



# Neighborhood Stabilization Program

*A MassHousing/DHCD Program*

Despite the housing boom seen in some parts of the state, some cities and towns across Massachusetts continue to struggle with residential disinvestment and blight, exacerbated by two long years of the COVID-19 pandemic. To help municipalities and their partners revive and restore troubled residential neighborhoods, MassHousing is excited to launch the Neighborhood Stabilization Program (NSP) through its administration of \$6.4 million in state bond funds, available in FY2022.

MassHousing invites municipalities, non-profits and community development corporations (CDCs) to apply for these new NSP grant funds, up to \$250,000 per unit, to transform blighted properties into 1-4 unit homeownership opportunities and to assist low- and moderate-income homeowners and non-profit owners of small rental properties in need of major health and safety code-related rehabilitation and repairs.

In support of MassHousing's mission, and its longstanding commitment to confront the housing challenges facing the Commonwealth to improve the lives of its people, we expect the organizations with which we do business to support our core principles of diversity, equity, and inclusion.

## Who can apply?

Cities and towns and their agencies, boards, commissions, authorities, departments, or instrumentalities can apply, as can CDCs and non-profit organizations.

## How can the NSP funds be used?

Funds can be used for activities where the scope of work includes demolition, repair, reconstruction, renovation, remodeling, redevelopment, hazardous material abatement, rehabilitation or improvement of eligible properties, and other work that will mitigate blighted or substandard conditions.

MassHousing will consider proposals for rehabilitation or creation of 1-4 unit homeownership properties or of small rental properties with 15 or fewer units.

## What properties are eligible?

Eligible properties must have been cited for building and/or safety code violations or are subject to loss of property insurance due to substandard conditions or are otherwise blighted and substandard.



## What are the affordability requirements?

Assisted units must remain affordable for 15 years.

Affordability requirements will depend on the needs of individual communities, but for homebuyer units, affordability should be between 70% of AMI and 120% AMI. For existing homeowner projects, owner incomes should be no higher than 120% AMI. For rental properties, affordability should be 80% AMI or lower. Deed restrictions are required.

## What are the program preferences?

- 1-4 unit new homeownership opportunities
- Participation by community development corporations or local non-profits
- Organizations that secure a local match or private funds for eligible activities
- Activities with the greatest impact on weak market communities, including rural communities and communities that have been disproportionately impacted by the COVID-19 public health crisis; and census tracts with foreclosure rates higher than the state median rate.
- Activities promoting and supporting minority homeownership
- Development teams that include MWBE businesses and/or offer opportunities for MWBEs

## Application process:

Application forms and a list of required exhibits are available at [www.masshousing.com/nsp](http://www.masshousing.com/nsp) as of Friday, March 4, 2022.

**Application Information Sessions are scheduled for March 8, 10 and 14, 2022 on Zoom:**

Tuesday, March 8, 2022 at 10-11:30 AM

Thursday, March 10, 2022 at 10-11:30 AM

Monday, March 14, 2022 at 1:30-3:00 PM

Please register for the meeting of your choice [here](#) as soon as possible.

**Applications must be submitted by 5:00 p.m. on Thursday, April 14, 2022 to be considered for this funding round.**

*Note that the contract for the administration of NSP Funds has not been awarded to MassHousing as of March 4, 2022. MassHousing expects to have an approved contract with DHCD on or about April 1, 2022.*

*Please contact the Neighborhood Stabilization Program at [neighborhoodstabilization@masshousing.com](mailto:neighborhoodstabilization@masshousing.com) for more information or for specific questions about potential projects and programs.*