



Citizens' Housing and Planning Association

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June 12, 2025

Chair Aaron Michlewitz

Representative Ann-Margaret Ferrante

Representative Todd Smola

Chair Michael Rodrigues

Senator Jo Comerford

Senator Patrick

Re: CHAPA FY2026 Budget Recommendations for Affordable Housing, Eviction Prevention, and Economic Recovery

Dear Chairs Michlewitz, Chair Rodrigues, Representative Ferrante, Representative Smola, Senator Comerford, and Senator O'Connor:

On behalf of Citizens' Housing and Planning Association (CHAPA), thank you for investing in permanent affordable housing solutions, including our state's rental assistance programs, public housing, and housing assistance in the FY2026 budget. These investments will help thousands of people in Massachusetts find or stay in their homes, prevent evictions, and avoid homelessness.

CHAPA's mission is to encourage the production and preservation of homes that are affordable to people with low and moderate incomes, and to foster diverse and sustainable communities through planning and community development. At CHAPA, we believe that everyone should have a safe, healthy, accessible, and affordable home in the community they choose.

Housing is the single best investment we can make for the future of Massachusetts. The Commonwealth needs 222,000 new homes by 2035 to stabilize home prices and rents. Meeting this need requires both capital and operating support to ensure homes remain safe, livable, and truly within reach. As we expand housing across all income levels, sustained investment is crucial to ensuring equitable access to stable housing. Of the 222,000 new homes we need, it is vital that we create new homes for people across income levels and ensure that 44,000 are affordable for people with low and moderate incomes and 22,000 are affordable for people with extremely low incomes including 11,000 with supportive services.



As the budget moves through the Conference Committee, it is critical to invest in rental assistance programs and public housing, both of which are necessary for producing and preserving housing for people with low and extremely low incomes. Furthermore, funding downpayment assistance programs, like STASH, is an investment in economic mobility, opening homeownership opportunities as we expand the Commonwealth's housing supply.

CHAPA is grateful for the Legislature's prioritizing the housing challenges facing Massachusetts. We especially appreciate the Legislature's rejection yet again of harmful budget amendments that would have weakened Chapter 40B and the MBTA Communities Act, helping to preserve successful tools for expanding housing opportunities. The consistent support by both the House and the Senate of these laws demonstrates the Legislature's commitment to ensuring that Massachusetts can build the homes we need to thrive.

Below are CHAPA's funding and programmatic improvement requests for the Conference Committee's consideration during your work to develop the final FY2026 budget.

Massachusetts Rental Voucher Program (MRVP) (7004-9024)

- *Adopt the \$258,111,840 funding level included in the House budget.*

MRVP is the Commonwealth's core rental assistance program, supporting approximately 10,000 low-income households annually. MRVP is a critical tool for addressing housing instability across the Commonwealth. It provides both mobile vouchers—offering choice and mobility—and project-based vouchers, which provide affordable housing developments with a reliable stream of income, making it possible to continue operating and maintaining deeply affordable homes.

As the state implements the MBTA Communities Act and Affordable Homes Act to expand housing production and supportive housing opportunities, MRVP plays a critical role in creating new homes that are affordable for people with extremely low incomes. Vouchers are needed to close the gap between what people with extremely low incomes can afford and what it costs to operate and maintain buildings. This is true for supportive housing as well. Without vouchers, deeply affordable and supportive housing is not possible. With nearly 168,000 households on the waitlist, increased investment is vital to sustain and grow the program's reach.

CHAPA urges the Committee to adopt the House's proposed funding level of \$258,111,840 for MRVP. This investment reflects an essential commitment to

preserving existing rental assistance, as well as continued progress toward meeting the growing demand.

Fair Housing Centers (7004-0099 and 7004-0107)

- *Adopt \$200,000 for the Massachusetts Fair Housing Center and \$75,000 for SouthCoast Fair Housing included in the Senate budget.*

The Fair Housing Alliance of Massachusetts (FHAM) is a consortium of four organizations working to end housing discrimination through legal services and education for families with children, disabled people, survivors of domestic violence, voucher holders, and many others.

