

Executive Office of Housing and Livable Communities
Notice of Funding Availability
Winter 2024
Affordable Housing Competition for Rental Projects

I. Summary

The Executive Office of Housing and Livable Communities (HLC) is pleased to announce the start of the winter 2024 affordable housing competition for rental projects. The ongoing need for more affordable rental housing in Massachusetts was exacerbated by the COVID-19 pandemic and its wide-ranging effects -- in particular, on lower-wage earners, homeless families and individuals, and frail seniors. Every region of the state has significant need for more affordable rental housing designed to serve low- and moderate-income individuals and families. With resources available through this NOFA, HLC will fund hundreds of new affordable rental units and will help preserve existing affordable units. As it makes funding decisions under this NOFA, HLC will carefully evaluate the green, sustainable, and climate resilient aspects of every application to ensure that all projects selected for awards will help further the Commonwealth's climate objectives.

The deadline for submitting applications to the winter 2024 competition will be February 15, 2024. On or before February 15, 2024, HLC will accept applications from sponsors whose projects were approved in November 2023 through HLC's pre-application process. Only projects with November 2023 pre-application approvals will be considered during the winter 2024 competition. All applications to the winter 2024 competition must be submitted on-line using HLC's OneStop+ web-based application. Each sponsor will be limited to no more than two project applications for available resources. Please note: Sponsors of supportive housing projects typically are expected to apply to HLC's fall 2023 supportive housing round rather than to the February 2024 round.

It is of great importance to HLC to provide housing, not shelter, as a solution to homelessness. HLC's resources are critically important to this effort. Consistent with the goal of eliminating homelessness in Massachusetts, HLC -- through this NOFA and the winter 2024 competition -- will give priority in funding to projects that provide affordable housing for homeless families or individuals.

In addition, sponsors must provide an occupancy priority in 3% of all subsidized units for residents referred by the Department of Mental Health (DMH), the Department of Developmental Services (DDS), the Massachusetts Rehabilitation Commission (MRC), and/or the Executive Office of Elder Affairs (EOEA) according to a Memorandum of Understanding among HLC, the Massachusetts Housing Finance Agency, the Massachusetts Development Finance Agency, the Massachusetts Housing Partnership, DMH, DDS, MRC, and EOEA. All tenant referrals must pass the usual management screening and comply with any eligibility requirements under the approved tenant selection plan. Units set aside for DMH, DDS, and/or MRC clients under the FCF or CBH programs will count toward the 3% priority requirement.

Sponsors who receive awards through the 2024 winter competition will be required to participate in the Housing Navigator platform developed by the Kuehn Foundation, state housing agencies, and other supporters. More information on Housing Navigator is available from the Kuehn

Foundation and from HLC. The Navigator platform was activated in August 2021 and is available to all interested parties. It has proved to be a valuable resource for tenants, landlords, and other interested parties seeking information on rental housing in the Commonwealth.

The low-income housing tax credit and subsidy resources available during the winter 2024 competition include the following:

- Federal Low Income Housing Tax Credits (LIHTC)
- Massachusetts State Low Income Housing Tax Credits
- HOME Investment Partnerships Program (HOME) monies in combination with Low Income Housing Tax Credits or as a funding source without tax credits* (see below)
- National Housing Trust Fund (HTF) in combination with LIHTC or as a funding source without LIHTC
- Affordable Housing Trust Fund (AHTF) monies in combination with Low Income Housing Tax Credits or as a funding source without tax credits.
- Housing Stabilization and Investment Trust Fund (HSF) monies in combination with Low Income Housing Tax Credits or as a funding source without tax credits.*
- Transit Oriented Development (TOD) funds. TOD is available in combination with federal and/or state tax credits and other subsidy funds.*
- Capital Improvement & Preservation Trust Fund (CIPF) monies in combination with Low Income Housing Tax Credits or as a funding source without tax credits.*
- Housing Innovations Fund (HIF) monies as a funding source without Low Income Housing Tax Credits unless the sponsor intends to provide homeless units in conjunction with appropriate supportive services.
- Facilities Consolidation Fund (FCF) monies in combination with Low Income Housing Tax Credits or as a funding source without tax credits. Although these monies are available on a rolling basis, developers also may submit applications for FCF during this funding round. The guidelines for this program are available on HLC's website.
- Community-Based Housing (CBH) monies in combination with Low Income Housing Tax Credits or as a funding source without tax credits. The regulations and guidelines for this program are available on HLC's website.
- Accessibility Affordable Housing Grant (AAHG) as a funding source for any eligible project. (Please refer to page 9 of this NOFA for additional information.)

