

DRAFT FY2015-2019 Massachusetts Consolidated Plan

For CDBG, ESG, HOME and HOPWA Funds

Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The U.S. Department of Housing and Urban Development (HUD) requires states and localities to prepare a Consolidated Plan (Con Plan) in order to receive federal housing and community development funding. HUD has established three basic goals for the programs it funds under the Consolidated Plan: to provide decent housing, a suitable living environment and expanded economic opportunities, especially for low income people.

The 2015 – 2019 Consolidated Plan identifies the housing and community development needs of Massachusetts and provides the framework for how Massachusetts intends to address and prioritize those needs over the next five years. The five year plan and the 2015 Action Plan pertain to the activities of the following programs:

- Community Development Block Grant Program (CDBG)
- HOME Investment Partnerships Program (HOME)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Emergency Solutions Grant (ESG)

These programs are called *formula programs* because HUD distributes the funds to each state based on a statutory formula that takes into account population, poverty, incidence of overcrowded housing, and age of housing stock. Consolidated Plans must be submitted every five years; more detailed action plans are required annually.

By design a collaborative process, the Consolidated Plan creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context, and to reduce duplication of effort at the state level. It also serves as a management tool that helps the state, local governments, and citizens assess performance and track results. The Department of Housing and Community Development (DHCD), as the administering agency for the Commonwealth of Massachusetts, encourages broad citizen and stakeholder participation, especially from those low income residents most affected by its programs.

Massachusetts expects to receive approximately \$40.3 million per year over the next five years for these programs, beginning with the federal fiscal year that started on 10/01/14. The Community

Development Block Grant funds, which represent nearly two-thirds of that amount (approximately \$29 million annually) *may only be expended* in the state’s “non-entitlement” communities. These are the 314 cities and towns that are not eligible to apply for community development funding directly from HUD. (Thirty-seven other communities – mostly larger cities – receive more than \$86.7 million annually, directly from HUD, for which they submit their own consolidated plans.) Funding under the other three programs may be allocated statewide, although DHCD gives priority to requests from non-entitlement communities if they have priority needs and can demonstrate the ability to address them in a manner consistent with the state’s strategy.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The 2015-2019 Consolidated Plan provides the framework for the Commonwealth’s continuing investment to help meet the housing and community development needs of its residents and municipalities. It lays out the state’s long-term objectives and the strategies by which it will achieve these objectives, using funds received from HUD under the four programs covered by the plan as well as other sources the state expects to have available. The plan identifies the state’s housing and community development needs and priorities, and establishes the criteria by which projects will be selected for funding. The state’s housing and community development needs were identified by citizens in a series of three public forums, a public hearing, and an analysis of socioeconomic and housing market conditions.

Four objectives have been established for this Consolidated Plan. These objectives support the Commonwealth’s overarching goal for all its housing and community and development efforts: to provide broad economic opportunity and a high quality of life for all Massachusetts residents. They also support HUD’s complementary goals of providing decent housing, a suitable living environment and expanded economic opportunities. The objectives of the 2015-101 Massachusetts plan are:

- Promote strong, sustainable communities throughout the Commonwealth and address local priorities
- Preserve and create affordable rental housing options for low- and moderate-income residents.
- Reduce chronic and family homelessness through a housing-based approach, with a long-term goal of ending homelessness.
- Ensure full and fair access to housing for all residents of the Commonwealth.

3. Evaluation of past performance

Massachusetts has long been a leader in providing affordable subsidized housing for its residents. Using state and federal resources, the Department of Housing and Community Development, its affiliated quasi-public agencies, more than 240 local and regional housing authorities, and a wide array of private for-profit and nonprofit housing developers engage in an exceptionally high level of publicly assisted

housing activity. Each year, more than a billion dollars of federal, state, and quasi-public funds are spent to build, renovate, preserve, maintain or subsidize affordable housing in Massachusetts.

Progress has been made in the past five years. In 2013, the legislature passed an historic \$1.4 Billion housing bond bill. The bill included provisions to recapitalize DHCD's bond-funded affordable housing production and preservation programs, to invest in public housing modernization, provided options to help disabled residents remain in their homes, to support neighborhood stabilization and the development of housing units in commercial areas served by public transit. Further, the bill extended the Massachusetts Low Income Housing Tax Credit (LIHTC) at \$20 million per year. The state increased its commitment to new housing production, a challenging task in an era of high costs and shrinking subsidies, and to removing the barriers that have stifled housing production. On the non-housing front, Massachusetts has invested heavily in its public facilities and infrastructure, including the roads, bridges, schools and libraries that are a prerequisite to sustainable housing and community development.

4. Summary of citizen participation process and consultation process

To be completed after public comment period.

5. Summary of public comments

To be completed after public comment period.

6. Summary of comments or views not accepted and the reasons for not accepting them

To be completed after public comment period.

7. Summary

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MASSACHUSETTS	MA Dept. of Housing & Community Development
HOPWA Administrator		MA Dept. of Public Health
HOME Administrator	MASSACHUSETTS	MA Dept. of Housing & Community Development
ESG Administrator	MASSACHUSETTS	MA Dept. of Housing & Community Development

Table 1 – Responsible Agencies

Narrative

Consolidated Plan Public Contact Information

Needs Assessment

NA-05 Overview

Needs Assessment Overview

Massachusetts has come out of the great recession stronger and more rapidly than most other states. But like many states, the growth has tapered off over the past year. The unemployment rate is currently at 5.5%, below the national level, and is showing growth in life sciences, education and tourism; construction jobs are also on the rise. However, the housing market has not yet fully recovered, with the exception of the Metropolitan Boston area, where housing prices are now at or above 2007 levels; building permits have not yet reached pre-recession numbers across the state. Especially in the Metropolitan Boston region, rents are high and the vacancy rates low, making it difficult for the almost 300,000 renter households that have incomes below 30% AMI. (The maximum income for an ELI household in Massachusetts is \$24,870.) The National Low Income Housing Coalition estimates that there is a shortage of 161,694 units that are affordable for ELI renters, and at no income level is there an excess of available units. Sixty-one percent of those making less than 30% AMI are paying more than 50% of their incomes towards housing cost, i.e., are severely cost burdened.

Housing affordability remains a problem that affects not only low income residents and those with special needs, but moderate and middle income households as well:

- Housing that is affordable and accessible to populations with special needs, and resources to address their needs, are inadequate. Under the terms of the U.S. Supreme Court's 1999 *Olmstead* decision, Massachusetts residents with long-term support needs are entitled to appropriate services and accessible, community housing options that maximize consumer choice.
- There is a need for affordable rental housing and *sustainable* homeownership opportunities for a range of incomes, especially in areas where economic expansion and job growth is likely to occur as the economy recovers.
- The number of homeless families has increased in recent years, and although the number of chronically homeless individuals appears to have stabilized, a relatively small sub-population of long-term shelter users consume a disproportionate share of available resources.
- There is some regional variation in need – and more frequently in priorities – for community development resources. All regions identified affordable housing, housing rehabilitation and preservation, and public infrastructure improvements as priorities.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

Massachusetts statewide data shows that the state is diverse in terms of demographics and socio-economic characteristics, and therefore housing needs vary somewhat by region. There are just over 2,500,000 housing units in the Massachusetts, an increase of approximately 3 percent (3%) since the last Consolidated Plan was prepared. Nearly two-thirds of the state's households own their homes and one third rent, most in small structures of 1-4 units.

Housing affordability remains a problem that affects not low-income households and those with special needs, but moderate- and middle-income households as well. Approximately 346,000 extremely low- and low-income households experience housing problems, most often affordability problems. The number of all low income (earning <80% of AMI) with affordability problems is even higher, nearly 406,000. In addition, housing that is affordable and accessible to populations with special needs are inadequate.

There is a need for affordable rental housing and sustainable homeownership opportunities for a range of incomes, especially in areas where economic expansion and job growth is likely to occur. Although there is regional variation in need, all regions identified affordable housing, housing rehabilitation/preservation, and public infrastructure improvements as priorities.

Demographics	Base Year: 2000	Most Recent Year: 2011	% Change
Population	6,349,097	6,512,227	3%
Households	2,444,588	2,522,409	3%
Median Income	\$50,502.00	\$65,981.00	31%

Table 2 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	402,045	293,000	297,060	240,785	1,289,520
Small Family Households *	107,125	93,145	109,045	97,970	704,545
Large Family Households *	14,680	16,685	19,845	19,220	115,305
Household contains at least one person 62-74 years of age	75,360	58,275	59,990	45,660	212,865
Household contains at least one person age 75 or older	91,195	71,600	46,485	26,740	76,635

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Households with one or more children 6 years old or younger *	53,240	41,115	42,410	36,545	144,195
* the highest income category for these family types is >80% HAMFI					

Table 3 - Total Households Table

Data 2007-2011 CHAS
Source:

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	7,550	3,320	2,135	1,115	14,120	1,055	775	800	600	3,230
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	3,300	1,635	1,560	720	7,215	115	365	360	300	1,140
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	4,745	4,615	3,260	1,865	14,485	480	935	1,680	1,640	4,735
Housing cost burden greater than 50% of income (and none of the above problems)	148,825	44,810	8,745	1,815	204,195	72,835	50,360	41,725	20,960	185,880

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	43,995	62,125	48,080	18,450	172,650	19,645	39,145	47,535	51,720	158,045
Zero/negative Income (and none of the above problems)	17,095	0	0	0	17,095	7,440	0	0	0	7,440

Table 4 – Housing Problems Table

Data 2007-2011 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	164,415	54,385	15,700	5,515	240,015	74,485	52,440	44,565	23,495	194,985
Having none of four housing problems	112,210	104,425	114,245	79,510	410,390	26,400	81,745	122,550	132,265	362,960

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Household has negative income, but none of the other housing problems	17,095	0	0	0	17,095	7,440	0	0	0	7,440

Table 5 – Housing Problems 2

Data 2007-2011 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	69,945	46,285	22,920	139,150	17,565	26,270	40,390	84,225
Large Related	9,040	6,465	2,050	17,555	3,020	5,930	10,025	18,975
Elderly	53,845	22,650	8,910	85,405	56,670	45,920	23,730	126,320
Other	72,370	37,935	25,520	135,825	16,440	13,005	16,900	46,345
Total need by income	205,200	113,335	59,400	377,935	93,695	91,125	91,045	275,865

Table 6 – Cost Burden > 30%

Data 2007-2011 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	56,115	17,350	2,305	75,770	16,105	19,460	19,780	55,345

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Large Related	7,420	2,095	170	9,685	2,835	4,155	4,785	11,775
Elderly	34,045	10,075	2,270	46,390	40,310	18,530	9,520	68,360
Other	60,885	17,465	4,480	82,830	14,595	9,360	8,540	32,495
Total need by income	158,465	46,985	9,225	214,675	73,845	51,505	42,625	167,975

Table 7 – Cost Burden > 50%

Data 2007-2011 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	6,450	5,165	3,840	1,895	17,350	520	1,035	1,525	1,410	4,490
Multiple, unrelated family households	1,215	1,030	755	430	3,430	50	285	550	510	1,395
Other, non-family households	550	275	290	325	1,440	20	0	14	15	49
Total need by income	8,215	6,470	4,885	2,650	22,220	590	1,320	2,089	1,935	5,934

Table 8 – Crowding Information – 1/2

Data 2007-2011 CHAS
Source:

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 9 – Crowding Information – 2/2

Describe the number and type of single person households in need of housing assistance.

The data in the above tables show that both small related households and the elderly, with incomes under 30% AMI and a housing cost burden are most in need of housing assistance. There are 245,865 total households in these two categories that carry severe housing cost burdens.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

There are currently 180 families in domestic violence shelters, all of whom need housing assistance. There are also a number of families in the Emergency Assistance (family shelter) system who give domestic violence as the reason for their homelessness. It is more difficult to extrapolate the number of people needing housing assistance who are victims of dating violence or stalking. In the 2013 National Census of Domestic Violence Services, taken on September 17, 2013, the approximately 50 participating service providers reported that 902 domestic violence victims (463 adults and 439 children) were placed in either emergency shelter or domestic violence shelters. There were 223 requests for housing that the providers were unable to meet. That represents approximately 10% of the total number of victims served on that day, both adults and children.

What are the most common housing problems?

The most common housing problem is the lack of affordable rental housing. As the above tables show, the most prevalent problem is for renter households earning less than 100% AMI, who have a housing cost burden of greater than 50%. Seventy-three percent of those households have an income less than 30% AMI. There are 204,195 such households in the Commonwealth. An additional 185,880 owner households have incomes less than 100% AMI and bear a housing cost burden of more than 50%.

Are any populations/household types more affected than others by these problems?

Low income families and the elderly are the most severely affected by this.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The Commonwealth provides a variety of homelessness prevention services through a combination of state and federal funding, including funding from the Emergency Solutions Grant. Unfortunately, the

prevention programs available do not meet all of the needs of low-income household who are imminently at risk of homelessness nor are they able to resolve all of the evictions cases which are filed. Homelessness prevention providers have found that many characteristics are shared among low-income households at imminent risk of becoming homeless. Common characteristics, which often turn into barriers to housing include, but are not limited to, language restrictions, disabilities among one or more household members, sporadic employment coupled with low wage jobs, and domestic violence. Common needs of low income households include access to reliable and timely transportation, child care, employment training, legal services and support, and housing opportunities that are affordable on extremely low and low incomes.

Greater access to permanent supportive housing and long term housing vouchers remain the primary need of households nearing termination of their rapid re-housing assistance. Homeless individuals and families who receive rapid re-housing assistance in Massachusetts are usually in extremely low or low income households. Various rapid re-housing programs available across the Commonwealth offer different levels of financial assistance, though rental assistance typically does not last longer than 6-12 months. Unfortunately, given the short term nature of our rapid re-housing programs, households frequently lack the time necessary to sufficiently increase their income in order to afford market rate housing. A tight housing market coupled with extremely high rent rates often leave households struggling to maintain rent once their rapid re-housing assistance ends.

In order to maintain their housing, households who are no longer receiving rental assistance often prioritize their expenses leaving them unable to pay for essentials such as food and utilities. Additionally, households who have been re-housed through a rapid re-housing program often face many long term challenges that can impact their ability to maintain their housing after their rapid re-housing assistance ends. RRH programs are limited in their capacity to assist with every barrier in the short period of time that households are enrolled in their program. Unfortunately, many challenges that may have originally led to a households housing crisis are left unaddressed upon termination of rapid re-housing assistance.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The tables below show the number of households by race and ethnicity that have at least one housing problem measured by the 2007-2011 CHAS data. The problems are a lack of complete kitchen facilities, a lack of complete plumbing facilities, overcrowding (more than one person per room), and cost burden (housing costs in excess of 30% of annual household income).

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	286,074	73,493	21,854
White	199,408	49,037	14,180
Black / African American	24,647	6,776	2,063
Asian	11,818	3,155	2,788
American Indian, Alaska Native	822	278	60
Pacific Islander	45	0	0
Hispanic	43,412	13,053	2,467

Table 10 - Disproportionally Greater Need 0 - 30% AMI

Data 2007-2011 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	192,717	82,352	0
White	143,487	68,132	0
Black / African American	15,483	4,124	0
Asian	7,431	1,921	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
American Indian, Alaska Native	288	69	0
Pacific Islander	4	10	0
Hispanic	22,001	6,860	0

Table 11 - Disproportionally Greater Need 30 - 50% AMI

Data 2007-2011 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	172,398	164,696	0
White	135,714	139,986	0
Black / African American	12,265	7,420	0
Asian	6,714	3,647	0
American Indian, Alaska Native	214	270	0
Pacific Islander	4	60	0
Hispanic	13,844	10,773	0

Table 12 - Disproportionally Greater Need 50 - 80% AMI

Data 2007-2011 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	99,772	150,594	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
White	81,879	128,419	0
Black / African American	5,605	6,838	0
Asian	4,010	4,677	0
American Indian, Alaska Native	184	257	0
Pacific Islander	0	65	0
Hispanic	5,859	8,293	0

Table 13 - Disproportionally Greater Need 80 - 100% AMI

Data 2007-2011 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

The incidence and prevalence of housing problems correlate to income, however some population groups show need for safe and affordable housing across income categories. All racial and ethnic groups experience proportionately fewer housing problems as they move up the economic ladder, but minorities continue to report problems at a substantially higher rate than their white counterparts.

Disproportionately greater need seems to exist among many lower-income black/African American, Asian, and Hispanic households. All three types of households display higher proportions of housing problems than does the State as a whole.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The data below compares the incidence of severe housing problems (lack of complete kitchen facilities, lack of complete plumbing, more than 1.5 persons per room, and cost burden over 50% of annual household income) among racial/ethnic and income groups.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	222,019	137,500	21,854
White	154,983	93,445	14,180
Black / African American	19,713	11,731	2,063
Asian	9,544	5,462	2,788
American Indian, Alaska Native	546	556	60
Pacific Islander	45	0	0
Hispanic	32,325	24,134	2,467

Table 14 – Severe Housing Problems 0 - 30% AMI

Data 2007-2011 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	97,983	177,192	0
White	72,433	139,322	0
Black / African American	8,283	11,349	0
Asian	4,669	4,658	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
American Indian, Alaska Native	172	189	0
Pacific Islander	4	10	0
Hispanic	10,289	18,556	0

Table 15 – Severe Housing Problems 30 - 50% AMI

Data 2007-2011 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	64,488	272,560	0
White	49,282	226,384	0
Black / African American	4,964	14,701	0
Asian	3,022	7,352	0
American Indian, Alaska Native	117	367	0
Pacific Islander	0	64	0
Hispanic	5,774	18,845	0

Table 16 – Severe Housing Problems 50 - 80% AMI

Data 2007-2011 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	26,744	223,337	0
White	20,219	189,901	0
Black / African American	2,083	10,356	0
Asian	1,559	7,105	0
American Indian, Alaska Native	45	394	0
Pacific Islander	0	65	0
Hispanic	2,213	11,932	0

Table 17 – Severe Housing Problems 80 - 100% AMI

Data 2007-2011 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

The data suggests that as with the less-severe housing problems, Asian, Hispanic and black/African American households have disproportionate rates when compared to the statewide data.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The table below shows the distribution of housing cost burden among racial/ethnic groups by income category.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,525,703	510,327	407,000	22,532
White	1,320,728	408,873	303,083	14,438
Black / African American	56,449	30,460	32,918	2,088
Asian	59,037	18,710	16,608	2,997
American Indian, Alaska Native	1,804	836	867	60
Pacific Islander	288	14	49	0
Hispanic	69,660	42,591	45,421	2,648

Table 18 – Greater Need: Housing Cost Burdens AMI

Data 2007-2011 CHAS
Source:

Discussion

Two groups among the Commonwealth's households tend to experience cost burden at a higher rate than the general population - Black/African Americans and Hispanics. This is even more evident for households paying in excess of 50% of their income on housing costs.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Among households that earn less than 30% of AMI, Black/African American and Hispanic households are disproportionately affected by housing problems. This is also true for households in those two groups in the 30% to 50% and 50% to 80% income categories.

If they have needs not identified above, what are those needs?

N/A

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

While low-income residents reside in every city and town in the Commonwealth, areas of low-income concentration are primarily in Boston and other larger entitlement and gateway communities. The more rural, non-entitlement areas of the Commonwealth are less densely populated and less ethnically and racially diverse. The Commonwealth's larger entitlement and gateway cities have more diverse populations.

NA-35 Public Housing – (Optional)

Introduction

Public and subsidized housing represents a safety net for the many of the Commonwealth's most vulnerable low-income residents, and Massachusetts has been a national leader in the providing the resources to create and maintain that safety net. DHCD's public housing portfolio includes approximately 45,000 units of state-assisted public housing, far more than any other state in the nation. In fact, only Connecticut, Hawaii and Ohio have state public housing. Many of these public housing units were built more than 50 years ago. This housing portfolio, along with the additional federally-subsidized units, is managed by 242 Local Housing Authorities (LHAs), which have volunteer boards and many have part-time executive directors.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	1,055	0	19,016	943	17,825	179	1	68

Table 19 - Public Housing by Program Type

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	1	0	15	13	1	1	0
# of Elderly Program Participants (>62)	0	183	0	2,510	204	2,276	20	0
# of Disabled Families	0	342	0	7,884	354	7,357	114	1
# of Families requesting accessibility features	0	1,055	0	19,016	943	17,825	179	1
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 20 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	956	0	13,456	718	12,535	144	1	58
Black/African American	0	95	0	5,007	188	4,784	28	0	7
Asian	0	3	0	361	17	341	3	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
American Indian/Alaska Native	0	1	0	144	7	132	3	0	2
Pacific Islander	0	0	0	48	13	33	1	0	1
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 21 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	580	0	6,198	279	5,888	11	0	20
Not Hispanic	0	475	0	12,818	664	11,937	168	1	48
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 22 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

DHCD does not operate a Federal Public Housing program, although Massachusetts has an inventory of roughly 50,000 state-funded Public Housing units, as well as hundreds of local housing authorities with both state and Federal public housing. The needs of tenants and applicants on the waiting lists for accessible units include both sensory and mobility impairments. Many existing tenants require transfers for the purposes of Reasonable Accommodation (for example, a person who lives in a second floor unit becoming increasingly mobility impaired), but units to meet their needs are not always immediately available due to the high occupancy of and need for public housing statewide.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

In its capacity as a Housing Authority, DHCD currently has 100,709 families statewide on its waiting lists for Section 8 vouchers. Waiting lists at local housing authorities vary, but as Massachusetts has a very high-cost housing market and a shortage of affordable housing (particularly in Greater Boston), the wait time tends to be several years. The majority of families on the waiting list are extremely low income (below 30% of AMI). These families are severely rent-burdened on the private market, are forced to live with relatives/friends or in substandard conditions, or rely on a severely overcrowded Emergency Shelter system. The need is most acute in the area of family housing.

How do these needs compare to the housing needs of the population at large

Shortage of affordable housing is the most pressing housing issue in the more urban areas of our state. Additional production of both low and moderate-income units is critical to ease the pressures described above.

Discussion:

No Massachusetts state agency administers federal public housing funds, but DHCD does oversee and fund a portfolio of approximately 46,000 state-aided public housing units that are owned and operated by 242 local housing authorities (LHAs)

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

As a result of the significant expansion of its emergency shelter system over the past two decades and its current focus on ending, rather than managing, homelessness, the Commonwealth's priority approaches to unmet homeless needs – for both families and individuals – are Prevention and Rapid Rehousing. DHCD currently provides 3,133 shelter beds for homeless individuals and approximately 3,300 emergency shelter placements units, including motels and hotels, for homeless families.

DHCD also implemented reforms to the Emergency Assistance (EA) system in an effort to reduce the reliance on the shelter as a response to housing instability while maintaining a solid safety net. The response combined targeting shelter to those truly in emergency situations with an increase in funding for prevention (using the Residential Assistance for Families in Transition [RAFT] program) and permanent housing (through the Massachusetts Residential Voucher Program [MRVP]).

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	12	1,443	3,059	1,724	1,878	225
Persons in Households with Only Children	4	2	0	0	0	0
Persons in Households with Only Adults	747	6,041	0	0	0	0
Chronically Homeless Individuals	305	1,285	0	0	0	0
Chronically Homeless Families	0	1,721	0	0	0	0
Veterans	30	1,234	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Unaccompanied Child	97	52	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 23 - Homeless Needs Assessment

Data Source Comments: HUD's 2014 HIC, HUD's 2014 PIT.

Indicate if the homeless population is: Partially Rural Homeless

Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	0	0	0	0	0
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	0	0	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Chronically Homeless Individuals	0	0	0	0	0	0
Chronically Homeless Families	0	0	0	0	0	0
Veterans	0	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 24 - Homeless Needs Assessment

Data Source Comments: HUD's 2014 HIC, HUD's 2014 PIT.

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

The Commonwealth's unsheltered homeless are served, primarily, via CoC and State funded outreach programs. Persons living under bridges, in parks and abandoned buildings and other places not meant for human habitation are offered access to shelter, medical services, mainstream resources, and, in some CoC's, access to housing first programming. Sheltered homeless families are served by the Commonwealth's Emergency Assistance program – a statewide sheltering system where people are provided with case management, housing search which includes individualized service planning and, upon the ending of their homelessness, stabilization services. The state also provides funding (including ESG funding) for emergency shelter responses for individuals.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	0
Black or African American	0	0
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	0
Not Hispanic	0	0

Data Source

Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The Massachusetts Plan to Prevent and End Homelessness among Veterans seeks to ensure all Massachusetts veterans will have a stable place to call home. The objectives of the plan are to reduce the number of homeless veterans in the Commonwealth by 1,000 (based on the annual Point in Time count) by the end of 2015 and to statistically end veteran homelessness in Massachusetts. The objectives will be achieved by four primary goals: Rehouse and stabilize veterans who become homeless by implementing a housing strategy; Ensure veterans most at risk of homelessness remain housed to prevent homelessness; Increase access to benefits and resources for veterans through greater intervention; and Align and integrate federal, state, and community resources to support veterans through effective partnerships. Each goal, focused on housing, prevention, intervention, and partnerships, is supported by a detailed action plan to accomplish the goal over time.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Racial and ethnicity data is only available for a small portion of the persons served with Emergency Solutions Grant funding in SFY14. This sampling is not necessarily representative of all homeless persons in Massachusetts. For those that data was reported to HUD, 62% of those served were reported to be white and 75% as not Hispanic. The second largest group of persons served were black or African American (32%). 3% reported multiple races and the remaining racial groups were less than 1% of the total persons served.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

The Commonwealth's unsheltered homeless are served, primarily, via CoC and State funded outreach programs. Persons living under bridges, in parks and abandoned buildings and other places not meant for human habitation are offered access to shelter, medical services, mainstream resources, and, in some CoC's, access to housing first programming. Sheltered homeless families are served by the Commonwealth's Emergency Assistance program – a statewide sheltering system where people are provided with case management, housing search which includes individualized service planning and, upon the ending of their homelessness, stabilization services. The state also provides funding (including ESG funding) for emergency shelter responses for individuals.

Discussion:

The Commonwealth has adopted a comprehensive approach to family homelessness, and has engaged other state agencies, including HHS, in the effort: the strategy consists of preventing homelessness; establishing a strong safety net of shelters and services; rehousing families and linking them with support services in the community; and creating more permanent affordable housing.

The first priority is to prevent homelessness and help families avoid entering the shelter system. The RAFT, HomeBASE and MRVP programs are valuable tools in achieving this.

While prevention and diversion are key, we also know that many families need the safety net of emergency shelter when they are facing a crisis and, fortunately, we have one of the most extensive networks in the country. When the family shelter system is at capacity, families are placed in hotels/motels across the state. Because this is both a hardship on the families and a burden to cities and towns, DHCD has expanded significantly its congregate shelter component, placed case managers in certain, targeted motel locations, and has worked closely with both the Department of Public Health and the Department of Children and Families to assist families sheltered in motels. Fortunately, the number of families in motels/hotels continues to decline.

The Commonwealth is also focused on creating new permanent housing for extremely low income families (those with income below 30% of area median income). To accomplish this, we are prioritizing projects for homeless families and are dedicating project-based vouchers to units for these families. These families exiting the shelter system often need support services to help them maintain their housing; this is where supportive housing is important.

In addition to the system of services that DHCD offers to families, the Commonwealth supports a network of 50 individual shelter providers, with approximately 3,070 beds, as well as service agencies that address the needs of an unaccompanied adult population. Individual shelter programs operate more independently than the family system as there is no eligibility requirement for access to shelter. Providers make beds available as needed on a nightly basis. In addition to the actual shelter beds, DHCD funds providers who offer health care, day programs, and food services.

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	23,628
Area incidence of AIDS	316
Rate per population	0
Number of new cases prior year (3 years of data)	1,141
Rate per population (3 years of data)	0
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	19,279
Area Prevalence (PLWH per population)	0
Number of new HIV cases reported last year	698

Table 25 – HOPWA Data

Data Source Comments: MA Dept. of Public Health, MA HIV/AIDS Surveillance program

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	584
Short-term Rent, Mortgage, and Utility	415
Facility Based Housing (Permanent, short-term or transitional)	668

Table 26 – HIV Housing Need

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

Describe the characteristics of special needs populations in your community:

With respect to HIV, individuals living with HIV/AIDS often experience a wide range of needs related to socioeconomic factors; medical conditions, care, and treatment; and behavioral health issues. Many people living with HIV in Massachusetts identify barriers to ongoing retention in HIV medical care and adherence to HIV treatment regimens which impact both individual health outcomes and also transmission and acquisition of infectious disease. Members of racial and ethnic minority populations, men who have sex with men, and people who inject drugs are disproportionately impacted by HIV in Massachusetts.

Examples of issues that may be connected to an HIV+ individual's need services may include advanced HIV disease, commencement of second- or third line antiretroviral therapy regimens, engagement in Directly Observed Therapy (DOT), active substance use or early recovery, recent discharge from detoxification services, lack of health insurance, homelessness, recent incarcerations, complex adherence challenges, untreated and/or complex mental illness, trauma, recent HIV diagnosis, hepatitis C co-infection, lack of immigration documentation, domestic violence, very low income, and/or pregnancy. Clients may also be engaged in high intensity services based on health, financial, legal, or social service crises including but not limited to loss of income (including unfavorable social security determination or notice of overpayment), eviction, sudden change in health status, or recommencement of substance use after a period of sobriety (aka: relapse).

What are the housing and supportive service needs of these populations and how are these needs determined?

The Massachusetts HIV service system utilizes a closely-connected network of care and service providers to identify individuals living with HIV and to actively engage them into non-medical and medical services, including the HIV Drug Assistance Program, which enables low-income HIV+ individuals to access and maintain health insurance and HIV medications. Federal, State, Local, and private funding enables this network to survive and to adapt to housing and supportive service needs as they change. MDPH-funded HIV/AIDS services are provided in a framework that is consistent with objectives articulated by the United States Interagency Council on Homelessness relative to integrating health care services with homeless assistance programs and housing.

Many HIV+ Massachusetts residents qualify for State funded HIV/AIDS services which are available for individuals with incomes under 500% FPL. These services include home-based, community-based, and clinic-based HIV/AIDS Medical Case Management; housing search and advocacy services; rental start-up, homelessness prevention, and utilities assistance services; home-delivered, congregate meals, and food bank packages; peer support; legal assistance; and correctional health reintegration services. HIV/AIDS Medical Case Management includes medical care coordination, social services coordination, housing support, benefits access, substance use risk reduction, and sexual health promotion. The MDPH-funded service system ensures that hepatitis C and STI testing, HIV and STI partner services, and specialized risk reduction counseling is accessible to individuals living with HIV.

Securing and maintaining affordable and secure housing is an ongoing challenge for many Massachusetts residents. In recognition that residential stability is a critical part of maintaining engagement in medical care and health-related support services, all MDPH-funded HIV/AIDS medical case management providers are expected to help clients access and maintain affordable and secure housing. These providers conduct comprehensive bio-psychosocial assessments and reassessments to identify specific client needs and the acuity of these needs and then tailor services accordingly. Assessments address current housing status and percent of income spent on rent, housing safety and security, and client interest/need to relocate. Based on this information, providers either provide specialized Housing Search and Advocacy services directly or via an established coordination mechanism.

with another agency. Providers also ensure that clients have access to home-based service provision, as determined by established eligibility criteria such as disease progression, acute period of illness, history of lapses in care, history of chronic homelessness, active substance use; unstable mental health, lack of access to transportation, etc.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

The following information is reproduced from the “Massachusetts HIV/AIDS Data Fact Sheet: The Massachusetts HIV/AIDS Epidemic at a Glance,” which includes HIV/AIDS Case Data reported to the Massachusetts Department of Public Health, HIV/AIDS Surveillance Program, as of 1/1/14.

As of December 31, 2013, a cumulative total of 32,345 individuals were diagnosed with HIV infection and reported in Massachusetts. Of these, 19,165 (59%) are currently living with HIV/AIDS. Vulnerable populations are disproportionately impacted, as indicated by the following data:

- The proportion of new HIV infection diagnoses among men who have sex with men (MSM) increased from 33% in 2003 to 46% in 2012.
- Persons with risk associated with injection drug use constitute approximately 19% of persons living with HIV/AIDS and half of all deaths among persons with HIV/AIDS.
- Black non-Hispanic and Hispanic/Latino populations are diagnosed with HIV infection at levels ten and seven times that of the white non-Hispanic populations, respectively.
- Of females diagnosed with HIV infection within the years 2010 to 2012, 54% were black non-Hispanic.

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

In the category of public facilities, neighborhood facilities such as community centers, senior centers, and facilities for youth and family services and assistance in removing architectural barriers to meet the federally mandated accessibility requirements under the Americans with Disabilities Act (ADA) represent the largest share of the requests.

How were these needs determined?

The process by which these needs were identified involved analysis of economic conditions and trends, with particular attention to the impacts on low- and moderate-income people and communities; input from community representatives and regional planning agencies in a series of listening sessions held across the state annually; and a review of recent CDBG funding requests.

