

Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**
Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Chrystal Kornegay, Undersecretary

Public Housing Notice 2017-26

To: All Local Housing Authority Executive Directors

From: Amy Stitely, Associate Director, Division of Public Housing & Rental Assistance

Subject: Notice of Funding Availability: Modernization To Independence Program

Date: November 17, 2017

NOTICE OF FUNDING AVAILABILITY

MODERNIZATION TO INDEPENDENCE (MTI) PROGRAM FOR STATE PUBLIC HOUSING

I. PROGRAM DESCRIPTION AND GOALS

As the 45,000-unit state public housing portfolio continues to age, DHCD is continually seeking new methods to preserve individual developments and the portfolio as a whole. The Modernization To Independence (MTI) program (the Program) will award up to a total of \$7,000,000 in grants to fund projects that will rehabilitate existing state public housing developments, provided that the rehabilitated development will a) be permanently preserved as housing that provides the same number of state public housing units as currently exist on the site, serves households of comparable sizes and income levels, and remains subject to M.G.L. c. 121B and the state public housing regulations at 760 CMR 4.00 et seq., and b) will not require any state public housing capital or operating subsidies following completion of rehabilitation. The Program is intended to preserve these units while allowing DHCD to redirect their state capital and operating subsidies to better support the balance of the state portfolio. Proposals that eliminate the need for state public housing capital and operating subsidies for an LHA's entire state public housing portfolio - thus streamlining administration and oversight processes - may be awarded additional points in DHCD's ranking of NOFA responses.

Funding for the Program will come from the Affordable Housing Preservation and Development Fund (AHPDF). The AHPDF is funded through DHCD's Moving to Work (MTW) authority as outlined in Activity 2018-9 of the DHCD 2018 approved MTW plan. The AHPDF will provide capital funds. AHPDF funds will carry deed restrictions or legally-binding covenants to ensure long term affordability.

Funds provided through the AHPDF require adherence to certain guidelines and regulations. In general AHPDF capital funds will be used to provide soft loan financing to leverage private equity and state-aided public housing capital resources for eligible projects. Units funded through the AHPDF must serve only low-income households with household incomes not to exceed 80% of Area Median Income and must meet Section 8 Housing Quality Standards (HQS) throughout the term. Sponsors must follow HUD parameters and guidelines on local non-traditional activities as set forth in PIH 2011-45 ([PIH Notices](#)) including, but not limited to, Davis-Bacon wages, federal Fair Housing and Equal Opportunity statutes, HUD site and neighborhood standards and regulations and HUD Section 3 requirements (see relevant link in Attachment B). Recipients of AHPDF must agree to provide information requested by DHCD and/or HUD on the use of funds and compliance with the above requirements, including information required by DHCD to prepare MTW Annual Plans and Reports.

Awards will be issued to Local Housing Authorities (LHAs) who propose feasible plans to meet the program criteria, either directly as the LHA, or in partnership with a developer to pursue redevelopment and management of the development. The goal of the Program is to maintain the overall stock of deeply affordable rental housing in the Commonwealth, by using a capital rehabilitation grant to leverage resources to repair and preserve state public housing. Priority will be given to applicants with feasible proposals who require the lowest amount of Program funds, per unit. As described below, LHAs may elect to seek tax-exempt bond financing with 4% Low Income Housing Tax Credits to assist in funding project development costs, provided that the proposal is determined to be financially feasible and cost-effective.

II. AWARD AMOUNT AND USE OF FUNDS

Awards will be prioritized for proposals which demonstrate a readiness to proceed. DHCD will evaluate the status of necessary zoning and permitting approvals, the status of architectural documents, and the status of other funding commitments as a way to determine project readiness. DHCD will also give consideration to an Applicant's prior performance on other DHCD-awarded grants.

Grants will not exceed \$100,000 per assisted unit, with a total maximum grant amount subject to DHCD's discretion. All funds must be utilized for DHCD-approved development costs, documented with the submission of invoices and other supporting documentation as requested. Funds will not be available for release until the project's financial closing. Funds provided under AHPDF will be subject to federal cash management requirements outlined in 2 CFR §200.

