Addressing the Economic Challenges of COVID-19

Presentation to the Massachusetts Municipal Association on May 28, 2020
### DHCD - Community Development Block Grant – Coronavirus Response (CDBG-CV)

| What is it? | Funding available through the Community Development Block Grant program that allows states and cities to set priorities for certain housing, job creation/retention, and public service efforts that address COVID-19 related needs of low-moderate income individuals (80% AMI or below). |
| What funding is available? | • $5B US through CARES Act – CDBG-CV  
  • Phase 1: $2B US; **$20M MA; $40.3M Entitlement Communities** (standard formula)  
  • Phase 2: $1B US; **$26M MA** (states only)  
  • Phase 3: $2B US; TBD MA (needs based) |
| Who administers the program? | • U.S. Department of Housing and Urban Development (HUD) awards to states and entitlement communities. In Phase 1 DHCD administers for MA and Entitlement Communities each administer their own funds. In Phase 2, DHCD administers the grant on behalf of all MA cities and towns. |
| Who applies for/receives funds? | • Usually, non-entitlement municipalities apply to DHCD, then the city or town undertakes its own activities or distributes awarded funds to local grantees. With CARES Act Funds, DHCD is distributing some funds directly to grantee organizations to administer state-wide programs.  
  • Entitlement communities administer their own activities or distribute the funds to local grantees. |
| When can applicants apply for the program and when will funds be received if approved? | • DHCD CDBG-CV Phase 1 open NOFA makes $9.6M to non-entitlement communities for public social services and microenterprise assistance.  
  • New $20M DHCD Emergency Rental and Mortgage Assistance program that is funded 50% by CDBG-CV funding will go live statewide in early June. |
| How will the program be advertised? | • NOFAs are advertised on CommBuys and on the DHCD CDBG website.  
  • Programs that DHCD are running statewide, like the new COVID-19 Emergency Rental and Mortgage Assistance Program, are announced and advertised on the DHCD-COVID website.  
  • DHCD emails stakeholders when there are new programs or funding opportunities: MMA, CHAPA, MARPA, MACDC, municipal staff who have given us contact information. |
• **Housing Choice Initiative Capital Grant Program**
  
  • Designation is granted to communities that meet new housing production targets and/or have best practices that support housing (74 communities)
    • Designees eligible for capital grants up to $250,000.
    • Designees also receive special consideration in 9 other state capital grant programs such as MassWorks, Complete Streets, & Green Communities.
  
  • Non-designee small towns with <7,000 in population can also apply for capital grants up to $100,000.
  
  • Designation application period just closed. Next capital funding round to open in June/July. Technical Assistance also available.
  
  • The program has funded a total of $10M in the first two years of the program across 61 communities which supported creation of over 800 units.
  
  • [https://www.mass.gov/orgs/housing-choice-initiative](https://www.mass.gov/orgs/housing-choice-initiative)

• **Massachusetts Downtown Initiative (MDI)**

  • Strengthens downtowns through Technical Assistance, Training, and Capacity Building to non-entitlement communities.
  
  • Technical Assistance awarded yearly.
  
  • [https://www.mass.gov/service-details/massachusetts-downtown-initiative mdi](https://www.mass.gov/service-details/massachusetts-downtown-initiative mdi)
## What is it?
The MassWorks Infrastructure Program is a competitive grant program that provides a robust and flexible source of capital funds to municipalities and other public entities to support and accelerate housing and job growth throughout the Commonwealth.

## What funding is available?
Approximately $70M in capital funds will be available for grant commitments in FY2021.

## Who administers the program?
EOHED

## Who applies for/receives funds?
Eligible applicants shall be any Massachusetts city or town, acting by and through its municipal officers or by and through any agency designated by such municipal officers to act on their behalf, or any public entity. This includes public housing authorities, redevelopment authorities, and other quasi-governmental organizations.

## When can applicants apply for the program and when will funds be received if approved?
Generally, the round will open in late May, early June, with an application deadline in August. Eligible submissions will be reviewed in September and October, and award announcements will be made in October/November. Funding is disbursed on a cost-reimbursement basis.

## How will the program be advertised?
The opening of the MassWorks 2020 Round will be announced on mass.gov as well as on CommBUYS. An email will be sent to all municipalities from EOHED and a notice will be posted in the DLS e-newsletter to all municipalities.

## Resources/Links
[www.mass.gov/massworks](http://www.mass.gov/massworks)
**What is it?**
The Urban Agenda Program is a competitive grant program that provides flexible funding to eligible communities to “help build leadership, collaboration, and capacity at the local level”. The grant program invests in initiatives that unlock community-driven responses to local economic opportunities through partnership-building, problem-solving, and shared accountability.

**What funding is available?**
Subject to appropriation in the budget, we expect to have $2M in operating budget funds available for grant commitments in FY2021.

**Who administers the program?**
EOHED

**Who applies for/receives funds?**
EOHED established eligibility for the program as urban communities or major population centers in each region that meet certain household income benchmarks (median household income less than 90 percent of the state’s average income).

**When can applicants apply for the program and when will funds be received if approved?**
The FY21 round is expected to open in mid-June, with an application deadline in late July. Eligible submissions will be reviewed in August, and award announcements made in September.

