

# Commercial Rehabilitation

The City of New Bedford's Office of Housing & Community Development [OHCD] offers assistance through its Community Development Block Grant Program (CDBG) to rehabilitate commercial structures according to HUD guidelines that fall within eligible census tracts within the City. Please contact the OHCD to determine whether your property is eligible.

These programs provide assistance on a reimbursement basis for expenditures incurred AFTER written approval of an application has been given by the OHCD.

## STOREFRONT REIMBURSEMENT PROGRAM

The main objective of this program is to provide financial assistance for necessary rehabilitation and restoration of commercial storefronts located within eligible census tracts in the City of New Bedford. Only commercial storefronts are eligible and all work is limited to the exterior portion of the building considered to be the commercial storefront by the Office of Housing & Community Development

**Funding:** This is a direct grant reimbursement from the CDBG program and is subject to the eligibility and availability of this funding source.

**Maximum Funding:** The amount of the reimbursement will represent the approved cost for materials only and cannot exceed \$2,000.00

## Where can I get more information?

### Where do I apply ?

Office of Housing & Community Development [OHCD]  
608 Pleasant Street 2nd Floor  
New Bedford, MA 02740

Telephone 508.979.1500 Mass Relay (Dial 711)  
Fax 508.979.1575  
<http://www.newbedford-ma.gov/community-development/>



The City of New Bedford is an Equal Opportunity Housing Lender

City of New Bedford,  
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# Home Ownership & Rehabilitation Programs and Commercial Rehabilitation

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Rev. June 15, 2023

# Housing and Commercial Rehabilitation Programs

## What are these programs?

The City of New Bedford's Office of Housing & Community Development has produced this pamphlet as an introduction to housing programs, available funding for owner-occupied and investor-owned residential properties and commercial rehabilitation funding available in New Bedford.

These programs are geared toward providing funds to benefit low-moderate income individuals and families in the City of New Bedford by securing and/or improving their housing and commercial buildings throughout the City.

This pamphlet provides a brief description of each housing program and the commercial program administered through the City's Office of Housing & Community Development.

## Who provides these funds?

The City of New Bedford's Office of Housing & Community Development [OHCD] receives federal funding through the HOME Investment Partnership Program (HOME) and the Community Development Block Grant (CDBG) program from the U.S. Department of Housing & Urban Development (HUD). In addition to these federal funds, OHCD also administers state programs on behalf of the Massachusetts Housing Partnership Fund (MHP), the Dept of Housing & Community Development (DHCD) and MassHousing.

## How much money is there?

The amount of money available depends on the program, itself, as well as the availability of funding. This is important to remember because the City only receives a certain amount of funds each year for the programs and all of these programs are subject to the availability of funding.

Please contact the OHCD for more information about funding availability.

According to HUD guidelines, applicants, unless otherwise noted, must fall within the income limits based on the number of people living in your household, as presented in this chart.

Qualifications for these funds vary depending on the program. Contact us for more information.

Household Size	Gross Annual Hhold. Income
1 Person	\$55,800
2 Person	\$63,800
3 Person	\$71,750
4 Person	\$79,700
5 Person	\$86,100
6 Person	\$92,500
7 Person	\$98,850
8 Person	\$105,250

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## “Neighborhoods First” First Time Home Buyer Program

This HOME-funded program offers Down Payment, Closing Cost, GAP and Rehabilitation assistance to help enable income eligible applicants to purchase their first homes. Purchased property must be a 1-3 Unit, owner occupied home located in New Bedford.

**Eligible Borrowers:**

First time home buyers that meet HUD income limits. Borrowers must also qualify for a mortgage with a participating lender, as well as complete an approved First Time Home Buyer Seminar.

**Eligible Activities:**

Applicants must provide a minimum of 1.5% of the purchase price, from their own funds, for single and two-family properties, and 3% of the purchase price, from their own funds, for three family properties; specific programs may require larger down payments. Rehabilitation assistance used primarily for the correction of substandard conditions and to comply with minimum housing quality standards, building codes and state sanitary & health codes. (Rehab must adhere to MA and HUD lead paint statutes).

**Maximum Loan Amount:**

**Down payment and closing cost assistance:** 5% of the Purchase price up to a maximum of \$10,000.

**Rehabilitation Assistance:** Up to \$24,000 for a single unit, \$40,000 for a two-unit and \$50,000 for a three unit property. Program also provides \$2,500 grant for units that receive a Certificate of Compliance for de-leading as part of rehab.

**Gap Financing Assistance:** Up to \$30,000 for all properties & based on borrowers need. The property must meet the programs lead paint & rehabilitation standard, prior to closing.

**Interest Rates:**

Down Payment, Closing Cost & GAP assistance funds will be a 0% deferred loan forgiven after **10** years and Rehabilitation loans up to \$10,000 are 0% deferred and forgiven after **10** years as long as the property remains owner occupied for the entire term of the loan. Rehab loans over \$10,000 are fully amortized at 3% for terms up to 30 yrs.

