

The MassWorks Infrastructure Program

Program Overview and Summary of the 2016 Awards

In September 2010, the MassWorks Infrastructure Program was created to provide a one-stop shop for municipalities and other eligible applicants seeking public infrastructure funding to support economic development, housing creation, and roadway safety improvements in rural communities. The program is centrally administered by the Executive Office of Housing and Economic Development, in cooperation with the Department of Transportation, the Executive Office of Energy and Environmental Affairs, and the Executive Office for Administration and Finance.

The Program represents an administrative consolidation of six former grant programs:

- Public Works Economic Development (PWED) Grant
- Community Development Action Grant (CDAG)
- Growth District Initiative (GDI) Grant
- Massachusetts Opportunity Relocation and Expansion (MORE) Program
- Small Town Rural Assistance Program (STRAP)
- Transit Oriented Development (TOD) Grant Program

In August 2016, Governor Baker signed An Act Relative to Job Creation and Workforce Development (H.4569) to reauthorize MassWorks and support \$500 million of future investment in critical infrastructure, a significant commitment by the Commonwealth. The Baker-Polito Administration has increased MassWorks funding by \$35 million over the past two fiscal years.

Spending Targets

In addition to ensuring the geographic distribution of funds throughout the state, the program has established several funding targets to ensure funds are distributed to projects which adhere to the State's Sustainable Development Principles. The spending targets include 50% of funds for Gateway Cities, 67% of funds in support of transit-oriented development, 100% of funding for housing projects which are 4 units to the acre or greater, 80% for the re-use of previously developed sites, 50% for mixed use projects, and 50% for projects of regional significance. Below is the program's performance to date in achieving these targets:

	Program Spending Target	2011 Spending Achieved	2012 Spending Achieved	2013 Spending Achieved	2014 Spending Achieved	2015 Spending Achieved	2016 Spending Achieved
Gateway City	50%	50%	49%	53%	46%	50%	50%
Transit Oriented Development	67%	60%	77%	72%	73%	80%	79%
Reuse of Previously Developed Sites	80%	86%	90%	87%	72%	89%	90%
Mixed Use	50%	57%	63%	85%	49%	52%	74%
Density of Housing	100%	100%	100%	100%	100%	100%	100%
Regional Projects (2+ communities)	25%	67%	51%	56%	78%	89%	89%

2016 Competitive Grant Round

The MassWorks Infrastructure Program has held six competitive funding rounds since the program's announcement. In November 2016, the program announced the results of its sixth application round and awarded 34 projects totaling \$85 million in funding. The program received 114 applications from communities throughout the state requesting over \$287 million in infrastructure funds, demonstrating a significant need for state assistance for infrastructure projects to support economic development and housing creation. Overall, the 2016 competitive grant round awards will support the near term creation of over 2,200 new units of housing and unlock over \$1 billion in private investment.

Examples of projects funded by the 2016 MassWorks round include:

- New Bedford – Union Street Improvement Project (\$2,500,000) - The \$2,500,000 grant to the City of New Bedford will upgrade infrastructure along Union Street, supporting economic activities occurring in the City's Transformative Development Initiative District designated by MassDevelopment. The Project will also support a new \$10 million 68 room hotel located within the District and complement the City's 15-year TIF valued at \$606,000 for the private development.
- Northampton – Pleasant Futures (\$2,500,000) - The \$2,500,000 MassWorks award will make infrastructure repairs and improvements along Northampton's lower Pleasant Street corridor. Pleasant Street is a gateway to the downtown and one of the most important mixed-use areas in the City. The area is a prime location for transit-oriented development and is a highly walkable neighborhood with over a hundred shops, restaurants, and entertainment venues within ½ mile. The infrastructure project will support two substantial mixed-use developments creating 125 rental units, adding 8,800 sf of commercial space, and immediately leveraging over \$30 million in private investment.
- Revere – Revere Beach Parkway TOD Mixed Use Project (\$3,630,000) - The \$3.63 million MassWorks grant will fund a series of public infrastructure improvements to unlock the construction of a 613,218 sf mixed use transit-oriented development project on approximately 60 acres at 205 Revere Beach Parkway. The project includes 220 1BR and 2BR workforce housing units and a 132 room hotel within .2mi of the Beachmont MBTA Station and 1mi of Revere Beach. The project will be constructed in a single phase and create 36 permanent FT jobs and 550 construction jobs. The infrastructure improvements required for this project will improve safety and traffic conditions along Revere Beach Parkway and enhance accessibility to the MBTA Station and waterfront. The project represents a \$90M private investment.
- Haverhill – Merrimack Street Transformative Redevelopment Initiative (\$8,980,310) - The MassWorks award will continue the City's revitalization of the Merrimack Street corridor, creating greater access to the Merrimack River and supporting new private investment in the Transformative Development Initiative District. Grant funding will unlock two new opportunities including the second phase of Harbor Place which will feature 35 market rate units. Grant funding will also support Lupoli's 10 story mixed-use development that will feature 20 units of market rate housing.
- Small Town Rural Assistance - MassWorks was also able to award 9 projects in communities with populations of 7,000 or less for roadway safety improvement projects in 2016.

