physically maintain their buildings while keeping them affordable to these households and ensure that households with ELIs are included in the Commonwealth's efforts to grow our housing stock. These 4,400 additional vouchers annually should include 2,200 project-based vouchers and 2,200 mobile vouchers to ensure vouchers support residents of newly built, newly preserved, and existing homes. This goal was established to support the creation of 22,000 new ELI Housing units over the next ten years through project-based vouchers, as part of the Commonwealth's goal to develop 222,000 new units



overall over the same time, while also supporting residents in existing units through mobile vouchers. This would represent a significant increase over the Commonwealth's current provision of nearly 11,000 total MRVP vouchers, including both mobile and project-based, noted above. See *Production Strategy 1, Preservation Strategy 2 and their recommendations, and Supports and Services Recommendation 1.4 for further details.*

Recommendation 2: Invest in supporting and sustaining effective tenant organizations

Investing in building and sustaining the capacity of tenant organizations will ensure tenants are empowered to make their voices heard in decision-making processes which impact them. This will improve the quality of housing operations, facilitate more inclusive decision-making processes and lead to results which better align with the needs of tenants.

Recommendation 3: Ensure adequate staffing resources for HLC and other agencies which administer programs serving residents with ELIs

This report, as well as other recent reports and legislation, has either recommended or placed several additional responsibilities on the Executive Office of Housing and Livable Communities (HLC) and partner organizations administering programs supporting the housing and housing-related needs of residents with ELIs. All of these organizations will require expanded staffing to carry out these recommendations, alongside recommendations from other Commissions and other initiatives which support the agencies' ability to work toward housing stability and abundance in the Commonwealth.

Implementation pathway (Recommendations 1-3): These recommendations would be implemented through the Commonwealth's annual budget or through other appropriations mechanisms.

Recommendation 4: Gather data about existing ELI units

Better understanding the location, characteristics, and support mechanisms associated with existing ELI housing units will help to develop a more comprehensive understanding of the status of ELI housing across the Commonwealth, opening the door to enhanced preservation efforts and improved program targeting. This should include annually collecting and analyzing the following data, as well as other relevant data points, on all housing units affordable and available to households with ELIs: location, bedroom count,



occupancy restrictions or requirements, and all government programs supporting or restricting unit rent.

Implementation pathway: This recommendation would be implemented administratively by HLC and other implementation partners as necessary.

Positive Impacts

These recommendations would provide the funding, staffing, organizing infrastructure, and data needed to effectively implement the recommendations which follow.

Production

The Challenge: Massachusetts currently has an estimated 183,000-unit shortage of housing affordable to households with ELIs. As detailed in the Unlocking Housing Production Commission’s report, “Building for Tomorrow,” housing development in Massachusetts is extremely time- and cost-intensive. ELI housing production requires significantly greater investments and suffers from widespread misconception which may delay development. Combined, these factors create an especially challenging development context for ELI housing, which necessitates unique supports and enhanced financing to enable ELI housing production.

The Goal: Shrink the existing shortage of ELI housing by leveraging the strategies outlined here to efficiently produce 22,000 new units of housing affordable to households with ELIs by 2035, with half of these units developed as permanent supportive housing with supportive services.

Strategy 1: Codify and expand the Massachusetts Rental Voucher Program (MRVP)

As noted in the *What Massachusetts is Doing Today* section of this report, the Massachusetts Rental Voucher Program (MRVP) is one of the Commonwealth’s most effective tools for helping residents with ELIs to access and maintain stable, affordable homes in both the private market and publicly assisted developments. However, the program’s current budget and administrative framework, which currently exists in annual budget language, limit its predictability, transparency, targeting, and reach. Codifying and



expanding MRVP will provide predictable, long-term support for renters and property owners while strengthening the Commonwealth's overall housing infrastructure. See also: *Overall Recommendation 1; Preservation Strategy 2, Recommendations 2.1 & 2.2.*

Recommendation 1.1: Codify MRVP in the Massachusetts General Laws (M.G.L.)

Codifying MRVP would offer greater stability and clarity into program requirements and eligibility for tenants and housing developers alike. This will help to raise awareness and understanding of the program among potential recipients and landlords. This stability and clarity are critical to support the efficient and effective administration and expansion of the program.

Implementation pathway: This recommendation would be implemented through legislation.

Recommendation 1.2: Provide 2,200 additional MRVP project-based vouchers annually for households with ELIs (in addition to mobile vouchers)

MRVP provides rental assistance to families and individuals earning 80% or less of area median income either through project-based vouchers attached to specific housing units or through mobile vouchers issued for the benefit of tenant households. While mobile vouchers remain an essential part of the MRVP program, they cannot be underwritten by lenders and investors, who determine how much they will provide in loans or capital investment based in part on a property's projected rental income. By expanding MRVP project-based vouchers, which can support both the production of new units and the preservation of existing units, the program would directly enable housing production and preservation by providing more developers with guaranteed, stable rental income for designated affordable units. Because the rents that households with ELIs can afford to pay do not come close to covering their share of project operating costs, project-based vouchers are among the only ways developers of ELI housing can demonstrate project feasibility, making them critical for the development of new ELI housing and preservation of existing units as affordable to households with ELIs. Providing 2,200 additional project-based vouchers would create a pipeline of financially feasible ELI units while ensuring that the Commonwealth's most vulnerable residents have access to deeply affordable housing with rental subsidies built into the development structure. See also: *Preservation Strategy 2, Recommendation 2.2*



Implementation Pathway: This recommendation could be implemented through the Commonwealth's annual budget or through other appropriations mechanisms.

Positive Impacts:

This expansion would directly address Massachusetts' 183,000-unit shortage of ELI housing by making it financially feasible to develop units that serve the state's lowest-income residents, who typically cannot afford market-rate or even traditional affordable housing. Project-based vouchers reduce the financial barriers that make ELI housing production particularly challenging by guaranteeing a reliable income stream to property owners, thereby attracting private investment and reducing the per-unit subsidy needed from other state sources. The stability of project-based assistance benefits both developers and tenants: developers gain predictable revenue, supporting the financial feasibility of developments, while households with ELIs secure permanent affordable housing without the burden of finding a unit, going through the voucher process with a landlord for whom that process may be unfamiliar, or of losing a unit when rents increase beyond those a voucher can support.