Describe the jurisdiction's need for Public Improvements:

Community development needs and priorities vary by region and by size and type of community. State-of-the-art physical infrastructure contributes to the quality of life for existing residents and is a necessary ingredient for expanded business development. Investments in sewer, utility, and road improvements in downtown areas, neighborhoods, industrial zones and underdeveloped rural areas can have dramatic effects on local economies and a cumulative beneficial effect on the overall economy, but many communities do not have the financial capacity to make the necessary infrastructure improvements. Despite great advances over the last twenty years, many communities still have sidewalks and other infrastructure components that are not yet fully accessible and in compliance with the Americans with Disabilities Act. In addition to roads, sewers and other traditional infrastructure, the state's economic competitiveness requires 21st century technology and telecommunications infrastructure. Some areas of the Commonwealth, however, still rely on inadequate telecommunications systems with a particular lack of access to broadband internet services, which prevent them from attracting new technology and knowledge based businesses.

How were these needs determined?

The process by which these needs were identified involved analysis of economic conditions and trends, with particular attention to the impacts on low- and moderate-income people and communities; input from community representatives and regional planning agencies in a series of listening sessions held across the state annually; and a review of recent CDBG funding requests.

Describe the jurisdiction's need for Public Services:

Current economic conditions heighten the need for financial support of broad-based social services.

How were these needs determined?

The process by which these needs were identified involved analysis of economic conditions and trends, with particular attention to the impacts on low- and moderate-income people and communities; input from community representatives and regional planning agencies in a series of listening sessions held across the state annually; and a review of recent CDBG funding requests.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The data shows that 52% of all units in Massachusetts are one-unit detached structures, followed by 21% which are 2-4 unit structures. Structures with 5-19 units and 20 or more units each comprise 10% of the total number of residential units. The majority (74%) of homeowner units have 3 or more bedrooms, while the rental units are more varied - only 25% have 3 or more bedrooms, 32% have 1 bedroom and 38% have 2 bedrooms.

Massachusetts is and has been a high cost housing market, for both renters and homeowners. With its relatively older housing stock, Massachusetts is a costly state in which to maintain and operate housing. Housing prices and rents have increased to the point where housing costs as a share of income have increased sharply for a growing proportion of the region's households. The data shows that the median home value has increased by 88% between 2000 and 2011 and median rents have increased by 48% during the same time period.

Demand for affordable rental housing units in many locations throughout the country is at or near an all-time high. Recent research and analysis, including studies released by the Joint Center for Housing Studies at Harvard University, document the increasing rent burden experienced by the lowest income individuals and families and the growing gap between the demand for affordable rental units and the supply in various markets. Like other states, Massachusetts is affected by this problem. The rental markets in numerous cities and metropolitan areas in Massachusetts are highly stressed. In many locations, rents exceed pre-recession levels, and vacancy rates are at historic lows. In this environment, the importance of federal and state programs to support the production of new affordable rental housing cannot be overstated.

MA-10 Number of Housing Units – 91.310(a)

Introduction

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	1,467,290	52%
1-unit, attached structure	137,591	5%
2-4 units	600,848	21%
5-19 units	290,298	10%
20 or more units	278,777	10%
Mobile Home, boat, RV, van, etc	24,553	1%
Total	2,799,357	100%

Table 27 – Residential Properties by Unit Number

Data Source: 2007-2011 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	4,991	0%	48,294	5%
1 bedroom	58,972	4%	291,327	32%
2 bedrooms	347,315	22%	346,431	38%
3 or more bedrooms	1,193,195	74%	231,884	25%
Total	1,604,473	100%	917,936	100%

Table 28 – Unit Size by Tenure

Data Source: 2007-2011 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

HOME funds are targeted to households at 60% AMI, CDBG funds are targeted to households at or below 80% AMI.

Rental Housing: A rental housing unit is considered to be an affordable housing unit if it is occupied by an extremely-low, very-low, or low -income household and bears a rent that is the lesser of the existing Section 8 Fair Market Rent for comparable units in the area or, 30% of the adjusted income of a family whose income equals 65% of the median income for the area, except that HUD may establish income ceilings higher or lower than 65% of the median income because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Homeownership: Housing that is for purchase (with or without rehabilitation) qualifies as affordable housing if it is purchased by an extremely-low, very-low, or low -income first-time homebuyer who will make the housing his or her principal residence and; has a sale price that does not exceed the mortgage limit for the type of single family housing for the area under HUD's single family insuring authority under the National Housing Act. Housing that is to be rehabilitated, but is already owned by a family when assistance is provided, qualifies as affordable housing if the housing is occupied by an extremely-low, very-low, or low –income household which uses the house as its principal residence and; has a value, after rehabilitation, that does not exceed the mortgage limit for the type of single family housing for the area.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Much of the Commonwealth's stock of affordable housing units built in the 1960s, 1970s and 1980s are facing the elimination of restrictions that they serve low-income residents due to the potential for owners to prepay their federally-subsidized mortgages, or opt out of their existing Section 8 rental subsidy contracts. In November 2009, M.G.L. Ch. 40T – An Act Preserving Publicly Assisted Affordable Housing was passed. This landmark legislation aims to help preserve existing privately-owned affordable housing in Massachusetts. The legislation establishes notification provisions for tenants, a 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. Chapter 40T has helped to preserve affordability in communities across the state, ensuring that families are able to stay in their homes and neighborhoods. Since the passage of Chapter 40T, DHCD has helped to preserve more than 14,000 expiring use units with the use of state resources.

Does the availability of housing units meet the needs of the population?

No, there is shortage of safe, decent, affordable, and accessible housing in Massachusetts.

Describe the need for specific types of housing:

The pipeline of rental units currently in development is lengthy, and the need for the units is significant. Located in every region of the state, the rental units funded through DHCD serve many populations, including low- to moderate-income families; frail seniors; homeless individuals and families; persons with special needs; persons with disabilities; veterans; and others. These projects cover a wide range, from urban revitalization projects, to projects located near major transit, to projects located in some of the state's most rural communities.

The effort to evaluate the need for affordable rental units is complicated by the fact that there is no single Massachusetts housing market. Rather, there are hundreds of local housing markets, and they differ significantly from each other. The median home sales prices in the most affluent western suburbs of Boston again exceed \$1,000,000, yet homebuyers in the more rural areas of the state can still find

units priced below \$150,000. In addition, the effects of the seven-year foreclosure crisis continue to impact some communities far more than others.

Because of the disparate characteristics of various local housing markets, the best measures of affordable housing need in one market may not be the best measures in another. For example, some communities have relatively few residents with household incomes below 50% of area median income. But the average sales prices for homes in these communities may be above \$700,000, and there may be virtually no rental units available. So, while one indicator of need -- the number of poverty households -- may be low, another indicator -- average or median sales prices -- may be extremely high.

MA-15 Cost of Housing – 91.310(a)

Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	182,800	343,500	88%
Median Contract Rent	605	893	48%

Table 29 – Cost of Housing

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	208,506	22.7%
\$500-999	341,850	37.2%
\$1,000-1,499	236,504	25.8%
\$1,500-1,999	87,955	9.6%
\$2,000 or more	43,121	4.7%
Total	917,936	100.0%

Table 30 - Rent Paid

Data Source: 2007-2011 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	133,310	No Data
50% HAMFI	290,565	34,145
80% HAMFI	513,295	108,315
100% HAMFI	No Data	237,660
Total	937,170	380,120

Table 31 – Housing Affordability

Data Source: 2007-2011 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	0	0	0	0	0
High HOME Rent	0	0	0	0	0
Low HOME Rent	0	0	0	0	0

Table 32 – Monthly Rent

Data Source Comments:

Is there sufficient housing for households at all income levels?

No, there is a shortage of safe, decent, affordable and accesible housing. DHCD's housing programs prioritize certain types of needed housing, including: housing for extremely low-income (ELI) individuals and families, with a particular focus on those who are homeless or at risk of homelessness; housing in distressed or at-risk neighborhoods where strategic investment has a strong likelihood of catalyzing private investment and improving housing quality; the preservation of exisiting affordable housing that extends affordability; and family housing production in neighborhoods and communities that provide access to opportunities, including, but not limited to jobs, transportation, education and public amenities.

How is affordability of housing likely to change considering changes to home values and/or rents?

As home values and rents continue to increase, the availability of affordable options decreases.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

HOME rents are generally the lesser of 30 percent of the adjusted income of a family whose annual income equals 65 or 50 percent of the median income for the area, as defined by HUD and the fair market rent for existing housing for comparable units in the area, as established by HUD. Typically, area median rents are defined by particular income bands. In areas where the HOME rents are lower, the development budget may require additional subsidy for project feasibility.

MA-20 Condition of Housing – 91.310(a)

Definitions

HUD requires participating jurisdictions to define the terms “standard condition,” “substandard condition” and “substandard condition, but suitable for rehabilitation.” For purposes of its consolidated planning, the Commonwealth considers units standard if they meet HUD’s Section 8 quality standards. Consistent with the Census Bureau definition, units are deemed to be substandard if they lack complete plumbing and/or kitchen facilities.

The category “substandard, but suitable for rehabilitation,” includes units that would not currently meet Section 8 standards, but could be brought into compliance with local codes for less than replacement cost. Such units might have functional obsolescence, moderate structural damage, inadequate or inefficient heating systems, septic problems, and the like. They may also lack energy conserving features such as insulation or storm windows, and/or contain lead paint. Because of the age of much of the existing housing stock, the severity of New England winters, and the number of communities that rely in whole, or in part, on onsite septic systems for wastewater treatment, a conservative estimate of the number of units in this category would be four times the number of substandard units.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	535,478	33%	410,757	45%
With two selected Conditions	8,328	1%	21,209	2%
With three selected Conditions	1,258	0%	3,515	0%
With four selected Conditions	0	0%	61	0%
No selected Conditions	1,059,409	66%	482,394	53%
Total	1,604,473	100%	917,936	100%

Table 33 - Condition of Units

Data Source: 2007-2011 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	113,676	7%	54,991	6%
1980-1999	341,511	21%	120,897	13%
1950-1979	573,527	36%	283,286	31%
Before 1950	575,759	36%	458,762	50%
Total	1,604,473	100%	917,936	100%

Table 34 – Year Unit Built

Data Source: 2007-2011 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	1,149,286	72%	742,048	81%
Housing Units build before 1980 with children present	80,880	5%	26,035	3%

Table 35 – Risk of Lead-Based Paint

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 36 - Vacant Units

Data Source: 2005-2009 CHAS

Need for Owner and Rental Rehabilitation

DHCD relies on the expertise of those administering its housing rehabilitation programs at the local level to estimate and prioritize housing rehabilitation needs. Based on the fact that over 75% of the units in Massachusetts were built before 1980, the need for owner and renter rehabilitation will continue to increase as the housing stock continues to age.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

The Massachusetts Department of Public Health Childhood Lead Poisoning Prevention Program (MACLPPP) is the lead agency for educating the public about the risks of lead and for ensuring that affected children receive appropriate intervention. The program's actions closely follow or exceed requirements in the HUD Lead-Safe Rule. During the period covered by this plan, the Commonwealth intends to continue its vigorous implementation of the Massachusetts Lead Law and the HUD Lead-Safe Rule, targeting high-risk communities. Although the Commonwealth has continued to address lead based paint, the fact that 75% of the housing stock was built prior to 1980 indicates that many units still contain lead based paint.

MA-25 Public and Assisted Housing – (Optional)

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	1,068		19,405	795	18,610	1,051	0	626
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 37 – Total Number of Units by Program Type

Data PIC (PIH Information Center)
Source:

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

DHCD's public housing portfolio includes approximately 45,000 units of state-assisted public housing, far more than any other state in the nation. In fact, only Connecticut, Hawaii and Ohio have state public housing. Many of these public housing units were built more than 50 years ago. This housing portfolio, along with the additional federally-subsidized units, is managed by 242 Local Housing Authorities (LHAs), which have volunteer boards and many have part-time executive directors.

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

Within the last few years, we have implemented major administrative reforms to enhance the transparency and accountability of the LHAs. These included establishing a salary cap for LHA executive directors; mandatory training for all LHA board members; a Vacant Unit Initiative which included the withholding of funds for units vacant more than 60 days and the distribution of capital funds to LHAs to bring vacant units back on line; and other financial and administrative reforms including the development of a centralized waiting list and single application process for public housing.

Chapter 235, "An Act Relative to Local Housing Authorities," was passed in 2014 and is currently being implemented by the Baker-Polito Administration. Building on recent reforms, this legislation further strengthens the governance structure of the housing authorities and significantly increases the transparency among LHAs, provides the Department with the tools necessary to monitor operations of LHAs and hold them accountable, increases efficiencies and economies of scale for delivery of services

to tenants, increases staffing and assistance in the field, and provides incentives for LHAs to implement creative and innovative practices to improve the lives of residents.

We have made significant progress on the provisions included in Chapter 235; particularly in the areas of performance monitoring, board training and “agreed upon procedures” for financial review. Performance-based monitoring will provide a uniform assessment standard for evaluating housing authority operations. The monitoring program and assessment standards will enable DHCD to identify LHAs that are failing to meet the minimum standards and to develop and implement corrective action plans and targeted assistance by DHCD to improve performance to a satisfactory level. We are in the process of developing the content for E-Learning courses (online trainings) that will be mandatory for all board members and will be rolled out soon.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The Baker-Polito administration views stable housing as a platform for working families to achieve greater prosperity. To that end, we are working with our LHA partners to pilot work requirements coupled with intensive wrap around services for residents of state-assisted public housing. The intention is to create opportunities for families to move through the public housing system more quickly so that we can serve more families. There is one program already in operation at the Worcester Housing Authority and the Senate budget includes a line item and funding for additional pilots. We look forward to testing this in other parts of the Commonwealth’s public housing system.

MA-30 Homeless Facilities – 91.310(b)

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	8,297	0	1,680	3,633	0
Households with Only Adults	2,986	326	2,426	8,315	0
Chronically Homeless Households	0	0	0	5,099	0
Veterans	130	0	1,052	1,515	0
Unaccompanied Youth	4	0	8	0	0

Table 38 - Facilities Targeted to Homeless Persons

Data Source Comments: HUD 2014 HIC some data not available statewide

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

As one aspect of its Social Innovation Financing Initiative, Massachusetts has opted to target chronically homeless individuals who are frequent users of services, often on an emergency basis. Under this demonstration program, homeless shelters will do proactive outreach to the target population, and work with them to place them in permanent housing with intensive case management to ensure that they get the services they need, thereby preventing hospitalizations or other medical emergencies. The demonstration program is an extension of the nationally recognized Home and Healthy for Good program, a “housing first” model that the Massachusetts Housing and Shelter Alliance has run the program with DHCD funding since 2006. DHCD will be closely monitoring this pilot to determine the implications for providing outreach, triage, and assessment services to the broader chronically homeless individual population across the state.

The Commonwealth established several working groups focusing on specific populations at high risk or becoming homeless, including youth, veterans, and inmates being released by the Department of Corrections. The Youth Working Group focused on single, unaccompanied youth. In addition, The Massachusetts Plan to Prevent and End Homelessness among Veterans seeks to ensure all Massachusetts veterans will have a stable place to call home. The objectives of the plan are to reduce the number of homeless veterans in the Commonwealth by 1,000 (based on the annual Point in Time count) by the end of 2015 and to statistically end veteran homelessness in Massachusetts. The objectives will be achieved by four primary goals: Rehouse and stabilize veterans who become homeless by implementing a housing strategy; Ensure veterans most at risk of homelessness remain housed to prevent homelessness; Increase access to benefits and resources for veterans through greater intervention; and Align and integrate federal, state, and community resources to support veterans through effective partnerships. Each goal, focused on housing, prevention, intervention, and partnerships, is supported by a detailed action plan to accomplish the goal over time.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Bridge Over Troubled Waters
DIAL/SELF Youth & Comm Svcs
LUK, Inc.
New Pathways Emergency Shelter for Teens

Brookline Community MH Ctr
Safety Zone
NE Ctr for Homeless Veterans
Action Emergency Shelter
Barton's Crossing Shelter
Betty's Place
Bristol Lodge Shelter
Cambridge Multi Service
CASPAR Emergency Ctr
College Ave. Adult Shelter
Craig's Place
Daybreak
Mitch's Place
Father Bill's Place
First Church Shelter
First Step Inn
Friends of the Homeless
Friendship Ctr Women's Shelter
Gr. Worcester Housing Connection
Grove St Inn
Harvard Sq. Homeless Shelter
Heading Home Shelter
Interfaith Shelter
Kingston House
Lifebridge
Long Island Shelter
Lowell Trans Living Ctr
Lynn Emergency Shelter
Mainspring House
Noah Shelter
Our Father's House
Pilgrim Church Shelter
Pine St Inn
Queen of Peace
River House
Roland's House
Rosie's Place
Salvation Army
Samaritan House
Samaritan Inn
Sancta Maria House
Shadows

Shattuck Shelter
Sr Rosie's
Springfield Rescue Mission
St Francis & St Therese Catholic Worker House
St. Patrick's Shelter
Turning Point
Wells St Shelter
Woods Mullen Shelter

MA-35 Special Needs Facilities and Services – 91.310(c)

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	0
PH in facilities	0
STRMU	0
ST or TH facilities	0
PH placement	0

Table 39 – HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

In December 2012, DHCD set a goal of creating 1,000 new units of supportive housing across the Commonwealth by December 2015. To reach this goal, 18 state agencies signed a memorandum of understanding partnering to improve existing processes, make recommendations for new, collaborative efforts and develop a long-range action plan to meet the need for supportive housing among the Commonwealth's residents. Supportive housing helps individuals and families that are homeless or facing homelessness, institutionalized or at-risk of institutionalization, people with disabilities and the elderly. Additionally, the agencies continue to assess the extent of public cost-savings generated as a result of providing permanent supportive housing and will recommend strategic reinvestments. This goal was met in the Spring of 2014 through the use of project-based vouchers from the MA Rental Voucher Program (MRVP), Veterans Affairs Supportive Housing (VASH) vouchers, the Housing Preservation and Stabilization Trust Fund, and state bond funds.

In addition to providing housing for families, supportive housing, which is operated in conjunction with a network of non-profit agencies across the Commonwealth, includes services such as childcare, access to job training, mental-health care and other opportunities that give participants a hand up towards stability and success.

Additionally, the MassHealth operates the Money Follows the Person (MFP) Demonstration program. MFP is a voluntary program that helps elders and people with disabilities who want to move from facility-based care back to the community. MFP provides an array of "Demonstration" services including case management, assistive technology, orientation and mobility, and transitional assistance

services designed to help individuals transition from nursing facilities and other long-stay hospital settings to the community.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

In addition to the supportive housing described above, MassHealth operates the Money Follows the Person (MFP) Demonstration program. MFP is a voluntary program that helps elders and people with disabilities who want to move from facility-based care back to the community. MFP provides an array of “Demonstration” services including case management, assistive technology, orientation and mobility, and transitional assistance services designed to help individuals transition from nursing facilities and other long-stay hospital settings to the community.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

Working with the Executive Office of Health and Human Services (EOHHS), the DHCD has been involved in the Community First initiative and other efforts to increase housing opportunities and quality of life for persons with disabilities. In its work with EOHHS, its commissions, and various advocacy groups, DHCD has identified potential design approaches in new construction, adaptive re-use, and preservation projects that will increase opportunities for persons with disabilities. These include the application of the principles of universal design and visitability. The Department will work with the development community during 2015 to implement these approaches. At the same time, DHCD encourages developers to include within their projects more units for persons with disabilities than are required by various federal and state statutes.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

N/A

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Insufficient resources to meet the growing gap between the cost of creating and maintaining decent housing and the incomes of very low income households is, of course, the primary obstacle. But building new housing has become increasingly more costly and challenging in Massachusetts, making it difficult for the private market to meet the needs even of moderate and middle income residents. Some of the obstacles to production are unique to affordable housing, but many apply to housing development generally. The factors affecting the state's performance on housing development and rehabilitation have to do with economic and fiscal considerations, resource allocation, the state's legal and regulatory framework, and public perception and attitudes. Specific barriers include: high construction costs, including high labor costs; high cost and relative scarcity of land available for development, especially in the eastern part of the state, and the higher costs associated with building on the marginal sites that are available; limited infrastructure in many of the Commonwealth's communities and little incentive for improving roads, water and sewer systems; complex or redundant building codes and the way that they are applied; restrictive local zoning and land use controls and permitting processes; limited planning and organizational capacity at the local level. Half of the Commonwealth's 351 municipalities have fewer than 10,000 residents, and most of these have no professional planning or community development staff; and reluctance of communities to allow new residential development, especially affordable housing, because of concerns related to fiscal impact, property values and "community character." Massachusetts' municipalities have control over most land use decisions, and they are responsible for providing and paying for essential public services – including education – largely through the local property tax.

The ability of the State to eliminate, or even mitigate, some of these barriers is limited. For example, while materials cost roughly the same here as in other parts of the country, labor is considerably more expensive. DHCD recognizes that that expanding the supply of affordable housing is vital to the state's economic prosperity, and economic prosperity is what will boost the income and economic self-sufficiency of low income residents.

MA-45 Non-Housing Community Development Assets -91.315(f)

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	542	0	1	0	-1
Arts, Entertainment, Accommodations	8,731	0	10	0	-10
Construction	3,966	0	5	0	-5
Education and Health Care Services	16,852	0	20	0	-20
Finance, Insurance, and Real Estate	8,806	0	10	0	-10
Information	2,448	0	3	0	-3
Manufacturing	12,470	0	15	0	-15
Other Services	3,184	0	4	0	-4
Professional, Scientific, Management Services	8,286	0	10	0	-10
Public Administration	2	0	0	0	0
Retail Trade	11,670	0	14	0	-14
Transportation and Warehousing	2,875	0	3	0	-3
Wholesale Trade	4,554	0	5	0	-5
Total	84,386	0	--	--	--

Table 40- Business Activity

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	3,557,500
Civilian Employed Population 16 years and over	3,352,700
Unemployment Rate	5.80
Unemployment Rate for Ages 16-24	0.00
Unemployment Rate for Ages 25-65	0.00

Table 41 - Labor Force

Data Source Comments: MA Dept. of Unemployment Assistance, 2014 Unemployment, not seasonally adjusted

Occupations by Sector	Number of People
Management, business and financial	653,110
Farming, fisheries and forestry occupations	1,740
Service	75,140
Sales and office	1,626,250
Construction, extraction, maintenance and repair	396,420
Production, transportation and material moving	614,710

Table 42 – Occupations by Sector

Data Source Comments: MA Dept. of Unemployment Assistance, May 2013

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	1,776,195	57%
30-59 Minutes	990,780	32%
60 or More Minutes	332,392	11%
Total	3,099,367	100%

Table 43 - Travel Time

Data Source Comments: 2009-2013 ACS, B08303

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	153,330	28,327	120,558

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	585,614	72,096	186,860
Some college or Associate's degree	687,381	61,404	153,496
Bachelor's degree or higher	1,279,355	60,198	184,310

Table 44 - Educational Attainment by Employment Status

Data Source Comments: 2009-2013 ACS, B23006

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	9,418	21,712	27,620	77,700	91,498
9th to 12th grade, no diploma	67,167	44,422	41,922	88,843	84,993
High school graduate, GED, or alternative	186,791	173,598	196,580	474,962	318,598
Some college, no degree	296,722	154,169	140,057	313,848	135,773
Associate's degree	20,977	57,024	76,632	165,340	52,101
Bachelor's degree	96,902	269,151	219,704	395,299	122,116
Graduate or professional degree	8,317	152,144	170,002	319,205	128,701

Table 45 - Educational Attainment by Age

Data Source Comments: 2009-2013 ACS, B15001

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	22,461
High school graduate (includes equivalency)	32,203
Some college or Associate's degree	39,045
Bachelor's degree	69,810
Graduate or professional degree	72,385

Table 46 – Median Earnings in the Past 12 Months

Data Source Comments: 2009-2013 ACS, B20004

Based on the Business Activity table above, what are the major employment sectors within the state?

According to the data above, the major employment sectors are Manufacturing/Production, Construction, Business and Financial, Sales and Office and Transportation. Education and Health Care are also major employment sectors.

Describe the workforce and infrastructure needs of business in the state.

The decline of traditional manufacturing and the rise of the knowledge economy have disconnected many of the state's regions and their cities from the export-income and investment that was the life-blood of a thriving economy. The stark result has been lower incomes, less job growth and fewer opportunities in many of the state's regions compared to Greater Boston. Leveraging the state's assets to bring prosperity to every region is a theme echoed across the state by community development directors and businesses. The Commonwealth promotes vibrant regional economies by building on the various regions' existing assets. Massachusetts has a strong competitive advantage in its leading industries and unparalleled workforce; the key to rebuilding a strong statewide economy is effectively leveraging all of the state's assets in a framework for regional reinvention and renewal.

Four sectors have been the engine of job growth in Massachusetts: (1) Professional, Scientific and Business Services; (2) Trade, Transportation & Utilities; (3) Education & Health Services; and (4) Leisure & Hospitality sectors. Massachusetts is well positioned to continue to grow jobs in the sectors that are driven by innovation and knowledge. The state suffers from an older infrastructure in many areas, requiring expensive upgrades to help us maintain our economic competitiveness. Many roads and bridges are in need of repair, cities and towns have aging sewer systems, and Greater Boston's mass transit system (the MBTA) needs urgent capital investment.

State-of-the-art physical infrastructure contributes to the quality of life for existing residents and is a necessary ingredient for expanded business development. Investments in sewer, utility, and road improvements in downtown areas, neighborhoods, industrial zones and underdeveloped rural areas can have dramatic effects on local economies and a cumulative beneficial effect on the overall economy, but many communities do not have the financial capacity to make the necessary infrastructure improvements. While there are several state funding programs that can be used for infrastructure improvements, the need outweighs the available funding. Communities look to CDBG funding to supplement these other resources. At the same time, despite great advances over the last twenty years, many communities still have sidewalks and other infrastructure components that are not yet fully accessible and in compliance with the Americans with Disabilities Act. In addition to roads, sewers and other traditional infrastructure, the state's economic competitiveness requires 21st century technology and telecommunications infrastructure. Some areas of the Commonwealth, however, still rely on inadequate telecommunications systems with a particular lack of access to broadband internet services, which prevent them from attracting new technology and knowledge based businesses.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The state is focusing investments in infrastructure development and its resultant job creation under the MassWorks program, and revitalization of older industrial centers (the “Gateway Cities”). DHCD administers programs to incentivize housing development, smart growth, and coordinated planning in the latter. Business development incentives are needed for success in the Gateway Cities. In addition, Massachusetts continues to have one of the most expensive housing markets in the U.S., and this creates a challenge to attract and retain younger professionals and well as moderate-income families. New strategies for affordable housing production are essential.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

The labor market continues to concentrate jobs in occupations that require technical skill and some post-secondary education beyond a high school diploma. There is an education and skill gap for a significant portion of our unemployment insurance claimants and for many of our long-term unemployed. The Commonwealth faces the challenge of retooling the skills of a large number of unemployed individuals for growing occupations that require technical skills and credentials.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

A top priority is to strengthen the connection between the Massachusetts workforce system, our public education system, and economic development agencies to ensure that the state has programs and pathways that are well-aligned with industry skill demand and economic opportunity for lower-skilled workers. Strategies include increased training for high-demand occupations and use of apprenticeship programs. These efforts will support the broader community development goals of the Consolidated Plan, especially in Gateway Cities.

Describe any other state efforts to support economic growth.

The state is conducting listening sessions with stakeholders statewide in order to create a comprehensive economic development strategy (including but not limited to housing production).

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

For the population at large, housing needs fall into three categories: affordability, adequacy and access. The extent of these housing problems varies by location, household type, and race/ethnicity, but affordability is the major challenge across the board. Despite the age of the Commonwealth's housing stock, a relatively small share of the inventory is substandard under the HUD definition of "lacking complete kitchen facilities or plumbing." Typically households experiencing such conditions, and/or overcrowding, also experience cost burdens. HUD considers households to have "worst case" needs if they live in severely substandard, or overcrowded, conditions and/or experience severe cost burdens. Concentration is defined as areas that exhibit higher-than-average housing problem indicators.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

While low-income residents reside in every city and town in the Commonwealth, areas of low-income concentration are located primarily in Boston and other entitlement and Gateway cities.

As stated in the Commonwealth's Analysis of Impediments to Fair Housing Choice, historic and ongoing racial and ethnic segregation patterns in Massachusetts, coupled with historic disinvestment in areas of racial/ethnic concentration, have produced a geographic pattern in which areas of racial and ethnic concentration converge with areas of concentrated poverty such that "segregation and racially-isolated pockets of concentrated poverty are very apparent in Massachusetts." Granting that generalizations overlook legitimate exceptions, generally, these racially/ethnically concentrated areas of poverty or areas of opportunity, referred to as "impacted areas," face challenges in providing quality education, access to jobs and good public health outcomes. Conversely, "non-impacted areas," are those areas that offer high quality education, economic opportunity and excellent public health outcomes, which generally are not accessible to households of color as a result of segregation and continuing policies that perpetuate its legacy.

While there has been some improvement since 2000, there remain high levels of residential segregation between black/African Americans and whites and Hispanics/Latinos and whites, especially in the Boston and Springfield metro areas. Asians are considerably less segregated than blacks/African Americans or Hispanics/Latinos, and their segregation levels have also shown modest improvement since 2000. These improvements notwithstanding, Massachusetts metro areas remain among the most segregated of the nation's 100 largest metros (those with populations of 500,000 or more).

Concentration indicates areas with an above-statewide average proportion.

What are the characteristics of the market in these areas/neighborhoods?

Since the areas of racial, ethnic and income concentrations are located throughout the state, it is difficult to generalize conditions within them. However, typical urban housing market conditions include lower home values, older housing stock, and housing quality issues. Typical rural housing market conditions can include a lack of housing type (not as many multi-family units), lower home values and prices, and issues with housing quality.

Are there any community assets in these areas/neighborhoods?

Since this the State Program, our funding and programs are awarded competitively throughout the Commonwealth. Community assets and opportunities are analyzed at the local level and are often discussed within competitive applications.

Are there other strategic opportunities in any of these areas?

Since this the State Program, our funding and programs are awarded competitively throughout the Commonwealth. Community assets and opportunities are analyzed at the local level and are often discussed within competitive applications.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

This section summarizes what DHCD and its partner agencies and organizations hope to accomplish over the next five years toward the goal of providing decent housing, a suitable living environment, and expanded economic opportunity for low income residents. It identifies the strategies and resources with which the Commonwealth intends to achieve its objectives and how it will measure success. The strategic plan focuses on four major program areas: affordable housing, homelessness, special needs, and community development. For each, priority needs have been identified, consistent with HUD guidelines; the objectives and strategies respond to those needs.

The Commonwealth uses the consolidated planning process to re-evaluate its housing and community development program in its entirety. The funding the state expects to receive annually over the next five years from the four HUD programs is just one piece, albeit a crucial one, of an overall investment of more than \$1 billion each year for housing production, preservation, rental assistance, anti-poverty programs, and economic development initiatives and public facilities and infrastructure. The state's housing needs cut across a wide range of incomes and household types. The type of funding a particular project or initiative receives depends in part on the extent to which it aligns with federal and state requirements. Consistent with HUD mandate, the overwhelming majority of its funding directly benefits low income families and individuals.

The Strategic Plan describes *generally* how the state will allocate the resources it expects to have available during the period covered by the plan, including – but not limited to – the Con Plan programs (CDBG; HOME, ESG; and HOPWA). Details on these four programs are provided in the Action Plan.

In its execution of the plan, DHCD and its partner agencies will be guided by the following fundamental principles:

- Build upon the existing assets of the state's diverse regions;
- Promote sustainable development;
- Improve the capacity of community based organizations and local government;
- Remove barriers to affordable housing development; and
- Forge partnerships with municipalities and regional institutions.

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

Each program year, the Massachusetts's CDBG Program identifies certain communities to be Mini-Entitlement communities if they meet specific criteria pertaining to a variety of socio-economic demographic factors. Details about the specific factors are outline in each year's Action Plan. This program helps larger non-entitlement urban communities with the highest needs improve conditions for their low- and moderate-income residents through comprehensive planning and predictable funding. These communities are required to approach CDBG projects in a coordinated and integrated manner and to target their CDBG funds to a particular identified neighborhood or target area. For the balance of the CDBG program, MA does not specifically identify any target areas within its boundaries but requires target areas to be identified by applicant communities with populations greater than 5,000. .

DHCD competitively awards HOME funds in those areas of the Commonwealth that do not receive HOME funds as a result of entitlement community or HOME consortium designation. DHCD will competitively award HOME funds for rental loan projects in entitlement communities that provide a match for DHCD administered HOME funds.

Massachusetts will utilize ESG funding to support shelter capacity at shelters across the state.

