

Update on the Housing Development Incentive Program (HDIP):
a subsidy for market rate housing
Mass. Law Reform Institute (MLRI)¹
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INTRODUCTION

The Commonwealth has spent or committed \$146 million to subsidize market rate housing under the [Housing Development Incentive Program \(HDIP\)](#) and is poised to spend up to another \$30 million every year indefinitely.² Yet the key question about HDIP remains unanswered: [why is the state spending precious resources on high-end housing?](#)

One such “precious resource” is the Mass. Rental Voucher Program (MRVP) which provides housing vouchers to help lower income families and individuals pay rent in the private market. In January, while thousands of households remain on the MRVP waiting list hoping for a chance to find homes they can afford and avoid homelessness, [EOHLC "paused" issuance of MRVP vouchers](#) for an unknown period of time “in response to a difficult state fiscal situation.” And yet, just one month before MRVP was frozen, the [Healey administration announced an additional \\$27 million in HDIP](#) credit awards for market rate developers. Something is very wrong when the state holds back new housing vouchers while at the same time *increases* the flow of resources to subsidize developers of high-rent housing.

[MLRI’s 2022 HDIP report](#) documented some disturbing features of this program: HDIP awards support projects with almost no affordable units; HDIP housing is targeted to small households with disposable income; rents are generally well above market and often shockingly high; credits are not distributed evenly or equitably among Gateway Cities; most HDIP units have only a small number of bedrooms and are not suitable for families with children, and HDIP provides no direct benefits to lower income families in Gateway Cities.

This update to the MLRI report provides troubling new data and continued concerns about this costly program that supports only higher priced housing.

I. What is HDIP?

The Housing Development Incentive Program (HDIP) is the state’s (and perhaps the country’s) only subsidy program exclusively for market rate housing developments. Enacted in 2010 in G.L. Chapter 40V, HDIP offers millions in state tax credits and local tax exemptions to developers in Gateway Cities in which at least 80% of the units are market rate. HDIP is administered by the Executive Office of Housing and Economic Development (EOHLC). The statute allows credit awards of up to 25% of qualified development costs, subject to any per-project maximum EOHLC may impose. While HDIP credits can be used in mixed income projects (up to 20% affordable), the credit is calculated only on costs attributed to the market rate units and only three percent of the total 5,370 completed or planned units awarded credits are affordable.

II. HDIP Update at a Glance

| Total HDIP awards as of Jan. 2025³ | Recent HDIP awards reviewed in this report⁴ |
|--|---|
| ○ \$146 million in HDIP credits | ○ \$86 million in HDIP credits: |
| ○ 88 projects | ○ 48 projects |
| ○ 5,370 units | ○ 2,709 units |
| ○ 20 cities | ○ 16 cities |
| ○ 97% market rate | ○ 96.2% market rate |
| ○ 3% affordable. | ○ 3.8% affordable |
| ○ 5,281 rental units | ○ 2680 rental units |
| ○ 89 condominium units | ○ 29 condominium units |

HDIP credit awards have grown dramatically since 2023 when the Legislature more than tripled the \$10 million annual cap on credit awards to \$57 million in calendar year 2023 and \$30 million annually thereafter. This expansion occurred despite little public information on the program and a December 2022 [MLRI HDIP report](#) revealing troubling aspects of this subsidy for higher priced housing that ignores the urgent need for affordable housing for Gateway Cities residents.

The lack of official information on HDIP was addressed by the Legislature in 2020 when it amended Chapter 40V to require EOHLC to submit annual reports with detailed information on each HDIP project it had evaluated in the prior fiscal year (“Chapter 40V reports”).⁵ Four years passed without EOHLC

submitting any of the required reports. Finally, in response to a request from [Senator Jamie Eldridge](#) in October 2024. EOHLIC filed its first Chapter 40V report (covering FY2024) and in early December submitted the FY2021-23 reports. The four reports cover 36 projects that had received final or conditional awards⁶ during those four fiscal years – most not yet completed. The Chapter 40V reports are on the Legislature’s website at <https://malegislature.gov/Reports>.

III. HDIP reports to the Legislature for FY 2021-2024 reveal the same troubling issues documented in the 2022 MLRI HDIP report.⁷

The FY 21-24 Chapter 40V reports provide a partial picture of HDIP that confirms the concerns raised by the [MLRI HDIP report](#).

The state continues to spend millions on HDIP market rate housing. The Chapter 40V reports show that in FY 21-24 the state awarded over **\$59 million** in HDIP credits **on top of the total \$59 million already spent** to subsidize HDIP market rate housing and then awarded **another \$27 million** in December 2024. Of the 88 projects approved to date, 53 had been completed (received final certification) as of July 2024. *See* Appendix 1.

- **The FY 21-24 credit awards continue to subsidize HDIP projects that have almost no affordable units.** While projects can be mixed income—up to 20% affordable—and the market rate units can qualify for credits, only **six of the 36 projects in these reports have affordable units (23 of 2000 units or 1%).⁸** *See* below Table.