This resource list is based on the current authorizations available to HLC pursuant to Chapter 99 of the Acts of 2018. Actual state capital sources may change based on final authorizations approved by the legislature through a housing bond bill expected to be filed shortly.

All sponsors should note that, as of September 2023, the Executive Office cannot include federal ARPA funds as part of this NOFA. All ARPA funds available to HLC have been committed.

* HSF, TOD, and CIPF are identified as Housing Works sources under the Commonwealth's Capital Investment Plan (CIP).

However, sponsors can note in their pre-applications that they would accept ARPA if any ARPA-funded projects are unable to proceed.

II. Information on LIHTC Syndication:

Sponsors who seek federal LIHTC must commit to selecting a syndicator and/or investor acceptable to HLC. The syndicator/investor cannot have been involved in any “aggregator” activity in Massachusetts or in other states seeking to undermine the exercise of a LIHTC right of first refusal/right of first option, including, without limitation, refusal to honor a LIHTC right of first refusal/right of first option in favor of a non-profit sponsor executed concurrent with the initial tax credit equity closing for a LIHTC project.

III. Additional Information on HLC Subsidy Programs:

The Executive Office reserves the right to restrict the overall amount of funding committed during the winter 2024 competition, based on the availability of federal and state resources. All resources have been significantly oversubscribed in recent competitions. HLC expects demand to significantly exceed supply in the winter 2024 competition as well. Developers should further note that the state LIHTC continues to be a particularly stressed resource.

Under this NOFA, the minimum number of units for a project seeking tax credits is 20. For projects that do not need tax credits, the minimum number of units typically will be eight.

As long as their projects contain at least the minimum number of units, developers seeking HOME, HTF, AHTF, HSF, CIPF, FCF, CBH, and TOD funds may apply for these federal and/or state capital funds in combination with tax credits or as a funding source without tax credits. Developers seeking HIF may not apply for tax credits during this competition unless they intend to provide homeless units in conjunction with significant supportive services. The availability of state resources such as HSF, AHTF, CIPF, HIF, FCF, CBH, and TOD funds -- provided from the proceeds of the Commonwealth’s general obligation bonds -- is always subject to decisions on the bond accounts made from time to time by the Secretary of Administration and Finance. Developers seeking HOME, HSF, TOD, or CIPF for projects located in HOME entitlement/consortium communities should note that a local contribution of funds is required. Local match also is required for federal or state tax credit projects to be developed in municipalities that have their own funds through federal or local sources, unless the developer can provide matching funds from philanthropic or other sources acceptable to HLC. Further information is available from the Division of Housing Development at HLC.

Applicants should contact HLC staff to discuss the likely limits on all rental resources. HLC has established \$100,000 as the typical subsidy limit per affordable unit for the winter 2024 rental round. It is HLC’s expectation that sponsors typically will limit their request for HLC funding subsidy to \$100,000 per affordable unit. Non-profit sponsors of projects that primarily or exclusively serve persons with disabilities, veterans, or homeless families or individuals should contact HLC staff directly to discuss the subsidy limit for their projects.

Developers who intend to apply for tax credits and/or subsidy during the winter 2024 competition must simultaneously identify and apply for any other HLC resources included in the financing package. HLC typically will not accept applications for additional resources at a later date from

sponsors applying for tax credits and/or subsidy during this competition. Interested sponsors should refer to the program restrictions and additional application requirements summarized on pages 5-12 of this NOFA.

Transit-Oriented Development Program (TOD)

Since 2021, HLC has administered the new TOD program in coordination with the Massachusetts Housing Partnership (MHP) and will make up to \$10 million in TOD funds available under this NOFA.

