

FEDERAL FUNDS AND INFRASTRUCTURE OFFICE

Quentin Palfrey

*Director of Federal Funds and Infrastructure
Office of Governor Maura Healey*

Micaela Leonarte Paredes

*Policy Manager for Federal Funds and Infrastructure
Federal Funds and Infrastructure Office*

ABOUT THE FEDERAL FUNDS AND INFRASTRUC TURE OFFICE

Officially created by Executive Order No. 624 signed by Governor Healey in October 2023, and tasked with implementing a whole-of-government strategy to compete for federal funding by:



Identifying key federal funding opportunities that advance Healey-Driscoll Administrations priorities including infrastructure, equity, job creation, economic competitiveness, climate resiliency and decarbonization, workforce development, and more



Leading bi-weekly meetings of the **Advisory Council on Federal Funds and Infrastructure**, to facilitate inter-agency coordination and promote government-wide strategies for maximizing federal funding



Tracking available federal grant opportunities and Massachusetts applications through the **State Clearinghouse**



Leading the **Massachusetts Federal Funds Partnership** to support municipalities and tribes in their applications for federal funding

ABOUT THE FEDERAL FUNDS AND INFRASTRUC TURE OFFICE (FFIO)

Officially created by Executive Order No. 624 signed by Governor Healey in October 2023, and tasked with implementing a whole-of-government strategy to compete for federal funding by:



Identifying and tracking key federal funding opportunities and Massachusetts applications through the State Clearinghouse



Leading bi-weekly meetings of the interagency Advisory Council on Federal Funds and Infrastructure



Leading the Massachusetts Federal Funds Partnership and other meetings to support local governments in their applications for federal funding



Implementing Federal Match legislation (*Chapter 214 of the Acts of 2024*)

SUCCESSFUL GRANT APPLICATIONS



\$342 Million in Massachusetts Awards for Reconnecting Communities from USDOT

The U.S. Department of Transportation announced awards for the **Reconnecting Communities and Neighborhood Grant Program**. This includes **\$335 million to replace the Allston Viaduct** and create new and improved access to expanded waterfront parks and open space in Boston, as well awards for **Haverhill, Lynn, Everett, Cambridge and Chelsea**.

\$156 million award through Solar for All program

The Massachusetts Department of Energy Resources (DOER), the Massachusetts Clean Energy Center (MassCEC), MassHousing, and the Boston Housing Authority were awarded \$156,120,000 for clean energy investments to up to 31,000 low-income and affordable homes from the **EPA's Greenhouse Gas Reduction Fund**.



\$993 Million Award for the Cape Cod Bridges

\$993 million in funding from the USDOT's **Bridge Investment Program (BIP)** towards MassDOT's replacement of the Cape Cod Bridges. Adds to over \$700 million in existing federal funding for the project. Phase 1 of the project will begin with the replacement of the Sagamore Bridge.

SUCCESSFUL GRANT APPLICATIONS

\$77 million for Municipal Roadway Safety Improvements

Awards were made to municipalities across the state through the Safe Streets and Roads for All program. This funding will allow municipalities and regional planning agencies to implement strategies to reduce transportation-related fatalities and injuries.

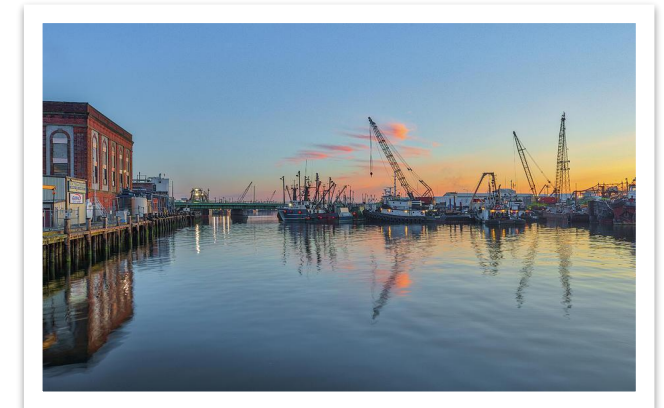


\$75 Million for Clean School Buses

Awards were made to Massachusetts from the **Environmental Protection Agency's Clean School Bus Program** which will go towards replacing fossil-fuel powered school buses in Boston, Worcester, New Bedford, Fall River, and **17 other Massachusetts school districts.**

