



Decarbonization Opportunities and
Resources for Massachusetts Developers

Developer Scenarios

PREDEVELOPMENT DECARBONIZATION RESOURCES

Available Only for Existing Buildings

FUNDER/RESOURCE	NAMES/LINKS	OVERVIEW	REQUIRED PERFORMANCE	INCENTIVE AMOUNT & STRUCTURE	APPLICATION PROCESS/ REQUIREMENTS
Massachusetts Clean Energy Center (MassCEC)	BETA: Roadmaps	A pilot partnership with PowerOptions to provide non-profit and public entity building owners with high level planning of decarbonization opportunities customized for their portfolio	Plans will eliminate on-site fossil fuel use and establish pathways for emissions reductions aligning with commonwealth targets.	Participating owners will receive decarbonization roadmaps at a subsidized nominal fee per building.	Interest can be expressed at any time on a rolling basis, no direct application is required.
Massachusetts Clean Energy Center (MassCEC)	BETA: Project Planning	Pilot opportunity for participating buildings to create decarbonization plans to eliminate on site fossil fuel use.	Plans will eliminate on-site fossil fuel use through either large renovation projects or through an “over-time” approach.	Selected applicants will receive no cost, customized, building specific plans.	Applications are rolling and currently open (As of 11/7/2024). The program anticipates supporting 50+ additional projects across multiple building typologies.
Department of Energy Resources (DOER)	Affordable Housing Decarbonization Technical Assistance Hub	Will provide building decarbonization assessment and energy modeling support	TBD	TBD	TBD – will launch in January 2025
LISC: Greenhouse Gas Reduction Fund (GGRF)	Predevelopment Grants	Grants for early-stage soft costs in preparation for decarbonization activities	Expectation of compliance with Power Forward Communities performance standards and cross-cutting Federal requirements	TBD	TBD
CPC: GGRF	CPC Climate Capital	Predevelopment loan products		See term sheets	
CEDAC (in partnership with MHP and TBF)	Decarbonization Predevelopment Loan	Predevelopment funding to support costs associated with decarbonization scoping and design activities. Priority will be given to existing building retrofit projects.	Supported activities must be in service of developing a comprehensive project decarbonization scope/ plan.	3% predevelopment loan; Est. 50-100K per project. Smaller amounts available for decarbonization assessments specifically. Resource expected to support 7-10 affordable housing developments.	<ul style="list-style-type: none"> Projects must be in a state EJ community or with a minority developer Projects must have a feasible plan for permanent financing to repay predevelopment loan Program expected to launch in approximately the next month.

EXISTING BUILDINGS: DECARBONIZATION MEASURE FUNDING

Grants, Incentives, or Soft Subsidy

FUNDER/RESOURCE	NAMES/LINKS	OVERVIEW	REQUIRED PERFORMANCE	INCENTIVE AMOUNT & STRUCTURE	APPLICATION PROCESS/ REQUIREMENTS
Mass Save – LEAN Multifamily Program	LEAN Deep Energy Retrofit Pathway* *If your property does not have significant opportunities for insulation or heating electrification, it may be a better fit for the standard LEAN Multifamily Program .	An incentive pathway for a retrofit to an income eligible multifamily building that meets a 40% reduction in site EUI compared to existing building conditions.	40%+ reduction in site energy use intensity (EUI).	\$350/MMBtu savings, as calculated through a whole building energy model.	Rolling (through 2027)
Department of Energy Resources (DOER)	Affordable Housing Decarbonization Grant Program	Grant funding for affordable housing decarbonization projects; deep energy retrofits, electrification, renewables	No new fossil fuels, at least 35% energy or emissions reduction from baseline.	Up to \$40,000 per unit. Access to additional IRA Home Energy Rebate funding of up to \$20,000 per unit.	Round 3 application found here (TBD). Due by Jan 17th, 2025 (likely)
EOHLC (Administered by MHP, MassHousing, and LISC)	Climate Ready Housing	Funds to support unfinanced incremental costs attributable to the Deep Energy Retrofit (DER) or Zero Over Time (ZOT) decarbonization projects.	Deep Energy Retrofit (>50% energy savings) or Zero Emissions Over Time approach. Competitive refinance projects maximize decarbonization measure integration.	Typically structured as a 30-year deferred payment loan at 0% interest, available at construction closing. Non-recourse and secured by a mortgage (priority position determined prior to closing).	Annual NOFA – Pre-application and application process. Pre-application will be available in March 2025.
DOER, MassCEC, MassHousing, Boston Housing Authority	Solar for All Program	Bridge capital and subsidy to support ownership or third party owned solar on restricted affordable multifamily properties. Will support solar deployment through direct financial assistance and supporting initiatives. Apply to STAR to prepare.	Solar must deliver 20% electricity bill savings to eligible tenants.	Bridge capital to facilitate construction with a forgivable/subsidy portion to ensure tenant benefits, or a subsidy for third party ownership to ensure similar tenant benefits	Will launch in Q2 of 2025 (through 2029)