HLC anticipates making TOD funding awards of \$1 million to \$1.5 million per project with a maximum of \$75,000 in TOD funds per affordable unit. HLC reserves the right to make larger awards -- for example, to larger-scale projects, or if additional funds are authorized by the legislature and approved by the Secretary of Administration and Finance. Eligible projects typically must be located within .5 miles of an existing or planned transit node, defined as a subway station, commuter rail station, bus station served by multiple high-frequency bus lines, or a ferry terminal, with safe and direct pedestrian or bicycle access between the proposed project site and the transit node. An eligible planned transit node must have an expected completion date on or before the expected occupancy of the proposed project. Projects also may be eligible if they are located between .5 and 1 mile of an eligible transit node and have other compelling TOD features, such as parking ratios of less than one space per unit or proximate secondary transit connections such as a public or private bus. In accordance with the enabling legislation, at least 25% of the occupants of projects assisted by TOD must have incomes no greater than 60% of AMI.

Also, in accordance with the current enabling legislation, preference will be given to projects located in communities most severely impacted by COVID-19. The TOD funds are intended to support projects that will expand access to affordable housing and employment opportunities in mobility-rich areas to reduce automobile dependency. Sponsors of age-restricted housing will not be eligible to seek this resource but will be eligible to seek many other HLC resources available under this NOFA. Sponsors of projects seeking TOD funds must meet with MHP before submitting a pre-application in advance of HLC's 2024 winter rental round.

IV. State-Aided Public Housing:

Sponsors who seek to redevelop state-aided public housing may be eligible to apply under this NOFA. However, sponsors also must apply to the Public Housing Innovations 2024 (PHI24) NOFA published as PHN 2023-1X. The PHI24 NOFA offers funding from public housing capital, HLC Moving to Work reserves, and project-based vouchers to support the redevelopment of state-aided public housing.

Sponsors seeking the HLC assistance available under this NOFA -- winter rental round 2024 -- must follow all pre-application and full application deadlines and instructions included in this document. All resource restrictions contained within this document will apply to state-owned public housing applications. However, sponsors of these projects also must submit pre-applications and full applications for public housing innovations assistance under the public housing NOFA cited above. Sponsors must immediately contact the Division of Public Housing using the process outlined in the PHI24 NOFA as posted by HLC.

V. Project-Based Assistance:

Sponsors of rental projects may apply for an allocation of Section 8 project-based voucher assistance from HLC, in accordance with all Section 8 project-based voucher regulations found at 24 CFR Part 983, originally published October 30, 2005, as amended, and all HLC PBV administrative plan requirements, as they may be amended from time to time, which can be found on HLC's web page at: <https://www.mass.gov/service-details/section-8-plans>.

In addition, HLC will make project-based assistance available to certain projects through the Massachusetts Rental Voucher Program (MRVP) and the Alternative Housing Voucher Program (AHVP). Please refer to a later section of this NOFA for additional information.

Sponsors also are encouraged to seek Section 811 PBVs in support of certain individuals with disabilities as certified by the Massachusetts Rehabilitation Commission. For further information on this resource, sponsors should contact the Division of Housing Development at HLC.

For certain eligible projects, HLC may offer project-based Veterans Affairs Supportive Housing (VASH) subsidies in place of or in addition to other project-based subsidies. Sponsors should refer to a later section of this NOFA.

VI. Pre-Application and Application Deadlines

The deadline for submission of pre-applications to the winter 2024 affordable housing competition for rental projects will be November 16, 2023. HLC will accept no more than two pre-applications from each developer. All pre-applications must be received at HLC on or before that date. Pre-applications must be submitted using OneStop+, HLC's on-line financing application. The link to the application system is: <https://massonestopplus.intelligrants.com>.

The deadline for submission of all on-line applications to the winter 2024 affordable housing competition for rental projects will be February 15, 2024. All applications must be submitted through HLC's intelligrants system on or before that date. Sponsors may submit applications in February 2024 only if HLC has approved their pre-applications as submitted in November 2023. Developers should note that HLC reserves the right to limit state LIHTC requests during the February 2024 competition to one request per developer.