Strategy 2: Modify the Qualified Allocation Plan (QAP) and support flexible funding sources to better support ELI housing development²⁴

The Qualified Allocation Plan (QAP) governs how Massachusetts allocates federal Low-Income Housing Tax Credits (LIHTC), which are the primary financing tool for affordable housing development in the Commonwealth. By strategically revising the QAP, the state can create stronger incentives and remove existing barriers that make ELI housing production particularly challenging within the current tax credit allocation framework. These targeted modifications would enable developers of projects serving a substantial number of households with ELIs to access enhanced financing tools, exceed certain cost limitations when necessary for project feasibility, and secure the deep subsidies required to serve households at or below 30% of area median income.²⁵ Updating the QAP to prioritize and accommodate ELI housing development represents a powerful policy lever that can significantly accelerate production without requiring entirely new funding sources. Additionally, implementing more flexible funding sources would allow supportive housing development to proceed with reduced financing complexity, and thus reduced administrative and legal costs for this development type.



Recommendation 2.1: Expand use of income averaging for new production in LIHTC projects with appropriate developer capacity

Income averaging is a federal LIHTC option that allows projects to serve tenants across a range of income levels (from 20% to 80% AMI) while still meeting affordability requirements of LIHTC, rather than setting all units at a single income threshold. Expanding income averaging specifically for ELI housing production would enable experienced developers to create projects with a mix of income levels, including deeply affordable ELI units, while generating additional revenue from units serving households at slightly higher income levels to help offset the financing gap inherent in ELI development. This flexibility allows developers to structure financially sustainable projects that include significant numbers of units affordable to extremely low-income households without requiring proportionally larger subsidies from state sources. By limiting this expanded flexibility to sponsors with demonstrated capacity, the state can ensure that complex income-averaged projects are executed successfully while encouraging the production of more ELI units than would otherwise be feasible under traditional financing structures.

Recommendation 2.2: Allow housing for households with extremely low incomes (ELIs) to exceed per-unit eligible basis and allocation caps set by the QAP²⁶

The QAP currently establishes per-unit limits on both eligible basis (the development costs that qualify for tax credits) and tax credit allocations to ensure efficient use of limited LIHTC resources across multiple projects. However, ELI housing developments are much more difficult to finance because: (1) ELI housing cannot support as much amortizing debt due to the restrictions on tenant-paid income, without enhanced subsidies, and (2) ELI housing often requires a more robust supportive service infrastructure than other affordable housing; this impacts net operating income, which in turn reduces the amount that the project can borrow to finance development. Taken together, these constraints often make ELI Housing projects infeasible if subject to standard caps on LIHTC and other capital resources. Allowing ELI Housing projects to exceed these caps recognizes the legitimate additional costs of serving the Commonwealth's most vulnerable residents and prevents artificial cost limitations from becoming barriers to production. This modification would enable developers to access sufficient tax credit allocations to make ELI projects



financially feasible while maintaining cost discipline for projects with more shallow affordability.

Recommendation 2.3: Allow developers of ELI Housing with substantial supportive services to exceed certain limitations on project-based Massachusetts Rental Assistance Vouchers set by EOHLC when essential for project feasibility and provision of those services

Current limitations on MRVP project-based vouchers, including caps on the number of vouchers per project and restrictions on rent levels, can prevent developers from achieving the financial feasibility necessary to build ELI Housing with intensive supportive services. Allowing qualified ELI Housing developments to exceed per-project voucher limits would enable the creation of larger supportive housing projects that can efficiently deliver services to more residents, achieve operational economies of scale, and make better use of limited development sites in high-cost areas. Additionally, permitting rents up to 110% of Fair Market Rent (FMR) with periodic adjustments for these specialized projects recognizes that properties with substantial supportive services have higher operating costs and need adequate revenue to maintain both the housing and services over time. These flexibilities would be limited to projects demonstrating both necessity for financial feasibility and commitment to providing meaningful supportive services, ensuring enhanced voucher allocations serve the intended purpose of expanding ELI housing with supports.

Implementation pathway (Recommendations 2.1 - 2.3): Each of these recommendations could be implemented administratively through amendments to the Commonwealth's QAP.

Recommendation 2.4: Implement the Supportive Housing Pool Fund to support the development of more ELI Housing, with a focus on the need for a funding stream to support necessary supportive services

While capital funding for housing construction can be assembled through various sources including tax credits and vouchers, the ongoing operational costs of supportive services—such as case management, mental health services, substance use treatment, and life skills training—often lack reliable, dedicated funding streams. Funding a Supportive Housing Pool Fund would create a stable, predictable source of funding for capital, operating, and supportive services, which together would enable individuals with ELIs who have complex needs to avoid or transition out of homelessness, maintain housing stability,



and improve their wellbeing. The Fund should also pool funding made available through various state agencies to fund supportive housing, and be paired with Production Strategy 3, Recommendation 3.9, which follows, to ensure a coordinated approach which aligns the timelines of these various funding sources to the maximum extent possible, while also ensuring that the various agencies administering this funding share goals and expectations for the projects they fund. Providing this funding and aligning the goals and decision making of the responsible state agencies is particularly important given the federal government's recent announcement that it plans to shift funding away from previous prioritization of permanent supportive housing. This dedicated funding mechanism would remove a critical barrier to developing the 11,000 permanent supportive housing units targeted in the overall ELI production goal by ensuring developers can commit to providing services throughout the life of the project rather than relying on uncertain year-to-year appropriations. By comprehensively addressing the capital, operating, and services components of supportive housing, this fund would enable Massachusetts to efficiently produce housing that provides shelter and helps residents achieve greater stability and self-sufficiency.

Implementation pathway: The increased funding included in this recommendation would be implemented through the Commonwealth's annual budget or through other appropriation mechanisms. However, legislation will be required to allow certain state funding sources to be directed to the fund.

