
Strategic Community Investments (SCI)

Program Improvements Timeline

Beginning in 2023, in recognition of delays in closing initial Neighborhood Stabilization Program (NSP) awards, MassHousing undertook a review of the NSP processes that later expanded into the Gateway Housing Rehab Program (GHRP). Across the NSP and GHRP programs, MassHousing identified several control deficiencies that affected program consistency, documentation integrity, and oversight reliability. Prior processes relied heavily on email-based intake, non-standardized documentation, and insufficient construction verification, which created vulnerabilities such as incomplete or inaccurate submissions, difficulty tracking required materials, and inconsistent requisition and closeout reviews. Review and approval responsibilities were largely concentrated in a single individual, creating significant key person dependency risks and lacking an appropriate preparer/reviewer protocol in award processing. Weaknesses in earlier monitoring structures, including limited technical review and the absence of unified inspection and diligence protocols, increased exposure to construction-readiness issues and elevated the risk of fraudulent or unsupported disbursement requests. Additionally, gaps in governance, such as unclear lines of responsibility, incomplete program metrics, and limited document-management controls, contributed to fragmented workflows and made audit validation challenging.

In 2024, the Agency began executing a comprehensive effort to address concerns in the administration of the NSP, and similar grant programs, by consolidating several grant programs into the Equitable Business Development (EBD) division, hiring additional staff, and branding the new unit as the Community Investment Initiatives (CII) department. CII, with the assistance of the Legal & Operations Division, implemented structural organizational reforms, significantly strengthened construction oversight, modernized application systems, and established new documentation and compliance controls. These actions were complemented by enhanced governance routines, and updated program guidelines to ensure lasting accountability. The SCI team launched an online Grant Management Portal with required fields, audit trails, and mandatory uploads; redesigned NSP/GHRP guidelines to tighten underwriting, documentation, and readiness standards; and implemented third-party inspections, standardized checklists, requisition templates, and closeout controls. Since the identification of earlier concerns, the programs are managed under new supervision and by new program staff, mitigating prior key

person dependencies and introducing multiple levels of review prior to approval of project requisitions. Ongoing and future measures involve completing a “red flag” policy to address counterparty risks, improving staff trainings, expanding workflow automation, and enhancing program reporting. The Agency will be continuing both internal and external audit engagements to validate improvements and has included the implementation of a comprehensive grant-management platform among its FY27 Annual Priorities.

The following table catalogs, in chronological order, the process and program improvements MassHousing implemented across the NSP and GHRP. It should be noted that during this period the SCI Division also converted the Commonwealth Builder Program (CWB) from a rolling application process to a competitive round application format and in so doing, applied many of the enhancements across all the programs. Accordingly, references to improvements to one program are often applied to the others, e.g. the applicant portal initially developed for NSP was utilized in the CWB program.

Date	Action Item / Improvement
February 17, 2022	NSP Program Guidance reviewed by the Department of Housing and Community Development (DHCD was rebranded the Executive Office of Housing and Livable Communities (HLC) in 2023).
February 23, 2023	Contract signed with DHCD for the Gateway Housing Rehab Program. Contract authorizes \$2,204,000 in program funds for FY2023, and \$2,375,000 in FY2024-FY2027.
December 7, 2023	Project managers convene legal and program staff to present several months of work mapping workflows and pain points, inventorying templates, and aligning roles and responsibilities.
April–May 2024	Executive discussion regarding restructuring EBD Division to create CII Department and adding additional staff.
June 16, 2024	Completed the “Gather Requirements” phase for the new Grant Management portal, which defined application intake specifications for the GHRP. The specifications included: applicant

