

99 High Street
Boston, MA 02110
@MassDev I massdevelopment.com

Underutilized Properties Program

Program Information and Guidelines FY2025

Underutilized Properties Program – Community One Stop Guidelines

I. INTRODUCTION

A. About the Program

The 2021 Economic Development Bill authorizes \$40M for the Underutilized Properties Program, to be administered by MassDevelopment, for the purpose of funding "projects that will improve, rehabilitate or redevelop blighted, abandoned, vacant or underutilized properties to achieve the public purposes of eliminating blight, increasing housing production, supporting economic development projects, increasing the number of commercial buildings accessible to persons with disabilities". For the first year of the program, the focus will be on funding capital improvements and code compliance projects, along with the design of these improvements.

B. How to Apply in FY2025

The Underutilized Properties Program is part of the <u>Community One Stop for Growth</u>, a single application portal and collaborative review process of community and economic development grant programs that make targeted investments based on a Development Continuum. It is designed to allow applicants to apply for consideration of multiple sources of funding to support multiple phases and facets of a project. For more information, including key dates, frequently asked questions, and instructions on submitting an Expression of Interest and Full Application, please visit http://www.mass.gov/onestop.

II. PROGRAM FEATURES AND REQUIREMENTS

A. Program Highlights

Maximum Award	No set maximum but typical awards are anticipated to range from \$50,000 to \$1,000,000.
Grant Use	Capital Improvements and Predevelopment Activities
Project Duration	Project timeline may exceed one (1) year.
Project focus examples	Funding for capital improvements essential to the occupancy or increased occupancy of existing structures including building stabilization, roof repair, HVAC system improvements, tenant improvements, compliance with building code(s), fire/life safety system regulations,

regulations.

accessibility requirements, seismic code and other similar

Eligible communities	All municipalities are eligible to apply, so long as the project end use is not municipal use.
Eligible lead applicant	Municipalities, municipal agencies or authorities, economic development and industrial corporations, economic development authorities, non-profit entities and private-sector entities.

B. Eligible Applicants and Projects

Through the Community One Stop, <u>municipalities</u>, <u>municipal agencies</u> or <u>authorities</u>, <u>economic development and industrial corporations</u>, <u>economic development authorities</u>, <u>non-profit entities</u> and <u>for-profit entities</u> can apply for Underutilized Property Program funding. All applications must include a letter of support from the municipality clearly articulating the proposed funding's public purpose/ benefit. <u>For-profit entities will need to make clear the public purposes advanced by their proposed funding request.</u>

Eligible Uses of Program Funds fall into two categories, Buildings and Pre-Development: Buildings. Each category is further defined below.

Buildings

Grant funds may be used for capital improvements that are essential to the occupancy or increased occupancy of existing structures. Such improvements may address building stabilization, roof repair, HVAC system improvements (provided that they are fully integrated elements of a building structure or site), tenant improvements and fit out expenses and other similar purposes. Funds may also be used to facilitate compliance with building code(s), fire/life safety system regulations, accessibility requirements, seismic code and other similar regulations.

Pre-Development: Buildings

Grant funds may be used to engage the services of architects, engineers, landscape architects and other related professionals to assess building conditions and to develop design and construction documents for capital improvement, code compliance projects described above. Available assistance includes, but is not limited to, the following types of activities:

- Building Condition Studies
- Structural Engineering Reports
- Code Compliance Studies
- Development Feasibility Studies
- Indoor Survey
- Seismic Code Assessments
- Architectural Design
- Other similar uses

III. APPLICATION AND EVALUATION

A. Application Components

Underutilized Properties Program is part of the <u>Community One Stop for Growth</u>, a single application portal and collaborative review process of community and economic development grant programs that make targeted investments based on a Development Continuum. It is designed to allow applicants to apply for consideration of multiple sources of funding to support multiple phases and facets of a project. For more information, including key dates, frequently asked questions, and instructions on submitting an Expression of Interest and Full Application, please visit <u>www.mass.gov/onestop</u>.

