



**Commonwealth of Massachusetts**  
Executive Office of Housing and  
Economic Development

# H. 4720, An Act Investing in Future Opportunities for Resiliency, Workforce, and Revitalized Downtowns (FORWARD)

May 10, 2022





# Partnerships for Growth—Pillars and Principles

## Partnerships for Growth Pillars

 **Respond to the Housing Crisis**

Work to increase production of all types of housing, with an emphasis on production in town centers and near transit, and will focus on expanding access to homeownership and embracing innovative housing production models

 **Build Vibrant Communities**

Ensure that the Administration's programs enable our municipalities to address challenges, create opportunities, and build strong, livable, and attractive communities across all 351 municipalities

 **Support Business Competitiveness**

Continue building on successful efforts to attract and support innovative clusters and growing businesses, enhancing outreach to small businesses and entrepreneurs to address their unique challenges; supporting access to capital, space, technical assistance, and diverse workforce

 **Train a Skilled Workforce**

Create pathways to employment and prosperity for workers, engaging employers to ensure that training responds to current and future needs, aligning systems and priorities, and facilitating access to jobs and opportunities for people at all income levels

## Partnerships for Growth Principles

 **Equitable Opportunity**

The Administration will build on investments in high schools and community colleges, create new pathways into well-paying jobs, and enhance access to capital, space, and networks for WMBEs

 **Environment**

The Administration will ensure that climate change mitigation strategies are considered in all economic development grant awards

 **Regional Strategies**

The Administration will focus on understanding regional needs and creating regionally targeted solutions

 **Accessible Government**

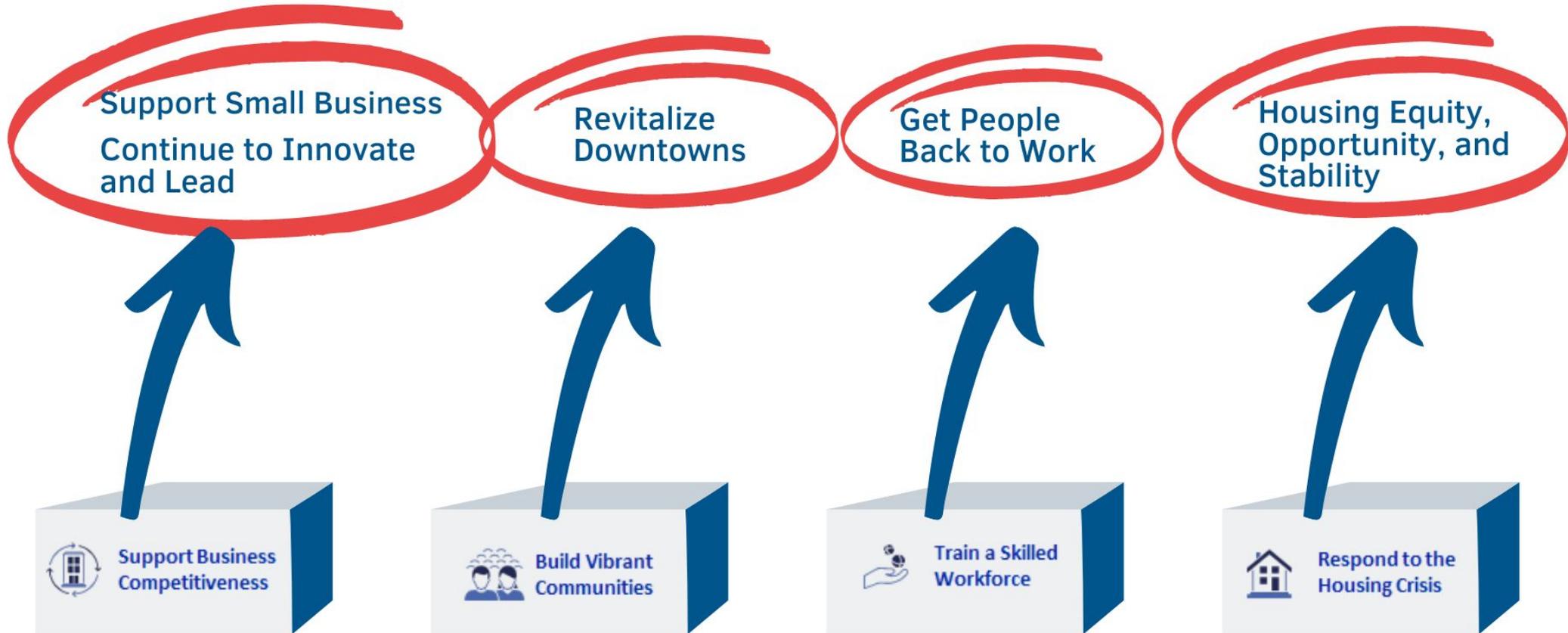
The Administration is committed to creating an environment where residents, businesses, and communities can more easily navigate state programs and access funding opportunities and technical assistance

 **Infrastructure**

Robust public investment in infrastructure can help to unlock economic expansion and set the stage for neighborhood and community growth. Investment opportunities are as varied as the communities they support.



## RECOVERY IMPERATIVES



## PLAN PILLARS



# FORWARD: \$3.5B for Economic Development & ARPA Investments

## Economic Development Bill

The Bond Bill is a long-term planning proposal to support existing programs, fund new capital initiatives, and codify priorities.



Invest in Proven Capital Programs



Target Emerging Opportunities



Strategic Policy Provisions



## ARPA 2.0

Leverage federal funds for specific projects and initiatives to support Massachusetts's path forward into a post-pandemic world.