Annual HDIP Conditional Credit Awards by Fiscal Year

| Conditional Certification Fiscal Year | # projects | Project Has final credit | Total Units | Market Rate Units | Afford-able Units | % afford-able | Total Credit Awarded or Reserved |
|---------------------------------------|------------|--------------------------|--------------|-------------------|-------------------|---------------|----------------------------------|
| 2013 | 2 | 2 | 60 | 55 | 5 | 8.3% | 1,167,825 |
| 2014 | 3 | 3 | 123 | 123 | - | - | 2,232,077 |
| 2015 | 1 | 1 | 18 | 18 | - | - | 474,434 |
| 2016 | 4 | 4 | 290 | 282 | 8 | 2.8% | 6,428,173 |
| 2017 | 8 | 8 | 896 | 868 | 28 | 3.1% | 10,898,644 |
| 2018 | 4 | 4 | 319 | 319 | - | - | 8,000,000 |
| 2019 | 8 | 8 | 420 | 414 | 6 | 1.4% | 14,372,860 |
| 2020 | 9 | 9 | 501 | 487 | 14 | 2.8% | 14,360,717 |
| 2020.1 | 1 | 1 | 34 | 34 | - | - | 1,500,000 |
| Subtotal FY2013-2020 | 40 | 40 | 2,661 | 2,600 | 61 | 2.3% | 59,434,730 |
| 2021 | 10 | 9 | 232 | 232 | - | - | 11,040,618 |
| 2022 | 11 | 4 | 1,170 | 1,160 | 10 | 0.9% | 19,725,000 |
| 2023 | 1 | - | 54 | 54 | - | - | 1,800,000 |
| 2024 | 14 | - | 544 | 531 | 13 | 2.4% | 26,919,686 |
| Subtotal FY2021-2024 | 36 | 13 | 2,000 | 1,977 | 23 | 1.2% | 59,485,304 |
| FY2025 thru Dec | 12 | - | 709 | 628 | 81 | 11.4% | 26,979,081 |
| Subtotal FY2021-Present | 48 | 13 | 2,709 | 2,605 | 104 | | 86,464,385 |
| Grand Total | 88 | 53 | 5,370 | 5,205 | 165 | 3.1% | 145,899,115 |

- The FY 21-24 credit awards continue to subsidize HDIP projects with rents that are out of reach for most Gateway City renters.** The “range of rents” for the 36 HDIP projects listed in the statutory reports in most cases reflect *an early estimate* by the developer of what *might* be charged initially and were made when conditional credits were approved (prior to starting construction).⁹ In some cases, rents at completion are much steeper than the developer’s estimate in its initial HDIP conditional credit application¹⁰ and there is no limit on future rent increases. Even though most of the reported rents are early estimates, many are higher—**some much higher—than going area rents, generally not affordable to local renters, and priced above what rental voucher holders can pay. Among the 36 projects in the EOHLIC reports, almost all the rents are over \$2,000.** These include projected top rents of \$3,386 in Fall River; \$2,900 in Lowell; \$2,841 in Worcester and \$2,650 in Brockton. The HDIP market rate condos in Salem have anticipated prices of \$499,000 to \$710,000 (the one affordable condo is \$220,000).

- **The FY 21-24 awards continue to subsidize units that mostly have a small number of bedrooms. Seventy percent** of the units in the 36 HDIP projects (1,393 of the 2,000 total projected units) covered by these four reports **are studios or one-bedroom units**. Very few are suitable for families with children (2.2% of units are three-bedroom).

| Conditional Certification Fiscal Year | # projects | Total Units | Shared suites | 0 BR | 1 BR | 0 or 1BR** | 2BR | 3BR | 4BR | Don't know BR size | % shared suites, or 0-1BR | % 2BR | % 3+ BR | % Don't know |
|---------------------------------------|------------|--------------|---------------|------------|--------------|------------|------------|-----------|----------|--------------------|---------------------------|--------------|-------------|--------------|
| Total 2013-2020 | 40 | 2,661 | 185 | 175 | 1,458 | 2 | 819 | 21 | 1 | - | 68.4% | 30.8% | 0.8% | - |
| 2021 | 10 | 232 | - | 84 | 85 | - | 63 | - | - | - | 72.8% | 27.2% | - | - |
| 2022 | 11 | 1,170 | - | 136 | 732 | - | 272 | 30 | - | - | 74.2% | 23.2% | 2.6% | - |
| 2023 | 1 | 54 | - | - | 34 | - | 20 | - | - | - | 63.0% | 37.0% | - | - |
| 2024 | 14 | 544 | - | 130 | 192 | - | 208 | 14 | - | - | 59.2% | 38.2% | 2.6% | - |
| Total 2021-2024 | 36 | 2,000 | - | 350 | 1,043 | - | 563 | 44 | - | - | 69.7% | 28.2% | 2.2% | - |
| 2025 thru Dec | 12 | 709 | - | 70 | 280 | 81 | 237 | 26 | - | 15 | 60.8% | 33.4% | 3.7% | 2.1% |
| Total 2021-Present | 48 | 2,709 | - | 420 | 1,323 | 81 | 800 | 70 | - | 15 | 67.3% | 29.5% | 2.6% | 0.6% |
| Grand Total | 88 | 5,370 | 185 | 595 | 2,781 | 83 | 1,619 | 91 | 1 | 15 | 67.9% | 30.1% | 1.7% | 0.3% |

- **The FY 21-24 awards continue to be concentrated in a handful of cities.** As noted in the MLRI report and summarized in Appendix 2, HDIP units and credits are largely concentrated in a few Gateway cities. The 36 projects in the Chapter 40V reports are in 14 cities, but four cities account for 77% of the HDIP market rate units and 55% of the credit awards. Worcester, which has already received the lion’s share of HDIP credits and units is awarded final or conditional tax credits for 1,115 units - 56% of the market rate units in the FY 2021-2024 reports. Brockton projects total 182 market rate units (9%), Fall River 131 units (6.6%) and Lowell 100 units (5%).