Massachusetts utilizes its HOPWA resources to support the provision of Housing Information Services primarily in Greater Boston and the Northeast part of the State.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Community development and local priorities
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Promote Strong Sustainable Communities
	Description	Community development needs and priorities vary by region and by size and type of community. Through competitive funding rounds, local communities define specific needs, including but not limited to the need to upgrade aging infrastructure for the twenty-first century; the challenge of unemployment and a jobs/skills mismatch; impact of strained municipal budgets; the challenge of ensuring that economic prosperity is shared by all geographic regions and all demographic and income groups; and the need to assure that economic growth translates into a high quality of life for all residents.
	Basis for Relative Priority	Based on community development needs and past funding requests, demand remains high for community development activities that improve the lives of low- to moderate-income households and the communities in which they live.
2	Priority Need Name	Rehabilitation of existing units
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities
	Geographic Areas Affected	
	Associated Goals	Promote Strong Sustainable Communities Access to housing opportunities
	Description	Rehabilitation of existing homeownership and rental units.
	Basis for Relative Priority	Based on housing and community development needs, and past funding requests, demand remains high for housing rehabilitation.
3	Priority Need Name	Production of new rental units
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Victims of Domestic Violence
	Geographic Areas Affected	
	Associated Goals	Promote Strong Sustainable Communities Preserve and create affordable rental housing Access to housing opportunities
	Description	Production of affordable rental units to meet demand.
	Basis for Relative Priority	Based on housing needs and demand for increased rental housing opportunities.
4	Priority Need Name	Preservation of affordable rental housing
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	
	Associated Goals	Promote Strong Sustainable Communities Preserve and create affordable rental housing Access to housing opportunities
	Description	Preservation of housing that is currently affordable.
	Basis for Relative Priority	Based on housing need and demand for affordable housing.
5	Priority Need Name	Homelessness Prevention and Rehousing
	Priority Level	High

	Population	Extremely Low Low Large Families Families with Children Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	
	Associated Goals	Promote Strong Sustainable Communities Preserve and create affordable rental housing Reduce homelessness Access to housing opportunities
	Description	Prevention of homelessness, including diversion from shelter, and rehousing of homeless families and individuals currently in shelter.
	Basis for Relative Priority	Based on need and number of homeless families currently in shelter and overflow shelter system.
	6	
	Priority Need Name	Homeownership
	Priority Level	Low

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Rural Chronic Homelessness Individuals Families with Children Chronic Substance Abuse
	Geographic Areas Affected	
	Associated Goals	Promote Strong Sustainable Communities Access to housing opportunities
	Description	Production of homeownership units and homeownership assistance.
	Basis for Relative Priority	Based on need and demand.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	N/A
TBRA for Non-Homeless Special Needs	N/A
New Unit Production	HOME and CDBG funding is used to to expand the supply and availability of safe, decent, affordable and accessible housing for extremely low, low and moderate income households through a statewide network of public and private partnerships where market conditions identify a need.
Rehabilitation	CDBG funds are used to to expand the supply and availability of safe, decent, affordable and accessible housing for extremely low, low and moderate income households through a statewide network of public and private partnerships where market conditions identify a need.
Acquisition, including preservation	HOME and CDBG funding is used to to expand the supply and availability of safe, decent, affordable and accessible housing for extremely low, low and moderate income households through a statewide network of public and private partnerships where market conditions identify a need.

Table 49 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	29,136,025	0	0	29,136,025	116,544,100	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	6,477,784	0	0	6,477,784	25,911,136	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	211,976	0	0	211,976	847,904	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	4,485,180	0	0	4,485,180	17,940,720	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HUD-VASH	public - federal	Rental Assistance	736,000	0	0	736,000	2,944,000	VASH combines an allocation of Section 8/HCVP rental vouchers from HUD with ongoing case management and clinical services provided by Veterans Administration Supportive Housing (VASH). Services include: housing search assistance; community-based management services; outpatient health services; hospitalization; and other services on a regular basis.
LIHTC	public - federal	Housing Multifamily rental new construction	15,514,438	0	0	15,514,438	62,057,752	The Low Income Housing Tax Credit Program (LIHTC) is a federally authorized program for non-profit and for-profit developers to promote the construction and rehabilitation of affordable rental housing. Often these units are within a larger mixed income development.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Section 811	public - federal	Rental Assistance Supportive services	12,100,000	0	0	12,100,000	48,400,000	The Section 811 program is designed to provide permanent supportive housing for non-elderly people with disabilities, many of whom are transitioning out of institutional settings in order to live more independently in integrated community housing. Collectively, the two awards will fund approximately 190 Section 811 Project Rental Assistance Vouchers. Applicants for the vouchers will be screened and referred by EOHHS, and all tenants will receive coordinated supportive services through EOHHS.
Other	public - federal	Financial Assistance	146,211,114	0	0	146,211,114	552,000,000	Fuel Assistance, the Low Income Home Energy Assistance Program provides eligible households with help in paying a portion of winter heating bills.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Homeowner rehab Multifamily rental rehab Other	5,426,786	0	0	5,426,786	21,707,144	Funded by the U.S. Department of Energy, the Low Income Weatherization Assistance Program provides eligible households with full-scale home energy conservation services.
Other	public - federal	Housing Multifamily rental new construction Multifamily rental rehab	2,000,000	0	0	2,000,000	8,000,000	Commercial Area Transit Node Housing Program (CATNHP) is a state funded bond program available to municipalities, non-profit and for-profit sponsors to support rental housing production or rehabilitation.
Other	public - federal	Public Services	16,472,262	0	0	16,472,262	64,000,000	Community Services Block Grant
Other	public - federal	Rental Assistance	241,270,727	0	0	241,270,727	965,082,908	Section 8 Rental Assistance - Housing Choice Voucher Program
Other	public - state	Financial Assistance Housing Other	5,000,000	0	0	5,000,000	0	Capital Improvement and Preservation Fund (CIPF) is a state funded program that provides funds for the preservation of expiring use properties or for properties with expiring project-based rental assistance contracts.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Financial Assistance Rental Assistance	11,000,000	0	0	11,000,000	44,000,000	RAFT provides short-term financial assistance to low-income families who are homeless or at risk of becoming homeless.
Other	public - state	Housing Multifamily rental new construction	31,600,000	0	0	31,600,000	66,400,000	State-funded Low Income Housing Tax Credit
Other	public - state	Housing Multifamily rental new construction Multifamily rental rehab	26,175,000	0	0	26,175,000	104,700,000	The Housing Stabilization Fund (HSF) is a state funded program for municipalities, non-profit, or for-profit developers to support affordable rental housing production and rehabilitation.
Other	public - state	Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership Other	35,000,000	0	0	35,000,000	140,000,000	The purpose of the Affordable Housing Trust Fund is to support the creation or preservation of housing that is affordable to people with incomes that do not exceed 110% of the area median income, as defined by HUD.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Housing Multifamily rental new construction Multifamily rental rehab Other	12,438,194	0	0	12,438,194	49,752,776	The Housing Innovations Fund (HIF) is a state funded program for non-profit developers to create and preserve affordable rental housing for special needs populations.
Other	public - state	Housing Other	64,305,000	0	0	64,305,000	257,220,000	Housing Authority operating subsidies
Other	public - state	Overnight shelter	227,415,053	0	0	227,415,053	784,000,000	Funding for homeless shelters for individuals
Other	public - state	Rental Assistance	73,162,705	0	0	73,162,705	292,650,820	Tenant- and project-based rental subsidies

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Local administrators often leverage funds from other housing programs, such as federal weatherization funding, and often provide in-kind service. For the CDBG program, bonus points are available if an applicant demonstrates that non CDBG-funded projects consistent with the community's Community Development Strategy and the requested CDBG activities are also targeted to the same geographic area and will also result in measurable improvements. These points will not be awarded for municipal operating budget activities, maintenance activities/projects, or activities that are an extension of a requested CDBG activity such as lead abatement funds to serve the same units as those in a proposed housing rehabilitation program.

The resources for the HOME match continue to be the state-funded Massachusetts Rental Voucher Program and the state's Housing Stabilization Fund. Annual expenditures through these two programs alone are approximately \$48 million. Since states are permitted to "bank" match, that expenditure level would constitute match -- calculated at 25 cents (\$0.25) on the HOME dollar (\$1.00) -- for many years.

If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan

CDBG funds may be used for publicly held property. This is most likely in cases of infrastructure and public facility projects like sewer, water and drainage improvements; streetscape improvements; architectural barrier removal; senior centers. Additionally, MA is exploring the use of state-owned land for the development of affordable housing.

Discussion

In Massachusetts, DHCD is the tax credit allocating agency, through its Division of Housing Development. The Division also oversees approximately \$100 million annually in other federal and state affordable housing programs, including the federal HOME program, ensuring a coordinated approach to resource allocation.

Developers have the opportunity to apply competitively for the tax credit and DHCD's other affordable rental housing resources during regularly scheduled funding competitions. In a typical year, the Department's credit allocations, in combination with DHCD subsidy awards and other funds, generate support for about 1200 to 1500 affordable rental units, both production and preservation. DHCD has emphasized to the development community the importance of structuring projects to include units for extremely low income individuals and households, and has made project-based Section 8 allocations available to support these tenants. The Department also is encouraging developers to target the extremely low income units to individuals or families making the transition from homelessness.

DHCD is the lead agency for the preparation of both the Consolidated Plan and the state's Low Income Housing Tax Credit (LIHTC) Qualified Allocation Plan. The Qualified Allocation Plan (QAP) establishes the priorities and policies under which the state will operate and distribute funds in its federal tax credit program. In much the same manner as it does when it prepares its HUD Community Planning and Development Consolidated Plan and One Year Action Plans, DHCD considers the Commonwealth's affordable housing needs and the condition of its housing markets when it prepares its LIHTC Qualified Allocation Plan. The two plans are complementary and consistent, and the QAP is incorporated by reference into this Consolidated Plan. The QAP is available in its entirety on the DHCD website.

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Dept. of Housing & Community Development	Government	Economic Development Homelessness Non-homeless special needs Ownership Planning Public Housing Rental neighborhood improvements public facilities public services	State
State of Massachusetts Department of Public Health	Government	Planning	State

Table 51 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The Commonwealth's institutional structure for carrying out its housing and community development agenda is robust. Numerous participants possess expertise in and commitment to carrying out a broad range of activities. State agencies strive to coordinate their efforts, but opportunities to more closely integrate policies and programs remain, and efforts to do so will continue to increase efficiency

Some weaknesses in the delivery system are structural, not managerial. Fundamental aspects of state and local government will continue to pose challenges, as discussed in the section on Barriers to Affordable Housing. Massachusetts is a home rule state, and most government activity is localized in its 351 cities and towns. Sixty percent of the state's municipalities have fewer than 10,000 residents, including the one-third with fewer than 5,000 residents. Many small towns cannot afford to have professional community development and planning staff, and this lack of capacity makes the efficient delivery of programs and services challenging. The State establishes uniform building standards and safety codes and establishes the framework for local zoning and subdivision control laws, but implementation and enforcement rests with the municipalities. The manner in which localities interpret and exercise them influences what gets built and where. A long and strong tradition of local autonomy

also makes it difficult to plan initiatives across the political boundaries of small Massachusetts communities.

To overcome these gaps and challenges, EOHED and DHCD encourage regional cooperation among municipalities and the use of regional and other professional entities to facilitate the administration of programs and to overcome some of the limitations imposed by the small scale of some localities and their governments. DHCD and other state agencies will also continue to provide technical assistance and training for municipal officials to increase local government capacity.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance			
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X	X	X
Other Street Outreach Services	X	X	X
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	X
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	
Other			

Table 52 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and

families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

A great many of the Commonwealth's CoC funded programs are operated in conjunction with State agency partners (including the Department of Children and Families, Department of Mental Health, the Office of HIV and AIDS, the Bureau of Substance Abuse Services and the Department of Veterans Services) to provide appropriate, individualized services designed to end each households homelessness and provide stabilization services and resources to assure their ongoing tenancy stability.

Many HIV+ Massachusetts residents qualify for State funded HIV/AIDS services which are available for individuals with incomes under 500% FPL. These services include home-based, community-based, and clinic-based HIV/AIDS Medical Case Management; housing search and advocacy services; rental start-up, homelessness prevention, and utilities assistance services; home-delivered, congregate meals, and food bank packages; peer support; legal assistance; and correctional health reintegration services. HIV/AIDS Medical Case Management includes medical care coordination, social services coordination, housing support, benefits access, substance use risk reduction, and sexual health promotion. The MDPH-funded service system ensures that hepatitis C and STI testing, HIV and STI partner services, and specialized risk reduction counseling is accessible to individuals living with HIV.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The State's institutional structure for carrying out its housing and community development agenda is robust. Numerous participants possess expertise in and commitment to carrying out a broad range of activities. State agencies strive to coordinate their efforts, but opportunities to more closely integrate policies and programs remain, and efforts to do so will continue to increase efficiency.

Some weaknesses in the delivery system are structural, not managerial. Fundamental aspects of state and local government and service providers will continue to pose challenges. To overcome these gaps and challenges, EOHE and DHCD encourage regional cooperation among municipalities and program and the use of regional and other professional entities to facilitate the administration of programs. DHCD and other state agencies will also continue to provide technical assistance and training for programs to increase capacity.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

Community First" represents the Commonwealth's commitment to empower and support individuals with disabilities and elders to live with dignity and independence in the community. Most individuals with long-term care needs prefer to remain in the community rather than receive care in a nursing facility or other institutional setting, and in many instances, community-based care can be more cost-

effective than institutional alternativesThe Commonwealth implements its homelessness strategy in the locations across the state where it has a Homeless Coordinator in a DTA Office to mobilize all the resources the agency can marshal: Continuum of Care, regional housing agencies, housing authorities, community action organizations, private developers and property managers, and family emergency shelter providers. The framework allows for regional differences and conditions. The goal is to identify players in each EA region who can build on the elements of strategy in place in their region—filling in gaps and leveraging other resources

Anti-poverty strategies are an integral part of program design, development and implementation throughout the Department of Housing and Community Development. The State’s objective is to empower low income families to thrive with minimal dependence on public assistance; the desired outcome of its activities is to enable participants to achieve the highest level of family and community self-sufficiency

DHCD collaborates with a variety of resources within the community as well as other state agencies, to provide comprehensive programs within every community in the Commonwealth of Massachusetts.

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Promote Strong Sustainable Communities	2015	2019	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Rehabilitation of existing units Production of new rental units Preservation of affordable rental housing Homelessness Prevention and Rehousing Homeownership Community development and local priorities		
2	Preserve and create affordable rental housing	2015	2019	Affordable Housing		Production of new rental units Preservation of affordable rental housing Homelessness Prevention and Rehousing		
3	Reduce homelessness	2015	2019	Homeless		Homelessness Prevention and Rehousing		

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Access to housing opportunities	2015	2019	Affordable Housing		Rehabilitation of existing units Production of new rental units Preservation of affordable rental housing Homelessness Prevention and Rehousing Homeownership		

Table 53 – Goals Summary

Goal Descriptions

1	Goal Name	Promote Strong Sustainable Communities
	Goal Description	Community economic development needs of low- and moderate-income communities.
2	Goal Name	Preserve and create affordable rental housing
	Goal Description	Preserve and create affordable rental housing options for low- and moderate-income residents.
3	Goal Name	Reduce homelessness
	Goal Description	Reduce chronic and family homelessness through a housing-based approach, with the goal of ending homelessness.
4	Goal Name	Access to housing opportunities
	Goal Description	Ensure full and fair access to housing for all residents of the Commonwealth.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The Commonwealth's annual goals are subject to change, based on funding allocations, funding award decisions, and local needs and priorities.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

DHCD does not operate a Federal Public Housing program. Several Massachusetts Housing Authorities are under Voluntary Compliance agreements, and the local HUD Field Office actively monitors these and ensures that Capital Funds are directed toward the ultimate goal of increasing accessible units.

Activities to Increase Resident Involvements

DHCD encourages tenant participation in a number of ways. The Agency provides funding to the Massachusetts Union for Public Housing Tenants (MUPHT), assists tenants of public housing developments to form local tenant organizations (LTOs), and provides technical support to those organizations. DHCD works closely with MUPHT to ensure that it is consulted on proposed changes in policies affecting tenants in state-aided public housing. State regulations require that LTOs be consulted as well when the housing authority's annual operating budget is prepared, when LHA jobs become available or when modernization funds become available. Housing authorities are required to fund the LTOs and to notify them of all LHA board meetings.

Local Housing Authorities have one resident board member under state law, and many support the formation and operation of tenant councils and other participation vehicles.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

In its capacity as a Housing Authority, DHCD is not designated as troubled. There are very few agencies designated as such in Massachusetts, and this designation changes quarterly.

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

Insufficient resources to meet the growing gap between the cost of creating and maintaining decent housing and the incomes of very low income households is, of course, the primary obstacle. But building new housing has become increasingly more costly and challenging in Massachusetts, making it difficult for the private market to meet the needs even of moderate and middle income residents. Some of the obstacles to production are unique to affordable housing, but many apply to housing development generally. The factors affecting the state's performance on housing development and rehabilitation have to do with economic and fiscal considerations, resource allocation, the state's legal and regulatory framework, and public perception and attitudes. Specific barriers include: high construction costs, including high labor costs; high cost and relative scarcity of land available for development, especially in the eastern part of the state, and the higher costs associated with building on the marginal sites that are available; limited infrastructure in many of the Commonwealth's communities and little incentive for improving roads, water and sewer systems; complex or redundant building codes and the way that they are applied; restrictive local zoning and land use controls and permitting processes; limited planning and organizational capacity at the local level. Half of the Commonwealth's 351 municipalities have fewer than 10,000 residents, and most of these have no professional planning or community development staff; and reluctance of communities to allow new residential development, especially affordable housing, because of concerns related to fiscal impact, property values and community character. Massachusetts municipalities have control over most land use decisions, and they are responsible for providing and paying for essential public services including education largely through the local property tax.

The ability of the State to eliminate, or even mitigate, some of these barriers is limited. For example, while materials cost roughly the same here as in other parts of the country, labor is considerably more expensive. DHCD recognizes that that expanding the supply of affordable housing is vital to the state's economic prosperity, and economic prosperity is what will boost the income and economic self-sufficiency of low income residents.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

While localities still exert control over many of the identified barriers, the State has undertaken a number of initiatives to help communities approach residential development more positively and to recognize the vital importance of maintaining an adequate supply of attractive, affordable housing to the continuing economic competitiveness of the state. The Commonwealth will continue its efforts to ameliorate the negative, restrictive effects of government policy on housing development for individuals and families across a broad range of incomes.

- To respond to the high cost and relative scarcity of land available for development, particularly in the eastern part of the state, and to promote sustainable development throughout

Massachusetts, the Legislature enacted Chapter 40R, allowing communities to adopt residential Smart Growth overlay districts. This 2004 law offers payments to communities that adopt smart growth zoning that include an affordable housing component. A companion 2005 law (Chapter 40S) provides payments to offset school costs in 40R districts.

- The Community Preservation Act has enabled cities and towns to raise funds for affordable housing, historic preservation and open space acquisition through voter approval of a property tax surcharge of up to three percent.
- To upgrade and expand the infrastructure in local communities the Commonwealth makes available state and federal financial resources on a competitive basis.
- To improve the planning and organizational capacity of the state's smaller jurisdictions, DHCD, through its Office of Sustainable Communities and partner agencies, offers assistance in the form of training sessions, workshops, and conferences; grants for consultative assistance through the Peer-to-Peer program; planning assistance through the Priority Development Fund and the Chapter 40B Planned Production program; and participation in collaborative training efforts, such as the Citizen Planner Training Collaborative and the Local Capacity Building Partnership.
- To overcome the reluctance of communities to allow affordable housing to be built because of concerns related to fiscal impact, property values and "community character," DHCD, with its partner agencies, has developed a series of workshops and outreach materials covering subjects identified by communities through surveys and feedback. The agency also regularly uses focus groups as a way to get input on modifying or creating programs to address the concerns of municipalities.
- Massachusetts' affordable housing law (Chapter 40B) allows for a limited override of local regulations that impede the development of affordable housing in communities where less than 10 percent of the year round housing qualifies as subsidized, 40B is the primary producer of affordable housing in high opportunity suburban locations.
- Efforts to increase DHCD's fair housing enforcement and support.

SP-60 Homelessness Strategy – 91.315(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Commonwealth's Emergency Assistance program (providing emergency shelter and rapid rehousing resources) conducts extensive intake assessments and develops individualized service and rehousing plans for each household.

Addressing the emergency and transitional housing needs of homeless persons

The Commonwealth is the primary funder for the Emergency Shelter system. This includes a Coordinated Entry system for family shelter as well as coordination of all ESG services with the local Continuums of Care.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The Commonwealth has undertaken a number of initiatives to transform the homelessness system to focus more heavily on housing. Among other initiatives, a coordinated system of Regional Networks has tested prevention, diversion, and rehousing strategies, in combination with federal Homelessness Prevention and Rapid Rehousing resources.

The Baker-Polito Administration is committed to moving the Commonwealth's response to homelessness from a shelter program to a housing program through a two-pronged effort: rapidly rehouse homeless families currently in shelters; and, implement prevention and diversion activities to reduce the need for shelter by providing suitable housing alternatives.

To accomplish this, DHCD will:

- Continue to pursue the goal to advance *housing first*;
- Provide cost predictability and cost containment;
- Provide a responsible emergency shelter safety net;
- Expand prevention programs and ELI housing resources across DHCD by building out its existing infrastructure;
- Align with new federal housing strategies implemented through the HEARTH Act;
- Eliminate use of motels;

- Coordinate resources across DHCD Divisions.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

DHCD has adopted a comprehensive approach to family homelessness, and have engaged other state agencies in the effort: preventing homelessness; establishing a strong safety net of shelters and services; rehousing families and linking them with support services in the community; and creating more permanent affordable housing. Our first priority is to prevent homelessness and help families avoid entering the shelter system. DHCD has also increased its investment in supportive housing which helps individuals and families that are homeless or facing homelessness, institutionalized or at-risk of institutionalization, people with disabilities and the elderly. In addition to providing housing for families, supportive housing, which is operated in conjunction with a network of non-profit agencies across the Commonwealth, includes services such as childcare, access to job training, mental-health care and other opportunities that give participants a hand up towards stability and success.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The Massachusetts Department of Public Health Childhood Lead Poisoning Prevention Program (MACLPPP) is the lead agency for educating the public about the risks posed by lead-based paint and other household and environmental hazards (for example, soil and water), and for ensuring that affected children receive appropriate intervention, including inspection and abatement. The Massachusetts statute defines lead poisoning as blood lead levels greater than or equal to 25 micrograms per deciliter (mcg/dL). Levels above that called EBL – elevated blood levels – what the CDC calls severe lead poisoning. Although comparable state-by-state statistics are not available, Massachusetts is believed to have one of the most comprehensive screening programs in the country, testing more than 70 percent of all children under the age of four, and more than 80 percent in areas designated as high risk.

In the public sector, all state family public housing units have now been de-lead, at a cost of approximately \$30 million. Further, all substantially renovated “family” (one bedroom or larger) units in DHCD’s state and federal housing programs, including the federal HOME, CDBG, and Tax Credit programs, and the state Housing Innovations Fund, Housing Stabilization Fund and Tax Credit programs have been de-lead to meet Massachusetts requirements. Finally, all publicly assisted leased housing units – in both state and federal programs – are required to be de-lead whenever children under six are present. These actions closely follow or exceed requirements in the HUD Lead-Safe Rule.

The state’s lead program is substantially targeted to high risk communities, particularly to the private rental housing stock in those communities where low and moderate income households are likely to reside in units with significant hazards. All of the units where EBL children are identified are entered in the state case management system, which often results in an Order to Correct being issued. In addition, local code officials trained to perform lead determinations continue to conduct preliminary lead inspections and order full-scale inspections where needed. Finally, targeted public education campaigns continue and state supported lead counselors continue to assist any Massachusetts citizen seeking a lead safe home.

How are the actions listed above integrated into housing policies and procedures?

These actions extend well beyond the requirements of the HUD Lead-Safe Rule, or other federal requirements, and it is expected that they will result in abatement of lead hazards in thousands of additional units of housing. In the public sector, especially, initiatives are targeted at high-risk communities where the evidence strongly suggests that additional investment and support is needed to protect children.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Anti-poverty strategies are an integral part of program design, development and implementation throughout the Department of Housing and Community Development. The State's objective is to empower low income families to thrive with minimal dependence on public assistance; the desired outcome of its activities is to enable participants to achieve the highest level of family and community self-sufficiency.

DHCD employs a multi-faceted approach to reducing the number of families living in poverty. The first is providing affordable, stable housing for low-income families. For families leaving the shelter system with an MRVP, DHCD contracts for stabilization services. DHCD is a Moving to Work agency. Through MTW, DHCD has begun to pilot elements of self-sufficiency programs, and intends to expand those in the coming months. Finally, DHCD has begun a concerted effort to encourage the Community Action Agencies that receive Community Services Block Grant (CSBG) funds to offer financial self-sufficiency programs, including working with community colleges to ensure that participants in CSBG job training programs are prepared to take advantage of the training offered by the community colleges.

DHCD's infrastructure programs – housing construction, weatherization, etc. all represent major employment opportunities, and the Department coordinates with other state agencies such as the Executive Office of Labor and Workforce Development, to ensure that the administration's overall job creation and anti-poverty strategies are coordinated.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The responsibility for mitigating the causes of poverty does not rest solely with DHCD. The Agency collaborates with a variety of resources within the community as well as other state agencies, to provide comprehensive programs within every community in the Commonwealth of Massachusetts.

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Monitoring activities are conducted in accordance with the HUD regulations for each program, and may include the following: explanation of grant contract requirements and deadlines; desk reviews and/or field visits; calls or field visit to grantees; ongoing consultation with HUD CPD regional office; and suspension of grant activities where warranted.

CDBG holds sessions with grantees each year to review all contract conditions, requirements, procedures for requesting payment, etc. CDBG also requires quarterly reports and year-end audits to track activity and progress, and has developed a monitoring system. The monitoring protocol considers internal controls and processes, use and maintenance of databases, and the grant application review cycle. MA CDBG identifies and completes a risk analysis of all active grantees. This risk analysis assigns a monitoring priority ranking to a grantee. Based upon the assigned priority, staff develops a monitoring plan.

DHCD ensures that all ESG sub-recipients receive ongoing technical assistance and training on ESG regulations and guidelines. DHCD has provided written standards for recordkeeping and reporting on ESG to each sub-recipient. Annual on-site monitoring visits occur for all ESG sub-recipients, reviewing case records to ensure that ESG eligibility criteria have been met and a review of financial records to ensure that all charges to the ESG contract are allowable costs. DHCD requires each ESG sub-recipient to submit monthly reports throughout the contract period. All ESG sub-recipients are required to participate in HMIS, with the exception of DV providers who are required to enter data into a comparable system, and submit an Annual Performance Report and CAPER at the end of the contract period.

DHCD will continue to contract with an outside agency to provide monitoring services and technical support to the HOME Program. The consulting agent is required to provide an annual report summarizing its monitoring and other activities. The primary HOME activity under the contract is the monitoring of recipients who have received funding from DHCD's HOME Program to undertake eligible housing activities. While regulatory compliance is the primary emphasis, the monitoring also looks for sound management practices and record keeping, so we can assess and encourage the financial and physical health of the asset. DHCD's monitoring guide was updated to include additional items required by the 2012/2013 appropriation requirements, as directed by HUD. We have also updated the checklists in response to the 2013 HOME Rule Change. The agent also supports the HOME Program through program advice on compliance questions and annual occupancy trainings.

MDPH ensures that all HOPWA requirements are met through comprehensive monitoring practices that are consistent with internal protocol. Annual work plans are submitted and reviewed by contract managers and incorporated into the agency's contracted scope of service.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	29,136,025	0	0	29,136,025	116,544,100	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	6,477,784	0	0	6,477,784	25,911,136	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	211,976	0	0	211,976	847,904	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	4,485,180	0	0	4,485,180	17,940,720	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HUD-VASH	public - federal	Rental Assistance	736,000	0	0	736,000	2,944,000	VASH combines an allocation of Section 8/HCVP rental vouchers from HUD with ongoing case management and clinical services provided by Veterans Administration Supportive Housing (VASH). Services include: housing search assistance; community-based management services; outpatient health services; hospitalization; and other services on a regular basis.
LIHTC	public - federal	Housing Multifamily rental new construction	15,514,438	0	0	15,514,438	62,057,752	The Low Income Housing Tax Credit Program (LIHTC) is a federally authorized program for non-profit and for-profit developers to promote the construction and rehabilitation of affordable rental housing. Often these units are within a larger mixed income development.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Section 811	public - federal	Rental Assistance Supportive services	12,100,000	0	0	12,100,000	48,400,000	The Section 811 program is designed to provide permanent supportive housing for non-elderly people with disabilities, many of whom are transitioning out of institutional settings in order to live more independently in integrated community housing. Collectively, the two awards will fund approximately 190 Section 811 Project Rental Assistance Vouchers. Applicants for the vouchers will be screened and referred by EOHHS, and all tenants will receive coordinated supportive services through EOHHS.
Other	public - federal	Financial Assistance	146,211,114	0	0	146,211,114	552,000,000	Fuel Assistance, the Low Income Home Energy Assistance Program provides eligible households with help in paying a portion of winter heating bills.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Homeowner rehab Multifamily rental rehab Other	5,426,786	0	0	5,426,786	21,707,144	Funded by the U.S. Department of Energy, the Low Income Weatherization Assistance Program provides eligible households with full-scale home energy conservation services.
Other	public - federal	Housing Multifamily rental new construction Multifamily rental rehab	2,000,000	0	0	2,000,000	8,000,000	Commercial Area Transit Node Housing Program (CATNHP) is a state funded bond program available to municipalities, non-profit and for-profit sponsors to support rental housing production or rehabilitation.
Other	public - federal	Public Services	16,472,262	0	0	16,472,262	64,000,000	Community Services Block Grant
Other	public - federal	Rental Assistance	241,270,727	0	0	241,270,727	965,082,908	Section 8 Rental Assistance - Housing Choice Voucher Program
Other	public - state	Financial Assistance Housing Other	5,000,000	0	0	5,000,000	0	Capital Improvement and Preservation Fund (CIPF) is a state funded program that provides funds for the preservation of expiring use properties or for properties with expiring project-based rental assistance contracts.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Financial Assistance Rental Assistance	11,000,000	0	0	11,000,000	44,000,000	RAFT provides short-term financial assistance to low-income families who are homeless or at risk of becoming homeless.
Other	public - state	Housing Multifamily rental new construction	31,600,000	0	0	31,600,000	66,400,000	State-funded Low Income Housing Tax Credit
Other	public - state	Housing Multifamily rental new construction Multifamily rental rehab	26,175,000	0	0	26,175,000	104,700,000	The Housing Stabilization Fund (HSF) is a state funded program for municipalities, non-profit, or for-profit developers to support affordable rental housing production and rehabilitation.
Other	public - state	Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership Other	35,000,000	0	0	35,000,000	140,000,000	The purpose of the Affordable Housing Trust Fund is to support the creation or preservation of housing that is affordable to people with incomes that do not exceed 110% of the area median income, as defined by HUD.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Housing Multifamily rental new construction Multifamily rental rehab Other	12,438,194	0	0	12,438,194	49,752,776	The Housing Innovations Fund (HIF) is a state funded program for non-profit developers to create and preserve affordable rental housing for special needs populations.
Other	public - state	Housing Other	64,305,000	0	0	64,305,000	257,220,000	Housing Authority operating subsidies
Other	public - state	Overnight shelter	227,415,053	0	0	227,415,053	784,000,000	Funding for homeless shelters for individuals
Other	public - state	Rental Assistance	73,162,705	0	0	73,162,705	292,650,820	Tenant- and project-based rental subsidies

Table 54 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Local administrators often leverage funds from other housing programs, such as federal weatherization funding, and often provide in-kind service. For the CDBG program, bonus points are available if an applicant demonstrates that non CDBG-funded projects consistent with the community's Community Development Strategy and the requested CDBG activities are also targeted to the same geographic area and will also result in measurable improvements. These points will not be awarded for municipal operating budget activities, maintenance activities/projects, or activities that are an extension of a requested CDBG activity such as lead abatement funds to serve the same units as those in a proposed housing rehabilitation program.

The resources for the HOME match continue to be the state-funded Massachusetts Rental Voucher Program and the state's Housing Stabilization Fund. Annual expenditures through these two programs alone are approximately \$48 million. Since states are permitted to "bank" match, that expenditure level would constitute match -- calculated at 25 cents (\$0.25) on the HOME dollar (\$1.00) -- for many years.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

CDBG funds may be used for publicly held property. This is most likely in cases of infrastructure and public facility projects like sewer, water and drainage improvements; streetscape improvements; architectural barrier removal; senior centers. Additionally, MA is exploring the use of state-owned land for the development of affordable housing.

Discussion

In Massachusetts, DHCD is the tax credit allocating agency, through its Division of Housing Development. The Division also oversees approximately \$100 million annually in other federal and state affordable housing programs, including the federal HOME program, ensuring a coordinated approach to resource allocation.

Developers have the opportunity to apply competitively for the tax credit and DHCD's other affordable rental housing resources during regularly scheduled funding competitions. In a typical year, the Department's credit allocations, in combination with DHCD subsidy awards and other funds, generate support for about 1200 to 1500 affordable rental units, both production and preservation. DHCD has emphasized to the development community the importance of structuring projects to include units for extremely low income individuals and households, and has made project-based Section 8 allocations available to support these tenants. The Department also is encouraging developers to target the extremely low income units to individuals or families making the transition from homelessness.