The One Stop Full Application is organized into the following sections:

- Form 1 Applicant Information
- Form 2 Project Information
- Form 3 Certification of Application Submission Authority

In order to be considered for Underutilized Properties Program funding, applicants must include complete responses to all required questions.

B. Application Evaluation and Scoring Overview:

MassDevelopment will consider the following criteria when reviewing Underutilized Properties Program applications. While few sites will satisfy every criterion, applications will be reviewed on a relative basis. Review criteria will be used to assess the likelihood of requested funding to advance a project towards increased occupancy and resulting public benefits.

• Eligibility

The proposed use of the grant funds must be consistent with the categories of eligible uses described above.

Public Purpose

The applicant should demonstrate how the use of grant funds will enhance the public purpose goals in the program's establishing legislation including, but not limited to, eliminating blight, supporting the economic vitality of downtowns and town centers, facilitating the production of workforce and low-income housing and increasing the number of commercial buildings accessible to persons with disabilities.

Capacity and Readiness

Projects that can be completed within the fiscal year are preferred. Except for requests for design funding, applicants must demonstrate that the proposed improvements have been designed and permitted such that work can start within two months of a grant award. Successful applicants will be able to demonstrate their experience (or the experience of their design and construction team) with similar projects.

• Project Benefits

In addition to enhancing the public purposes set forth in the statute, the applicant must demonstrate the economic benefits of the funded improvements in terms of jobs/housing units enabled by the increased occupancy as well as spill-over benefits for the surrounding community.

• Financial Need

Applicants must be able to demonstrate the financial need for the support.

Diversity

Awards will reflect the geographic and demographic diversity within the Commonwealth (statutory language)

MassDevelopment staff will determine if all statutory and program guidelines are met. A Review Committee will independently review and score the applications. Note that reviewers may request additional information from any or all relevant sources during the application review process.

For municipalities or other public entities, community development corporations and non-profit entities, funding will take the form of a grant. Funds will be disbursed on an invoice basis.

In the case of for-profit entities, assistance will take the form of a recoverable grant. Grant funds will be recoverable in the event that the property, or any portion thereof, is sold or otherwise conveyed within five years of the execution of the grant agreement.

C. Award Decisions

Applicants that are approved for funding will receive a commitment letter outlining the recoverable grant amount and any conditions of the award. All awards are subject to annual state budget appropriation and contingent upon full execution of a contract. Applicants that are not recommended for funding during the round will also be notified in writing, and invited to request feedback about their proposal, if interested.

D. Additional Information

- For information on the One Stop, including key dates, frequently asked questions, and instructions on submitting an Expression of Interest and Full Application, please visit www.mass.gov/onestop.
- The Expression of Interest is an optional, but highly recommended form that allows an applicant to seek guidance from the One Stop partner agencies. Applicants are encouraged to submit an Expression of Interest prior to starting their Full Application(s).
 Visit the One Stop Expression of Interest webpage for more information and access to the Expression of Interest form.
- All applications must be submitted electronically. The online application portal, IGX, can be accessed at https://eohed.intelligrants.com. An online webinar outlining the use of the system will be available on the site. The application form template and link to the portal will also be available on the One Stop webpage.
- Eligible applicants may submit funding requests for more than one Building project in the same round. However, a separate application is required for each project. Each proposal will be evaluated independently against the criteria and will be competing directly with all other proposals.
- It is the responsibility of the applicant to be aware of all requirements and deadlines, and to ensure that their application is complete and submitted on time. All applications will be logged as to date and time received and kept on file as public record. Late submissions will not be considered.
- MassDevelopment reserves the right to request additional information from the
 applicant or external sources as may be necessary in order to complete the application
 review. MassDevelopment also reserves the right to recommend partial grant awards, as
 deemed appropriate.