IV. New HDIP awards announced in December 2024 will yield similar inequitable results as those described in the MLRI 2022 report.

The Chapter 40V legislative reports cover 36 projects which received conditional credit awards in the past four fiscal years. **On December 17, 2024 EOHLC [announced conditional awards for 12 more developments](#) with 709 units in 9 Gateway municipalities. 131 of these are affordable. This is the largest funding year in program history.**

Nine of the 12 projects received \$2.5 million in credits despite a huge variation in size ranging from 18 to 250 units. With these new awards the state continues to support projects for relatively upper income households

while the *real* affordable housing crisis wreaks havoc on the lives of low income people.

Rents in most of these 12 projects are expected to be as high as those in previous HDIP rounds. Six of the 12 projects have affordable units (81 of 709—11%). There are more affordable units overall among these 12 projects, because the one large development (250 units in Salem) will be 20% affordable. But this increase barely affects the entire program where only 3% of 5,370 units are affordable.

These projects remain concentrated in a limited number of communities, though the 12 awards announced on 12/17/2024 provide greater locational diversity. These projects include first-time awards for New Bedford (2 projects) and Taunton (one project) and one award to Worcester. Combined with the awards in the four Chapter 40V reports, 4 of the 16 cities account for 65% of the 2,605 market rate units and 42% of the credit awards: Worcester (43.5%), Salem (9%), Brockton (7%) and Lawrence (6%). *See* Appendix 3.

Taken together, the conditional and final awards since the start of FY 2021 come to over \$86 million for 2,709 units - 3.8% affordable.

Total HDIP credit awards to date (conditional or final) cost or will cost the state \$146 million to subsidize 88 projects in 20 municipalities. These projects include 5,370 HDIP units, of which 5,205 (97%), are market rate and 3% affordable. 53 of these projects had been completed as of August 2024. *See* Appendix 1.

CONCLUSION

As Massachusetts faces a “difficult fiscal situation” and the threat of funding cuts from Washington,¹¹ we cannot afford costly annual subsidies for housing that ignores the needs of lower-income Gateway Cities residents. All developers supported by HDIP receive local tax breaks, and some projects also benefit from substantial public investments in transit and infrastructure as well as other state development subsidies, including historic tax credits. These public resources support housing that effectively excludes families and individuals with modest incomes who are experiencing the greatest need.

We urge legislators and state officials to review this report, take a second look at HDIP, and then implement reforms such as those recommended in the 2022 [MLRI HDIP report](#). First among those reforms would be to revise HDIP to support both market rate and affordable housing for lower income households: a “housing development incentive program” for ALL Gateway City residents!