Climate Resiliency



Downtowns & Main Streets



Infrastructure



# Economic Development Bond Authorization: Overview

The bond bill portion of the legislation contains \$1.3B in capital authorization and is organized around the following priority areas:

- **Communities (\$650M):** This legislation supports the recovery and vibrancy of cities and towns by reauthorizing and expanding key *One Stop for Growth* programs that have been oversubscribed in recent funding rounds, including investments in Underutilized Properties, Rural and Small Towns, and Community Planning.
- **Housing (\$269M):** This legislation primes the pump with key reauthorizations out to FY27 for core housing programs and proposes some targeted amendments to support the state's public housing stock. It also encourages more market rate housing in Gateway Cities by raising the annual HDIP cap from \$10M to \$30M, supporting the completion of additional projects.
- **Innovation (\$337M):** This legislation facilitates further economic growth and job creation in emerging clusters by making strategic investments in purpose-driven research, technology, and innovation, and positions the Commonwealth to capitalize on expected federal investments in the technology and innovation sectors through an unrestricted federal match support fund.

# ARPA 2.0: Overview



**The bill includes approximately \$2.3B in federal funding, which can be broken down by the following:**

- **Economic Development (\$318M):** for economic development projects. Note, ARPA 2.0 prioritizes specific projects or initiatives; it includes a total of over **600 items**, many of which that were been identified by communities through the Community One Stop for Growth program at HED. It proposes to invest in **all 351 communities** in Massachusetts with **at least \$250K per community**.
- **Other Items in the Bill:** Approximately **\$1.2 billion** for energy and environmental initiatives. Approximately **\$413 million** for state parks and trails, water and sewer projects, and environmental infrastructure projects **\$325 million** for labor and workforce development efforts, including \$300 million to address UI overpayments and an additional \$25 million for HireNow. A second tranche of **\$250 million** for fiscally strained hospitals (first tranche included in ARPA 1.0), a reserve of **\$100 million** for direct COVID costs like testing and vaccine distribution incurred after other federal resources are exhausted. Approximately **\$73 million** for other initiatives.
- **ARPA Funding must be committed by 2024 and spent by 2026, therefore timing of this funding is key.**



# Community One Stop for Growth – First Round

- **The Community One Stop for Growth hosted the inaugural round in FY22.** The One Stop received 360 applications from 260 different organizations, amounting to **over \$303 million in funding requests.** EOHEd and partner agencies were **only able to fund 196 projects totaling \$88.7 million** based on available budgets.

|                  | Applied         | Funded         |
|------------------|-----------------|----------------|
| Communities      | 177             | 122            |
| Applications     | 360             | 196            |
| Funding Requests | \$303.3 million | \$88.7 million |

- **Using last year’s round as a base for a pipeline, we expect this oversubscription of key programs to continue in FY23.**

| Program                          | Requests     | Awards      |
|----------------------------------|--------------|-------------|
| Underutilized Properties Program | \$98,050,594 | \$7,616,000 |
| Rural and Small Town Development | \$73,921,740 | \$3,000,000 |
| Community Planning               | \$4,386,418  | \$1,000,000 |



# Expanded Capital Support for Existing Programs

The FORWARD bill increases the existing program budgets for MassDevelopment’s Underutilized Properties Program as well as DHCD’s Rural & Small Town Development Fund and Community Planning Grants. In addition, the bill level funds the MassWorks Infrastructure Program.

### Expansions

| Program                                | Expansion of Existing Program Budget |
|--|--------------------------------------|
| Underutilized Properties Program (UPP) | \$50 million                         |
| Rural and Small Town Development Fund  | \$10 million                         |
| Community Planning Grants              | \$5 million                          |

### Reauthorizations

| Program                          | Reauthorization                  |
|----------------------------------|----------------------------------|
| MassWorks Infrastructure Program | \$400 million<br>(Level Funding) |



# ARPA 2.0 \$318M – Community Program Support

The FORWARD Bill includes earmarks for 186 projects previously submitted to, or otherwise aligned with, EOHEP, DHCD and MassDevelopment grant programs, totaling \$178 million in community support.

| Program                                 | Number of Projects |
|---|--------------------|
| MassWorks                               | 94                 |
| Site Readiness Evaluation Projects      | 17                 |
| Underutilized Property Program Projects | 10                 |
| Brownfields Redevelopment Projects      | 30                 |
| Rural Development Grants                | 15                 |
| Community Planning Grants               | 17                 |
| Housing Choice Grants                   | 3                  |
| <b>Grand Total</b>                      | <b>186</b>         |

In addition, 247 communities are named with an earmark for a Downtown Recovery Grant, amounting to over \$108 million. In total, the bill includes **433 earmarks for community projects, worth nearly \$286 million.**

The legislation reserves just over **\$32 million of ARPA funds** to support projects awarded through the Community One Stop for Growth.



# Next Steps for Communities

**Hearing for the FORWARD Bill was on May 9.** Support the bill by submitting written testimony. Testimony should be addressed to House Chair Jerry Parisella and Senate Chair Eric Lesser. Email testimony to: [Brendan.Mccarthy@mahouse.gov](mailto:Brendan.Mccarthy@mahouse.gov)

It is critical that all communities understand that **the bill must be approved by the legislature** before any of the projects named can be funded.

Any community that was considering applying for funding through the One Stop prior to the filing of this bill **should proceed with submitting their application(s)**, regardless of whether the project was included in this bill.

If the bill is not passed by the legislature, **submitting a One Stop Full Application** would ensure that the project is reviewed and considered for funding through the normal, competitive application review process.