\$24 million to rehabilitate and extend the Leonard's Wharf Project in the Port of New Bedford

This Port Infrastructure Development Program award will allow for its continued use as a commercial fishing pier, expand its capacity for use in staging offshore wind projects, and increase its climate resiliency by raising the wharf to account for sea level rise.



SUCCESSFUL GRANT APPLICATIONS



\$147 Millions for Broadband
Massachusetts awarded over **\$147,000,000** from the **National Telecommunications and Information Agency's Broadband, Equity, Access, and Deployment program** to expand high speed internet access in unserved and underserved locations in the state.

\$35 million for cleaning up and rehabilitating former industrial sites

Awards from the EPA's Brownfields program will help assess, clean up, and rehabilitate former industrial sites in 13 communities. The cleanup of these sites will allow them to be repurposed into community assets in Gateway Cities and rural areas across Massachusetts.



\$57 million for roadway improvements

Awards through USDOT's RAISE program were granted to Everett, Salem, Gardner, New Bedford, Brockton, and Lowell. Previous awards were also made to New Bedford, Brockton, and Lowell.

SUCCESSFUL GRANT APPLICATIONS

\$21 Million for Congestion Relief in Boston

MAPC, in partnership with **Boston** and **MassDOT** was awarded **\$21,600,000** from the **USDOT Congestion Relief Program**. Funds will be used to bolster public transportation, expand blue bike availability, cohesive network access, and transit incentive research.



\$45 Million for Conservation in Massachusetts

Mass Audubon was awarded **\$25,000,000** and **EEA** was awarded **\$20,835,000** from the **USDA Regional Conservation Partnership Program**. Funds will be used to protect thousands of acres of land and boost climate resilience in Massachusetts

\$175 Million for Rail Improvements in MA

MassDOT was awarded **\$36,800,000** from the **DOT-FRA Consolidated Rail infrastructure & Safety Improvements program**. Funds will be used to advance West-East Rail, building on the **\$108,000,000** award from last year. 2 other Massachusetts entities were also awarded over **\$30,000,000**.



WHAT DO WE DO FOR MUNICIPALITIES AND TRIBES?

Looking for grants

- Match grants to projects
- Help look for partners/co-applicants (CBOs, other states, state agencies, universities, etc.)

Developing application

- Advice on labor standards, DEI , climate, language.
- Review application

Advocating for submitted applications

- Letters of support from the state or congressionals
- Calls and in-person advocacy when FFIO is in DC.
- Get award dates/application status

SUPPORT FOR LOCAL GOVERNMENTS

Use the [Grant Application Notice Form](#) to notify FFIO of in-progress or submitted federal grant applications, or projects that could be eligible for federal funds:

FFIO Federal Grant Intake Form for Local Governments

Please complete the form with accurate and detailed information about your project.

* Required

1. Municipal/Organization Name *
2. Point of Contact Name *
3. Point of Contact Email Address *
4. Point of Contact Title *

Email us: FedFundsInfra@mass.gov

EVOLVING FEDERAL FUNDS LANDSCAPE

UNLOCKING MILLIONS TO COMPETE FOR FEDERAL FUNDING



? Signed on September 24th, **Bill S.2954** *An Act to Provide for Competitiveness and Infrastructure Investment in Massachusetts*

CHAPTER 214 OF THE ACTS OF 2024

The legislation unlocks up to **\$750 million** in resources to pursue federal funding opportunities. Including:

- **MATCHING FUNDS AND LENDING:** and/or other financial assistance to municipalities as they pursue federal funds.
- **TECHNICAL ASSISTANCE: \$12 million** towards local government technical assistance.