Sponsors should anticipate uploading all architectural materials through the OneStop+. Applications submitted after the deadline of February 15, 2024, will not be accepted by HLC.

VII. Eligible Applicants

Most funding resources available during the winter 2024 competition have guidelines and/or regulations describing eligible applicants. In general, eligible applicants are as follows:

- LIHTC (federal and state): for-profit or non-profit developers
- HOME: for profit or non-profit developers, or municipalities in partnership with for-profit or non-profit developers
- HOME-ARP: for profit or non-profit developers
- HTF: non-profit developers

- AHTF: for profit or non-profit developers
- HSF: for profit or non-profit developers, or municipalities in partnership with for-profit or non-profit developers
- CIPF: for-profit or non-profit developers
- HIF: non-profit developers
- FCF: non-profit or for-profit developers
- CBH: non-profit or for-profit developers
- AAHG: non-profit or for-profit developers
- TOD: for-profit or non-profit developers, or municipalities in partnership with for-profit or non-profit developers

For additional information on eligible applicants for each resource, please contact the Division of Housing Development.

VIII. Specific Program Guidelines for the Winter 2024 Competition

As indicated in this NOFA, HLC will require sponsors to provide 13% of the units within each project for individuals and households earning less than 30% of AMI. It is HLC's expectation that many of these units will be reserved for homeless individuals or families. Certain guidelines and/or regulations exist for each funding resource available during HLC's winter 2024 competition, with the exception of ARPA and TOD. Sponsors should review the current program-specific guidelines and/or regulations before preparing their funding applications. Sponsors who intend to prepare applications for tax credits in combination with other HLC resources should take note of the following specific program standards:

- *Federal Low Income Housing Tax Credits:* Please refer to the current Tax Credit Qualified Allocation Plan (QAP) as posted to HLC's website
- Please note that all 9% credit project sponsors should assume that the applicable percentage for the rehabilitation credit (also known as the 70% Present Value Credit) will be fixed at 9%. The applicable percentage for the 4% credit will be 4%.
- *Massachusetts State Low Income Housing Tax Credits:* Please refer to the QAP, as posted to HLC's website. In addition, please note that demand for the state low-income housing tax credit has increased significantly during recent rental competitions. HLC anticipates that demand will remain very strong during 2024. Sponsors of projects seeking state LIHTC during the winter 2024 competition should note the following typical limits:
 - \$400,000 for projects with 40 or fewer units
 - \$700,000 for projects with 41 to 60 units
 - \$1,000,000 for projects with 61-99 units
 - \$1,500,000 for projects with 100 or more units

HLC also strongly encourages all sponsors to limit state credit requests to \$10,000 to \$12,000 per unit. On a case-by-case basis, HLC may permit applications for

higher state LIHTC requests. However, HLC is likely to entertain such requests only for certain very large-scale and/or major-impact projects. Sponsors should contact HLC staff to discuss such requests.

