

Her Excellency Maura Healey
Governor
State House, Room 280
Boston, MA 02133

RE: FY2026 Capital Budget Requests for Housing - Western MA Housing Coalition Priorities

Dear Governor Healey,

Thank you for your steadfast leadership on housing and for your recognition that housing is the critical foundation that allows people and communities to thrive. You recognized this challenge to our Commonwealth and stayed laser-focused on meaningfully advancing it, passing the historic Affordable Homes Act, outlining ambitious plans in “A Home For Everyone”, and advancing innovative ideas to build more housing in “Unlocking Housing Production”. All of these set the framework for guiding meaningful, impactful housing investment. Now, at this critical juncture – as the FY2026-FY2030 Capital Investment Plan (CIP) is being formed – we need to make wise and meaningful commitments to advancing housing production and preservation. The Capital Investment Plan is where targeted and substantial investment can be a catalyst for advancing affordable housing.

The Western Mass Housing Coalition (WMHC), comprising 49 housing developers, municipalities, regional organizations, and housing advocates across Western Massachusetts, is committed to fostering safe, affordable housing in our region. We are ready to partner with you to reach the goal of building and preserving additional housing units in western Massachusetts over the next 10 years (up to 2.5% for Berkshire and Franklin Counties, and 5%-7.5% for Hampden and Hampshire Counties, as outlined in “A Home for Everyone”).

On behalf of the WMHC, we respectfully urge you to allocate \$500 million for housing production and preservation in the FY2026 Capital Investment Plan (CIP). An investment of this scale in housing is essential to fulfill the promise of the Affordable Homes Act and address our current housing crisis.

The FY26 CIP is an opportunity to commit to an investment in housing that will ensure enough homes are built to support prosperity for Massachusetts residents. Importantly, it is an opportunity to consider key regional differences across the State and to allocate this investment in a way that delivers for all the Commonwealth’s communities. The recommendations below were developed from WMHC members, comprised of experienced housing practitioners who have a deep understanding of the needs and challenges across the 101 diverse communities of Western Massachusetts.

We asked WMHC members how they would allocate the requested \$500M investment in housing. The recommendations are below:

- **\$175 million for Rental Housing** (50% production and 50% preservation)
- **\$125 million for Homeownership** (60% production and 40% preservation)
- **\$130 million for Public Housing**
- **\$70 million for enabling grants that support housing development**



The Urgent Need for Rental Housing Investment

*Recommendation: **\$175 million for Rental Housing** (50% production and 50% preservation)*

More than half of all renters in the Pioneer Valley (54%) are housing cost burdened, according to the Springfield & Pioneer Valley Housing Study from 2022 by the UMass Amherst Donahue Institute – higher than the 49% of cost-burdened renters across the state. The need for affordable rental options is critical across the Commonwealth, but even more urgent in western Massachusetts, where it is estimated that the region needs 17,300 units affordable at \$500 per month or less to meet the true need. Focusing on the development and preservation of rental housing is our top priority because of these continuing pressures on low-income renters across the region.

In making this rental investment, we recommend an even split between production and preservation. According to the Springfield and Pioneer Valley Housing Study, 63% of housing in the Pioneer Valley is more than 50 years old (built before 1970) and 31% was built before 1940. The need is more acute in our region, compared to 60% of housing built before 1970 statewide. Just as it is important to build new units to add to our supply, it is important to reinvest in our existing stock to keep it healthy, safe and available as an option in the rental market.

Creating Opportunities to Build Wealth and Strengthen Communities Through Homeownership

*Recommendation: **\$125 million for Homeownership** (60% production and 40% preservation)*

Homeownership is a critical foundation for housing stability and long-term wealth building, particularly for low- and moderate-income households and communities of color that have been historically excluded from access to credit and property ownership. Unlike renting, owning a home provides stability, control over housing costs, and the opportunity to build equity over time—equity that can be used to support education, entrepreneurship, or the next generation.