III. ELIGIBLE ACTIVITIES

Funding may be used for most typical development costs, including but not limited to:

- Design costs, including environmental and engineering evaluations.
- Site survey
- Legal
- Financing
- Relocation

- Construction

Developer fees and reserves are not eligible to be funded with Program funds.

IV. ELIGIBLE APPLICANTS

Eligible applicants are local housing authorities that own state-assisted public housing, developed pursuant to the c. 200, c. 667, c.705, c. 689 or c. 167 programs and eligible for state public housing capital and/or operating assistance, which they wish to rehabilitate and preserve pursuant to the requirements of this Program.

V. APPLICATION EVALUATION CRITERIA

Applications will be reviewed to determine overall consistency with the goals of the program and DHCD goals and objectives. Applications will only be scored if they meet the following criteria:

Minimum Threshold Criteria

- Submitted application is complete, including all required supporting attachments.
- Completed projects will provide the same number of deeply affordable units as currently exist on the site, serve households of comparable sizes and income levels, remain subject to M.G.L. c. 121B and the state public housing regulations at 760 CMR 4.00 et seq., as currently applicable, and will not require additional state public housing capital or operating subsidies in the future.
- Projects will comply with the requirements applicable to local non-traditional housing development activities as detailed in HUD PIH Notice 2011-45.
- If the LHA is partnering with an independent private developer to rehabilitate and/or operate the development post-construction, the LHA must provide evidence satisfactory to DHCD that the developer was procured using a process in compliance with applicable federal and state procurement laws and other applicable requirements noted in Attachment B. In addition, the LHA and the Developer must provide with their proposal an executed version of the Memorandum of Understanding (Attachment F). Any private developer partner must have at least fifteen years of experience in housing development utilizing multiple financing sources and have redeveloped and operated at least two low income (0% to 80% HUD Area Median Income) housing development projects, of at least one hundred units each. If the application proposes financing the development with tax-exempt bonds and 4% LIHTC, the developer partner must have redeveloped and operated at least two LIHTC developments.

Competitive Evaluation Criteria

Applications will be evaluated to determine how well their proposals meet program requirements and priorities in the areas below. Please respond thoroughly to the Application Questions included in this NOFA. In order to qualify for award, projects need to meet minimum scoring levels for all five criteria described below. An application can score a maximum of 100 points.

Criteria	Minimum Points Needed	Maximum Points Available
Scope of Work	10	25
Capital and/or Operating Leverage	10	25
Project Feasibility	10	20
Development Team Capacity	10	20
Portfolio-wide Proposals	0	10
Total Application Score Range	40	100

a. Scope of Work (25 points; minimum score of 10 required)

Applicants should strive to determine a scope that is at the same time cost-effective and sufficient to ensure the continued sustainability, marketability and security of the units. All work must comply with DHCD design and construction standards and applicable federal requirements, as detailed in the documents referenced in Attachment B. Consideration is given to the extent to which the project is consistent with the Commonwealth's Sustainable Development Principles (Attachment D) and DHCD's Fair Housing Principles (Attachment E). Projects will earn up to 25 points for this category and must meet a threshold score of 10 points.

- Up to 10 points will be awarded for adequacy and quality of proposed rehab scope to ensure sustainability, long-term habitability and security.
- Up to 15 points will be awarded for cost-effectiveness of rehab choices (i.e., work is sufficient but not excessive; good rehab value for the dollar).

b. Capital and/or Operating Leverage (25 points; minimum score of 10 required)

While it is understood that applications may not have firm commitments of leveraged capital or operating sources, scoring for this criteria will be highest for those with significant firm commitments, followed by those who have already applied for leverage sources and can demonstrate a reasonable likelihood of success in obtaining them. LHAs should also identify any other possible sources of funding, a time line and process for acquiring the funding and, when possible, letters of intent or support from likely sources. Projects that require relatively less state capital resources to complete the proposed rehabilitation will also be scored higher.

