LISC MASSACHUSETTS

Mass Save LEAN Survey Results for 2028-2030 Planning Workshop

August 2026

LISC reached out to 100+ multifamily affordable housing organizations last month with a survey asking them to rate their experience with the Mass Save and LEAN program incentives. We received responses from 33 owners (48% housing authorities, 45% nonprofit owners, and 6% for-profit owners) who collectively own and operate 37,000+ units of affordable housing.

Almost all the responding organizations have used LEAN's Standard Multifamily pathway (97%). A few have used the LEAN Deep Energy Retrofit (DER) Pathway (15%). 27% of the owners have used the Passive House Incentive Program for new construction projects (note that most of the housing authorities have not built new construction recently and hence are not using this third program.)

Owners specifically mentioned the LEAN program allowing them to make the following types of building upgrades:

- Insulation (41% of respondents – 13 owners)
- Air sealing (22% of respondents – 7 owners)
- High-efficiency boilers (19% of respondents – 6 owners)
- Air-source heat pumps (19% of respondents – 6 owners)
- Energy-efficient lighting (16% of respondents – 5 owners)
- Gas system replacement (13% of respondents – 4 owners)
- Energy audits (9% of respondents – 3 owners)
- Window replacements (9% of respondents – 3 owners)
- Low-flow fixtures (6% of respondents – 2 owners)
- Bathroom exhaust fans (3% of respondents – 1 owner)
- New refrigerators (3% of respondents – 1 owner)
- Hot water heater replacement (3% of respondents – 1 owner)
- Heating circulators (3% of respondents – 1 owner)
- Roof fans (3% of respondents – 1 owner)
- Building monitoring and control system (3% of respondents – 1 owner)

BENEFITS:

Several owners noted the importance of LEAN funding to help improve the state of their affordable housing while preserving other scarce resources for resident services:

> *"Since we are a nonprofit agency with a limited budget, we have been able to tap into LEAN to improve and green our buildings. Without this assistance it would have taken much longer."* – Nonprofit affordable housing owner

> ***"LEAN has been a Godsend for [our organization] and our Assisted Low Income Public Housing Families by providing over $20 Million in no-cost energy upgrades***

improvements, retrofits and conservation measures that have improved living conditions and the quality of life for all assisted families allowing [us] to direct limited operating fund resources to leverage protective and supportive services that provide the greatest degree of security while allowing resident families to age in community with dignity, quality and independence." – Public housing owner

"The LEAN Program helps relieve the financial burden many of our properties experience due to lack of funding to address significant capital needs. The savings can then be reinvested in the building and support continued development of affordable housing and community programs." – Nonprofit affordable housing owner

"They've allowed us to make upgrades we wouldn't have be able to do otherwise." – Nonprofit affordable housing owner

"Mass Save is a critical resource for deeply affordable housing properties. None of these energy savings could be afforded or implemented without Mass Save." – Nonprofit affordable housing owner

"The LEAN program is a critical component of our ongoing work. The DER Pathway fills our funding gap on DERs, making the projects financially viable. The Standard Pathway allows us to make marked improvements on the energy efficiency measures at our properties. LEAN is a key component to BERDO compliance for our portfolio." – Nonprofit affordable housing owner

"LEAN support made a significant impact on our ability to bring [our property] from a failing (physically and financially) project to one that will continue to provide safe, energy efficient and financially stable low-income housing into the future." – Nonprofit affordable housing owner

Some owners specifically called out how LEAN has helped them decrease long-term utility expenses across their portfolios:

"The LEAN program helps us reduce long-term utility expenses across the portfolio." – Nonprofit affordable housing owner

"It has improved building efficiency and reduced energy costs." – Nonprofit affordable housing owner

"They have addressed critical capital needs, improved energy efficiency, assisted with lowering our utility costs, made our properties more sustainable by adding cooling for the hot months, as well as tightened our envelope resulting in warmer/more comfortable living spaces during the cold winter months." – Public housing owner

"In addition to offsetting upfront capital costs, they have saved us operating costs over time, allowing lower and more stable operating expenses. In addition, we've been able

> ***to leverage the investment to do deeper investments in the energy efficiency of the project with available resources."*** – Nonprofit affordable housing owner

CHALLENGES:

Respondents surfaced the following challenges (in order of magnitude):

- Timing challenges including process inefficiencies: 50% of respondents
- Approval process challenges: 44% of respondents
- Funding issues: 34% of respondents
- Application challenges: 19% of respondents
- Technical support issues: 16% of respondents
- Construction/Installation Issues: 16% of respondents
- Equipment performance issues: 9% of respondents
- Transparency regarding electrification potential and screening process: 6% of respondents
- Resident communication issues: 3% of respondents

13% of respondents did not experience any challenges with the program.

