

MATRIX OF
AFFORDABLE HOUSING PROGRAMS

Updated June 2016

Program Contact Link to Guidelines	Apply To When	Eligible Use of Funds	Eligible Developers	Income and Target Population	Amount	Availability Maximum Loan/Project	Terms	Unit Prices	Deed Restriction	Other Requirements
Affordable Housing Program (AHP) Contact: Tobi Goldberg (617) 292-9653 Christine Rogers (617) 292-9677 Kathy Naczas (617)292-9646 <u>http://www.fhlbboston.com/downloads/communitydevelopment/fundingprograms/ahp/ahp_implementation_plan_16.pdf</u>	FHLBB Member Bank to Apply to FHLBB round by due date. Round opens: 7/25/16 Applications due: 9/13/16 Awards Announced: 12/18/16	Acquisition, new construction and/or rehabilitation costs and related soft costs. Funds may not be used for nonresidential space and may only be “recycled” in initiatives approved under the loan fund parameters. Supportive services and commercial space associated with a development are not eligible for funding. Funds cannot be used to pay predevelopment costs (defined as costs to determine whether a proposed initiative is feasible) prior to receipt of all funding commitments.	For profit Non-profit CDFI’s Revolving Loan Funds Housing Authorities	A minimum of 20% @ 50% AMI* Examples of eligible uses include multifamily rental, single room occupancy (“SRO”), mobile home parks and mutual housing. Depending on the use of the AHP subsidy funds, a mobile home park may be considered either rental or homeownership. The maximum number of points for an application is for 60% or more units with incomes at 50% AMI. Applicants with less than 60% of the units at 50% AMI will be awarded points on a declining scale based on % of units at 50% AMI and on the percentage of remaining units reserved at 80% AMI. Points are awarded to applications with projects that reserve 20% of the units for homeless households, who can be certified as such by a third-party agency or sponsor specializing in homeless services. Overnight shelters are eligible for AHP funding, but do not qualify as providing housing for the homeless, and therefore do not quality for points within the category.	For 2016 round: no more than \$750,000 in direct subsidy grant and no more than a \$750,000 for a subsidized advance can be requested per application. Total combined application request may not exceed \$1.5 million. (i.e. grant plus subsidized advance).	See Amount for details. Note: A maximum of \$27.2 million in funds are available for the 2016 funding round.	Subsidized advance loan and/or grants have various interest rates provided by the FHLBB member bank.	Maximum points are awarded to the project that uses the least amount of AHP subsidy funds per AHP unit. The range is \$7,500 to \$97,500 per unit.	15 years from completion, secured with a mortgage and note on FHLBB template.	At the time of application, projects must demonstrate the following: (1) site control for 100% of parcels. (2) all funds will be committed within 12 months of the award for all funding sources, including investors for tax credits and bonds; and (3) the project complies or will comply with current zoning within 12 months of award (see Page 10 for details). (4) projects must demonstrate the ability to be completed, including the use of all the AHP funds, within 24 months of the award.
Affordable Housing Trust Fund (AHTF) Contacts: Lynn Shields (617) 854-1381 <u>http://www.mass.gov/Ehed/docs/dhcd/hd/ah/ahftguide.pdf</u>	Projects seeking just AHTF may apply any time. Projects seeking funds also from an Affordable Housing Agency (AHA) i.e., MassHsg., CEDAC, MHP, or DHCD (see Other Requirements for details).	Acquisition, rehabilitation or new construction of affordable housing.	For Profit Non-profits* Local Housing Authorities (LHA) Private Employers Governmental Subdivisions *Preference is for non-profits	110% AMI (preference is for developments with a range of incomes with special emphasis on units with 80% AMI or less)	\$50,000* *limit may be exceeded for acquisition and rehabilitation of existing units.	Lessor of \$1,000,000 or \$50,000 per assisted unit. Note: DHCD limits the total subsidy funds for each project at \$100,000 per affordable unit (not including tax credits).	30-year deferred payment loan at 0%	N/A	30 years* *Preference is for projects that propose the longest term of affordability.	Applications seeking funds from an Affordable Housing Agency (AHA) should submit application to AHA per respective deadlines. AHA to underwrite and confirm feasibility, readiness to proceed and financing gap needing AHTF. AHA must refer application to AHTF. Borrower must be a single purpose entity (except projects sponsored by LHA).

