



Underutilized Properties Program

FY25 Program Overview

Underutilized Properties Program Overview

- Authorized by 2021 Economic Development Bill
- Program focus:
 - Improve, rehabilitate or redevelop blighted, abandoned, vacant or underutilized properties;
 - Achieve the public purposes of eliminating blight, increasing housing production, supporting economic development projects, and increasing the number of commercial buildings accessible to persons of disabilities;
- Priority – Equitable investments to increase housing, increase commercial square feet, create new jobs, drive economic development.



Information available: www.massdevelopment.com/UPP

Eligibility and Requirements

Program Highlights

Eligible Communities:	All municipalities are eligible to apply.
Eligible Lead Applicant:	Municipalities, municipal agencies or authorities, economic development and industrial corporations, economic development authorities, non-profit entities and private-sector entities (for-profit entities will need to emphasize public purpose of their project).
Maximum Award:	No set maximum but typical awards are anticipated to range from \$50,000 to \$1,000,000.
Grant Use:	<u>Pre-Construction</u> : Building studies and architectural design, predevelopment work. <u>Construction</u> : Funding for capital improvements essential to the occupancy or increased occupancy; compliance with building code(s). New construction not eligible Work within the building's envelope
Project Commencement:	Priority for projects that can commence within three months of award.
Project Duration:	May exceed one (1) year.
Form of Assistance	For municipalities, public entities, CDCs, non-profits, funding is a grant. <u>For for-profit entities, funding is recoverable grant if property conveyed within five years.</u>

Program Uses

Pre-Development: Buildings

- Engage the services of architects, engineers, landscape architects and other related professionals to assess building conditions, develop design and construction documents for capital improvement, code compliance and limited demolition
 - Building Condition Studies
 - Structural Engineering Reports
 - Code Compliance Studies
 - Development Feasibility Studies
 - Indoor Survey
 - Seismic Code Assessments
 - Architectural Design



Program Uses

Construction: Buildings

- Capital improvements that are essential to the occupancy or increased occupancy of **existing structures**, including:
 - 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
 - Above ground, interior hazardous materials removal
- Facilitate compliance with building code(s), fire/life safety system regulations, accessibility requirements, seismic code and other similar regulations
 - Elevators
 - Sprinkler systems
 - Accessibility improvements



Application Evaluation

Award Criteria

- **Eligibility:** Consistent with the categories of eligible uses.
- **Capacity and Readiness:** Ability to be complete within fiscal year preferred. Project work should be ready to start within three (3) months (excluding design funding). Demonstrated experience with similar projects.
- **Committed Capital:** Does the project have its funding sources finalized?
- **Financial Need:** Demonstrate financial need; why can't the project self-support?
- **Diversity:** Awards will reflect the geographic and demographic diversity within the Commonwealth (statutory language).
- **Public Purpose/Benefits:** Eliminate blight, support economic vitality, facilitate production of workforce and low-income housing, increase commercial buildings accessible to persons with disabilities, jobs, tax revenues, spill-over benefits, etc.
 - Note that this is especially important for private-sector projects.

Public Benefit Evaluation

Potential Elements

- **Consistency with City/Town Plans and Goals:** Specific references are helpful.
- **“Blight Elimination”:** Renovating and reactivating the building.
- **Jobs:** Construction, permanent and induced.
- **Housing:** Inclusion of affordable and workforce (i.e., moderate income) units.
- **Private Investment:** How much money is being leveraged?
- **Property Tax Revenue:** Will work increase the property's assessed value?
- **Diversity:** Project supports or is located in historically underserved area.
- **Other:** Spill over benefits for the neighborhood (i.e., vocational training, improved access to healthy food, community workspace, etc.).

Application Timeline

Important Dates & Resources

- **Expressions of Interest:**
December - March 2025
 - **Full Application Open**
January 2025
 - **Webinars:**
Dates to be announced
 - www.MassDevelopment.com/UPP
 - www.Mass.gov/OneStop
- **Full Application Submission**
Period Opens
May 2025
 - **Full Application Submission**
Period Closes
June 2, 2025
 - **Review & Evaluation**
June-September 2025
 - **Notification of Award**
September/October 2025
 - **Anticipated Contracting**
October/November 2025

All dates are approximate and will be officially announced in the coming months.

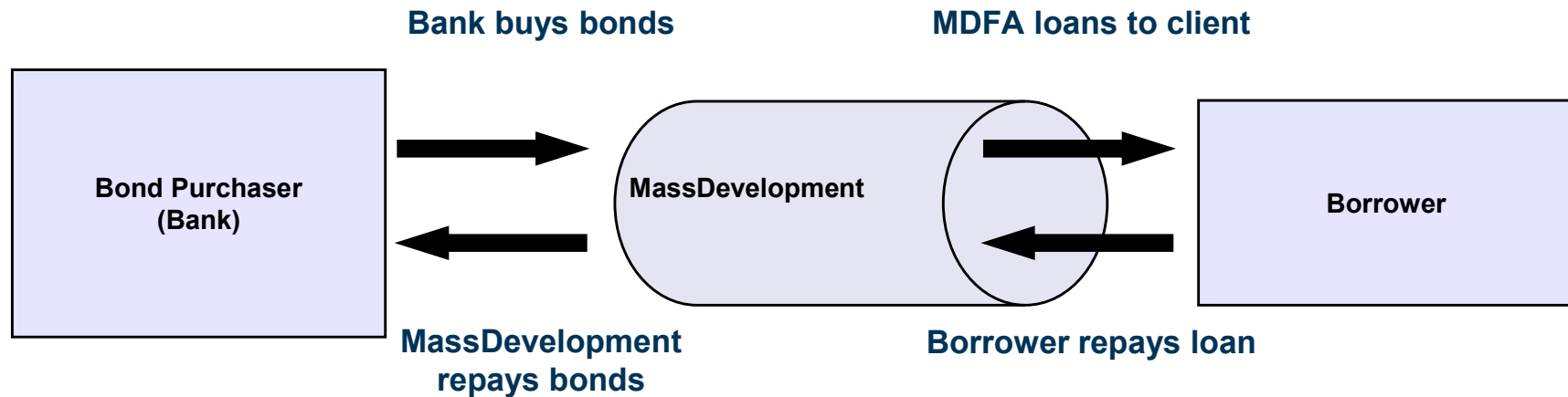
Finance Programs

MassDevelopment provides the following types of financing:

- Commercial Real Estate **Loans & Participations**
- Equipment Loans
- **Brownfields** Redevelopment Fund
- Mortgage Insurance Loan **Guarantees**
- TechDollars Loans (non-profit technology equipment)
- **Tax-Exempt Bond** financing for nonprofits, manufacturers, etc.



Tax-Exempt Bond Financing



- MassDevelopment acts as a “conduit”, capitalizing loans with proceeds from bond purchases
- Loans are pledged to repay bonds
- The bank underwrites, sets terms, and manages the relationship the same as it does for a client with a loan
- Funds used toward new equipment, building acquisition or expansion, land acquisition, new construction, debt refinancing (nonprofits only), some project soft costs

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