Looking Forward

MassWorks Program staff have now begun the contract process for the 2016 grantees. In many instances this includes in person site visits to the communities to discuss the Program's requirements and obligations of the municipality during the life of the MassWorks contract. Contracts for the 34 projects will be drafted and executed during the winter months to ensure all projects meet the spring construction timeline demonstrated in their application. In addition, Program staff will be available in the new year to schedule debriefing meetings at the request of any unsuccessful applicant. Debriefing meetings are available to any community, and are an opportunity to understand the strengths and weakness of the application.

The reauthorization of MassWorks funding ensures the continuation of the program and the Baker-Polito Administration's ability to provide infrastructure funding to support new and immediate economic development and housing projects across the Commonwealth. The Program anticipates releasing guidelines, the application and additional information for the seventh MassWorks competitive grant round in the late spring of 2017. As in years prior, municipalities will have access to applications during the summer with a two week submission period during the late summer. MassWorks staff will be available during the spring and summer months to meet with any prospective applicant at their request.

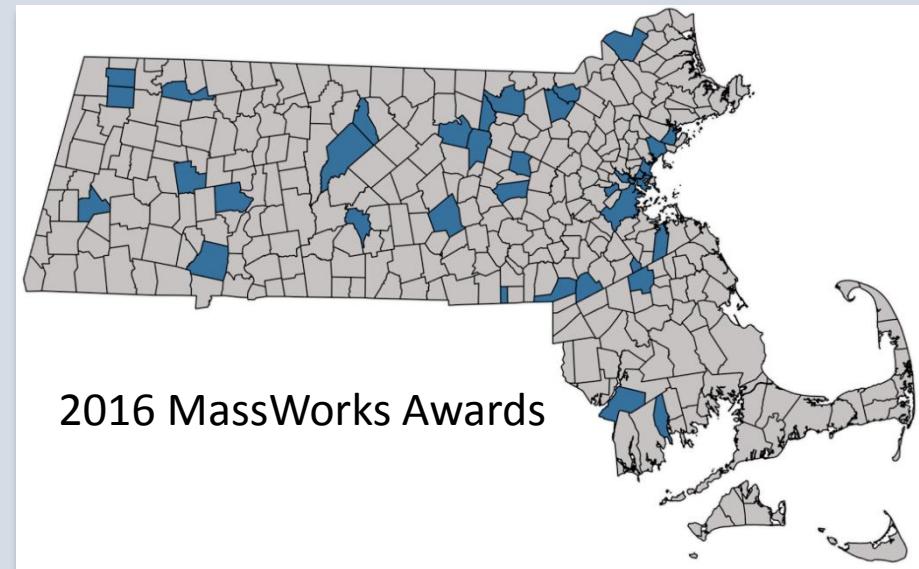
2016 MassWorks Infrastructure Program

Competitive Grant Round



MassWorks Infrastructure Program: 2016 In Summary

- In 2016, the MassWorks Infrastructure Program awarded 34 infrastructure grants totaling \$85 M to support housing, economic development, and road safety in communities across the state.
- The average grant amount was \$2.5 M and grants were awarded to municipalities of all sizes ranging in population from less than 5,000 to over 600,000.
- 114 Applications were submitted, requesting \$287 M in public infrastructure grants.
- Applications were considered by a team of state reviewers representing a diversity of disciplines and evaluated for consistency with Program priorities, including readiness and consistency with the state's Sustainable Development Principles.
- The 2016 funding round prioritized projects that promoted multi-family housing in mixed-use environments. This year's awards will result in the near-term creation of over 2,200 housing units.
- The proposed awards will unlock \$1 billion in private investment.



2016 Infrastructure Investment Portfolio

	Gateway City	Transit Oriented Development	Reuse Previously Developed Sites	Mix of Residential and Commercial Uses	Density of Housing	Regionally Significant
2016 Portfolio	50%	79%	90%	74%	100%	89%
Program Targets	50%	67%	80%	50%	100%	50%

Summary of Economic Impact of the 2016 MassWorks Grant Awards

Income Tax Revenue Generated by MassWorks Investment	
Total Investment of 2016 Round	\$84,995,307
Construction Jobs Created from Public Infrastructure (1 Job for every \$92K spent on construction based on ARRA Formula)	924
Average Construction Salary - May 2015, awaiting 2016 salary	\$49,240
Income Earned	\$45,490,966
State Tax Rate (effective January 2016)	5.10%
Income Tax Received	\$2,320,039

Housing Created		
	Total	Description
Immediate Housing	2,231	Number of immediate new multifamily housing units created
Future Housing	1,173	Number of future new housing units created
Housing Total	3,404	Total (immediate and future) multifamily housing units

