Executive Office of Housing and Livable Communities

Supportive Housing for Vulnerable Populations

Notice of Funding Availability

HTF, HIF, AND OTHER SOURCES

August 2025

I. Purpose of NOFA

The Healey-Driscoll Administration is deeply committed to increasing the supply of affordable rental housing throughout the Commonwealth for individuals and families with various income levels and needs. One of the Administration's priority housing goals is the creation of more affordable rental units for vulnerable populations, who often need supportive services in order to access and maintain stable housing. In support of this goal, the Executive Office of Housing and Livable Communities (HLC), working in partnership with the Community Economic Development Assistance Corporation (CEDAC), will make certain funds available through a supportive housing competition to be held in December 2025. Under this NOFA for supportive housing projects, HLC and CEDAC will make available resources including the National Housing Trust Fund (HTF), the Housing Innovations Fund (HIF), and other HLC sources.

II. Populations to be Served

The populations to be served through projects funded under this NOFA include the following:

- homeless families, including chronically homeless families
- homeless individuals, including chronically homeless individuals
- families or individuals with extremely low incomes (ELI)
- families of individuals with very low incomes (VLI)
- veterans
- individuals or families with behavioral health or substance addiction needs
- survivors of domestic violence
- survivors of human trafficking
- survivors of sexual violence
- individuals at risk of entering or transitioning out of the foster care system
- unaccompanied youth and young adults experiencing homelessness
- other unaccompanied adults
- persons at least 62 years of age and in need of supportive services
- individuals with developmental or other chronic disabilities
- individuals or families in need of transitional housing with supportive services

All sponsors should confer with HLC or CEDAC staff to ensure that the populations they intend to serve are eligible under this NOFA. For permanent supportive housing projects with 16 or more units, sponsors must provide an occupancy priority in 3% of all subsidized units for residents referred by the Department of Mental Health, the Department of Developmental Disabilities, MassAbility, and/or the Executive Office of Aging & Independence (AGE), according to the Memorandum of Understanding among HLC, the Massachusetts Housing Finance Agency, the Massachusetts Housing Partnership, DMH, DDS, MassAbility, and AGE. Units prioritized for DMH, DDS, and/or MassAbility under the Facilities Consolidation Fund (FCF) and Community Based Housing (CBH) programs will count toward the 3% priority requirement.

III. Primary Resources Available Under This NOFA

Two primary funding programs will be available through this NOFA: The National Housing Trust Fund (HTF) and the Housing Innovations Fund (HIF).

During the December competition, sponsors will request funds by submitting OneStop+ applications through HLC's Intelligrants system. Sponsors may anticipate that a portion of available funds, in addition to providing capital assistance for proposed projects, may also be earmarked and used for the provision of supportive services. Sponsors will be required to submit a detailed supportive services plan with the OneStop+ application and are encouraged to consult with HLC/CEDAC as they develop their plans. The plan should include a supportive service budget, detailing specific funding sources for services and all expenses, as well as how the services will be tailored to the intended populations. The staffing line item should detail salaries in a full-time equivalent (FTE) format.

A. National Housing Trust Fund (HTF)

The National Housing Trust Fund (HTF) is an important resource for supportive housing in Massachusetts. HTF is a federal program to support the development of affordable housing for low-income individuals and households. The U.S. Department of Housing and Urban Development (HUD) administers HTF at the federal level and distributes trust funds to the states in accordance with an established formula. In Massachusetts, HLC is the allocating agency for HTF.

In partnership with CEDAC, HLC will award approximately $6 million in HTF funding to eligible projects intended to house individuals and households who would benefit from the availability of supportive services and who earn no more than 30% of the area median income. Per HUD guidance, HTF funds can only be used to directly support permanent rental units that house extremely low-income (ELI) individuals and households. HTF units can be included in projects that also house higher income tenants, but HTF monies can only support the HTF-designated units.

Sponsors may seek HTF funds to serve the eligible populations listed above. The target population(s) for each HTF project must be able to access the supportive services. To be eligible for HTF, sponsors must be non-profit entities or partnered with non-profit entities that receive supportive services funding from federal sources, state agencies under the Massachusetts Executive Office of Health and Human Services, and/or private funding, including funding from foundations and/or other charitable giving sources.

