



What is the Community Scale Housing Initiative?

The Department of Housing and Community Development and MassHousing created the Community Scale Housing Initiative to assist small cities and towns develop new affordable housing projects.

The initiative provides a funding source to assist communities with a population less than 200,000 usher in small-scale, multi-unit projects. The two agencies provide zero interest loans to both non-profit and for-profit entities to build at least five, but not more than 20, rental units. The agencies require that 20% of the units are affordable to households at or below 80% of the area median income.

The program is particularly useful for rural communities with a lower demand for housing and developers struggle to acquire the necessary funds for smaller developments.

Criteria:

- The host community must provide a financial commitment.
- All other funding must be in place.
- 20% of the units must be affordable.
- A third-party market study must demonstrate the demand.
- Design must incorporate green building standards and increased accessibility.
- Ready to proceed within 12 months of award.
- Total project cost must be appropriate.

MassHousing and Executive Office of Housing and Livable Communities will also evaluate the strength of the concept and development team as well as review prior projects either organization funded or regulate.

Examples:

The program launched in 2017 and its first round of funding supported nine units in Arlington, 18 in Norwell, and nine in West Tisbury.

In 2018, the program supported the development of the Hillside Center for Sustainable Living in Newburyport.

In 2020, the organizations provided The Community Builders and Balley Community Development Corp. \$1.3 million for the construction of 12 new units in Northampton.

In 2021, the organizations provided the Holyoke Housing Authority \$2 million to develop 12 units known as the South Holyoke Homes.

In 2022, MassHousing awarded E3 Development LLC \$900,000 from the program to support the development of 16 new housing units in Somerville.

The Commonwealth accepts applications through [the OneStop for Growth grant portal system](#).