

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

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



DIVISION OF PUBLIC HOUSING

**Document Title: State Units Federalization
Notice of Funding Availability (“NOFA”)**

**Document Number: EOHLC2025-07
COMMBUYS Bid Number: BD-25-1076-OCDDE-PH005-106643**

**PHN 2024-17
Released September 19th, 2024**

Please note: This is a single document associated with a complete Bid (also referred to as a Solicitation) that can be found on COMMBUYS (www.COMMBUYS.com). All Bidders are responsible for reviewing and adhering to all information, forms, and requirements for the entire Bid, which are all incorporated into the Bid. Bidders may also contact the OSD Help Desk at OSDHelpDesk@mass.gov or the OSD Helpline at 1-888-MA-STATE. The Helpline is staffed from 8:00 AM to 5:00 PM Monday through Friday, Eastern Standard or Daylight Time, as applicable, except on federal, state, and Suffolk County holidays.

THIS NOTICE OF FUNDING AVAILABILITY (“NOFA”) AND ALL RESPONSES HERETO INCLUDING THE WINNING BID SHALL BECOME PUBLIC RECORD AS OF THE DATE THE CONTRACT REFERENCED HEREIN IS AWARDED. ANY PORTIONS OF A RESPONSE THAT ARE LABELED AS CONFIDENTIAL WILL STILL BE CONSIDERED PUBLIC RECORD.

The terms of [815 CMR 2.00](#), State Grants, Federal Grant Awards, Federal Subgrants and Subsidies are incorporated by reference into this NOFA. Contract and fiscal requirement terms used in this NOFA shall have the meanings defined in [815 CMR 2.00](#).

9/19/2024 EOHLC Updates:

- **Language updated throughout to remove MTW funding sources and replace them with EOHLC capital funds.**
- **June 30, 2024 deadline replaced with rolling application cycle, subject to funding availability.**
- **Updated Description of HUD Federalization Process (Attachment A)**

Program Description

The following is a listing of the minimum anticipated scope of services. EOHLC may elect to modify or redefine the scope of services as needed to ensure compliance with federal statutes, regulations, and other policies and requirements. EOHLC may also negotiate and execute contract amendments with the awarded Respondent/Bidder which EOHLC reasonably determines are within the scope of this NOFA and necessary to result in best value to the Commonwealth.

The State Units Federalization Program provides a new rolling application to fund rehabilitation or redevelopment work to be conducted prior to the federalization of state-aided public housing. EOHLC will make awards to rehabilitate or redevelop units to the extent necessary to meet the “decent, safe, sanitary, and in good repair” (DSS/GR) standard of [24 CFR 5.703](#), REAC, and any other applicable HUD standards, with the purpose of transferring the units from the state-aided portfolio to federal subsidy and oversight. This goal is in keeping with [M.G.L. c. 121B Sec. 34](#) and will help ensure the long-term fiscal stability of the federalized units while also increasing per-unit subsidies available for the state-aided portfolio.

This program is funded through FY25 Commonwealth Capital Investment Plan and authorized by the Affordable Homes Act ([Chapter 150 of the Acts of 2024](#)). Authorizations supporting this program include 7004-0074 (General Public Housing) or 7004-0075 (Public Housing Innovations Demonstration Program).

Project Eligibility

Local Housing Authorities (LHAs)¹ must have either sufficient Faircloth authority to federalize the proposed units and HUD approval to do so, or sufficient Section 8 subsidy to dedicate as project-based vouchers in support of the units in question. (LHAs **may apply** for capital federalization funds prior to receiving HUD approval for their projects, but LHAs must obtain preliminary scope approval from HUD before final award of capital federalization funds will be executed.) LHAs should review and be aware of the full HUD process for acceptance of new developments as described at [24 CFR 905.600](#) (“Subpart F”),

¹ The term “Local Housing Authorities” as used in this NOFA also refers to “Public Housing Authorities” as used by HUD.

particularly the submission requirements itemized at [24 CFR 905.606](#). LHA's without Faircloth authority may have an opportunity to create such authority by converting traditional PH units to project-based voucher supported units within their federal portfolio, if approved by HUD.

Projects must comply with all applicable state and federal laws and regulations (including without limitation [M.G.L. c. 30B](#) and [M.G.L. c. 149](#), as applicable), and with all HUD parameters for federalization. Projects must plan to meet HUD Housing Quality performance requirements applicable at the time (as provided in [24 CFR 982.401](#)), at time of conversion to federally funded and regulated housing.