Positive Impacts:

These QAP revisions would directly accelerate ELI housing production by removing financial and regulatory barriers that currently make such developments difficult to finance and operate sustainably. By providing developers with enhanced flexibility in income mixing, increased cost caps, expanded voucher allocations, and dedicated supportive services funding, Massachusetts can leverage existing LIHTC allocations more effectively to produce housing that serves the state's most vulnerable residents. The combined effect of these changes would enable the development of financially viable projects that integrate both deeply affordable housing and critical supportive services, moving the Commonwealth significantly closer to its goal of producing 22,000 new ELI units by 2035.



Strategy 3: Reduce Development Timelines and Project Costs for Extremely Low-Income (ELI) Housing

The Commonwealth has made substantial investments in affordable housing production, but the cost and time required to bring new units online, especially those serving residents with extremely low-incomes, remain significant barriers to meeting demand. Lengthy permitting processes, inconsistent local review standards, and fragmented state approvals can delay projects for years and increase costs. To achieve its production goals and ensure resources are used efficiently, Massachusetts should adopt a coordinated strategy to streamline development approvals, lower project costs, and accelerate the delivery of new ELI housing across the Commonwealth.²⁷ See also: *Unlocking Housing Production Commission’s “[Building for Tomorrow](#)” report.*

Recommendation 3.1: Standardize zoning and site plan review and expedite permitting processes

The Commonwealth can work with municipalities to standardize zoning and site plan review procedures for ELI housing, creating predictable timelines and requirements across jurisdictions. A statewide framework for expedited permitting—prioritizing ELI housing developments for local and state review—would reduce uncertainty and allow critical projects to advance more quickly. Standardization will also help smaller developers and nonprofit organizations participate more effectively in ELI housing production.

Recommendation 3.2: Require mandatory bonds for appeals to discourage frivolous delays

To minimize unnecessary delays in ELI housing development, Massachusetts should require any party appealing a locally approved permit or zoning action related to an ELI project to post a mandatory bond of \$250,000. This requirement would discourage appeals intended solely to delay construction and increase costs while preserving legitimate opportunities for legal recourse. Reducing the frequency of meritless appeals will allow approved projects to proceed without years of costly litigation.



Recommendation 3.3: Institute flat or capped municipal fees for ELI housing developments

Local development fees, such as building permits, infrastructure hookup costs, or water demand fees, can create significant financial hurdles for deeply affordable housing. The Commonwealth can institute flat or capped fee structures for ELI housing to provide cost certainty and improve project feasibility. This could be paired with state reimbursement mechanisms to promote equitable access to affordable housing development.

Recommendation 3.4: Establish a single application process for state permits for ELI housing with firm review timelines

The Commonwealth can implement a coordinated permitting process that allows ELI housing developers to submit one consolidated application for all required state approvals—from agencies such as the MBTA, Department of Environmental Protection (DEP), Department of Transportation (DOT), and other agencies requiring similar approvals—and receive decisions within a defined timeframe, such as 90 days. Establishing clear deadlines and a single application portal will streamline interagency review, eliminate redundant steps, and improve transparency for developers and municipalities alike.

Recommendation 3.5: Consolidate and accelerate appeals processes

When appeals of ELI housing permits or approvals occur, the Commonwealth can consolidate proceedings into a single, expedited process with defined timelines for resolution. Consolidated appeals will reduce procedural duplication, lower legal costs for developers, increase judicial efficiency, and prevent projects from being stalled by overlapping jurisdictions or inconsistent rulings. Ensuring a timely and transparent appeals process will help balance community input with the urgent need for affordable housing production.

Recommendation 3.6: Allow use of pre-certified designs and incentivize modular construction

To accelerate project delivery and reduce design costs, Massachusetts should create pre-certified building designs that have already been reviewed and approved for compliance with applicable codes and accessibility standards. In addition, the Commonwealth can



create incentives for modular and off-site construction, which can shorten build times and improve quality control. Together, these measures can significantly reduce both the duration and cost of affordable housing development.

Implementation pathway (Recommendations 3.1-3.6): Each of these recommendations would require legislation to fully implement, though pre-certified designs could be developed and certain state pre-approvals could be granted for these designs administratively (recommendation 3.6). Pre-approval of these designs for local development review processes would require legislation.

Recommendation 3.7: Provide short, predictable timelines and pricing for utility companies provision of power for ELI housing

In order to ensure ELI housing units are available for occupancy as soon as possible, and that utility fees do not represent a barrier to quick utility hookups the Commonwealth can require that utilities provide permanent power to ELI housing developments within five business days of a developer's request when all necessary infrastructure is established in the housing development itself. Additionally, implementing flat or fixed fee structures for ELI housing's utility costs would help to establish greater predictability in the operating costs necessary to support this housing. Finally, the Commonwealth can establish short, fixed timelines for utilities to approve and connect solar arrays and other renewable energy sources in these developments to ensure that these developments can benefit from increased resiliency and reduced energy costs while also helping contribute to Massachusetts renewable energy targets.

Recommendation 3.8: Allow municipalities flexibility to establish a local tax increment financing agreement by-right for ELI Housing

Tax increment financing agreements have underpinned the success of the Housing Development Incentive Program (HDIP) program, allowing municipalities to realize development which otherwise might be financially infeasible. Empowering all municipalities to support ELI housing in this same way would increase the financial feasibility of ELI housing developments in these communities at no cost to the Commonwealth and without the need for direct municipal spending to enable projects.



Recommendation 3.9: Align inter-agency decision-making and funding programs to ensure coordination with the established timeline of HLC funding rounds

As noted elsewhere in this report, Massachusetts has among the most robust housing subsidy ecosystems, with many agencies under the Executive Office of Health and Human Services (HHS) and other Executive Offices providing financial support for ELI housing development in various ways in addition to funding provided through the Executive Office of Housing and Livable Communities (HLC). The multiple support sources add complexity to financing for an ELI housing development complex, particularly when timelines for these various funding sources do not align, or even conflict. The Commonwealth can ensure a coordinated approach which aligns the timelines of these various funding sources to the maximum extent possible, while also ensuring that the various agencies administering this funding share goals and expectations for the projects they fund.

