



The City of Worcester

Executive Office of Economic Development

Neighborhood & Housing Development

Request for Proposal (RFP)

Affordable Housing Trust Fund

Affordable Housing Development

Request for Proposal (RFP)

Affordable Housing Development – Community Preservation Act (CPA) Funding

Issue Date: July 31, 2025

Submission Deadline: Tier 1: September 17, 2025 Tier 2: October 15, 2025

Part One Overview

I. Introduction

The Worcester Affordable Housing Trust Fund (AHTF) invites qualified housing developers to submit proposals for the development of new income-restricted affordable housing units in the city of Worcester. Funding will be made available through the Community Preservation Act (CPA) and is intended to support the creation of new homeownership and rental housing for households earning up to 80% of Area Median Income (AMI), with priority for deeper affordability (30% and 60% AMI).

II. Funding Overview

A total of approximately \$1,250,000 in CPA funds is available through this RFP. Funding awards may not exceed:

- \$150,000 per affordable unit, and
- 25% of total development cost

Projects that are shovel-ready, include deeper affordability, provide accessible housing above the minimum threshold requirement, and propose cost-effective leveraging of AHTF funds will be most competitive.

III. Application Tiers and Deadlines

To accommodate different levels of project readiness, this RFP includes two application tiers:

Tier 1 – Shovel-Ready Projects:

Projects that can demonstrate site control, land use approvals, and a clear path to closing within six (6) months of AHTF Board approval of the submitted application may apply under this accelerated timeline.

- Tier 1 Application Deadline: September 17, 2025

Tier 2 – General Applications:

Projects still in predevelopment but with a feasible pathway to implementation may apply under the general application timeline.

- Tier 2 Application Deadline: October 15, 2025



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IV. Eligible Applicants

Eligible applicants include community development corporations, non-profit and for-profit housing developers, and the Worcester Housing Authority.

V. Project Eligibility

All projects must meet the following requirements (Tier 1 applications subject to additional requirements):

- i. Create new affordable housing units (homeownership or rental)
 - o An eligible project must be a property developed through either new construction or substantial rehabilitation for the purpose of creating new affordable rental or homeownership housing units. New affordable housing units include housing units constructed where none had existed previously; vacant, abandoned, or fire-damaged residential units to be returned to residential use; and non-residential property converted to residential use.
- ii. Serve households earning no more than 80% of Area Median Income (AMI)
- iii. Have a minimum term of affordability of thirty (30) years secured by an affordable housing restriction and mortgage
- iv. Provide a minimum of ten percent (10%) of project units (not less than one unit) and 100% of common areas that are fully wheelchair accessible as defined by the Uniform Federal Accessibility Standards
- v. Provide evidence of site control
 - o Land or buildings proposed as part of a project under this application must have site control at the time the application is submitted in the form of title, purchase and sale agreement, option, long-term lease for a minimum of 50 years, or other acceptable method.
- vi. Describe any required local land use approvals
 - o Local land use approval is not required prior to submitting the application. The applicant must submit an analysis of the project in relation to local land use regulations and site feasibility.
- vii. Demonstrate financial feasibility
 - o AHTF underwriting forms must be developed in accordance with the underwriting guidelines of the primary funding source, including adequate cash flow and debt coverage ratio. Affordable Housing Trust Funds must not account for more than 25% of the total development cost. Replacement reserve must be included in the Operating Budget.



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- viii. Comply with all applicable fair housing, building code, and zoning requirements

VI. Affordability Requirements

All projects must:

- i. Record a Regulatory Agreement or Affordable Housing Restriction acceptable to the AHTF and City Law Department and in compliance with the MA Executive Office of Housing and Livable Communities (EOHLC) guidelines
- ii. Ensure affordable housing units are eligible for inclusion on the Subsidized Housing Inventory (SHI), which includes implementing an Affirmative Fair Housing Marketing and Lottery Plan in accordance with state guidelines
- iii. Provide permanent housing for income-qualified tenants/buyers (this RFP excludes Single Room Occupancy ("SRO") and other supportive housing projects)

Rental projects must:

- Set maximum rents for affordable units that do not exceed an amount equal to thirty percent (30%) of the monthly adjusted income for the qualifying household, as defined by HUD, including the allowance for any utilities and services (excluding telephone) to be paid by the resident. The utility allowance is published annually. In addition, the maximum rent should not exceed the Fair Market Rent (FMR) published annually by HUD for the Worcester, MA HUD Metro FMR Area.