Private Growth Summary		
	Total	Description
Private Investment	\$1,561,506,651	Total Development Costs Supported by MassWorks Investment
Jobs Created	3,163	Estimated number of jobs to be created by the private project as included in the 2016 application

Summary of Other Sources of Public Funds		
	Total	Description
Municipal Funds	\$43,298,058	Total Municipal funds invested in the infrastructure projects
Other State Funds	\$3,915,000	Total of non MassWorks State funds invested in the infrastructure projects
Total Public Funds	\$47,213,058	Total public dollars invested for the infrastructure projects

2016 MassWorks Infrastructure Program Awards

Municipality	Project Name	Award Amount	Jobs	Immediate Housing	Future Housing	Municipal Contribution Funding to Support Project (secured or pending)	State Contribution to Support Project (secured or pending)	Private Investment in Project
Adams	Hoosac Valley Service Track Extension Project	\$2,600,000.00	8		185	\$20,000.00	\$600,000.00	\$63,800,000.00
Avon	West Main St Reconstruction	\$965,000.00						
Boston/BRA	Jackson Square III Infrastructure Project	\$3,400,000.00	272	144			\$495,000.00	\$62,600,000.00
Brockton	Downtown Parking and Circulation Improvements	\$10,000,000.00	3		111	\$2,000,000.00		\$46,543,718.00
Charlemont	Town of Charlemont bridge repairs project	\$949,000.00				\$31,120.00		
Chelmsford	Cushing Place	\$370,000.00	60	54				\$15,000,000.00
Chelsea	Gateway Center Infrastructure Improvement Project - Phase 5	\$2,000,000.00	200	692		\$1,059,203.00		\$200,000,000.00
Chesterfield	Smith Road Improvements	\$983,750.00						
Fall River	City Pier Improvement Project	\$1,605,000.00	0			\$675,550.00	\$1,625,000.00	\$15,000,000.00
Foxborough	Foxborough Boulevard Roundabout	\$625,000.00	100					\$40,000,000.00
Groton	Four Corners Infrastructure Project	\$2,074,968.00	145		24	\$300,000.00		\$5,300,000.00
Haverhill	Merrimack Street Transformative Redevelopment Initiative	\$8,980,310.00	370	20	35			\$44,961,933.00
Lancaster	North Lancaster Water Infrastructure Project	\$341,058.00	175		775	\$7,600.00		\$218,000,000.00
Lee	Forest Street Reconstruction	\$1,000,000.00				\$22,500.00		
Leominster	Downtown Leominster Revitalization Project	\$2,500,000.00	18			\$300,000.00		\$11,500,000.00
Lowell	Thorndike Street Improvement Project	\$2,000,000.00	115	152				\$50,000,000.00
Lynn	Redevelopment of the former Beacon Chevrolet site	\$1,194,000.00	75	348			\$1,000,000.00	\$87,000,000.00
Marlborough	Apex Center of New England	\$3,050,000.00	400					\$160,000,000.00
Millville	Central Street Transportation Improvement Project	\$1,000,000.00				\$300,000.00		
New Bedford	Union Street Improvement Project	\$2,500,000.00	73		20	\$1,364,000.00		\$14,000,000.00
North Adams	Greylock Mill and Community Infrastructure Improvements	\$2,176,341.00	100		23		\$195,000.00	\$20,000,000.00
Northampton	Pleasant Futures	\$2,500,000.00	30	125		\$188,500.00		\$30,800,000.00
Phillipston (lead) and Petersham	Petersham Road - Popple Camp Road Reconstruction	\$1,348,135.00				\$95,000.00		
Revere	Revere Beach Parkway TOD Mixed Use Project	\$3,630,000.00	36	220				\$90,000,000.00
Salem	Bridge Street and Boston Street 'Complete Streets' Enhancements	\$3,500,000.00	10	117				\$40,000,000.00
Shirley	Main Street Bridge Improvement Project	\$725,000.00				\$86,700.00		
Somerville	Union Square Infrastructure Improvement Project	\$13,000,000.00	711			\$36,000,000.00		\$200,000,000.00
Stow	Lower Village Traffic Improvement Project	\$850,000.00				\$400,000.00		
West Brookfield	Cottage Street and Lake Street Reconstruction	\$1,000,000.00				\$114,000.00		
Westfield	Springfield Road Traffic Signal	\$1,926,745.00	50					\$6,000,000.00
Weymouth	Weymouth Landing Smelt Brook Daylighting	\$1,601,000.00	12	84		\$168,885.00		\$22,000,000.00
Worcester	Stearns Tavern Improvement Project	\$100,000.00				\$165,000.00		\$501,000.00
Worcester	Main Street Improvement Project	\$2,300,000.00	0					\$6,500,000.00
Wrentham	Ledgeview at Wrentham Water Main Replacement	\$2,200,000.00	200	275				\$112,000,000.00