DHCD is the lead agency for the preparation of both the Consolidated Plan and the state's Low Income Housing Tax Credit (LIHTC) Qualified Allocation Plan. The Qualified Allocation Plan (QAP) establishes the priorities and policies under which the state will operate and distribute funds in its federal tax credit program. In much the same manner as it does when it prepares its HUD Community Planning and Development Consolidated Plan and One Year Action Plans, DHCD considers the Commonwealth's affordable housing needs and the condition of its housing markets when it prepares its LIHTC Qualified Allocation Plan. The two plans are complementary and consistent, and the QAP is incorporated by reference into this Consolidated Plan. The QAP is available in its entirety on the DHCD website.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Promote Strong Sustainable Communities	2015	2019	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Rehabilitation of existing units Production of new rental units Preservation of affordable rental housing Homelessness Prevention and Rehousing Homeownership Community development and local priorities		
2	Preserve and create affordable rental housing	2015	2019	Affordable Housing				
3	Reduce homelessness	2015	2019	Homeless				

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Access to housing opportunities	2015	2019	Affordable Housing		Rehabilitation of existing units Production of new rental units Preservation of affordable rental housing Homelessness Prevention and Rehousing Homeownership Community development and local priorities		

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Promote Strong Sustainable Communities
	Goal Description	
2	Goal Name	Preserve and create affordable rental housing
	Goal Description	
3	Goal Name	Reduce homelessness
	Goal Description	
4	Goal Name	Access to housing opportunities
	Goal Description	

AP-25 Allocation Priorities – 91.320(d)

Introduction:

HOME, CDBG, ESG, and HOPWA funds are important resources for the Commonwealth in the execution of its housing and community development agenda. CDBG, in particular, is the State's major resource to address the needs of its non-entitlement communities, all of which are facing fiscal constraints. In addition to supporting a broad range of infrastructure, accessibility and community development projects, the Massachusetts CDBG Program facilitates small business development through support of regional, revolving loan funds, and efforts to revitalize community centers and encourage mixed use development. Its housing rehabilitation funds are being used in many communities to revitalize older housing in established neighborhoods.

HOME remains a workhorse in the State's stable of housing programs. Along with the low income housing tax credit, with which it is often paired, HOME is a major tool for preserving and expanding the state's affordable rental inventory, identified as a priority need. With decreased HOME funding allocations over the last several years, the number of HOME units funded has also decreased.

ESG and HOPWA are also important resources, each contributing to the challenge of combating homelessness and providing decent housing for at-risk populations. The State will continue to use the Emergency Solutions Grant Program to enhance shelter capacity by renewing existing ESG contracts with shelters where the ESG funded beds were previously unfunded. ESG will also continue to focus on moving people beyond homelessness by offering rapid re-housing assistance to currently homeless individuals and families in the shelter system and providing homelessness prevention services to at-risk households that are not eligible for other prevention services in Massachusetts. This strategy has proven to be consistent with the State's new approach to combating homelessness. Both the Consolidated Plan and this FY 2015 Action Plan are consistent with the Commonwealth's Continuum of Care Plan.

Funding Allocation Priorities

	Promote Strong Sustainable Communities (%)	Preserve and create affordable rental housing (%)	Reduce homelessness (%)	Access to housing opportunities (%)	Total (%)
CDBG	60	25	10	5	100
HOME	0	80	15	5	100
HOPWA	0	0	0	100	100
ESG	0	0	80	20	100

HUD-VASH	0	0	0	0	0
LIHTC	0	0	0	0	0
Other Affordable Housing Trust Fund	0	0	0	0	0
Other Alternative Housing Voucher Program	0	0	0	0	0
Other Capital Improvement and Preservation Fund	0	0	0	0	0
Other Commercial Area Transit Node Housing Program	0	0	0	0	0
Other Community Based Housing	0	0	0	0	0
Other Facilities Consolidation Fund	0	0	0	0	0
Other Housing Innovations Fund	0	0	0	0	0
Other Housing Stabilization Fund	0	0	0	0	0
Other LIHEAP	0	0	0	0	0
Other MA Rental Voucher Program	0	0	0	0	0
Other Public Housing Operating	0	0	0	0	0
Other Rental Assistance for Families in Transition	0	0	0	0	0
Other Section 8	0	0	0	0	0
Other Section 8 Moderate Rehab	0	0	0	0	0
Other Weatherization Assistance Program	0	0	0	0	0

Table 56 – Funding Allocation Priorities

Reason for Allocation Priorities

Massachusetts allocates the funds it receives from HUD under the four programs covered by this Consolidated Plan to a number of specific programs.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

The programs funded under CDBG, HOME, ESG and HOPWA enable the Commonwealth to equitably distribute funds to address its highest priority needs in each of the funding categories: affordable housing (including lead paint abatement), homelessness, special needs, and community development.

AP-30 Methods of Distribution – 91.320(d)&(k)

Distribution Methods

Table 57 - Distribution Methods by State Program

1	State Program Name:	CDBG Reserves
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	On occasion applications, or portions thereof, that were not funded during a competitive process, including direct technical assistance to eligible communities, may be considered by the Undersecretary of DHCD to be particularly worthy, innovative, or address an overarching local, regional, or statewide need. Such projects may be funded through the Reserves. Funds may also be made available for projects throughout the program year that are consistent with Massachusetts' CDBG priorities.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The application materials for Reserves will provide guidance to potential grantees on how to structure their applications. The Department's interest in providing Reserves funding for projects will be determined by a review of the proposed project to determine consistency with the goals and priorities cited above and that the activity is eligible, feasible and ready to proceed. Once complete, applications will be funded in the order in which they are received.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The CDBG FY2015 One-Year Action is attached to this Consolidated Plan and is posted separately on DHCD's website.

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available</p> <p>to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>An initial allocation of \$150,000 will be available for the Reserves component. Funds may be recaptured by or returned to DHCD at any time during the program year, or reallocated to and from program components including the Reserves component. This may result in an increase or decrease to the initial allocation.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>All Projects funded under Reserves must meet, at a minimum, CDBG national objective and eligibility requirements, applicable rules and regulations, and project feasibility thresholds.</p>

	What are the outcome measures expected as a result of the method of distribution?	See the attached appendix for the FY2015 CDBG Action Plan and program specifics.
2	State Program Name:	Community Development Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Development Fund annually awards grants to communities throughout the Commonwealth. This program helps eligible cities and towns to meet a broad range of community development needs in housing, infrastructure, downtown revitalization, and public social services. It supports CDBG-eligible activities and encourages applicants to develop coordinated, integrated and creative solutions to local problems.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The Community Development Fund (CDF), representing the bulk of the state's CDBG allocation, will be distributed through an annual competitive application process. Access and competitiveness within CDF are affected by an assigned Community Wide Needs score, which is calculated by DHCD for all eligible communities (non-entitlement). CDF supports revitalization efforts and addresses the needs of low and moderate income residents by supporting housing as well as community and economic development activities in Massachusetts cities and towns. The fund is divided into two parts for purposes of allocation: CDF I (\$14,406,944 available) is for communities with high needs as defined by a statistical formula; CDF II (\$2,700,000 available) is for communities with more moderate needs.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The CDBG FY2015 One-Year Action is attached to this Consolidated Plan and is posted separately on DHCD's website.

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available</p> <p>to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>All CDBG program funds will be available to eligible grant recipients based on applications for Massachusetts Community Development Block Grant funds and/or Notices of Funding Availability that will be distributed on a regular basis. These documents will make communities aware of the requirements of each particular component and will be available to allow communities adequate time to prepare grant applications for each program.</p> <p>A single community may receive no more than \$1 million from any combination of federal FY 2015 Community Development Fund I or II, or Mini-Entitlement grant funds. Awards not subject to the \$1 million cap per community include the Economic Development Fund and Reserves.</p> <p>Additionally, a single community may receive no more than \$1.35 million from Community Development Fund I within two successive years. Economic Development Fund and Reserves awards are not subject to the \$1.35 million cap per community.</p>

	Describe threshold factors and grant size limits.	See attached FY2015 CDBG One-Year Action Plan for specifics. A single community may receive up to \$900,000 for multiple, targeted physical activities. Social services, planning or design activities do not trigger the higher grant funding level. No single CDF I community in a regional application may receive more than \$700,000. There is a minimum grant amount of \$10,000 for planning or design-only grants.
	What are the outcome measures expected as a result of the method of distribution?	See the attached appendix for the FY2015 CDBG Action Plan and program specifics.
3	State Program Name:	Economic Development Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	<p>The Economic Development Fund (EDF) provides assistance to communities focused on community economic development -- supporting revitalization efforts that enhance the quality of life in the community strengthening the local tax-base, and retaining and creating jobs for low and moderate-income people. EDF gives priority to assistance for revitalization of downtowns and commercial center areas.</p> <p>See the attached appendix for the FY2015 CDBG Action Plan and program specifics.</p>
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>The CDBG FY2015 One-Year Action is attached to this Consolidated Plan and is posted separately on DHCD's website.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>DHCD anticipates that \$1,600,000 will be available for the Economic Development Fund during FY 2015.</p>

	Describe threshold factors and grant size limits.	A community may receive no more than one EDF grant award in any fiscal year. Applications will be accepted on an ongoing basis throughout the year, based on funding availability. See the attached appendix for the FY2015 CDBG Action Plan and program specifics.
	What are the outcome measures expected as a result of the method of distribution?	See the attached appendix for the FY2015 CDBG Action Plan and program specifics.
4	State Program Name:	Emergency Solutions Grant
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The Emergency Solutions Grant Program (ESG) funds eligible activities designed to prevent homelessness, support basic shelter operations and provide essential rapid re-housing services for homeless individuals and families currently in the shelter system or living in a place not meant for habitation. ESG funding will be used for shelter support, rapid rehousing and stabilization, and homelessness prevention.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p style="margin: 0in 0in 0pt;">DHCD currently contracts with sub-recipients to offer ESG services from July 1<sup>st</sup> to June 30<sup>th</sup>. In order to align our sub-contracting period with our ESG federal award, DHCD has renewed existing ESG contracts for a period of nine months (7/1/15-3/31/16). DHCD expects to release a request for response (RFR) for ESG funding in the fall of 2015. The RFR will be written with consideration of input provided from each Continuum of Care.</p> <p style="margin: 0in 0in 0pt;"></p></p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p><p style="margin: 0in 0in 0pt;">After consulting with each CoC regarding their needs and priorities for ESG funding, DHCD released a request for responses (RFR), for new awards to be issued in FY13 (contract period 7/1/13-6/30/14). The RFR allowed awards made through the procurement process to be renewed for up to two additional years (FY14 & FY15). We are currently ending the third and final year of the existing procurement. </p><p style="margin: 0in 0in 0pt;"></p><p style="margin: 0in 0in 0pt;">Throughout the contract period, DHCD continues to consult with each CoC and sub-recipient about the needs of their community and their use of ESG funding.</p><p style="margin: 0in 0in 0pt;"></p></p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>See attached appendix that includes FY2015 ESG Program Description for specifics.</p>

	Describe threshold factors and grant size limits.	See attached appendix that includes FY2015 ESG Program Description for specifics.
	What are the outcome measures expected as a result of the method of distribution?	See attached appendix that includes FY2015 ESG Program Description for specifics.
5	State Program Name:	HOME
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	DHCD will competitively and contingently award HOME funds for Rental Loan activities.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>DHCD will continue its past practice of seeking to competitively award HOME funds in those areas of the Commonwealth that do not receive HOME funds as a result of entitlement community or HOME consortium designation. DHCD also will competitively award HOME funds for rental loan projects in entitlement communities that provide a match for DHCD administered HOME funds.</p> <p>See the attached appendix that includes FY2015 HOME Program details.</p>
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available</p> <p>to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>During federal FY 2015 DHCD anticipates the following approximate amounts will be awarded through a competitive RFP process, depending upon the level of demand in each program category:</p> <ul style="list-style-type: none"> • \$5,830,005 - rental loan program • n/a- project-based first-time homebuyer program • n/a– purchaser-based first-time homebuyer program

	Describe threshold factors and grant size limits.	<p>Typically, DHCD will award up to \$750,000 to \$1,000,000 per project and up to \$50,000 per HOME-assisted unit in HOME entitlement/consortium communities. In non-entitlement or non-consortium communities, the maximum loan is up to \$65,000 per HOME-assisted unit. We reserve the option to increase the per unit amounts for family projects located in gateway communities or areas of opportunity.</p> <p>See attached appendix for FY2015 HOME Program details.</p>
	What are the outcome measures expected as a result of the method of distribution?	<p>DHCD's HOME activities generally fall under the HUD objective: Provide decent affordable housing. In general, the HUD outcome for our activities is: Affordability.</p> <p>See the attached appendix that includes FY2015 HOME program specifics.</p>
6	State Program Name:	HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	<p>The Massachusetts Department of Public Health (MDPH), Bureau of Infectious Disease (BID), Office of HIV/AIDS (OHA) administers HOPWA funds for the "balance of state." MDPH will be using its HOPWA allocation in fiscal year 2015 to fund home-based HIV/AIDS Medical Case Management services that are provided by Victory Programs, Inc.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>OHA awarded Victory Programs funding for home-based HIV/AIDS Medical Case Management (MCM) funds during a statewide procurement in State Fiscal Year 2011. This procurement included language to support the allocation of State, Ryan White Treatment Modernization Act, and HOPWA funding to successful applicants. Vendor selection involved a comprehensive community and internal review process, and as a successful applicant, Victory Programs initiated its new contract with OHA on July 1, 2011. The integration of HOPWA funds into this contract will begin as of July 1, 2015.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	n/a Massachusetts utilized HOPWA resources for case management services.
	Describe how resources will be allocated among funding categories.	Victory Programs will use HOPWA resources to expand its Medical Case Management services to serve additional individuals living with HIV/AIDS in its wide network of housing and substance use treatment programs throughout Greater Boston and the Northeast region of Massachusetts. HIV/AIDS MCM services include medical care coordination, social service coordination, adherence support, substance use risk reduction, sexual health promotion, benefits counseling, and basic housing services.
	Describe threshold factors and grant size limits.	n/a
	What are the outcome measures expected as a result of the method of distribution?	See attached appendix that includes FY15 HOPWA specifics.
7	State Program Name:	Mini-Entitlement Program
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Mini-Entitlement Program provides funding to municipalities that meet the three following criteria: (1) Community Wide Needs Score over 28; (2) a poverty rate higher than the state average of 7.7% and (3) population over 12,000. This program helps larger non-entitlement urban communities with the highest needs improve conditions for their low- and moderate-income residents through comprehensive planning and predictable funding. Through this program, identified cities and towns can meet a broad range of community development needs in housing, business development, physical development, downtown revitalization, and public social services. It supports all CDBG-eligible activities and encourages applicants to develop comprehensive, creative solutions to local problems.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>DHCD expects to award up to \$9,075,000 from the FY 2015 Mini-Entitlement Program allocation to eleven (11) designated Mini-Entitlement municipalities: Amherst, Chelsea, Dennis, Everett, Gardner, Greenfield, North Adams, Southbridge, Wareham, Webster, and West Springfield.</p> <p>DHCD requires Mini Entitlement communities to approach CDBG projects in a comprehensive and integrated manner and is directing these communities to target their CDBG funds to particular geographic areas in order to impact and effect change within neighborhoods. Housing Rehabilitation programs may be designed to allow up to 20% of the funds to be used for emergency purposes outside the target area.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>The CDBG FY2015 One-Year Action is attached to this Consolidated Plan and is posted separately on DHCD's website.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available</p> <p>to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>All CDBG program funds will be available to eligible grant recipients based on applications for Massachusetts Community Development Block Grant funds and/or Notices of Funding Availability that will be distributed on a regular basis. These documents will make communities aware of the requirements of each particular component and will be available to allow communities adequate time to prepare grant applications for each program.</p> <p>A single community may receive no more than \$1 million from any combination of federal FY 2015 Community Development Fund I or II, or Mini-Entitlement grant funds. Awards not subject to the \$1 million cap per community include the Economic Development Fund and Reserves.</p> <p>Additionally, a single community may receive no more than \$1.35 million from Community Development Fund I within two successive years. Economic Development Fund and Reserves awards are not subject to the \$1.35 million cap per community.</p>

Describe threshold factors and grant size limits.	The maximum grant award is up to \$825,000. Mini-Entitlement applications will contain an 18-month implementation and cash flow plan. Mini-entitlement grantees must comply with standards for timely expenditure and available program income. FY 2015 Mini-entitlement awards to Grantees that do not meet the required standards will be reduced by an amount necessary to bring the grantee into compliance.
What are the outcome measures expected as a result of the method of distribution?	See attached appendix that includes the FY2015 CDBG Action Plan and program specifics.

Discussion:

See attached appendix for the FY2015 CDBG One-Year Action Plan, FY2015 ESG, HOME and HOPWA Program specifics.

AP-35 Projects – (Optional)

Introduction:

N/A. Massachusetts distributes its Consolidated Plan resources statewide through a competitive process.

#	Project Name

Table 58 – Project Information

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

Available Grant Amounts

Section 108 Loan Guarantees allow eligible communities to access federal loan funds for the purpose of aiding revenue-producing development activities. The Massachusetts program provides communities with a source of loan financing for a specific range of community and economic development activities. Funding is provided to the community to loan to a business or other entity. The Commonwealth guarantees repayment of the HUD loan, and pledges its future CDBG allocation as collateral. Actual funding will be provided through the sale of notes by the federal Department of Housing and Urban Development.

Loan Guarantees will be available to support the rehabilitation of, or conversion to, mixed-use or investor owner-residential buildings (5 or more units) located in downtown or commercial center areas. Residential projects should include mixed-income, affordable and market rate units. Housing unit rehabilitation will be limited to a maximum per unit CDBG cost of \$125,000. The entire building façade must be appropriately addressed, regardless of the portions of the building assisted. Section 108 loan assistance of \$1 million to \$5 million will be available for residential or mixed-use projects meeting these qualifications. For most housing project components, Section 108 loan funds plus all federal and state grants combined shall not exceed 75 percent of total actual project costs. Section 108 loans may also assist public facilities/infrastructure improvements that generate sufficient revenues and support downtown mixed-use or investor-owned, mixed-income residential projects.

This year the Commonwealth will pledge up to \$10 million in future CDBG allocations in support of these eligible activities. The minimum award is \$1,000,000 and the maximum is \$5 million. The loan amount will not be included in the \$1 million annual limit that grantees may receive from the Commonwealth's annual CDBG allocation.

Acceptance process of applications

Applicants must contact DHCD prior to submission of an application. A two-stage process for evaluating potential applications is in effect, consisting of a preliminary screening and a formal application. Applicants also need to review the evaluation criteria and the review process information found in the Economic Development Fund Application Guidance. Applications will be reviewed on a first come, first served basis, provided that threshold criteria are met and funds are available.

Successful applicants will receive a loan from HUD, but the Commonwealth guarantees the repayment of the loan. The Commonwealth pledges its future CDBG grant funds to repay the federal government should a non-entitlement recipient of a Section 108 Loan default. DHCD will not pledge other collateral

of the Commonwealth in support of proposals. Any additional security required by HUD must come from another source.

Project applications must meet all applicable criteria outlined for EDF community grants. However, the format of any final loan application will be determined by HUD.

See attached FY2015 CDBG One-Year Action Plan for specifics.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State's Process and Criteria for approving local government revitalization strategies

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

Massachusetts distributes its funding through a competitive process that is not based on geographic priorities.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The goals included below represent only the CDBG and HOME programs

One Year Goals for the Number of Households to be Supported	
Homeless	40
Non-Homeless	630
Special-Needs	17
Total	687

Table 59 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	120
Rehab of Existing Units	500
Acquisition of Existing Units	0
Total	620

Table 60 - One Year Goals for Affordable Housing by Support Type

Discussion:

AP-60 Public Housing - 24 CFR 91.320(j)

Actions planned during the next year to address the needs to public housing

Within the last few years, DHCD has implemented major administrative reforms to enhance the transparency and accountability of the LHAs. These included establishing a salary cap for LHA executive directors; mandatory training for all LHA board members; a Vacant Unit Initiative which included the withholding of funds for units vacant more than 60 days and the distribution of capital funds to LHAs to bring vacant units back on line; and other financial and administrative reforms including the development of a centralized waiting list and single application process for public housing.

Chapter 235, "An Act Relative to Local Housing Authorities," was passed in 2014 and is currently being implemented by the Baker-Polito Administration. Building on recent reforms, this legislation further strengthens the governance structure of the housing authorities and significantly increases the transparency among LHAs, provides the Department with the tools necessary to monitor operations of LHAs and hold them accountable, increases efficiencies and economies of scale for delivery of services to tenants, increases staffing and assistance in the field, and provides incentives for LHAs to implement creative and innovative practices to improve the lives of residents.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Baker-Polito administration views stable housing as a platform for working families to achieve greater prosperity. To that end, we are working with our LHA partners to pilot work requirements coupled with intensive wrap around services for residents of state-assisted public housing. The intention is to create opportunities for families to move through the public housing system more quickly so that we can serve more families. There is one program already in operation at the Worcester Housing Authority and the Senate budget includes a line item and funding for additional pilots. We look forward to testing this in other parts of the Commonwealth's public housing system.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/A

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Addressing the emergency shelter and transitional housing needs of homeless persons

As a result of the significant expansion of its emergency shelter system over the past two decades and its current focus on ending, rather than managing, homelessness, the Commonwealth's priority approaches to unmet homeless needs – for both families and individuals – are Prevention and Rapid Rehousing. DHCD currently provides 3,133 shelter beds for homeless individuals and approximately 3,300 emergency shelter placements units, including motels and hotels, for homeless families.

The Emergency Solutions Grant Program (ESG) funds eligible activities designed to prevent homelessness, support basic shelter operations and provide essential rapid re-housing services for homeless individuals and families currently in the shelter system or living in a place not meant for habitation. Massachusetts will continue to utilize FY15 ESG funding to support shelter capacity at 20 shelters across the state, which includes 2 non-EA family shelters, and 5 DV safe havens.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Commonwealth has undertaken a number of initiatives to transform the homelessness system to focus more heavily on housing. Among other initiatives, a coordinated system of Regional Networks has tested prevention, diversion, and rehousing strategies, in combination with federal Homelessness Prevention and Rapid Rehousing resources.

The Baker-Polito Administration is committed to moving the Commonwealth's response to homelessness from a shelter program to a housing program through a two-pronged effort: rapidly rehouse homeless families currently in shelters; and, implement prevention and diversion activities to

reduce the need for shelter by providing suitable housing alternatives.

To accomplish this, DHCD will:

- Continue to pursue the goal to advance *housing first*;
- Provide cost predictability and cost containment;
- Provide a responsible emergency shelter safety net;
- Expand prevention programs and ELI housing resources across DHCD by building out its existing infrastructure;
- Align with new federal housing strategies implemented through the HEARTH Act;
- Eliminate use of motels;
- Coordinate resources across DHCD Divisions.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

DHCD has adopted a comprehensive approach to family homelessness, and have engaged other state agencies in the effort: preventing homelessness; establishing a strong safety net of shelters and services; rehousing families and linking them with support services in the community; and creating more permanent affordable housing. Our first priority is to prevent homelessness and help families avoid entering the shelter system.

DHCD has also increased its investment in supportive housing which helps individuals and families that are homeless or facing homelessness, institutionalized or at-risk of institutionalization, people with disabilities and the elderly. In addition to providing housing for families, supportive housing, which is operated in conjunction with a network of non-profit agencies across the Commonwealth, includes services such as childcare, access to job training, mental-health care and other opportunities that give participants a hand up towards stability and success.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	0

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Some fundamental aspects of the structure of state and local government will continue to pose challenges, as discussed in the section on Barriers to Affordable Housing in the 2015-2019 Consolidated Plan. Massachusetts is a home rule state, and most government activity is localized in its 351 cities and towns, 60 percent of which have fewer than 10,000 residents, including one-third with fewer than 5,000 residents. Many small towns cannot afford to have professional community development and planning staff, and this lack of capacity makes the efficient delivery programs and services challenging. The State establishes uniform building standards and safety codes and establishes the framework for local zoning and subdivision control laws; implementation and enforcement, however, rests with the municipalities. The manner in which localities interpret and exercise them influences what gets built and where. A long and strong tradition of local autonomy also makes it difficult to plan initiatives across the political boundaries of small Massachusetts communities.

To overcome these gaps and challenges, EOHED and DHCD encourage regional cooperation among municipalities and the use of regional and other professional entities to facilitate the administration of programs and to overcome some of the limitations imposed by the small scale of some localities and their governments. DHCD and other state agencies will also continue to provide technical assistance and training for municipal officials to increase local capacity. Chapter 40B of the Massachusetts General Laws, the comprehensive permitting legislation, has historically been an important tool for building affordable housing in communities that do not have at least 10% of the housing stock on the state's Subsidized Housing Inventory. The Office of Sustainable Communities in DHCD offers workshops for municipalities on how to use the Chapter 40B affirmatively to shape affordable housing development, and recent regulatory changes have clarified and strengthened sections of the law.

Restrictive zoning is an issue in many suburban communities. Chapter 40R, the Smart Growth legislation, provides financial incentives to municipalities to zone and plan for affordable housing development. The Patrick administration has submitted a major amendment to the state's zoning legislation, Chapter 40A, that would encourage proactive planning for housing and economic development. The Priority Development Fund is a resource for the development of Housing Production Plans, which offers another incentive for incorporating affordable housing development into a municipality's overall growth plan.

AP-85 Other Actions – 91.320(j)

Introduction:

Dozens of programs and activities are carried out in addition to those covered by 2015-2019 Consolidated Plan and the 2015 Action Plan that support the state's broad housing and community development objectives. Through these programs, the Commonwealth will seek to create and preserve an adequate supply of housing; to expand homeownership; reduce homelessness; ensure that persons with special needs have access to appropriate services and accessible housing; and to enhance the prosperity and economic competitiveness of all regions, compatible with community and environment.

Actions planned to address obstacles to meeting underserved needs

DHCD, through its programs and partnerships, aims to be a leader in creating housing choice and providing opportunities for inclusive patterns of housing occupancy to all residents of the Commonwealth, regardless of income, race, religious creed, color, national origin, sex, sexual orientation, gender identity, age, ancestry, familial status, veteran status, or physical or mental impairment. Fair housing is embedded in all the state's housing programs and activities. Massachusetts' fair housing policy is expressed through its Fair Housing Mission Statement and Principles which are included in the Commonwealth's Analysis of Impediments to Fair Housing Choice.

Actions planned to foster and maintain affordable housing

The overarching goal of the Commonwealth's housing and community and development efforts continues to be the provision of broad economic opportunity and a high quality of life for all residents. The 2015-2015 Consolidate Plan objectives reflect that goal. Massachusetts is one of about two dozen states that regularly appropriates funds to support housing and community development activities. The State Legislature provides financing through both the capital and operating budgets. Massachusetts also has an affordable housing trust fund; a low income housing tax credit that piggy-backs onto the federal credits, enabling them to assist more units; and a state historic tax credit, which provides another funding source for affordable housing that is created through adaptive reuse of qualifying structures.

MassHousing, the state's housing development finance agency, provides funding for a variety of rental housing development, home purchase and home repair programs. Other quasi-public and private public purpose agencies that also fund the production and preservation of low and moderate income housing are MassDevelopment, the Massachusetts Housing Investment Corporation (MHIC), the Massachusetts Housing Partnership Fund (MHP), and the Community Economic Development Assistance Corporation (CEDAC). Each of these agencies contributes a specialized expertise in equity placement, lending, and/or technical assistance to support the efforts of the state's sophisticated and dedicated network of for-

profit and nonprofit affordable housing developers.

Through years of collaboration with banks, insurance companies and other financial institutions doing business in the state, and bolstered by legislation, Massachusetts has been able to expand the pool of resources available to support affordable housing development and preservation. In addition, most of the state's large cities, and an increasing number of smaller cities and towns, have dedicated resources to the creation or preservation of affordable housing. Among the mechanisms used are municipal funding, inclusionary zoning, contributions, the Community Preservation Act, and Municipal Affordable Housing Trusts. Private foundations and nonprofit organizations also provide a significant contribution to housing assistance in Massachusetts.

Actions planned to reduce lead-based paint hazards

The Massachusetts Department of Public Health Childhood Lead Poisoning Prevention Program (MACLPPP) is the lead agency for educating the public about the risks of lead and for ensuring that affected children receive appropriate intervention. The program's actions closely follow or exceed requirements in the HUD Lead-Safe Rule. During the period covered by this plan, the Commonwealth intends to continue its vigorous implementation of the Massachusetts Lead Law and the HUD Lead-Safe Rule, targeting high-risk communities.

Actions planned to reduce the number of poverty-level families

DHCD employs a multi-faceted approach to reducing the number of families living in poverty. The first is providing affordable, stable housing for low-income families. For families leaving the shelter system with an MRVP, DHCD contracts for stabilization services. DHCD is a Moving to Work agency. Through MTW, DHCD has begun to pilot elements of self-sufficiency programs, and intends to expand those in the coming months. Finally, DHCD has begun a concerted effort to encourage the Community Action Agencies that receive Community Services Block Grant (CSBG) funds to offer financial self-sufficiency programs, including working with community colleges to ensure that participants in CSBG job training programs are prepared to take advantage of the training offered by the community colleges.

Actions planned to develop institutional structure

This Action Plan reflects the continuing cooperative participation of the many state agencies, municipalities, and non-profit housing and service providers whose efforts are essential to its success.

Actions planned to enhance coordination between public and private housing and social service agencies

Implementation of the One Year Plan is carried out by dozens of state agencies, departments, and quasi-public entities, working in concert with a network of for-profit and non-profit service providers and

developers and the 351 cities and towns of the Commonwealth of Massachusetts.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

DHCD's forms of HOME investment fall within 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

DHCD does not anticipate awarding new HOME project-based homebuyer funds in the coming program year and has not awarded HOME project-based homebuyer funds for a number of years, as rental projects continue to be a priority.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

N/A

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

DHCD HOME funds support rehabilitation and general development costs associated with some preservation projects. HOME funds are not used to refinance other multifamily federal loans.

Emergency Solutions Grant (ESG) Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

Through the procurement process, DHCD established written standards for administering the Emergency Solutions Grant Program (ESG) throughout the Commonwealth by component. These standards work in conjunction with recordkeeping and reporting requirements for each service component which are updated annually by DHCD.

DHCD intends for agencies to maximize resources and requires that all organizations receiving ESG funding, regardless of component, be part of a larger network of homeless services. Through a RFR process completed for FY 2013, organizations were required to describe how the proposed program would partner with individual homeless shelters, domestic violence shelters, and non-EA emergency shelters within the CoC to identify and assist eligible households in need of services. Additionally, organizations requesting funding under Homelessness Prevention were required to describe how the proposed program would link to other programs that may identify and refer families who would

become homeless, but for ESG, within the CoC's jurisdiction, including RAFT; HomeBase; the ICHH Regional Network; legal service organizations; Tenancy Preservation Programs; and domestic violence shelters.

ESG Rapid Re-housing & Homelessness Prevention services may not be combined with any other rapid re-housing or prevention service, including RAFT, HomeBase, and other state or HUD funded rapid re-housing or homeless prevention programs. Therefore, organizations are responsible for identifying procedures for preventing households from receiving the same type of assistance through more than one public source at the same time.

Through the FY procurement process, DHCD established written standards for administering the Emergency Solutions Grant Program (ESG) throughout the Commonwealth by component. These standards work in conjunction with recordkeeping and reporting requirements for each service component which are updated annually by DHCD.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Commonwealth currently has a centralized and coordinated intake system in place for all families who are at imminent risk of becoming homeless, and/or are currently homeless in need of emergency shelter through our Emergency Assistance and HomeBase programs.

CoC's within the Commonwealth are in various stages of establishing a centralized and coordinated assessment system for their respective CoC's. DHCD has determined that for ESG programs to be successful, the programs and services must be part of a larger network of resources. Therefore, to be eligible for ESG funding, sub-recipients are required to demonstrate how their program will work with other mainstream organizations and service providers to connect their program participants to available services across the Commonwealth. ESG services are provided in close coordination with other services funded by the Commonwealth, including Rental Assistance for Families in Transition (RAFT) & HomeBase, to ensure that no family is left without the necessary resources to prevent homelessness or receive immediate access to emergency shelter and/or rapid re-housing services. DHCD has further identified the need for connecting families experiencing Domestic Violence with emergency housing services and has made a significant effort to offer shelter and rapid re-housing services to these families.

State ESG officials distribute information about Federal and State policies relevant to homeless families and individuals to all homeless services providers, Regional Networks, and CoC's on a regular basis. State officials attend and convene local and regional gatherings on occasion, and communicate regularly with ESG Entitlement Communities to help coordinate ESG activities as

appropriate throughout the Commonwealth. Through the RFR process, sub-recipients who offer services within an ESG Entitlement Community were required to communicate with and to provide written confirmation from the Entitlement Community documenting that DHCD ESG funding would not duplicate, but rather enhance existing services. ESG Entitlement Communities were also required to sign a statement showing support for the proposed DHCD ESG program.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

After consulting with CoC regarding their needs and priorities for ESG funding, DHCD released a Request for Responses (RFR) for new awards to be issued in FY13 (contract period 7/1/13 – 6/30/14). The RFR allowed awards made through the procurement process to be renewed for up to two additional years (FY14 and FY15). We are currently ending the third and final year of the existing procurement. Throughout the contract period, DHCD continues to consult with each CoC and subrecipient about the needs of their community and their use of ESG funding.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

5. Describe performance standards for evaluating ESG.

In addition to advancing the Housing First philosophy and Rapid Re-Housing model, the Commonwealth has the following goals:

- Reduce the number of households becoming homeless and needing to be sheltered;
- Reduce the number of homeless households in shelters;
- Increase the number of very short term emergency shelter beds available to families fleeing domestic violence;
- Reduce the average length of stay at shelters receiving ESG funding; and
- Strengthen existing Continuum of Care (CoC) activities while increasing ESG coordination between the CoCs, the Commonwealth and state federal and local resources to reduce and homelessness.