Implementation pathway (Recommendations 3.7-3.9): These recommendations would require legislation to be fully implemented, though some increased coordination (recommendation 3.9) could be assured administratively.

Recommendation 3.10: Implement specific timeframes for occupancy inspections of Section 8 and MRVP supported units, and provide funding to increase capacity to conduct inspections

Before a Section 8 or MRVP recipient can move into their new home, the unit must be inspected to ensure it meets important standards for livability. When these inspections are delayed, it delays the move-in date for the prospective tenant. To facilitate a quicker move-in for these residents, the Commonwealth can require that these inspections, whether being performed by a local housing authority, a regional administering agency, or, in the case of state-aided programs, by a municipality or other approved entity, be conducted within ten business days of an initial request for inspection, following the completion of other requisite verifications. Understanding that there is limited capacity to conduct these tests, the Commonwealth could also allow these inspections to be conducted by regional capital assistance teams and provide funding to support the additional capacity necessary to conduct these inspections.



Implementation pathway: This recommendation would be implemented through the Commonwealth’s annual budget or other appropriations mechanisms, and once funded, could be implemented administratively.

Positive Impacts

Streamlining permitting, standardizing review procedures, and reducing unnecessary costs make it faster and more affordable to produce ELI housing in Massachusetts. These reforms will improve predictability for developers, lower the public cost per unit, and accelerate the delivery of housing to those who need it most. By implementing a unified and efficient development framework, the Commonwealth can ensure that state investments translate more quickly into stable, affordable homes for extremely low-income residents, advancing equity, efficiency, competitiveness, and long-term housing stability.

Preservation

The Challenge: Subsidized and naturally occurring (i.e. unsubsidized) housing affordable to households with ELIs is removed from the market each year as a result of maintenance challenges, expiring use restrictions, and purchase by market-rate and above market-rate housing operators. The loss of these units exacerbates the shortage of ELI housing and necessitates the development of new ELI units, often at a far greater cost than preservation.

The Goal: Maximize preservation of existing housing units affordable to households with ELIs, including both subsidized and naturally occurring (i.e. unsubsidized) units.

Strategy 1: Preserve 100% of state-funded public housing units

As noted in the *What Massachusetts is Doing Today* section of this report, Massachusetts’ state-funded public housing is among the Commonwealth’s best assets in providing residents with quality, stable housing that they can afford. This is particularly true for Massachusetts’ extremely low-income residents, for whom few other affordable alternatives are available. It is important that the Commonwealth preserve each existing unit of state-funded public housing so these units can continue to support housing stability and affordability for extremely low-income residents.



Recommendation 1.1: Over 10 years, provide sufficient capital funding to address the current \$4+ billion in maintenance and repair backlogs in public housing and prevent future backlogs²⁸

To maximize the potential of state-funded public housing to provide residents with stable homes they can afford, these public housing units must be properly repaired and maintained both for livability and accessibility. Proper repair and maintenance ensure that current residents have the healthy, accessible, quality housing they deserve and that units remain online and available to the residents who need them long into the future, including residents with accessibility needs. The Commonwealth's current maintenance backlog has been decades in the making and cannot be resolved quickly. The Affordable Homes Act's \$2.2 billion in authorizations to support repairs, maintenance, and necessary accessibility improvements in state-funded public housing, and subsequent programming of these authorizations in the Healey-Driscoll Administration's FY26–30 Capital Investment Plan, bring the Commonwealth closer to clearing this longstanding backlog. Continued investments of this magnitude will be essential to fully clear this backlog by 2035.

Recommendation 1.2: Over 10 years, increase operating subsidies for state funded public housing to close the gaps between rents received and actual operating expenses

The Commonwealth provides the majority of funding that local housing authorities (LHAs) need for daily operations. However, while sizable, the operating subsidies when combined with the rents they receive from tenants, do not always reflect total operating costs. In order to ensure LHAs can support the robust operations their residents deserve, the Commonwealth can increase operating subsidies to shrink the gap between those subsidies, rents received, and actual operating costs. However, this increase should also account for the availability of other subsidies, revenue sources, and grant funding available to LHAs.

Recommendation 1.3: Continue investments in tenant organizing in state-funded public housing

Tenants' lived experience in public housing provides crucial information for public housing decision-makers. Integrating tenant voices throughout LHA decision-making improves operations and makes LHA's decisions more representative of the needs of their tenants,



thereby increasing tenant satisfaction with the places they call home. Tenant organizations facilitate the efficient assessment of tenants' needs, concerns and other feedback, allowing representatives of these organizations to speak with a higher degree of authority about the consensus among tenants on any given decision before an LHA. Supporting the formation and operation of these tenant organizations can lead to more efficient LHA decision-making processes, as well as outcomes which better represent the perspectives of LHA tenants and better suit their needs.

Implementation pathway (Recommendations 1.1 - 1.3): These recommendations would be implemented through new bond authorizations approved legislatively and programmed through the Commonwealth's Capital Investment Plan (recommendation 1.1), and appropriations through the Commonwealth's annual budget or other appropriations mechanisms (recommendation 1.2 & 1.3).

Recommendation 1.4: Exempt public housing authorities from the public bidding requirements of Chapter 149 while preserving prevailing wage

LHAs are subject to stringent procurement requirements. This creates significant administrative burdens for any repair and maintenance work that cannot be conducted by the LHA's own staff. Under these requirements, LHAs must administer a public procurement process for a general contractor to conduct a given set of repairs and run public procurement processes for any subcontracts involved in that set of repairs.

For example, if an LHA seeks to make upgrades to a common area including new lighting, heating, sinks, and tiling, that LHA must undergo a public procurement for the general contractor managing the upgrade process, then undergo separate public procurements for the electrical, plumbing, HVAC, and tiling contractors, as well as for any other specialized contractor necessary to complete the full scope of repairs covered in the initial procurement of the general contractor.