## MassHousing Program

Through MassHousing, the Commonwealth provides opportunities for low or moderate income individuals/families who want to buy their first home or make needed home improvements. Programs include “Purchase & Rehab”, “Buy New Bedford”, “Operation Welcome Home” & “MassHousing Mortgage”. MassHousing’s programs generally have higher income limits and are not limited to First Time Homebuyers. Contact the OHCD or visit [www.masshousing.com](http://www.masshousing.com) for more information

## Massachusetts Housing Partnership (MHP) ONE Mortgage Program

This program helps income eligible first time homebuyers qualify for a higher mortgage amount by reducing monthly mortgage payments and eliminating the need for Private Mortgage Insurance (PMI). The “ONE” Mortgage Program is administered by the Massachusetts Housing Partnership Fund (MHP) and is offered through participating lenders. Contact the OHCD or visit [www.mhp.net](http://www.mhp.net) for more information.

**Eligible Properties:**Purchased property must be a 1-3 Unit owner occupied home located in of Massachusetts.

**Eligible Borrowers:**

First-time home buyer must meet Income Eligibility Requirements based on the size of one’s household. Contact the OHCD or visit [www.mhp.net](http://www.mhp.net) for current income limits.

**Program Benefits/Activities:**

This program can work in conjunction with the “Neighborhoods First” First Time Home Buyers Program which provides Down Payment/Closing Cost assistance and Rehabilitation Assistance.

## Rental Housing Rehab Program

This HOME-funded program will provide low interest loans to eligible applicants to rehabilitate rental properties occupied by low and moderate income tenants within the City.

**Eligible Properties:**

Residential single and multi-family New Bedford properties

**Eligible Borrowers:**

Investor-owned properties where tenants are required to meet income guidelines. Property owners not residing in the property are not subject to the income guidelines. Contact the OHCD for current income limits.

**Eligible Activities:**

Correct code violations & ensure that property meets minimum housing quality standards, building codes and state sanitary and health codes; lead paint abatement & energy .

**Interest Rate:**

A 0% deferred loan with up to a 30 year amortization due upon sale or transfer of property.

**Maximum Loan Amount:**

Up to \$40,000/ unit to a maximum of \$200,000 per building. Availability is based on funding at time of application.

## Financial Assistance Program

This CDBG-funded program is designed to provide low and moderate income households with financial and technical assistance to comply with Minimum Housing Quality Standards. The financial assistance is provided as a loan secured by a recorded mortgage on the property.

**Eligible Properties:**

1 - 4 family Owner Occupied properties in New Bedford.

**Eligible Borrowers:**

Owner Occupants that meet HUD income limits.

**Eligible Activities:**

Correction of code violations, including but not limited to: lead paint abatement, weatherization, repairs to correct heating, plumbing, electrical and roofing deficiencies.

**Interest Rate:**

A grant equal to 25% of the amount of assistance, up to a maximum of \$2,500. The remaining portion will be a 0% deferred loan secured by a recorded mortgage forgiven after 15 years. Certain restrictions may apply with the City.

**Maximum Loan Amounts:**

1 family - \$24,000  
2 family - \$40,000  
3— 4 family - \$50,000



## Housing Accessibility Program

This CDBG-funded program is designed to assist income eligible applicants with physical disabilities by providing financial and technical assistance to remove or alter architectural barriers and make the home handicap accessible.

**Eligible Properties:**

Single and Multi-family properties in New Bedford.

**Eligible Borrowers:**

Owner Occupants that meet HUD income limits or applicants residing in rental units that have written authorization from the property owner.

**Eligible Activities:**

Generally for installing handicap ramps, lifts, remodeling of bathrooms for handicap accessibility, etc.

**Interest Rate:**

Direct Grant

**Maximum Grant Amount:**

Grant Maximum of \$12,000.

## Emergency Repair Program

This CDBG-funded program is designed to assist income eligible households alleviate dangerous, hazardous and/or unsanitary conditions.

This program is made possible by the federal Community Development Block Grant (CDBG). A grant of up to \$12,000.00 is available per owner-occupied home to assist with repairs.

**Eligible Properties:**

1 - 4 family Owner Occupied properties in New Bedford.

**Eligible Borrowers:**

Owner Occupants meeting HUD income limits.

**Eligible Activities:**

This program includes emergency repairs to plumbing, electrical, roofing and heating. This program will not fully rehabilitate a structure to code.

**Interest Rate:**

Direct Grant

**Maximum Grant Amount:**

Direct Grant up to a maximum of \$12,000. per HUD fiscal year with no more than one lifetime grant.

## Lead Paint Programs

**GET THE LEAD OUT:** A MassHousing program providing financial assistance to eligible applicants for the removal of lead-based paint in single and multi-family properties in New Bedford and surrounding communities. Owner-occupants and investor-owned properties where tenants meet income guidelines (1-2 pers.\$95,500 and 3+ person households at \$109,800) are eligible for assistance. This program is only for lead paint abatement activities performed by a licensed de-leading contractor. Owner occupants receive a 0% deferred payment loan, due upon sale, transfer or refinancing of property. Investor-owners receive a 3% fully amortizing loan with monthly payments due. The following limits are set for each property type:

1 family	\$30,000	3 family	\$40,000
2 family	\$35,000	4 family	\$45,000

**LEAD PAINT REIMBURSEMENT PROGRAM:** This is a CDBG-funded program providing financial assistance to eligible applicants for the removal of lead-based paint in single and multi-family properties in New Bedford. Eligible applicants include owner occupants meeting HUD income limits and tenants of investor-owned properties that meet the HUD income guidelines. This program is limited to lead paint abatement performed by a licensed de-leading contractor. This program features a direct grant reimbursement at 50% of the *approved* cost of de-leading up to a maximum of \$2,500 per unit. Limited to 3 grants during current fiscal year.