While HTF funds may be used for the production or preservation of affordable housing, many sponsors have found that the funds work best in production projects. Under this NOFA, HLC will accept applications for HTF funds only for new construction projects. If the sponsors of adaptive re-use projects believe they can meet the stringent rehabilitation standards mandated by federal and/or state agencies, they must immediately contact HLC to discuss how they would meet the standards.

Sponsors should note that compliance under HTF requires a specific approach to assessing the project's capital needs over a twenty-year period. New construction projects cannot include the demolition of a building that is listed or eligible to be listed on the National Register of Historic Places.

Sponsors also should note that recipients of HTF awards must conform to federal Build America Buy America (BABA) requirements, which are highly detailed. Sponsors are urged to research BABA requirements on their own as well as through communication with HLC and CEDAC.

B. Housing Innovations Fund (HIF)

The Housing Innovations Fund (HIF) is a primary source of funding for supportive housing projects in Massachusetts. HIF has been operational longer than any other HLC subsidy program. Since 1987, HIF has provided the core funding for all forms of supportive housing in the Commonwealth, including, but not limited to, permanent supportive housing, transitional housing, and emergency shelter beds, including shelters for survivors of domestic violence. HIF requires that at least 25% of a project's total units be restricted to ELI individuals and families (at or below 30% of the area median income). Funded through state bonds and administered by CEDAC on behalf of HLC, HIF often is used in tandem with federal HTF to create permanent supportive housing units. HIF also emphasizes the provision of robust supportive services, designed to support and maintain the tenancies of individuals and families who would benefit from the assembled services. HIF funds may only finance eligible projects sponsored by non-profit developers organized under Chapter 180 of the Massachusetts General Laws. While HIF funds may finance up to 50% of the total development cost of a project, HLC and CEDAC typically cap the assistance to a given project at $1 million. Under this NOFA, HLC and CEDAC anticipate awarding approximately $10 million in HIF to eligible supportive housing projects.

C. Additional HLC/CEDAC Resources and Availability of Vouchers

In addition to applying for HTF and/or HIF, applicants under this NOFA also may seek the following sources, subject to availability:

4% Low-Income Housing Tax Credits (LIHTC)
Community-Based Housing (CBH)
Facilities Consolidation Fund (FCF)

A limited amount of state Affordable Housing Trust Funds (AHTF) and state Housing Stabilization Funds (HSF) also may be available, although only to new construction projects and only with HLC’s advance approval. If sponsors wish to seek these sources, they must discuss their proformas with HLC staff before submitting their pre-applications. Sponsors applying for the sources listed above will be required to meet all program requirements specific to those sources.

HLC also will make HOME-ARP available under this NOFA. Interested sponsors should carefully review the HOME-ARP plan, as approved in April 2023 by the U.S. Department of HUD, and posted to HLC's website at https://www.mass.gov/doc/draft-home-arp-written-plan-february-2023/download. HOME-ARP is a valuable new resource for sponsors who seek to provide units for certain low- and extremely-low-income populations as identified by HUD. Sponsors who wish to request HOME-ARP under this NOFA must discuss their projects with HLC/CEDAC staff before submitting pre-applications in October 2025.

Under this NOFA, HLC is prepared to make available approximately 100 project-based Massachusetts Rental Assistance Vouchers (MRVPs), with the potential of $1,500 per unit per year in supportive service funding attached to each MRVP. Sponsors should note that MRVP vouchers will be made available at 100% of AMI payment standards. HLC also is prepared to make available a number of project-based Section 8 vouchers and a number of project-based Veterans Affairs Supportive Housing (VASH) vouchers. A request for VASH vouchers must be accompanied by a letter from a partnering Veterans Administration Medical Center. Sponsors seeking these vouchers resources will also be required to meet all program requirements specific to these resources.