LHAs must dedicate significant staff time and funding to each of these individual public procurement processes. Each individual procurement also takes significant time to run, meaning repairs and upgrades cannot be made until months after they are initiated. Exempting LHAs from this requirement would allow them to conduct a single procurement for any given set of repairs or upgrades, allowing LHAs to deliver updates more quickly and



cost effectively, while still ensuring that contractors abide by prevailing wage laws by virtue of the initial public procurement for a specific set of repairs or upgrades.

Implementation pathway: This recommendation would be implemented through legislation.

Positive Impacts

By increasing the resources available to LHAs and their tenants, and enabling LHAs to use these resources more efficiently, these recommendations will increase LHAs' capacity to provide healthy, stable, and affordable homes to extremely low-income residents, while also providing LHAs with an enhanced ability to ensure all decisions reflect the needs of tenants.

Strategy 2: Codify and expand the Massachusetts Rental Voucher Program (MRVP)

As noted in the What Massachusetts is Doing Today section of this report, the Massachusetts Rental Voucher Program (MRVP) is one of the Commonwealth's most effective tools for helping residents with ELIs to access and maintain stable, affordable homes in both the private market and publicly assisted developments. However, the program's current budget and administrative framework limit its predictability, transparency, targeting, and reach. Codifying and expanding MRVP will provide predictable, long-term support for renters, property owners, and regional administering agencies (RAAs) while strengthening the Commonwealth's overall housing infrastructure. See also: *Production Strategy 1*.

Recommendation 2.1: Codify MRVP in the Massachusetts General Laws (M.G.L.)

As previously included in *Production Strategy 1* earlier in this report, codifying MRVP would offer greater stability and clarity into program requirements and eligibility for tenants, landlords, and regional administering agencies (RAAs) alike. This will help to raise awareness and understanding of the program, not only among potential recipients but also among landlords. This stability and clarity are critical to support the efficient and effective administration and expansion of the program. See also: *Production Strategy 1, Recommendation 1.1*.



Implementation pathway: This recommendation would be implemented through legislation.

Recommendation 2.2: Provide 2,200 additional MRVP project-based vouchers annually for households with ELIs (in addition to mobile vouchers to expand housing choice)

As described in both Overall Recommendation 1, and Production Strategy 1, Recommendation 1, MRVP project-based vouchers are essential to both production *and* preservation of subsidized affordable housing for ELI households. Vouchers cover the gap between what households can pay and the costs of operating and maintaining affordable housing developments. Project-based operating support can enable existing subsidized housing not currently supported with project-based vouchers to physically maintain their properties while providing homes to households who cannot afford rents not based on their incomes. Preserving subsidized affordable housing is key to ensuring that new production results in a net increase in affordable housing. Project-based vouchers are also important for the acquisition of buildings to convert naturally occurring affordable housing into long term subsidized affordable housing. Please note, this recommendation reinforces the importance of providing the 2,200 additional project-based vouchers in the preservation context, but does not duplicate Production Strategy 1, Recommendation 1.2. It thus pairs with Supports and Services Strategy 1, Recommendation 1.4 to reflect an overall target of 4,400 additional annual vouchers, as noted in Overall Recommendation 1.

Implementation pathway: This recommendation would be implemented through the Commonwealth's annual budget or through other appropriations mechanisms.

Positive Impacts

The predictability and clarity provided by MRVP codification will allow for more efficient operation of the program. Providing additional MRVP mobile vouchers to households with ELIs will ensure that any unit in which a household receiving that voucher lives will be preserved as affordable, thus increasing the supply of housing affordable to households with ELIs even absent the production of additional units affordable to these households.



Strategy 3: Invest in and Enable Naturally Occurring Affordable Housing (NOAH) Preservation

Naturally Occurring Affordable Housing (NOAH) represents a critical portion of Massachusetts' affordable housing stock. These privately owned, unsubsidized properties provide lower-cost housing to many residents with low and moderate incomes, particularly in neighborhoods experiencing rising rents and redevelopment pressure. While very few of these units are *naturally* affordable to households with ELIs, many *do* meet MRVP mobile vouchers' payment standards, putting them within reach and making them vital to housing stability for these households. Preserving NOAH thus not only prevents displacement of these households but also opens the door to make units affordable to households with ELIs over the longer term through preservation supported by MRVP project-based vouchers. These opportunities make NOAH critical to maintaining economic diversity, and reducing the need for costlier production of new affordable units. Strategic investment and proactive acquisition policies can help the Commonwealth retain and expand this vital housing resource, while also economizing public funding by enabling the purchase of properties before continued speculation further drives up acquisition costs.

Recommendation 3.1: Allocate authorized funds to the Small Properties Acquisition Fund operated by CEDAC

The Commonwealth can dedicate resources to scale up the Small Properties Acquisition Fund, managed by the Community Economic Development Assistance Corporation (CEDAC). An initial \$1 million investment in this fund enabled community land trusts to acquire three small multifamily properties, preserving affordability for eight households that otherwise faced displacement. The Legislature authorized \$20 million in capital funding, including a \$10 million authorization in the Affordable Homes Act and \$10 million in the MassLeads Economic Development Bill, to continue this program. Allocating those funds will allow mission-driven nonprofits and community land trusts to acquire additional small buildings, secure long-term affordability, and stabilize vulnerable tenants.

Implementation pathway: This recommendation would be implemented through the Commonwealth's Capital Investment Plan.



Recommendation 3.2: Dedicate capital budget dollars for long-term financing of larger NOAH acquisitions

While the Small Properties Acquisition Fund targets small buildings, a complementary strategy is needed for larger NOAH properties that require substantial acquisition financing and capital repair resources. The Commonwealth can dedicate a portion of its housing capital budget to long-term financing tools that enable nonprofit developers to compete with speculative buyers and preserve affordability at scale.

Implementation pathway: This recommendation would be implemented through bond authorizations and the Capital Investment Plan.

