



Commonwealth of Massachusetts
**EXECUTIVE OFFICE OF
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April 30, 2018

William F. Welch, Senate Clerk
Office of the Clerk of the Senate
24 Beacon Street
State House, Room 335
Boston, MA 02133

Steven T. James, House Clerk
Office of the Clerk of the House
24 Beacon Street
State House, Room 145
Boston, MA 02133

Dear Mr. Welch and Mr. James,

In accordance with Section 63 of Chapter 23A of the Massachusetts General Laws, I am writing to provide the Annual Report for the MassWorks Infrastructure Program (“MassWorks”) on the public infrastructure grants awarded in the 2017 competitive round. Funding for MassWorks was reauthorized in 2016 under An Act Relative to Job Creation and Workforce Development (H.4569). The economic development bill, provided \$500 million in funding for infrastructure investment, a significant commitment made by the Legislature.

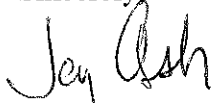
The MassWorks Infrastructure Program, which was originally authorized by the legislature in the Jobs Bill of 2012, represents the consolidation of six former grant programs. This consolidation gives communities a single point of entry and establishes a clear set of requirements for the state’s public infrastructure grants. The consolidation also creates efficiencies and a streamlined decision-making process that increases access for municipalities and enhances local, regional, state and public-private partnerships centered around economic development and housing. MassWorks is administered by the Executive Office of Housing and Economic Development in consultation with the Executive Office for Administration and Finance, the Massachusetts Department of Transportation, and the Executive Office of Energy and Environmental Affairs.

The Executive Office of Housing and Economic Development holds an annual application round for MassWorks every fall. The 2017 application round marked the seventh competitive round. MassWorks focuses on shovel-ready infrastructure projects and creates partnerships with cities and towns to make targeted investments in infrastructure such as roadways, streetscapes, water, and sewer to facilitate and support new and sustained housing and economic growth throughout the Commonwealth.

The 2017 round focused on growth opportunities that contribute to the long term strength and sustainability of our state, with a particular emphasis on projects that support the production of multifamily housing in appropriately located walkable mixed-use districts or that support economic development in weak or distressed areas. Additionally, ten percent of the annual awards support roadway safety improvement projects in communities with a population of 7,000 or less. Attached, please find a summary of the program and its accomplishments to date, along with a list of the projects that were awarded during the 2017 competitive grant round.

In closing, I wish to thank the legislature for their leadership in and continued support of the program. The Commonwealth has greatly benefited from the legislature's commitment to economic development, housing creation and small town roadway safety improvement projects and the MassWorks Infrastructure Program is an outstanding example of a way in which the legislature has directly demonstrated this commitment.

Sincerely,



Jay Ash
Secretary

Attachments: - Annual Report 2017 Narrative
- Summary of Economic Impact
- List of 2017 MassWorks Grant Awards

cc: Joseph A. Boncore, Senate Chair, Joint Committee on Transportation
William M. Straus, House Chair, Joint Committee on Transportation
Eric P. Lesser, Senate Chair, Joint Committee on Economic Development and Emerging Technologies
Joseph F. Wagner, House Chair, Joint Committee on Economic Development and Emerging Technologies
Karen E. Spilka, Chair, Senate Committee on Ways and Means
Jeffrey Sánchez, Chair, House Committee on Ways and Means
Walter Timilty, Senate Chair, Joint Committee on State Administration and Regulatory Oversight
Jennifer Benson, House Chair, Joint Committee on State Administration and Regulatory Oversight



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The MassWorks Infrastructure Program

ANNUAL REPORT 2017

Program Overview

The MassWorks Infrastructure Program is a competitive grant program that provides a robust and flexible source of capital funds for municipalities and other eligible public entities to support and accelerate housing and job growth throughout the Commonwealth. MassWorks is authorized by Mass. General Laws, Chapter 23A, Section 63 and is administered by the Executive Office of Housing and Economic Development (EOHED). The Program represents a 2010 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 program is carried out in coordination with the Department of Transportation, the Executive Office of Energy and Environmental Affairs, and the Executive Office for Administration and Finance.