**How will the program be advertised?**
The opening of the MassWorks 2020 Round will be announced on mass.gov as well as on CommBUYS. An email will be sent to all eligible municipalities and all past applicant organizations.

**Resources/Links**
[https://www.mass.gov/service-details/urban-agenda-grant-program](https://www.mass.gov/service-details/urban-agenda-grant-program)
Resources & Information

Economic Recovery Support

MMA Presentation
May 28 2020

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COVID-19 Small Business Stabilization Network

• What is it?
Coalition of over 50 community development organizations throughout Massachusetts

• What are they doing?
Supporting small businesses in their communities through the process of the SBA’s Paycheck Protection Program (PPP)

• How are they helping? They are providing:
1) One-on-one support for business owners seeking assistance with the application
2) 19 available language translations of the application
   Languages include: Spanish, Portuguese, Mandarin, Cantonese, French, French Creole, Italian, Russian, Vietnamese, Greek, Arabic, Cambodian, Somali, Amharic (Ethiopian), Filipino, Nepalese, Korean, Japanese and Thai
3) Access to additional resources for businesses during this time
Small Business Technical Assistance Grant Program

- **Builds operational capacity and skills** of organizations that are providing technical assistance, education and access to capital to small businesses with less than 20 employees and targeting those owned by women, minorities, immigrants, and veterans

- **Strengthens ongoing business development** in low- to moderate-income communities and in underserved, Gateway Cities across the Commonwealth

- **Since FY13** the program has served more than 12,800 small businesses, created or preserved over 15,000 jobs and leveraged over $210 million in loans for businesses

- **FY21 Grant Program RFP** is currently open and accepting proposals. Deadline is 5PM on June 16, 2020.
MGCC Lending Programs

MGCC offers short-term (Gap) financing to most industries:

- When seasoned companies experience an event which has led to operating losses and their bank is unable to fund the turnaround plan
- When a company goes through a transition and needs additional financial support to ensure the company/jobs remain in Massachusetts
- When a company sales growth outpaces its resources and private market financing capabilities

Loan Products & Programs: Loans Up to $1,000,000

- Term Loans, Lines of Credit, Real Estate Enhancement Financing, Loan Guarantees and SBA Microloan Program (Loans up to $50,000)

Find These Resources
EmpoweringSmallBusiness.org
MassDevelopment Programs for Municipalities

Financing Tools
• Brownfields Redevelopment Fund
• Cultural Facilities Fund
• Property Assessed Clean Energy (PACE)
• Real Estate Loans for Municipal Redevelopment Authorities
• Tax-Exempt Bonds for Public Infrastructure

Real Estate Services
• Commonwealth Places
• Planning & Development
• Site Readiness
• Technical Assistance
• Transformative Development Initiative (Gateway Cities)
Additional MassDevelopment Programs to Support Communities

**Businesses**
- Brownfields Redevelopment Fund
- Commercial Real Estate Loans & Equipment Loans
- Emerging Technology Fund
- Massachusetts Manufacturing Energy Collaborative (MassMEC)
- Mortgage Insurance Guarantees
- Property Assessed Clean Energy (PACE)
- Site Readiness

**Nonprofits**
- Brownfields Redevelopment Fund
- Commonwealth Places
- Loans & Guarantees
- Site Readiness
- Tax-Exempt Bonds
- TechDollars
# Economic Development Assistance (EDA) Funds

## What is it?
The CARES Act includes Economic Development Assistance funds to help communities prevent, prepare for, and respond to COVID-19. These are strategy or implementation grants for public infrastructure (incl. broadband), business incubators, capitalization of revolving loan funds, technical assistance, capacity building, and activities that support business and job creation. The Economic Development Administration expects to fund at least 80% and up to 100% of eligible project costs.

## Total Budget
- $1.5B available to the US
- $259M available for the Northeast Region (including Massachusetts)

## Who is administering the program?
The U.S. Department of Commerce Economic Development Administration (EDA) distributes funding to eligible applicants through the Economic Adjustment Assistance (EAA) program.

## Who applies for/receives funds?
Eligible applicants include Economic Development Districts (EDDs); state and local governments; institutions of higher education; and public or private nonprofit organizations cooperating with political subdivisions of a state.

## How do the dollars flow?
Grants are to be issued from the EDA through the EAA program. Eligible applicants can apply directly to the EDA through Grants.gov.

## How is the program being advertised?
EDA posted a Notice of Funding Opportunity (NOFO) on their website and shared information via press releases and social media. EOHED has notified regional planning agencies and has partnered with the Division of Local Services (DLS) to notify municipalities about the NOFO.

## When can applicants apply for the program and when will funds be received if approved?
ACTIVE. Applications opened 5/7/20 and awards will be made on a rolling basis. EDA encourages prospective applicants to contact their EDA Regional Office to discuss their needs and project plans. Massachusetts’ Economic Development Representative is Debra Beavin dbeavin@eda.gov.

## Resources
- EDA CARES Act Recovery Assistance
- EDA CARES Act Recovery Assistance FAQ
- EDA CARES Act Recovery Assistance Revolving Loan Fund (RLF) FAQ
- EDA Economic Adjustment Assistance Program One Pager