

New Bedford's Mayor Jon Mitchell announces ARPA-Funded housing expansion initiative

Mayor Jon Mitchell and City officials are announcing the Housing Expansion Initiative, which will provide from \$250,000 to \$2 million to developers of eligible housing projects that create new units of mixed-income housing in New Bedford.

The Housing Expansion Initiative will support large-scale housing projects that have a total project cost of more than \$5 million. The projects must directly assist in the creation of new units for people with household incomes at or below 60% of the area median income.

Eligible projects also must fit one of three categories: 1) mixed-income, meaning a mix of income-restricted and market-rate units; 2) mixed-use (residential and commercial); or 3), an adaptive reuse of vacant properties.

"This initiative will help quality housing projects get over the finish line," said Mayor Mitchell. "In doing so, it will help to address pressing housing needs, spur economic development and enliven neighborhoods."

The program is the City's second announcement of investments funded by the American Rescue Plan Act (ARPA), designed to address economic and public health impacts from the COVID-19 pandemic.

The program is designed to kick-start projects that are "shovel-ready" – meaning fully permitted and ready to start construction in a reasonable timeframe – but have a demonstrated financial need.

In keeping with the City's general approach to ARPA investments, applicants must demonstrate investment commitments from other sources, and show that the project would not be able to move forward without the requested ARPA funding.

"It's no secret that we have a serious housing shortage in our community, especially housing that's affordable for our working and middle-class families," City Council President Ian Abreu said. "Programs like these coming to fruition, thanks to the American Rescue Plan Act funds, will go a long way to ensure that no family or resident, especially our children and seniors, will ever go homeless here in the City of New Bedford."

Every proposal that is approved and constructed will be required to provide ongoing evidence that tenants meet income guidelines, and where applicable, that owners meet affordable rent guidelines.

A one-person household at 60% of the median income, for example, would have an income cap of \$35,340. Rent for a one-bedroom affordable unit under the program would have a cap of \$818 per month, including utilities.

For a four-person household, the income cap would be \$50,460. A three-bedroom affordable unit would have a rent cap of \$1,259 per month, including utilities.

"Housing is the foundation for family wellbeing," City Councilor Shane Burgo said. "It plays a critical role in economic opportunity for individual workers and their families. Our City will benefit greatly from the increased housing stock, especially affordable / low-income units. I am looking forward to the long-lasting growth these ARPA funds will bring to New Bedford, to help improve the quality of life and longevity of all our residents."

The program's application deadline is May 16. Eligible

developers can download a program application on the City's ARPA website: www.newbedford-ma.gov/arpa.