Appendix 1: HDIP Projects with Credit Awards to Date

| Cond Cert Yr (FY) City | # Pro- jects | Has final credit | Project | Total Units | Market Rate Units | Afford- able Units | % Afford- able | Total Credit Awarded or Reserved | Average credit/ market unit | Total Qualified Expenditures (QPE) | QPE*/ Market rate unit | Credit as % QPE |
|---------------------------|-----------------|------------------------|--------------------------------------|----------------|-------------------------|--------------------------|----------------------|--|-----------------------------------|--|------------------------------|--------------------|
| 2022 Attleboro | 1 | 0 | The Jewel | 43 | 43 | - | - | 1,800,000 | 41,860 | 7,673,000 | 178,442 | 23.5% |
| 2022 Attleboro | 1 | 0 | Briggs Crossing | 46 | 46 | - | - | 1,800,000 | 39,130 | 10,400,000 | 226,087 | 17.3% |
| Attleboro Total | 2 | 0 | | 89 | 89 | - | - | 3,600,000 | | | | |
| 2020 Barnstable | 1 | 1 | JP Baxter Residences | 8 | 8 | - | - | 386,926 | 48,366 | - | - | |
| *2020 Barnstable | 1 | 1 | Captain Barse House | 9 | 9 | - | - | 475,000 | 52,778 | 2,544,537 | 282,726 | 18.7% |
| 2022 Barnstable | 1 | 1 | Residence at 850 | 53 | 43 | 10 | 23.3% | 1,800,000 | 41,860 | 15,483,000 | 360,070 | 11.6% |
| 2024 Barnstable | 1 | 0 | Linnell Landing | 12 | 10 | 2 | 20.0% | 690,000 | 69,000 | 3,300,000 | 330,000 | 20.9% |
| 2025 Barnstable | 1 | 0 | Flats on Barnstable Rd | 45 | 36 | 9 | 25.0% | 2,500,000 | 69,444 | - | - | |
| Barnstable Total | 5 | 3 | | 127 | 106 | 21 | 16.5% | 5,851,926 | | | | |
| 2017 Brockton | 1 | 1 | 47 Pleasant St | 24 | 24 | - | - | 892,045 | 37,169 | 3,572,225 | 148,843 | 25.0% |
| 2019 Brockton | 1 | 1 | 47 West Elm | 44 | 44 | - | - | 2,000,000 | 45,455 | - | - | |
| 2021 Brockton | 1 | 1 | Main St 19-31 (One Nine) | 20 | 20 | - | - | 1,452,000 | 72,600 | 5,947,186 | 297,359 | 24.4% |
| 2021 Brockton | 1 | 0 | Centre St 127 | 40 | 40 | - | - | 2,000,000 | 50,000 | 10,700,000 | 267,500 | 18.7% |
| 2022 Brockton | 1 | 1 | 28 Petronelli Way | 18 | 18 | - | - | 2,500,000 | 138,889 | 8,727,000 | 484,833 | 28.6% |
| 2023 Brockton | 1 | 0 | 46 Montello | 54 | 54 | - | - | 1,800,000 | 33,333 | 18,850,000 | 349,074 | 9.5% |
| 2024 Brockton | 1 | 0 | Ringside Residences | 50 | 50 | - | - | 2,500,000 | 50,000 | 20,497,000 | 409,940 | 12.2% |
| Brockton Total | 7 | 4 | | 250 | 250 | - | - | 13,144,045 | | | | |
| 2013 Chelsea | 1 | 1 | 1 Flats at 44 | 46 | 41 | 5 | 12.2% | 832,021 | - | 9,294,557 | 226,697 | 9.0% |
| Chelsea Total | 1 | 1 | | 46 | 41 | 5 | 12.2% | 832,021 | | | | |
| 2016 Fall River | 1 | 1 | Commonwealth Landing | 103 | 103 | - | - | 1,935,305 | 18,789 | 19,538,957 | 189,699 | 9.9% |
| *2020 Fall River | 1 | 1 | 30 Third Street | 18 | 18 | - | - | 825,265 | 45,848 | - | - | |
| 2020 Fall River | 1 | 1 | The Creative Class | 55 | 44 | 11 | 25.0% | 2,000,000 | 45,455 | - | - | |
| **2021 Fall River | 1 | 1 | Adams House | 34 | 34 | - | - | 1,500,000 | 44,118 | - | - | |
| 2022 Fall River | 1 | 1 | Residences at Rivers Edge | 49 | 49 | - | - | 1,500,000 | 30,612 | 14,073,000 | 287,204 | 10.7% |