Many owners noted that the LEAN screening and approval process was confusing and/or took longer than expected, but that ultimately projects were completed:

> *"On the standard pathway, the incentive is always welcome, but **the process is a black box with no certain amount of timing, which make is difficult to plan and coordinate around additional capital scopes and rehabs**. It works best for one-off replacements but at this point we've swapped out all our inefficient boilers and lights."*
>
> ***"Screening process makes little to no sense sometimes, difficult to understand what actually will pass through screening and lead to an actual install**. Sometimes feels a bit arbitrary and projects are assigned based on who's presenting them rather than actual work to be done. It would be beneficial as well to get more updates on where a project stands after application is submitted."*
>
> *"Had to follow up with emails several times."*
>
> ***"Approval process took a very long time**, and funding."*
>
> ***"The scope development and application process is lengthy and requires relationships with various firms involved**."*
>
> *"It took some time to get through the paperwork and approval phase and then some funds were used elsewhere in the program. But I kept in contact and eventually our project was funded."*
>
> *"Although timing ultimately worked out perfectly, we signed the initial contract for ABCD/LEAN in 2021 and are now finishing up actual installation (2026). **LEAN staff worked***

> ***with us the whole time, but there was a significant lag between signing and approval of the project. Once we had defined what LEAN could do and got approval, the project went speedily and efficiently***. *All of the LEAN staff and contractors have been incredibly supportive, technically knowledgeable, accommodating of the challenges of working in fully occupied buildings, and great to work with.*"

Some of the timing issues are born out of things beyond LEAN's control, such as trying to minimize resident disruption or immediate operational needs:

> *"Coordinating installations within reasonable project timelines can be challenging while trying to minimize disruptions to residents and operations."*

> *"Timing has been the primary issue. Usually, when equipment breaks and repair is needed,* ***the approval process can take too long to meet immediate operational needs.****"*

The LEAN Deep Energy Retrofit (DER) pathway was noted as being helpful but lacking transparency and clear timelines:

> *"****The Deep Energy Retrofit program makes a lot of sense to me because there is a clear process and rationale for the incentive: a flat payment per MMBtu of energy saved.*** *And it's holistic so whether you save those MMBtus from additional insulation, better windows, more efficient HVAC, all that matters is the modeled outcome.* ***However, because the program is funded in 3 year cycles and incentives can't bridge across cycles, we can't leverage these funds into our Deep Energy Retrofit capital stack****, as the project will close on financing in one cycle and finish construction 2 years later in the next cycle which hasn't been funded yet."*

> *"It often feels like our DER Pathway request enters a black hole, with no clear timeline for when a response will come in.* ***Greater transparency would be a big help, along with a reasonable timeframe for review/approvals that is enforced.****"*

In addition to issues getting air source heat pumps (ASHPs) approved for gas buildings, one owner raised the issue of failing air source heat pumps, which could be due to design, installation, and/or operations and maintenance issues. Additionally, the owner cited that lack of LEAN funding meant that project work was delayed:

> *"The approval process for electrification has been difficult to navigate. Action, Inc. has been great to work with, but we have not been able to get approval for projects that would result in the transition from gas systems to all electric systems (e.g. ASHPs). We are hoping that they will approve electrification-related work at our development in the future.* ***We have also started to see ASHPs fail at a higher rate*** *than we had initially anticipated, but we have been able to support through our operating budget and used the manufacturer's warranty when possible.* ***Lack of funding at LEAN has also resulted in delays to complete other work*** *that would support the Deep Energy Retrofit at [project] as well as work at other sites."*

A few owners mentioned confusion in which upgrades are allowed and/or difficulty in getting needed upgrades approved:

> *"We have a property who have original windows from when it was built in the 50's/60's, but because they are considered double pane, they do not qualify for replacement. Also,* ***for some of the upgrades that LEAN said were needed, we had to plea with Action to approve them."***

> *"We continue to be interested in electrification opportunities.* ***While we've heard through the grapevine that LEAN at times can support installation of heat pumps to replace gas equipment (outside of the DER program), we have not seen any formal documentation on this. We're not sure if we should consider it a real opportunity."***

Three owners noted poor quality installations for air sealing and insulation jobs:

> *"Poor installation with contractors/workers with minimal supervision, fair to poor workmanship."*

> *"****Poor quality work of insulation and weather stripping installed.*** *Contractor never requested inspection from local building inspector. Delayed other projects due to open permit."*

> *"The LEAN program has presented challenges during installation, particularly on our latest project using pin-hole foam insulation. The installation process leaves noticeable residue and visible evidence throughout the unit, creating additional cleanup requirements and potentially affecting project schedules and final presentation."*

Two regions of the state – the Cape and Berkshire Gas in Western MA – stood out as being notoriously hard to access:

> *"We have around 1,000 units* ***on the Cape, and we have seen that there is essentially no response from lead agency for gas related requests.*** *Additionally, we have difficulty with electric-related requests or getting coordination to have both gas/electric measures addressed seamlessly. This is much different than work done in all other service territories in the state. Similar issues exist for sites served by Berkshire Gas in Western MA. The process does not track the same way as the primary service territories."*

> *"It takes many weeks to get an answer or receipt of application and timing when an audit is going to start.* ***Berkshire Gas is impossible to get an answer from and there are many properties in these areas that are begging for assistance, and it never happens."***

> *"There needs to be a more concentrated focus on the Berkshires and Western Counties. There are lot of window upgrades and heating upgrades that can be done and the projects never seem to get underway."*

One owner noted some difficulty in explaining the benefits of their new green technology to residents.