LHA's using capital funds for the purposes outlined in this NOFA must ensure that the rehabilitated or redeveloped units remain affordable for a specified amount of time. In general, EOHLC expects that these federalized units will be affordable in perpetuity. The time restriction may vary from project to project, given the goals of an LHA, the project economics, market conditions and other factors. The following are minimum guidelines:

- 1) Units must remain affordable for a minimum of 30 years.,
- 2) Units must remain affordable to a similar income level as state public housing. Federal Public Housing or project-based HCVs meet this requirement.
- 3) LHAs must record a use agreement, covenant, or other document acceptable to HUD on the property where the units are located, which sets forth the conditions imposed on the units. If there is an existing agreement or covenant recorded on the property with HUD, the LHA may rely on this document rather than record its own. EOHLC covenants on the property title may need to be removed before the property can be accepted by HUD, and EOHLC will terminate or modify the Contract for Financial Assistance (CFA) associated with the federalized units to exclude these units from the CFA.

Available Funds

A total of up to approximately \$35 million over five years may be awarded under this NOFA. An LHA may apply through this NOFA for up to \$100,000 per unit to be federalized. There is no limit on total funds requested for a single development, aside from the per-unit cap. Actual awards are subject to funding availability.

If project scope includes a full redevelopment, Respondent/Bidder must show other sources for all project costs beyond the \$100,000 per unit cap established in this NOFA..² All awards and contracts are subject to appropriation and conditional upon the availability of funds.

² For example, if an applicant proposes to redevelop a 100-unit state development as a 150-unit development with 50 new project-based HCV units, the applicants would only be eligible for up to \$10M (\$100K x 100 federalized units) through this NOFA.

Application Components and Process

Submitting an Application

1. Upload all required application documents (itemized below) to a file-sharing site such as Dropbox and grant access to anyone with the link
2. Email the link to EOHLCPublicHousing@mass.gov with the subject “State Units Federalization Application (LHA name)”

This is a rolling program, and EOHLC will review applications as submitted. While there is no application deadline to apply for funding, all funds are subject to availability.

Submitting Questions

Interested parties may submit questions about this NOFA to EOHLCPublicHousing@mass.gov by October 11, 2024. Please include “State Units Federalization Question” in subject line.

Required Application Documents

- Narrative (5 pages maximum)
 - Description of scope;
 - As applicable, confirmation of existing Faircloth authority, upcoming available Faircloth Authority, or sufficient Section 8 subsidy;
 - Explanation of whether property will be operated as traditional HUD federal public housing or undergo Faircloth to Rental Assistance Demonstration (RAD) conversion;
 - If part of a major redevelopment, project sources and uses budget with narrative on commitment of other sources;
 - Confirmation of how current residents will be accommodated into property or portfolio once development is federalized and that no current residents will experience increased rent or loss of housing due to the federalization; and
 - Discussion of affordability covenants/
- Evidence of consultation with affected residents to solicit input into the proposed project (cf. [24 CFR § 905.600\(c\)\(2\)](#) and [760 CMR § 11](#));
- Project timeline, including dates of necessary HUD approvals;
- Detailed cost estimation and project budget (including references to CPS inventory) to bring units up to DSS/GR standard; and
- Record of LHA Board approval to submit application.

Record of HUD approval for the project is not necessary for initial submission of the application to EOHLC. However, final award of capital federalization funds will not be granted until HUD has issued preliminary scope approval to LHA. See Attachment A: HUD/EOHLC Process for Federalization Projects.

EOHLC reserves the right at any time to accept or reject any or all proposals in whole or in part, to take exception to these NOFA requirements or to waive any informality and to exclude any proposals for further consideration for failure to fully comply with the requirements of this NOFA. EOHLC reserves the

right to request additional information from Respondents/Bidders during the review process and to use other available information as may be necessary to complete its review. Each Respondent/Bidder shall provide any additional requested information to EOHLC prior to execution of the contract.

Review Process

Respondents/Bidders requesting more than \$5 million will participate in a mandatory pre-review meeting with EOHLC.

EOHLC will review submitted applications for:

- Eligibility of project scope;
- Completeness of application;
- Consistency with the goals of the program and of EOHLC overall, including but not limited to cost effectiveness, preservation of permanent affordability, and tenant protections (including eligibility for housing of current tenants); and
- Accuracy and completeness of cost estimates (to include site visit to ensure that proposed scope will be sufficient to bring units up to federal standards).

In addition to acceptability of the application components, awards will be conditioned on:

- Confirmation and approval of required scope from HUD (through site visit, review of EOHLC assessment, or both);
- LHA capacity (experience working on similar projects and ability to manage this project); and
- Availability of funding.

