



Community Economic Development
Assistance Corporation

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More than 2,600 Units of Affordable Housing Preserved in Massachusetts in 2019

Boston, Mass. (October 21, 2020) – Massachusetts preserved more than 2,600 units of affordable rental housing during 2019, according to data released today by the Community Economic Development Assistance Corporation (CEDAC). CEDAC provides financial and technical assistance to non-profit organizations involved in affordable housing development and preservation, and child care facilities that serve families in low-income communities.

CEDAC's data shows that 3,032 total units in 25 project developments across the state were preserved using various types of state financing in 2019. From the total, 2,689 units are affordable and the remaining units are market rate. The projects span the state and consist of large- and small-scale developments in communities across the Commonwealth, including Boston, Cambridge, Duxbury, Holyoke, Lawrence, Leominster, Stoughton, and Worcester, to name a few.

“Over the last decade, Massachusetts has done an admirable job preserving thousands of affordable housing units across the state,” said Bill Brauner, CEDAC's Director of Housing Preservation and Policy. “As in previous years, over two dozen affordable housing developments were preserved in 2019, which means that thousands of families remain safely housed.”

The Department of Housing and Community Development (DHCD), along with quasi-public state agencies MassHousing, MassDevelopment and Massachusetts Housing Partnership as well as CEDAC, has utilized a variety of resources to support affordable housing preservation, including housing tax credits, subordinate loans and various forms of mortgage financing to address affordable housing challenges in Massachusetts.

An innovative state law, Chapter 40T has helped to preserve affordability in communities across the state, ensuring that families are able to stay in their homes and neighborhoods. It establishes public notification provisions for tenants and state and local officials, a right of offer and right of first refusal for DHCD or its designee to purchase publicly-assisted housing, and modest tenant protections for projects with affordability restrictions that terminate. Since the passage of Chapter 40T in 2009, DHCD has helped to preserve more than 22,600 units of affordable rental housing.

“Ten years after it was enacted, it is gratifying to see that Chapter 40T has done what it was designed to do - preserve affordable housing in Massachusetts,” said Roger Herzog, CEDAC’s executive director. “The Massachusetts Department of Housing and Community Development (DHCD), our non-profit partners, and other important stakeholders in the state’s community development network deserve tremendous credit for ensuring that people are able to remain in their homes. As we deal with the challenges of the COVID-19 pandemic, we know now more than ever how important that is.”

Chapter 40T was enacted in 2009 in response to a crisis that evolved out of the way that many large-scale affordable housing developments were financed in the late 1960s and 1970s. At that time, these apartments were built by private owners utilizing state and federally-funded mortgage programs that connected access to below market rate 40-year mortgages to affordable housing use restrictions. Many of those mortgages are reaching maturity in the next several years, at which point the use restrictions terminate and the owners may seek to convert the affordable housing to market rate.

CEDAC maintains a database of the privately-owned stock of publicly assisted affordable housing on behalf of DHCD and other Massachusetts public lenders. This database tracks over 1,600 projects with 135,000 housing units. CEDAC is also active in national housing preservation policy research and development and is widely recognized as a leader in the non-profit community development industry.

About CEDAC

CEDAC is a Massachusetts community development finance institution that provides predevelopment and acquisition lending along with technical expertise for community-based and other non-profit organizations engaged in effective community development in Massachusetts. CEDAC’s work supports two key building blocks of community development: affordable housing and early care and education. CEDAC is also active in state and national housing preservation policy research and development and is widely recognized as a leader in the non-profit community development industry. For additional information on CEDAC and its current projects, please visit www.cedac.org.