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Brownfields Redevelopment Fund Contact: David Bancroft (617) 330-2038 http://www.epa.gov/ne/brownfields/grantguidelines.html	Community Development Regional Office Any time	For environmental assessment and clean-up of contaminated properties with economic development benefits.* A redevelopment project must be located in an Economically Distressed Area, provide substantial public benefits, and require financial assistance from the Fund.	For profit Non-profits Municipalities Individuals borrowers-help to determine whether properties are contaminated and to develop remediation plans	None* *If the use is for affordable housing, the restrictions will follow the requirements of the affordable housing program	See Availability Maximum Loan/Project for details.	\$100,000/project for site assessment* and \$500,000/project for remediation**. *Can apply for assessment if site is not yet owned. **Remediation funds are only available if there is site control (i.e., Purchase and Sale Agreement)	Deferred payment loan. Municipality and Community Development Corporations are eligible for a grant, which may be recoverable. Remediation funds are loaned at 0% interest until a term of event occurs then payback is required within 30 days (below market rates).	N/A	N/A	Preference is for applicant to arrange a meeting with MassDevelopment once due diligence is completed including hiring a Licensed Site Professional (LSP) to assess the site. Different standards apply for residential activity use with special limitations. Priority Project Status: up to \$2 million per project in site assessment/ remediation funding for high-impact sites that host communities prioritize and that have received substantial municipal investment.
Capital Improvement and Preservation Fund (CIPF) Contact: CIPF Staff (617) 573-1300 http://www.mass.gov/hed/housing/affordable-rent/capital-improvement-and-preservation-fund-cipf.html	DHCD* ANY TIME *MHP is financial intermediary	Acquisition* Refinance and/or rehabilitation of existing rental properties* *Funds intended to preserve and improve projects where prepayment of a state or federally assisted mtg. would lead to termination of a use agreement for low-income housing.	For-profit Non-profit Local Housing Authorities	50% of the units affordable at 80% AMI* *A minimum of 5% of the units must be at 50% AMI.	\$40,000/unit for projects greater than 25 units \$50,000/unit for projects less than 25 units	\$2,000,000 \$1,250,000 Note: DHCD limits the total state subsidy funds for each project at \$100,000 per affordable unit.	40 years at 0%* (deferred payment loan) *DHCD reserves the right to structure with an interest rate above 0%.	N/A	40 years	May not be used with DHCD HOME funds. If local HOME is used, rental rates are subject to HOME rents. Must obtain commitment of local funds if in a HOME entitlement/consortium community.