Potential leverage sources include, but are not limited to:

- Community Preservation Act (CPA) funds
- Other locally-controlled funds (such as CDBG, HOME, local housing trusts, etc.)
- 4% tax credit equity
- State public housing land and structures
- Conventional mortgage financing (beyond Section 8 leverage, as described below)
- Property tax relief, to the extent that it lowers existing PILOT payments
- Utility energy efficiency funding through Energy Star or Low Income Multifamily Energy Retrofit programs

Sources of funds that will not count as leveraged resources include:

- State public housing Formula Funding grant funds
- State public housing Operating Reserve funds
- Grants or subsidies from programs that are managed by other divisions of DHCD

c. Project Feasibility (20 points; minimum score of 10 required)

Applicants will earn up to 20 points for a strong demonstration of project feasibility, focusing particularly on: a demonstration of an early readiness to proceed; extent to which the proposal appears to identify and address all the key hurdles to completion; likelihood that a Program grant award will lead to project construction start within 18 months of the award date. Applicants should provide a clear timeline illustrating key project development dates, including projected dates for applying for and securing all necessary funding sources, start and completion dates for relocation (if needed), key design milestone dates, financial closing date, and construction milestone dates (including bid date, NTP date and date of substantial completion).

d. LHA and/or Development Team Capacity (20 points; minimum score of 10 required)

Applicants will earn up to 20 points for a high level of development and management capacity of the LHA and/or its development partners relative to the requirements of the proposed project. Applicants must meet a threshold score of 10 points in this category (5 for project management and 5 for property management). Where appropriate, the review team will consult historical data to assess LHA capacity.

- Up to 10 points will be awarded for teams that can demonstrate expertise and experience in completing comparable development and/or construction projects effectively and efficiently according to schedule and within the projected budget.
- Up to 10 points will be awarded for teams that can demonstrate strong property management capacity in compliance with the requirements of the proposed rehab funding sources.

e. State Public Housing Portfolio-wide Proposals (10 points; no required minimum score)

Projects can earn up to 10 points for demonstrating that a program award will allow the LHA to permanently eliminate the need for state public housing capital and operating subsidies for an LHA's entire state public housing portfolio. Projects will receive relatively more points if:

- They have higher numbers of affected state public housing units that meet this requirement, relative to other proposals, and/or
- They are determined to be more likely successful in meeting this requirement, relative to other proposals.

VI. APPLICATION PROCESS

1. Applications are due by 4:00 PM on Thursday, January 11, 2018.
2. Submit an electronic copy of the application to: paul.mcpartland@state.ma.us
3. In addition to the electronic copy, LHAs must also submit three paper copies, including all required attachments. The paper copies must be sent via US mail or other delivery service to:

MA Department of Housing and Community Development
100 Cambridge Street, Suite 300
Boston, MA 02114
Attention: Paul McPartland

An emailed application will not be considered complete until the paper copies with the original signatures are received. Faxed copies of the application will not be accepted.

4. **BIDDER'S CONFERENCE:** DHCD will host a bidder's conference at its offices at 100 Cambridge Street, Boston, on Monday, December 11 at 1:30 p.m in Conference Room B on the 2nd floor. DHCD legal counsel and program staff will be available to answer questions about the program, including questions on possible ownership structures. Please RSVP by email to Paul McPartland if you plan to attend (contact information above). Submission of written questions in advance of the bidder's conference is strongly encouraged, and should also be done by email to Mr. McPartland, but is not required.
5. All other inquiries regarding this NOFA should be made via e-mail and directed to: Paul McPartland at paul.mcpartland@state.ma.us no later than 4:00 p.m., Tuesday, January 2, 2018. Inquiries should have a subject line entitled: "Modernization To Independence Program - NOFA Inquiry". Any inquiries after such date will not be accepted. All inquiries and responses will be shared with all proposers on a regular basis during this NOFA process.
6. PLEASE NOTE: ANY ADDENDA TO THIS NOFA WILL BE POSTED ON DHCD's WEBSITE AS ADDENDA TO THE ORIGINAL PUBLIC HOUSING NOTICE #2017-26, which can be found here: <https://www.mass.gov/service-details/public-housing-admin-notices>
7. Email notification of the posting on DHCD's website of any new addenda to this NOFA, including answers to questions raised at the Bidder's Conference, will only be sent to housing authorities, developers, and any other interested parties who request to be placed on a NOFA contact list and who provide their name, address, email and phone contact information to Paul McPartland at the email address noted above.