DHCD has identified the following performance indicators for sub-recipients funded under ESG.

- Number of households prevented from becoming homeless.
- Number of households rapidly re-housed into permanent housing.
- Number of emergency shelter bed nights made available to individuals and families with DHCD ESG funding.

All ESG programs are evaluated on a quarterly basis for performance and extensive technical assistance is provided to programs which have demonstrated an inability to meet their projected performance measures.

DHCD has identified performance measurements for each program requesting funding which sub-recipients are required to report on to DHCD on a quarterly basis in FY15. Programs which are under performing are provided with technical assistance as needed and funding may be de-obligated from those programs and re-allocated to more successful programs, if performance issues are not being addressed. DHCD expects to conduct at least one monitoring visit for each ESG funded program within the contract year to help ensure performance measurements are met and that each ESG program is abiding by the written standards for operating ESG funding. DHCD expects that performance standards will evolve and change over time based on ongoing consultations with CoC and Entitlement Communities and policy changes at the federal, state, regional, and local level.

Discussion:

See attached appendix for program specific information.

Attachments

Grantee Unique Appendices

FY2015 Action Plan Appendix

- CDBG Action Plan
- ESG Program Specifics
- HOME Program Specifics
- HOPWA Program Specifics

DRAFT

One Year Action Plan

FY 2015

Massachusetts

Community Development Block Grant Program



Commonwealth of Massachusetts

Charles D. Baker, Governor

Karyn E. Polito, Lt. Governor

Department of Housing and Community Development

Chrystal Kornegay, Undersecretary

FY 2015 One Year Action Plan - Preface

The U.S. Department of Housing and Urban Development (HUD) requires the Commonwealth of Massachusetts, and all other Formula Grantees, to prepare a Five Year Consolidated Plan. The state's Consolidated Plan sets forth long term priorities for the use of funds received from HUD's Community Development Block Grant (CDBG), HOME, Emergency Shelter Grant (ESG), and Housing Opportunities for People with AIDS (HOPWA) programs, and from other state and federal sources.

The preparation of this One Year Action Plan has considered and been informed by the development of the FY 2015 - 2019 Five-Year Consolidated Plan. Publication of the draft Massachusetts CDBG One-Year Action Plan takes place in advance of the Five Year Consolidated Plan/Annual Update public participation schedule that incorporates the HOME, ESG, and HOPWA programs. DHCD held informational sessions on CDBG program changes considered for FY 2015 Draft CDBG One Year Action Plan in October 2013, and expects to hold formal public hearings on the overall Consolidated Plan, including the One Year Action Plan beginning in January 2015.

DHCD encourages communities to approach CDBG projects in a comprehensive and integrated manner and requires communities to target their CDBG funds to particular geographic areas in order to achieve positive change within neighborhoods. This approach is in line with HUD's emphasis on coordinating funding and enhancing communities' ability to engage in comprehensive revitalization strategies. DHCD is seeking to assess the impact of CDBG investment in distressed areas through the focused targeting of financial and technical assistance resources. DHCD is encouraging communities in their planning processes to think comprehensively about community development – to consider planning and implementing projects that promote compact development, expand housing opportunities, and demonstrate measurable change in an area.

DHCD's intent is to provide for a number of activities that concentrate investments making measurable improvements in distressed neighborhoods. Comprehensive approaches to meeting the needs of these areas should be designed to improve the physical, social and economic conditions of low- and moderate-income families and neighborhoods.

Communities are encouraged to submit applications that include activities that are integrated with one another and targeted to a particular neighborhood or geographic area. For example, we are seeking applications that include a housing rehabilitation program that is targeted to a particular area, an infrastructure or playground improvement project to be undertaken in that same area, and perhaps also social service and microenterprise technical assistance programs that will serve the residents of that same area. DHCD acknowledges that establishing such a program entails comprehensive planning and envisions that the Community Development Strategy will serve to inform this process. It is DHCD's expectation that for FY 2015, applicants will report on previous years activities funded in previously identified target areas in support of their FY 2015 applications.

MASSACHUSETTS CDBG

ONE-YEAR ACTION PLAN FOR FEDERAL FISCAL YEAR 2015

INTRODUCTION:

This One Year Action Plan describes the proposed use of Community Development Block Grant (CDBG) funding received by the Commonwealth of Massachusetts. The CDBG Program is a significant source of federal funding administered by the Department of Housing and Community Development, supporting a variety of community development efforts to revitalize our communities, meet the housing and service needs of our low and moderate-income population, build and repair infrastructure vital to the health and safety of residents, and support business development and retention. The One Year Plan addresses the basic features of the state's CDBG program, the applicable federal regulations and requirements governing state and local administration of this program, and the state's policies, administration responsibilities, and description of the program components.

In its administration of CDBG funding, DHCD is committed to:

- Programs and funding that primarily target populations of low- and moderate-incomes, and those with special needs, in communities with the greatest level of demonstrated need;
- Coordinated, integrated and balanced agency responses to address the needs and interests of communities;
- Programs and technical assistance designed to facilitate informed decision-making about community development opportunities at the local level, and to encourage self-sufficiency of residents and communities;
- Projects that are consistent with the Commonwealth's Sustainable Development Principles; and
- Sound business practices that ensure the highest standards of public accountability and responsibility.

For FY 2015, DHCD will continue to implement HUD's Outcome Performance Measurement System. The proposed system incorporates the following three Objectives set forth in the Housing and Community Development Act of 1974: 1) create suitable living environments, 2) provide decent housing, and 3) create economic opportunities. The system directs applicants/grantees to select an Objective coupled with one of the following three Outcomes to help define the intent of the activity: 1) availability/accessibility, 2) affordability, and 3) sustainability - promoting livable or viable communities. Therefore, for each proposed activity the applicant will select one of nine Outcome Statements. The proposed system will not change the nature of the program or its regulations. The Massachusetts CDBG Program currently asks applicants to describe the need the activity addresses, as well as the anticipated impact. This system creates a framework that allows for consistent reporting to HUD on a national level.

The One Year Action Plan is organized into the following sections:

SECTION A. Massachusetts CDBG Priorities

- B. Eligible Municipalities
- C. Eligible Projects/Use of CDBG Program Funds
- D. Applicant/Project Threshold Criteria
- E. Allocation of CDBG Funds to the Commonwealth
- F. Availability of CDBG Program Funds
- G. Evaluation Criteria for All Program Components
- H. Program Sanctions
- I. Citizen Participation Requirements for Applicants and Grantees
- J. CDBG Program Components (description)

A. MASSACHUSETTS CDBG PRIORITIES

The Community Development Block Grant (CDBG Program) was authorized by Congress, and is funded under Title I of the Housing and Community Development Act of 1974, as amended. The Commonwealth of Massachusetts has designated the Department of Housing and Community Development (DHCD) as the state's administering agency for CDBG funding. The primary objective of the federal statute creating the CDBG Program is: “...to develop viable, urban communities by providing decent housing and suitable living environment and expanding economic opportunities principally for low- and moderate-income persons.” DHCD will fund eligible projects designed to meet this objective, and that are consistent with the Commonwealth’s sustainable development principles listed in Exhibit 5. DHCD encourages:

- development and preservation of affordable housing;
- proactive and coordinated planning oriented towards both resource protection and sustainable economic activity;
- coordinated, integrated community development initiatives that are targeted to neighborhoods or particular geographic areas, that meet the needs of these areas, and are designed to demonstrate measurable improvements in the physical, social, and economic conditions of the area;
- community revitalization that is integral to community development;
- public social services designed to build economic security and self-sufficiency; and
- broad local participation in meaningful community-based planning that assesses needs and identifies strategies for addressing those needs

The Act requires that at least 70 percent of CDBG assistance shall be used to support activities that directly benefit low- and moderate-income citizens of the Commonwealth. In addition, the Massachusetts CDBG Program

encourages joint or regional applications so that program funds will be used to benefit a greater number of municipalities.

B. ELIGIBLE MUNICIPALITIES

There are 351 municipalities incorporated in Massachusetts. The U.S. Department of Housing and Urban Development (HUD) has designated 37 as CDBG *entitlement* communities; in general, these communities exceed 50,000 in population and receive CDBG funds directly from HUD. Any city or town **not** designated as an entitlement community by HUD may apply for and receive Massachusetts Community Development Block Grant funds. (Refer to Exhibit 1 for a listing of Massachusetts' entitlement communities.)

C. ELIGIBLE PROJECTS

The following projects are eligible for funding under the Massachusetts Community Development Block Grant Program:

- planning;
- housing rehabilitation and creation of affordable housing;
- economic development projects which create and/or retain jobs including awards to existing regional entities for regional economic development loan funds;
- efforts directed toward rehabilitation and stabilization of existing neighborhoods, commercial areas and downtowns;
- infrastructure;
- construction and/or rehabilitation of community facilities; and
- public social services

DHCD has designed several Massachusetts CDBG program components to fund such projects. Each program component responds to particular community development needs. The rules and program guidelines are set forth in Section J: *PROGRAM COMPONENTS*.

LIMITATIONS ON USE OF PROGRAM FUNDS

- ❖ **Buildings used for the general conduct of government** – Assistance related to buildings used for the general conduct of government is specifically excluded from the program by federal statute, except for the removal of existing architectural barriers to improve access for people with disabilities. Such work is permitted on municipal buildings such as city or town halls, public works structures, public safety buildings, etc.; however the use of CDBG funds is limited to the relevant barrier removal work and directly related and required construction.
- ❖ **Public Social Services**

Public Social Services projects are not eligible as a “stand-alone” application under Community Development (CDF) I, II or Mini- Entitlement grants. Furthermore, an application will not be considered a regional application if the only activity proposed to take place in more than one of the co-applicant communities is public social service.

Public Social Services cannot exceed 20% of a CDF I, CDF II, or Mini- Entitlement grant. DHCD encourages communities to comply with the Department’s policy that fifty-percent (50%) of funding for Public Social Services support activities that build economic security and self-sufficiency. The following are Public Social Services that meet this definition:

- ABE/GED classes
- Domestic Violence Prevention
- Earned Income Tax Credit (EITC) Counseling and Preparation
- Elder Self-Sufficiency
- English for Speakers of Other Languages (ESOL)
- Financial Literacy
- Homebuyer Counseling
- Individual Development Accounts (IDAs)
- Job Training
- Job-Related Childcare Assistance
- Job-Related Transportation Assistance
- Literacy Programs and Training
- Mortgage Foreclosure Prevention Counseling

In describing a requested Public Social Services activity, applicants must demonstrate that the activities have been prioritized at the local level in order to determine the request for services. Such prioritizing must demonstrate an understanding of the needs assessment undertaken by the community’s Community Action Agency and not be inconsistent with such Agency’s assessment of service needs.

Applicants may apply for no more than five Public Social Services activities.

Communities must demonstrate that, in accordance with Section 105(a)(8) of the Housing and Community Development Act, proposed social service activities have not been funded by the community using municipal and/or state funds within 12 months prior to the application.

DHCD will fund public social service projects that are not provided by other state or federal agencies, or are currently provided but are not available to CDBG-eligible residents in the applicant communities.

Applicants proposing projects for the modernization of public housing facilities must provide evidence that the project has been reviewed and approved as it is described in the application by staff of the Bureau of Public Housing and Construction at DHCD.

Planning funds may not be used to plan for public social service programs except as part of a broader community development planning project.

- ❖ **Downtown/commercial target area related projects** – Communities may apply for funds for downtown or commercial district related projects under CDF I, CDF II, and the Mini-Entitlement Program. Conditions listed below apply to CDF I, CDF II, and the Mini-Entitlement Program. Such projects may include sign/facade programs and streetscape improvements, or other infrastructure improvements located in a downtown or commercial district revitalization target area that is defined in the Community-Based Planning documents and delineated in the slums and blight documentation supporting the Community Development Strategy. Communities may also apply through EDF for funds for rehabilitation or adaptive re-use of mixed-use buildings located in downtown or commercial center areas. Funds may be used for acquisition, demolition, and building rehabilitation activities when clearly linked to economic development and jobs.

DHCD may fund projects that support physical downtown and commercial area revitalization efforts; however, communities may apply to Mass CDBG for downtown/commercial target area related projects in their downtown or commercial target areas only if a) they have satisfactorily demonstrated to DHCD that the proposed project is located in an area meeting National Objective compliance requirements set forth in the Application Guidance, and b) their community development strategy (see page 6) contains a downtown or commercial area revitalization element.

CDBG funds **cannot** be used to fund overhead costs or management salaries related to the operation of a downtown organization, nor can they be used for any organizational development for a downtown organization or committee.

- ❖ **15 Year Housing Affordability Term** – In an effort to increase the supply of affordable housing, all projects supporting the creation, preservation, and rehabilitation of rental and owner-occupied housing units must be affordable to low and moderate income households for at least a 15-year period. Rehabilitation assistance for owner-occupied properties must be secured by a mortgage or lien on the subject property that includes language restricting rent levels in low and moderate income units for a minimum of fifteen years – or as long as the loan is outstanding. Rehabilitation assistance for investor-owned properties must be secured by a mortgage or lien, and the affordability requirements must be secured by an **Affordable Housing Restriction** [provided by DHCD] on the subject property that runs with the land, and that includes language restricting rent levels in low and moderate income units for a minimum of fifteen years. “Owner-occupied” is defined as a property of no more than four (4) units, one of which is occupied by the owner. All other properties are considered “investor owned.”

D. <i>APPLICANT/PROJECT THRESHOLDS</i>

It is the responsibility of the applicant to ensure adherence to the applicable threshold(s). The following standard threshold criteria (#1 through #8) apply to all applications:

1. **Eligibility** – The project must be eligible as defined in §105(a) of Title 1 of the Housing and Community Development Act, as amended.
2. **National Objective** – Each project must meet one of three federal national objectives as defined below and in federal regulations 24 CFR 570.483:
 - a. benefit a majority of low- and moderate-income persons;
 - b. aid in the prevention or elimination of slums or blight; or
 - c. meet an urgent condition posing a serious threat to the health and welfare of the community and where other financial resources are not available to meet such needs. This objective is extremely difficult to meet and is generally limited to unexpected events such as natural disasters. Prior approval from Massachusetts CDBG must be obtained to use this national objective.
3. **Timely Expenditure** – Mass CDBG requires that all applicants – including lead applicants and joint participants – who have received grants comply with a timely expenditure threshold in order to apply for FY 2015 programs. If a joint participant has been a lead grantee in a CDBG grant, that community must meet the timely expenditure threshold in order to be included in a joint application. In order to apply for CDBG¹ funding, a community must demonstrate, using the most recent financial status report at the time of application that 100% of all grant funds awarded for fiscal year 2012 and earlier have been fully expended, 80% of funds awarded in FY 2013 have been expended and for funds awarded in FY 2014 all required procedural clearances (environmental review, special conditions and administrative services procurement(s)) have been completed at the time of an application for FY 2015 funds. On a case-by-case basis DHCD reserves the right to waive strict compliance with this threshold for communities based on grant award dates and/or events beyond the control of grantees.

¹ CDBG includes CDF I and II, Mini-Entitlement, and Reserves, but for the purposes of this calculation excludes CDBG-DR, EDF, HDSP, Section 108 guarantees. Planning-only grants of \$50,000 or less are also excluded from this calculation.

Active grants include those for which project activities have yet to be completed and payments are outstanding. All lead applicants and participating applicants must meet this standard. An applicant must meet this threshold requirement at the time of application for all Mass CDBG components. Communities that do not meet this threshold will be eliminated from further Mass CDBG funding consideration. *Unexpended CDBG funds* are defined as funds awarded for eligible Massachusetts CDBG program costs but not expended.

4. **Displacement of Non-CDBG Funds** – Applicants shall certify in the application that CDBG funds will not be used to displace non-CDBG funds already appropriated by or to the community for a specific project. DHCD will reduce an award, deny a grant, or impose special conditions in a grant contract with that community to assure compliance with this requirement.

5. **Targeted Activities** - All FY 2015 applications must propose activities that are targeted to a geographic area. Applicants will demonstrate this through an additional narrative listing the CDBG-funded activities, the target area and anticipated measurable improvements that will result. Communities with populations under 5,000 may define their entire community as a target area. Housing Rehabilitation Programs may be designed to allow up to 20% of the funds to be used for emergency purposes outside the target area.

6. **Sustainable Development** – In order to receive funding a project or activity must be consistent with the Sustainable Development principles. Additional guidance on this threshold may be found in Exhibit 6. **This threshold does not apply to Public Social Services, business assistance for projects not requiring construction, or projects that eliminate a public health or safety risk.**

In addition, housing rehabilitation programs and public facilities projects are required to use Energy Star building performance standards. Those standards are found at www.energystar.gov. Streetlights installed as part of a road or streetscape improvement project must be “full cut-off” or “semi cut-off” fixtures.

7. **Community-Based Planning Requirement** – The Department supports municipal efforts to engage in community-based planning, conduct needs assessments, and identify strategies for addressing those needs. DHCD seeks to fund projects identified through meaningful, public community-based planning and priority setting processes. Therefore projects must be consistent with community efforts to identify needs and engage in strategic planning for addressing those needs. *This helps to ensure that local needs have been identified and priorities determined in a comprehensive manner, and public resources are directed toward projects that address needs the community has identified as high priority.* All applicants and participants² must have engaged in a community-based planning process and be able to

²This includes regional applicants.

demonstrate project consistency with a Community Development Strategy, (not to exceed seven [7] pages), that must be included in the application.

The Strategy serves to summarize various planning documents used by a community, and to outline a plan of action intended to accomplish specific community development goals that will have an impact on the community. Therefore, each Strategy can reference various planning documents approved by a locally elected or appointed body, or by Town Meeting, but *it is important that the Strategy reflect a comprehensive, integrated approach to the municipality's community development priorities*. The Strategy must also discuss how the community will plan for and implement projects that are consistent with the Commonwealth's Sustainable Development Principles.

Each activity included in a Massachusetts CDBG application must relate to and be reflected in the Strategy. The Strategy must explain how the community expects to address the priorities with CDBG and non-CDBG funds over a 3-5 year period.

The Community Development Strategy may reference or incorporate findings of relevant plans and analyses that have been completed and used for decision-making purposes by municipal boards, agencies and departments. Such plans may include but are not limited to EO 418 Community Development Plans, EO 418 housing strategies, Capital Improvement Plans, Master Plans, Downtown Plans, Open Space and Recreation Plans, Area Revitalization Strategies, Urban Renewal Plans, the regional Comprehensive Economic Development Strategy, and a Community Action Statement (CAS). The strategy must be discussed in a public forum, meeting, or hearing held at least (1) months prior to the submission of a Mass CDBG application.

All CDBG applicants must have an approved Community Development Strategy (Strategy) on file with DHCD or must submit a Strategy to DHCD at least one month prior to the application due date for evaluation and approval. Communities that revise or update a currently approved Strategy are subject to this submission requirement. DHCD staff will evaluate the Strategy as described in the One Year Plan. If the review finds the Strategy to be adequate, it will be approved by DHCD for a period of three (3) years.

If a Strategy is found not to be adequate based on the review, DHCD will contact the community to make the necessary corrections.

- a. The CD Strategy must describe the manner in which a community has identified and will accomplish projects and activities which include, but are not limited to, the subject CDBG application.
- b. The CD Strategy must conclude with a list of projects and activities in order of the priority in which the community intends to undertake them, and provide specific goals and annual timelines for accomplishing its goals.

- c. The CD strategy must identify and describe the geographic target area(s) that are intended as the focus of community development efforts.

CDBG applications must document that a CD Strategy and its priority list were discussed at a separate public forum, meeting or hearing, held at least one (1) month prior to the submission of a CDBG application in order to allow for timely community input. Compliance with this requirement must be documented by copies of meeting announcements, attendance lists and minutes. Minutes must reflect that the CD Strategy and priority list have been presented and that discussion has occurred. This requirement will not apply to EDF.

An applicant may submit a Community Development Strategy and supporting documentation that was previously developed within the past three years. Changes in priorities or the addition of target areas may be made at any time but must be presented to the public, as above, prior to being included in a subsequent application.

8. **Outcome Performance Measurement System** – HUD issued a Final Notice on March 7, 2006 on its Outcome Performance Measurement System. Through the system HUD will collect information on activities undertaken in the following programs: HOME, CDBG, HOPWA and ESG, and aggregate that data at the national, state, and local level. The outcome measures framework contained herein will satisfy the requirements contained in the HUD notice, along with any revisions adopted by HUD.

The system incorporates the following three objectives set forth in the Housing and Community Development Act of 1974: 1) create suitable living environments, 2) provide decent housing, and 3) create economic opportunities. Beyond that, the system directs applicants/grantees to select from one of the following three outcomes to help define the intent of the activity: 1) availability/accessibility, 2) affordability, and 3) sustainability - promoting livable or viable communities.

Based on the applicant's purpose for undertaking a project or activity, the applicant will determine and state in the application what the intent of the project is with one of the nine Outcome Statements.

The system will not change the nature of the program or its regulations. The Massachusetts CDBG Program currently asks applicants to describe the need the activity addresses, as well as the anticipated impact. This system creates a framework that allows for a consistent reporting to HUD on a national level.

Each outcome category can be connected to each of the overarching statutory objectives, resulting in a total of nine groups of outcomes/objective statements under which the grantees would report the activity or project data to document the results of their activities or projects. Each activity will provide one of the following statements, although sometimes an adjective such as new, improved, or corrective may be appropriate to refine the outcome statement.

- Accessibility for the purpose of creating suitable living environments
- Accessibility for the purpose of providing decent affordable housing
- Accessibility for the purpose of creating economic opportunities
- Affordability for the purpose of creating suitable living environments
- Affordability for the purpose of providing decent affordable housing
- Affordability for the purpose of creating economic opportunities
- Sustainability for the purpose of creating suitable living environments
- Sustainability for the purpose of providing decent affordable housing
- Sustainability for the purpose of creating economic opportunities

In addition, there are certain data elements commonly reported by all programs, although each of the four programs may require different specificity or may not require each element listed below. Grantees will only report the information required for each program, as currently required. No new reporting elements have been imposed for program activities that do not currently collect these data elements. The elements include:

- Amount of money leveraged (from other federal, state, local, and private sources) per activity;
- Number of persons, households, units, or beds assisted, as appropriate;
- Income levels of persons or households by: 30 percent, 50 percent, 60 percent, or 80 percent of area median income, per applicable program requirements. However, if a CDBG activity benefits a target area, that activity will show the total number of persons served and the percentage of low/mod persons served. Note that this requirement is not applicable for economic development activities awarding funding on a “made available basis;”
- Race, ethnicity, and disability (for activities in programs that currently report these data elements)

Finally, grantees will report on several other indicators, required as applicable for each activity type. These will be established in each program component application, and within the grant management system.

HUD will combine the objectives, outcomes, and data reported for the indicators to produce outcome narratives that will be comprehensive and will demonstrate the benefits that result from the expenditure of these federal funds.

9. **Regional Applications** – Each community in a regional application must comply with the same requirements as individual communities in individual applications, in order to participate in a regional grant. For example, each participating community must have a Community Development Strategy that is found to be

adequate, the community must have been identified and be part of the required public participation/hearing process and the community must submit all required signatures. Communities that fail to comply will be dropped from consideration as a regional participant and the application will be reviewed on the basis of those communities that have complied with the requirements. As a result, the number of participating communities and/or the dollar amount requested in a regional application may be reduced during the review process.

Additional threshold criteria #10 through #13 apply to specific program applications or types of projects.

10. **Public Benefit Standards** – Economic development projects that are eligible under Title I of the Housing and Community Development Act of 1974, Sections (14), (15) and (17) must meet CDBG standards of underwriting and public benefit. Eligible projects under 105(a)(2) may also be required to meet public benefit standards when undertaken for Economic Development purposes.

11. **Senior Center Projects** – Applicants for Senior Center projects must meet the following threshold requirements to have their applications reviewed and scored:

- (i) provide evidence of site control³ by the municipality, as attested to by the Mayor or Board of Selectmen,
- (ii) provide documentation of the availability and commitment of any other funds necessary to complete the project, and
- (iii) provide one copy of the bid-ready plans⁴ prepared by a licensed architect or engineer, a table of contents for the bid specifications and a letter signed by the project architect or engineer attesting to the fact that a complete set of specifications has been prepared and is bid-ready (modular construction may require a lesser standard – see Project Threshold Criteria #13).

³ Evidence of site control may include but is not limited to a deed, long-term lease agreement, purchase and sale agreement, or other contract or legal document.

⁴ Bid-ready plans and specifications are those construction documents that constitute a presentation of the complete concept of the work including all major elements of the building and site design. The bid documents shall set forth in detail and prescribe the work to be done by the construction specifications; the materials, workmanship, finishes and equipment required for the architectural, structural, mechanical, electrical and site work; and the necessary solicitation information. Drawings shall include the following: a) Site plan showing the location and type of building; b) Scale plans of the building; c) Wall sections, details, and elevations in sufficient detail to serve as a basis for a construction estimate; d) All other required architectural, civil, structural, mechanical and electrical documents necessary to complete the project.

CDBG-assisted senior center projects funded in FY 2003 or later may not receive subsequent CDBG assistance for additional construction or reconstruction until five (5) years have passed since the grant closeout date. Communities seeking CDBG funds for senior center projects must request elderly low- and moderate-income household data from DHCD prior to submitting an application.

12. **Architectural Barrier Removal** – A municipality applying for assistance with an architectural barrier removal project must submit a copy of its locally approved Americans with Disabilities Act (ADA) Self Evaluation Survey and Transition Plan. The ADA was enacted in 1990 and requires local governments to evaluate for accessibility all of its programs and services that had not previously been reviewed under Section 504 of the Rehabilitation Act of 1973. The Act also required preparation of a Transition Plan for removal of programmatic and structural barriers to its programs and services, and set forth a process for involving the community in the development of the Self Evaluation Survey and Transition Plan. Programmatic removal of barriers must be fully explored before considering CDBG funding for structural barrier removal. Completion of the Transition Plan is a required threshold for Architectural Barrier Removal applications.

It is the responsibility of each community to ensure that its Transition Plan is consistent with federal regulations. A community's request for Mass CDBG funding must be consistent with the priorities set forth in these locally developed documents. Communities may wish to contact the Massachusetts Office on Disability or the U.S. Department of Justice for specific questions regarding the ADA and the Rehabilitation Act of 1973.

Applications for Architectural Barrier Removal projects with a total construction cost of \$100,000 or more require bid-ready plans and a letter signed by the project architect or engineer attesting to the fact that a complete set of specifications has been prepared and is bid-ready in each copy of the application. Projects less than \$100,000 but more than \$25,000, require design development drawings.

Finally, when used for Architectural Barrier Removal, CDBG funds may be used only for the relevant barrier removal work and directly related and required construction. CDBG funds cannot be used to address building code or local requirements that are not directly part of the removal of the architectural barrier.

13. **Bid-ready Plans and Specifications** - Bid-ready plans and a letter signed by the project architect or engineer attesting to the fact that a complete set of specifications has been prepared and is bid-ready are required for all public facilities and architectural barrier removal projects with a construction cost of \$100,000 or more (see definition in footnote #5). Design development drawings are required for public facilities and architectural barrier removal projects or equivalent site and landscaping plans for Playground/Park projects, with a total construction cost of more than \$25,000 but less than \$100,000.

In addition, DHCD recognizes that this requirement may be problematic for communities considering modular construction projects. To satisfy these concerns, in order to apply for assistance to undertake modular construction a community may instead provide DHCD with a reasonable cost estimate for the project. Detailed backup for the total costs for modular construction projects must include the cost of site preparation, off-site construction of the modular unit, and the cost of delivering and assembling the modular unit including all work necessary - including but not limited to all utility work and sub-trades - to result in the issuance of an occupancy permit. To accomplish this, the community must provide the following: the program for the building; plans, specs, and prices of comparable unit(s) from a manufacturer; evidence of the manufacturer's ability to deliver the unit during the timeframe for construction identified in the grant application; and a site plan.

<i>E. ALLOCATION OF CDBG FUNDS TO THE COMMONWEALTH</i>
--

The federal Fiscal Year 2015 HUD allocation to the Commonwealth of Massachusetts is anticipated to be \$29,136,025. DHCD's funds are subject to availability from the federal government, which is contingent on the federal budget and appropriations process and the HUD allocation process. In addition to the HUD allocation, DHCD expects to receive approximately \$100,000 in program income, for a total of \$29,236,025 available for FY 2015. These funds will be distributed during the program year to eligible cities and towns in accordance with the allocation among program components outlined below.

MA CDBG PROGRAM COMPONENT	FY 2015 ALLOCATION
Community Development Fund I	\$14,406,944
Community Development Fund II	\$ 2,700,000
Mini-Entitlement Program	\$ 9,075,000
Economic Development Fund (not including expected \$100,000 in program income)	\$ 1,600,000
-Section 108 Loan Guarantee*	\$ 10,000,000
Reserves	\$ 150,000

Section 108 Loan Repayments** (No. Adams, Everett)	\$ 330,000
Administration and Technical Assistance	\$ 974,081
TOTAL AVAILABLE (includes \$29,136,025 allocation plus \$100,000 in program income)	\$29,236,025
*Section 108 Loan Program allocation does not impact the FY 2015 Allocation **Section 108 Loan Repayments are budgeted but not necessarily required. This is an “up to” amount. Amounts not required for repayment to HUD will be reallocated to other components.	

Reallocation of funds among program components: During the year, DHCD may have cause to recapture earlier program year funds from non-performing grantees; or there may be small amounts of program funds from prior years that have yet to be used; or there may be opportunities to recapture program income generated by communities from earlier projects; or there may be extreme demand for one program component; or there may be minimal demand for one component. Funds will be reallocated depending on the timing of other components and the apparent demand for funds or to address emergency situations during the program year. When awarding those funds DHCD will use current program guidelines as established in the most recent One Year Plan. DHCD reserves the right to increase or decrease the allocation of a program component. When these cumulative changes meet the threshold criteria of an amendment, DHCD will follow the process in accordance with the State’s Consolidated Plan and regulations at 24 CFR 91.505. DHCD may also have cause to fund from any allocation or resources to respond to corrective actions after program closeouts or as a result of other administrative errors.

F. AVAILABILITY OF CDBG PROGRAM FUNDS

All CDBG program funds will be available to eligible grant recipients based on applications for Massachusetts Community Development Block Grant funds and/or Notices of Funding Availability that will be distributed on a regular basis. These documents will make communities aware of the requirements of each particular component and will be available to allow communities adequate time to prepare grant applications for each program.

A single community may receive no more than \$1 million from any combination of federal FY 2015 Community Development Fund I or II, or Mini-Entitlement grant funds. Awards not subject to the \$1 million cap per community include the Economic Development Fund and Reserves.

Additionally, a single community may receive no more than \$1.35 million from Community Development Fund I within two successive years. Economic Development Fund and Reserves awards are not subject to the \$1.35 million cap per community.

Listed below are application distribution dates for each program and the corresponding due dates. A Notice of Availability of Funds will be issued, as appropriate, prior to release of each Application subject to the availability of federal funds.

Program Components ⁵	Application Issued	FY 2015 Applications Due
Community Development Funds I and II	December 2014	Friday, February 13, 2015
Mini Entitlement Program	December 2014	Friday, February 13, 2015
Economic Development Fund	February 2015	Continuous

<i>G. EVALUATION CRITERIA APPLICABLE TO ALL CDBG PROGRAMS</i>
--

DHCD reserves the right to incorporate any or all of the following Evaluation, Regulatory and Performance criteria in its award decisions:

Evaluation:

- solicit and verify information from any local, state or federal agencies and other entities, and based on that information, reduce, increase or deny an award to a community.
- conduct site visits for any proposed CDBG project or solicit additional information from applicants in order to confirm or clarify factual or procedural responses to application requirements such as copies of legal advertisements, minutes, survey instruments, letters, etc. Acceptance of these materials is subject to DHCD's satisfaction that the omitted material was in existence at the time of application and submission of the requested documents within a specified timeframe. Additional information regarding responses to competitive questions will not be accepted.

⁵ The FY 2015 applications will be operative upon their release. Actual release of funds is contingent on HUD approval of the state's One Year Plan, and will be dictated by the date the state receives HUD approval on its Plan.

- reduce or increase an award to a community to assure that a grant budget is reasonable.
- fund, fully or partially, a project from other state resources.
- reduce or deny a grant, or place special conditions on a grant, based on the management capacity of the municipality or the current or proposed administering agency.
- Reduce an award to a community with an uncommitted program income balance of \$100,000 or more. Program income balances must be documented through submission of bank statements. The program income account balance in DHCD's Grant Management System must be maintained to match the bank program income account statement balances. Program income commitments must be documented through submission of award or commitment letters, appropriation language or other evidence deemed suitable by DHCD including signed contracts. Making program income funds available as part of a contingency plan will not be considered a commitment of those funds. Upon award, grantees must add the committed program income funds to the cited grant activity(ies) through the grant amendment process.
- resolve tie scores in a competitive fund by applying the criteria below in the following order:
 1. An application from the community or region with the higher Community-Wide Needs score will be funded;
 2. Applications for projects that increase the community's supply of affordable housing units;
 3. Regional applications;
 4. Applications for housing and/or economic development projects that are consistent with the goals of the Administration; and
 5. If scores remain tied after the application of steps #1 through 4, DHCD will conduct a lottery at which a representative from HUD will be present.

