

MASSWORKS INFRASTRUCTURE PROGRAM

2017 Program Guidelines

May 2017

OVERVIEW

The MassWorks Infrastructure Program provides a one-stop shop for municipalities and other eligible public entities seeking funding that supports and accelerates housing and job growth in the Commonwealth of Massachusetts. The MassWorks Infrastructure Program is authorized by Massachusetts General Laws Chapter 23A, Section 63. The MassWorks Infrastructure Program is administered by the Executive Office of Housing and Economic Development, in cooperation with the Department of Transportation, the Executive Office for Administration and Finance and the Executive Office of Energy and Environmental Affairs.

In, the MassWorks Program will prepare communities for success and contribute to the long term strength and sustainability of our Commonwealth, with a particular emphasis on projects that support the production of multi-family housing in appropriately located walkable mixed-use districts or that support economic development in weak or distressed areas. More broadly, the Program may be used to support opportunities that:

- Advance economic development or housing opportunities in Gateway Cities;
- Complement existing centers of development such as city and town center revitalization projects or mill redevelopment opportunities;
- Include a mix of commercial and residential development or contribute to a mix of development within an area (with an emphasis on multi-family or small lot single-family residential development);
- Facilitate transit-oriented housing and mixed use development;
- Are consistent with regional land use and development plans;
- Provide for transportation improvements to enhance roadway safety in small, rural communities; and
- Are consistent with the Commonwealth's Sustainable Development Principles.

Public Infrastructure Projects in support of Housing and Economic Development: The Program will provide grant funding for the construction, reconstruction and expansion of publicly owned infrastructure including, but not limited to sewers, utility extensions, streets, roads, traffic signalization, curb-cuts, parking facilities, water treatment systems, and pedestrian and bicycle accommodation. Eligible public infrastructure must be located on public land or on public leasehold, right-of-way, or easement. The project must be procured in accordance with Massachusetts General Laws c.30B, c.30 §39M, c.149, and c.7. Program investments will be targeted to projects that require the infrastructure upgrades or expansion in order for new growth to take place.

Roadway Safety in Small, Rural Communities: Each year, at least ten percent of funds will be set aside for projects in small, rural communities with a population of 7,000 or less to support economic or community development. Such towns shall be eligible for a Small Town Rural Assistance Program grant not to exceed \$1,000,000, and towns shall be eligible to receive 1 grant every 3 fiscal years. Two or more towns eligible under this subsection may file a joint application for a single project serving those towns provided that the total amount awarded to 1 town shall not exceed the maximum amount allowed under the program. Communities receiving funds for a joint project will not preclude the community from receiving an award for a separate application.

Growth Districts Initiative: Projects located in a Growth District designated under Executive Office of Housing and Economic Development's Growth District Initiative will be eligible for funding for the construction or improvement of public infrastructure that helps to achieve the goals of the Growth District. The Growth District Initiative is administered by the Executive Office of Housing and Economic Development.

Transit-Oriented Housing Development Initiative: MassWorks funding may be used to match other public and private funding sources to build or rehabilitate transit-oriented housing located within .5 miles of a commuter rail station, subway station, ferry terminal, or bus station, at least 25 per cent of which shall be affordable. Awards made in support of transit-oriented housing development shall be made at the discretion of the Secretary of Housing and Economic Development.

Supporting our Blue Economy: Beginning in 2017 five percent of MassWorks funding will be set aside for dredging of public waterways that support and sustain economic development opportunities. Such projects will be evaluated based on an ability to proceed, direct economic impact, and local match. Additional information including program requirements, guidelines, and applications specific to dredging will be available to public entities during the summer months. All applications will be reviewed in coordination with the Executive Office of Energy and Environmental Affairs' Coastal Zone Management.

INVESTMENT GOALS: The MassWorks Program is committed to implementing the Commonwealth's Sustainable Development Principles by ensuring that state funds used for infrastructure investments are consistent with these principles to the greatest extent possible. To that end, the MassWorks Program has developed goals for its portfolio of investments. Awards made during the 2017 funding round will be measured against the goals for the MassWorks Infrastructure Program as follows:

- 50% or more of the total funding be in support of developments in Gateway Cities;
- 67% or more of the total funding be in support of transit-oriented developments (that is, developments located within one-half mile of a transit station; further, transit station is defined as a subway or rail station, or a bus stop serving as the convergence of two or more bus fixed routes that serve commuters);
- 80% or more of the total funding be in support of developments that are re-using previously developed sites;
- 50% or more of the total funding be in support of developments that contain a mix of residential and commercial uses, with a residential unit density of at least four units to the acre;
- 100% of the funding that is committed in support of housing (or mixed use including housing) be in support of developments with a residential unit density of at least four units to the acre;
- 50% or more of the total funding be in support of projects which are consistent with regional land use and development plans.

