



# Neighborhood Stabilization Program

*A MassHousing/DHCD Program*

Cities and towns across Massachusetts continue to struggle with residential disinvestment and blight, exacerbated by two long years of the COVID-19 pandemic and more recently by rising interest rates. To help municipalities and their partners revive and restore troubled residential neighborhoods, MassHousing launched the Neighborhood Stabilization Program (NSP) in March 2022, resulting in 8 funding awards totaling just over \$4.6M.

MassHousing is now happy to announce a **second round of Neighborhood Stabilization Program (NSP) funding**, offering a total of \$8.1M from the FY2022 and FY2023 funding allocations.

Municipalities, non-profits and community development corporations (CDCs) are invited 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 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. For-profit developers may be included as development partners, but not as lead applicants.

## How can the NSP funds be used?

Funds can be used for activities where the scope of work includes acquisition, demolition, repair, reconstruction, 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 homebuyer properties, small rental properties with 15 or fewer units, or major rehabilitation of homeowner properties.



## 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 generally be between 60% 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
- Projects which include sustainable materials and/or designs

## Application process:

Application forms with a list of required exhibits are available at [www.masshousing.com/nsp](http://www.masshousing.com/nsp) as of **Tuesday, November 1, 2022**.

**Application Information Sessions are scheduled for November 10, 14 and 16, 2022 on Zoom:**

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

Monday, November 14, 2022 at 1:30-3 PM

Wednesday, November 16, 2022 at 1:30-3:00 PM

**In addition, a Budget Development Workshop is scheduled for Tuesday, December 6, 2022, 10-11 AM, also on Zoom.**

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

**Applications must be submitted by 5:00 p.m. on Tuesday, January 10, 2023 to be considered for this funding round.**

*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.*