Regulatory:

- ensure that at least 70 percent of CDBG assistance, as per federal statute, is used to support projects that directly benefit low- and moderate-income persons of the Commonwealth.
- ensure that no more than 15 percent of the FY 2015 Massachusetts CDBG allocation is for public social service activities as per federal regulation.
- deny a grant, or a portion thereof, to ensure that no more than 20 percent of the FY 2015 Massachusetts CDBG allocation is for planning and administration as per federal regulation.
- not review an application unless signed by the municipality's Chief Elected Official.

Performance:

- reduce an award to a community with an uncommitted program income balance of \$100,000 or more.
- reduce an award, deny a grant, or impose special conditions on a community with prior year grants with a low rate of committed or expended dollars. This includes reductions in awards for projects funded in previous rounds for which unexpended funds remain.
- reduce an award, deny a grant, or impose special conditions on a community with outstanding, major findings that are unresolved at the time application decisions are being made; or which have otherwise had a history of significant, repeat findings. These findings could have resulted from any grant program offered by DHCD.

Major findings means non-compliance with a statutory requirement which, if not satisfactorily resolved by the community, would require that the federal funds be repaid by the municipality, or result in other serious sanctions.

History of significant, repeat findings means non-compliance with statutory or regulatory requirements in more than one grant cycle, where the community may have resolved those findings but with an unacceptably slow response.

- consider the past performance in the management of state grants, including but not limited to CDBG, by the applicant community and its administering agency or project sponsor, including continuing prior performance issues such as the number of program extension requests, program amendments and requests to re-program past grant funds due to inability to complete the originally awarded activities.

Awarding of Grants

Based on the scores produced through the review process, grant award recommendations are made to the Undersecretary of DHCD, whose decision is final. In the competitive programs, grants are awarded for projects to municipalities that received the highest application scores and which meet applicable thresholds until all available funds are distributed. In the programs with rolling applications, grants are awarded for projects to municipalities with application scores that meet a minimum scoring threshold, or that meet other program criteria, or both. DHCD reserves the right to award a grant in whole or in part, or to reject any and all proposals received.

Grievance Procedure

Within forty-five (45) days of the date of the Undersecretary's written notice of grant determinations to applicant cities and towns, any municipality aggrieved by DHCD's decision may challenge the denial of its grant by submitting a letter of appeal from the Chief Elected Official of the municipality to the Undersecretary, who shall respond no later than forty-five (45) days from the date of receipt of the municipality's appeal.

<i>H. PROGRAM SANCTIONS</i>

DHCD reserves the right to suspend or terminate grant awards made to eligible communities should there be instances of fraud, abuse, poor performance, misrepresentation, or extreme mismanagement, or in the event a grantee is unable to carry out a project as approved in an application. Communities should be aware that in the event that a project budget is found to be inadequate to fully implement the project as approved, DHCD reserves the right to review and approve any change in project scope to make a project fundable and may opt for recapturing the funds instead of authorizing a project with a reduced scope of work. In addition, if excess funds remain from a target area activity, either due to budgetary reasons or because of less demand for the activity than projected, the community must return the funds or request DHCD approval to reprogram the awarded funds.

DHCD's preference is to approve reprogramming for the following purposes and in the following order:

- Funds will be used for eligible housing activities in the target area,
- Funds will be used for eligible housing activities in the remainder of the community,
- Other existing target area activities.

If the excess funds cannot be used consistent with these preferences, DHCD will require a detailed request describing the reprogramming and may require that the funds be returned.

The community staff and Chief Elected Officials will have the opportunity to discuss possible sanctions prior to any formal action. If formal sanctions are recommended, grantees will be provided a full opportunity to appeal such decisions to the Undersecretary of DHCD before any final action is taken.

All program funds recaptured through the sanctions process will be re-programmed consistent with the procedures in (E) *Allocation of CDBG Funds* and (J) *CDBG Program Components*. Based on the significance of the issues involved in any such determination, DHCD may suspend, for a period of up to three (3) years or until final resolution is achieved, a community's eligibility to participate in any Massachusetts CDBG component. Such action will only be taken in extreme circumstances and only after all alternatives have been exhausted.

<i>I. CITIZEN PARTICIPATION REQUIREMENTS FOR APPLICANTS AND GRANTEES</i>
--

All applicants for funding under the FY 2015 Massachusetts CDBG Program must comply with the citizen participation requirements contained in Section 508 of the Housing and Community Development Act of 1987. DHCD expects citizen involvement in the identification of community development needs, the development of applications, program assessment and evaluation. Communities must include in their Massachusetts CDBG application a local citizen participation plan detailing how the community will provide:

1. citizen participation, with particular emphasis on participation by persons of low- and moderate-income, residents of slums and blighted areas and of areas in the state where CDBG funds are proposed to be used, particularly residents of a proposed target area;
2. reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, and relating to the actual use of funds;
3. information on the amount of state CDBG funds available during the year; the range of eligible CDBG activities; and how activities will benefit low- and moderate-income persons;
4. technical assistance to groups representative of persons of low- and moderate-income that request such assistance in developing proposals;
5. **a minimum of 2 public hearings**, each at a different stage of the program (development and implementation), to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at *a minimum* (a) the development of needs, (b) the review of proposed activities, and (c) review of program performance. These hearings shall be held after adequate notice, at times and accessible locations convenient to potential or actual beneficiaries, and with accommodations for persons with disabilities. In cases of joint applications, all applicant communities must be included in and participate in the public hearing. At least one public hearing must be held prior to submittal of an application; a second must be held during the course of the grant year;
6. a timely written answer to written complaints and grievances, within 15 working days of receipt where practical; and
7. the plan must also identify how all residents and beneficiaries, including minorities and non-English speaking persons, as well as persons with disabilities can be reasonably expected to participate in the program in general, and at public hearings in particular.

<i>J. CDBG PROGRAM COMPONENTS</i>

This section briefly describes the components of the Massachusetts CDBG Program. Each program component description includes eligible uses, grant award amounts, and evaluation and award criteria. In the event of conflicting language, this One Year Action Plan takes precedence over language in all program component applications. The program components are:

1. Community Development Fund I (CDF I)
2. Community Development Fund II (CDF II)
3. Mini-Entitlement Program
4. Economic Development Fund
5. Reserves
6. Administration and Technical Assistance by DHCD

- All applications To MA CDBG are submitted online and will only be accepted using DHCD's web-based system. Further details and training information will be available as application materials and details are released.

1. COMMUNITY DEVELOPMENT FUND I (CDF I)

Program Description

The Community Development Fund I (CDF I) annually awards grants to communities throughout the Commonwealth. This program helps eligible cities and towns to meet a broad range of community development needs in housing, infrastructure, downtown revitalization, and public social services. It supports CDBG-eligible activities and encourages applicants to develop coordinated, integrated and creative solutions to local problems. CDF I is targeted to communities with high Community-Wide Needs scores (ranging from 25 to 35) and very limited financial ability to address those needs with local funds. See Exhibit 3 for Community-Wide Needs Scores and Exhibit 4 for the indicators and formula used to derive the scores.

In federal FY 2015 DHCD expects to award approximately \$14,561,196 in CDF I grant funds, depending upon Massachusetts' federal allocation.

Grant Award Amounts

Applicants for a CDF I grant will be eligible to receive up to the following amounts based on the type of application submitted:

Category	Minimum Grant from Competitive Round:	Maximum Grant from Competitive Round:
Single Community	\$ 100,000	\$ 800,000
Single Community w/multiple targeted physical activities	\$ 100,000	\$ 900,000
Two or Three Communities (Regional)	\$ 100,000	\$1,000,000
Four or More Communities (Regional)	\$ 100,000	\$1,100,000
Planning or Design-only grants	\$ 10,000	/////

A single community may receive up to \$900,000 for multiple, targeted physical activities. Social services, planning or design activities do not trigger the higher grant funding level. No single CDF I community in a regional application may receive more than \$700,000. There is a minimum grant amount of \$10,000 for planning or design-only grants.

Requirements:

1. CDF grants are **Single Year Grants** based on an 18-month implementation period. Communities should not apply for funds if the proposed project is not ready to proceed.
2. Two or more communities may apply **regionally**. *"Regional" is not limited to geographically contiguous cities and towns.* In order to comply with federal requirements governing such applications, each participating community would:
 - enter into an inter-local agreement that will allow a lead community to conduct grant activities within other communities;
 - sign the application certifications stating compliance with program regulations; and
 - demonstrate in the application how the requested funds will be allocated among all participants.

Each participating community in a regional application must have a locally approved Community Development Strategy, and all projects in the application must be consistent with those documents.

CDF I communities may include CDF II communities as participating regional applicants. The percentage of funds assisting CDF II participants in a CDF I regional application may not exceed 35% of the total grant request.

PLEASE NOTE: An application will not be considered a regional application if the only activity taking place in more than one of the communities is public social services.

3. An applicant is eligible to apply to Community Development Fund I if its FY 2015 Community-Wide Needs Score, rounded to the nearest integer, is 25 or greater on a scale of 35. Community Wide Needs Scores are available in Exhibit 3. Communities with a Community Wide Need score of 25 or 26 may choose to apply to either CDF I or CDF II, subject to the requirements of the two components. Communities can participate in only one fund for all applications. A community may not apply to separate funds in different applications. **Communities with a CWN of 25 or 26 must identify to which fund they are applying at the time of application.**
4. A community may apply in either one individual CDF application or in one regional application (including as a lead applicant), or in one of each. In addition, a municipality may not receive funds for the same activity under more than one CDF application during any one Mass CDBG federal fiscal year.

5. All CDF I applications must be received by DHCD's web-based application system by **Friday, February 13, 2015**, at 11:59 PM. However, one hard copy of the required Application Cover page, and the Joint Authorization page, with original signatures of the appropriate Chief Elected Official(s) must be received by 5:00 PM or the close of business, whichever is later, on Friday, February 13, 2015.

Evaluation and Award Criteria

Application review and awards will be governed by the criteria and procedures as described above (Sections A through I), and the following criteria, process rules and special requirements. Additional detail on evaluation criteria and the review process will be in the FY 2015 Community Development Fund Application Package.

1. Applications will be scored on a 100-point system, with the potential for bonus points, as follows:

CRITERION	POINTS
Community Wide Needs	35
Project Packets	65
Total	100
Regional Bonus	2 per activity
Comprehensive/Integrated	Up to 10

Each criterion is described below. Please be advised that applicants must meet a minimum threshold for **Project Feasibility -- i.e., each project must appear to be feasible to undertake and complete in the 18-month grant period, or the other criteria will not be scored.** Projects must demonstrate financial feasibility, including adequate sources available for all costs based on reasonable cost estimates and financial need. Sources and uses of funds are limited to actual documented cash/expenditures specific to the proposed project. Proposals must also demonstrate site control, major permit approval, and other information that demonstrates the project is feasible and ready to go forward upon grant award. All projects must also meet threshold consistency with the Sustainable Development Principles.

Community-Wide Needs - are scored by DHCD, based on a set of criteria including population demographics, economic conditions, the community's fiscal condition, and assorted community development need indicators. A complete list of indicators is described in Exhibit 4. Communities are encouraged to submit a written request for their need scores. A community or its designee may make the request. DHCD will notify the community's Chief Elected Official of when and to whom the score is mailed. Only the lead community of a regional application needs

to submit a request for the community-wide needs score. Regional applications will receive needs scores based on a weighted average of the scores for the participating communities. (35 points)

Project Need - requires applicants to document and describe the particular needs that will be addressed by each proposed project and the severity of those needs. Project Need will be evaluated based on the documented severity of need.

Community Involvement and Support - requires applicants to describe and document project selection, outreach efforts, involvement by the community and potential beneficiaries in the planning and development of the project and a process for maintaining involvement in the project over time. Community Involvement and Support will be evaluated based on the extent to which the applicant provides greater opportunity for involvement, actual involvement and support for the activity beyond CDBG- required efforts.

Project Feasibility - requires applicants to document and describe an understanding of the permitting and project management tasks necessary for the project, the procurement processes required of the project, the status of design and site control, the availability of all necessary funds and the readiness of the project to proceed, including completeness of environmental review requirements, and completeness and reasonableness of timeline. Project Feasibility will be evaluated on the applicant's ability to demonstrate the overall readiness of the project, management capacity and the ability of the applicant to complete the project within the 18-month grant implementation period.

Project Impact - requires applicants to document and describe the impact of the proposed project on the identified needs of the target population or target area including physical and visual impacts, if applicable. Project Impact will be scored on the extent to which the project will have positive impacts on the target area or target population, the number of persons to benefit from the proposed project, quantitative and qualitative assessment measures.

To be determined fundable, a project packet must earn a score of at least 39 points out of the 65 possible for a project packet. Planning activity packets will be scored using Project Need and Impact criteria only and must receive at least half the available points for each criterion.

Available Bonus Points

Regional activities - fundable activities that will serve multiple communities will receive an additional two points. Regional activities are defined as housing rehabilitation in multiple communities, social services provided

to multiple communities, or shared facilities or planning/design activities that will be administered and bid centrally on behalf of regional participants.

Multiple, Targeted Activities

1. Five points are available to applicants proposing multiple activities in a target area and that demonstrate that the activities are complementary, coordinated or integrated. A minimum of at least two activities must be fundable.

2. An additional five points will also be awarded if an applicant demonstrates that non CDBG-funded projects consistent with the community's Community Development Strategy and the requested CDBG activities are also targeted to the same geographic area and will also result in measurable improvements. These points will not be awarded for municipal operating budget activities, maintenance activities/projects, or activities that are an extension of a requested CDBG activity such as lead abatement funds to serve the same units as those in a proposed housing rehabilitation program. Further details are contained in the Application Guidance document for FY 2015 CDBG applications. Specific guidance regarding required documentation appears in the FY 2015 Application Guidance.

Applications with more than one project packet (component) to be considered for funding will receive a single Activity Score that is based on the average score for each project that meets the thresholds enumerated above then rounded to the nearest whole number. Planning and Public Social Services activity scores, however, will not be included in the averaging of activity scores.

When all applications have been reviewed, each applicant's activity score, bonus points and community wide needs score are combined into a single application score. DHCD will fund proposals by ranking the scores from highest to lowest, applying the Evaluation Criteria above in (G) *Evaluation Criteria Applicable To All CDBG Programs* in the event of tie scores.

2. COMMUNITY DEVELOPMENT FUND II (CDF II)

Program Description

This program helps the state's non-entitlement cities and towns meet a broad range of community development needs in housing, physical development, downtown revitalization and public social services. In federal FY 2015,

DHCD expects to award \$2,700,000 under the Community Development Fund II (CDF II) to eligible applicants, depending upon the allocation of federal funds from HUD.

Grant Award Amounts and Requirements

Applicants for a CDF II grant will be eligible to receive up to the following amounts based on the type of application submitted:

Category	Minimum Grant from Competitive Round:	Maximum Grant from Competitive Round:
Single Community	\$ 100,000	\$ 700,000
Single Community w/multiple targeted physical activities	\$ 100,000	\$ 800,000
Two or Three Communities (Regional)	\$ 100,000	\$ 900,000
Four or More Communities (Regional)	\$ 100,000	\$1,000,000
Planning- or Design-only grants	\$ 10,000	////////

A single community may receive up to \$800,000 for multiple, targeted physical activities. Social services, planning or design activities do not trigger the higher grant funding level. No one single CDF II community in a regional application may receive more than \$500,000 in FY 2015 funds. There is a minimum grant amount of \$10,000 for planning-only grants. All requirements of CDF I apply to CDF II.

This program is available to communities with a Community-Wide Needs Score equal to or less than 26 out of 35 points for federal Fiscal Year 2015. Community Wide Needs Scores are available in Exhibit 3. A community may apply in either one individual CDF II application or in one regional application (including as a lead applicant), or in one of each.

CDF II communities may join with other CDF II communities for regional activities. A CDF II community may participate in a regional application submitted by a CDF I community. Regional applicants are not limited to geographically contiguous cities and towns. The Community Wide Needs Score of CDF II applicants will not be considered in the composite regional Community Wide Needs Score. Participation in a regional application will not prohibit an eligible CDF II applicant from applying individually to the CDF II, within the stated restrictions.

Communities with a CWN of 25 or 26 must identify to which fund they are applying at the time of application.

The following conditions apply to regional applications:

- Funds allocated to the CDF II communities for regional activities will not be included when calculating the \$1 million cap in Mass CDBG funds that the lead CDF I communities may receive in a fiscal year.
- Funds allocated to the CDF II communities for regional activities will be included when calculating the \$1 million cap in Mass CDBG funds that participating CDF II communities may receive in a fiscal year.

All CDF II applications must be received by DHCD's web-based application system by **Friday, February 13, 2015**, at 11:59 PM. However, one hard copy of the required Application Cover page, and the Joint Authorization page, with original signatures of the appropriate Chief Elected Official(s) must be received by 5:00 PM or the close of business, whichever is later, on Friday, February 13, 2015.

LIMITATIONS/CONDITIONS ON SUBSEQUENT CDF II APPLICATIONS

A Community Development Fund II community that receives an award from the Community Development Fund is precluded from applying to a Community Development Fund program for the following federal fiscal year. FY 2015 CDF II grant recipients designated as FY 2014 CDF I-eligible communities in Exhibit 3: Program Eligibility and Community-Wide Needs Scores are not subject to this prohibition. In addition, a community previously awarded funds solely for an architectural/engineering design or planning project may apply in the next federal fiscal year for funding to implement the project. However, the maximum grant award for implementation will be reduced by the amount of the previous design or planning grant.

Exhibit 2 lists communities that may not apply for CDF funds in FY 2015.

Evaluation and Award Criteria

Applications will be reviewed according to the same criteria and process for activities as detailed in the discussion above describing criteria for CDF I. However, the Community-Wide Needs Score will not be factored into the evaluation. The application will be scored on a 65-point scale.

3. MINI-ENTITLEMENT PROGRAM

Program Description

Municipalities were selected to be Mini-Entitlement communities if they met the three following criteria: (1) Community Wide Needs Score over 28; (2) a poverty rate higher than the state average of 7.7% and (3) population over 12,000. This program helps larger non-entitlement urban communities with the highest needs improve conditions for their low- and moderate-income residents through comprehensive planning and predictable funding. Through this program, identified cities and towns can meet a broad range of community development needs in housing, business development, physical development, downtown revitalization, and public social services. It supports all CDBG-eligible activities and encourages applicants to develop comprehensive, creative solutions to local problems.

DHCD expects to award up to \$9,075,000 from the FY 2015 Mini-Entitlement Program allocation to eleven (11) designated Mini-Entitlement municipalities, listed below:

Amherst	North Adams
Chelsea	Southbridge
Dennis	Wareham
Everett	Webster
Gardner	West Springfield
Greenfield	

DHCD requires Mini Entitlement communities to approach CDBG projects in a comprehensive and integrated manner and is directing these communities to target their CDBG funds to particular geographic areas in order to impact and effect change within neighborhoods. Housing Rehabilitation programs may be designed to allow up to 20% of the funds to be used for emergency purposes outside the target area.

DHCD will offer technical assistance to Mini-Entitlement communities, including planning, priority setting, and project evaluation and development.

Grant Award Amounts and Requirements

The maximum grant award is up to \$825,000. Mini-Entitlement applications will contain an 18-month implementation and cash flow plan. Mini-entitlement grantees must comply with standards for timely expenditure and available program income (see Applicant/Project Thresholds above). FY 2015 Mini-entitlement awards to Grantees that do not meet the required standards will be reduced by an amount necessary to bring the grantee into compliance.

Evaluation and Award Criteria

The following requirements apply to the Mini-Entitlement Program:

1. In accordance with the Massachusetts CDBG Priorities listed in Section A, DHCD seeks to fund projects identified through meaningful community-based planning and priority setting processes as described in SECTION D. 6. Each Mini-Entitlement grantee must submit a Community Development Strategy. Community Development Strategies must also include how the community will plan for and implement projects that are consistent with the Commonwealth's Sustainable Development Principles.
2. Activity packets must be completed, but will not be competitively scored. All FY 2015 Mini-Entitlement applications must describe how CDBG funds will be allocated; include goals and performance measures for each activity; demonstrate compliance with a federal national objective and all federal/state requirements; and provide a management plan. The project packets will be reviewed for compliance with these evaluation criteria.
3. Mini-Entitlement applicants may however, propose projects, subject to DHCD approval, that do not meet the plans and specifications requirements of SECTION D. 12 and 13.
4. All activities that are eligible under Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended, will be considered for funding with the exception of organizational activities of downtown partnerships.

5. Mini-Entitlement communities may not join with CDF I or CDF II communities as joint applicants.

All Mini-Entitlement applications must be received by DHCD's web-based application system by **Friday, February 13, 2015**, at 11:59 PM. However, one hard copy of the required Application Cover page, and the Joint Authorization page, with original signatures of the appropriate Chief Elected Official(s) must be received by 5:00 PM or the close of business, whichever is later, on Friday, February 13, 2015.

4. ECONOMIC DEVELOPMENT FUND

The Economic Development Fund (EDF) provides assistance to communities focused on community economic development -- supporting revitalization efforts that enhance the quality of life in the community strengthening the local tax base, and retaining and creating jobs for low and moderate-income people. EDF gives priority to assistance for revitalization of downtowns and commercial center areas. In FY 2015, program funding is limited to the following categories of projects:

1. Rehabilitation of or conversion to, mixed-use buildings or investor owner-residential buildings (5 or more units) located in downtown or commercial center areas. A mixed-use or investor-owned rehabilitation project qualifying for residential or commercial and residential EDF assistance may receive up to the maximum grant of \$750,000, plus administration costs. Commercial improvements are limited to \$500,000. For residential rehabilitation, all federal and state grants combined shall not exceed 75 percent of total actual project costs. Housing unit rehabilitation is limited to a maximum per unit CDBG cost of \$125,000. EDF may be used alone or in partnership with other CDBG or non-CDBG funding sources to undertake building improvements for mixed-use or investor-owned rehabilitation projects. The entire building façade must be appropriately addressed, regardless of the portions of the building assisted.
2. Public facilities/infrastructure improvements supporting downtown mixed-use or investor owned, mixed-income residential projects located in a downtown or commercial center area.
3. Planning Projects Supporting Economic Development

Planning and pre-development studies conducted in advance of site or topic specific CDBG-eligible economic development activities.

- Proposed planning projects must clearly demonstrate that they have:

- emerged from a, local or regional planning effort (i.e., in addition to the local CDS)
 - a reasonable likelihood of resulting in an identifiable, economic development project that will likely be implemented **within three (3) to five (5) years**
 - a reasonable likelihood that the implemented project will meet a national objective
 - evidence of support by applicable state and/or regional agencies
- EDF will not consider planning projects that:
 - appear to be “white elephants” lacking a convincing likelihood of moving forward following the study or of meeting a national objective
 - might be assumed by the private sector by virtue of superior project location or characteristics
 - might be better suited for other federal, state, local, quasi-public or private funds,
 - have known or potential, major development obstacles or other issues that could prevent project implementation or achievement of a national objective
 - include design, architectural or engineering costs (e.g. detailed engineering specifications and working drawings) which surpass the determination of economic feasibility – these are considered project costs and are not CDBG-eligible planning activities

4. Assistance to Non-Profit Development Organizations (NDOs)

Grant assistance to eligible NDOs to fund the capitalization of small business and microenterprise revolving loan funds (RLFs), technical assistance or training programs and other eligible microenterprise activities. Microenterprise assistance is limited to commercial enterprises with five or fewer employees, one of whom is the owner. Small business assistance is subject to CDBG appropriate analysis, public benefit and underwriting guidelines, and EDF supplemental documentation. Assisted NDOs must demonstrate capacity, including past experience and performance, for operating small business or microenterprise assistance programs of the type and scale for which they will apply.

DHCD anticipates that \$1,600,000 will be available for the Economic Development Fund during FY 2015.

Grant Award Amounts and Requirements

- A community may receive no more than one EDF grant award in any fiscal year.
- In order to receive funding a project or activity must be consistent with the Sustainable Development principles. Guidance on this threshold may be found in Exhibit 6. Public Services activities are exempt from this requirement.
- Grants are based on an 18-month implementation cycle.

- Applications will be accepted on an ongoing basis throughout the year, based on funding availability.
- Grants for rehabilitation or adaptive re-use of mixed-use buildings or investor-owner residential buildings located in downtown or commercial center areas for commercial use and/or housing are limited to \$100,000-\$750,000 plus administration. Housing unit rehabilitation will be limited to a maximum per unit CDBG cost of \$125,000.
- The exterior façade of a mixed-use project must be completed consistent with EDF Program Guidance, Appendix M. Grant assistance for commercial rehabilitation is limited to addressing such improvements, if eligible.
- Grants of up to \$50,000 including administration costs, for planning studies which, if implemented, would lead to a project that has an economic development purpose and will meet a national objective.
- All other EDF community grants are limited to \$100,000-\$500,000 plus administration costs.

Evaluation and Award Criteria for Community Grant Applications

EDF applications will be evaluated according to a two-stage process, which consists of (1) completion of an Application Information Form (AIF) and initial meeting and (2) the application.

- (1) AIF/Initial Meeting - The applicant must submit an Application Information Form (AIF), using DHCD's web-based application system, before DHCD will consider an EDF application. Upon receipt and review of the AIF, CDBG staff will schedule, at its discretion, an initial informational meeting between program staff and representative(s) of the municipal government. At its discretion, staff may otherwise inspect the project site at any point in the process.
- (2) Application - If the proposed project is considered to be consistent with program requirements, and likely to meet the threshold criteria discussed in Section D: *APPLICANT/PROJECT THRESHOLDS* above, CDBG staff will invite the community to submit an application. If the applicant does not submit an application within three (3) months of the date of the invitation letter, it may be required to submit another AIF and repeat the two-step application process in order for DHCD to further consider the proposed project. **The three (3) month application deadline may be extended in extenuating circumstances at DHCD's discretion.**

Applications will be reviewed for completeness, documentation of application/project thresholds, and responses to assigned project packet(s) and project-specific questions and comments (project conditions) included in DHCD's letter of invitation. Applications including housing component must also submit applicable components of the MA One Stop housing application. To be considered for funding, a proposed

activity must meet all thresholds, and must address all application questions and conditions to the satisfaction of DHCD. In the event there are insufficient funds for all eligible applications, DHCD reserves the right to consider EDF applications out of order of receipt based upon a review of the number of jobs to be created or retained, the impact of a project on the local tax base, such as increase in tax revenues, sudden job loss, levels of matching or leveraged funds, or other compelling circumstances.

The EDF program encourages and supports Community Grants projects which, relative to similar past and prospective projects, are compelling in terms of need and impact, do not exhibit complex issues adversely affecting project costs and timelines, include evidence of financial need, and exhibit characteristics that are compatible with the project's surroundings. Additionally, the EDF program will support and encourage mixed-use projects which include evidence of marketability, exhibit a prominent location proximate to traditional downtown activities and appropriate services, and reveal no creditworthiness issues or concerns regarding the sponsor/owner.

5. SECTION 108 LOAN GUARANTEES

Section 108 Loan Guarantees allow eligible communities to access federal loan funds for the purpose of aiding revenue-producing development activities. The Massachusetts program provides communities with a source of loan financing for a specific range of community and economic development activities. Funding is provided to the community to loan to a business or other entity. The Commonwealth guarantees repayment of the HUD loan, and pledges its future CDBG allocation as collateral. Actual funding will be provided through the sale of notes by the federal Department of Housing and Urban Development.

Loan Guarantees will be available to support the rehabilitation of, or conversion to, mixed-use or investor owner-residential buildings (5 or more units) located in downtown or commercial center areas. Residential projects should include mixed-income, affordable and market rate units. Housing unit rehabilitation will be limited to a maximum per unit CDBG cost of \$125,000. The entire building façade must be appropriately addressed, regardless of the portions of the building assisted. Section 108 loan assistance of \$1 million to \$5 million will be available for residential or mixed-use projects meeting these qualifications. For most housing project components, Section 108 loan funds plus all federal and state grants combined shall not exceed 75 percent of total actual project costs. Section 108 loans may also assist public facilities/infrastructure improvements that generate sufficient revenues and support downtown mixed-use or investor-owned, mixed-income residential projects.

As with EDF community grants, assistance to non-profit organizations for public services, capitalization of loan funds or business technical assistance, or direct assistance to individual businesses or other entities will also not be considered in Section 108.

This year the Commonwealth will pledge up to \$10 million in future CDBG allocations in support of these eligible activities.

Grant Award Amounts and Requirements

- The minimum award is \$1,000,000 and the maximum is \$5 million. The loan amount will not be included in the \$1 million annual limit that grantees may receive from the Commonwealth's annual CDBG allocation.
- In general, awards from the Section 108 Loan cannot exceed 40% of the total project costs. However, DHCD will consider guaranteeing public infrastructure projects to a percentage greater than 40% on a case by case basis;
- Privately owned, non-residential real estate activities where the scope exceeds exterior façade improvements consistent with EDF Program Guidance, Appendix M, must be undertaken as economic development activities and must meet CDBG underwriting criteria. These criteria limit assistance to gap financing, which may be less than the 40% program limit;
- All Section 108 applications must include evidence that the proposed project needs grant assistance to be feasible;
- DHCD is willing to consider phased projects, with the caveat that the time frame for full implementation is a maximum of five years or less;
- DHCD or HUD may disapprove applications, or approve a reduced guarantee or approve the request with conditions, such as but not limited to additional collateral and guarantees depending on the structure of the proposal; and
- Depending on the nature of the project, the community may be required to pledge its full faith and credit.

Evaluation and Award Criteria for Section 108 Applications

Applicants must contact DHCD prior to submission of an application. A two-stage process for evaluating potential applications is in effect, consisting of a preliminary screening and a formal application. Applicants also need to review the evaluation criteria and the review process information found in the Economic Development Fund Application Guidance. Applications will be reviewed on a first come, first served basis, provided that threshold criteria are met and funds are available.

Successful applicants will receive a loan from HUD, but the Commonwealth guarantees the repayment of the loan. The Commonwealth pledges its future CDBG grant funds to repay the federal government should a non-entitlement recipient of a Section 108 Loan default. DHCD will not pledge other collateral of the Commonwealth in support of proposals. Any additional security required by HUD must come from another source.

Project applications must meet all applicable criteria outlined for EDF community grants. However, the format of any final loan application will be determined by HUD.

Active Section 108 Loan Activities

Everett – \$1 million Section 108 loan for roadwork (right-of-way & construction) for the Norman St./Internet Dr. intersection and entryway into the Rivers Edge (previously Telecom City) project area. The debt service for years 1-8 (FY 2007 – 2014) is funded with a \$1.2 million Brownfield's Economic Development Initiative (BEDI) grant.

North Adams - Massachusetts Museum of Contemporary Art (MASS MoCA): Approximate \$4.3 million loan to partially fund real estate development by the non-profit museum foundation. The \$13 million project involved rehabilitation of two buildings. This project was Phase II of the City and MASS MoCA's revitalization plan for one of North Adams' most distressed neighborhoods.

Loan Default

In the event of loan default, DHCD must be prepared to repay the Section 108 loans to HUD out of the Commonwealth's annual CDBG allocation. In addition to a pledge of future CDBG funds, collateral is provided from other sources. The possibility exists, however, that the loan defaults and will need to be repaid from the annual allocation. In FY 2015 the potential liability, or repayment total, could be up to \$330,000 in the event of loan default.

If the loans do not default, or if there is default but the collateral is sufficient to cover the loan repayment (or a portion thereof), then DHCD will reallocate the budgeted default amount among other program components.

Please note that DHCD and HUD scrutinize Section 108 projects very carefully since any loan defaults are guaranteed by future CDBG funds and therefore could significantly affect availability of funds in future years.

6. RESERVES

An initial allocation of \$150,000 will be available for the Reserves component. Consistent with *Section E. ALLOCATION OF CDBG FUNDS TO THE COMMONWEALTH*, funds may be recaptured by or returned to DHCD at any time during the program year, or reallocated to and from program components including the Reserves component. This may result in an increase or decrease to the initial allocation.

On occasion applications, or portions thereof, that were not funded during a competitive process, including direct technical assistance to eligible communities, may be considered by the Undersecretary of DHCD to be particularly worthy, innovative, or address an overarching local, regional, or statewide need. Such projects may be funded through the Reserves.

Funds may also be made available for projects throughout the program year that are consistent with Massachusetts' CDBG priorities, as outlined in *Section A.*, particularly those that address the Administration's goal of developing and/or preserving affordable workforce housing opportunities.

The application materials for Reserves will provide guidance to potential grantees on how to structure their applications. The Department's interest in providing Reserves funding for projects will be determined by a review of the proposed project to determine consistency with the goals and priorities cited above and that the activity is eligible, feasible and ready to proceed. Once complete, applications will be funded in the order in which they are received.