In the upcoming competition, HLC and CEDAC intend to give priority to projects that create permanent supportive housing for the populations described in preceding sections of this NOFA. However, in order to reduce the incidence of chronic and long-term homelessness in the Commonwealth, HLC/CEDAC may invest a portion of the available supportive housing funds in the creation of non-congregate shelters, either as part of a transition to permanent supportive housing or as a small component of emergency units within a supportive housing project. HLC/CEDAC also may invest funds to support the acquisition of temporary housing, such as available hotels, motels, and nursing facilities, to be converted to permanent and affordable supportive housing. If resources permit, HLC reserves the right to prioritize the acquisition of temporary housing for use as emergency family shelter for a period of at least one year.

IV. Evaluation Criteria

Sponsors must ensure that their funding applications meet all existing requirements of any HLC resources which they seek. Sponsors and other development team members must have a satisfactory history of diverse supplier contracting and a demonstrated commitment to full participation by minority and women-owned business enterprises (MBEs/WBEs), as well as other diverse businesses certified by the Massachusetts Supplier Diversity Office (SDO) in all areas of contracting, including contracts for construction, design, goods and services. As part of the pre-application for each project, sponsors must submit a current plan for outreach, recruitment, and utilization of MBEs/WBEs and other diverse business enterprises.

Sponsors should note that HLC expects all projects -- whether new construction, adaptive re-use, or rehabilitation -- to incorporate aspects of green, carbon-reducing, sustainable, and climate resilient design. As part of the application process, project architects must submit a short description of the green characteristics of the project, as listed above.

Under this NOFA, sponsors are strongly encouraged to incorporate a significant percentage of accessible units within their projects. Sponsors should contact HLC and CEDAC staff to discuss which resources could be most useful in increasing accessibility.

Sponsors also should note that applications under this NOFA must meet HLC's limits on development and operating costs per unit for affordable housing, which are included in the current tax credit Qualified Allocation Plan (QAP), as posted to HLC's website. The limits included in the QAP apply to all HLC-assisted projects, not just to LIHTC projects. While COVID-19 has impacted construction and soft costs on many projects, sponsors should note that the total development cost per unit (TDC/unit) for each project submitted for consideration under this NOFA must be acceptable to HLC and CEDAC in the context of various program requirements set forth in the QAP and in other HLC guidance. In addition, sponsors of all rehabilitation projects must satisfy the HLC Rehabilitation Standards Guidelines.

Sponsors interested in participating in the December 2025 funding competition must submit a pre-application through HLC's Intelligrants system on or before October 23, 2025. Based on the information contained in the pre-application, HLC and CEDAC will determine whether the sponsor has the demonstrated capacity to develop the housing and provide the necessary services, is in good standing with the agencies, and has closed on projects with prior awards. HLC and CEDAC also will evaluate the pre-applications to determine whether the TDC/unit and other project costs appear to be acceptable. **Pre-applications representing projects with very high costs will not be approved.** Sponsors who lack experience in the development and management of supportive housing will not be eligible for this funding competition. HLC and CEDAC will evaluate the status of necessary zoning and permitting approvals, the status of architectural documents, and the status of other funding commitments as part of a readiness determination. Sponsors whose projects receive preliminary approval from HLC and CEDAC during the pre-application process will be invited to submit full funding applications. Approval of a pre-application does not constitute a commitment of funding. Full funding applications must be submitted through HLC's Intelligrants system, on or before December 19, 2025. No funding applications will be accepted after that date.

V. Supportive Services

All supportive housing projects must be structured as sound real estate investments as well as appropriate housing settings for income-eligible tenants who need supportive services. The populations to be served must be able to benefit from supportive services, and the source(s) of service funding must be identified in the application to HLC and CEDAC. If a sponsor requests and receives state rental assistance MRVPs for a project, HLC may make available up to $1,500 per unit per year for supportive services. The sponsor must identify funding sources to cover any additional cost of services.

Sponsors of applications must provide HLC/CEDAC with a description of how the project responds to the need for affordable supportive housing for the tenant population to be served as well as a tenant selection plan and affirmative fair housing marketing plan that must be approved by HLC/CEDAC.