Homeownership projects must:

- Provide affordable units to buyers that:
 - o Meet HUD's definition of a first-time homebuyer. This definition includes an individual who has not had ownership in a principal residence during the three-year period ending on the date of purchase (closing date) of the property.
 - o Provide evidence of successfully passing a HUD-approved homeownership course no more than one (1) year prior to closing of the property.
 - o Agree that the property will remain their (the purchaser's) primary residence for a period of no less than ten (10) years.
- Set initial maximum sale prices for an affordable homeownership unit such that it is affordable to a household whose income is between 70% to 80% of area median income.



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VII. Developer Requirements

All applications must provide evidence of a development team with the capacity to successfully complete the project including:

1. Resumes or short narrative bios for key team members, such as:
 - a. Developer/Project Manager
 - b. Architect/Design Team
 - c. Construction Manager/General Contractor
 - d. Finance Lead
 - e. Compliance/Property Management (if relevant)
2. Relevant project experience (e.g., residential development portfolio)
3. Financial capacity and feasibility – please provide the following:
 - a. Audited financial statements, if available, for the last 2 years - include balance sheet, income statement, and cash flow statement
 - b. Development team's track record with public funding (list recent projects that involved LIHTC, HOME/CDBG, CPA, State bond funds, etc.)
 - c. Letters of interest or commitments from funders (banks, investors, and/or public funding agencies)
 - d. Developer fee deferral capacity or guarantees, if applicable (describe ability to defer fees and/or to access lines of credit or internal funds to cover predevelopment or cost overruns)

VIII. Readiness to Proceed

Include any evidence of substantial progress in areas including but not limited to land use and zoning approvals, environmental and historic reviews, and ability to close on sources of financing. Funding sources should be documented by commitment letters outlining terms and conditions.

For properties located in historic districts or designated as buildings having historical significance, the developer/owner must include in a narrative the status of required historical approvals.

IX. Environmental Review Requirements

Please note that if awarded funding, successful applications will be required to provide an ASTM Phase I/II environmental site assessment for all properties in the project and any other applicable environmental reports, including but not limited to lead, asbestos, and radon testing.

Lead-Based Paint

All projects involving substantial rehabilitation on structures originally built before 1978 must receive Massachusetts Letters of Deleading Compliance at project completion.

Radon

The city of Worcester is in Zone 1 of the U.S. EPA map of Radon zones. All residential units developed utilizing Worcester Affordable Housing Trust Funding must contain at least a passive subsurface radon system and be tested prior to occupancy and have results showing less the U.S. EPA Action level of 4pCi/L.



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X. Funding Priorities

The AHTF Board adopted their FY2026-2030 Strategic Plan in June 2025, which identified five guiding principles. These guiding principles describe the core values and commitments that consistently inform the AHTF Board's decision-making. They are enduring beliefs that help ensure the Trust's work supports Worcester's broader housing vision and aligns with long-term City plans and community needs. The AHTF's Guiding Principles are as follows:

The AHTF Board will prioritize funding for projects, including new construction as well as rehabilitation and conversions of existing buildings, that:

1. Reflect high standards of design, quality, and livability
2. Promote efficient and sustainable land use
3. Are located near jobs, services, transportation, and community amenities
4. Advance fair housing, equity, and long-term affordability
5. Align with the priorities and recommendations outlined in the Worcester Housing Production Plan (HPP) and the Worcester Now | Next Citywide Plan

The AHTF will therefore prioritize proposals that:

- Provide units at or below 60% AMI and 30% AMI
- Ensure affordability in perpetuity
- Incorporate universal design and exceed minimum accessibility requirement (10% of units and a minimum of 1 unit)
- Use infill development or adaptive reuse
- Are transit-accessible and located near jobs, schools, and services
- Demonstrate sustainability and resilience

XI. Use of Funds

Eligible uses include:

- Property acquisition
- Site preparation and infrastructure
- New construction or substantial rehabilitation
- Predevelopment soft costs (e.g., architecture, environmental testing, legal)

All uses must comply with the Community Preservation Act (M.G.L. Chapter 44B). Funds may not be used for expenses incurred prior to the execution of a grant agreement or deferred loan agreement with the City.



