

FITCHBURG DEVELOPMENT ASSISTANCE GUIDE

A guide to technical support and incentives for
business and housing development in the city of
Fitchburg.

TECHNICAL SUPPORT

SMALL BUSINESS ASSISTANCE

What it is: NewVue Communities provides one-on-one technical assistance to help small businesses develop a business plan that will help grow a business, obtain more capital or provide proof of concept for a startup.

Eligibility: Must be a small business.

Lead Organization: NewVue Communities

Contact: Ray Belanger | 978-400-0169
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TRAINING/WORKSHOPS/BUSINESS COUSELING

What it is: The North Central Massachusetts Chamber of Commerce, the North Central Development Corporation and their local economic development partners host bi-monthly training sessions geared towards both start-up and existing small businesses looking to expand. Throughout the year, the Chamber also offers workshops and seminars on different subject areas that are designed to help businesses grow. Topics in the past have included marketing, regulatory compliance, bookkeeping and more.

Eligibility: Small business in the North Central area.

Lead Organization: North Central Chamber of Commerce

Contact: Sandie Cataldo | 978-353-7607 x 232
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GRANTS

BROWNFIELDS REDEVELOPMENT FUND

What it is: The MassDevelopment Brownfields Fund finances the environmental assessment and remediation of brownfield sites in Economically Distressed Areas (EDAs) of the Commonwealth. In 2016, An Act Relative to Job Creation and Workforce Development (St. 2016, Ch.219), championed by Governor Baker and enacted by the legislature, authorized \$45 million over ten years from the Commonwealth's capital budget for the fund. Eligible applicants may apply for up to \$100,000 in site assessment funding, and/or up to \$500,000 in remediation funding.

Lead Organization: MassDevelopment

Contact: Mary Jo Bohart | 978-829-1896
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MAIN STREET FIT-OUT GRANT

What it is: The Storefront Fit-Out Grant was created to provide funds to eligible landlords and business owners to defray a portion of the costs incurred in fit-out of new businesses in existing Main Street buildings, located between Day and Academy Street. Improvements, and build outs for businesses in existing spaces in downtown. Landlord or tenant fit-out grant funding, which may cover up to 50% of the construction cost, will be considered for projects that have a total project cost of \$10,000- \$60,000 (meaning \$5,000-\$30,000 in grant award)

Eligibility: Building must be located on Main Street, between Day and Academy Street. Eligible spaces must be first floor commercial spaces that are (1) Currently vacant, or (2) currently occupied but demonstrate a need for basic building upgrades to maintain market standards.

Lead Organization: ReImagine North of Main

Contact: Joe Ferguson | 978-665-4797
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ACCESSIBILITY GRANT

What it is: This is a reimbursement grant offered by the City of Fitchburg's Community Development and Planning Department.

Eligibility: Building owners located in Urban Renewal District who need to make building alterations to comply with ADA requirements and building codes related to accessibility standards. 80% of equipment/material costs related to accessibility improvements up to \$20,000. Owner must comply with city procurement standards, invoices and payments must be documented; work must be completed and signed off by local building dept. authorities prior to reimbursement.

Lead Organization: The City of Fitchburg

Contact: Liz Murphy | 978-829-1897
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BUSINESS DEVELOPMENT

LOANS

EXPRESS LOAN

What it is: Offers a quick and easy turnaround for access to capital. Up to \$5,000, a two day approval process, and 6-48 month term loan. Helps avoid paying the high interest rates of credit cards, or expensive and un-regulated online lenders.

Eligibility: Minimum of 1 year in business.

Lead Organization: North Central Chamber of Commerce

Contact: Sandie Cataldo | 978-353-7607 x 232
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SMALL BUSINESS LOAN POOL

What it is: A small business loan pool, funded through Community Development Block Grants (CDBG) that supports small businesses in the City of Fitchburg, with a primary focus on Main Street businesses. Main Street and/ or restaurant businesses are eligible for 0% interest loans, deferred and flexible repayment schedules, and loan forgiveness after 54 qualifying payments.

Eligibility: Applicants must meet specific CDBG guidelines.

Lead Organization: The City of Fitchburg

Contact: Liz Murphy | 978-829-1896
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PACE ENERGY FINANCING

What it is: Loans (\$250K minimum, 20 years maximum) for energy efficiency improvements in commercial, industrial or apartment buildings. Financing is paid for through a betterment assessment on the property, and administered through MassDevelopment.

Eligibility: Eligible business would be commercial, industrial, or multi-family (> 5 units). Improvements could include energy efficiency upgrades (e.g. insulation or HVAC), renewable energy (e.g. solar) or gas line extensions.

Lead Organization: MassDevelopment

Contact: Wendy O'Malley | 617-330-2000
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MICRO LENDING

What it is: Loans up to \$150,000 for leasehold improvements, inventory, purchase of equipment, refinancing of business debt (up to \$50,000), working capital, real estate, or gap financing (partnering with a bank.) Over 6 million has been loaned to small business since 1996, and there is secured \$1.2 million new capital.