2017 Competitive Grant Round

MassWorks has held seven competitive funding rounds to date. In 2017, the program awarded 47 projects totaling \$84.9 million in funding. The program received 96 applications from communities throughout the state requesting over \$230 million in funding, demonstrating a significant need for state assistance for infrastructure projects to support economic development and housing creation. Between October 2017 and March 2018, EOHED organized a series of public events throughout the Commonwealth to announce the results of this application round. Overall, the 2017 competitive grant round awards will support the near term creation of over 2,500 new units of housing and unlock over \$2 billion in private investment.

Examples of projects funded by the 2017 MassWorks round include:

- Fall River – William S. Canning Boulevard Improvement Project (\$2,512,000) - The William S. Canning Boulevard Improvement Project will support the transit-oriented SouthCoast Marketplace by removing damaged roadway currently limiting ease of access

to the Marketplace and surrounding retailers, and constructing a well-designed street, intersection and sidewalk necessary to increase safe, multi-modal access to the \$75 million private investment. The private project will redevelop the former New Harbour Mall that has sat vacant for over two years by creating a new movie theater, retail space and restaurant. The Project is consistent with Southeastern Regional Planning and Economic Development Districts' 2016 Comprehensive Economic Development Plan.

- Lynn – New YMCA Infrastructure Project (\$4,845,192) - The \$4,845,192 MassWorks grant to the City of Lynn will support the New YMCA expected to begin construction in late fall of 2017. The shovel-ready infrastructure project includes the discontinuance of Wheeler Street, the reconfiguration of the adjacent roadway network to preserve access to existing neighborhoods, and the relocation of existing underground utilities. These improvements are necessary to support the New Lynn YMCA. The \$27 million facility will bring and increase many vital services to the Lynn community including a new licensed childcare for 400 children, daily meals for youth, a gymnasium and aquatic center. The facility will also employ 335 individuals.
- Framingham – Marble Street Improvements Project (\$1,100,000) - The Marble Street Improvement project consists of widening the terminus of Marble Street to Blandin Ave to create a formal throughway that will support a new 270 unit transit-oriented development project on a site formerly owned by the MBTA. The improvements will enhance a top 200 crash location as rated by MassDOT, while supporting the very first TOD housing project under Framingham's new downtown zoning. The housing development is expected to break ground in 2018. The project is strongly supported by the Metropolitan Area Planning Council and the Smart Growth Alliance.
- North Reading – MWRA Interconnection Project (\$3,000,000) - The \$3,000,000 MassWorks grant to the town of North Reading will leverage over \$7,000,000 in local funding for necessary water infrastructure to support the redevelopment of the former JT Berry site by Pulte Homes. In collaboration with DCAMM, the town repositioned the former industrial site by rezoning it as a 40R Smart Growth District and designating the site as a 43D Local Expedite Permitting Site in an effort to make the state property more attractive to developers. As a result, Pulte Homes as purchased the property and will construct 450 new age restricted units. The project is consistent with the Metropolitan Area Planning Council's MetroFutures Plan.
- South Hadley – Fall Development Enhancements 2017 (\$1,025,800) MassWorks funds will improve Gaylord Street and the water system within the town's 40R Smartgrowth District and Urban Renewal area. In addition, several properties on Gaylord Street have been designated as the Chapter 43D local expedited permitting sites to support redevelopment activities. The infrastructure will support over \$2,000,000 in private investment in the Falls including the redevelopment of the former library into 6 condominiums and 12 new multifamily units to be located opposite the new \$10 million town library.
- Small Town Rural Assistance - MassWorks was also able to award 10 projects in communities with populations of 7,000 or less for roadway safety improvement projects in 2017.

Spending Targets

In addition to ensuring a diverse geographic distribution of funds throughout the state, the program has established a set of investment targets to ensure that funds are achieving EOHEd's priorities and aligning with the state's Sustainable Development Principles. The Program is also required by statute to invest 10% of annual funding in communities with a population of under 7,000 to support transportation safety improvement infrastructure projects. Below is the program's performance over the last three years:

	Spending Target	2017 Spending Achieved	2016 Spending Achieved	2015 Spending Achieved
Reuse of Previously Developed Sites	80%	85%	90%	89%
Transit Oriented Development	67%	70%	79%	80%
Gateway City	50%	39%	50%	50%
Mixed-Use	50%	47%	74%	52%
Regional Projects (2+ communities)	50%	85%	89%	89%
Density of Housing	Target Met	Target Met	Target Met	Target Met
Transportation Safety Improvements in Rural Communities	10%	10%	10.4%	10.3%