All Projects funded under Reserves must meet, at a minimum, CDBG national objective and eligibility requirements, applicable rules and regulations, and project feasibility thresholds. Please contact Leverett Wing, Associate Director of the Division of Community Services, at 617 573-1401 with any inquiries about Reserves.

7. ADMINISTRATION AND TECHNICAL ASSISTANCE BY DHCD

The Commonwealth of Massachusetts uses CDBG funds for administrative costs incurred by DHCD during the operation of the Massachusetts CDBG Program. As allowed by federal statute, this amount will equal two percent (2%) of the entire annual grant allocation, plus \$100,000.

An additional one percent (1%) of the allocation will be used for direct technical assistance to eligible municipalities for guidance relating to housing, economic development, including downtown revitalization, community development strategy and plan preparation and use, technical assistance training for non-entitlement communities, fair housing training, and additional assistance determined necessary during the program year.

During this fiscal year DHCD will continue to support and upgrade its software and reporting systems. Technical assistance will be available to communities for downtown revitalization planning activities.

In addition, two percent (2%) of program income generated by state CDBG grantees shall be returned to the Mass CDBG Program on a bi-annual basis.

ONE-YEAR ACTION PLAN FOR FEDERAL FISCAL YEAR 2015

EXHIBITS

1. LIST OF ENTITLEMENT COMMUNITIES IN MASSACHUSETTS
2. MUNICIPALITIES NOT ELIGIBLE TO APPLY TO COMMUNITY DEVELOPMENT FUND (CDF) IN FY 2015
3. COMMUNITY WIDE NEEDS SCORES AND PROGRAM ELIGIBILITY
4. COMMUNITY-WIDE NEEDS INDICATORS
5. SUSTAINABLE DEVELOPMENT PRINCIPLES
6. GUIDANCE ON MEETING THE SUSTAINABLE DEVELOPMENT THRESHOLD
7. MASSACHUSETTS FAIR HOUSING MISSION STATEMENT AND PRINCIPLES

EXHIBIT 1

LIST OF ENTITLEMENT COMMUNITIES IN MASSACHUSETTS

as of Federal Fiscal Year 2015

ARLINGTON	MALDEN
ATTLEBORO	MEDFORD
BARNSTABLE	NEW BEDFORD
BOSTON	NEWTON
BROCKTON	NORTHAMPTON
BROOKLINE	PEABODY
CAMBRIDGE	PITTSFIELD
CHICOPEE	PLYMOUTH
FALL RIVER	QUINCY
FITCHBURG	REVERE
FRAMINGHAM	SALEM
GLOUCESTER	SOMERVILLE
HAVERHILL	SPRINGFIELD
HOLYOKE	TAUNTON
LAWRENCE	WALTHAM
LEOMINSTER	WESTFIELD
LOWELL	WEYMOUTH
LYNN	WORCESTER
	YARMOUTH

EXHIBIT 2

MUNICIPAL ELIGIBILITY TO APPLY TO COMMUNITY DEVELOPMENT

FUND (CDF) I AND II IN FY 2015

A single community may receive no more than \$1 million from any combination of federal FY 2015 Community Development Fund I or II, or Mini-Entitlement grant funds. Awards not subject to the \$1 million cap per community include the Economic Development Fund and Reserves.

Additionally, a single community may receive no more than \$1.35 million from Community Development Fund I within two successive years. Economic Development Fund and Reserves awards are not subject to the \$1.35 million cap per community.

As a result, FY 2015 award limits apply to the following FY 2014 grantees, in the following amounts:

Athol - \$454,467	Montague - \$526,374
Bourne - \$988,694	Oak Bluffs - \$889,079
Buckland - \$897,245	Palmer - \$473,075
Colrain - \$970,727	Rockland - \$490,000
Dennis - \$881,495	Salisbury - \$500,000
Easthampton - \$933,268	Sheffield - \$983,833
Edgartown - \$819,937	Spencer - \$637,305
Fairhaven - \$624,671	Templeton - \$891,072
Great Barrington - \$913,067	Tisbury - \$931,455
Hardwick - \$473,986	Ware - \$430,349
Harwich - \$963,574	Warren - \$640,505
Methuen - \$932,705	Wellfleet - \$982,433

A Community Development Fund II community that receives an award from the Community Development Fund is precluded from applying to a Community Development Fund program for the following federal fiscal year, except that a community previously awarded funds solely for an architectural/engineering design or planning project may apply in the next federal fiscal year for funding to implement the project. However, the maximum grant award for implementation will be reduced by the amount of the previous design or planning grant.

DHCD has identified the following communities as ineligible applicants (except as noted) for Federal Fiscal Year 2015; each may apply again in the fiscal year noted in parentheses:

Abington	(2016)	Hubbardston	(2016)
Carver	(2016)	Leicester	(2016)
Charlton	(2016)	Whitman	(2016)
Halifax	(2016)		

EXHIBIT 3

PROGRAM ELIGIBILITY AND COMMUNITY-WIDE NEEDS SCORES

City/Town	FY15 CWN Score	Eligible for CDF1	Eligible for CDF II	FY15 Mini-Entitlement
Abington town	21		X	
Acton town	17		X	
Acushnet town	21		X	
Adams town	31	X		
Agawam town	23		X	
Alford town	15		X	
Amesbury town	25	X	X	
Amherst town	29			X
Andover town	13		X	
Aquinnah	28	X		
Ashburnham town	25	X	X	
Ashby town	25	X	X	
Ashfield town	27	X		
Ashland town	17		X	
Athol town	29	X		
Auburn town	21		X	
Avon town	28	X		
Ayer town	27	X		
Barre town	18		X	
Becket town	31	X		

Bedford town	21		X	
Belchertown town	18		X	
Bellingham town	23		X	
Belmont town	19		X	
Berkley town	20		X	
Berlin town	20		X	
Bernardston town	31	X		
Beverly city	25	X	X	
Billerica town	20		X	
Blackstone town	25	X	X	
Blandford town	19		X	
Bolton town	15		X	
Bourne town	25	X	X	
Boxborough town	15		X	
Boxford town	14		X	
Boylston town	15		X	
Braintree town	20		X	
Brewster town	25	X	X	
Bridgewater town	18		X	
Brimfield town	21		X	
Brookfield town	24		X	
Buckland town	28	X		
Burlington town	21		X	
Canton town	20		X	
Carlisle town	11		X	

Carver town	21		X	
Charlemont town	29	X		
Charlton town	16		X	
Chatham town	25	X	X	
Chelmsford town	18		X	
Chelsea city	32			X
Cheshire town	26	X	X	
Chester town	26	X	X	
Chesterfield town	29	X		
Chilmark town	24		X	
Clarksburg town	28	X		
Clinton town	26	X	X	
Cohasset town	14		X	
Colrain town	28	X		
Concord town	13		X	
Conway town	16		X	
Cummington town	32	X		
Dalton town	29	X		
Danvers town	20		X	
Dartmouth town	21		X	
Dedham town	22		X	
Deerfield town	23		X	
Dennis town	31			X
Dighton town	20		X	
Douglas town	15		X	

Dover town	12		X	
Dracut town	18		X	
Dudley town	22		X	
Dunstable town	12		X	
Duxbury town	14		X	
East Bridgewater town	21		X	
East Brookfield town	26	X	X	
East Longmeadow town	18		X	
Eastham town	27	X		
Easthampton town	21		X	
Easton town	19		X	
Edgartown town	32	X		
Egremont town	30	X		
Erving town	30	X		
Essex town	23		X	
Everett city	35			X
Fairhaven town	26	X	X	
Falmouth town	25	X	X	
Florida town	29	X		
Foxborough town	18		X	
Franklin town	18		X	
Freetown town	14		X	
Gardner city	29			X
Georgetown town	12		X	
Gill town	23		X	

Goshen town	28	X		
Gosnold town	34	X		
Grafton town	20		X	
Granby town	18		X	
Granville town	19		X	
Great Barrington town	31	X		
Greenfield town	29			X
Groton town	12		X	
Groveland town	18		X	
Hadley town	21		X	
Halifax town	24		X	
Hamilton town	23		X	
Hampden town	18		X	
Hancock town	20		X	
Hanover town	14		X	
Hanson town	18		X	
Hardwick town	28	X		
Harvard town	13		X	
Harwich town	28	X		
Hatfield town	23		X	
Hawley town	23		X	
Heath town	30	X		
Hingham town	18		X	
Hinsdale town	29	X		
Holbrook town	26	X	X	

Holden town	18		X	
Holland town	21		X	
Holliston town	13		X	
Hopedale town	18		X	
Hopkinton town	12		X	
Hubbardston town	21		X	
Hudson town	24		X	
Hull town	26	X	X	
Huntington town	30	X		
Ipswich town	20		X	
Kingston town	25	X	X	
Lakeville town	14		X	
Lancaster town	19		X	
Lanesborough town	20		X	
Lee town	31	X		
Leicester town	18		X	
Lenox town	22		X	
Leverett town	28	X		
Lexington town	14		X	
Leyden town	22		X	
Lincoln town	19		X	
Littleton town	14		X	
Longmeadow town	18		X	
Ludlow town	24		X	
Lunenburg town	18		X	

Lynnfield town	20		X	
Manchester town	18		X	
Mansfield town	18		X	
Marblehead town	20		X	
Marion town	15		X	
Marlborough city	24		X	
Marshfield town	19		X	
Mashpee town	28	X		
Mattapoisett town	22		X	
Maynard town	22		X	
Medfield town	13		X	
Medway town	14		X	
Melrose city	19		X	
Mendon town	13		X	
Merrimac town	18		X	
Methuen town	25	X	X	
Middleborough town	25	X	X	
Middlefield town	26	X	X	
Middleton town	19		X	
Milford town	25	X	X	
Millbury town	23		X	
Millis town	19		X	
Millville town	26	X	X	
Milton town	19		X	
Monroe town	32	X		

Monson town	22		X	
Montague town	32	X		
Monterey town	30	X		
Montgomery town	21		X	
Mount Washington town	20		X	
Nahant town	21		X	
Nantucket town	27	X		
Natick town	18		X	
Needham town	13		X	
New Ashford town	20		X	
New Braintree town	18		X	
New Marlborough town	32	X		
New Salem town	27	X		
Newbury town	20		X	
Newburyport city	20		X	
Norfolk town	13		X	
North Adams city	31			X
North Andover town	19		X	
North Attleborough town	19		X	
North Brookfield town	22		X	
North Reading town	16		X	
Northborough town	13		X	
Northbridge town	22		X	
Northfield town	20		X	
Norton town	19		X	

Norwell town	19		X	
Norwood town	23		X	
Oak Bluffs town	33	X		
Oakham town	18		X	
Orange town	28	X		
Orleans town	30	X		
Otis town	27	X		
Oxford town	19		X	
Palmer town	29	X		
Paxton town	16		X	
Pelham town	18		X	
Pembroke town	19		X	
Pepperell town	16		X	
Peru town	29	X		
Petersham town	27	X		
Phillipston town	24		X	
Plainfield town	33	X		
Plainville town	18		X	
Plympton town	20		X	
Princeton town	18		X	
Provincetown town	34	X		
Randolph town	25	X	X	
Raynham town	20		X	
Reading town	14		X	
Rehoboth town	16		X	

Richmond town	16		X	
Rochester town	18		X	
Rockland town	25	X	X	
Rockport town	26	X	X	
Rowe town	29	X		
Rowley town	23		X	
Royalston town	28	X		
Russell town	28	X		
Rutland town	18		X	
Salisbury town	24		X	
Sandisfield town	25	X	X	
Sandwich town	20		X	
Saugus town	24		X	
Savoy town	29	X		
Scituate town	20		X	
Seekonk town	21		X	
Sharon town	12		X	
Sheffield town	31	X		
Shelburne town	27	X		
Sherborn town	14		X	
Shirley town	30	X		
Shrewsbury town	16		X	
Shutesbury town	24		X	
Somerset town	22		X	
South Hadley town	23		X	

Southampton town	16		X	
Southborough town	12		X	
Southbridge town	32			X
Southwick town	23		X	
Spencer town	25	X	X	
Sterling town	13		X	
Stockbridge town	32	X		
Stoneham town	20		X	
Stoughton town	23		X	
Stow town	14		X	
Sturbridge town	16		X	
Sudbury town	11		X	
Sunderland town	25	X	X	
Sutton town	13		X	
Swampscott town	21		X	
Swansea town	19		X	
Templeton town	22		X	
Tewksbury town	19		X	
Tisbury town	29	X		
Tolland town	21		X	
Topsfield town	13		X	
Townsend town	22		X	
Truro town	27	X		
Tyngsborough town	18		X	
Tyringham town	17		X	

Upton town	20		X	
Uxbridge town	19		X	
Wakefield town	18		X	
Wales town	25	X	X	
Walpole town	19		X	
Ware town	30	X		
Wareham town	31			X
Warren town	28	X		
Warwick town	27	X		
Washington town	24		X	
Watertown town	25	X	X	
Wayland town	14		X	
Webster town	29			X
Wellesley town	14		X	
Wellfleet town	25	X	X	
Wendell town	31	X		
Wenham town	18		X	
West Boylston town	19		X	
West Bridgewater town	21		X	
West Brookfield town	18		X	
West Newbury town	13		X	
West Springfield town	29			X
West Stockbridge town	20		X	
West Tisbury town	26	X	X	
Westborough town	14		X	

Westford town	11		X	
Westhampton town	20		X	
Westminster town	24		X	
Weston town	13		X	
Westport town	17		X	
Westwood town	15		X	
Whately town	23		X	
Whitman town	19		X	
Wilbraham town	18		X	
Williamsburg town	21		X	
Williamstown town	24		X	
Wilmington town	19		X	
Winchendon town	27	X		
Winchester town	14		X	
Windsor town	21		X	
Winthrop town	26	X	X	
Woburn city	25	X	X	
Worthington town	27	X		
Wrentham town	19		X	

EXHIBIT 4

COMMUNITY-WIDE NEEDS INDICATORS

MUNICIPALITY:			_____ 2000(06) _____			Maximum
COUNTY:			Raw			Possible
			Number	Percent	Quartile	Points
						Score

A. INDIVIDUAL FACTORS

21.0	0.00
------	------

Low/moderate income persons (American Community Survey 2006-2010: 0)..... 0 0.0 0 17.5 0.00

Unemployment rate (average annual 2013) 0 0.0 0 3.5 0.00

B. COMMUNITY FACTORS

14	0.00
----	------

% households w/housing cost burden >= 30% of household income (US Census,
American Community Survey (ACS) 2010 five-year estimate) 0 0.0 0 5.25 0.00

Total levy per capita, % of per capita income (MA DOR 2014, US Census, ACS 2010 five-year estimate)	\$ 0	0.0	0	5.25	0.00
Units built prior to 1940, % of total units (US Census ACS 2010 five-year estimate)	0	0.0	0	3.5	0.00

A and B

35

EXHIBIT 5

Sustainable Development Principles

The Commonwealth of Massachusetts shall care for the built and natural environment by promoting sustainable development through integrated energy and environment, housing and economic development, transportation and other policies, programs, investments, and regulations. The Commonwealth will encourage the coordination and cooperation of all agencies, invest public funds wisely in smart growth and equitable development, give priority to investments that will deliver good jobs and good wages, transit access, housing, and open space, in accordance with the following sustainable development principles. Furthermore, the Commonwealth shall seek to advance these principles in partnership with regional and municipal governments, non-profit organizations, business, and other stakeholders.

1. Concentrate Development and Mix Uses

Support the revitalization of city and town centers and neighborhoods by promoting development that is compact, conserves land, protects historic resources, and integrates uses. Encourage remediation and reuse of existing sites, structures, and infrastructure rather than new construction in undeveloped areas. Create pedestrian friendly districts and neighborhoods that mix commercial, civic, cultural, educational, and recreational activities with open spaces and homes.

2. Advance Equity

Promote equitable sharing of the benefits and burdens of development. Provide technical and strategic support for inclusive community planning and decision making to ensure social, economic, and environmental justice. Ensure that the interests of future generations are not compromised by today's decisions.

3. Make Efficient Decisions

Make regulatory and permitting processes for development clear, predictable, coordinated, and timely in accordance with smart growth and environmental stewardship.

4. Protect Land and Ecosystems

Protect and restore environmentally sensitive lands, natural resources, agricultural lands, critical habitats, wetlands and water resources, and cultural and historic landscapes. Increase the quantity, quality and accessibility of open spaces and recreational opportunities.

5. Use Natural Resources Wisely

Construct and promote developments, buildings, and infrastructure that conserve natural resources by reducing waste and pollution through efficient use of land, energy, water, and materials.

6. Expand Housing Opportunities

Support the construction and rehabilitation of homes to meet the needs of people of all abilities, income levels, and household types. Build homes near jobs, transit, and where services are available. Foster the development of housing, particularly multifamily and smaller single-family homes, in a way that is compatible with a community's character and vision and with providing new housing choices for people of all means.

7. Provide Transportation Choice

Maintain and expand transportation options that maximize mobility, reduce congestion, conserve fuel and improve air quality. Prioritize rail, bus, boat, rapid and surface transit, shared-vehicle and shared-ride services, bicycling, and walking. Invest strategically in existing and new passenger and freight transportation infrastructure that supports sound economic development consistent with smart growth objectives.

8. Increase Job and Business Opportunities

Attract businesses and jobs to locations near housing, infrastructure, and transportation options. Promote economic development in industry clusters. Expand access to education, training, and entrepreneurial opportunities. Support the growth of local businesses, including sustainable natural resource-based businesses, such as agriculture, forestry, clean energy technology, and fisheries.

9. Promote Clean Energy

Maximize energy efficiency and renewable energy opportunities. Support energy conservation strategies,

local clean power generation, distributed generation technologies, and innovative industries. Reduce greenhouse gas emissions and consumption of fossil fuels.

10. Plan Regionally

Support the development and implementation of local and regional, state and interstate plans that have broad public support and are consistent with these principles. Foster development projects, land and water conservation, transportation and housing that have a regional or multi-community benefit. Consider the long-term costs and benefits to the Commonwealth.

EXHIBIT 6

Guidelines for Project Consistency with the Commonwealth's Sustainable Development Principles

Important choices about where and how Massachusetts will grow are made every day. These decisions have profound implications. While the Commonwealth has made progress, more needs to be done to ensure that the interests of future generations are not compromised by today's decisions.

It will take our cooperative efforts to build a greater quantity and diversity of housing, develop the businesses we need to provide jobs and increase revenue, and do a better job of acting as stewards of our natural resources for future generations. Governor Patrick's administration is interested in working in partnership with the development community and municipalities to improve our conservation and development practices. State policies, programs, and investments must encourage smart growth and development interests and municipalities must do the same. The Commonwealth has established a framework to insure a strong economic future for the state and a high quality of life for its residents by undertaking a comprehensive approach to housing and community investment in a way that respects landscape and natural resources. The administration believes that sustainable development can and should take place in all communities. To be successful, our investments must bring the housing market into equilibrium and enable the state to attract new businesses while making strategic land use choices. In order to achieve our housing and community development goals, we rely on our strategic partners to develop projects that enable us to optimize our limited natural and financial resources.

The administration has refined its 10 Principles of Sustainable Development as a way to articulate and describe this vision to our strategic partners and to guide our investment decisions. Projects seeking funding from DHCD's **Community Development Block Grant (CDBG)** programs must be consistent with the Principles of Sustainable Development in the manner described below. A community development project must adhere to Method 1, Method 2 or Method 3.

Method 1

Be consistent with **Concentrate Development and Mix Uses**. Support the revitalization of city and town centers and neighborhoods by promoting development that is compact, conserves land, protects historic

resources, and integrates uses. Encourage reuse and rehabilitation of existing sites, structures, and infrastructure rather than new construction in undeveloped areas. Create pedestrian friendly districts and neighborhoods that mix commercial, civic, cultural, educational, and recreational activities with open space and homes.

In order to demonstrate consistency with this principle for Method 1, a project must:

- a. Involve the rehabilitation or redevelopment of, or improvements to, vacant or occupied, existing structures or infrastructure; or
- b. If new construction, contribute to the revitalization of a town center or neighborhood and/or be walkable to transit; the downtown; a village center; a school; a multiple activity retail, services or employment center; or be located in a municipally-approved growth center.

Method 2

Be consistent with at least five (5) of the Sustainable Development Principles, of which one must be either **Protect Land and Ecosystems** or **Use Natural Resources Wisely**.

Method 3

IF a housing project involving new construction is sited on municipally owned or municipally provided land, involves municipal funding or is supported by a letter from the chief elected official of the municipality at the time of Project Eligibility or an application for funding, only four (4) of the Principles must be met, of which one must be **Concentrate Development and Mix Uses, Protect Land and Ecosystems** or **Use Natural Resources Wisely**. See Further Guidance below for examples of ways in which a project can be consistent with **Concentrate Development and Mix Uses** beyond the characteristics used in Method 1.

Further Guidance

Each Principle is listed below with examples of ways projects may demonstrate consistency. Projects need to satisfy only one of the examples, not all those listed; other ways to satisfy the Principles will also be considered.

Concentrate Development and Mix Uses: Support development that is compact, conserves land, integrates uses, and fosters a sense of place. Create walkable districts mixing commercial, civic, cultural, educational and recreational activities with open space and housing for diverse communities.

Examples of ways to demonstrate consistency:

- ☐ The project creates or supports mixed use.
- ☐ The project rehabilitates or redevelops existing structures or infrastructure.
- ☐ The project involves new construction that contributes to town or center revitalization.
- ☐ The project is at a higher density than the surrounding area.
- ☐ The project mixes uses or adds new uses to an existing neighborhood.
- ☐ The project produces multi-family housing.
- ☐ The project utilizes existing water and/or sewer infrastructure.
- ☐ The project is compact and/or clustered so as to preserve undeveloped land.

Advance Equity: Promote equitable sharing of the benefits and burdens of development. Provide technical and strategic support for inclusive community planning to ensure social, economic, and environmental justice. Ensure that the interests of future generations are not compromised by today's decisions.

Examples of ways to demonstrate consistency:

- ☐ The project involves a concerted public participation effort (beyond the minimally required public hearing), including the involvement of community members, residents of the development and/or key stakeholders in the planning and design of the project.
- ☐ The project conforms to Universal Design standards and/or incorporates features that allow for "visitability".

☐ The project creates affordable housing in a neighborhood or community whose residents are predominantly middle to upper income and/or meets a regional need.

☐ The project targets a high-poverty area and makes available affordable homeownership and rental opportunities.

☐ The project promotes diversity and social equity and improves the neighborhood.

Make Efficient Decisions: Make regulatory and permitting processes for development clear, transparent, cost-effective, and oriented to encourage smart growth and regional equity.

☐ The project involves a streamlined permitting process, such as found in Ch. 40B, 40R or 43D.

Protect Land and Ecosystems: Protect and restore environmentally sensitive lands, natural resources, agricultural lands, critical habitats, wetlands and water resources, and cultural and historic landscapes. Increase the quantity, quality and accessibility of open spaces and recreational opportunities.

Examples of ways to demonstrate consistency:

☐ The project involves the creation or preservation of open space or passive recreational facilities.

☐ The project protects sensitive land, including prime agricultural land, and/or resources from development.

☐ The project involves environmental remediation or clean up.

☐ The project is part of the response to a state or federal mandate (e.g., clean drinking water, drainage).

☐ The project eliminates/reduces neighborhood blight.

☐ The project addresses a public health and safety risk.

☐ The project significantly enhances an existing community or neighborhood by restoring an historic landscape.

Use Natural Resources Wisely: Construct and promote developments, buildings, and infrastructure that conserve natural resources by reducing waste and pollution through efficient use of land, energy, water, and materials.

Examples of ways to demonstrate consistency:

- ☐ The project uses alternative technologies for water and/or wastewater treatment that result in land or water conservation.
- ☐ The project uses low impact development (LID) or other innovative techniques for storm water management that result in land or water conservation.
- ☐ The project repairs or rehabilitates sewer or water infrastructure to conserve resources.

Expand Housing Opportunities: Support the construction and rehabilitation of homes to meet the needs of people of all abilities, income levels, and household types. Build homes near jobs, transit, and where services are available. Foster the development of housing, particularly multifamily and smaller single-family homes, in a way that is compatible with a community's character and vision and with providing new housing choices for people of all means.

Examples of ways to demonstrate consistency:

- ☐ The project increases the number of rental units available to residents of the Commonwealth, including low- or moderate-income households.
- ☐ The project increases the number of homeownership units available to residents of the Commonwealth, including low- or moderate-income households.
- ☐ The project increases the number of housing options for special needs populations and people with disabilities.
- ☐ The project expands the term of affordability

Provide Transportation Choice: Maintain and expand transportation options that maximize mobility, reduce congestion, conserve fuel and improve air quality. Prioritize rail, bus, boat, rapid and surface transit, shared-vehicle and shared-ride services, bicycling, and walking. Invest strategically in existing and new passenger and freight transportation infrastructure that supports sound economic development consistent with smart growth objectives.

Examples of ways to demonstrate consistency:

- ☐ The project is walkable to public transportation.

☐ The project reduces dependence on private automobiles (e.g., provides previously unavailable shared transportation (such as Zip Car or shuttle buses).

☐ The project reduces dependence on automobiles by providing increased pedestrian and bicycle access.

☐ For rural areas, the project is located in close proximity (i.e., approximately 1 mile) to a transportation corridor that provides employment centers, retail/commercial centers, civic or cultural destinations.

Increase Job and Business Opportunities: Attract businesses and jobs to locations near housing, infrastructure, and transportation options. Promote economic development in industry clusters. Expand access to education, training, and entrepreneurial opportunities. Support the growth of local businesses, including sustainable natural resource-based businesses, such as agriculture, forestry, clean energy technology, and fisheries.

Examples of ways to demonstrate consistency:

☐ The project creates or retains permanent jobs.

☐ The project creates or retains permanent jobs for low- or moderate-income persons.

☐ The project locates jobs near housing, service or transit.

☐ The project supports natural resource-based businesses, such as farming, forestry, or aquaculture.

☐ The project involves the manufacture of resource-efficient materials, such as recycled or low toxicity materials.

☐ The project supports businesses which utilize locally produced resources such as locally harvested wood or agricultural products.

Promote Clean Energy: Maximize energy efficiency and renewable energy opportunities. Support energy conservation strategies, local clean power generation, distributed generation technologies, and innovative industries. Reduce greenhouse gas emissions and consumption of fossil fuels.

Examples of ways to demonstrate consistency:

☐ The project complies with EPA's Energy Star guidelines or with a similar system.

☐ The project uses a renewable energy source, recycled and/or non-/low-toxic materials, exceeds the state energy code, is configured to optimize solar access, and/or otherwise results in waste reduction and conservation of resources.

☐ The project reuses or recycles materials from a local or regional industry's waste stream.

Plan Regionally: Support the development and implementation of local and regional, state and interstate plans that have broad public support and are consistent with these principles. Foster development projects, land and water conservation, transportation and housing that have a regional or multi-community benefit. Consider the long-term costs and benefits to the Commonwealth.

Examples of ways to demonstrate consistency:

☐ The project is consistent with a municipally supported regional plan that identifies sub region, area or location, and the number and type of housing units or jobs needed.

☐ The project addresses at least one of the barriers identified in a regional Analysis of Impediments to Fair Housing.

☐ The project has a measurable public benefit beyond the applicant community.

NOTES:

Projects that entirely serve to eliminate a public health or safety risk (e.g., demolition of a blighted structure) are exempt from the Sustainable Development threshold. In addition, CDBG-funded Public Social Service and business assistance for projects not requiring construction are also exempt. Projects seeking funding from the state's community development programs remain subject to the specific programmatic requirements. Similarly, projects proposed under c. 40B are governed by MGL c. 40B Sections 20-23, and applicable regulations, as well as all Fair Housing Laws. Projects should also demonstrate consistency with the Commonwealth's Fair Housing Principles, attached at the end of this document.

EXHIBIT 7

Massachusetts Fair Housing Mission Statement and Principles

The mission of DHCD through its programs and partnerships is to be a leader in creating housing choice and providing opportunities for inclusive patterns of housing occupancy to all residents of the Commonwealth, regardless of income, race, religious creed, color, national origin, sex, sexual orientation, age, ancestry, familial status, veteran status, or physical or mental impairment.

It shall be our objective to ensure that new and ongoing programs and policies affirmatively advance fair housing, promote equity, and maximize choice. In order to achieve our objective, we shall be guided by the following principles:

- 1. Encourage Equity.** Support public and private housing and community investment proposals that promote equality and opportunity for all residents of the Commonwealth. Increase diversity and bridge differences among residents regardless of race, disability, social, economic, educational, or cultural background, and provide integrated social, educational, and recreational experiences.
- 2. Be Affirmative.** Direct resources to promote the goals of fair housing. Educate all housing partners of their responsibilities under the law and how to meet this important state and federal mandate.
- 3. Promote Housing Choice.** Create quality affordable housing opportunities that are geographically and architecturally accessible to all residents of the commonwealth. Establish policies and mechanisms to ensure fair housing practices in all aspects of marketing.
- 4. Enhance Mobility.** Enable all residents to make informed choices about the range of communities in which to live. Target high-poverty areas and provide information and assistance to residents with respect to availability of affordable homeownership and rental opportunities throughout Massachusetts and how to access them.
- 5. Promote Greater Opportunity.** Utilize resources to stimulate private investment that will create diverse communities that are positive, desirable destinations. Foster neighborhoods that will improve the quality of life for existing residents. Make each community a place where any resident could choose to live, regardless of income.
- 6. Reduce Concentrations of Poverty.** Ensure an equitable geographic distribution of housing and community development resources. Coordinate allocation of housing resources with employment opportunities, as well as availability of public transportation and services.
- 7. Preserve and Produce Affordable Housing Choices.** Encourage and support rehabilitation of existing affordable housing while ensuring that investment in new housing promotes diversity, and economic, educational, and social opportunity. Make housing preservation and production investments that will create a path to social and economic mobility.

- 8. Balance Housing Needs.** Coordinate the allocation of resources to address local and regional housing need, as identified by state and community stakeholders. Ensure that affordable housing preservation and production initiatives and investment of other housing resources promote diversity and social equity and improve neighborhoods while limiting displacement of current residents.
- 9. Measure Outcomes.** Collect and analyze data on households throughout the housing delivery system, including the number of applicants and households served. Utilize data to assess the fair housing impact of housing policies and their effect over time, and to guide future housing development policies.
- 10. Rigorously Enforce All Fair Housing and Anti-Discrimination Laws and Policies.** Direct resources only to projects that adhere to the spirit, intent, and letter of applicable fair housing laws, civil rights laws, disability laws, and architectural accessibility laws. Ensure that policies allow resources to be invested only in projects that are wholly compliant with such laws.

FY2015 Emergency Solutions Grant (ESG) Program

The Emergency Solutions Grant Program (ESG) funds eligible activities designed to prevent homelessness, support basic shelter operations and provide essential rapid re-housing services for homeless individuals and families currently in the shelter system or living in a place not meant for habitation. DHCD's ESG federal award period for FY15 is 4/1/2015-3/31/2015. DHCD currently contracts with sub-recipients to offer ESG services from July 1st to June 30th. In order to align our sub-contracting period with our ESG federal award, DHCD has renewed existing ESG contracts for a period of nine months (7/1/15-3/31/16). DHCD expects to release a request for response (RFR) for ESG funding in the fall of 2015. The RFR will be written with consideration of input provided from each Continuum of Care.

Massachusetts will continue to utilize FY15 ESG funding to support shelter capacity at 20 shelters across the state, which includes 2 non-EA family shelters, and 5 DV safe havens. In FY14 ESG served over 20,000 persons with ESG services. Our FY15 award is expected to serve as many if not more persons through renewed ESG sub-contracts. DHCD has allocated Massachusetts Nonentitlement funding for FY15 as indicated in chart below.

Proposed Activities and Overall Budget

Component	Planned Allocation
Street Outreach	None
Emergency Shelter Renovation	None
Emergency Shelter Conversion	None
Shelter Support (Operations/Essential Services)	\$1,585,513*
Rapid Re-Housing and Stabilization	\$1,816,934*
Homelessness Prevention	\$ 833,264*
HMIS	\$ 50,000
Administration	\$ 150,000
Emergency Solutions Grants Subtotal	\$4,435,711*

--	--

*Reallocation of funds among program components: DHCD has not yet obligated our full FY15 award. During the year, DHCD may have cause to recapture earlier program year funds from non-performing grantees; or there may be opportunities to recapture program income generated by communities from earlier projects. When awarding those funds DHCD will use current program guidelines as established in the most recent One Year Plan.

Written Standards

DHCD intends for agencies to maximize resources and requires that all organizations receiving ESG funding, regardless of component, be part of a larger network of homeless services. Through a RFR process completed for FY 2013, organizations were required to describe how the proposed program would partner with individual homeless shelters, domestic violence shelters, and non-EA emergency shelters within the CoC to identify and assist eligible households in need of services. Additionally, organizations requesting funding under Homelessness Prevention were required to describe how the proposed program would link to other programs that may identify and refer families who would become homeless, but for ESG, within the CoC's jurisdiction, including RAFT; HomeBase; the ICHH Regional Network; legal service organizations; Tenancy Preservation Programs; and domestic violence shelters.

