

# MAKING THE COMMONWEALTH'S PUBLIC HOUSING SAFE AND LIVABLE:

## A Five-Year Plan to Bring the Operating Support of State-Supported

### Public Housing into Parity with Federal Public Housing Support

**MassNAHRO, the Mass Union of Public Housing Tenants, CHAPA and GBIO enthusiastically support raising the state operating subsidy for the state's public housing up to parity with the federal operating subsidy. We propose the state commit to accomplish this goal over five years by increasing the operating subsidy budget (line 7004-9005) by \$40 million each year for five years, starting with \$153 million in FY 2026.**

The total HUD operating subsidy in FY 2024 for the 29,273 units of federal-supported public housing in Massachusetts was \$188.9 million, or \$6,453 per unit. Parity with the federal operating subsidy in FY 2024 for state operating support of the 41,500 eligible units of state-supported public housing would have required a total state subsidy in that year of \$267.8 million. Using an inflation projection of 2.5% each year from FY 2024 to FY 2030, parity with the federal subsidy translates into a projected total state operating subsidy of \$310.6 million in FY 2030.

#### Aligning MA Operating Subsidy with Federal HUD Funding

HUD FUNDING TO MA IN			MA OPERATING SUBSIDY TO MATCH HUD FUNDING IN							
FY 2024			FY 2024		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
FUNDING	UNITS	FUNDING PER UNIT	UNITS	TOTAL FUNDING	Increase 2.5% per year for inflation					
\$188.9 mil	29,273	\$6,453.0	41,500	\$267.8 mil	\$274.5 mil	\$281.4 mil	\$288.4 mil	\$295.6 mil	\$303.0 mil	\$310.6 mil

The actual total state operating subsidy in FY 2025 is \$113 million. To achieve federal parity in the operating subsidy in FY 2030 (i.e. over five years), requires an increase of

approximately \$40 million per year. The subsidy for FY 2026 would therefore be \$153 million.

**Projected State Public Housing Subsidy to Achieve Federal Parity by FY 2030**

	FY 2025	add	FY 2026	add	FY 2027	add	FY 2028	add	FY 2029	add	FY 2030
Annual operating budget	\$113 mil		\$153 mil		\$193 mil		\$233 mil		\$273 mil		\$313 mil
Annual increment		\$40 mil		\$40 mil		\$40 mil		\$40 mil		\$40 mil	

As a result of this higher level of subsidy, the more than 70,000 residents of the Commonwealth’s public housing will live in buildings that are safer, cleaner, and better maintained. Moreover, housing authorities will be able to turn over vacant units more quickly, reducing the demand for shelter space for unhoused residents of the Commonwealth.