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CDBG, HOME Leading the Way Contact: Christine O’Keefe City of Boston, DND (617) 635-0351	City of Boston Department of Neighbor. Development	Acquisition, rehabilitation or new construction Preservation of neighborhood stability, produce more housing units for moderate, low and very low income families and individuals, preserves affordable units threatened by conversion to market rate housing and provides housing for homeless families and individuals.* *Occupied buildings that need moderate rehabilitation will be given priority.	For profit Non-profits NOTE: Project proposals must be eligible under federal regulations governing HOME and CDBG programs.	Preference is for 20% of the units set-aside for homeless on new production or 10% of the units set-aside for homeless on preservation.* Priority is given to projects that predominantly offer 2 and 3 bedroom units. *Projects serving families or individuals that offer in excess of 20% of units to homeless may be eligible to receive Section 8 PBV’s provided the sponsor submits a service enriched management plan, subject to BHA, HUD, and DND approval.	See Available Maximum Loan/Project for details.	\$1,000,000 per project.* *Funds are gap financing as all other sources of financing should be pursued. Applicants are encouraged to apply for Neighborhood Housing Trust if source is available.	40 years (deferred payment loan with compounding interest and no principal or interest due until maturity for Leading the Way program).	DND must strike a balance between the extent of work and proposed cost given limited subsidy funds.	In perpetuity	Projects of 12 or more HOME assisted units are subject to Davis Bacon. Projects with 8 or more units receiving CDBG are subject to Davis Bacon. Other requirements include Handicapped Accessibility, Fair Housing and Affirmative Marketing, Boston Living Wage Ordinance, Section 3 of the Housing and Urban Development Act of 1968.
HOME Contact: HOME Staff (617) 573-1300 http://www.mass.gov/hed/housing/affordable-rent/home-investment-partnerships-program-home.html	DHCD Funding Round	Acquisition, rehabilitation or new construction	For Profit Non-profits Municipalities in cooperation with any of the above.	60% AMI of which 20% must be affordable at 50% AMI (Low HOME rents)*. Each project shall have a minimum of 5 HOME assisted units. *All remaining HOME units may be leased at High HOME rents being the lesser of Section 8 FMR’s or 65% AMI.	\$50,000 in entitlement or consortium community (must have full match commitment of local funds). \$65,000 in non-entitlement or non-consortium communities	\$750,000-\$1,000,000 per project Note: DHCD limits the total state subsidy funds for each project at \$100,000 per affordable unit (not including tax credits).	30-year deferred payment loan at 0% * *DHCD can assign a higher interest rate. HOME loans to projects with LIHTC are made at the Applicable Federal Rate (AFR) or higher.	Costs are to be “reasonable and necessary”	30 years	HOME encourages projects with less than 50 units. In addition, projects containing 12 or more HOME units must conform to the Davis Bacon Act. Applications for projects in municipalities receiving HOME funds from HUD must include matching funds as a funding source. Each application must be signed by the chief elected official of the community. No project related demolition, remediation and/or construction is to begin prior to applying for HOME funds.

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Housing Innovation Funds (HIF) Contact: CEDAC Sara Barcan (617) 727-5944 DHCD HIF Staff (617) 573-1300 http://www.mass.gov/hed/housing/affordable-rent/housing-innovations-fund-hif.html	CEDAC DHCD Funding Round	Acquisition* Construction and renovation of residential buildings Soft costs directly related to residential buildings *HIF may be used for the acquisition of property as part of a feasible and ready-to-proceed project to develop HIF-eligible units. Preservation and new construction of single person occupancy (SPO) units (which may include lodging rooms, studio or one-bedroom apartments) is a <u>high priority for the HIF program</u> .	Non-profit developer (501(c)3); or A limited equity cooperative corporation organized under Chapter 157B of MGL; or A single purpose owner corp. affiliated and controlled (51%) by a non-profit (e.g. a tax credit partnership)	At least 50% of the units must be reserved for persons whose incomes are less than 80% AMI and of such reserved units, at least 50% (that is 25% of the units) must be reserved for 30% AMI households. Target populations: Low-income and extremely low income persons and families with an innovative financing or ownership structure (see guidelines for details). A service program is an integral part of most HIF projects. Applicants proposing to serve populations in need of support services must submit a service plan and demonstrate how (and how long) it will be funded. Most HIF developers secure service funding for an initial extended period of at least five years. Developers may be awarded HIF funds based on service plans but before a firm commitment of HIF funds is made, a firm funding commitment for services is required.	Can support no more than 50% of TDC per HIF unit.	\$500,000/project Up to \$750,000 to \$1,000,000 to a project that primarily serves homeless individuals or families. NOTE: DHCD limits the total state subsidy funds for each project at \$100,000 per affordable unit (not including tax credits).	30 years* (deferred payment loan) Interest is deferred but accrues for the initial 20 years of the 30-year loan term, except in any year that gross cash receipts exceed gross cash expenditures by 105% (see guidelines for details).	Projects with total costs in excess of limits established by DHCD for the LIHTC program will be considered high cost projects and will be required to justify costs.	30 year minimum As part of the Land Use Restriction, HIF borrowers grant DHCD a purchase and a first refusal option (see guidelines for details).	May not apply for HIF and tax credits during 4/28/11 competition unless the intent is to provide homeless units in conjunction with significant supportive services.

