



Commonwealth of Massachusetts
**EXECUTIVE OFFICE OF HOUSING &
 LIVABLE COMMUNITIES**

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

The Executive Office of Housing and Livable Communities (EOHLC) is proposing the following changes to the Massachusetts Community Development Block Grant (CDBG) program for FFY 2026.

PERIOD OF PERFORMANCE

There will be an 18-month implementation period for all the FFY 2026 grants (both Community Development Fund and Mini-Entitlement). For FFY 2026 grants, it is anticipated that the period will be from July 1, 2026, to December 31, 2027.

AVAILABILITY OF CDBG PROGRAM FUNDS

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

Program Component	Application Issued	FFY 2026 Applications Due
Community Development	Monday, January 26, 2026	Monday, March 30, 2026
Mini-Entitlement Program	Monday, January 26, 2026	Monday, March 30, 2026

TIMELY EXPENDITURE

Mass CDBG requires that all lead applicants with open CDBG grants comply with a timely expenditure threshold. To apply for FFY 2026 CDBG funding, a municipality must demonstrate, using the most recent financial status report produced by EOHLC’s grant management system, at the time of submission of application for FFY 2026 funds that:

1. 90% of all grant funds awarded to the municipality for FFY 2022/2023 and earlier FFYs have been fully expended;
2. 40% of all grant funds awarded to the municipality for FFY 2024 have been fully expended

On a case-by-case basis, EOHLC reserves the right to waive strict compliance with the threshold standards for events beyond the control of applicants, which the applicants have the burden to demonstrate. Please note, however, that for this grant round, if a municipality is less than 75% expended in the FFY21 award, a waiver will not be granted **unless good cause and a plan for expenditure of funds can be demonstrated. EOHLC is not inclined to grant a waiver unless a strong case is presented.** Municipalities must

contact their program representative to learn how to apply for a waiver. Waiver requests should be submitted no later than February 27, 2026, otherwise, it may not be considered. EOHLC may at its discretion review waiver requests submitted after, February 27, 2026, if the municipality demonstrates good cause for not submitting its request to EOHLC by such date.

A Mini-Entitlement community that cannot meet these threshold standards may have its award amount reduced based on defined grant limitations. EOHLC also reserves the right to limit the number of activities that a Mini-Entitlement can apply for beginning with the FFY27 round if this threshold is not met for the FFY26 round.

COMMUNITY-BASED PLANNING REQUIREMENT

Mini-Entitlement communities must have Community Development Strategies (CDS) and be able to demonstrate proposed application projects' consistency with the CDS. The Strategy (not to exceed three pages) is based on various planning documents used by a community and outlines a plan of action intended to accomplish specific community development goals that will have an impact on the community. The CDS identifies the goals and objectives of community development efforts over a 3-to-5-year period and explains how the community expects to address the priorities with CDBG and non-CDBG funds.

Each activity included in a Massachusetts CDBG Mini- Entitlement application must relate to and be reflected in the Strategy. The CDS is valid for three application rounds beginning with the strategy that was submitted with the FFY 2024 application. Note: as a newly added Mini-Entitlement, Beverly must submit their first Community Development Strategy (CDS) with their FFY26 application. All other Mini-Entitlements must submit an updated CDS for the FFY27 CDBG application round:

- a. The CD Strategy must clearly identify the goals for community development and describe the way a community will accomplish projects and activities which include but are not limited to those in the CDBG Mini-Entitlement application. All activities in the CDBG Mini-Entitlement application must be identified in the Strategy.
- b. The 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. Strategies may be amended. Any substantial change to the CDS must be presented in a public municipal forum, meeting, or hearing held at least two (2) months prior to the submission of a Mass CDBG application.

ALLOCATION OF CDBG FUNDS TO THE COMMONWEALTH:

EOHLC proposes the following allocation of 2026 funds based on level funding from FFY25:

MA CDBG PROGRAM COMPONENT	FFY 2026 ALLOCATION
Community Development Fund	\$24,005,415
Mini-Entitlement Program	\$8,750,000
- Section 108 Loan Guarantee*	<i>\$10,000,000</i>
Reserves	\$250,000
Section 108 Loan Repayments** (No. Adams, Everett)	\$336,622
Administration and Technical Assistance	\$1,132,743
TOTAL AVAILABLE (Includes \$34,424,780 allocation plus \$50,000 in program income)	\$34,474,780
*Section 108 Loan Program allocation does not impact the FFY 2026 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.	

COMMUNITY DEVELOPMENT FUND

Grant Award Amounts

Category	Minimum Grant from Competitive Round:	Maximum Grant from Competitive Round:
Single Municipality	\$ 100,000	\$850,000
Two Municipalities (Regional)	\$ 100,000	\$1,050,000
Three or More Municipalities (Regional)	\$ 100,000	\$1,250,000
Planning- or Design-only grants	\$ 10,000	-----

COMMUNITY DEVELOPMENT FUND

Scoring

Bonus Point: For the FFY26 Application round, there will be one bonus point awarded to applicants that did not have to submit a timely expenditure waiver.

MINI-ENTITLEMENT PROGRAM

Program Description & List

Municipalities were selected to be Mini-Entitlement communities if they met the three following criteria: (1) The percentage of low- and moderate-income residents is 40% or greater; (2) a poverty rate higher than the state average 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.

Mini-Entitlement communities were guaranteed an annual commitment of funds for a three-funding cycle period that ended with FFY 2025. The Mini Entitlement program and the formula to determine communities selected for the program were re-evaluated for the FFY 2026 program. As a result of this process, Beverly now qualifies to be added to the Mini-Entitlement list. This list will be in place for the FFY 2026, 2027 and 2028 CDBG application rounds. We will recalculate for the FFY 2029 program year.

EOHLC expects to award up to \$ \$8,750,000 from the FFY 2026 Mini-Entitlement Program allocation to 10 (ten) designated Mini-Entitlement municipalities, listed below:

1. Amherst
2. Beverly
3. Chelsea
4. Gardner
5. Greenfield
6. North Adams
7. Southbridge
8. Wareham
9. Webster
10. West Springfield

MINI-ENTITLEMENT PROGRAM

Grant Award Amounts and Requirements

Mini-Entitlement communities are eligible for a maximum award of \$875,000 based upon prior performance including effective implementation of activities, timely expenditure of funds and performance as indicated in monitoring reports, along with, the community's ability to identify eligible, feasible activities that can be completed in a timely manner

PUBLIC PARTICIPATION:

EOHLC will hold a virtual public information session on November 10, 2025, at 10:30am on the proposed changes for the FFY26 One Year Action plan. The meeting link will be provided upon release of this memo. There will also be a public hearing to receive comments on the FFY 2026 One Year Action Plan prior to its submission to the US Department of Housing and Urban Development (HUD). Interested parties are encouraged to submit comments, in writing or via email, in advance of the public session and also by November 24, 2025. Comments will continue to be accepted directly to EOHLC any time prior to, or at the scheduled hearing. Comments must be sent by email to Kathryn McNelis, Community Development Manager, at kathryn.mcnelis@mass.gov.