| 2024 Fall River | 1 | 0 | Merrill Bldg aka Union Belt Co Lofts | 36 | 36 | - | - | 2,500,000 | 69,444 | 10,240,000 | 284,444 | 24.4% |
| 2024 Fall River | 1 | 0 | Sacred Heart Church 160 Linden | 46 | 46 | - | - | 2,500,000 | 54,348 | 10,812,000 | 235,043 | 23.1% |
| Fall River Total | 7 | 5 | | 341 | 330 | 11 | 3.3% | 12,760,570 | | | | |
| 2021 Fitchburg | 1 | 1 | 18 Blossom St | 7 | 7 | - | - | 375,000 | 53,571 | 1,602,738 | 228,963 | 23.4% |
| 2025 Fitchburg | 1 | 0 | Main St 347-355 | 8 | 8 | - | - | 479,081 | 59,885 | - | - | |
| 2025 Fitchburg | 1 | 0 | Iver Mills | 96 | 96 | - | - | 2,500,000 | 26,042 | - | - | |
| Fitchburg Total | 3 | 1 | | 111 | 111 | - | - | 3,354,081 | | | | |
| 2015 Haverhill | 1 | 1 | JM Lofts (37 Washington) | 18 | 18 | - | - | 474,434 | 26,357 | 4,884,672 | 271,371 | 9.7% |
| 2016 Haverhill | 1 | 1 | Harbor Place at Riverfront | 30 | 24 | 6 | 25.0% | 362,868 | 15,120 | 3,628,680 | 151,195 | 10.0% |
| 2018 Haverhill | 1 | 1 | 24 Essex Street | 59 | 59 | - | - | 2,000,000 | 33,898 | 11,562,324 | 195,972 | 17.3% |
| 2019 Haverhill | 1 | 1 | 87 Washington St | 24 | 24 | - | - | 1,819,110 | 75,796 | 7,279,240 | 303,302 | 25.0% |
| 2019 Haverhill | 1 | 1 | The Heights | 42 | 42 | - | - | 2,000,000 | 47,619 | - | - | |
| 2020 Haverhill | 1 | 1 | Prescott | 14 | 14 | - | - | 833,495 | 59,535 | - | - | |
| 2021 Haverhill | 1 | 1 | Webster Building | 9 | 9 | - | - | 600,000 | 66,667 | 2,434,384 | 270,487 | 24.6% |
| 2022 Haverhill | 1 | 0 | St. Josephs School | 36 | 36 | - | - | 1,800,000 | 50,000 | 7,023,000 | 195,083 | 25.6% |
| 2024 Haverhill | 1 | 0 | Franklin Block | 21 | 21 | - | - | 1,300,000 | 61,905 | 5,973,000 | 284,429 | 21.8% |
| 2025 Haverhill | 1 | 0 | Essex St Lofts | 42 | 33 | 9 | 27.3% | 2,500,000 | 75,758 | - | - | |
| Haverhill Total | 10 | 7 | | 295 | 280 | 15 | 5.4% | 13,689,907 | | | | |
| 2017 Holyoke | 1 | 1 | 181 Appleton/Cubit | 18 | 18 | - | - | 381,049 | 21,169 | 3,819,890 | 212,216 | 10.0% |
| 2022 Holyoke | 1 | 0 | Hotel Jess | 8 | 8 | - | - | 475,000 | 59,375 | 2,842,000 | 355,250 | 16.7% |
| 2024 Holyoke | 1 | 0 | Wrights Block | 19 | 16 | 3 | 18.8% | 2,000,000 | 125,000 | 7,247,000 | 452,938 | 27.6% |
| 2025 Holyoke | 1 | 0 | Open Square Mill 2 | 84 | 84 | - | - | 2,500,000 | 29,762 | - | - | |
| Holyoke Total | 4 | 1 | | 129 | 126 | 3 | 2.4% | 5,356,049 | | | | |
| 2020 Lawrence | 1 | 1 | "Lupoli" (Riverwalk) | 272 | 272 | - | - | 3,800,000 | 13,971 | - | - | |
| 2021 Lawrence | 1 | 1 | Riverwalk West | 66 | 66 | - | - | 2,000,000 | 30,303 | 23,249,759 | 352,269 | 8.6% |
| 2024 Lawrence | 1 | 0 | The Jav | 24 | 24 | - | - | 2,200,000 | 91,667 | 8,800,000 | 366,667 | 25.0% |
| 2025 Lawrence | 1 | 0 | "ICONO" | 60 | 60 | - | - | 2,500,000 | 41,667 | - | - | |
| Lawrence Total | 4 | 2 | | 422 | 422 | - | - | 10,500,000 | | | | |
| 2014 Leominster | 1 | 1 | Lofts at City Place | 51 | 51 | - | - | 559,206 | - | 6,363,246 | 124,770 | 8.8% |
| 2019 Leominster | 1 | 1 | 45 Summer Street | 36 | 36 | - | - | 1,740,000 | 48,333 | - | - | |
| 2021 Leominster | 1 | 1 | 41 Summer Street | 21 | 21 | - | - | 693,618 | 33,029 | 2,896,659 | 137,936 | 23.9% |
| Leominster Total | 3 | 3 | | 108 | 108 | - | - | 2,992,824 | | | | |