Applications which pass review on the above criteria will be eligible for award. Preference will be given to proposals that have a short timeline to construction, either by virtue of being simple projects or based on proposed gap funding for larger projects that are already underway. EOHLC will not fund projects where the \$100,000 per unit max is not sufficient to complete the project and the LHA has not secured committed gap financing. As this is a rolling program, applications will not be competitively scored against one another.

It is anticipated that the successful Respondent/Bidder will receive an award pursuant to an award letter offering to enter into a Contract for Financial Assistance, renewable at EOHLC's sole option, and subject to the availability of funding and satisfactory performance. EOHLC reserves the right to extend the duration of the award and/or amend the terms of the award as necessary.

Responses to this NOFA may be reviewed and evaluated by any person(s) at the discretion of EOHLC including non-allied and independent consultants retained by EOHLC for the sole purpose of evaluating and analyzing responses.

Additional Terms

Responses to this NOFA must remain in effect for at least 120 days from the date of submission.

Respondents/Bidders must additionally be legally qualified to contract in Massachusetts and must not be currently subject to any state or federal debarment order. By submitting their NOFA Response, the Respondent/Bidder affirms that they are not subject to any state or federal debarment order.

The successful Respondent/Bidder will be required to enter into a contract with EOHLC including the Commonwealth's Standard Contract Form, the applicable Commonwealth Terms and Conditions, and any other required state contract forms. Contracts issued under this NOFA shall include federal funding and may be subject to applicable state and federal compliance and review requirements. By submitting their NOFA Response, the Respondent/Bidder agrees to the terms and requirements of the Commonwealth standard contract forms and to the terms of this NOFA, including its attachments.

All responses and information submitted in response to this NOFA are subject to the Massachusetts Public Records Law. All written correspondence and materials submitted to EOHLC during this process, including as part of the response to this NOFA, become the property of EOHLC upon their receipt and will not be returned to the submitting parties. Except as provided in the Public Records Law, all materials submitted to the EOHLC are subject to release as public records. In no event shall EOHLC, or any of their agents, representatives, consultants, directors, officers, or employees, be liable to a Respondent/Bidder for the disclosure of all or a portion of a response or related information submitted in connection with this NOFA.

This NOFA does not commit EOHLC to pay any costs incurred in the preparation of a Respondent's/Bidder's response to this NOFA or to enter into a contract for services. EOHLC may (i) accept or reject any and all proposals received as a result of this NOFA; (ii) contract for some, all or none of the services offered by Respondent/Bidders in response to this NOFA; (iii) negotiate with one or more of the qualified Respondents/Bidders; or (iv) cancel, in part or in its entirety, this NOFA if it is in the best interest of the Commonwealth to do so.

EOHLC reserves the right to make amendments to the NOFA after initial publication. Any such amendment will be posted to COMMBUYS. It is each Respondent's/Bidder's responsibility to check COMMBUYS for any amendments, addenda or modifications to this NOFA, and any Q&A records related to this NOFA. EOHLC accepts no responsibility and will provide no accommodation to Respondents/Bidders who submit a response based on an out-of-date NOFA or on information received from a source other than COMMBUYS.

Respondents/Bidders with disabilities or hardships that seek reasonable accommodation, which may include the receipt of NOFA information in an alternative format, must communicate such requests in writing to EOHLC. Requests for accommodation will be addressed on a case-by-case basis.

COMMBUYS Instructions

While all applications seeking funding pursuant to this NOFA should be submitted to EOHLCdesignsubmission@mass.gov, this NOFA will be launched and managed via COMMBUYS. Instructions for log-in and use of COMMBUYS are described in <http://www.mass.gov/anf/docs/osd/forms/instructions-for-vendors-responding-to-bids.docx>. LHAs may also contact the COMMBUYS Helpdesk at COMMBUYS@mass.gov or the COMMBUYS Helpline at 1-888-MA-STATE.

Respondents/Bidders are required to monitor COMMBUYS for changes to the procurement calendar for this NOFA. It is the responsibility of the prospective Respondent/Bidder to maintain an active registration in COMMBUYS and to keep current the email address of the Respondent's/Bidder's contact person and prospective contract manager.

EOHLC and the Commonwealth assume no responsibility if a prospective Respondent's/Bidder's designated email address is not current, or if technical problems, including those with the prospective Respondent's/Bidder's computer, network or internet service provider cause email communications sent to/from the Respondent/Bidder and EOHLC to be lost or rejected by any means including email or spam filtering.