

May 30, 2025

Her Excellency Maura Healey Governor of Massachusetts State House Room 360 Secretary Matthew Gorzkowicz Executive Office of Administration and Finance State House Room 373

RE: FY26 Capital Budget Requests for Public Housing

Dear Governor Healey and Secretary Gorzkowicz,

The Massachusetts Union of Public Housing Tenants, a statewide organization that advocates on behalf of public housing residents, is grateful to your commitment to preserve our homes. We were thrilled to see \$2.2 billion authorized for state public housing in last year's Affordable Homes Act. As you know, this level of investment is long overdue.

Tenants have been educating themselves about the capital planning process you are currently undertaking. We've learned that the authorization in the AHA is only the first step—and that caps on actual spending limit the funds available to address our unsafe and unsanitary housing. This is disappointing, given that the full \$2.2 billion is badly needed over the next five years. In fact, estimates from the Executive Office of Housing and Livable Communities (EOHLC) show that \$3.9 billion is required just to replace expired building components. Working with our partners, Mass Union has calculated that the true need is closer to \$8.5 billion.¹ Costs will only escalate with time, and more and more units will become unlivable as underinvestment continues.

As such, public housing must see a significant increase in funds for capital needs. <u>Tenants will be</u> <u>disappointed if the FY26 capital allocation for public housing is not meaningfully more than it has been in past years</u>. At minimum, we urge you to:

- Provide at least \$101 million over the amount called for in the FY2025 plan, which is \$399 million, for a total of \$500 million in FY2026, as explained in the letter provided by our partners at CHAPA on this matter.
- 2. Ensure that the public housing proportion of the total amount allocated for housing in FY2026 mirrors that in the AHA (\$2.2 billion out of \$5.16 billion, or 39%). Even at this

¹ The Capital Planning System of the Executive Office of Housing and Livable Communities (EOHLC) catalogs the condition of every building and site in the public housing portfolio, providing local housing authorities with detailed technical information to make long-term investments. This system shows over \$3.9 billion in 2020 dollars of one-forone replacement of items that have expired.* Soft costs, such as tenant relocation, architectural, engineering, legal fees, and remediation of hazardous materials, are not included. These typically increase costs by at least 30% bringing the base number to \$5.1 Billion. Furthermore, as the majority of the public housing developments are over 50 years old, most will need to be brought up to current building code for the safety of the residents that reside there. Sprinklers, fire alarm systems, arc fault breakers, ADA requirements, proper ventilation as well as stormwater management, and green community initiatives must be addressed. Local Housing Authority Executive Directors who are working with GBIO estimate these would cost \$3.4 billion in today's dollars. That brings the total to more than \$8.5 billion in today's dollars.

- level, this puts tenants on track to receive less than half of the \$2.2 billion allowed by the AHA for improvements to our homes.
- 3. Work with us and other stakeholders to create a comprehensive plan to address the remaining backlog, which creates unsafe and unsanitary conditions for us tenants.

Decades of underfunding have meant that we tenants live with inhumane conditions all too often. Mold, pests, leaks, broken infrastructure, unsafe fire systems, backed up plumbing and sewage systems, and decades-old appliances are the norm. Fire alarms go off for days at a time. Mold is visible on walls. Asbestos goes unaddressed. The health and safety of the residents are clearly being compromised, and too many units are close to unlivable. Many are actually offline, as you know, due to conditions.

Massachusetts is very fortunate to have 43,000 units of state-funded public housing. As you know, this portfolio provides homes for some of the most vulnerable people in our Commonwealth, including families, seniors, person with disabilities, veterans and undocumented immigrants. Particularly given the uncertainty in Washington, our state funded public housing must remain a safe haven for us vulnerable residents.

We deeply appreciate your administration's historic attention to public housing and our strong partnership with Secretary Ed Augustus and his team at EOHLC. We look forward to continuing to work together. Please continue the good work begun in the AHA by keeping public housing front and center in your allocations at A&F.

Many thanks,

Dave Underhill
President, Mass Union
Tenant Leader, Fall River

Sarah Byrnes Executive Director, Mass Union

Cc: Lieutenant Governor Kim Driscoll

Secretary Ed Augustus, Executive Office of Housing and Livable Communities
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Juan Gallego, Assistant Deputy Chief of Staff, Lieutenant Governor Driscoll
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