Appendix 1: HDIP Projects with Credit Awards to Date (continued)

| Cond Cert Yr (FY) | City | # Projects | Has final credit | Project | Total Units | Market Rate Units | Affordable Units | % Affordable | Total Credit Awarded or Reserved | Average credit/market unit | Total Qualified Expenditures (QPE) | Market rate unit | QPE*/Credit as % QPE |
|--------------------------|-------------|------------|------------------|---|-------------|-------------------|------------------|--------------|----------------------------------|----------------------------|------------------------------------|------------------|----------------------|
| 2014 | Lowell | 1 | 1 | 24 Merrimack Street | 47 | 47 | - | - | 900,000 | | 11,159,033 | 237,426 | 8.1% |
| 2016 | Lowell | 1 | 1 | Adden Redevelopment | 75 | 73 | 2 | 2.7% | 2,130,000 | 29,178 | 21,457,901 | 293,944 | 9.9% |
| 2018 | Lowell | 1 | 1 | Thorndike Exchange | 65 | 65 | - | - | 2,000,000 | 30,769 | 20,306,991 | 312,415 | 9.8% |
| 2018 | Lowell | 1 | 1 | Edge Merrimack River | 147 | 147 | - | - | 2,000,000 | 13,605 | 40,390,089 | 274,763 | 5.0% |
| 2019 | Lowell | 1 | 1 | Waterhead | 71 | 71 | - | - | 2,000,000 | 28,169 | | | |
| 2021 | Lowell | 1 | 1 | 160 Middlesex St | 24 | 24 | - | - | 1,000,000 | 41,667 | 4,887,974 | 203,666 | 20.5% |
| 2024 | Lowell | 1 | 0 | Isobel Lofts | 26 | 26 | - | - | 2,000,000 | 76,923 | 9,400,000 | 361,538 | 21.3% |
| 2024 | Lowell | 1 | 0 | Hildreth Building (aka 45 Merrimack) | 50 | 50 | - | - | 2,500,000 | 50,000 | 16,366,000 | 327,320 | 15.3% |
| Lowell Total | | 8 | 6 | | 505 | 503 | 2 | 0.4% | 14,530,000 | | | | |
| 2017 | Lynn | 1 | 1 | 23 Central Avenue (Vault) | 49 | 49 | - | - | 1,400,000 | 28,571 | 10,177,190 | 207,698 | 13.8% |
| Lynn Total | | 1 | 1 | | 49 | 49 | - | - | 1,400,000 | | | | |
| 2017 | Malden | 1 | 1 | Masonic Block (Residences at Malden Station) | 69 | 69 | - | - | 2,000,000 | 28,986 | 22,411,910 | 324,810 | 8.9% |
| 2017 | Malden | 1 | 1 | Jefferson at Malden Center | 320 | 320 | - | - | 3,000,000 | 9,375 | | | |
| Malden Total | | 2 | 2 | | 389 | 389 | - | - | 5,000,000 | | | | |
| 2025 | New Bedford | 1 | 0 | Elmwater Landing | 18 | 18 | - | - | 2,500,000 | 138,889 | | | |
| 2025 | New Bedford | 1 | 0 | 193-197 Union St | 45 | 36 | 9 | 25.0% | 2,500,000 | 69,444 | | | |
| New Bedford Total | | 2 | 0 | | 63 | 54 | 9 | 16.7% | 5,000,000 | | | | |
| 2013 | Pittsfield | 1 | 1 | Howard Building | 14 | 14 | - | - | 335,804 | | 3,743,524 | 267,395 | 9.0% |
| 2014 | Pittsfield | 1 | 1 | Onota Building | 25 | 25 | - | - | 772,871 | | 7,728,712 | 309,148 | 10.0% |
| 2017 | Pittsfield | 1 | 1 | Power House Lofts | 10 | 10 | - | - | 368,750 | 36,875 | 2,058,399 | 205,840 | 17.9% |
| 2019 | Pittsfield | 1 | 1 | Morningstar | 29 | 29 | - | - | 1,813,750 | 62,543 | | | |
| 2021 | Pittsfield | 1 | 1 | Tyler St 765 | 16 | 16 | - | - | 974,766 | 60,923 | 4,238,113 | 264,882 | 23.0% |
| 2021 | Pittsfield | 1 | 1 | Tyler St 730-748 | 20 | 20 | - | - | 1,470,234 | 73,512 | 6,065,489 | 303,274 | 24.2% |
| 2024 | Pittsfield | 1 | 0 | Wright Building Block-NC | 14 | 11 | 3 | 27.3% | 1,518,014 | 138,001 | 6,500,000 | 590,909 | 23.4% |
| 2024 | Pittsfield | 1 | 0 | Wright Building Block-Historic | 21 | 17 | 4 | 23.5% | 2,581,672 | 151,863 | 11,039,000 | 649,353 | 23.4% |
| Pittsfield Total | | 8 | 6 | | 149 | 142 | 7 | 4.9% | 9,835,861 | | | | |
| 2017 | Quincy | 1 | 1 | The Watson | 140 | 112 | 28 | 25.0% | 2,000,000 | 17,857 | 32,603,102 | 291,099 | 6.1% |
| Quincy Total | | 1 | 1 | | 140 | 112 | 28 | 25.0% | 2,000,000 | | | | |
| 2019 | Salem | 1 | 1 | Brix Condominiums | 60 | 54 | 6 | 11.1% | 2,000,000 | 37,037 | | | |
| 2020 | Salem | 1 | 1 | Harbor Point Apartments | 37 | 34 | 3 | 8.8% | 1,994,467 | 58,661 | | | |
| 2024 | Salem | 1 | 0 | Broad St 5 | 16 | 15 | 1 | 6.7% | 1,500,000 | 100,000 | 9,850,000 | 656,667 | 15.2% |
| 2025 | Salem | 1 | 0 | Bay View aka Riverwalk Phase II | 13 | 11 | 2 | 18.2% | 2,000,000 | 181,818 | | | |
| 2025 | Salem | 1 | 0 | Residences on Canal St | 250 | 200 | 50 | 25.0% | 2,500,000 | 12,500 | | | |
| Salem Total | | 5 | 2 | | 376 | 314 | 62 | 19.7% | 9,994,467 | | | | |
| 2017 | Springfield | 1 | 1 | Silver Brick Lofts (rehab) | 266 | 266 | - | - | 856,800 | 3,221 | 8,568,000 | 32,211 | 10.0% |
| 2019 | Springfield | 1 | 1 | SilverBrick Square (122 Chestnut) (rehab) | 114 | 114 | - | - | 1,000,000 | 8,772 | 7,462,023 | 65,456 | 13.4% |
| 2020 | Springfield | 1 | 1 | 151 Chestnut St (Overland Lofts) | 60 | 60 | - | - | 2,000,000 | 33,333 | | | |
| 2024 | Springfield | 1 | 0 | Parsons Apartments | 11 | 11 | - | - | 630,000 | 57,273 | 4,123,000 | 374,818 | 15.3% |
| Springfield Total | | 4 | 3 | | 451 | 451 | - | - | 4,486,800 | | | | |
| 2025 | Taunton | 1 | 0 | Porter St 12 | 28 | 28 | - | - | 2,000,000 | 71,429 | | | |
| Taunton Total | | 1 | 0 | | 28 | 28 | - | - | 2,000,000 | | | | |
| 2016 | Worcester | 1 | 1 | Edge at Union Station | 82 | 82 | - | - | 2,000,000 | 24,390 | 27,722,574 | 338,080 | 7.2% |
| 2018 | Worcester | 1 | 1 | Harding Green (Kelley Sq Lofts) | 48 | 48 | - | - | 2,000,000 | 41,667 | 15,349,900 | 319,790 | 13.0% |
| 2020 | Worcester | 1 | 1 | Elmwood Apartments | 13 | 13 | - | - | 770,564 | 59,274 | | | |
| 2020 | Worcester | 1 | 1 | 6 Chatham Street | 24 | 24 | - | - | 1,750,000 | 72,917 | | | |
| 2022 | Worcester | 1 | 1 | Mission Chapel | 7 | 7 | - | - | 1,000,000 | 142,857 | 4,020,000 | 574,286 | 24.9% |
| 2022 | Worcester | 1 | 0 | 115 Madison (The Revington) | 228 | 228 | - | - | 2,250,000 | 9,868 | 93,784,000 | 411,333 | 2.4% |
| 2022 | Worcester | 1 | 0 | Silverbrick Skyhouse | 312 | 312 | - | - | 3,800,000 | 12,179 | 60,000,000 | 192,308 | 6.3% |
| 2022 | Worcester | 1 | 0 | Alta Seven Hills | 370 | 370 | - | - | 1,000,000 | 2,703 | 100,000,000 | 270,270 | 1.0% |
| 2024 | Worcester | 1 | 0 | Chestnut Place (Fallon HQ) | 198 | 198 | - | - | 2,500,000 | 12,626 | 73,448,000 | 370,949 | 3.4% |
| 2025 | Worcester | 1 | 0 | Main St 204 (Kane Bldg aka Olympic Trophy Bldg) | 20 | 18 | 2 | 11.1% | 2,500,000 | 138,889 | | | |
| Worcester Total | | 10 | 5 | | 1302 | 1300 | 2 | 0.2% | 19,570,564 | | | | |
| Grand Total | | 88 | 53 | | 5370 | 5205 | 165 | 3.2% | 145,899,115 | | | | |

