<u>FY21 Provisional Grant Awards through the Massachusetts Public Library Construction</u> <u>Program</u>

The Massachusetts Board of Library Commissioners (MBLC) will not award any provisional construction grants to municipalities during FY2021. This move is designed to help alleviate pressure on communities to vote on the required local funding for a provisional grant during a time of uncertainty for municipal budgets. Provisional grants are planned to resume in FY2022 and the pause will not cause any changes to the majority of projects that are currently on the waitlist.

Why did Commissioners pause provisional grants?

When a library receives a provisional grant award from the MBLC, it has six months to secure local match funding. Given the current economic instability, it is unlikely that any community would be able to commit funds to a library building project at this time.

What libraries are affected?

East Bridgewater and Amherst are the only libraries affected because they are at the top of the waitlist and are the only ones that would have received provisional grant awards this fiscal year. East Bridgewater is first on the waitlist and the MBLC anticipates awarding its provisional grant award in FY22 since the funding for this award comes from the 2014 bond authorization. Amherst is second on the waitlist and its provisional grant award is dependent on the passage of bond bill S 2790. If the bond bill passes, the MBLC anticipates being able to award Amherst it's provisional award in FY22.

What about other waitlisted libraries?

Since they were not scheduled to receive a provisional grant award in FY21, the pause has no effect on them.

When will waitlisted libraries (other than East Bridgewater and Amherst) receive provisional grant awards?

With the exception of East Bridgewater, funding to waitlisted projects is dependent on the passage of the bond bill S2790. Once the bond is passed, the ability for the MBLC to move through the waitlist is dependent on the annual spending cap it is given, the size of the provisional awards offered in a given year, whether waitlisted libraries that are awarded a provisional grant award are able to move forward, and the number of projects that received their final payments.

However, the MBLC regulation, section 605 CMR 6.10 (5), allows for waitlisted projects that have already secured local funding or started or completed construction project to be funded even if they are further down on the waitlist. This applies to Grafton (under construction), Boston (Roxbury Branch, formerly Dudley Branch), under construction), and Cambridge (Valente Branch, opened to the public in October, 2019).

After payments are made to projects that are currently underway**, Grafton, Cambridge, and Boston will receive funding.

What about escalation costs?

Three years of escalation costs are built in to all provisional grant awards.

**Will projects that are currently underway be affected?

Projects are currently underway in Boston, Dartmouth, Erving, Grafton, Greenfield, Hadley, Littleton, Marlborough, Medford, Norwell, Sharon, Sherborn, Springfield, and Weymouth. These communities will continue to be funded and will continue to receive support from MBLC Construction Specialists.

*How are bond funds expended?

It is important to remember that while there is an overall bond authorization in S2790 (has not passed yet) which totals \$115 million the MBLC can't spend that all at once. The state's capital plan dictates how much the MBLC can spend each year. This is called the spending cap. For FY2021, the MBLC can spend \$20 million.

For FY2021, these funds will be used this to make payments to projects currently underway and to Grafton, Cambridge, and Boston as funding is available (as mentioned above).