Based on the large number of applications in past MassWorks rounds that fit into one or more of these investment categories, the Administration will place priority in the 2017 round on applications that:

- 1) support the production of multi-family housing in mixed-use districts that are well-connected to significant employment opportunities;**
- 2) support economic development in weak or distressed areas; or**
- 3) support direct and immediate job creation opportunities.**

It is also the goal of the Administration that funding be awarded to projects that are ready to proceed. To meet the minimum threshold for consideration for MassWorks Infrastructure Program grants, infrastructure projects must make reasonable efforts to demonstrate:

- A timeline and funding source for completing design in a timeframe that allows for construction in the upcoming construction season; and
- Project design that is consistent with MassDOT's Complete Streets design guidelines, which call for accommodation of all roadway users in a manner that is appropriate to the type of roadway and location; and
- A complete list of required state and local permits; and
- Demonstration that all required permits can be reasonably obtained within 120 days of receipt of grant approval or shortly thereafter (for example, the applicant can demonstrate that all permit applications have been submitted and provide a timeline for anticipated issuance, or a detailed schedule for submittal and a schedule for anticipated issuance detailing all applicable milestones for each permit including publication dates and maximum agency review periods); and
- All rights of way are secured or evidence that the rights of way will be secured within 120 days of receipt of approval or immediately thereafter; and

- Demonstration that all sources necessary to fully fund the project have been obtained and a complete draw schedule that reflects a construction start during the upcoming construction season. Sources must be fully committed;
- With respect to applications which state that they support housing development projects, such projects must meet density of at least 4 units to the acre or greater for single family and 8 units to the acre for multi-family units. Applications will be reviewed to determine readiness to proceed for both public and private project elements.
- Additional consideration will be made to municipalities that have engaged in, or are in the process of engaging in a Community Compact with the Commonwealth.

MassWorks applications will be measured against the investment goals and funding priorities outlined above.

APPLICATION AND CONTRACT PROCESS

Each year, there will be a funding round in late August/early September and decisions will be rendered approximately eight weeks after the close of the application period. MassWorks Infrastructure Program applications will be available no later than June for the fall funding round in that calendar year. **Only those projects that are prepared to proceed to construction during the upcoming construction season should apply for consideration.**

Communities with a population of 7,000 or less are eligible to apply for design/engineering costs along with a construction grant. In that case, the project must be able to complete design/engineering in a period that allows the project to advance to construction during the upcoming construction season.

Communities with a population over 7,000 are eligible to apply for design/engineering costs along with a construction grant however no more than 10% of the total grant request may be used for design/engineering. If a project is seeking design/engineering funds as part of an application, the project must be able to complete design/engineering in a period that allows the project to advance to construction during the upcoming construction season.

The MassWorks Infrastructure Program may withhold funds for projects of significant regional benefit that meet with Administration funding priorities and arise out of round and grants may be made at the discretion of the Secretary. Municipalities and other eligible public entities should contact the Program Manager directly to discuss projects for consideration out of round.

Applications will be reviewed for consistency with Administration funding priorities. As needed, the Executive Office of Housing and Economic Development will consult a team of reviewers representing housing, economic development, transportation, community development, regional planning and other applicable interests to review pending applications and develop recommendations for funding. Final decisions will be rendered by the Secretary of Housing & Economic Development, in cooperation with the Secretaries of Administration & Finance, Transportation and Energy and Environmental Affairs.

Applicants that are approved for funding will be notified in writing of the approval with instructions for demonstrating readiness and any other required submissions as determined by the Secretary. All awards are contingent upon the execution of a binding funding agreement between the Executive Office of Housing and Economic Development and the sponsoring municipality. Awards may be subject to conditions as set out in the award notification letter. Grant contracts will only be issued for projects that successfully meet all requirements set out as a condition of the award. Any project that receives an award but does not meet the requirements by the specified date will lose its funding commitment for that year and may be penalized during future funding rounds.

Applicants that are not selected to receive funding will be notified in writing and applicants will have an opportunity to meet with program staff to discuss the reason for denial if desired. If the reason for denial is a lack of available funds, that application may be reconsidered at a later date that year if additional program funds

become available. The Program will reset every September and applicants that have not received a contract for funding in a prior round will be required to submit a new application for consideration.

Public Entities seeking MassWorks funds for dredging will be subject to a separate competitive grant cycle.

CONTACT INFORMATION

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