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	account creation, application question design, and required document upload functionality.
July 1, 2024	Official creation of the new CII department: the start of a new role, Senior Program Manager, transition of CWB, and start of new CWB Program Manager within CII.
July–September 3, 2024	Grant Portal application testing by NSP to verify portal readiness; Completion of Test Plans to validate the Grant Management Portal’s application intake functionality ahead of go-live.
September 4, 2024–September 5, 2024	CII staff explore adding additional 3 rd party inspections. Through conversations with MassHousing’s internal Design and Construction Staff (Senior Technical Specialist), four potential contractors were identified.
September 16, 2024	Internal meeting among CII and IT staff for grant management portal demonstration
September 17, 2024	Internal meeting among CII and Legal staff discussing options for contracting with 3 rd party inspectors for NSP & GHRP
October 3, 2024	Internal meeting among CII and Legal staff regarding program processes and procedures
October 4, 2024	Completion of the Grant Management Portal Deployment Plan, governing the rollout of the new online application system to production.
October 7, 2024	CII staff discuss design standards for NSP & GHRP
October 11, 2024	CII Division scheduling meeting with CEO and CLOO regarding program status, list of program improvements, and timelines

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October 22, 2024	CII and IT staff meeting to discuss Grant Management Portal updates.
October 31, 2024	Comprehensive set of NSP and GHRP program enhancements documented, including: design of an online application portal for submission and evaluation; more robust, specific application forms incorporating key One Stop data fields; a title search fee requirement (estimated at approximately \$400 per property) built into project budgets; a recommended \$300 per-project application fee to be invoiced to applicants upon submission through Loan Servicing; an inspection fee requirement (estimated up to \$5,000) built into project budgets; newly drafted design standards for application evaluation and construction compliance; a requirement for quarterly project reports regardless of pipeline status; reformatting of NSP and GHRP guidelines into a clearer table-style format with revised definitions; an increase in the maximum grant per unit (up to \$50,000 in additional subsidy for site conditions, similar to CWB); periodic status meetings with the Legal team to coordinate closing-document diligence and timelines; and revisions to grant agreements adding site inspection and monitoring report requirements/approvals and statutory lien waivers tied to release of funds at the 50%-completion and substantial-completion milestones.
November 19, 2024	Presentation to Executive team regarding status of NSP and GHRP and ongoing program enhancements.
December 2024	CII staff implement a standardized construction closeout checklist for all deals
December 2, 2024	CII and HLC staff discussion of updates to NSP Guidelines.
December 11, 2024	Chief Legal and Operating Officer to adds CII operational enhancements Executive Initiatives Project Management and

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	engages the Executive Project Manager and Associate Project Manager to facilitate.
January 15, 2025	CWB staff finalized CWB Construction Monitoring Requirements with advice from Design & Construction staff. The process for approving lender advisors for CWB deals going forward included sending these requirements to the construction lender to confirm with the proposed lender advisor that they would produce monthly construction reports reflecting the content required as well as submit a sample report for D&C staff to confirm it is acceptable.
January–June 2025	Multiple concurrent enhancement work streams launched under the NSP/GHRP program enhancement initiative, including: IT follow-up on updating the application portal; drafting of Design Standards, Construction Monitoring requirements, a Construction Requisition template (Schedule of Values, AIA cover sheet, and invoice cover sheet) and Title Policy guidelines, and application language and fees; review of insurance requirements.
February 5, 2025	Status update on the NSP online application intake portal, addressing outstanding bugs, confirming narrative-entry field descriptions, verifying that required fields were properly enforced so applications could not be submitted without required attachments, and confirming draft-save functionality allowing applicants to save and edit a pending submission until final submission.
February 12, 2025	Formal Title Requirements for NSP/GHRP applications and closings drafted (application-stage: recent tax and water/sewer bills with no overdue balance; closing-stage: a plot plan or ALTA survey — requiring a no-change affidavit if dated more than 180 days before grant agreement execution, or a new survey if dated more than two years prior — and a title insurance policy or title report).