Recommendation 3.3: Implement the Donation Tax Credit to encourage property donations for affordable housing

The Donation Tax Credit, enacted in 2016, intended to provide an incentive for property owners to donate existing housing to qualified nonprofit organizations that commit to maintaining long-term affordability. However, the credit has not yet been made available. The Executive Office of Housing and Livable Communities (HLC) should move forward with program implementation and target cost-effective opportunities to preserve existing affordable housing while expanding the portfolio of nonprofit-owned properties.

Implementation pathway: This recommendation would be implemented administratively through regulation, and through the Commonwealth's annual budget or other appropriations mechanisms.

Recommendation 3.4: Gather and analyze data to identify NOAH inventory and prioritize preservation opportunities

To effectively target acquisition and preservation efforts, HLC or a partner agency should develop a data-driven strategy to identify at-risk NOAH properties statewide. Tools such as Costar and Zillow can provide rent-level information, while assessors' databases and registries of deeds can help identify unsubsidized properties that have not sold in the past decade and properties that have been sold two or more times in the past five years—both potential indicators of NOAH inventory. Centralizing this data will allow the Commonwealth to direct preservation resources efficiently, prevent displacement before it occurs, and track the long-term affordability of the state's housing stock.



Implementation pathway: This recommendation could be implemented administratively, though it would likely also require funding provided through the Commonwealth’s annual budget or other appropriations mechanisms.

Recommendation 3.5: Advance policies that strengthen tenant and community rights to purchase NOAH properties

To further prevent displacement and preserve affordability, the Commonwealth can advance right-of-first refusal and opportunity-to-purchase policies for tenants, community land trusts, and other qualified preservation purchasers. These policies empower residents and mission-driven organizations to intervene before NOAH properties are sold to speculative buyers, preventing displacement, and ensuring that affordable units remain in the community over the long term.

Implementation pathway: This recommendation would be implemented through legislation.

Recommendation 3.6: Improve alignments of energy efficiency programs with other programs supporting capital improvements in ELI housing

MassSave’s Low-Income Energy Affordability Network (LEAN) program funds energy efficiency upgrades in homes where low-income residents live, primarily focusing on multifamily buildings. With heating and electricity costs amongst the highest in the nation,²⁹ efficiency upgrades can represent significant savings for the building owner or resident. The Commonwealth can work to better align program goals, requirements, and timelines with other programs facilitating upgrades to buildings administered by HLC, MassHousing and other agencies.

Implementation pathway: This recommendation could be implemented administratively through enhanced inter-agency coordination, though some process improvements following that coordination may require legislative action.

Positive Impacts

By scaling successful acquisition programs, implementing existing tax incentives, improving data collection, and enacting tenant-empowering preservation policies, Massachusetts can protect existing NOAH units while expanding long-term affordability. These actions will prevent displacement of low- and moderate-income residents,



strengthen neighborhood stability, and reduce public costs associated with homelessness and emergency shelter.

Supports & Services

The Challenge: While Massachusetts provides one of the nation’s strongest housing safety nets, gaps remain in the coordination, funding, and accessibility of these supports. At the same time, limited access to economic and housing mobility supports limits opportunities for residents with ELI to achieve greater stability and economic self-sufficiency.

The Goal: Ensure that Massachusetts households with ELIs have access to a coordinated, adequately funded network of housing, financial, and supportive services that prevent housing loss and promote stability, while also expanding pathways to upward housing and economic mobility.

Strategy 1: Maintain and enhance the Commonwealth’s housing safety net

As noted in the What Massachusetts Is Doing Today section of this report, the Commonwealth is a leader nationally in its level of housing support for extremely low-income (ELI) households through both ongoing and emergency rental assistance programs. These programs are critical to ensure that households with ELIs have a stable, affordable place to call home, and could be expanded to address gaps in existing programs.

Recommendation 1.1: Continue and increase investments in RAFT

The Residential Assistance for Families in Transition (RAFT) program is among the Commonwealth’s most effective homelessness prevention tools. Continued and increased investments in this program will ensure it can meet high demand and adapt to changing economic conditions. Sustained and enhanced support for RAFT will keep thousands of families housed each year and reduce the long-term public costs associated with homelessness.

Recommendation 1.2: Renew the Tenancy Preservation Program (TPP)

The Tenancy Preservation Program (TPP) has long acted as a neutral intermediary between tenants and landlords. It provides case management support to tenants at risk of eviction



where there is a connection between the reason for eviction and a tenant's disability. It has thus played a critical role in preventing homelessness by helping households at risk of eviction remain stably housed, while also reducing strain on the court system, health care, and emergency shelter resources. To maintain these benefits, the Commonwealth can renew state budget funding for TPP's continued operation to meet federal matching requirements for MassHealth's Community Support Program-Tenancy Preservation Program (CSP-TPP), which met the requirement in FY26 using one-time funds. Stable funding will allow the program to retain experienced case managers, expand capacity in high-need regions, and strengthen coordination with Housing Courts, local service providers, and state agencies.

Recommendation 1.3: Establish an upstream rental assistance pilot program

The Commonwealth can create an upstream rental assistance pilot program that provides short-term financial assistance to households without requiring a notice to quit. This proactive measure would stabilize families before eviction begins, reducing the costs and disruptions associated with eviction, homelessness, and shelter use. The program would complement existing emergency rental assistance tools, creating a more comprehensive housing stability system.

Recommendation 1.4: Provide 2,200 additional MRVP mobile vouchers annually for households with ELIs

MRVP's mobile vouchers provide a housing subsidy for residents which is not tied to the unit in which they live, but rather to the individual household receiving the voucher. Increasing the number of mobile vouchers available to households with ELIs will thus increase the number of units across the Commonwealth in which these households can live affordably, while also providing these households with increased housing choice and providing property owners with additional operating supports to enable property maintenance. This recommendation of 2,200 mobile vouchers pairs with *Production Strategy 1, Recommendation 1.2* and *Preservation Strategy 2, Recommendation 2.2* to reflect an overall target of 4,400 additional annual vouchers, as noted in Overall Recommendation 1.



Implementation pathways (Recommendations 1.1 - 1.4): These recommendations would be implemented through the Commonwealth's annual budget or other appropriations mechanisms.