Sponsors and their agents must comply with all applicable federal, state, and local fair housing laws, as well as applicable federal and state program requirements, in the rental of units at the project (including but not limited to resident selection and use and occupancy requirements). Unless units are to be filled through an HLC-approved closed referral process, sponsors must also list information about the assisted units and any related waitlist information on the Housing Navigator online housing search platform, both at the time of initial lease-up and on an ongoing basis as units become available.

Supportive services for individuals or families living in supportive housing units must be based on an individualized and detailed assessment of the individual or family's strengths and areas of needed support and improvement. In order for the assessments to be effective, the service provider must be experienced in outreach to and engagement with the population to be served. As part of a full funding application under this NOFA, the sponsor is expected to describe the method to be used to prepare individual or family assessments. Assessment tools must comply with fair housing requirements. Assessment or screening for individual service planning purposes should be separate and distinct from the housing application process.

Under this NOFA, HLC will give preference to qualified applicants who intend to create supportive housing units for individuals or families who face multiple barriers to securing and/or maintaining permanent housing. Barriers may include, but are not limited to, poor credit, prior evictions, poor rental history, domestic violence, multiple emergency shelter placements, and/or disability.

Effective stabilization and case management should assist an individual or family in maintaining a successful tenancy and increasing self-sufficiency. After an initial assessment of each tenant household, the service provider will develop an individualized service plan with measurable goals and objectives. The service plan should address the following:

- maintaining a successful tenancy;
- securing quality childcare, education, healthcare and recreational activities for any children in the household,
- securing or improving adult educational attainment and employment;
- improving and maintaining behavioral and physical health;
- improving financial and asset management skills; and
- increasing community connections.

The entity providing stabilization services and case management must document the individual or family's initial assessment and work plan and also must track and document the individual or family's engagement and progress toward the goals and measures outlined in the work plan. The services to be provided as well as the reporting requirements are subject to further HLC guidance.

If the service provider is a different entity from the owner of the property, the provider and the owner should have a successful record of previous collaboration and should provide HLC with documentation (such as an MOU) of their previous work together. If the provider and the owner have not previously worked together, they should contact HLC and CEDAC to discuss the proposed partnership.

No occupant of a supportive housing unit may be required to accept supportive services as a condition of tenancy.

VI. Readiness Standards for December 2025 Supportive Housing Competition:

At the time of full application on December 19, 2025, the project sponsor should have secured all necessary permits and public approvals, including zoning. The sponsor must have architectural design plans that are advanced to a degree acceptable to HLC and CEDAC. The sponsor must have identified any environmental issues related to the project site and must have an acceptable plan to address any such issues. The sponsor is expected to have most or all funding commitments, other than HLC's resources, in place. If relevant, the sponsor must have received Parts I and II historic approvals from the U.S. Department of the Interior. If the project is dependent on state historic tax credits, the sponsor must have received more than half of the credits for which the project is eligible. The sponsor must be able to represent to HLC that there are no unusual circumstances that would delay a loan closing and the start of construction.

VII. Application Process for December 2025 Competition:

As indicated in Section IV, sponsors who intend to seek HTF, HIF, and/or other HLC subsidies during the December 2025 competition must follow a two-step process:

- The sponsor must submit a pre-application for funds. All pre-applications must be submitted through HLC's Intelligrants system by October 23, 2025.

- If approved through the pre-application process, the sponsor must prepare a One-Stop+ funding application for submission to HLC no later than December 19, 2025. HLC will provide sponsors who are invited to submit full applications with instructions on accessing HLC's online system. All full applications must be submitted though the online system, and no applications will be accepted after the close of business on December 19, 2025.

HLC anticipates making funding recommendations on all applications in March 2026. The pre-application fee for the competition is $500 for non-profit sponsors and $1,000 for for-profit sponsors. Sponsors should refer to HLC's NOFA for its winter 2025 rental funding round to determine the application fee for the requested sources.

VIII. Process for Submitting Questions

In accordance with state COMMBUYS requirements, sponsors who have questions on this NOFA may submit their questions to EOHLC-HDU@mass.gov. (Note: As indicated, sponsors must submit OneStop+ applications through HLC’s Intelligrants system, not through COMMBUYS.)