Historically, FHAM members have received funding from the Department of Housing and Urban Development (HUD) in the form of Private Enforcement Initiative (PEI) grants, Education and Outreach Initiative (EOI) grants, and through the Moving To Work (MTW) Demonstration Initiative.

Earlier this year, FHAM members experienced considerable uncertainty regarding previously awarded HUD grant funds. While contracted funds are now expected to be awarded, not every Fair Housing Center has a signed contract for future work and federal funding remains extremely precarious.

It is vitally important that funds directed the Southcoast Fair Housing Center and the Massachusetts Fair Housing Center from the Senate budget be preserved to provide these FHAM members with some resources to perform their work.

Additionally, CHAPA strongly urges this Conference Committee to provide funding to the Fair Housing Trust, which was established through the Affordable Homes Act, to preserve Massachusetts' commitment to fair housing and against housing discrimination.

Public Housing Operating Subsidies (7004-9005)

- *Adopt the \$116,000,000 funding level included in the Senate budget.*

Massachusetts' state-funded public housing system provides more than 41,000 homes for over 70,000 residents, including low-income families, seniors, and people with disabilities. Years of underfunding have strained housing authorities, driving up emergency repair needs and delaying unit turnover. More recently, rising property insurance costs have added new financial pressure.

It is vitally important that Massachusetts continue to increase investment in our state-funded public housing to keep homes safe, reduce costly repairs, and ease demand on the shelter system.

Public Housing Reform (7004-9007)

- *Adopt the \$1,312,000 included in the House budget.*

The \$1.312 million included in the House budget supports local housing authorities by funding the technology and systems needed to manage state-aided public housing more effectively. These tools are essential for tasks such as capital planning, compliance tracking, and internal communication, forming the infrastructure that helps housing programs operate in a coordinated and accountable way.

The systems supported by this funding also help meet requirements in Chapter 235, the state's public housing reform law, related to tenant engagement and planning transparency. Continued investment is important to ensure housing authorities have the tools they need to operate efficiently and equitably.

Sponsor-Permanent Supportive Housing (7004-0105)

- *Adopt the \$11,922,875 funding level included in the House budget.*

This program provides permanent housing with onsite supportive services for people experiencing chronic homelessness. By offering stability and access to care, it helps residents maintain housing and reduces the need for emergency shelter, hospital stays, and other crisis services.

The House budget would fully support the existing supportive housing portfolio and create capacity for approximately 79 new homes statewide. This would significantly expand access to permanent supportive housing and strengthen the state's efforts to reduce chronic homelessness.

Saving Toward Affordable and Sustainable Homeownership (STASH)

- *Adopt the \$500,000 funding level included in the Senate budget.*

Operated by the Massachusetts Affordable Housing Alliance, STASH is a matched savings program that helps participants build assets and prepare for homeownership through financial education and individualized support. In one of the most expensive homeownership markets in the country, the program has already helped nearly 200 buyers.

CHAPA is grateful that both the House and Senate included funding for STASH, reflecting growing support for first-generation homebuyers. The Senate's higher funding level would allow for the program to assist the most possible recipients.

Housing Consumer Education Centers (HCECs) (7004-3036)

- *Adopt the \$5,700,000 funding level included in the Senate budget.*

Housing Consumer Education Centers (HCECs) serve as Massachusetts' housing "first responders," helping families in every region navigate housing crises and remain stably housed. In FY2024, they supported 75,427 households by delivering critical services such as eviction prevention, housing counseling, housing search assistance, and financial education. Averaging just \$116 per person, HCECs offer a highly cost-effective lifeline by connecting residents to essential programs like RAFT, MRVP, and HomeBASE.