ESG Rapid Re-housing & Homelessness Prevention services **may not** be combined with any other rapid re-housing or prevention service, including RAFT, HomeBase, and other state or HUD funded rapid re-housing or homeless prevention programs. Therefore, organizations are responsible for identifying procedures for preventing households from receiving the same type of assistance through more than one public source at the same time.

Through the FY procurement process, DHCD established written standards for administering the Emergency Solutions Grant Program (ESG) throughout the Commonwealth by component. These standards work in conjunction with recordkeeping and reporting requirements for each service component which are updated annually by DHCD.

Rapid Re-Housing:

ESG participants must meet the HUD [definition of homelessness](#) defined by the ESG Interim Rule AND be residing in an emergency shelter or place not meant for habitation. Exceptions may be granted only in cases where the household meets the HUD definition of homelessness and does not have access to alternative re-housing resources.

Sub-recipients offering DHCD funded ESG rapid re-housing services may use ESG funding to serve eligible homeless families or individuals. Projected outcomes for FY15 were established through the contracting process at DHCD. Additionally, DHCD is in the process of identifying sub-recipient(s) to offer rapid re-housing services to target families in our state funded Emergency Assistance program. This targeted effort will help to decrease the number of families with children residing in state funded emergency shelter.

All DHCD ESG sub-recipients are required to determine and document the ESG eligibility of each household prior to providing services and must comply with the record keeping requirements per 24 CFR part 576.500. Eligible costs include third party payments for one or more of the activities cited in 24 CFR 576.105 and 576.106, to the extent necessary to help a household move as quickly as possible into permanent housing and achieve stability in that housing. For a detailed description of eligible costs DHCD references 24 CFR 576.105 and 576.106.

Homelessness Prevention:

In accordance with the Interim Rule, DHCD ESG homelessness prevention funds may only be used to serve households which:

1. Have income below 30% of the applicable Area Median Income (AMI) at time of intake; and
2. Are not eligible or currently receiving Emergency Assistance (EA). EA eligibility criteria can be found at 106 CMR: 309.020. These standards are posted at www.mass.gov/dta and can be viewed by selecting the *Program Eligibility Charts and Tables* link under Key Resources; and
3. Are currently housed and have received a Writ of Summary Process⁶; or
4. Are currently fleeing, or are attempting to flee, domestic violence which occurred in the last 30 days and in accordance with the HUD ESG Interim Rule; and
5. Lacks resources and/or support networks, e.g., family, friends, faith-based or other social networks.

The costs of Homelessness Prevention services are eligible only to the extent that the assistance is necessary to help the household regain stability in their current permanent housing or move into other permanent housing and achieve stability in that housing.

Per 24 CFR, no amount of ESG funded assistance shall exceed 24 months within a 3 year period.

⁶ DHCD will not require a judgment or execution order, however a 14 day 'Notice to Quit' will not suffice

Eligible costs include third party payments for one or more of the activities cited in Sections 576.105 and 576.106 of the Interim Rule, to the extent necessary to prevent eviction and stabilize a household. For a detailed description of eligible costs DHCD references 24 CFR parts 576.105 and 576.106.

Prior to authorizing any third party payments with ESG rental assistance funds, organizations must obtain the required documentation specified in the ESG Interim Rule and by DHCD; ensure the housing unit identified for the individual meets HUD habitability standards and verify the rent is reasonable in accordance with HUD's rent reasonableness standards (24 CFR Part 576.105).

ESG sub-recipients must require that all households receiving Homelessness Prevention services participate in housing stability case management not less than once per month while enrolled in the program to ensure long-term housing stability. Additionally, sub-recipients must re-evaluate a household's eligibility, and the types and amounts of assistance the household needs, not less than once every 3 months for households receiving homelessness prevention assistance, in accordance with 24 CFR 576.401(b).

Shelter Support

DHCD will renew 19 existing shelter support contracts to emergency shelter organizations which fit into the follow 3 components within shelter support:

- Non-EA (state) funded family beds
- Non-state or federally funded individual beds
- Non-state or federally funded family units for families currently fleeing domestic violence

ESG shelter support funds were only awarded to respondents that operate low threshold emergency shelters that accept any homeless person or family in need who can safely be admitted, without a requirement to participate in any program activities, provided that the individual agrees to:

- comply with basic safety shelter rules; and
- work with staff to develop and comply with a rapid re-housing plan

All DV family rooms funded under ESG must be able to keep the family household intact.

Eligible Costs under Shelter Support

DHCD will continue to fund eligible shelter support operations costs associated with creating and/or operating new or unfunded emergency shelter beds or rooms for homeless individuals or families in high need areas. Funding for shelters staff will continue to be capped at 50% of the requested budget amount. Requests for rehabilitation of shelter facilities to create new community beds were not eligible under the ESG RFR published by DHCD and are not eligible under renewal contracts. However, one-time

costs for painting, repairs, beds, etc. were considered and requests for contract amendments requesting such one-time costs will be considered. DHCD allows ESG funding to be used for the following expenses:

- Maintenance
- Insurance
- Utilities
- Rent
- Program Supplies (mats, linens such as bedding, towels, etc.)
- Repairs
- Fuel
- Food
- Durable goods for use in temporary emergency shelters such as furniture, washers, dryers, refrigerators, and freezers.
- Shelter Staff (up to 50% of budget)

Ineligible Shelter Support Costs:

DHCD does not allow ESG funding to be used for:

- Costs associated with operating transitional shelter programs, transitional housing programs, or permanent housing programs.
- Recruitment or training of staff.
- Depreciation.
- Entertainment, time or travel, lodging or fees for attending conferences or retreats.
- Public relations or fund raising.
- Bad debts/late fees.
- Costs associated with the organization rather than the ESG portion of the shelter (i.e. membership dues, trade journal subscriptions.).
- Mortgage or rental costs to a respondent or a respondent's subcontractor which has ownership or other financial interest in the facility or who has a subsidiary with ownership or another financial interest in the facility. **Note:** a landlord may not be the respondent or a subsidiary of the respondent and is not considered a subcontractor.
- Advocacy, planning, and organizational capacity building.
- Purchase of a vehicle to provide transportation.

Centralized or Coordinated Intake System

The Commonwealth currently has a centralized and coordinated intake system in place for all families who are at imminent risk of becoming homeless, and/or are currently homeless in need of emergency shelter through our Emergency Assistance and HomeBase programs.

CoC's within the Commonwealth are in various stages of establishing a centralized and coordinated assessment system for their respective CoC's. DHCD has determined that for ESG programs to be successful, the programs and services must be part of a larger network of resources. Therefore, to be eligible for ESG funding, sub-recipients are required to demonstrate how their program will work with

other mainstream organizations and service providers to connect their program participants to available services across the Commonwealth. ESG services are provided in close coordination with other services funded by the Commonwealth, including Rental Assistance for Families in Transition (RAFT) & HomeBase, to ensure that no family is left without the necessary resources to prevent homelessness or receive immediate access to emergency shelter and/or rapid re-housing services. DHCD has further identified the need for connecting families experiencing Domestic Violence with emergency housing services and has made a significant effort to offer shelter and rapid re-housing services to these families.

State ESG officials distribute information about Federal and State policies relevant to homeless families and individuals to all homeless services providers, Regional Networks, and CoC's on a regular basis. State officials attend and convene local and regional gatherings on occasion, and communicate regularly with ESG Entitlement Communities to help coordinate ESG activities as appropriate throughout the Commonwealth. Through the RFR process, sub-recipients who offer services within an ESG Entitlement Community were required to communicate with and to provide written confirmation from the Entitlement Community documenting that DHCD ESG funding would not duplicate, but rather enhance existing services. ESG Entitlement Communities were also required to sign a statement showing support for the proposed DHCD ESG program.

Consultation with each CoC

DHCD continues to provide each CoC with detailed information about the DHCD ESG funded program within their jurisdiction including the sub-recipients success at meeting the proposed performance measurements and compliance with ESG rules and regulations.

Renewal awards for FY15 were made after receiving input from each CoC via meetings, conference calls, and an online survey conducted in the spring of 2015. As part of the consultation process, CoCs are asked to have frank conversations regarding the use of ESG funding within their continuum. Each CoC is provided opportunity and encouraged to express the outcomes of those conversations with DHCD. In preparation for our upcoming procurement (for FY16 funding), DHCD will rely heavily on each CoC to prioritize funding needs within their continuum since the ESG Massachusetts nonentitlement award will be spread across the Commonwealth.

Process for Allocation of Funds

After consulting with each CoC regarding their needs and priorities for ESG funding, DHCD released a request for responses (RFR), for new awards to be issued in FY13 (contract period 7/1/13-6/30/14). The RFR allowed awards made through the procurement process to be renewed for up to two additional years (FY14 & FY15). We are currently ending the third and final year of the existing procurement.

Throughout the contract period, DHCD continues to consult with each CoC and sub-recipient about the needs of their community and their use of ESG funding.

ESG Performance Standards

In addition to advancing the Housing First philosophy and Rapid Re-Housing model, the Commonwealth has the following goals:

- Reduce the number of households becoming homeless and needing to be sheltered;
- Reduce the number of homeless households in shelters;
- Increase the number of very short term emergency shelter beds available to families fleeing domestic violence;
- Reduce the average length of stay at shelters receiving ESG funding; and
- Strengthen existing Continuum of Care (CoC) activities while increasing ESG coordination between the CoCs, the Commonwealth and state federal and local resources to reduce and homelessness.

DHCD has identified the following performance indicators for sub-recipients funded under ESG.

1. Number of households prevented from becoming homeless.
2. Number of households rapidly re-housed into permanent housing.
3. Number of emergency shelter bed nights made available to individuals and families with DHCD ESG funding.

All ESG programs are evaluated on a quarterly basis for performance and extensive technical assistance is provided to programs which have demonstrated an inability to meet their projected performance measures.

DHCD has identified performance measurements for each program requesting funding which sub-recipients are required to report on to DHCD on a quarterly basis in FY15. Programs which are under performing are provided with technical assistance as needed and funding may be de-obligated from those programs and re-allocated to more successful programs, if performance issues are not being addressed.

DHCD expects to conduct at least one monitoring visit for each ESG funded program within the contract year to help ensure performance measurements are met and that each ESG program is abiding by the written standards for operating ESG funding.

DHCD expects that performance standards will evolve and change over time based on ongoing consultations with CoC and Entitlement Communities and policy changes at the federal, state, regional, and local level.

Development of Funding, Policies, and Procedures for the administration and Operation of the HMIS

DHCD is the lead agency administering HMIS for the majority of the 19 CoC's at no cost to user for participation. Policies, procedures, data sharing protocols, and written agreements are already in place. In accordance with guidance provided by HUD, DHCD encourages organizations to utilize the HMIS operated by their CoC. Organizations which are not utilizing the HMIS administered by DHCD sign legal

agreements and data is either uploaded or synced to our HMIS which is expected to enable DHCD to run one aggregate APR to monitor programs and run one aggregate report to complete the ESG CAPER for HUD.

Domestic violence and legal aid agencies which receive ESG funding are required to utilize an HMIS comparable database which can produce an APR. DHCD provided written guidance to DV agencies, which have not received ESG or HUD funding previously, through the RFR process to help guide their planning process for implementing an HMIS comparable database. DHCD works closely with all DV and legal aid sub-recipients to help ensure that comparable HMIS systems are being utilized.

As agreed upon by each CoC, DHCD requires each ESG funded program to collect both universal and program level data on all eligible applicants receiving ESG services. As part of the monitoring process, sub-recipients are asked to run an APR during their site visit so that DHCD may review the sub-recipients data quality.

Match FFY2015

DHCD will provide the following state matching funds for the ESG program. DHCD plans to retain (HMIS and Administrative Costs) and plans to award the following to successful respondents to its competitive ESG procurement conducted for FY13: Shelter Support, Rapid Re-Housing and Homeless Prevention.

1. Component	2. Match Amount	3. Source: Use of Match
4. HMIS	5. \$100,000	6. DHCD: \$100,000 in state matching funds are expected to be available July 1, 2015 through a state appropriation which funds DHCD's current contracted costs with its software vendor for DHCD funded homeless service providers operating emergency shelters for both homeless families and individuals. These contracted costs HMIS user software, software technical support, and minor programming edits; back up, recovery and repair of data and minor data field customizations for a variety of purposes; and the ESG proportionate share of contracted costs for: servers, completing data uploads, and other HMIS administrative activities.
7. Administrative Costs	8. \$100,000	9. DHCD: \$100,000 in state matching funds are expected to be available July 1, 2015 through the state appropriation funding DHCD's administrative costs including: The existing FTE's assigned to handle current ESG activities. These staff include the following positions: ESG contract manager, contract specialist, budget analyst, finance manager, federal program manager and accounts payable staff, plus fringe, training, equipment (hardware and software), overhead, space, and other ESG eligible costs incurred in the administrative management of ESG. The primary functions of these staff are developing DHCD's Request for Responses, managing the competitive procurement process, executing contracts and amendments with

		vendors, managing provider invoicing and payments through the state accounting and payment system, MMARS, performing IDIS activities, and ensuring the accurate and timely draw down of ESG funds after reconciliation with MMARS. DHCD plans to use the \$100,000 under ESG which does not need to be matched under this component.
10. Shelter Support	11. \$3M	12. DHCD: Anticipates funds allocated by the MA legislature on July 1, 2015 to DHCD for SFY16 will be in excess of \$40.5M for Homeless Individual Emergency Shelters programs. These funds support the operating costs and shelter staffing for the 3,210 individual shelter beds which DHCD funds. DHCD's ESG Shelter Support dollars are focused on those beds primarily for homeless individuals who are not funded by DHCD or another state or federal funding source. The ESG funded beds are generally emergency beds which are needed on a nightly basis but which are beyond the shelter's funded capacity. Until the ESG competitive procurement Shelter Support award decisions identify which emergency shelters will receive ESG shelter support funds, it is impossible to specify the exact amount of state funds available to emergency shelters which become ESG sub-recipients. The state match amount provided by DHCD in support of ESG funded shelter operations and staffing is expected to exceed \$3M in DHCD match.
13. Homeless Prevention	14. \$3M	15. DHCD: Anticipates state general funds allocated by the MA legislature on July 1, 2015 for SFY16 will be in excess of \$40.5M for the Homeless Program to Assist Individuals line from the state budget. DHCD anticipates that on July 1, 2015 we will be allocated \$11.0M for SFY16 for the Family Residential Assistance (RAFT) program, to provide assistance to families in addressing obstacles to maintaining or securing housing. Of these, the state match amount provided by DHCD in support of Homelessness Prevention and staffing is expected to exceed \$3M.
16. Rapid Re-Housing	17. \$521,000	18. DHCD: Anticipates state general funds allocated by the MA legislature on July 1, 2015 to include \$521,000 for the Rapid Rehousing of chronically homeless individuals from emergency shelters.

HOME Investment Partnerships Act (HOME) Program

MASSACHUSETTS HOME PROGRAM

ONE-YEAR ACTION PLAN FOR FEDERAL FISCAL YEAR 2015

The Department of Housing and Community Development anticipates receiving an allocation of \$6,477,784 in HOME funds in federal fiscal year 2014. DHCD plans to reserve 10 percent of the HOME allocation for administrative purposes, and award the majority of the remaining \$5,830,005 through competitive funding rounds and, in certain circumstances, readiness-based rolling submissions.

In addition, we expect several of our HOME projects to request permission to refinance and consent to limited partnership restructuring. Upon review of project proposals, DHCD may identify an opportunity to collect either an early principal and/or early interest payment on the HOME project. Any loan payment funds collected are treated as HOME Program Income, per 24 CFR Part 92.253, and reinvested in additional HOME activities through the same round and rolling structures described above. At this time, DHCD is not apportioning any part of Program Income for administrative costs. We also receive sporadic HOME Recaptured Funds from old Homeowner Rehabilitation or other first-time homebuyer restrictions. These latter amounts are typically small. In general, it is difficult to anticipate HOME Program Income, as our rental loans are nearly all deferred payment loans.

The new HOME Final Rule was published on July 24, 2013 and includes clarification regarding improving performance and accountability, as well as updates to property standard requirements. We have updated monitoring checklists in response to the new requirements and are also updating program policies and procedures, as needed. We previously incorporated the 2012/2013 allocation requirements and these requirements are reinforced by the new HOME Final Rule. We will continue to refrain from committing HOME funds to any project unless DHCD certifies that it has conducted an underwriting review, assessed developer capacity and fiscal soundness and examined neighborhood market conditions to ensure adequate need. DHCD also assesses a Community Housing Development Organization's capacity and staff development experience before awarding HOME funds and will not provide funds to an organization whose staff does not have development experience. In addition, those funds that were previously allocated for technical assistance for CHDO's and remain available, may be used for future HOME technical assistance. We will stay mindful of commitment, completion, inspection and occupancy requirements and deadlines. Property standards requirements will continue to be updated per additional HUD guidance and in accordance with effective date requirements.

DHCD will continue to contingently award its rental funds through a competitive RFP process. Notices of Funding Availability (NOFA) are published on DHCD's website and DHCD's listServ notifies subscribers when the NOFA or any new pertinent program information is posted. To subscribe to the listServ, anyone can send a blank email to: join-dhcd-housingdevelopment@listserv.state.ma.us. DHCD also reserves the option to make rental funds available on a rolling basis with clear readiness standards for projects that will serve low- and extremely low-income homeless families and individuals and low- and extremely low-income veterans. The homeless and veterans populations have been identified as being

in need of housing with supportive services. Although projects serving these populations will have a link to services, accepting services will not be a condition of HOME unit occupancy. Preferences will cover all protected classes and will not violate non-discrimination laws. DHCD will award federal fiscal year 2015 HOME program funds to the following program type: multi-family rental loans. Eligible applicants for HOME funds are municipalities, non-profit agencies (including CHDOs as defined by HUD), and for-profit developers. Note: a minimum of 15 percent of the federal FY 2015 allocation will be reserved for CHDOs serving as owners, sponsors, or developers of rental production projects. The Undersecretary of DHCD reserves the right to consider geographic distribution in making funding decisions for the 15 percent CHDO set-aside. DHCD will continue to encourage CHDOs to participate in the HOME program and will provide HOME technical assistance that will be available to CHDO staff, as well as others.

Allocation of Funds

DHCD will continue its past practice of seeking to competitively award HOME funds in those areas of the Commonwealth that do not receive HOME funds as a result of entitlement community or HOME consortium designation. DHCD also will competitively award HOME funds for rental loan projects in entitlement communities that provide a match for DHCD administered HOME funds.

During federal FY 2015 DHCD anticipates the following approximate amounts will be awarded through a competitive RFP process, depending upon the level of demand in each program category:

- \$5,830,005 - rental loan program
- n/a- project-based first-time homebuyer program
- n/a- purchaser-based first-time homebuyer program

Eligible HOME rental projects may be production of newly constructed housing units or adaptive reuse of structures to create housing units. Eligible HOME rental projects also may be preservation endeavors where an occupied property may be at the end of (e.g.) a tax credits compliance period and needs rehabilitation to bring the housing units to a stronger standard to ensure sustainability for a minimum of another 15 years. In some cases, a developer might purchase an occupied property to do rehabilitation to either preserve or create affordability. Typically, a project developer will create a new single purpose entity for any financial restructuring. With preservation proposals, DHCD reviews existing project conditions and a proposed scope of work, including a review of current/proposed management practices, as well as the proposed development and operating budgets. Operating budgets must appear feasible for a 21-year period. Typically a capital needs assessment is part of an application submission and review; a capital needs assessment must be completed and reviewed with regard to the scope of work prior to any HOME commitment. Architects and/or construction professionals are under written contract or agreement to DHCD to perform an assessment of the proposed scope of work to ensure that rehabilitation/construction will meet applicable property standards for at least 15 years. Preservation projects involving the refinancing of existing debt must have rehabilitation as the primary eligible activity, with a minimum of approximately \$30,000 in rehabilitation work/unit. Preserving existing units, as well as creating additional units on a the site are eligible. Preservation involving the refinancing of existing debt would follow the same HUD HOME minimum periods of affordability referenced in the

chart below and state-wide projects are eligible. HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including the CDBG program.

Evaluation Criteria for HOME Projects

DHCD will continue to competitively and contingently award HOME funds for Rental Loan activities. Certain rental submissions may be assessed on a rolling basis. HOME entitlement communities must provide a match for projects seeking DHCD-administered HOME funds.

The following criteria are used to evaluate projects:

- strength of overall concept
- strength of development team, including demonstrated capacity and evidence of good standing
- demonstrated need for project in the target neighborhood
- evidence of marketability and affirmative fair marketing plan included in proposal
- adherence to sustainable development principles
- suitable site and design, including appropriateness with regard to green building standards and increased accessibility
- appropriate scopes of rehabilitation or construction
- appropriate efforts to address energy conservation
- appropriate total development costs for properties included in proposal
- financial viability and sustainability of the project, including evidence of minimal, yet sufficient, utilization of HOME assistance
- degree of local support, including local funding commitments
- evidence of readiness to proceed
- evidence of satisfactory progress on previously funded projects.
- adherence to the general requirements of DHCD's current Qualified Allocation Plan
- CHDO-sponsored projects

The following terms and conditions apply to all HOME competitively awarded multi-family rental projects:

Terms and Conditions: Multi-Family Rental Projects	
Eligible Borrowers	For profit developers; non-profit developers; non-profit organizations designated as CHDOs; municipalities in cooperation with any of the above. Development teams must demonstrate effective capacity.
Eligible Activities	Acquisition and/or rehabilitation of existing structures for multi-family rental use, including distressed or failed properties, or the new construction of multi-family rental projects. Minimum project size of 5 HOME-assisted units.

Terms and Conditions: Multi-Family Rental Projects

Maximum Loan Amount	Typically, DHCD will award up to \$750,000 to \$1,000,000 per project and up to \$50,000 per HOME-assisted unit in HOME entitlement/consortium communities. In non-entitlement or non-consortium communities, the maximum loan is up to \$65,000 per HOME-assisted unit. We reserve the option to increase the per unit amounts for family projects located in gateway communities or areas of opportunity.
Match Requirement	Projects located in HOME entitlement or consortium communities should include a commitment of local funds. Local match also will be anticipated in CPA communities. If an application is submitted without a match, it may not be scored. In general, preference will be given to applications with full match commitments.
Cost/Fee Limits	Projects with Total Development Costs in excess of \$165,000 per unit may not be scored. Developer Fee + overhead may not exceed 12.5% of a project's Total Development Cost (with the exception of applicants also seeking LIHTC).
Security	All HOME loans will be secured by a mortgage on the property. HOME funds are often subordinate to other loans; the subordinate position will depend upon the financial structure of the deal.
Affordability	All units receiving HOME assistance must be occupied by households earning no more than 60% of the area median income and affordable to households earning 65% of the area median income. At least 20% of the HOME units must be occupied by and affordable to households earning no more than 50% of area median income. The minimum HUD HOME period of affordability will be met, with an extended local period of affordability.
Holdback Feature	DHCD provides HOME funds through a simple requisition process and holds back a minimum of 10% of the HOME award until the project is substantially complete.

Terms and Conditions: Multi-Family Rental Projects

Term of Loan	Typically, loans will be for 30 years. During the final year of a loan, the owner may request an extension of up to 30 years in order to maintain the affordability of the housing. Typically, HOME funds are structured as repayable deferred loans; in some cases, DHCD may require regular payments from a project's cash flow.
Recourse	The loans will be non-recourse.
Interest Rate	Generally, DHCD HOME loans are deferred payment loans with zero percent interest rates. DHCD reserves the right to assign a higher rate of interest to any HOME loan. HOME loans to projects receiving allocations of Low Income Housing Tax Credits are typically made at the Applicable Federal Rate (or higher) as required by the Tax Credits program.
Debt Coverage Ratio	DHCD expects HOME projects to have minimum debt coverage ratios of approximately 1.15 in year one.
Environmental	An ASTM Phase One environmental site assessment must be completed and submitted for each property within the project, either with the application or as part of the loan closing. All HOME projects are subject to the applicable requirements of 24CFR Part 58.
Lead Paint Requirements	HUD Federal lead-based paint regulations at 24 CFR Part 35 apply to all projects that are awarded HOME monies.
Section 3 and M/WBE Requirements	All HOME projects must meet Section 3 and M/WBE provisions, including appropriate outreach.

Terms and Conditions: Multi-Family Rental Projects	
Energy Star, Sustainability and Other Green Measures	All new construction must meet Energy Star or comparable/better standards. Any rehabilitation must meet Energy Star standards to the greatest extent feasible for the project. DHCD also expects projects to consider greening and sustainability to the maximum extent possible; all proposals must follow the guidelines as outlined in the Commonwealth's Qualified Allocation Plan.
Accessibility for Persons with Disabilities	For the new construction of any units or the substantial rehabilitation of 15 or more units of multi-family housing, Section 504 requires that 5% of the units (but not less than 1 unit) be accessible to individuals with mobility impairments and an additional 2% of the units (but not less than 1 unit) be accessible to individuals with sensory impairments. For moderate rehabilitation of 15 or more units, Section 504 also requires to the maximum extent feasible that the units be accessible to and usable by individuals with disabilities.
Good Standing at DHCD	Applicants for HOME funds, including all members of their development teams, must be in good standing with DHCD with respect to other DHCD-assisted projects.
Application Fees	The application fee for non-profit developers is \$450 per project; the fee for for-profit developers is \$1,250 per project. For projects seeking DHCD tax credits, only the tax credit application fees apply.

While we do not anticipate accepting project-based ownership project applications, the following criteria are used to evaluate first-time homebuyer projects:

- strength of overall concept
- strength of development team, including demonstrated capacity and evidence of good standing
- demonstrated need for project in the target neighborhood
- adherence to sustainable development principles
- suitable site and design, including attention to green building standards and increased accessibility
- appropriate scopes of rehabilitation or construction
- appropriate efforts to address energy conservation

- appropriate total development cost for properties included in proposal, including evidence of minimal utilization of HOME assistance
- appropriate sales prices and affordability analyses included in proposal
- evidence of marketability and buyer selection plan included in proposal
- degree of local support, including local funding commitments
- evidence of readiness to proceed
- evidence of satisfactory progress on previously funded projects.

First-time Homebuyer Resale or Recapture Provisions and Resubordination Policies

DHCD does not anticipate awarding new HOME purchaser-based homebuyer funds in the coming program year, as the smaller HOME allocation has limited our ability to extend the DHCD program beyond rental housing.

We will submit a Consolidated/Action Plan amendment proposal if we pursue the use of HOME funds with any new project-based or purchaser-based ownership activity and will present proposed restriction documents for HUD approval.

In general, we will resubordinate the HOME restriction to existing HOME first-time homebuyers when a proposed loan product is conforming, at a competitive interest rate, and in an amount that is no more than 90% loan-to-value and with ratios acceptable to DHCD. DHCD also typically consents if a homeowner is looking to reduce an interest rate and is not taking cash out of the transaction, even if the LTV exceeds 90% but is less than 100%.

Eligible Applicants for HOME Funding

PROGRAM COMPONENT	ELIGIBLE APPLICANTS
Rental Production	Community Housing Development Organization (CHDO) Non-Profit Developer For-Profit Developer Municipal Entity in Partnership with Non-Profit or For-Profit Developer

HOME Match

The resources for the HOME match continue to be the state-funded Massachusetts Rental Voucher Program (MRVP) and the state's Housing Stabilization Fund (both described in this section of the plan).

Annual expenditures through these two programs alone are approximately \$48 million. Since states are permitted to “bank” match, that expenditure level would constitute match -- calculated at 25 cents (\$0.25) on the HOME dollar (\$1.00) -- for many years.

HOME Technical Assistance

DHCD successfully administered four HOME Technical Assistance grants; In 2013, we closed out the fourth, which was awarded in August 2009. DHCD does not anticipate an additional TA grant during the 2014 HOME program year.

In the coming year, we will continue to offer HOME technical assistance directly from DHCD HOME staff and through our HOME compliance monitoring contractor. Typically, we proactively share program updates and work with developers and property managers to clarify program requirements. Both the listserv and our website are effective ways to convey HOME program news, as our standard pre-HOME loan closing business meetings and pre-and post-funding round information sessions, debrief calls, memos and letters.

HOME Performance Measures

In accordance with CPD Notice 03-09, DHCD’s HOME program has been collecting data for quantifiable performance measurement. Representatives from Massachusetts participated with the national workgroup which developed the HUD Outcome Performance Measurement System, as outlined in the Federal Register, June 10, 2005. HOME staff project managers attended HUD-sponsored performance measurement training in the summer of 2006. Two of the Commonwealth’s housing and community development objectives are the primary focus of the HOME program:

1. Develop and maintain an adequate supply of safe, decent housing that is affordable and accessible to residents with a range of income levels and household needs, and
2. Expand sustainable homeownership opportunities for low, moderate and middle income families.

DHCD’s HOME activities generally fall under the HUD objective:

- Provide decent affordable housing.

In general, the HUD outcome for our activities is:

- Affordability.

To meet these objectives and generate this outcome, DHCD provides funding for rental production, rental rehabilitation, homeownership production and homebuyer assistance. DHCD has begun incorporating the following primary performance measures for each funding type:

Rental Production

- Number of affordable units produced for each income category
- Amount of money leveraged for the rental activity
- Number of units for households at or below 30% of area median income
- Number of units for elderly households
- Number of children under age 6 within HOME-assisted units
- Number that are accessible under Section 504
- Number of units that meet the IECC energy standards
- Of the units meeting IECC standards, the number meeting Energy Star standards
- Number of units for formerly homeless households and formerly chronically homeless households
- Number of units for former residents of public housing
- Number designated for persons with HIV/AIDS

Rental Rehabilitation

- Number of affordable units preserved for each income category
- Number of minority households assisted
- Number of children under age 6 within HOME-assisted units
- Amount of money leveraged for the rental activity
- Number of units for households at or below 30% of area median income
- Number of units for elderly households
- Number that are accessible under Section 504
- Number of units that meet the IECC energy standards
- Of the units meeting IECC standards, the number meeting Energy Star standards
- Number of units brought to lead safety standards
- Number of unit-years of extended affordability
- Number of units for formerly homeless households and formerly chronically homeless households
- Number of units for former residents of public housing
- Number designated for persons with HIV/AIDS
- Number of first-time homebuyers (all DHCD ownership units carry a first-time homebuyer

We also ask for narrative data regarding HOME residents in new or older HOME projects to better learn how HOME units make an impact in the lives of low-income individuals and families. DHCD pursues ongoing data collection through compliance monitoring and via the Massachusetts legislation regarding tenant data collection. We expect that DHCD's HOME Program's performance measurement standards will further evolve, as our experience with the initiative matures.

Housing Opportunities for Persons with AIDS (HOPWA) Program

MASSACHUSETTS HOPWA PROGRAM FOR FISCAL YEAR 2015

The Massachusetts Department of Public Health (MDPH), Bureau of Infectious Disease (BID), Office of HIV/AIDS (OHA) administers HOPWA funds for the “balance of state.” MDPH will be using its HOPWA allocation in fiscal year 2015 to fund home-based HIV/AIDS Medical Case Management services that are provided by Victory Programs, Inc.

Victory Programs is a multi-service organization that provides housing and services to homeless individuals and families who may have substance use disorders and/or chronic health issues such as HIV/AIDS, Hepatitis C and mental illness. OHA awarded Victory Programs funding for home-based HIV/AIDS Medical Case Management (MCM) funds during a statewide procurement in State Fiscal Year 2011. This procurement included language to support the allocation of State, Ryan White Treatment Modernization Act, and HOPWA funding to successful applicants. Vendor selection involved a comprehensive community and internal review process, and as a successful applicant, Victory Programs initiated its new contract with OHA on July 1, 2011. The integration of HOPWA funds into this contract will begin as of July 1, 2015.

Victory Programs will use HOPWA resources to expand its Medical Case Management services to serve additional individuals living with HIV/AIDS in its wide network of housing and substance use treatment programs throughout Greater Boston and the Northeast region of Massachusetts. HIV/AIDS MCM services include medical care coordination, social service coordination, adherence support, substance use risk reduction, sexual health promotion, benefits counseling, and basic housing services. These services are intended to help individuals living with HIV access and maintain engagement in ongoing HIV medical care and treatment in order to maximize health outcomes, prevent acquisition of other commonly co-occurring infectious diseases, and reduce potential transmission of HIV to others. MCM is provided in a home-based setting when it is determined that issues including, but not limited to, substance use, mental health, and medical care needs could make it more likely for clients to fully benefit from these services in their residences.

OHA conducts thorough oversight of all of its contracts. Monitoring mechanisms include, but are not limited to, annual work plans, annual reports, routine programmatic and fiscal site visits, monthly contract management calls, monthly client data submissions, and ongoing fiscal monitoring.

Housing Opportunities for Persons with AIDS (HOPWA) Program

The Massachusetts Department of Public Health (MDPH), Bureau of Infectious Disease (BID), Office of HIV/AIDS (OHA) is responsible for the administration of “balance of state” HOPWA funds. In FFY 2015, the state will receive \$211,976 as a formula grantee. MDPH will use these resources to fund home-based HIV/AIDS Medical Case Management services.

Additional information about the state's use of state HOPWA funds can also be obtained by calling the Massachusetts Department of Public Health HIV/AIDS Bureau at (617) 624-5347.

Geographic Distribution of Funds for the HOPWA Programs

MDPH utilizes its resources to support the provision of Supportive Services primarily in Greater Boston and the Northeast part of the State.