

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

# Addressing the Economic Challenges of COVID -19

Presentation to the Massachusetts Select Board Association on June 24, 2020



### The road we've travelled together





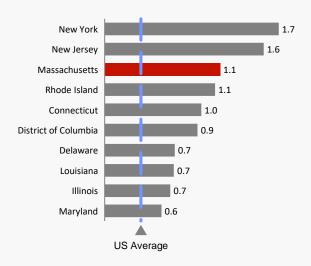
Massachusetts has been one of the hardest hit states in the U.S., with over 86,000 confirmed cases and 5,700 deaths through May 17, 2020.

On March 23, 2020 Governor Baker issued an executive order closing all non-essential businesses across the Commonwealth in order to reduce the transmission of COVID-19.

In combatting COVID-19, the Baker-Polito administration has:

- In partnership with healthcare providers and municipalities, conducted more than 460,000 COVID-19 tests, making Massachusetts a top-5 per capita tester
- · Launched a national model for contact tracing
- Committed over \$1 billion in funding to support our health care system
- Distributed more than 10.5 million pieces of personal protective equipment

#### Number of confirmed COVID-19 cases, per 100k population (thousands) As of 5/12/2020



### The Path to Reopening



On April 28, Governor Baker formed the Reopening Advisory Board, chaired by Lieutenant Governor Karyn Polito and Secretary of Housing and Economic Development Mike Kennealy, and comprised of representatives from the business community, public health officials, and municipal leaders from across the Commonwealth.

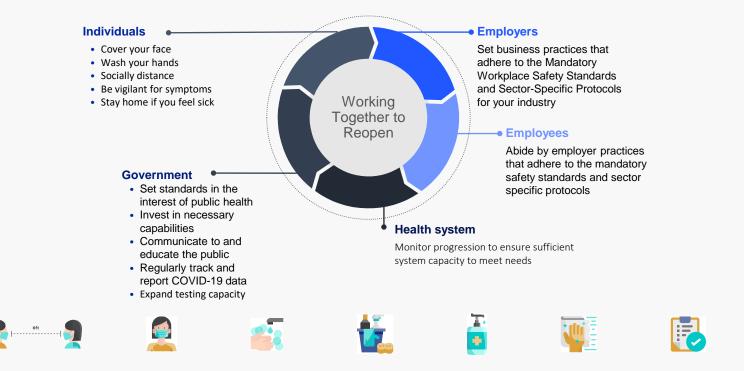
In crafting this report, the Reopening Advisory Board and other state officials:

- Heard testimony from more than 75 business associations, labor unions, non-profits, and community coalitions that collectively represent more than 112,000 businesses and more than 2,000,000 employees
- Received and reviewed more than 4,600 written submissions from associations, businesses, and residents
- Engaged stakeholders and analyzed information in over 45 hours of Zoom meetings over the past 20 days





Until a treatment or vaccine for COVID-19 is available, life will not return to normal. We each have a collective responsibility to ensure that reopening proceeds smoothly and safely. Everyone must follow public health directives and use common sense to protect yourself, your family, your neighbors, and vulnerable populations across the Commonwealth.



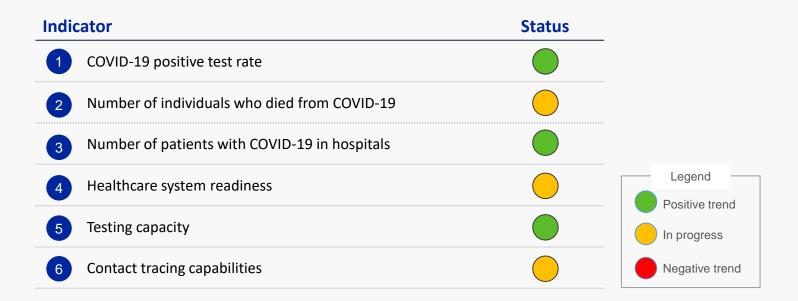
### **Reopening Will Be Drive By Public Health Data**



#### **Dashboard of public health indicators**

- Since May 18, the COVID-19 Command Center offers updates on six key public health indicators.
- These metrics must continue to show progress during the reopening.