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XII. Evaluation Scoring Criteria

	Evaluation Criteria	Tier 1	Tier 2
		Maximum Points	Maximum Points
A1	Depth of Affordability	15	15
A2	Duration of Affordability	10	10
B	Readiness to Proceed	20	15
C	Accessibility and Universal Design	15	15
D	Financial Feasibility	15	20
E	Development Team Capacity	15	15
F	Sustainability and Resilience Features	10	10
	<i>Total</i>	<i>100</i>	<i>100</i>

See Attachment B1 for Tier 1 Evaluation Scoring Criteria and Attachment B2 for Tier 2 Evaluation Scoring Criteria.

XIII. Submission Requirements

Proposals must include:

1. Completed AHTF Application Form (Part Two)
2. Completed AHTF Underwriting Forms (see Attachment A – must be submitted **as both Excel and PDF documents**)
3. Evidence of site control
4. Developer capacity documentation (see *Section XI. Developer Requirements* above)
5. Financial capacity and feasibility documentation:
 - i. Audited financial statements, if available, for the last 2 years - include balance sheet, income statement, and cash flow statement
 - ii. Funding interest and/or commitment letters with terms and conditions for all sources of debt and non-debt financing
 - iii. If equity is committed by the developer or owner(s), evidence of available equity funds
6. Project readiness documentation
 - i. Any evidence of substantial progress in areas including but not limited to land use and zoning approvals, environmental and historic reviews
7. Preliminary design/site plans
8. If the applicant is a partnership or limited liability corporation, a copy of the partnership agreement or operating agreement, which will indicate the cash contributions by the partner(s) or member(s)



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Submit completed proposals via the following online form:

<https://forms.worcesterma.gov/ng/fa/AHTFApplication>

A maximum of ten (10) PDF files and one (1) Excel document may be uploaded, and each file has a size limit of 10MB.

Please use the Project Name as part of the file name for each file submitted (for example, "ProjectNameAppForm" and "ProjectNameUnderwritingForms").

Optional hard copies may be submitted to:

City of Worcester Executive Office of Economic Development

Attention: Jeanette Tozer, Affordable Housing Trust Fund Manager

455 Main Street, 4th Floor

Worcester, MA 01608

XIV. Evaluation and Selection Process and Timeframe

Applications will be initially reviewed by an evaluation team that will include City of Worcester staff. The following process will be used:

- A. All applications will be reviewed for completeness. Only complete applications will be reviewed under the scoring factors in order to recommend the most qualified applications based on the information submitted. The application review team may confer with the applicants and/or third parties to clarify or verify information and request additional information.
- B. The evaluation and review process should be substantially complete within 60 days of receipt of complete application. Applicants will be notified of their application status as soon as possible.
- C. Applicants may be asked to present their proposals to the Affordable Housing Trust Fund Board of Trustees for funding consideration.
- D. Based on AHTF approval, successful applicants will receive a letter of conditional commitment for funding.

Applicants whose proposals are deemed strong and aligned with the AHTF's goals but not funded due to limited availability of funds will be invited to reapply in a future round within the same fiscal year, if additional funding becomes available. However, applications that are denied due to low or non-competitive scores will be subject to a one-year cooling-off period before they may reapply.



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XV. Questions and Technical Assistance

Questions must be submitted via email at least three (3) business days before the application submission date to Jeanette Tozer, Affordable Housing Trust Fund Manager, at

TozerJ@worcesterma.gov.

Technical assistance workshops will be held on the following dates:

In-Person: Wednesday, August 27, 2025 | 12:00pm – 1:00pm | City Hall, Levi Lincoln Chamber

Virtual: Wednesday, September 3, 2025 | 12:00pm – 1:00pm | [Teams Meeting Link](#)

XVI. Reservation of Rights

The City of Worcester, through the AHTF, reserves the right, at its sole discretion, to award all, a portion, or none of the available funding from this application, as well as reject any and all applications for City funding, based on the quality and merits of the applications received, or when it is determined to be in the public interest to do so. Furthermore, the City of Worcester may extend deadlines and timeframes, waive informalities or technical defects, and request additional information as needed within programmatic limits.

The City of Worcester reserves the right to substantiate any proposers' qualifications, capability to perform, availability, past performance records and to verify that the applicant is current in its financial obligations to the City of Worcester.

The successful applicant shall agree to defend, indemnify and save the City of Worcester harmless from all losses, costs or damages caused by its acts or those of its agents, and, before signing the contract, will produce evidence satisfactory to the City of Worcester's Legal Counsel.