8. LHAs must also submit supporting documentation to verify information set forth in the narrative application. The extent to which an application provides such verifying documentation, and its quality, will be taken into account in scoring.
9. It is the responsibility of the applicant to ensure that its application is received by DHCD. All applications will be logged as to date and time received and kept on file as public record.
10. DHCD reserves the right to request additional information from the applicant or external sources as may be necessary in order to complete the application review. DHCD will conduct site visits to inspect all proposed developments.
11. DHCD anticipates announcing awards in late January, 2018.

ATTACHMENTS:

Attachment A – Application Questions

Attachment B – For informational purposes: Links to relevant documents referenced in the NOFA

Attachment C – Application Cover Sheet form

Attachment D – Commonwealth’s Sustainable Development Principles

Attachment E – DHCD’s Fair Housing Principles

Attachment F – Template Memorandum of Understanding (submittal required for proposals submitted by LHA/Developer partnerships)

ATTACHMENT A

APPLICATION QUESTIONS:

Please provide thorough and concise narrative responses to each question

- **Scope of Work:**

- a. Provide a summary of the proposed scope of work, including but not limited to:
 - i. The type and number of units of public housing (Chapter 200, 667, 705, 689, or 167) that currently exist at the site.
 - ii. Confirmation that the completed project will provide the same number of affordable housing units as currently exist on the site, serve households of comparable sizes and income levels, and remain subject to M.G.L. c. 121B and the state public housing regulations at 760 CMR 4.00 et seq., as they may currently be applicable. DHCD expects that the affordable housing units will retain the current unit mix in terms of the number of units, by bedroom size, that are available in the public housing development. If proposing to change this unit composition, please highlight this in your proposal and provide supporting details.
 - iii. Provide a site plan illustrating the current layout of the development and also noting any proposed changes to the layout of the redeveloped site.
 - iv. Outline the proposed scope of work with the estimated cost of the scope items, including soft costs and relocation.
 1. Describe why the proposed scope will ensure sustainability, long-term habitability and security of the development.
 2. Describe the choices that were made to ensure the scope of work is cost-efficient (i.e., it is sufficient but not excessive; good rehab value for the dollar).
 - v. Describe any studies or evaluations that have been done to date to ensure the proposed design will thoroughly address the development's needs.
- b. Describe how the proposed project is consistent with the Commonwealth's Sustainable Development Principles.
- c. Describe how the proposed project is consistent with DHCD's Fair Housing Principles.
- d. Describe how the proposed sale or lease of land and/or buildings (if any) and the proposed ownership structure for the new development (if any) will be consistent with any State laws applicable to disposition of real property by an LHA, including M.G.L. c. 30B and M.G.L. c. 121B.

- **Capital and/or Operating Leverage:**

- a. Provide documentation of any capital or operating funding commitments that are currently in place for the project.