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February 24– March 3, 2025	Phase 2 enhancement effort begins: Project Managers review existing process maps and the Responsible Accountable Consulted and Informed (RACI) chart and compile operational observations into a spreadsheet to inform team discussion (completed).
March 6, 2025	VP of EBD and Sr. Manager of CII met with the CEO to discuss NSP/GHRP funding, deal status, improvements status, and proposed timeline for competitive funding round.
March 10, 2025	Completed Quality Assurance (QA) testing of grant management portal
March 17 – April 7, 2025	Phase 2 team meets to confirm direction on process enhancements based on the compiled observations (completed); revision of the existing RACI chart with current tasks and steps begins, incorporating team input on updated responsibilities.
March 20, 2025	IT ticket opened to create a dedicated Microsoft Teams channel for the NSP/GHRP program team. Created and launched in April.
March 24– March 31, 2025	Parameters drafted for the new CII Teams channel with NSP/GHRP subchannels, defining channel structure and ownership (completed).
March 26, 2025	Senior Attorney circulated form of Developer Certification of Costs for Acre Crossing. We have been using this form and the Contractor Certification of Costs for all deals moving forward.
April 2, 2025	VP of SCI and Sr. Manager of CII met with the CEO to discuss evaluation criteria for CWB competitive funding round in shift from rolling application approach.
April 7–15, 2025	RACI chart and process maps with current tasks/steps drafted and discussed with CII team.

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April 9, 2025	Sr. Manager of CII circulated finalized CWB Interim and Final Budget Templates to CWB and Legal teams for use on developments going forward.
April 21 – April 28, 2025	Deployment of the CII Teams channel begins and is completed.
April 23, 2025	VP of SCI and Sr. Manager of CII finalize RACI chart in meeting with the CEO; meeting notes and revisions completed.
April 24, 2025	Drafted process maps reviewed with the full NSP/GHRP team (completed).
April 24, 2025	Sr. Manager of CII met with VP of Multifamily Programs and Senior Director of Underwriting to discuss requested assistance from Design & Construction and Appraisal & Marketing staff as part of process of staff reviews for CWB and NSP competitive funding rounds
May 5 – May 19, 2025	Team meets to align and finalize process maps incorporating RACI revisions (completed); the NSP/GHRP program timeline is mapped out (completed); and draft document-management standards for the new MS Teams channel are prepared, addressing filing structure options (folders, metadata tags, or a hybrid approach) and proposed file- and folder-naming conventions (completed).
May 5, 2025	CII Teams Channel launched
May 5, 2025	CII staff met to discuss proposed CWB evaluation workbook
May 12, 2025	NSP staff meet to discuss NSP guideline revisions
May 19 – May 26, 2025	Brainstorming sessions held to establish uses for the new Teams channel, launching a new phase of CII Team automation planning.

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May 27, 2025	Meeting held with the NSP team to confirm the preferred document filing system for the CII Teams channel (completed for use in network drive).
June 2, 2025	CII team met with Rental Underwriting technical teams to discuss scope of reviewing CWB application materials for both Design & Construction and Appraisal and Marketing
June 5, 2025	NSP/GHRP and Legal teams met to discuss proposed new requisition checklist template. Requisition checklist template was finalized and implemented for all requisitions moving forward.
June 10, 2025	CII staff met with IT staff to discuss Grant Management Portal testing
June 16, 2025	SCI and Legal staff met with HLC staff to discuss proposed NSP/GHRP changes, update on funding expenditures, and next steps.
June 25, 2025	Senior Attorney circulated draft NSP/GHRP Grant Closeout Certificates for SCI staff feedback. Certificates required on all deals at time of project closeout moving forward.
July 10, 2025	SCI staff presented to Executive Staff program updates within the Division, including program outcomes and impact, budgets, status of program improvements, and next steps for funding rounds and other program activities.
August 5, 2025	VP of SCI and Sr. Manager of CII presented the plan for the NSP competitive funding round to CEO and CLOO, which included a memorandum proposing revised Neighborhood Stabilization Program Guidelines for the 2025 competitive funding round, including: eliminating locational limitations within the state; excluding the homeowner-rehabilitation project type; clarifying minimum design and construction standards for code, health, safety, and livability; requiring readiness to close and begin