Adds to the over \$2 billion in existing resources Massachusetts has made available for state match to give Massachusetts a competitive edge in the pursuit of historic federal grant opportunities

FFIO COMMUNITY TOUR

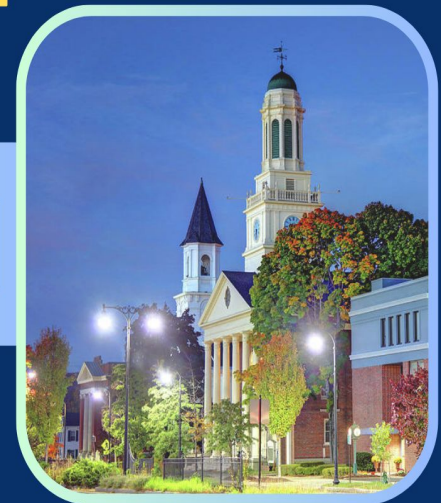
- ? **INFORMATION SHARING:** Provide information on federal grant application resources made available by the new legislation
- ? **UNDERSTAND NEEDS AND PRIORITIES:** Seek community input on priority projects seeking federal funding
 - ? Priority List Exercise
- ? **GATHER FEEDBACK:** Solicit feedback on the Federal Funds Partnership and other FFIO processes



FEDERAL FUNDS & INFRASTRUCTURE OFFICE (FFIO)

COMMUNITY TOUR

1:00 PM | 18 NOV 2024



Come meet the FFIO team, learn about our office, and how our resources can help your community.

