

# Fitchburg Development Assistance Guide

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



# Business Development

## 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 start up.

**Eligibility:** Must be a small business.

**Lead Organization:** NewVue Communities

**Contact:** Ray Belanger . 978-400-0169 . rbelanger@nvcomm.org

## Architectural Supports

**What it is:** Relmagine North of Main pairs prospective Main Street businesses with an architect to serve as the "Designer on Record" to help that business work through the permitting process.

**Eligibility:** Prospective businesses must be located on Main Street, and must first complete a screening session with NewVue Communities Small Business Office.

**Lead Organization:** Relmagine North of Main

**Contact:** Joe Ferguson . 978-665-4797 . jfergu12@fitchburgstate.edu

## Training/Workshops/Business Counseling

**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

scataldo@northcentralmass.com

## Grants

### Small Marketing Grants

**What it is:** NewVue Communities Has funding to help small businesses triple their investments. There are small matching grants (\$5,000 MAX) for small businesses that need help with marketing or accounting.

**Eligibility:** Must be a small business.

**Lead Organization:** NewVue Communities

**Contact:** Ray Belanger . 978-400-0169 . rbelanger@nvcomm.org

## Accessibility Grant

**What it is:** This is a reimbursement grant offered by the City of Fitchburg CDBG Revolving loan program, and the Department of Community Development.

**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:** Mary Jo Bohart . 978-829-1896 . Mbohart@fitchburgma.gov

## Main Street Fit-Out Grant

**What it is:** The Storefront Fit-Out Grant was created to provide certain 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). For further eligibility information, see page two (Applicants and Eligibility).

**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. Property owners must apply. Dollar-to-dollar match required. Building must be code-compliant upon completion (contact Relmagine North of Main for potential architectural support). Eligible improvements include interior carpentry, equipment installation (HVAC), plumbing, painting/drywall, fixed/permanent cabinetry and shelving, interior light fixtures, window lettering, and flooring. Ineligible improvements include operating and/or working capital, residential spaces, and landscaping.

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## Brownfields Program

**What it is:** The EPA Brownfields Program empowers states, communities, and other stakeholders to work together to prevent, assess, safely clean up, and sustainably reuse brownfields. Under the Small Business Liability Relief and Brownfields Revitalization Act of 2002, EPA provides financial assistance to eligible applicants through various competitive grant programs for Assessment and Cleanup. Improves property values and increase city tax base. Liability Protection under CERCLA, Brownfields and/or Historical Tax Credits for redevelopment/preservation.

**Lead Organization:** The City of Fitchburg

**Contact:** Mary Jo Bohart . 978-829-1896 . Mbohart@fitchburgma.gov

## 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 unregulated online lenders.

**Eligibility:** Minimum of 1 year in business.

**Lead Organization:** North Central Chamber of Commerce

**Contact:** Sandie Cataldo . 978-353-7607 x 232  
scataldo@northcentralmass.com

### 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.

**Eligibility:** Applicants must meet specific CDBG guidelines.

**Lead Organization:** The City of Fitchburg

**Contact:** Mary Jo Bohart . 978-829-1896 . Mbohart@fitchburgma.gov

### 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. We have an industry standard Loan Manual and Policy and Procedures. SBA loans follow the SBA SOP 5200. Loan terms are 7-8% for five years. Loan dollars can be used for equipment, inventory, working capital, start-up costs.

**Lead Organization:** North Central Chamber of Commerce

**Contact:** Sandie Cataldo . 978-353-7607 x 232  
scataldo@northcentralmass.com

## 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.

- Expansion Project (EP): A full-time job creation and capital investment project that can be located in any of the Commonwealth's 351 cities and towns.
- Enhanced Expansion Project (EEP): A project with exceptional employment growth of 100 new fulltime jobs or more within 2 years from approval and a substantial capital investment that can be located in any of the Commonwealth's 351 cities and towns.
- Job Creation Project (JCP): A project with exceptional employment growth of 100 new-full time jobs or more within 2 years from approval that does not require a business to make a substantial capital investment that would increase the assessed value of the project site.
- Manufacturing Retention Project (MRP): A project located in a gateway community that requires a business to make a substantial investment and to create at least 25 new full-time manufacturing jobs and/or retain at least 50 full-time manufacturing jobs.

**Lead Organization:** The City of Fitchburg

**Contact:** Mary Jo Bohart . 978-829-1896 . Mbohart@fitchburgma.gov

# Housing Development

## 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 . LMurphy@fitchburgma.gov

## 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:** The City of Fitchburg

**Contact:** Liz Murphy . 978-829-1897 . LMurphy@fitchburgma.gov

## 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

**Contact:** Meagen Donoghue . 978-345-9602 .

M.donoghue@discoverfitchburg.com

## Tax Incentives

### Housing Development Incentive Program (HDIP)

**What it is:** A local-option real estate tax exemption on all or part of the increased property value resulting from improvements (the increment), and State tax credits for Qualified Substantial Rehabilitation Expenditures (QSREs) that are awarded through a rolling application process. No ceiling on rent or sales pricing; no income restrictions for unit occupants.

**Eligibility:** Substantial Rehab costs relating to development of market rate housing certified by DHCD as Qualified Substantial Rehab Expenditures, (QSRE) for the purpose of calculating HD Tax Credit award. Property acquisition costs are excluded. Units must be affirmatively marketed and comply with affirmative fair housing obligations.

**Lead Organization:** The City of Fitchburg

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