- b. Describe other capital or operating funds you anticipate needing or obtaining, the amount you will be seeking, a timeline and process for acquiring the funding and an explanation of why you expect to be successful in obtaining the funds. Include any letters of intent or support from expected funders.
 - c. Describe why a Program grant award will likely lead to a project construction start within 18 months of the award date.
- **Project Feasibility**
 - a. Provide a One-Stop application including the components listed further below under “Additional Required Documents for Inclusion with Proposal”, Item #4.
 - b. Provide a clear timeline illustrating key project development dates, including projected dates for applying for and securing all necessary funding sources, start and completion dates for relocation (if needed), key design milestone dates, financial closing date, and construction milestone dates (including bid date, NTP date and date of substantial completion). Timeline should demonstrate a feasible construction start date within 18 months of Program award.
 - c. Provide a preliminary discussion of how you plan to approach tenant relocation, and the projected cost.
 - d. Describe any other potential barriers (zoning, regulatory approvals, community, environmental, financial, etc.) to moving the project forward, and your plans and timeline to address them.
- **LHA and/or Development Team Capacity:**
 - a. Clearly describe the proposed roles for the LHA and the developer Co-Applicant (if any) in the project and in any proposed ownership structure.
 - b. Include the Memorandum of Understanding (Attachment F) if the LHA and a Developer partner are submitting a joint proposal.
 - c. Provide evidence, based on past experience and success with similar projects, that the LHA and, if applicable, its developer Co-Applicant have the expertise and experience to:
 - i. Complete the proposed project effectively and efficiently in accordance with the schedule and within the projected budget.
 - ii. Effectively and efficiently operate and manage the completed redeveloped development in compliance with the requirements of the proposed rehab funding sources.
- **State Public Housing Portfolio-wide Proposals:**
 - a. List the currently existing developments in your state public housing portfolio (all c. 667, c.200, c.705, c.689 and c.167 developments), the number of units in each development, and clearly describe how an award from this program (along with any other efforts that the LHA plans) will allow your LHA to permanently

eliminate the need for state public housing capital and operating subsidies for each of these developments, while permanently preserving their affordability.

Additional Required Documents for Inclusion with Proposal

1. Executed Application Cover Sheet
2. Site plan of the proposed site, clearly showing layout of existing buildings
3. Photos of typical unit and site
4. One-Stop application in Excel format, with relevant components completed, including at a minimum:
 - a. Section 1 – Project Description
 - b. Section 2 – Development Team Summary
 - c. Section 3 - Sources and Uses of Funds
 - d. Section 4 – Operating Pro-Forma
 - e. If use of 4% LIHTC funds are proposed, please ensure the completed One-Stop addresses all required One-Stop components required for that program.
5. Copy of RFP used to select Developer Co-Applicant and any addenda and attachments thereto (only if applicable)
6. Copy of selected Developer's response to RFP (only if applicable)
7. Executed Memorandum of Understanding with the Developer Co-Applicant (only if applicable).
8. A housing authority board vote approving this application for grant funds, as evidenced by a certified extract from the minutes of the board meeting.
9. A letter from the head of the tenant organization(s) or representative of tenants that demonstrates evidence of compliance with tenant participation regulations (760 CMR 6.09(3)(i) and 6.09(4)(a)(3), and 760 CMR 11.10). If no letter can be obtained, then the LHA director may instead submit a letter certifying that tenants were involved in setting the needs and priorities of the application.

ATTACHMENT B

The following links to sources of information referenced in this NOFA are provided as a convenience. Respondents assume all responsibility for ensuring proper compliance with the most current requirements of all applicable federal, state and local statutes, regulations and guidelines.

1. Please be aware of and comply with applicable HUD parameters and guidelines (including, but not limited to, Davis-Bacon wages, federal Fair Housing and Equal Opportunity statutes and regulations and HUD Section 3 requirements) on local non-traditional activities as set forth in HUD PIH 2011-45. A link to this HUD Notice can be found at:
https://www.hud.gov/program_offices/administration/hudclips/notices/pih/11pihnotices
2. Funds provided under AHPDF will be subject to cash management requirements outlined in 2 CFR §200:
<https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-sec200-305>
3. DHCD Design and Construction Guidelines:
<http://www.mass.gov/hed/housing/ph-mod/design-and-construction-guidelines-and-standards.html>
4. DHCD's HUD-approved 2018 Moving To Work (MTW) Plan:
<https://www.mass.gov/files/documents/2017/10/12/MTWhudapprovedfy18.pdf>

ATTACHMENT C

MODERNIZATION TO INDEPENDENCE PROGRAM APPLICATION COVER SHEET FORM

Housing Authority:

Development(s) Name:

Development Number:

Development Address:

Developer Co-Applicant (if any):

(Please print)

Contact Person:

Title:

Address: Zip Code:

Email: Telephone:

PROJECT SUMMARY:

Total Funding Request: \$_____

I approve submission of this application.

Signature of LHA Executive Director

Name (print)

Date

Signature of Developer Co-Applicant (if any)

Name (print)

Title

Date

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.