Below is the status as of June 5, 2020:



### **Reopening and Fighting COVID-19**





Mandatory Workplace Safety Standards for reopening All businesses and activities, as they reopen, must meet the following minimum safety standards:

Social Distancing	<ul> <li>All persons, including employees, customers, and vendors should remain at least six feet apart to the greatest extent possible, both inside and outside workplaces</li> <li>Establish protocols to ensure that employees can practice adequate social distancing</li> </ul>			
	<ul> <li>Provide signage for safe social distancing</li> </ul>			
	<ul> <li>Require face coverings or masks for all employees</li> </ul>			
Hygiene Protocols	<ul> <li>Provide hand washing capabilities throughout the workplace</li> </ul>			
	<ul> <li>Ensure frequent hand washing and ensure adequate supplies</li> </ul>			
	<ul> <li>Provide regular sanitization of high touch areas, such as workstations, equipment, screens, doorknobs, restrooms throughout work site</li> </ul>			
Staffing and	<ul> <li>Provide training for employees regarding the social distancing and hygiene protocols</li> </ul>			
Operations	<ul> <li>Employees who are displaying COVID-19-like symptoms do not report to work</li> </ul>			
	<ul> <li>Establish a plan for employees getting ill from COVID-19 at work, and a return-to-work plan</li> </ul>			
Cleaning and Disinfecting	Establish and maintain cleaning protocols specific to the business			
	<ul> <li>When an active employee is diagnosed with COVID-19, cleaning and disinfecting must be performed</li> <li>Disinfection of all common surfaces must take place at intervals appropriate to said workplace</li> </ul>			

### **Reopening Massachusetts in Phases**



The goal of this phased reopening plan is to methodically allow businesses, services, and activities to resume, while avoiding a resurgence of COVID-19 that could overwhelm our healthcare system and erase the progress we've made so far.

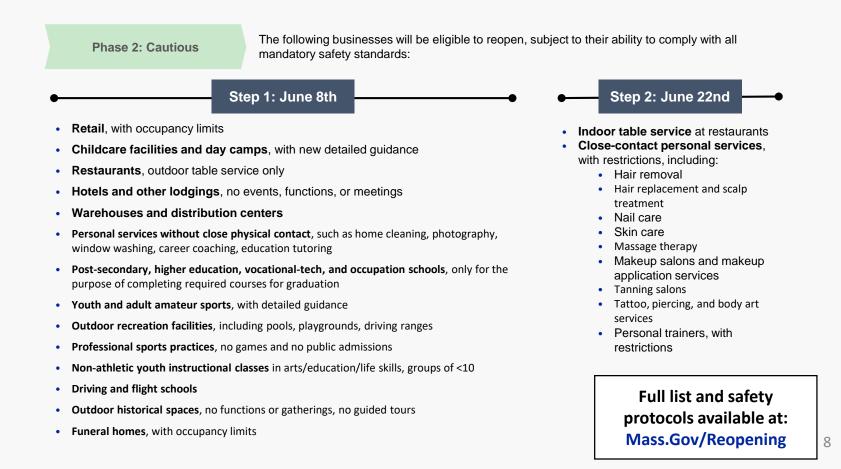
Current state:	Phase 1:	Phase 2:	Phase 3:	Phase 4:
Stay at home	Start	Cautious	Vigilant	New normal
Essential business and services only	Limited industries resume operations with severe restrictions	Additional industries resume operations with restrictions and capacity limitations	Additional industries resume operations with guidance	Development of vaccines and / or treatments enable resumption of "new normal"

- Each phase will last a minimum of three weeks and could last longer before moving to the next phase
- If public health data trends are negative, specific industries, regions, and/or the entire Commonwealth may need to return to an earlier phase
- The Commonwealth will partner with industries to draft Sector-Specific Protocols in advance of future phases
- If we all work together to defeat COVID-19, we can proceed through each phase

### **Reopening: Phase 2 - Cautious**



The phased reopening gives businesses permission to reopen, but **reopening is not mandatory**. Businesses should refer to the Sector-Specific Protocols and best practices for detailed guidance on reopening and should follow a self-certification process.