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<p>Low Income Housing Tax Credits (LIHTC)</p> <p>Contact: LIHTC Staff (617) 573-1300</p> <p>http://www.mass.gov/hed/housing/affordable-rent/low-income-housing-tax-credit-lihtc.html</p>	DHCD Funding Round	<p>Acquisition, new construction and/or rehabilitation of existing structures for rental use* (including distressed or failed properties).</p> <p>*A project must have a minimum of 12 tax credit assisted units. At least 75% of the units must have two or more bedrooms (DHCD will make exceptions only if the units are appropriate for the intended residents).</p>	<p>For profit</p> <p>Non-profit</p>	<p>20% at 50% AMI and 10% at 30% AMI or</p> <p>40% at 60% AMI and 10% at 30% AMI</p> <p>Note: if sponsor is using tax exempt financing and seeking 4% credit for a mixed income project with at least 50% of the units at market rates, the sponsor must reserve 15% of the affordable units for tenants earning less than 30% AMI.</p>	<p>Maximum eligible basis for Boston metro area projects is \$250,000/ tax credit unit</p> <p>Maximum eligible basis for all other projects is \$200,000/tax credit unit</p> <p>Preservation projects eligible basis maximum is \$175,000/ tax credit unit</p> <p>Net raise per credit \$.85</p>	<p>\$1,000,000 in credits per project*</p> <p>*Assisted living projects are capped at \$500,000. Also, large scale neighborhood impact projects may go up to \$1,300,000 (requests will be considered on a case by case basis).</p> <p>NOTE: Sponsors that have received a tax credit award but are unable to achieve anticipated pricing can make additional credit requests on a rolling basis.</p>	9% or 4% tax credits for 10 years to investor and 15 years compliance	See Amount for per unit details	30 year minimum – application can obtain a higher score with 50 year restriction.	The most important criterion of credit projects is whether the sponsor of a worthy project is able to secure an investor at an acceptable net raise.

<p>State Tax Credits</p> <p>Contact: See LIHTC Above</p> <p>http://www.mass.gov/?pageID=ehedterminal&L=6&L0=Home&L1=Economic+Analysis&L2=Executive+Office+of+Housing+and+Economic+Development&L3=Department+of+Housing+and+Community+Development&L4=DHCD+Legal+Resources&L5=DHCD+Regulations&sid=Ehed&b=terminalcontent&f=dhcd_legal_760cmr54&csid=Ehed</p>	DHCD Funding Round	<p>Acquisition, new construction and/or rehabilitation of existing structures for rental use* (including distressed or failed properties).</p> <p>*A project must have a minimum of 8 tax credit assisted units. At least 75% of the units must have two or more bedrooms (DHCD will make exceptions only if the units are appropriate for the intended residents).</p>	<p>For profit</p> <p>Non-profit</p>	<p>20% at 50% AMI and 10% at 30% AMI or</p> <p>40% at 60% AMI and 10% at 30% AMI</p> <p>Note: if sponsor is using tax exempt financing and seeking 4% credit for a mixed income project with at least 50% of the units at market rates, the sponsor must reserve 15% of the affordable units for tenants earning less than 30% AMI.</p>	<p>Allocations based on minimum amount to make project feasible.</p> <p>Minimum net raise per credit \$0.68</p>	<p>\$1,000,000 in total credits per project*</p> <p>DHCD encourages sponsors to limit requests to \$10,000 to \$12,000 per unit.</p> <p>*State credit typically will be allocated in lieu of a portion of federal credit, which the project might otherwise receive.</p>	9% or 4% tax credits for 5 years to investor	See Amount for per unit details	30 year minimum – application can obtain a higher score with 50 year restriction (or in perpetuity).	<p>State credits can be awarded only to projects that receive an allocation of federal tax credit (either 9% or 4%).</p> <p>Priority will be given to large-scale neighborhood impact projects, mixed-income projects, projects that provide a high percentage of units for extremely low income households (including homeless).</p> <p>The most important criterion of credit projects is whether the sponsor of a worthy project is able to secure an investor at an acceptable net raise.</p>
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Note: Information was compiled from public sources in summary form intended for comparative purposes. Refer to current guidelines and regulations for applying program to specific projects.

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