> *"The biggest hurdle we have encountered has been with our residents and being able to communicate effectively on the language and also the benefits of green tech fronts."*

RECOMMENDATIONS:

Respondents shared the following recommendations for strengthening this critical program:

- **Increase Outreach and Education:** *"I believe more institutional outreach to and LEAN program information shared with MA Local Public Housing Authorities (LHAs) would motivate many more LHAs to participate in the program so energy and physical conditions at each LHA their Public Housing resident families' lives can be greatly improved without cost or consequence contributing to each LHA permanent affordability and sustainability."* And *"I would like some information on what can be provided to us and who are the people that can be contacted to start the process."*
- **Streamline Approval Process:** *"The approval process should be streamlined. Waiting to receive multiple approvals from ABCD and the utility creates a lag in the project timeline. Additionally, this past year, misaligned expectations on data between the utilities and ABCD required us to visit the same site multiple times to collect information for the evaluation process. Where possible, we want to reduce resident disruption and staff time required to conduct energy assessments for LEAN covered measures."* And *"In terms of approvals: sometimes, there are too many cooks in the kitchen. It is inefficient to have separate approvers on the electric and gas side. For a project serving a gas-heated building in Boston, four separate agency approvals are often needed."*
- **Share Timeline and Status Updates:** *"Making the application/submission process more transparent. Being able to have more clear timelines will help everyone involved and lead to more trust of the program."* And *"Provide a more consistent flow of information from the time an application is made through award. Also, provide announcements of available funding."*
- **Expedite Projects:** *"Across the multiple approvals, the amount of time required to go from assessment to installation can take many months. This creates uncertainty for contractors like Building Envelope Materials looking to hire and train crews. It also creates uncertainty for our own internal project management and decarbonization planning."*
- **Increase Funding Certainty Across 3-Year Plan Periods:** *"We would appreciate greater certainty around available funding to support our capital planning at public housing sites."* And *"Long term sustainable funding for these programs is critical to the work of affordable housing providers."* And *"Leverage funds over multi-year construction periods."*
- **Increase Funding:** *"Additionally, we seek greater funding for heating system replacement at gas sites where we are experiencing boiler failures and have a mandate to reduce emissions and decarbonize. It helps reduce upfront capital requirements and shorten the payback period, strengthening the overall business case."*

- **Provide More Flexible Funding:** *"Offering more flexible funding and technical support across a portfolio rather than by individual projects would allow owners to prioritize energy efficiency and electrification where the needs and impact are greatest."*
- **Create A Mid-Tier Option (between LEAN Standard and LEAN DER Pathway):** *"The LEAN DER pathway has a threshold of 40% savings against baseline property EUI. Funding available from the DER program is typically not sufficient to achieve 40%, so supplementing/stacking of sources is necessary. The DER pathway is going to be most effective when combined with a tax credit resyndication or other milestone capital investment in the property. My guess is that the pool of qualifying properties is restricted in any given year due to this format. Can the program either reduce the DER threshold or make available some additional resources for electrification of systems outside of the DER pathway? That way there is a 'mid-tier option' in which owners/operators can achieve additional energy savings beyond high efficiency boiler installations, and without needing to wait until the next capital cycle."*
- **Align with Other Funders:** *"Mass Save should align better with capital planning by public agencies and other partners. Why not synergize planned investments?"* And *"Re-emphasize the ability to coordinate with other funding sources"*
- **Decrease Costs by Bulk Buying:** *"Mass Save does not take advantage of bulk buying. Instead, each project is treated as a bespoke exercise. For a program with huge scale, this completely eliminates the economy of scale which could be realized by bundling projects together."*
- **Integrate Retrocommissioning:** *"Integration of retrocommissioning focused programs to ensure long term operations and savings track with original designs."*
- **Fund Common Area Meters in LEAN Residential (1-4 Unit) Program:** *"In the 1-4 unit program, common area meters are not covered. This is silly and we know it would help out the members of LEAN if the utility Program Administrators would incorporate this. Lack of funding for common area meters is currently a barrier to electrification for low-income households."*
- **Provide Multilingual Information for Residents:** *"Information for residents in Spanish, Haitian Creole and Cape Verde Creole"*

CONCLUSION:

The LEAN Program continues to be a critical housing preservation resource for our affordable housing partners statewide. LISC stands ready to support on connecting affordable housing partners with updated information on program offerings, and to convene affordable housing partners and program administrators for further conversation on the above topics.