### **Reopening: Phase 3 – Vigilant** [TENTATIVE]



The phased reopening gives businesses permission to reopen, but **reopening is not mandatory**. Businesses should refer to the Sector-Specific Protocols and best practices for detailed guidance on reopening and should follow a self-certification process.

Phase 3: Vigilant

#### This listing is subject to amendment. Start Date: TBD

- Post-Secondary/Higher Ed/Vocational-Tech/Trade/Occupational Schools—general operations
- Casino gaming floors
- Horse racing simulcast facilities (no spectators)
- Indoor recreational and athletic facilities for general use (not limited to youth programs)
- Fitness centers and health clubs
- Museums
- Indoor historic spaces/sites
- Aquariums
- Outdoor theatres and performance venues of moderate capacity
- Indoor theatres, concert halls, and other performance venues of moderate capacity
- Sightseeing and other organized tours (bus tours, duck tours, harbor cruises, whale watching)
- Fishing and hunting tournaments and other amateur or professional derbies
- Weddings/events/gatherings in parks, reservations, and open spaces with allowance for moderate capacity
- Overnight camps
- Indoor non-athletic instructional classes in arts/education/life skills for persons 18 years or older
- Indoor recreational businesses: batting cages, driving ranges, go karts, bowling alleys, arcades, laser tag, roller skating rinks, trampolines, rock-climbing

### DHCD - Community Development Block Grant – Coronavirus Response (CDBG-CV)



- CDBG funding 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.
- Entitlement communities administer their own activities or distribute the funds to local grantees.
- DHCD CDBG-CV NOFA for non-entitlement communities closed June 12, which made \$9.6M available for local public social services and microenterprise assistance programs. Received 39 applications representing 188 communities. Currently under evaluation.
- DHCD will work quickly to distribute additional CDBG dollars made available via the CARES Act:
  - A new \$20M DHCD **Emergency Rental and Mortgage Assistance** program that is funded 50% by CDBG-CV funding will go live statewide in July.

### **HED - MassWorks**



- 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
- 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
- Application Deadline: August 28, 2020 @ 11:59 PM
- Information Session: Monday, June 29, 2020 (9:00 AM 10:00 AM)
- <u>www.mass.gov/massworks</u>

### HED - Urban Agenda



- 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.
- Subject to appropriation in the budget, we expect to have \$2M in operating budget funds available for grant commitments in FY2021.
- The FY21 round is expected to open this summer, with an application deadline in late summer. Award announcements to follow in the fall.

### Shared Streets and Spaces Grant Program



- Quick-launch/quick-build grant program for cities and towns
  - to improve sidewalks, curbs, streets, on-street parking spaces, and offstreet parking lots in support of public health, safe mobility, and renewed commerce.
- MassDOT has allocated \$5 million for this program
- Projects ranging in cost from \$5,000-\$300,000 will be considered, based on speed of implementation and project scope
- Proposals will be accepted from June 22, 2020 through September 27, 2020
- Municipalities will be notified of funding decisions within 14 business days
- Projects are expected to be mostly or completely implemented by Friday, October 9, 2020, and preference will be given to projects that can be operational within 15-30 days of award
- MassDOT is partnering with the Barr Foundation to provide technical assistance support

## **COVID-19 Response Round: Resurgent Places**





- \$225,000 round open to non-profit and community groups
- Specifically to help prepare public space and commercial districts to best serve their population during communities' economic recovery efforts
  - May include outdoor seating spaces, sidewalk retail venues, partitions to support social distancing, etc.
- Grant awards of up to \$25,000
- Up to \$10,000 per project may be awarded as an unmatched grant; awards greater than \$10,000 must be matched with crowdfunding donations.
- Applications will be accepted on a rolling basis until July 31, 2020
- Information Webinar: Thursday, June 25, 2020, 3:00 PM 4:30 PM