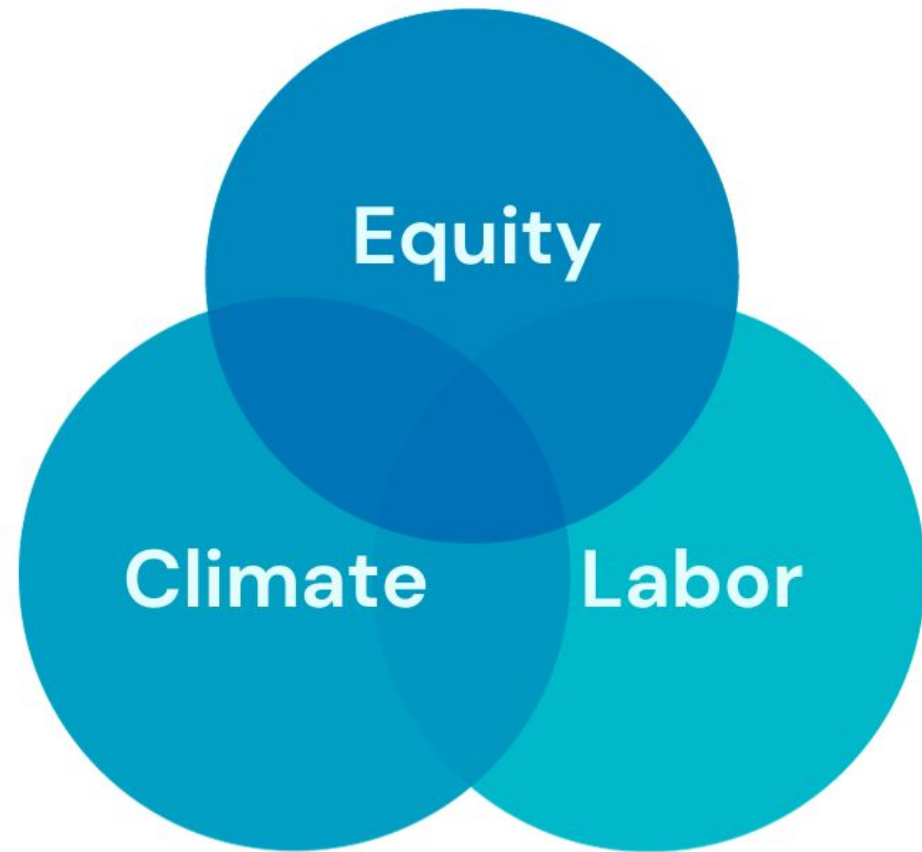
RSVP



**BERKSHIRE INNOVATION CENTER
PITTSFIELD
& ZOOM**

Questions? Email us at:
fedfundsinfra@mass.gov

INCORPORATING
ADMINISTRATIVE
PRIORITIES
AND
PARTNERS



FFIO'S FOCUS ON EQUITY

Rural focus

- Coordinating with Anne Gobi
- DCC

EJ focus

- Working with Undersecretary Maria Belen Power and the Massachusetts EJ Office

WMass focus

- Working with WMass Director Kristen Elechko

Tribal

- Working directly with tribes and the Governor's Office

Whole of government brainstorming session

Letters of support

Congressional collaboration

Matching problems with grant opportunities

Strathmore Paper Mill



Montague, MA

\$5M State Grant

\$4.9M Federal Brownfields Grant

OPEN FEDERAL FUNDING OPPORTUNITIES

CLIMATE

Grant Name	Eligibility	Max Award	Cost Share	Deadline
Energy Improvements in Rural and Remote Areas	State, Local Governments, Tribes, Private, Universities	\$50,000,000	5-50%	2/27/2025
Bringing Youth Outdoors Together and Environmental Steward Program	State, Local Governments, Tribes, Nonprofits	Partnerships With National Park Service	N/A	2/9/2025
Round 3 - Habitat Restoration	Tribes, NGOs, small businesses, universities, State, towns/cities	\$2,000,000	N/A	5/12/2025
Thriving Communities Grant Makers –Region 1	Local Governments, tribes, NGOs	Multiple tiers	N/A	Multiple rounds
BRIC	Local Governments	\$50,000,000	25%	2/29/2025

TRANSPORTATION

Grant Name	Eligibility	Max Award	Cost Share	Deadline
PROTECT Grant	State, Local Governments, Tribes	\$60,000,000	0-20%	2/24/2025
Rural and Tribal Assistance Pilot Program	Rural Local Governments, Tribes	\$2,250,000	N/A	4/3/2025
Port Infrastructure Development Program	State, Local Governments, Tribes	\$125,000,000	20% (with exceptions)	5/10/2024
Commercial Driver's License Program Implementation	State, Local Governments, Businesses, Nonprofits, Public and Private Higher Ed Institutions	N/A	N/A	2/24/2025
Commercial Motor Vehicle Operator Safety Training Program	State, Local Governments, Small Businesses, Nonprofits, Public Higher Ed Institutions, Tribes	\$10,000	N/A	2/25/2025

TRANSPORTATION

Grant Name	Eligibility	Max Award	Cost Share	Deadline
Indian Highway Safety Tribal Grants/Lifesavers Conference	Federally-Recognized Tribes	\$7,000	N/A	2/10/2025

THRIVING COMMUNITIES

Grant Name	Eligibility	Max Award	Cost Share	Deadline
Digital Equity Capacity Grant Program: Native Entities	Tribes	\$2,000,000	N/A	2/7/2025
National Endowment for the Arts Challenge America	State, Local Governments, Nonprofits, Tribes	\$10,000	50%	4/24/2025 5/13/2025
Archival Projects	State, Local Governments, Tribes, Universities	\$150,000	N/A	11/5/2025
Supportive Services for Veteran Families	NGOs, Tribes	\$22,942,240	N/A	3/3/2025
EDA Public Works Program (PWEAA)	States, Local Governments, Tribes, Universities, NGOs	\$30,000,000	20-40%	Rolling

OTHER OPPORTUNITIES:



Enacted into law by the Massachusetts Legislature

2024 ECONOMIC DEVELOPMENT BOND BILL

An Act relative to strengthening Massachusetts' economic leadership

- \$3.96 billion in bond authorizations, with an additional \$700 million worth of tax credits.
- Various investments and policy initiatives to bolster workers and businesses, while making Massachusetts more affordable and competitive.