Notes

* Chapter 40V allows the award of an HDIP credit of “not more than 25 per cent of the cost of qualified project expenditures [QPE] allocable to the market rate units in a project”(defined as "an expenditure directly related to the construction or substantial rehabilitation of a certified housing development project.") The statute also allows EOHLC to impose a per-project maximum award so that larger projects tend to receive credits well below 25% of project costs while smaller projects receive close to 25%. For example, the \$2.5 million credit award to Chestnut Place in Worcester (198 units) is 3.4% of the estimated QPE, while Mission Place (7 units) received a credit equal to 24.9% of QPE.

***Not in FY2021 EOHLC report -

Data sources: FY2021-2024 EOHLC reports to Legislature; EOHLC public records request July 2024 (for earlier projects); 12/17/2024 EOHLC press release on FY2025 conditional awards, supplemented by information on municipal websites.

Appendix 2: Municipal Share of Projects Receiving Conditional Awards in FY2021-FY2024

| City | # Projects | Total Units | Market Rate Units | Affordable Units | Ttl conditional or final credit | Share of Total Units | Share of Market Rate Units | Share of Credit Awards |
|--------------------|------------|--------------|-------------------|------------------|---------------------------------|----------------------|----------------------------|------------------------|
| Worcester | 5 | 1,115 | 1,115 | - | 10,550,000 | 55.8% | 56.4% | 17.7% |
| Brockton | 5 | 182 | 182 | - | 10,252,000 | 9.1% | 9.2% | 17.2% |
| Fall River | 3 | 131 | 131 | - | 6,500,000 | 6.6% | 6.6% | 10.9% |
| Lowell | 3 | 100 | 100 | - | 5,500,000 | 5.0% | 5.1% | 9.2% |
| Subtotal | 16 | 1,528 | 1,528 | - | 32,802,000 | 76.4% | 77.3% | 55.1% |
| Lawrence | 2 | 90 | 90 | - | 4,200,000 | 4.5% | 4.6% | 7.1% |
| Attleboro | 2 | 89 | 89 | - | 3,600,000 | 4.5% | 4.5% | 6.1% |
| Haverhill | 3 | 66 | 66 | - | 3,700,000 | 3.3% | 3.3% | 6.2% |
| Pittsfield | 4 | 71 | 64 | 7 | 6,544,686 | 3.6% | 3.2% | 11.0% |
| Barnstable | 3 | 74 | 62 | 12 | 2,965,000 | 3.7% | 3.1% | 5.0% |
| Holyoke | 2 | 27 | 24 | 3 | 2,475,000 | 1.4% | 1.2% | 4.2% |
| Leominster | 1 | 21 | 21 | - | 693,618 | 1.1% | 1.1% | 1.2% |
| Salem | 1 | 16 | 15 | 1 | 1,500,000 | 0.8% | 0.8% | 2.5% |
| Springfield | 1 | 11 | 11 | - | 630,000 | 0.6% | 0.6% | 1.1% |
| Fitchburg | 1 | 7 | 7 | - | 375,000 | 0.4% | 0.4% | 0.6% |
| Grand Total | 36 | 2,000 | 1,977 | 23 | 59,485,304 | 100.0% | 100.0% | 100.0% |

Appendix 3: Municipal Share of Projects receiving Conditional Awards - FY2021-FY2024 and December 2024

