



COMMERCIAL REAL ESTATE INSIGHT & NEWS

The Bowditch & Dewey Real Estate Blog

DHCD NOFA New Mixed-Income Community Demonstration Program

BY JOSEPH RANSOM • JANUARY 4, 2016

Massachusetts and its municipalities have long struggled with the lack of affordable housing. The profusion of recent development has not been as effective at addressing this shortage as many would like. One hurdle to the development of affordable housing is the cost for planning and pre-development activities such as site assessments, permitting, market studies, and community engagement.

One effort to increase the stock of affordable housing by the Department of Housing and Community Development is the New Mixed-Income Community Demonstration Program. DHCD recently announced that it will accept applications for grants to Local Housing Authorities to be used for planning and pre-development activities in connection with the development of mixed-income rental units. DHCD will award grants of up to one million dollars (though generally not exceeding \$200,000) for projects which applicants are able to demonstrate are “financially feasible and cost effective.” Eligible applicants are housing authorities that meet certain compliance requirements and have teamed up with a developer with at least 15 years of housing development experience including at least two large scale mixed-income housing development projects.

DHCD will evaluate applications based on the proposal’s overall project plan, housing production impact, capital and/or operating leverage, project feasibility, and certain community factors. DHCD will also give consideration to the proposal’s geographic distribution of assistance and the applicant’s prior performance on other DHCD-awarded grants. Applications will be accepted through February 26, 2016 with the expectation that awards will be announced in April 2016.

More information about the Program is on DHCD’s website [HERE](#). Read DHCD’s announcement that it will provide planning and pre-development funding to Local Housing Authorities [HERE](#), and an addendum to its announcement [HERE](#).