

Commonwealth of Massachusetts EXECUTIVE OFFICE OF HOUSING & LIVABLE COMMUNITIES

Maura T. Healey, Governor 🔶 Kimberley Driscoll, Lieutenant Governor 🔶 Edward M. Augustus Jr., Secretary

Public Housing Notice 2025-07

To: All Local Housing Authority (LHA) Executive Directors
From: Fatima Razzaq, Acting Director, Division of Public Housing
Re: EOHLC Vacancy Initiative 2.0
Date: June 11, 2025

In September of 2023, the Executive Office of Housing and Livable Communities (EOHLC) issued <u>PHN</u> <u>2023-17</u>, outlining an initiative and providing resources for Local Housing Authorities (LHAs) aimed at significantly reducing the number of state-aided public housing vacancies. Since that time, we have achieved a **35% reduction** in operational vacancies¹. We are proud of this progress and thankful to the LHAs for their concerted efforts, and for working in partnership with us to accomplish this milestone.

As a result of these efforts, the majority of remaining vacancies in the portfolio are concentrated across a small number of LHAs. In order to address these outliers, EOHLC is introducing the following new protocol:

When LHA operational vacancies reach or exceed the established Vacancy Concern Thresholds², EOHLC will send formal notice to the LHA and its Board Chair. This notification will request information on the support or resources the LHA may need to reduce the vacancy rate and support rapid re-occupancy. EOHLC is committed to working collaboratively with LHAs to identify and provide appropriate assistance. If the LHA does not respond within ten (10) business days, a second notification, signed by the Secretary of EOHLC, will be issued to the LHA Executive Director and Board of Commissioners, and a mandatory meeting with the Executive Director and Board Chair will be scheduled.

Additionally, in order to encourage quicker turnovers at LHAs, EOHLC is introducing a new financial incentive program for Fiscal Year 2026. Under this program, LHAs that achieve the following metrics for each of the twelve (12) months between July 2025-June 2026 will be eligible to receive a 5% increase to their Formula Funding and an EOHLC Directed Exemption equal to a 2% increase to their ANUEL. These funds may be used at the LHA's discretion in accordance with all existing regulatory requirements and Budget Guidelines.

¹ Operational Vacancies excludes units with waivers for funded modernization projects, insurance loss, and repurposed units.

² Vacancy Concern Thresholds are as follows: Vacancies exceed 5% of all units OR - Vacancies in Family or Elderly/Non-Elderly Disabled Program exceed 10% OR - LHA has more than 40 vacant units

- 667s leased up within 30 days of vacancy
- 200s and 705s leased up within 45 days of vacancy

Units requiring capital work will not be included in this evaluation. This program is subject to funding availability.

To assist LHAs with timely turnovers, below is a non-exhaustive list of support and guidance that EOHLC intends to continue providing:

- Vacant Unit Turnover Task Forces: Last month, EOHLC awarded funding to the Taunton and Worcester Housing Authorities to enable them to create vacant unit turnover task forces which will provide on-site turnover assistance to LHAs in those territories. EOHLC is working with Taunton and Worcester on program guidelines and intends to roll out the program for LHA use later this summer.
- Force Account Guidelines and Application: Updated <u>guidelines</u> and <u>application form</u> can be found <u>here</u>. These documents provide clearer, streamlined guidance for easier use of the program.
- Vacant Unit Capital Funds: During the first Vacant Unit Initiative, EOHLC relaxed guidelines around capital funds to allow for projects to move forward quickly. Effective June 30, 2025, we will re-institute the following guidelines to govern the further use of capital funds on vacant unit projects.
 - LHAs are eligible to receive vacant unit funding once their formula funding has been depleted down to their last year's award. If their formula funding has not yet been depleted to that amount, they will be asked to contribute up to that amount and the VU award will cover the balance. Final award amounts remain contingent on funding availability and EOHLC's discretion.
- Vacant Unit Administrative Funds: These funds are available as a temporary budget exemption to cover staff time associated with tenant selection. Funds may be requested through the LHA's HMS and are awarded on a case-by-case basis.
- Vacant Unit Design Guidance: Attachment A to this PHN details design and scope considerations for units that require capital work in order to prioritize rapid re-occupancy.
- Vacant Unit Best Practices: Attachment B to this PHN provides a guide to efficient administrative and maintenance processes for timely turnovers.

Thank you again for your continued partnership on this important issue. If you have any questions on this PHN, please contact your assigned Housing Management Specialist (HMS).