WHAT IT INCLUDES

The Office of State Representative John J. Mahoney
11th Worcester District

Instagram Facebook Twitter



TECH HUBS

U.S. Economic Development Administration

OFFICIAL DESIGNEE

TECHHUBS.GOV



Ocean TechHUB



DIRECT PAY TAX CREDITS



IRA TAX CREDITS: DIRECT PAY



1. Grant
Programs

2. Tax credits

Direct Pay Clean Energy Tax Credits: The Basics

- By filing a newly created form of tax return and using Direct Pay, non-taxable entities can receive a cash refund from the IRS for certain clean energy projects.
- Direct pay applies to clean energy projects put into service January 1, 2023 through December 31, 2032, creating a future decade of tax-based cash refunds to reduce net capital cost of infrastructure replacements and upgrades.
- In most cases, the Investment Tax Credit results in a refund equal to 30% of the project investment but can escalate to 50% of the project investment.
- Direct Pay builds on existing clean energy tax credits that are well established and commonly used to fund projects in all 50 states.
- Unlike competitive grant programs, the potential dollar value of these tax credits to states and municipalities is unlimited.

Tax credits for municipalities

Example Projects:

EV Infrastructure Placement in non-urban or low income areas



Section 30C
Alternative fuel refueling property

Section 45
Renewable electricity production tax credit (PTC)



Example Projects:

- Microgrid/Community Solar
- Storage deployed at distribution level
- Port electrification
- Rooftop Solar or Wind on gov. buildings or affordable housing
- Geothermal HVAC

Example Projects:

EV Fleet Transition

- Gov. vehicles, school buses, public transit, etc.
- Stacking available with EPA funding



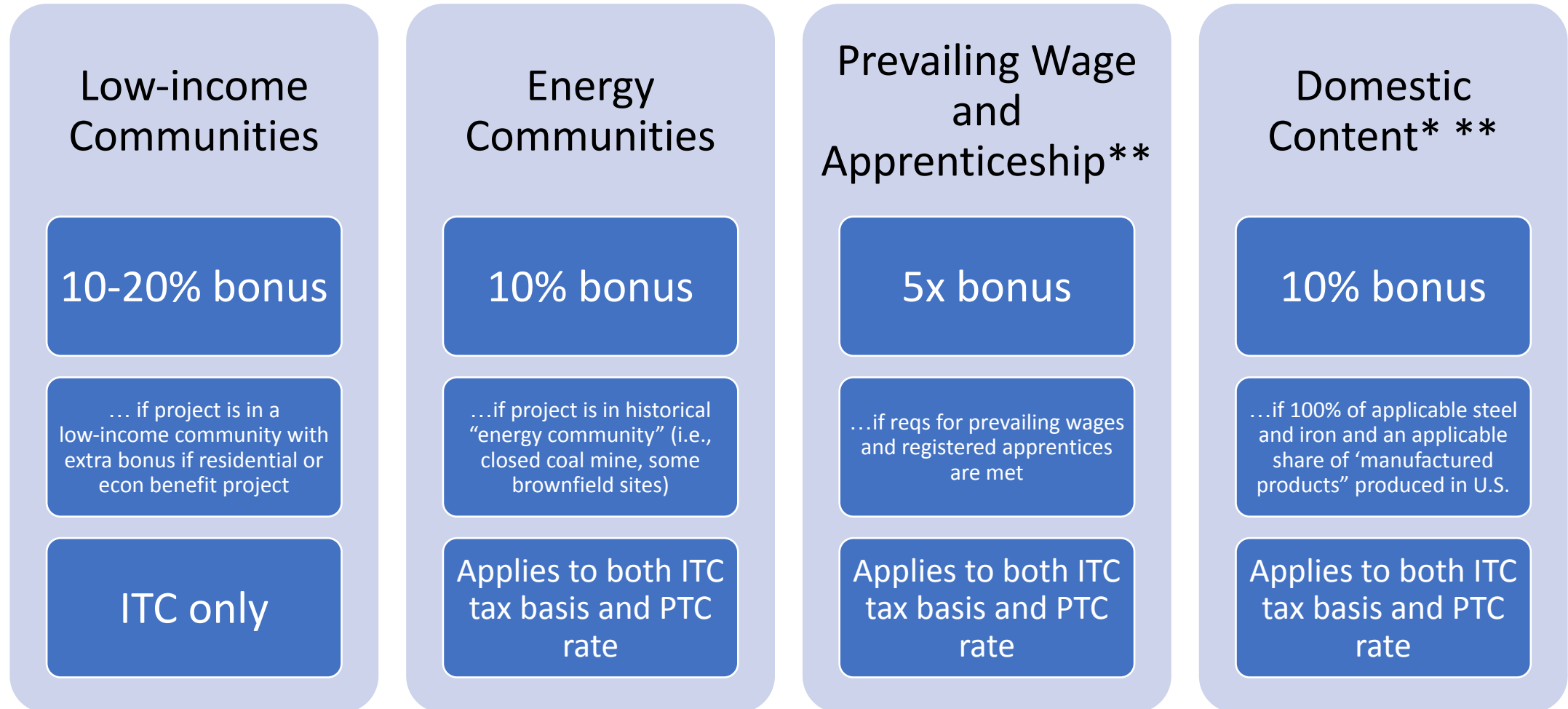
Section 45W
Qualified commercial vehicles

