



# Housing Development Incentive Program

Creating Market Rate Housing  
In Brockton

# HDIP Background

- “An Act To Promote Economic Growth in the Commonwealth,” H.4377
- \$10 million over the next four years for Gateway Cities with increased access to market-rate housing.
- Once zones are established, developers and cities can propose projects and tax relief to support specific projects.

# Who's Using HDIP

- Brockton
- Chelsea
- Fall River
- Fitchburg
- Haverhill
- Holyoke
- Leominster
- Lowell
- New Bedford
- Pittsfield
- Springfield
- Worcester



# Eligible Activities

- New Construction of residential units
- Substantial rehabilitation of an existing property that will result in multi-unit housing development. Substantial rehabilitation includes:
  - Interior demolition and construction,
  - Improvements to the building envelope
  - Rebuilding on a site after demolition of an existing building
  - Construction costs per unit of not less than \$30,000.
- Minimum of 80% of the units must be market rate

# Two Tax Incentives

- A local-option real estate tax exemption on all or part of the increased property value resulting from improvements (the increment); and
- State tax credits for Qualified Substantial Rehabilitation Expenditures (QSREs) that are awarded through a rolling application process.

# Brockton Goals

- Market Rate Residential Growth
- Diversification of the Housing Stock
- Generate Economic Activity
- Promote Neighborhood Stabilization

# Brockton Heights District