Out of Round Awards

At the discretion of the Secretary of Housing and Economic Development awards may be made outside of the competitive grant round. Projects are considered for out of round funding based on the availability of funds, significant economic growth opportunities and/or shovel-readiness. Four out-of-round grant awards totaling \$11.38 million were made between the close of the 2016 round competitive and the 2017 competitive round. In total, these projects will leverage over a million in local funding, support the creation of 1,380 new jobs and unlock over \$500 million in private investment. Projects varied by type and size including a \$500,000 MassWorks grant to support the Phase 1 Dredging Project in Manchester-by-the-Sea to a \$2.38 million grant to Winthrop to support the Winthrop Centre Public Infrastructure Improvement Project that will facilitate the planning and revitalization efforts undertaken by the Town.

Looking Forward

MassWorks Program staff have now begun the contract process for the 2017 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 47 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 eighth MassWorks competitive grant round in the late spring of 2018. As in years prior, municipalities will have access to applications throughout the summer with a two week submission period during late summer. MassWorks staff will be available during the spring and summer months to meet with any prospective applicant at their request.

Prepared by MassWorks Program Team
massworks@mass.gov

Summary of Economic Impact of the 2017 MassWorks Competitive and Out of Round Grant Awards

Income Tax Revenue Generated by MassWorks Investment

Total Investment in 2017 Round and Out of Round	\$ 94,577,316
Construction Jobs Created (<i>based on ARRA Formula: 1 Job for every \$92K spent</i>)	1,028
Average Massachusetts Construction Salary (<i>based on U.S. BLS Data, May 2016</i>)	\$ 61,240
Estimated Income Earned in Construction Jobs	\$ 62,955,596
State Tax Rate (effective January 2017)	5.10%
Projected Income Tax Revenue	\$ 3,210,735

Housing Created

	Total	Description
Immediate Housing	2,560	Number of immediate new multifamily housing units created
Future Housing	1,022	Number of future new housing units created
Housing Total	3,582	Total (immediate and future) multifamily housing units

Private Growth Summary

Private Investment: Total investments from private development leveraged by MassWorks grants (competitive and out of round)	\$ 2,085,079,157
Jobs Created: Estimated number of jobs to be created as a result of the private investments per the 2017 application (competitive and out of round)	7,574

Summary of Other Sources of Public Funds (Competitive and Out of Round)

	Total	Description
Municipal Funds	\$35,976,641	Total local funds invested in projects
Other State Funds	\$11,978,225	Total non MassWorks state funds invested in projects
Total Public Funds	\$47,954,866	Total other public dollars invested in the infrastructure projects

2017 (FY18) MassWorks Infrastructure Program Awards - Competitive Grant Round

Municipality	Project Name	Award Amount	Jobs to be Created	Immediate Housing	Future Housing	Municipal Contribution Funding to Support Project	State Contribution to Support Project	Private Investment in Project
Barnstable	Hyannis Regional Commercial Center Traffic & Pedestrian Improvements	\$3,753,000						\$12,000,000
Bellingham	Route 140/Maple Street Reconstruction Project	\$1,684,000	100			\$200,000		\$40,000,000
Boston	Olmsted Green West Phase III Infrastructure	\$3,000,000	20	141	47	\$9,450,000	\$10,015,000	\$80,000,000
Boston	Madison Melnea Cass Infrastructure Project	\$725,000	352	76		\$2,250,000		\$16,638,000
Boston	South Bay Expansion Infrastructure Project	\$1,218,000	1600	475				\$200,000,000
Boston	12 Channel Street [MassRobotics] Economic Development Project	\$2,500,000	150			\$1,000,000		\$5,218,657
Bourne	Buzzards Bay Wastewater Treatment Facility	\$1,500,000	150		264	\$1,727,000		\$30,000,000
Boxborough	Route 111 Pedestrian Improvement Project	\$574,683				\$65,000		
Charlton	East Charlton Route 20 Water Extension	\$2,652,296	10			\$25,000		\$1,350,000
Chester	East River Road Resurrection	\$1,000,000				\$15,000		
Colrain	Replacement Adamsville Road and Call Road Bridges	\$1,000,000				\$125,000	\$500,000	
Danvers	Hay Barn at Endicott Park	\$1,000,000						
Dartmouth	Rogers Street Sidewalk Improvement Project	\$632,167						
Easton	North Easton Village Infrastructure Project Phase I.A	\$2,500,000	100	33				\$24,000,000
Fall River	William S. Canning Boulevard Improvement Project	\$2,512,000	275			\$200,000		\$75,000,000
Framingham	Marble Street Improvements Project	\$1,100,000	10	270				\$73,000,000
Holyoke	Lyman Terrace Phase 2	\$1,365,000	21		103			\$39,000,000
Hudson	South Street Rotary Connect	\$1,200,000	35	9		\$100,000		\$11,000,000
Lawrence	Merrimack Street West Roadway Improvement	\$3,000,000	125					\$18,000,000
Ludlow	Ludlow Mills Riverside Drive Infrastructure	\$3,500,000	2000					\$300,000,000
Lynn	Boston and Federal Street Revitalization Project	\$2,500,000	10			\$50,000		\$1,500,000
Lynn	New YMCA Infrastructure Project	\$4,845,192	85					\$27,000,000
Maynard	Parker Street Sewer upgrade	\$3,177,600	182	323		\$400,000		\$137,000,000