Pursuant to City of Worcester procurement policy and ordinance, the City of Worcester is unable to contract with businesses or individuals who are delinquent in their financial obligations to the City of Worcester. These obligations may include but are not limited to real estate and personal property taxes and sewer user fees. Applicants who are delinquent in their financial obligations to the City of Worcester must do one of the following: bring the obligation current, negotiate a payment plan with the City of Worcester's Treasury office, or agree to an offset which shall be established by the contract which shall be issued to the successful applicant.



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Part Two Application

Application Tier ☐ Tier 1 – Shovel-Ready Projects

☐ Tier 2 – General Applications

Applicant Entity Legal Name: _____

Applicant Primary Mailing Address: _____

Applicant Primary Point of Contact Name: _____

Applicant Primary Point of Contact Email Address: _____

Applicant Primary Contact Phone Number: _____

Type of Entity:

☐ Non-Profit

☐ Faith-Based Organization

☐ Government / Public

☐ CHDO

☐ For Profit

Name of Project: _____

Project Address: _____

Project Type ☐ Rental Housing

☐ First Time Homeownership

Activity Type ☐ New Construction

☐ Substantial Rehabilitation

AHTF Funding Request: \$_____



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Project Details

1. Project Description

Provide a comprehensive description of the proposed affordable housing development. Your response should clearly explain how the project addresses the AHTF's funding priorities. Please include the following information:

- Project type (e.g., new construction, rehabilitation, adaptive reuse, or conversion)
- Total number of net new units and number of income-restricted units
- Unit mix (bedroom sizes, accessible/adaptable units)
- Tenure type (rental or homeownership) and proposed affordability period (e.g., 30 years or in perpetuity)
- Location and site context (including access to jobs, transit, services, and amenities)
- Description of the project's design quality, livability, and approach to sustainability and climate resilience
- Key development partners (e.g., co-developers, general contractor, architect)
- Development timeline and current status (e.g., site control, permitting, financing)

Limit: 750 words. The Project Description may also be attached as a separate document.



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2. Project Total Development Cost (TDC): \$_____

This figure must match the TDC in the required Underwriting Forms.

3. Total Number of Units: _____

4. Number of AHTF-Assisted Units: _____

5. AHTF Funding Request Per Unit: \$_____

6. Affordable Units:

Affordability	# of Units
Number of AHTF-assisted units occupied by households at or below 30% of area median income	
Number of AHTF-assisted units occupied by households at or below 60% of median income	
Number of AHTF-assisted units occupied by households at or below 80% of median income	

7. Project Timeline (including estimated construction start date and estimated completion date) *Limit: 150 words*



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8. Readiness to Proceed

Please describe any substantial progress in areas including but not limited to land use and zoning approvals, environmental and historic reviews, and ability to close on sources of financing.

Limit: 150 words

9. Accessibility Requirements

A minimum of ten (10) % of project units (no less than one unit) and 100% of the common areas must be fully wheelchair accessible as defined by the Uniform Federal Accessibility Standards. Describe the number of units to be set-aside to meet the accessibility requirements and any features of the project that will promote accessibility for people with physical disabilities, such as ramps, doorways, hallways, bathrooms, elevators, hardware fixtures, signage in Braille, TTD's or TTY's or audio/visual emergency systems. *Limit: 100 words*



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10. Sustainability and Resilience Features

Please describe any sustainability and climate resilience features included in the proposed project design. Responses may address (but are not limited to):

- Energy efficiency (e.g., Energy Star appliances, high-efficiency HVAC, passive design)
- Use of renewable energy sources
- Water conservation strategies
- Sustainable or recycled building materials
- Indoor air quality and healthy building design
- Climate adaptation measures (e.g., flood protection, heat mitigation, stormwater management)
- Site planning that promotes walkability, transit access, and reduced vehicle dependence

In your response, identify any certifications being pursued (e.g., LEED, Enterprise Green Communities, Passive House) and explain how these features support long-term affordability, environmental impact reduction, and resident well-being.

Limit: 500 words



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11. Project Funding Sources

Please include all known and anticipated funding sources (committed, pending, or projected) below.