The cost of refurbishing a property can be prohibitive, especially in a market where housing prices are lower, as in western Massachusetts. But the area provides many homeownership opportunities through infill and small-scale development. When it comes to both preservation and production, there are few funding options for this type of production and preservation among State programs, especially for blighted properties in Gateway Cities and small towns across western Massachusetts. In particular, the Neighborhood Stabilization Program (NSP) can be used to advance infill in blighted neighborhoods while offering affordable homeownership opportunities. These smaller scale projects meet the size and scale of smaller communities. Within this homeownership recommendation, we would ask that you **fully authorize NSP at \$10 million each year to advance both housing needs and remediation of blighted properties.**



Ensuring Safe, Quality Housing for Our Most Vulnerable Residents

Recommendation: \$130 million for Public Housing

Public housing is a critical part of the housing ecosystem, providing more than 40,000 homes across the state in more than 230 cities and towns. These homes often house our most vulnerable residents, including older adults and people with disabilities. They ensure that families can afford stable housing. Massachusetts also has the proud distinction of being one of only four states to provide state-funded public housing, and does not rely solely on federal public housing programs – a critical asset at this time of federal uncertainty. However, most of these units were built between 1948 and 1956 with additional housing for older adults built between 1960 and 1985, many of which may lack accessibility features needed to age in place. The system currently has an estimated \$4 billion maintenance backlog. Families in public housing also deserve safe and healthy units. We must continue to invest substantially to ensure housing remains accessible and in good condition for our most vulnerable residents.

Invest in Infrastructure and Planning Support for Small Communities

Recommendation: \$70 million for enabling grants that support housing development

Smaller communities like those in western Massachusetts need opportunities provided through enabling grants to unlock housing production. Planning grants, infrastructure investments, and other incentives are vital to creating pathways to preserve and expand housing throughout the region. Where we have water and sewer service, we are more likely to develop higher density multifamily housing. According to a database of western Massachusetts land parcels created by the Massachusetts Housing Partnership's Center for Housing Data, 91 percent of our multifamily housing is located in areas with water and sewer service. Expansion in capacity of these systems will provide us with more opportunities to create the multifamily housing our region needs.

Rural communities often lack funds for major infrastructure improvements and extensions that could unlock housing production. Incentivizing communities to build housing with the **Smart Growth Trust Fund**, providing resources for **Community Planning Grants**, and **Housing Works Infrastructure Grant Program** will enable communities to build the housing we need.

Conclusion: Commit to a Bold Housing Investment of \$500 million

Now is the time to make a bold investment in housing that reflects the urgency of our crisis and the promise of solutions that are within reach. The Western Mass Housing Coalition is ready to be a full partner in building and preserving housing that strengthens communities, expands opportunity, and addresses deep-rooted inequities in access and affordability. By funding the programs outlined above, your administration can ensure that families across every region have a stable place to call home and a pathway to economic mobility. We urge you to make housing a cornerstone of the FY2026 Capital Investment Plan and to demonstrate that every corner of the Commonwealth matters in the fight for housing justice.

Sincerely,
Western Mass Housing Coalition

CC: Ed Augustus, Secretary, Executive Office of Housing and Livable Communities
Matthew Gorzkowicz, Secretary, Administration and Finance
Kristen Elechko, Western Massachusetts Director, Office of Governor

Western Massachusetts Housing Coalition Members

City/Town

Mayor, City of Easthampton
Mayor, City of Holyoke
Town Manager, Town of Amherst
Amherst Affordable Housing Trust Fund
City of Chicopee
City of Greenfield
City of Northampton
City of Pittsfield
City of Springfield
City of Westfield
Town of South Hadley
Town of West Springfield

Partners for Advancing Housing

18 Degrees
Center for Human Development
Clinical & Support Options (CSO)
Community Action Pioneer Valley
Friends of the Homeless (CSO)
Hampden County Continuum of Care (COC)
Jacob's Pillow
Massachusetts Association of CDCs (MACDC)
Mental Health Association
Public Health Institute of Western Massachusetts
Religious Action Center of Reform Judaism (RAC-MA)
Springfield Partners for Community Action
Western Massachusetts Network to End Homelessness

Affordable Housing Nonprofits & Community Development Corporations

CDC of South Berkshire
Central Berkshire Habitat for Humanity
Construct Berkshires
Franklin County CDC
Greater Springfield Habitat for Humanity
Hearthway
Hilltown CDC
Home City Development, Inc.
OneHolyoke CDC
Pioneer Valley Habitat for Humanity
Quaboag Valley CDC
Revitalize CDC
Rural Development, Inc.
Springfield Neighborhood Housing Services
Valley CDC
Valley Opportunity Council
Way Finders

Regional Organizations and Housing Authorities

Berkshire Regional Planning Commission
Franklin County Regional Housing & Redevelopment Authority
Franklin Regional Council of Governments
Holyoke Housing Authority
Pioneer Valley Planning Commission
Springfield Housing Authority
UpSide413