MDFA / Belchertown	Carriage Grove (Belchertown State School)	\$3,000,000	182		260		\$278,330	\$53,100,000
MDFA / Lowell / UTEC	Warren Street Improvements	\$1,090,500	25					\$62,500
Methuen	Five Corners 40R Gateway Improvements	\$1,175,000	30	40	288	\$80,500		\$25,000,000
Monroe	Kingsley Hill Road, Roadway Safety Improvements	\$1,000,000				\$42,500		
Mount Washington	Sallie's Cradle Slope and Culvert Improvements & Related Work	\$580,000				\$30,000		
Norfolk	Lawrence Street Infrastructure Improvement	\$1,800,000		216				\$73,000,000
North Adams	Greylock Mill and Community Infrastructure Improvements	\$1,722,484					\$144,895	
North Andover	Route 125 Corridor Improvement Project	\$2,700,000	520	192		\$22,000		\$40,000,000
North Reading	MWRA Water Interconnection Project	\$3,000,000		450		\$7,641,500		\$160,000,000
Oakham	Reconstruction / Resurfacing of Ware Corner Rd, Adams Rd, South Rd,	\$1,000,000				\$100,000		
Pittsfield	Gordon-Deming	\$425,000		3				\$780,000
Quincy	Greenway Utility and Surface Improvements	\$2,000,000				\$6,750,000		
Revere	Shirley Avenue Revitalization	\$2,000,000	12	30		\$37,500	\$40,000	\$4,000,000
Rowe	Cyrus Stage Bridge	\$420,000				\$15,000		
South Hadley	Falls Development Enhancements 2017	\$1,025,800		18		\$39,000		\$2,000,000
Southampton	East St. Bridge Replacement	\$1,000,000				\$458,000		
Southbridge	Main & Laurel Streets Drainage Relocation	\$419,594				\$2,641		\$15,000,000
Springfield	Pynchon Park	\$3,500,000				\$500,000		
Stockbridge	Replacement of Interlaken Road (Route 183) over Larrywaug Brook	\$1,000,000				\$1,300,000	\$500,000	
Tyngsborough	Flints Corner Transportation and Water Pump Station Improvements	\$2,500,000	135	96		\$15,000		\$30,000,000
Warren	Quaboag Street Improvements	\$1,000,000				\$20,000		
Wayland	Wayland Water Works (WWW)	\$2,400,000	65	188		\$800,000		\$63,500,000
Worcester	Worcester Senior Center Parking and Renovation Project	\$1,500,000			60	\$1,175,000		\$20,000,000
		\$ 83,197,316	6,194	2,560	1,022	\$ 34,635,641	\$ 11,478,225	\$ 1,577,149,157

FY17/FY18 MassWorks Infrastructure Program Out of Round Awards to Date

Municipality	Project Name	Award Amount	Jobs to be Created	Immediate Housing	Future Housing	Municipal Contribution Funding to Support Project	State Contribution to Support Project	Private Investment in Project
Manchester-by-the-Sea	Manchester Phase 1 Dredging Project	\$500,000				\$1,031,000		\$930,000
Andover	Dascomb Road Improvements Project	\$6,000,000	950		175	\$100,000		\$200,000,000
Walpole	Infrastructure Improvements for Siemens Expansion	\$2,500,000	400					\$300,000,000
Winthrop	Winthrop Centre Public Infrastructure Improvements Project	\$2,380,000	30		30	\$210,000	\$500,000.00	\$7,000,000