CHAPA is deeply concerned that the Governor, the House, and the Senate each included funding proposals that are significantly below FY2025. As demand for services continues to grow, increased funding is essential to retain qualified staff, maintain service levels, and prevent disruptions that would increase housing instability and costs to the Commonwealth. CHAPA urges the adoption of the Senate's higher funding level.

Residential Assistance for Families in Transition (RAFT) (7004-9316)

- *Adopt the \$225,000,000 funding level included in the Senate budget and preserve the Senate language making improvements to the program.*

RAFT is a vital resource for preventing homelessness by providing timely rental assistance to households facing housing crises. CHAPA strongly supports the Senate's proposed funding increase, which will strengthen the program's ability to serve more families and individuals, helping them remain housed and avoid the trauma and cost of eviction.

CHAPA also supports the Senate's commitment to evaluating improvements to RAFT. Developing a coordinated, statewide homelessness prevention and diversion strategy, led by the Executive Office of Housing and Livable Communities will include evaluating barriers to access, such as the requirement for a notice to quit, and promoting early intervention to help families before they reach a housing crisis. Requiring a notice to quit prevents qualified households from accessing assistance early, often leading to preventable evictions and pushing families further behind on rent. These updates will

improve housing stability for both renters and property owners while reducing pressure on the shelter system.

HomeBASE (7004-0108)

- *Adopt Senate language to strengthen access, expand eligibility, and support long-term housing stability.*

HomeBASE helps families exit shelter or avoid homelessness through short-term rental assistance and housing stabilization services. By combining financial support with dedicated case management, the program reduces reliance on the state's emergency shelter system and promotes long-term housing stability. Both the House and Senate budgets include strong provisions to improve HomeBASE, such as extended benefit caps, dedicated caseworkers, and protection from disqualification due to a single plan violation. The Senate language goes further by allowing families whose income increases to remain eligible while actively participating in their housing stabilization plan, without a 12 month time limit. It also expands access by making families living in domestic violence shelters eligible for assistance

Additionally, the Senate budget language directs the Executive Office of Housing and Livable Communities to develop a statewide plan to improve access to homelessness prevention programs. This includes evaluating barriers such as the notice to quit requirement and analyzing changes to eligibility criteria and benefit levels to promote earlier intervention. Together, these updates will help HomeBASE keep families housed, adapt to changing needs, and promote stability.

Department of Mental Health Rental Subsidy Program (7004-9033)

- *Adopt the \$17,048,125 funding level included in the Senate budget.*

The Department of Mental Health (DMH) Rental Subsidy Program provides stable, affordable housing for individuals with serious mental illness, many of whom are living in hospitals, emergency departments, nursing homes, or on the streets due to the lack of supportive housing. Participants pay 30% of their adjusted income toward rent, with the program covering the remainder. In addition to housing, recipients receive community-based services that help maintain tenancy, support health, and aid in recovery. Stable housing is essential to effective behavioral health treatment and long-term recovery.

The Senate budget's increase of \$500,000 will support approximately 30 new rental subsidies. This will help more people transition into stable housing and access the care they need in their communities.

Housing Assistance for Reentry Transition (7004-9034)

- *Adopt the \$3,120,000 funding level included in the Senate budget.*

The Reentry Voucher Program supports individuals leaving incarceration by providing stable housing, addressing a critical gap for those reentering society. Stable housing is essential for reducing recidivism and connecting returning citizens with services like healthcare, employment, and behavioral health supports. In FY2025, this program provided housing assistance to 51 formerly incarcerated adults and funded 30 additional mobile vouchers for individuals over age 55. In addition to rental assistance, the program supports housing search, landlord engagement, and tenancy stabilization.

CHAPA supports the Senate's higher funding allocation, which will provide greater capacity and flexibility to sustain and potentially expand these services.

Access to Counsel (0321-1800)

- *Adopt the \$3,000,000 funding level included in the House budget.*

Access to Counsel provides free legal representation to low-income tenants and owner-occupants facing eviction, addressing the stark imbalance in court, where nearly 90% of landlords have attorneys but only 4% of tenants do. Early data show that in over 60% of closed cases, eviction was avoided or delayed, and nearly 90% of clients gained time to secure stable housing. Most people served are women, families with children, and individuals with disabilities.

