

September 5, 2025

The Honorable Edward M. Augustus, Jr.
Secretary
Executive Office of Housing and Livable Communities
100 Cambridge Street, Suite 300
Boston, MA 02114

Re: Proposed Regulation 760 CMR 75.00

**Dear Secretary Augustus:** 

MassNAHRO respectfully submits the following public comment on proposed 760 CMR 75.00. While understanding that the need for Life Cycle Assessments ("LCAs") in state-funded housing projects is a statutory requirement, the proposed regulations are vaguely worded and raise a number of serious questions and concerns. The paramount concern MassNAHRO holds is the impact that these regulations will have on increasing costs and burdens placed on our local housing authorities. That concern is in addition to those regarding added delays in development and redevelopment, additional intrusions on our residents, and potential previously unknown and unplanned liabilities that may arise. MassNAHRO urges the Executive Office of Housing and Livable Communities ("EOHLC") to bring stakeholders to the table to come up with a regulatory scheme that satisfies the statutory requirements of St. 2024, c.239, §113, but does not create additional barriers to upgrading, repairing, renovating, expanding, and creating new state-funded public housing.

MassNAHRO seeks clarification on the applicability of these regulations. The language defining "state-funded housing project," is broad, including "[m]ajor redevelopment" as well as repairs, renovation or new construction of State-Funded Housing. Including any and all state-funded repairs or renovations within the categories of work that will require an LCA places a significant additional burden on local housing authorities. This is especially concerning for smaller local housing authorities that already have fewer resources and struggle to keep up with the regulatory requirements. Specifically, the usage of "repairs," which remains undefined, has the opportunity be wide-ranging and could capture almost any work done by local housing authorities using state funding, including vacancy turnovers.

The wide-ranging requirements would also lead to increased costs with the creation of a new unfunded mandate for local housing authorities. While our housing authorities are all mindful of the need to mitigate environmental impacts, this requirement will add additional costs, and delays, to necessary work. As it already stands, housing authorities are subject to a number of requirements under both state and federal law that inherently create increased costs in any project. In addition to those requirements, building material costs alone are rising significantly. The Bureau of Labor Statistics projected that the price of building materials rose by 36% from 2020

<sup>&</sup>lt;sup>1</sup> A term that needs a more refined definition.

<sup>&</sup>lt;sup>2</sup> MassNAHRO is operating on the assumption that these regulations only apply to those listed categories of work (major redevelopment, repair, renovation, new construction) of State-Funded Housing (as defined) units. If the language is meant to be broader to capture major redevelopment, repair, renovation of all state-funded projects, *and* new construction of State-Funded Housing, this language should be refined to match that intent.

to 2025, far outpacing inflation in that time period, and this increase in costs does not consider tariff costs.

Accounting for inflation, the actual need for housing authority operating subsidy is still around \$60 million more than our housing authorities receive through the state budget, and that does not even account for capital considerations. Under the current draft of these regulations, housing authorities now need to factor in additional costs to projects, even as they need more funding. One housing authority, for example, estimated an LCA – solely for an HVAC system replacement – would cost around \$50,000 to complete. Requiring housing authorities to foot these extra expenses for a high number of projects will see costs for even simple repairs drastically increase. The LCA requirements would also needlessly slow down projects. In tying this to any project with state funding, even a simple repair using state money would be delayed as the housing authority added the LCA, including bidding out the assessment, performing it, and analyzing it – all before construction begins. This will cause projects to be further drawn out and construction timelines to be lengthened. This is especially concerning if these requirements are applicable to simple repairs and vacancy turnovers. Additional delays would run counter to the goals of getting projects completed and housing ready for occupants as soon as possible. Moreover, not every project necessarily needs an LCA. LCAs are important for systems and projects with long term environmental issues, such as an HVAC unit or heating system upgrade.

St. 2024, c.239, §113 does not necessarily require such a broad interpretation of the types of work or projects that require an LCA. Nevertheless, under the current draft of these regulations, large swaths of projects will potentially be required to have an LCA performed. This will result in additional and otherwise unfunded costs, as well as delays. While the regulations do have a waiver provision, even filling out and filing a waiver requires the allocation of administrative staff resources, and new uncertainties for developers or contractors, with no guarantee the waiver will even be granted. To ensure that housing authorities are not subject to additional unfunded burdens, MassNAHRO urges EOHLC to refine these regulations to capture larger scale projects, for example over a high dollar amount, or those projects that have a higher likelihood of environmental impacts.

MassNAHRO also has concerns about the requirement that LCAs will have on our residents, especially in light of the sweeping language and broad application. LCAs are performed very early in a project's lifecycle and in many instances will need to take place while residents still occupy units. While tenants may understand the need for people entering their units on larger scale redevelopment projects, an increased number of intrusions into their units or common areas will have significant impacts on their daily lives. Furthermore, if an LCA must be conducted for all repairs, tenants will have their day-to-day life significantly disrupted, which will result in untenable living arrangements.

Additionally, based on information from the Capital Planning System, state-aided public housing has a backlog of expired components over \$3.6 billion. Moreover, throughout our state-aided public housing, the presence of hazardous materials that must undergo remediation is unknown, but we can estimate that it would result in billions of dollars. Many of these issues are being addressed by housing authorities and are considered in their yearly budget, capital plans, and funding requests. However, with this potential new requirement for widespread LCAs, housing authorities will begin discovering issues that were previously unknown. If and when they are identified during an LCA, there will be a statewide need for billions of dollars needed for remediation and repair that once again adds another unfunded challenge to a broken system. LCAs may uncover issues that must be immediately addressed, despite such work not being budgeted or accounted for. In addition to costs, this may also create unforeseen penalties and new potential liabilities arising from an LCA. We must ensure that our

housing authorities have adequate funding to support them as more issues come to light with the undertaking of LCAs.

Finally, MassNAHRO seeks clarification on the potential scope of penalties set forth in proposed 760 CMR 75.04(1). The language conditions EOHLC funding on undergoing an LCA. The question posed is whether this condition is related solely to funding for the project or would a failure by a housing authority to complete an LCA result in penalties related **to all other** EOHLC funding the housing authority may receive? We trust that our housing authorities will ensure that they are following all regulatory requirements, but it is important to understand the full scope of liabilities before them.

As you are aware, the Facilities Condition Assessment (FCA"), is currently out for bid. As we look at the proposed regulations, there may be a way to utilize this assessment to satisfy the goals of St. 2024, c.239, §113. For example, reconsidering the scope of the RFP to include performing an LCA on active projects, or on state-funded properties in general. Alternatively, the FCA may provide an interim period for determining potential risks and liabilities that may exist to provide housing authorities with more information before LCAs find potential concerns and incorporate these in their budgets. Delaying the implementation of 760 CMR 75.00 to allow the FCA to identify systems, components, and existing conditions at the over 40,000 public housing units that are of concern and allow for the opportunity to begin some baseline work. By moving forward with this regulation as written, there is potential for, not only an additional and significant fiscal burden for housing authorities, but also significant unrealized capital needs, delays in both small- and large-scale projects, shifting resources, and potential new liabilities.

While MassNAHRO is supportive of the goals of this regulation in ensuring that state-aided public housing is part of the solution in reducing environmental impacts, the unintended consequences could have devastating results. We urge EOHLC to delay the implementation of 760 CMR 75.00 to allow housing authorities to better understand what unknown issues may exist and to engage in listening session with LHAs. This will allow everyone to come together with a working plan to mitigate environmental risks while lessening the impact on state-aided public housing residents and development projects.

Respectfully,

Donna Brown-Rego Executive Director

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MassNAHRO