- *HOME Investment Partnerships Program:* In general, \$750,000 to \$1,000,000 is the maximum amount available per project; \$50,000 to \$95,000 is the maximum amount available per affordable unit in HOME entitlement/consortium communities. In non-entitlement or non-consortium communities, the maximum amount available per affordable unit is \$75,000 to \$100,000. Applications for projects located in municipalities that receive HOME funds directly from HUD must include matching funds (i.e., HOME, CDBG, or other sources) as a funding source for the project. Each application must be signed by the chief elected official of the community in which the project is located. Applicants also should note current HUD HOME requirements referenced in the HOME Final Rule, as amended. Projects seeking HOME funds must undergo the HUD environmental review process, which includes notice to the State Historic Preservation Office and the Tribal Preservation Office. Sponsors of potential HOME projects must not undertake any choice limiting actions, as defined by HUD, until the HUD environmental review is complete. Eligible HOME Community Housing Development Organizations (CHDOs) with potential HOME CHDO projects are strongly encouraged to apply for funds. HLC may elect to apply higher per-unit HOME limits for CHDO projects.
- *HOME-ARP:* Sponsors may express interest in the special HOME funds – HOME-ARP – made available by the U.S. Department of HUD appropriation in 2021. HLC’s HOME-ARP allocation plan was approved by HUD in 2023 and is posted to HLC’s website. This source offers significant assistance to projects intended to serve homeless families and individuals. HLC will work with sponsors whose projects are selected under this NOFA to determine whether they can incorporate HOME-ARP in their project financing. Sponsors interested in HOME-ARP should carefully review HLC’s approved plan on the agency’s website.
- *National Housing Trust Fund:* In general, \$2,000,000 is the maximum available per project. HTF is intended to help finance projects designed to house individuals or households who can benefit from supportive services and who earn no more than 30% of the area median income. Populations targeted for HTF funding include but are not limited to, homeless families, homeless individuals, military veterans, unaccompanied homeless youth, frail seniors with service needs, and individuals in recovery from substance abuse. Eligible sponsors either must be non-profit entities or partnered with non-profit entities that receive supportive services funds from federal sources, from private foundations, and/or from the Massachusetts Executive Office of Health and Human Services, including the Office of Elder Affairs. Sponsors may choose to identify particular units within a larger project as supportive housing units eligible for HTF funds. Sponsors of rehabilitation projects should closely review the U.S. Department of HUD’s mandatory rehabilitation standards for HTF projects to ensure that they can meet the standards.

- *Affordable Housing Trust Fund:* In general, \$1,000,000 is the maximum available per project; \$50,000 is the maximum amount available per affordable unit. The level and type of assistance provided by AHTF to a project must be the minimum amount necessary to achieve the desired degree of affordability.
- *Housing Stabilization Fund monies:* In general, \$750,000 to \$1,000,000 is the maximum amount available per project; \$50,000 is the maximum amount available per affordable unit in HOME entitlement/consortium communities. In non-entitlement or non-consortium communities, the maximum amount available per affordable unit is \$65,000. Each application must be signed by the chief elected official of the community in which the project is located. Applications for projects located in municipalities that receive HOME funds directly from HLC must include matching funds as a funding source for the project.
- *Transit-Oriented Development Program:* Please refer to page 4 of this NOFA for detailed information.
- *Capital Improvement and Preservation Fund:* CIPF is intended to help preserve and improve projects where the prepayment of a state or federally assisted mortgage would lead or has led to the termination of a use agreement for low-income housing. The maximum amount of CIPF available per project is \$40,000 per unit for projects with more than 25 units with a typical per project maximum of \$2,000,000. The maximum amount of CIPF available per project is \$50,000 per unit for projects with 25 units or less with a typical per project maximum of \$1,250,000. Sponsors also must obtain a commitment from the community in which the project is located, if the community has its own funds through federal or other sources. Interested parties should contact the Division of Housing Development staff to obtain more information.
- *Housing Innovations Fund:* \$500,000 is the maximum amount of HIF typically available to a project. \$750,000 to \$1,000,000 is the maximum amount of HIF typically available to a project that primarily or exclusively serves homeless individuals or families. Sponsors also should note that HIF, by statute, can support no more than 50% of the total development cost per HIF unit.
- *Facilities Consolidation Fund:* In accordance with statute, requests for FCF may not exceed 50% of the total development cost of the project (or of the total development cost of eligible units in a larger project). Please note that FCF funds are only available to projects or units within larger projects in which clients of the Departments of Mental Health or Developmental Services will have first priority for occupancy. Sponsors must include in the OneStop+ application a certification from the central office of DMH or DDS that the project is part of the Facilities Consolidation Plan.
- *Community Based Housing:* A request for CBH funding for a project may not exceed the lesser of: 1) \$750,000; or 2) 50% of total development costs (or of the total development cost of eligible units in a larger project). Sponsors of projects

seeking CBH funds must include in their applications a letter of support for the project and for the population to be served from the Massachusetts Rehabilitation Commission.