CHAPA supports the House's funding level for Access to Counsel and the removal of the word "pilot," establishing a more permanent foundation for the program. Continued investment is critical to promoting housing stability and preventing homelessness across the Commonwealth.

Residential Rental Broker Fees (Senate Outside Section 50)

- *Adopt Senate language.*

Broker fees can create a major barrier to accessing housing, particularly for low-income renters, by significantly increasing move-in costs. Tenants are often required to pay broker fees that can total thousands of dollars, even when they

had no role in hiring the broker. This practice can delay or entirely block housing access for those without the savings to cover these unexpected costs and may force tenants to take on debt, accept substandard housing, or remain in unstable situations.

The Senate language addresses this problem by establishing a clearer and more straightforward framework for broker fees. It specifies that only the party who directly hires a broker, whether tenant or landlord, is responsible for paying the fee. This reduces ambiguity, helps ensure tenants are not charged for services they did not request, and creates a more enforceable standard that aligns with the broader goal of housing access and fairness.

Unlocking Housing Production (Senate Outside Sections 134-136)

- *Adopt Senate language.*

The Legislature has made significant progress in adopting policies that foster housing production. Many tools are needed to create the environment needed to turn policies into homes. Even as new housing policies and funding are implemented, many projects across the state still face delays due to outdated regulations, permitting inefficiencies, and rising construction costs. The Unlocking Housing Production Commission identified several practical reforms to address these persistent barriers, especially in the areas of permitting, inspections, and local tax structures. The Commission's recommendations made clear that increasing housing supply will require not only more investment but also changes to how we regulate and support development.

The Senate's language advances this work by directing feasibility studies on four key proposals: a construction sales tax exemption for multifamily projects, third-party inspections for modular and off-site housing, a local-option property tax exemption for new affordable developments, and modernization of local inspection systems.

These studies will help identify workable reforms that can lower costs, streamline approvals, and support more housing production across Massachusetts. CHAPA urges the Committee to include this provision in the final FY2026 budget.

Community Preservation Trust Fund

A vehicle through which the Commonwealth can support the creation of new homes is the Community Preservation Act (CPA). Beginning in 2013, the

legislature began dedicating funds from the state's consolidated net surplus to the Community Preservation Trust Fund. Since then, over \$106 million in surplus funds have been provided to the now more than 200 municipalities that have adopted CPA. The Department of Revenue is projecting a record low trust fund distribution this year, depriving municipalities of a key funding source to build affordable housing, rehabilitate historic buildings and create open space recreational areas for residents. Surplus funds are critical to the success of this important municipal program.

CHAPA strongly urges the Legislature to prioritize allocation of surplus state revenue to the Community Preservation Trust Fund to utilize this tool to support housing creation in the state.

We are in a pivotal moment to affirm our shared commitment to ensuring that every resident has access to a safe, stable, and affordable home. By adopting the highest funding levels and strongest policies from both the House and Senate budgets, the Legislature can make a meaningful and lasting impact—preventing homelessness, expanding opportunity, and advancing equity.

CHAPA deeply appreciates your dedication to meeting this challenge. We recognize the difficult decisions you must make and stand ready to support your efforts as you finalize the FY2026 budget.

Thank you for prioritizing the housing needs of the Commonwealth.

If you have any questions or would like additional information, please do not hesitate to contact Matt Noyes, CHAPA's Director of State and Federal Advocacy, at mnoyes@chapa.org.

Thank you again for your time and consideration.

Sincerely,

A handwritten signature in cursive script that reads "Rachel Heller".

Rachel Heller
Chief Executive Officer

Cc: Speaker Ron Mariano
Senate President Karen Spilka
Members, Massachusetts House of Representatives
Members, Massachusetts Senate