Positive Impacts

Maintaining and enhancing the Commonwealth's housing safety net through renewed and continued investments in proven programs such as RAFT and the Tenancy Preservation Program (TPP), while also creating a new program to help those caught in the gap, will enhance Massachusetts' ability to prevent displacement and the social and economic costs and hardships which it creates.

Strategy 2: Expand Economic and Housing Mobility and Other Supports for Residents with Extremely Low Incomes

The Commonwealth's substantial housing safety net is critical to maintaining housing stability for households with ELIs. However, safety net programs could be paired with broader supports to increase opportunities for residents with ELIs to increase their savings, incomes and further improve their housing and economic situations.

Recommendation 2.1: Expand access to Resident Service Coordinators

Resident Service Coordinators serve as critical connectors between residents of affordable and public housing and the services that build, sustain, and increase housing stability, health, and access to employment opportunities. Increasing access to Resident Service Coordinators across developments will enable earlier intervention in challenging situations, and more proactive action to help households with ELIs access opportunities which increase their housing and economic mobility, thus, strengthening the social and economic fabric of our communities.

Implementation pathway: This recommendation would be implemented through the Commonwealth's annual budget or other appropriations mechanisms.

Recommendation 2.2: Expand access to downpayment assistance programs

To promote wealth building and long-term housing stability, the Commonwealth can expand downpayment assistance programs for ELI and first-time homebuyers. By reducing barriers to entry for homeownership, these programs can help close racial and economic



homeownership gaps while supporting neighborhood stability. Downpayment assistance could be paired with homebuyer counseling and financial education to ensure lasting success.

Recommendation 2.3: Support and incentivize financial mobility programs in affordable housing developments

Affordable housing developments are effective settings for delivering financial empowerment and mobility services to interested residents. The Commonwealth can fund or incentivize programs within these developments to provide residents with access to credit counseling, rent reporting for credit, workforce training, budgeting support, and savings initiatives. Embedding financial mobility programs within housing supports residents' long-term stability and fosters opportunities for upward economic movement.

Implementation pathway: These recommendations would be implemented through the Commonwealth's annual budget or other appropriations mechanisms.

Positive Impacts

Expanding economic and housing mobility supports for extremely low-income residents will strengthen individual opportunity and community stability across the Commonwealth. Together, these initiatives will foster self-sufficiency, reduce poverty, and create stronger, more resilient communities.

Strategy 3: Strengthen Program Coordination, Targeting, and Resilience

To maximize the impact of the Commonwealth's housing and economic mobility initiatives, state agencies should take proactive steps to safeguard resources, improve targeting, and strengthen coordination across programs. Ensuring that critical supports reach the highest-need populations and remain stable during fiscal or policy changes will make Massachusetts' housing safety net more equitable, efficient, and resilient.

Recommendation 3.1: Develop a Contingency Plan to Mitigate Federal Funding Reductions

Given ongoing uncertainty in federal housing and social service funding, particularly as it relates to permanent supportive housing, the Commonwealth can establish a contingency framework to protect critical housing and rental assistance programs. This plan could



include identifying flexible state resources, prioritizing programs that serve households with ELIs, and exploring alternative funding mechanisms to ensure program continuity during federal shortfalls.

Recommendation 3.2: Improve Targeting of Programs to High-Need Populations and Regions

The Commonwealth can strengthen data collection and analysis to better identify geographic areas and populations with the greatest housing instability. Using this data, HLC and partner agencies can adjust funding allocations, program eligibility, and outreach to ensure that resources are directed where they will have the greatest impact, particularly in communities with high rates of cost burden and eviction risk.

Implementation pathway (Recommendations 3.1 & 3.2): These recommendations would be implemented administratively, though targeting changes responsive to data (recommendation 3.2) in certain programmatic allocations would require legislation.

Recommendation 3.3: Provide Technical Assistance for Tenants in Redeveloping Public Housing

To minimize displacement and disruption during public housing redevelopment projects, the Commonwealth can fund and coordinate technical assistance for tenants navigating relocation, return rights, and service connections. This support will help residents remain stably housed and engaged throughout the redevelopment process while preserving community cohesion.

Implementation pathway: This recommendation would be implemented through the Commonwealth's annual budget.

Positive Impacts

Strengthening program coordination, targeting, and resilience will ensure Massachusetts' housing initiatives remain effective and equitable even amid fiscal uncertainty. Together, these actions will enhance the efficiency, stability, and long-term resilience of these programs, not only enabling them to serve greater numbers of residents today, but to continue to do so for years to come.



Conclusion

Massachusetts faces an urgent and growing need for housing affordable to residents with extremely low incomes, those for whom the private market will never fully provide. The Special Commission on Extremely Low-Income Housing recognizes that meeting this need will require sustained commitment, targeted investment, and a coordinated strategy across all levels of government. The recommendations outlined in this report provide a roadmap for building, preserving, and supporting deeply affordable housing while improving the efficiency and equity of the systems that deliver that housing and support residents who live there.

The Commonwealth has already demonstrated national leadership through its strong public housing portfolio, robust rental assistance programs, and recent historic investments in affordable housing. Yet, to ensure that every Massachusetts resident has access to a safe, stable, and affordable home, the Commonwealth must continue to strengthen these foundations. By expanding production, preserving affordability, and enhancing supportive services, Massachusetts can not only meet immediate housing needs but also build a more inclusive, resilient, and equitable future.

Through the actions recommended by this Commission, the Commonwealth can move decisively toward a vision of housing abundance that leaves no one behind—ensuring that every household, regardless of income, can thrive in a safe and affordable home.

¹ *An Act Relative to the Affordable Homes Act*, Ch. 150, §128, Acts of 2024 (Massachusetts)

² *An Act Relative to the Affordable Homes Act*, Ch. 150, §128, Acts of 2024 (Massachusetts)

³ The Continuum of Care (CoC) Program provides funding for state and local governments and non-profit service providers to support services and programming for individuals and families experiencing homelessness. In Massachusetts, the program is managed by 11 regional and local Continuums of Care, local and regional planning bodies which coordinate housing and services for these individuals and families within their region.