- *The Accessibility Affordable Housing Grant (AAHG) program:* AAHG offers recoverable grants to improve or create accessible and affordable rental housing for persons with disabilities. The units funded by AAHG will offer tenant selection priority for voucher recipients under the Alternative Housing Voucher Program (AHVP). AHVP voucher holders are persons under 60 years of age who have a disability. AAHG units should be one-bedroom Group 2A units, as defined by 521 CMR 5.00, and affordable to households earning less than 80% of area median income. Requests for AAHG funding may not exceed 50% of the total development cost of the eligible units in a larger multifamily project. Preference will be given for projects that can demonstrate overall building accessibility including visitability.

IX. Project-Based Rental Assistance

In addition to subsidy funds for capital improvements, HLC will make project-based rental assistance available under this NOFA as follows:

- *Section 8 Project-Based Voucher (PBV) Assistance:* A maximum of 250 Section 8 PBV vouchers will be made available as part of this funding round. Successful applicants must be approved for at least one other available source of funding from an HLC funding round in order to be eligible for PBV assistance. Projects located within the city of Boston may apply for PBV vouchers if the project has set aside 20% or more of its units for homeless families and will use the PBV vouchers on some or all of such set-aside units. In addition, city of Boston projects funded with Community Based Housing (CBH) or Facilities Consolidation Funds (FCF) may apply for PBV vouchers (maximum of 12 PBVs per funding round). HLC expects these PBV vouchers to be available in fall 2024. All PBV voucher reservations are subject to available funding from HUD and HLC. PBV contract authority can be requested for up to 20 years, with the option to renew. PBV funds will be used to pay the owner a portion of the monthly rent on behalf of eligible households whose incomes must generally be at or below 30% of the area median income (AMI), and in no case can exceed 50% of AMI at initial occupancy. No demolition or construction can begin until an agreement to enter into a Housing Assistance Payments (AHAP) contract is signed; therefore, projects that already are in construction cannot receive PBV assistance. Prior to AHAP: 1) a subsidy layering review for projects with any form of federal, state, or local housing assistance, including tax credits and tax concessions, must be approved by HUD or a HUD designated agency; and 2) an environmental review performed in accordance with 24 CFR 58 must also be completed and approved by HUD.

Unit and Project Size Requirement:

- 1) Family units of 2 or more bedrooms ;
 - 2) A limit of 8 PBVs per project, NOTE; this cap does not apply to projects already subject to prevailing wage or Davis-Bacon wage requirements;
 - 3) HCV PBV units cannot be used in group residence or shared housing arrangements, and enhanced SROs must have private baths.
- At the discretion of HLC, up to 100 PBVs may be awarded to units not meeting all of these unit and project size criteria. HLC reserves the right to limit the number of vouchers awarded to each project.

Owners will be responsible for maintaining a PBV waiting list and selecting tenants in accordance with an HLC-approved tenant selection plan.

Sponsors must agree to comply with all Section 8 statutory requirements and project-based voucher regulations found at 24 CFR Part 983, published October 30, 2005, as amended, including all subsequent revisions, and all requirements of the Housing Opportunity Through Modernization Act of 2016 (81 F.R. 73030) and subsequent regulations. Sponsors also must agree to comply with all HLC PBV Administrative Plan requirements, as they may be amended from time to time. Sponsors should contact the Division of Rental Assistance for further information.

Interested sponsors should immediately contact both the Division of Housing Development and the Division of Rental Assistance for further information about the Section 8 project-based option and how to structure the development and operating pro formas, which must be submitted as part of the OneStop+ application due on February 15, 2024.

Massachusetts Rental Voucher Program (MRVP), Project Based Voucher (PBV) Assistance: A maximum of 200 MRVP PBVs will be made available as part of this funding round. Successful applicants must be approved for at least one other available HLC source in an HLC competition in order to be eligible for MRVP PBV assistance. MRVP is a state-funded program and is not part of HLC's federal Section 8 PBV program. Sponsors must agree to comply with all MRVP regulations found at [760 CMR 49.0](#) and with HLC MRVP administrative plan requirements, as they may be amended from time to time, which can be found on HLC's web page at <https://www.mass.gov/mrvp>.