| Muni | # of Projects | Total units | Market rate units | Affordable Units | Conditional or Final Credit Awards | Avg credit per market rate u | Avg credit per project | Share of Total U | Share of Mkt Rate U | Share of Credits awarded |
|--------------|---------------|--------------|-------------------|------------------|------------------------------------|------------------------------|------------------------|------------------|---------------------|--------------------------|
| Worcester | 6 | 1,135 | 1,133 | 2 | 13,050,000 | 11,518 | 2,175,000 | 41.9% | 43.5% | 15.1% |
| Salem | 3 | 279 | 226 | 53 | 6,000,000 | 26,549 | 2,000,000 | 10.3% | 8.7% | 6.9% |
| Brockton | 5 | 182 | 182 | - | 10,252,000 | 56,330 | 2,050,400 | 6.7% | 7.0% | 11.9% |
| Lawrence | 3 | 150 | 150 | - | 6,700,000 | 44,667 | 2,233,333 | 5.5% | 5.8% | 7.7% |
| Subtotal | 17 | 1,746 | 1,691 | 55 | 36,002,000 | 139,063 | 8,458,733 | 64.5% | 64.9% | 41.6% |
| Fall River | 3 | 131 | 131 | - | 6,500,000 | 49,618 | 2,166,667 | 4.8% | 5.0% | 7.5% |
| Barnstable | 4 | 119 | 98 | 21 | 5,465,000 | 55,765 | 1,366,250 | 4.4% | 3.8% | 6.3% |
| Fitchburg | 3 | 111 | 111 | - | 3,354,081 | 30,217 | 1,118,027 | 4.1% | 4.3% | 3.9% |
| Holyoke | 3 | 111 | 108 | 3 | 4,975,000 | 46,065 | 1,658,333 | 4.1% | 4.1% | 5.8% |
| Haverhill | 4 | 108 | 99 | 9 | 6,200,000 | 62,626 | 1,550,000 | 4.0% | 3.8% | 7.2% |
| Lowell | 3 | 100 | 100 | - | 5,500,000 | 55,000 | 1,833,333 | 3.7% | 3.8% | 6.4% |
| Attleboro | 2 | 89 | 89 | - | 3,600,000 | 40,449 | 1,800,000 | 3.3% | 3.4% | 4.2% |
| Pittsfield | 4 | 71 | 64 | 7 | 6,544,686 | 102,261 | 1,636,172 | 2.6% | 2.5% | 7.6% |
| New Bedford | 2 | 63 | 54 | 9 | 5,000,000 | 92,593 | 2,500,000 | 2.3% | 2.1% | 5.8% |
| Taunton | 1 | 28 | 28 | - | 2,000,000 | 71,429 | 2,000,000 | 1.0% | 1.1% | 2.3% |
| Leominster | 1 | 21 | 21 | - | 693,618 | 33,029 | 693,618 | 0.8% | 0.8% | 0.8% |
| Springfield | 1 | 11 | 11 | - | 630,000 | 57,273 | 630,000 | 0.4% | 0.4% | 0.7% |
| Total | 48 | 2,709 | 2,605 | 104 | 86,464,385 | 33,192 | 1,801,341 | 100.0% | 100.0% | 100.0% |

Endnotes

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- ¹ This update and the 2022 MLRI [HDIP report](#) was compiled by Judith Liben, housing attorney and Access to Justice Fellow at the [Mass. Law Reform Institute \(MLRI\)](#). Judith welcomes all corrections, comments, questions, debate and discussion. Her email is jliben@mlri.org.
- ² Bills filed in this legislative session would increase the cap on HDIP awards to \$100 million annually.
- ³ All approved projects (conditional or final certification) inception to date (2013 forward)
- ⁴ Projects first approved (conditional certification) FY2021 through December 2024
- ⁵ **GL c. 40V, Section 4 (2020 addition in bold)** Annually, on or before the first Wednesday in December, the department shall file a report detailing its findings of the review of all certified housing development projects that it evaluated in the prior fiscal year to the commissioner of revenue, to the joint committee on revenue and the joint committee on housing and community development. **The report shall include, but not be limited to: (i) a list of municipalities with approved HD zones; (ii) a list of housing development projects that have received certification; (iii) information about each housing development project, including the site address, project sponsor, range of rents of the residential units, type of residential units, number of each type of residential unit, number of affordable rental units for persons whose income is not more than 60 per cent of the area median income and the number of affordable owner-occupied units for persons whose income is not more than 80 per cent of the area median income; and (iv) the total amount of qualified project expenditures for which a tax credit was issued or reserved pursuant to section 5 for each housing development project, the year the credit was issued and the completion or estimated completion year of the housing development project.**
- ⁶ EOHLIC awards credits in two steps. It issues a conditional award certifying that a project is eligible for a certain dollar value of credit if it proceeds as proposed. It issues the final credit award (certification) after construction is complete and at least 80% of the market rate units have been leased or sold. The annual cap on credits applies to final awards.
- The MLRI report revealed that HDIP is targeted mostly to small households with disposable income; almost no affordable units; credits not distributed evenly or equitably among Gateway Cities; HDIP rents generally well above market and often shockingly high; mostly small bedroom size units; no direct benefits to lower income families in Gateway Cities.
- ⁸ The 23 affordable units in the 36 projects covered by the FY2021-24 Chapter 40V reports include 13 units for renters with incomes at or below 60% of area median income (AMI), one condominium for a household at 60% of AMI, and another 9 units for renters with incomes up to 65% of AMI (1) or 80% of AMI (8).
- ⁹ In the case of completed developments, the “range of rents” shown in the four EOHLIC fiscal year reports appear to reflect current asking rents for most.

¹⁰ A Barnstable HDIP development, for example, projected initial rents of \$1,900 for two-bedroom units when seeking approval of their local tax increment exemption in 2021; it opened in 2023 with initial asking rents of \$3,100-3,400.

¹¹ On January 28, as we were finishing this HDIP update, President Trump announced a "pause" on billions of dollars in funding for a wide range of federal grants, loans and programs that assist lower income families - including affordable housing programs. Although this freeze was enjoined by several federal courts and repealed on January 29, we expect further attacks on programs supporting vulnerable people, including low-income and immigrant households. State action, including revising HDIP to include housing for lower income families and individuals, is more imperative now than ever before.