Worcester AHTF	\$
Federal Funds	\$
State Funds	\$
Private Funds	\$
Other	\$
Total	\$

Please describe any federal, state, or private funds that are committed, pending, or projected. *Limit: 100 words*

12. Project Operating Budget (Pro Forma - Rental Projects Only)

Please describe the assumptions used in the Operating Budget pro forma, including rent projections, operating expenses, replacement reserves, and debt service. *Limit: 250 words*



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Developer Information

13. Developer Experience and Capacity Narrative

Please list all development team members including, but not limited to, the developer, general contractor, architect, and property manager. Please also describe the experience and capacity of the development team, including relevant project experience (e.g., residential development portfolio) and track record with public funding. As part of the application submission, you will also submit resume(s) or short narrative bio(s) for key team members. *Limit: 500 words*

14. Financial Capacity Narrative

Please describe your financial capacity to complete the project, such as experience managing development budgets, organizational financial policies and internal controls, and strategies for financial risk mitigation such as ability to defer fees and/or to access to lines of credit or internal funds to cover predevelopment or cost overruns. *Limit: 250 words*



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Statement of Applicant

The undersigned acknowledges and agrees to the following terms and conditions:

1. That, to the best of its knowledge and belief, all information provided in this application is accurate, true, and complete, and that all cost estimates are reasonable.
2. That this request may be forwarded for consideration under other budget processes if it is determined that alternative sources may be appropriate.
3. That no revised proposals or supplemental materials may be submitted after the application deadline has passed.
4. That the City of Worcester reserves the right to request changes or clarifications to the information submitted and may substitute its own reasonable estimates or assumptions for any figures provided by the applicant. The applicant agrees to participate in interviews or meetings, if requested, and to fully cooperate in the project review process.
5. That, if the project is recommended for funding and subsequently approved by the Affordable Housing Trust Fund, the City reserves the right to reduce or rescind the award if Community Preservation Act (CPA) funds are reduced, cancelled, or otherwise become unavailable.
6. That the City of Worcester reserves the right to reject any or all applications received.
7. That, if the project is funded, the applicant agrees to comply with all applicable local policies, guidelines, and procedures established by the City of Worcester.
8. That past performance in City- or federally-funded programs, including financial and programmatic compliance, may be considered in evaluating this application.
9. That past building, sanitary, and fire code violations may be considered in evaluating this application.
10. That, if funded, the City or its designee may conduct a pre-award inspection of the applicant's accounting and financial systems, including internal controls, procurement policies, and administrative procedures, prior to disbursing funds.
11. That, if funded, the City will conduct an environmental review in accordance with applicable laws and regulations before any funds are obligated.
12. That, if funded, the applicant will be required to enter into a formal grant agreement with the City, which will include terms covering the scope of work, reporting and records retention, program income procedures (if applicable), applicable federal and local requirements, conditions for suspension or termination, and asset reversion provisions.
13. That, prior to the disbursement of funds, the applicant will submit proof of insurance coverage appropriate to the scope of work. For construction projects, this shall include, at a minimum:
 - General Commercial Liability Insurance, with a company licensed to do business in Massachusetts, naming the City of Worcester, its employees, and agents as additional insureds. Coverage shall be no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
 - Builder's Risk Insurance covering damage to materials, fixtures, and equipment during construction.The City reserves the right to request additional insurance coverage as deemed necessary based on the nature and complexity of the project.
14. That the applicant will provide written documentation of signatory authority from its governing body, specifying who is authorized to execute contracts and amendments on behalf of the organization.
15. That the applicant agrees to comply with the City of Worcester's Conflict of Interest policy. Potential conflicts may include, but are not limited to, staff members or their family members serving on the applicant's Board of Directors or any arrangement that may reasonably appear to create a conflict of interest.
16. That the applicant agrees to comply with all applicable federal laws and regulations, including the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990.



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17. That the applicant certifies it is not currently suspended, debarred, or otherwise ineligible to participate in federal or state assistance programs, and that it will notify the City immediately if such a status changes during the review or implementation period.
18. That this proposal is made in good faith and without collusion or fraud with any other person, firm, or organization submitting a proposal for the same purpose. No employee, agent, or consultant of the City of Worcester has any financial or other interest in the outcome of this application. The applicant certifies that no attempt has been made or will be made to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.

PENALTY FOR FALSE OR FRAUDULENT STATEMENT
Massachusetts General Laws Chapter 12, Sections 5A to 5O, provides that a fine of up to \$11,000 per violation shall be the penalty for knowingly presenting a fraudulent claim for payment or approval, making false statements material to a claim, or conspiring to commit such acts.

Certification: To the best of my knowledge and belief, the data in this application are true and correct. This document has been duly authorized by the governing body of the applicant. The applicant will comply with AHTF, CPA, and state regulations if assistance is approved.

Signature of Authorized Official/Title

Date