### **Collaborative Workspaces**





- The goal of the Collaborative Workspace Program is to accelerate the pace of new business formation, job creation, and entrepreneurial activity in communities, by supporting infrastructure that fuels community-based innovation.
- Eligible collaborative workspace applicants may apply for either Seed Grants for predevelopment and feasibility work, or Fit-out Grants for building improvements and equipment purchases.
- Round Opening Soon

### **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)

#### 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

### DHCD - Housing Choice & Massachusetts Downtown Initiative



- 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 has closed. Next capital funding round to open in 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.
  - <u>https://www.mass.gov/orgs/housing-choice-initiative</u>
- Massachusetts Downtown Initiative (MDI)
  - Strengthens downtowns through Technical Assistance, Training, and Capacity Building to non-entitlement communities.
  - Technical Assistance awarded yearly.
  - <u>https://www.mass.gov/service-details/massachusetts-downtown-initiative-mdi</u>

### MGCC 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 moderateincome 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 closed on June 16, 2020.

### MGCC - COVID-19 Small Business Stabilization Network & Lending Programs



Coalition of over 50 community development organizations throughout Massachusetts supporting small businesses in their communities through the process of the SBA's Paycheck Protection Program (PPP)

#### They are providing:

- 1. One-on-one support for business owners seeking assistance with the application
- 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

MGCC Lending Programs:

- Short-term (Gap) financing to most industries
- Loan Products & Programs: Loans Up to \$1,000,000

### **Federal Assistance Examples**



#### FEMA Public Assistance

- FEMA distributes reimbursement funds to states, cities and towns, and eligible non-profits for eligible response and recovery efforts related to COVID-19
- FEMA Public Assistance grants provide up to 75% reimbursement for certain disaster related costs. The CARES Act provides \$45B nationally for this program
- Municipalities should track expenses and work with MEMA to seek reimbursement from FEMA

#### **Coronavirus Relief Fund**

- The Coronavirus Relief Fund may be used to reimburse states and local units of government for COVID-19related costs between March 1 and December 30th, 2020
- Up to \$502M is available to local cities and towns, for eligible COVID-19 related FY20 and FY21 costs: core municipal services, expanded public health mission, and resident supports
- Municipalities had until June 12<sup>th</sup> to submit FY20 costs to the Department of Local Services
- Note: FEMA Reimbursements must be maximized first, before municipalities use Relief Fund dollars

#### **EDA Funding**

- The Economic Development Administration (EDA) provides strategy or implementation grants for public infrastructure (including broadband), business incubators, capitalization of revolving loan funds, technical assistance, capacity building, and activities that support business and job creation
- \$1.5B in funding is available per the CARES Act, with \$259M available for the Northeast Region
- Eligible applicants include Economic Development Districts (often regional planning agencies); state and local governments; institutions of higher education; and public or private nonprofit organizations
- Applications opened on May 7<sup>th</sup> and awards will be made on a rolling basis
- Note: MGCC and MassDevelopment are in pursuit of EDA funding, which would make more funds available to the small business community in Massachusetts.
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### Partnerships for Growth – 2020 Economic Development Bill



- On March 4<sup>th</sup>, the Governor filed An Act Enabling Partnerships for Growth, a \$240 million bond bill comprised of investments across three core areas: housing, community development, and business competitiveness.
- *Partnerships for Growth* recognizes that communities need flexible, responsive tools to build vibrant communities, and assist with planning in the new normal with respect to downtowns
- To deliver these tools, EOHED proposes to:
  - **Revitalize underutilized properties** by providing financial assistance for redevelopment of buildings and lots to unlock economic development and housing opportunities
  - Address challenges faced by rural communities by creating a new Rural and Small Town Development Fund for community development and infrastructure
  - **Build community capacity** that can support locally-driven, locally-beneficial growth through grants to assist with planning projects in municipalities and across regions

#### Next steps:

- Hearing now scheduled for Friday, June 26<sup>th</sup>
- The committee will host a virtual hearing with invited speakers and accept written testimony from the public