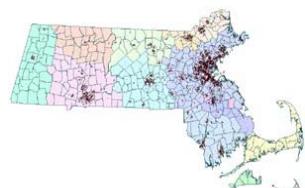
8. Increase Job and Business Opportunities

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.

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.

ATTACHMENT F

(Required if submitting application with a developer partner)

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into as of the _____ day of _____, 20____ by and between _____ Housing Authority, a body politic and corporate having an address of _____, Massachusetts ("Authority"), and _____ [developer], a _____ [state] _____ [type of entity] having an address at _____ ("Developer") in connection with the proposed redevelopment of the _____ state-aided public housing development [and other land of the Authority] in _____, Massachusetts.

RECITALS

- A. Authority is the owner of the _____ state-aided public housing development (the "Existing Development"), and is submitting an application (the "Application") to the Massachusetts Department of Housing and Community Development ("DHCD") for a grant (the "Grant") in accordance with the (DATE) Notice of Funding Availability for DHCD's Modernization To Independence Program (the "NOFA").
- B. Developer is a real estate developer with expertise in developing and operating low income multifamily housing communities.
- C. Following a procurement in accordance with M.G.L. c. 30B, Authority has selected Developer to partner with it in carrying out the redevelopment and operation of the Existing Development (the "Redevelopment Project").
- D. Pursuant to the NOFA, Authority will serve as the Applicant for the Grant and Developer will serve as Co-Applicant for the Grant. Other parties will play additional roles as principal team members, which roles are further addressed in the Application.

AGREEMENT

1. **Commitment to Work Collaboratively.** Authority and Developer each commit to work collaboratively throughout the entirety of the Grant.
2. **Co-Applicant Liability.** Developer, as Co-Applicant, agrees that it will be jointly and severally liable with Authority, as Lead Applicant, for performance of the Grant.
3. **Legal Contract Requirement.** The parties acknowledge that, should the Application be successful under the NOFA, as a condition of funding DHCD will require a legal contract detailing specific roles and responsibilities consistent with the description of roles and responsibilities attached as Exhibit A. Each party commits to negotiating such contract in a manner consistent with this MOU and the requirements of DHCD. The parties more particularly agree that any Master Development Agreement or Development

Agreement(s) must be negotiated and executed in accordance with any applicable procurement standards and must be submitted to DHCD for its approval prior to advance of any funds under the Grant.

4. **Commitment to Redevelopment**. Authority and Developer acknowledge that they each:
 - a. Have reviewed the NOFA and any related guidance from DHCD;
 - b. Have participated in preparation of the Application and any related materials and submissions, and
 - c. Are fully committed to the goals and requirements of the NOFA and the Application.
5. **Incorporation of Application**. The parties agree that, in addition to the summary attached to this MOU as Exhibit A, their respective responsibilities and relationships are further detailed in the Application, which is incorporated in this MOU by reference.
6. **Incorporation of NOFA Requirements**. The parties are entering into this MOU in furtherance of the Application, and as required by the NOFA. The parties intend that this MOU shall conform to and satisfy all requirements of the NOFA. In the event of any inconsistency between any NOFA requirement and the provisions of this MOU, or in the event of a failure to include a provision necessary to satisfy such NOFA requirements, then this MOU shall be construed to incorporate a provision satisfying such NOFA requirements and (while not required) the parties agree to amend this MOU as necessary.

[signatures on next page]

IN WITNESS WHEREOF, the parties have duly executed this Memorandum of Understanding, which may be executed in multiple counterparts, on or as of the date first written above.

AUTHORITY: _____ HOUSING AUTHORITY

By: _____

Name:

Title:

Authorized by Authority Resolution No. _____
adopted _____ (attach copy)

DEVELOPER: [_____]

By: _____

Name:

Title:

Exhibit A

Roles and Responsibilities

[Provide a detailed summary of the proposed roles and responsibilities of the Authority, the Developer, and any other principal team members. This summary should also describe the proposed ownership structure of any owner entity(ies) that will own and operate one or more housing developments as part of the Redevelopment Project, and the anticipated decision-making authority of team members in each such entity.]