⁴ Approximations are based on EOHLC tabulations of 2023 ACS public use microdata using HMFA-level ELI income limits accessed via HUDUser. Public Use Microdata Areas (PUMAs) are the smallest geographic units used in the ACS, while HUD Fair Market Areas (HFMA) are the



geographic units used by HUD to determine fair market rent. For the purpose of this analysis, PUMAs contained exclusively within one HMFA inherit the ELI income limit from that HMFA. PUMAs that span multiple HMFAs use a weighted average of income limits from each HMFA, weighted by number of occupied housing units on the 2020 Decennial Census. Source: U.S. Department of Housing and Urban Development, [Income Limits 2023 Summary for Massachusetts](#).

⁵ National Low Income Housing Coalition. [The Gap: A Shortage of Affordable Homes](#). Washington, DC: National Low Income Housing Coalition, March 2025.

⁶ EOHLC tabulations of 2023 ACS public use microdata (PUMS). For the purpose of this tabulation, HLC considers earned income to include both wage and salary income (PUMS variable WAGP) and self-employment income (PUMS variable SEMP). Source: U.S. Census Bureau, ["2023 ACS Public Use Microdata Sample \(PUMS\) Data Access."](#)

⁷ EOHLC tabulations of 2023 ACS public use microdata. For the purpose of this tabulation, HLC considers retirement income to include both individual retirement income (PUMS variable RETP) and Social Security or railroad retirement benefits (PUMS variable SSAP). Source: U.S. Census Bureau, ["2023 ACS Public Use Microdata Sample \(PUMS\) Data Access."](#)

⁸ EOHLC tabulations of 2023 ACS public use microdata. For the purposes of this tabulation, HLC considers cash safety-net programs to include both cash public assistance through a state or local welfare office (PUMS variable PAP) and SSI (PUMS variable SSIP). Source: U.S. Census Bureau, ["2023 ACS Public Use Microdata Sample \(PUMS\) Data Access."](#)

⁹ Housing is considered affordable when a household spends no more than 30 percent of its income on housing expenses, which include rent or mortgage payments, utilities, insurance, property taxes, and association fees. Households spending more than 30 percent of their income on these expenses are classified as cost burdened, while those spending over half their income for housing are considered severely cost burdened.

¹⁰ EOHLC estimates tabulated using the IRS EITC Assistant tool Source: [Internal Revenue Service. "EITC Assistant." IRS.gov. September 2025.](#)

¹¹ If the spending power of this high-scenario household were allocated evenly across 12 months, it would be the equivalent of \$650 per month. It is unlikely that households would allocate all of this spending power toward housing. If a household spent this additional resource in proportion to the income-based 30% cost burden test, they would have \$195 of additional spending power for housing each month, while a household spending at the 50% severe cost burden threshold would spend \$325 per month.



¹² VLI households are defined as those earning 50% or less of area median income (AMI). Source: U.S. Department of Housing and Urban Development, "[Consolidated Planning/CHAS Data](#)," Table 17B (sum of estimates 3, 4, 8, 9, 13, 14, 18, 19), HUD User,

¹³ Section 8 refers to the federal Housing Choice Voucher Program, which provides low-income households with monthly rental assistance subsidies.

¹⁴ "The Massachusetts Rental Voucher Program: Maintaining the State's Primary Homelessness Prevention Tool," CHAPA, June 2009.

¹⁵ "The Massachusetts Rental Voucher Program: Maintaining the State's Primary Homelessness Prevention Tool," CHAPA, June 2009.

¹⁶ Executive Office of Housing and Livable Communities, Massachusetts Rental Voucher Program, Alternative Housing Voucher Program data, September 2025.

¹⁷ Housing Navigator Massachusetts, [Data Opens Doors: Affordable and Accessible Rentals](#) (Boston: Housing Navigator Massachusetts, 2024).

¹⁸ Note: \$35,000 in annual household earnings does not exactly match the threshold to be considered extremely low-income in all regions of the Commonwealth but closely approximates the threshold in order to provide a helpful visualization of demand across the Commonwealth's varied area median incomes.

¹⁹ National Low Income Housing Coalition. "[The Gap: A Shortage of Affordable Homes](#)," National Low Income Housing Coalition (NLIHC), March 2025.

²⁰ National Low Income Housing Coalition. "[The Gap: A Shortage of Affordable Homes](#)," National Low Income Housing Coalition (NLIHC), March 2019.

²¹ National Low Income Housing Coalition. "[The Gap: A Shortage of Affordable Homes](#)," National Low Income Housing Coalition (NLIHC), March 2025.

²² Only 4 states have state-funded public housing programs: Connecticut, Hawaii, Massachusetts, and New York. Source: Massachusetts Chapter of the National Association of Housing and Redevelopment Officials. (Mass. NAHRO), "[Massachusetts Public Housing Facts](#)." Mass. NAHRO, 2021.

²³ National Low Income Housing Coalition, "[Rental Housing Programs Database](#)," National Low Income Housing Coalition, 2025.



²⁴ Note: Strategy aligns with recommendations of the Accessible, Senior Housing Commissions for adjustments to QAP supporting those communities' needs

²⁵ The Qualified Allocation Plan (QAP) requires that 16% of units in eligible projects be affordable to households with ELIs. References to ELI housing and ELI housing developments thus contemplate developments with 16% or greater of units affordable to these households.

²⁶ Note: Aligns with Senior Housing Commission recommendations 1.1-1.3

²⁷ The Qualified Allocation Plan (QAP) requires that 16% of units in eligible projects be affordable to households with ELIs. References to ELI housing and ELI housing developments thus contemplate developments where units affordable to these households account for at least 16% of all units.

²⁸ [“A Home for Everyone: Statewide Housing Needs Assessment,”](#) Massachusetts Executive Office of Housing and Livable Communities (HLC), February 2025.

²⁹ Jasmine Laws, [“Map Shows States With Most—and Least—Expensive Utility Bills,”](#) *Newsweek*, November 2025.