Section 48
Energy investment tax credit (ITC)



Some Basics on Bonuses

Please Note: Additional details apply



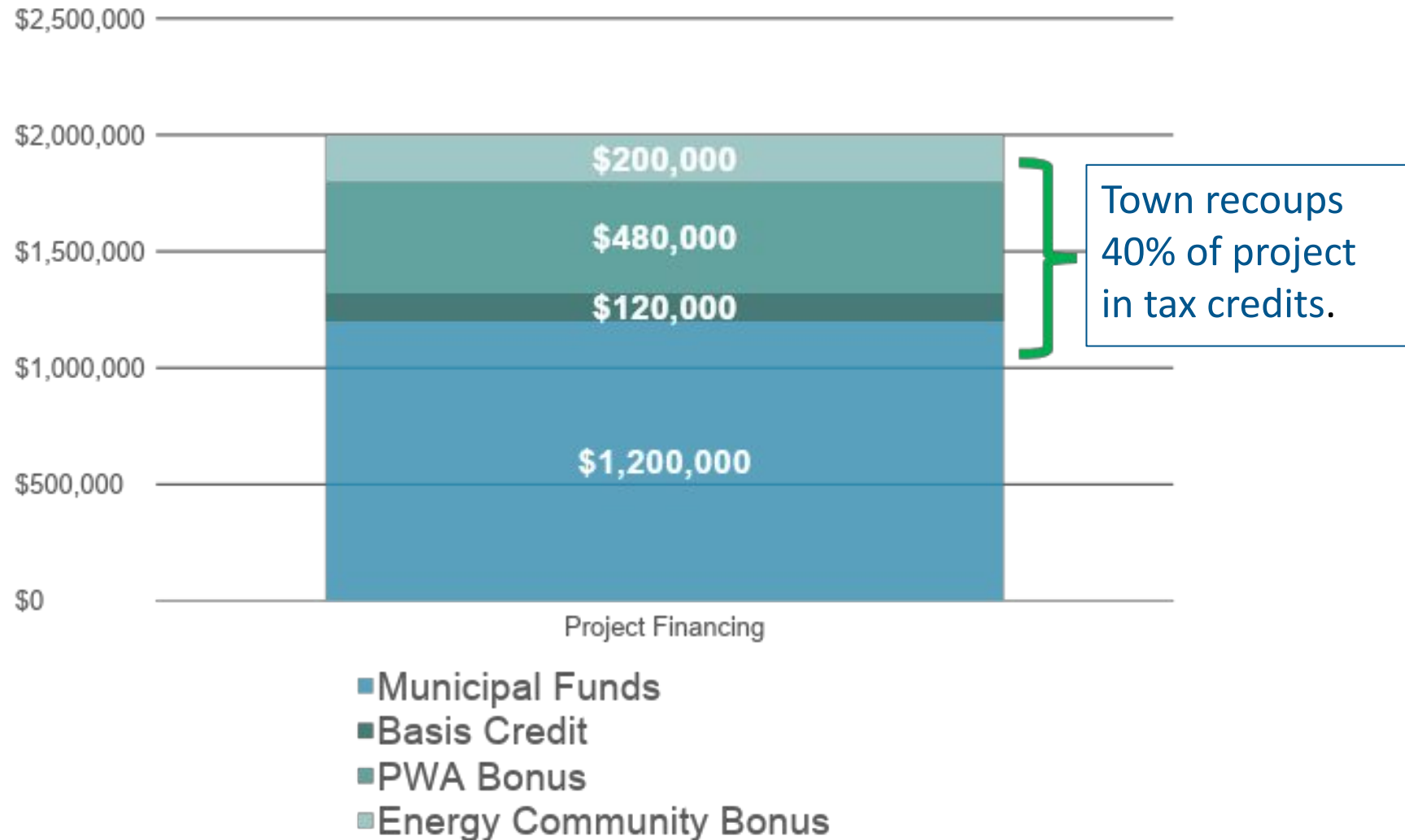
* - On December,28, 2023, IRS issued new guidance on this rule for projects beginning in 2024 (see Notice 2024-9)