EXISTING BUILDINGS: DECARBONIZATION MEASURE FUNDING

Financing

FUNDER/RESOURCE	NAMES/LINKS	OVERVIEW	REQUIRED PERFORMANCE	INCENTIVE AMOUNT & STRUCTURE	APPLICATION PROCESS/ REQUIREMENTS
Massachusetts Housing Partnership (MHP)	Green & Healthy Housing Program: Green Retrofit Financing	A permanent financing resource available for the refinance and rehabilitation of multifamily projects where owners are investing in property improvements that improve building performance and reduce carbon emissions.	30%+ energy savings. See term sheet for details.	<ul style="list-style-type: none"> • 15 to 35 basis point reduction, based on energy savings • 15K reimbursement for decarbonization assessment or commissioning costs • Reimbursement for 2 years of energy benchmarking tool 	Considered during application for permanent financing. Not for midcycle projects.
LISC: GGRF	LISC Greenhouse Gas Reduction Fund	A construction and/or permanent financing source for specific decarbonization measures	At least 20% improvement from pre-rehab No new fossil-fuel based systems or appliances	See product sheet	Must submit through LISC's loan originations process – email Gustavo Quiroga
Community Preservation Corporation (CPC): GGRF	CPC Climate Capital	Predevelopment, construction, and permanent loan Products	At least 20% reduction in whole building energy consumption OR 1 ton carbon reduction per unit annually	See term sheets	

NEW CONSTRUCTION: DECARBONIZATION MEASURE FUNDING

Grants, Incentives, or Soft Subsidy

FUNDER/RESOURCE	NAMES/LINKS	OVERVIEW	REQUIRED PERFORMANCE	INCENTIVE AMOUNT & STRUCTURE	APPLICATION PROCESS/ REQUIREMENTS
Mass Save	Base Incentives (see table for details)			Low-rise: \$1,500/unit. High-rise: \$1,000/unit.	Rolling (through 2027)
Mass Save	ENERGY STAR Incentives (see table for details)			Low-rise: \$2,500/unit. High-rise: \$1,750/unit.	Rolling (through 2027)
Mass Save	Passive House Incentives (see table for details)			Both: \$3,750/unit (\$750 pre-cert, \$3,000 final cert).	Rolling (through 2027)

NEW CONSTRUCTION: DECARBONIZATION MEASURE FUNDING

Financing

FUNDER/RESOURCE	NAMES/LINKS	OVERVIEW	REQUIRED PERFORMANCE	INCENTIVE AMOUNT & STRUCTURE	APPLICATION PROCESS/ REQUIREMENTS
Massachusetts Housing Partnership (MHP)	Green & Healthy Housing Program : Green Building Certification Financing	A permanent financing resource available for multifamily projects where owners are achieving a green building certification that results in high levels of building performance and reduced carbon emissions. Discounts are based on the depth of performance/ emissions reduction achieved by the chosen certification.	See term sheet for list of Green Building Certifications.	<ul style="list-style-type: none"> • 10 to 35 basis point reduction, based on certification type • 15K reimbursement for costs associated with Green Building certification • Reimbursement for 2 years of energy benchmarking tool 	Considered during application for permanent financing
CPC: GGRF	CPC Climate Capital	Predevelopment, construction, and permanent loan products		See term sheets	
LISC: GGRF	LISC Greenhouse Gas Reduction Fund	A construction and/or permanent financing source for specific decarbonization measures		See product sheet	Must submit through LISC's loan originations process – email Gustavo Quiroga

TAX CREDITS

FUNDER/RESOURCE	NAMES/LINKS	OVERVIEW	REQUIRED PERFORMANCE	INCENTIVE AMOUNT & STRUCTURE	APPLICATION PROCESS/ REQUIREMENTS
IRS	45L Energy Efficient Home Tax Credit	<ul style="list-style-type: none"> Single family and multifamily homes (no height limit) 	Energy Star or Zero Energy Ready Homes certification	<ul style="list-style-type: none"> \$500 for multifamily units that are Energy Star certified. \$2,500/unit if project meets prevailing wage provision \$1,000 for multifamily units that are ZERH certified. \$5,000 per unit if project meets prevailing wage provision. 	<ul style="list-style-type: none"> Does not reduce basis for LIHTC projects Credits are claimed in owner's tax return for the year the property was placed in service.
IRS	179D Energy Efficient Commercial Building Tax Deduction	<ul style="list-style-type: none"> Commercial (including multifamily) buildings 4 stories or greater. Can be allocated to designers for tax exempt entities 	<ul style="list-style-type: none"> Min 25% improvement from pre-retrofit Energy Use Intensity (EUI). For new construction, energy savings must be measured against the latest ASHRAE standard affirmed by the Secretary of Treasury at least 4 years before the property is placed in service. 	\$.50/SF for a 25% improvement; increases incrementally to \$1.00/SF at 50% improvement. (additional incentive if prevailing wage and apprenticeship requirements are met)	<ul style="list-style-type: none"> Reduces basis so unlikely to be used on LIHTC projects.
IRS	48 Renewable Energy TaxCredit	<ul style="list-style-type: none"> 30% baseline credit Bonus Credits for addition 10-20%. Must apply to DOE. 2 additional stackable 10% credits for Energy Communities and domestic manufacturing. 	<ul style="list-style-type: none"> Renewable energy systems and storage 	<ul style="list-style-type: none"> Tax Credit Direct Pay option for non-profits/tax-exempt orgs. 	<ul style="list-style-type: none"> Does not reduce basis for LIHTC projects

LISC MA's Decarb Hub is a consolidated resource for affordable housing owners interested in accessing technical expertise and funding for building decarbonization projects.



Our **STAR Solar Program** supports affordable housing organizations in identifying opportunities to install solar across their portfolios.



Our **Energy Cohort** convenes 500+ affordable housing professionals to learn about building electrification and decarbonization, resiliency, and health. [Sign up here.](#)



LISC leads the **Zero Carbon Renovation Fund Coalition**, which is 200+ housing, education, and climate justice organizations advocating at the state level for equitable building decarbonization resources and electricity rate reform.



CONTACT INFORMATION

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