Eligibility: Eligible business would be startups (exception Express Loan) or existing including restaurants, retail, seasonal (landscapers), service manufacturers, or home-based. Not-for-profit companies and investment companies would not be eligible. Must follow an industry standard Loan Manual and Policy and Procedures. Loan terms are generally 7-8% for five years.

Lead Organization: North Central Chamber of Commerce

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TAX INCENTIVES

EDIP

What it is: The Economic Development Incentive Program (EDIP) is a tax incentive program designed to foster full-time job creation and stimulate business growth throughout the Commonwealth. Participating companies may receive state and local tax incentives in exchange for full-time job creation, manufacturing job retention, and private investment commitments.

Eligibility: On top of following certain guidelines, the EACC may certify four categories of projects for expanding companies that generate substantial sales outside of the Commonwealth, are retaining and / or are creating full-time permanent jobs and are seeking the EDIP Investment Tax Credit (ITC). In consultation with MOBD, the EACC will determine a project's appropriate category.

Lead Organization: Economic Assistance Coordinating Council (EACC)

Contact: Mary Jo Bohart | 978-829-1896

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OPPORTUNITY ZONE INVESTMENTS

What it is: Eligible investments within two targeted census tracts downtown are eligible for a number of tax benefits through Opportunity Zones, a new federal tax incentive program that allows for capital gains deferrals and forgiveness on eligible investments.

Eligibility: Investors must hold a property for at least 10 years to gain the full tax benefits of Opportunity Zones.

Lead Organization: City of Fitchburg

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STOREFRONT TAX CREDIT

What it is: Businesses or developers investing in vacant storefronts downtown are eligible for a \$10k refundable state tax credit for eligible investments.

Eligibility: Storefronts must be vacant for at least 2 years, and receive state approval to receive these credits

Lead Organization: Economic Assistance Coordinating Council (EACC)

Contact: Mary Jo Bohart | 978-829-1896

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LOANS

HOME

What it is: Federal Funds allocated to Fitchburg annually that provides acquisition and construction financing with flexible repayment terms. Fitchburg can provide \$50,000-100,000 in HOME Program funding to one to two rental developments each year; typically funding is a small portion of a large development.

Eligibility: Development project must be over 40 units of housing; City encourages no more than 25% of units to be affordable, (remaining units market rate). Funded units will be rented to eligible households earning less than 80% of area median income. Project must meet all state and local building and sanitary codes at project completion. All funding must be secured prior to formal commitment of program funding.

Affordability restriction based amount of assistance; typically between 15-20 years.

Annual project monitoring required. Funding is provided as zero% interest loans, repayment terms can be negotiated based on needs of project.

Lead Organization: The City of Fitchburg

Contact: Liz Murphy | 978-829-1897
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COMMUNITY SCALE HOUSING INITIATIVE

What it is: Rental development assistance for projects containing 5-20 units. Small scale funding provided for low income housing.

Eligibility: Units must be new construction or adaptive reuse. Units funded must be targeted to households under 80 area median incomes. 50 year affordability required; 50 year deferred payment loan at 0% interest. At least 20% of units must be targeted to 80% AMI households; DHCD strongly encourages at least 50% of units. Pre application and application fee to DHCD are required. Subsidy cannot exceed \$200,000 per unit or \$150,000 per unit if applying for project based rental assistance. Other funding required to complete project must be committed per unit TDC cannot exceed \$350,000. Project cannot have state or federal LIHTC as funding source. Community must have population under 200,000. Local Community must provide a commitment.

Lead Organization: Massachusetts Department of Housing & Community Development

Contact: Liz Murphy | 978-829-1897
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GRANTS

MAIN STREET UPPER FLOOR RESIDENTIAL GRANT

What it is: This grant provides up to \$5,000 reimbursement, per unit, for the development of residential units on the upper floors of Main Street storefronts.

Eligibility: Must be on the upper floor of a Main Street building.

Lead Organization: Fitchburg Redevelopment Authority

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TAX INCENTIVES

MARKET-RATE HOUSING TAX CREDIT (HDIP)

What it is: The HDIP Program offers two tax incentives. One is a state tax credit, capped at \$2m, for up to 25% of the qualified rehab or new construction of market-rate housing units in Fitchburg's downtown. The second benefit is a local-option real estate tax exemption on all or part of the increased property value resulting from improvements (the increment). State tax credits are awarded through a rolling application process. No ceiling on rent or sales pricing; no income restrictions for unit occupants.

Eligibility: Project must be located in downtown Fitchburg, with at least 80% of the housing units designated as market-rate. Property acquisition costs are excluded.

Lead Organization: Massachusetts Department of Housing & Community Development

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HISTORIC REHAB TAX CREDIT

What it is: Properties on the national historic registry are eligible for a tax credit worth up to 40% (20% state, 20% federal) of the qualified rehab expenditures of a project. If your property is historic but not designated on the registry, designation can be achieved through work with a historical consultant.

Eligibility: Project must be designated historic on the national registry, and rehabilitation must meet the Secretary of the Interior's Guidelines for Historic Reconstruction.

Lead Organization: Mass Historical Commission

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