HLC expects the MRVP PBVs to be available in spring or summer 2026. All MRVP PBV reservations are subject to available funding from HLC. MRVP PBV contract authority can be requested for up to 15 years, with the option to renew. MRVP PBV funds will be used to pay the owner a portion of the monthly rent on behalf of eligible households. The income limit for MRVP at initial eligibility is 80% AMI, but the owner may apply additional income restrictions to MRVP PBVs. Most MRVP applicants/participants have incomes below 30% AMI. The contract rent for these units will be set at 100% area-wide FMR. Typically, no demolition or construction can begin until a pre-leasing agreement

contract is signed. Therefore, projects that already are in construction cannot receive MRVP PBV assistance.

Unit and Project Size Requirement:

- 1) Family units of 2 or more bedrooms;
- 2) MRVP PBV units cannot be used in group residence or shared housing arrangements, and enhanced SROs must have private baths.

At the discretion of HLC, up to 75 of the 200 MRVP PBVs may be awarded to units not meeting these unit and project size criteria. HLC reserves the right to limit the number of vouchers awarded to each project.

Owners will be responsible for maintaining an MRVP PBV waitlist and selecting tenants in accordance with a HLC -approved tenant section plan.

Sponsors must agree to comply with all MRVP PBV regulations found at 760 CMR 49 (mass.gov).

Interested sponsors should immediately contact both the Division of Housing Development and the Division of Rental Assistance at HLC for further information about the MRVP program.

Alternative Housing Voucher Program (AHVP), Project Based Voucher (PBV) Assistance: A maximum of 25 AHVP PBVs will be made available as part of this funding round. Successful applicants must be approved for at least one other available source of HLC funding in the winter rental round in order to be eligible for AHVP PBV assistance. AHVP is a state-funded program and is not part of HLC's federal Section 8 PBV program. Sponsors must agree to comply with all AHVP regulations found at [760 CMR 53.0](#).

Unique to AHVP, AHVP applicants must be under the age of 60 (at the time of initial occupancy) and disabled. AHVP participants can remain in the program after age 60. AHVP vouchers are typically limited to one bedroom, except when a larger size is needed due to a reasonable accommodation.

HLC expects the AHVP PBVs to be available in spring or summer 2026. All AHVP PBV reservations are subject to available funding from HLC. AHVP PBV contract authority can be requested for up to 15 years, with the option to renew. AHVP PBV funds will be used to pay the owner a portion of the monthly rent on behalf of eligible households. The income limit for AHVP at initial eligibility is roughly 80% AMI, but the owner may apply additional income restrictions to AHVP PBVs. Most AHVP applicants/participants have incomes below 30% AMI. The contract rent for these units will be set at 110% area-wide FMR. Projects including supportive services for AHVP voucher holders may request an additional \$1,500/annually per voucher for supportive services. Typically, no demolition or construction can begin until a pre-leasing agreement contract is signed. Therefore, projects that already are in construction cannot receive AHVP PBV assistance.

Unit and Project Size Requirement:

- 1) Individual units of 2 or less bedrooms;
- 2) AHVP PBV units cannot be used in group residence or shared housing arrangements, but SROs and enhanced SROs are allowable.

HLC reserves the right to limit the number of vouchers awarded to each project.

Owners will be responsible for maintaining an AHVP PBV waitlist and selecting tenants in accordance with a HLC -approved tenant section plan.

Sponsors must agree to comply with all AHVP regulations found at [760 CMR 53 \(mass.gov\)](#).

Interested sponsors should immediately contact both the Division of Housing Development and the Division of Rental Assistance at HLC for further information about the MRVP program and/or AVHP.

X. Competitive Evaluation Criteria:

All applications will be evaluated first to determine that at least 13% of the units in the project will be reserved as ELI units, including ELI units for homeless families or individuals. All applications also will be evaluated according to criteria that apply to the specific HLC programs from which funding is sought. The Commonwealth's commitment to the principles of sustainable development is reflected in HLC's programs and policies. Sponsors should note that consistency with the Commonwealth's Sustainable Development Principles is a threshold requirement for all projects. In addition, sponsors should carefully review the design/scope requirements in the LIHTC QAP, as HLC is mandating green, sustainable, and climate resilient approaches to design and construction. Sponsors applying for resources other than tax credits also must provide market study information, as well as Appendices I and J of the QAP. The specific criteria for tax credit applications are set forth in HLC's Qualified Allocation Plan, as posted to HLC's website at: <http://www.mass.gov/hed/housing/affordable-rent/low-income-housing-tax-credit-lihtc.html>.