** - Applicable for projects of a size >1MW

How Direct Pay Credits and Bonuses Affect a \$2M Project

Example:

- A municipality with brownfield status installs microgrid with solar and energy storage.
- Eligible for an ITC (Energy ITC, Sec. 48)
- Project cost is \$2M



What's Next? 2025 and Beyond

1. Identify projects in the pipeline with in-service dates of 2024 or later:

- Build an internal team by working with financial advisors and counsel to confirm eligibility, gather documentation, address key questions.
- Complete pre-registration for each project with 120 days prior to filing (advised)
- File Tax Forms generally 4.5 months after the end of the tax period.
 - May 15th for calendar year filers and November 15th for fiscal year filers.

2. Identify specific technical assistance needs and communicate to FFIO/OCIR:

- Tax filing assistance and legal questions?
- Project design and planning?
- Bridge loans?

3. Inventory capital needs (new construction, retrofits or vehicles) over the next decade:

- Include tax credit value into real estate and vehicle fleet planning.
- Ensure architects, designers, and facilities managers are aware of tax credit opportunities.

4. Make a plan for how your municipality will get its share of refunds over the next decade.

Helpful Resources

- [FFIO's Direct Pay Information Page](#)
- [Elect Pay Overview](#)
- [CAP webinar](#) on Direct Pay
- Lawyers for Good Government [Elective Pay resources](#), including worksheets on:
 - [EV Purchase](#)
 - [EV Infrastructure](#)
 - [Tracking](#) ITC and PTC projects
 - [Slides](#) from a presentation to local governments (but provides overview of Direct Pay for all)
- IRS [Video Tutorial](#) on pre-registration
- [IRS Q&A](#)

THANK YOU!

? **Contact: fedfundsinfra@mass.gov**

? [Federal Funds & Infrastructure Office | Mass.gov](#)

? [Direct Pay Information | Mass.gov](#)

? [Massachusetts Federal Funds Partnership | Mass.gov](#)

? Follow us! Twitter/X: [@MassFFandInfra](#) | LinkedIn:
[Massachusetts Federal Funds & Infrastructure Office \(FFIO\) | LinkedIn](#)