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	construction within 6 months of award, subject to staff-approved extension; new insurance coverage requirements for awards over \$300,000; new environmental report requirements (Phase 1 ESA for new construction, lead and asbestos inspection reports for rehabilitation); new title requirements developed with Legal; and a \$500 application fee.
August 11, 2025	SCI staff met with EOHLC staff to discuss funds available, spending report, status of next NSP/GHRP rounds, cadence of future meetings.
September 8, 2025	Hired SCI-MCCB paralegal to support Strategic Community Investments and Massachusetts Community Climate Bank staff.
October 2025	Revised Neighborhood Stabilization Program (NSP) Program Guidelines formally issued (Rev. October 2025), incorporating design standards, insurance requirements, environmental report requirements, and title requirements developed earlier in 2025, with \$7 million made available for the 2025 application round to continue revitalization efforts in blighted neighborhoods statewide.
October 15, 2025	Development of internal program guide and closing standards.
October 16 and 20, 2025	NSP Notice of Funding Availability (NOFA) posted on MassHousing website (10/16) and secure online application folders made available (10/20) to registered FY2026 NSP applicants under the revised guidelines.
October 22, 2025	VP of SCI and Sr. Manager of CII met with the CEO to discuss plans for the upcoming CWB competitive funding round, including revisions to the CWB guidelines
November 12, 2025	Agency Members voted to approve the revised CWB guidelines and authorized the CEO to modify the CWB guidelines in

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	consultation with the VP of SCI, the General Counsel or their designees.
November 14, 2025	Application deadline for the 2025 NSP competitive funding round under the revised guidelines.
November 14, 2025	CWB NOFA and pre-application form posted on MassHousing website marking the start of the competitive funding round.
November 24, 2025	Internal Audit issued a report on the Accounting Operations (Grant Disbursements) Point in Time audit engagement. The audit determined that the processes and controls related to grant disbursements were designed effectively and operating as intended. The audit cited SCI management self-identified control improvements within NSP, GHRP, and CWB programs. Revised procedures were developed prior to the audit engagement, however due to timing of this audit the implementation of those improvements would be tested in a subsequent audit within the fiscal year. An email was sent to VP of SCI to provide additional context and guidance.
December 16, 2025	SCI team communicated decisions on pre-application evaluations after consultation with EOHLC
January 2026	Internal review of various grant and construction management solutions to improve oversight, efficiency, and reporting.
January 6, 2026	NSP staff met with Design & Construction, Appraisal & Marketing and Loan Servicing staff to discuss technical staff involvement in application reviews
January 8, 2026	CWB staff met with Design & Construction, Appraisal & Marketing and Loan Servicing staff to discuss technical staff involvement in application reviews

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January 16, 2026	CWB application deadline – online portal closed
January 23, 2026	CWB staff met with D&C, A&M and Loan Servicing to provide update on status of applications in competitive funding round.
February 19, 2026	CWB staff met with D&C staff to discuss scope and documentation of evaluation feedback.
February 20, 2026	CWB staff met with D&C, A&M and Loan Servicing to discuss technical application review feedback.
February 23, 2026	CWB staff met to discuss application evaluations and next steps.
March 3, 2026	CWB staff refines and updates standardized construction closeout checklist implemented for all deals prior to unit sale start going forward.
May 12, 2026	Internal Audit launches planning for Point in Time audit engagement to test implementation of improvements noted in November 2025 PIT report; paused PIT engagement June 26, 2026, as outside auditor being engaged.
June 2026	SCI staff develop written documentation for onboarding new grantees under NSP, outline the NSP process for grantees from award closing to completion and compliance.
June–August 2026	Engagement of external reviews, including external auditor for testing of GHRP