In general, the evaluation criteria for all applications include, but are not limited to, the following:

- Percentage of units to be reserved as ELI units, including ELI units for homeless families or individuals (13% minimum)
- Strength of overall concept
- Strength of development team, including prior and proposed MWBE participation and additional commitment to diversity within the team
- Degree to which the project maximizes sustainable development principles
- Project design that promotes green, sustainable, and climate resilient features as well as increased accessibility (Please note: sponsors must review the design sections of the QAP.)

- Provision of accessible units for persons with disabilities (Please note: sponsors of senior projects must review the design and scope requirements for such projects incorporated into the current QAP as Appendix K.)
- Appropriate scope of construction for the project
- Appropriate total development costs for properties included in proposal
- Financial viability of the project
- Degree of local support, including local funding commitments
- Evidence of readiness to proceed
- Total request for state subsidy (exclusive of tax credits) (subsidy requests should not exceed \$100,000/unit)
- Evidence of market feasibility
- Demonstrated need for project in the target neighborhood
- Evidence of satisfactory progress on projects previously funded with HLC resources

It is important to note that sponsors of applications to the winter 2024 rental competition must be in good standing with HLC with respect to any and all other affordable housing projects, supported by HLC resources, with which they are involved. HLC may elect not to review applications from sponsors who are not in good standing with HLC with respect to other projects.

Please refer to section XIII of this NOFA for application requirements. Please contact the Division of Housing Development at HLC with any questions related to the winter 2024 affordable housing competition for rental projects.

XI. Performance Measurement and Fair Housing Data Collection

Applicants seeking HLC funds should note the following: If they receive funding, they must comply with HUD-approved performance measurement standards and data collection requirements and with Commonwealth of Massachusetts fair housing data collection requirements. Please refer to Attachment A for Massachusetts' Fair Housing Mission Statement and Principles.

XII. Application Requirements

All applications must be submitted on-line at <https://massonestopplus.intelligrants.com>, using the OneStop+ application. All online applications must be submitted on or before the close of business on February 15, 2024. Sponsors who need assistance in signing up for training or logging in should contact the Division of Housing Development at HLC.

XIII. Pre-Application and Application Fees

Pre-application fees are due from all applicants who submit pre-applications by close of business on November 16, 2023. The pre-application fee is \$1,000 for each project sponsored by a for-profit and \$500 for each project sponsored by a non-profit. Pre-application fees are non-refundable. Please note that sponsors are limited to no more than two pre-applications.

Application fees for the winter 2024 rental round are due with OneStop+ submissions for several of the funding resources currently available. The fee schedules for the funding resources are as follows:

Low Income Housing Tax Credits only:

All tax credit applicants must pay a portion of the tax credit fee when the application is submitted to HLC. This fee is non-refundable. Application fee checks for tax credit projects should be made payable to the Executive Office of Housing and Livable Communities. The fees due with the application submission are as follows:

Projects sponsored by non-profits:	\$1,050
Projects containing 20 units or fewer	\$1,050
All other projects	\$5,250

Low Income Housing Tax Credits in combination with other HLC resources:

The only application fees due with the OneStop+ submission are the tax credit application fees listed above. No additional fees are due with the submission.

HOME, HSF, TOD, or CIPF funds as a source exclusive of tax credits:

Applicants seeking , HOME, HSF, TOD or CIPF funds, but not tax credits, must pay an application fee at the time of submission. The fee is non-refundable. Checks should be made payable to the Massachusetts Housing Partnership Fund. The fees are as follows:

Projects sponsored by non-profits	\$ 450
Projects sponsored by for-profits	\$1,250

HOME-ARP, HTF, HIF, FCF, or CBH as a source exclusive of tax credits:

No application fee is required for these sources.

Attachment A

Massachusetts Fair Housing Mission Statement and Principles

The mission of HLC 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.