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[A Guide to State Economic Development Resources]

Adapted from state on-line resources available at www.mass.gov

INTRODUCTION

This summary presents available state resources for planning and implementing a variety of local economic development projects – including brownfield reuse, downtown improvements, redevelopment, and historic preservation and adaptive reuse. Resources are listed in the table (page 2) by project type. For each project type, resources are classified as either primary or secondary for each project, as applicable. A primary resource represents a “go-to” source of substantial funding or assistance to move the project forward. A secondary resource should be considered auxiliary support or gap-filling that assists with the project but that does not have a role in determining the viability of the project moving forward.

The table illustrates the various state programs and resources that can be used in conjunction with each other on a single project. Each project resource is then briefly summarized in the pages that follow the table, as indicated with the “page” column of that precedes the program or resource name in the table.

Highlighted Project Types

This summary highlights the primary and secondary state resources available to assist with the following seven types of projects:

Downtown/Commercial Center Development

Resources that address the economic and community development needs of downtowns and commercial centers.

Historic Preservation

Resources that support the identification, evaluation, and/or protection of important historical and archaeological assets of the Commonwealth.

Industrial/Business Development

Resources that facilitate and/or support the establishment, retention, siting and/or expansion of industrial and manufacturing or business facilities/uses, including small business and/or microenterprises.

Infrastructure & Public Improvements

Resources that facilitate and/or support the creation, upgrading and/or repair of infrastructure that supports housing, economic and/or neighborhood development efforts. Please note that other types of infrastructure projects (e.g., public works projects such as general road and bridge repair, etc.) are not included in this category.

Mixed-Use Development

Resources that facilitate and/or support the establishment, siting, rehabilitation and/or expansion of some combination of residential, commercial, industrial, office, public, and/or institutional uses.

How to Use This Document

This document is intended to provide an overview of available state resources that can be employed for different types of economic development activity. For more information on any resource listed and described in this summary, please visit www.mass.gov and enter the resource title into the search feature on the main home page to quickly find the correct department and grant summary.

- = Primary Project Resources
- = Secondary Project Resources

Page		Downtown/ Commercial Center Development	Historic Preservation	Industrial/ Business development	Infrastructure and Public Improvements	Mixed-Use Development
5	Brownfields Covenant Program			○		
5	Brownfields Credit for Rehabilitation of Contaminated Property					
6	Brownfields Redevelopment Access to Capital Program (BRAC)			○	○	○
6	Brownfields Redevelopment Fund (BRF)			○	○	○
7	Business Improvement Districts (BID)	●				
7	Chapter 40R (Smart Growth Zoning Act)	○				
8	Chapter 43D (Expedited Permitting)	○		●	●	●
8	Citizen Planner Training Collaborative (CPTC)	○		○	○	○
9	Commercial Area Transit Node Housing Program	○				
9	Community Development Action Grant (CDAG)	○		●	●	●
10	Community Development Block Grant (CDBG)	○	○	●	●	●
10	Community Development Fund (CDF)	○	○	●	●	●
11	Community Preservation Act (M.G.L. c.44B)		●			
11	District Improvement Financing (DIF)			●	●	●
11	Economic Development Fund (EDF)		○	●	●	●
12	Economic Development Incentive Program (EDIP)			●		●
13	Economic Development Industrial Corporation (EDIC)			●		
13	Economic Opportunity Area Credit (EOAC)	●		●		●
14	Growth Districts Initiative (GDI)	●		●	●	●
15	Historic Rehabilitation Tax Credit		●			

Page	<ul style="list-style-type: none"> ● = Primary Project Resources ○ = Secondary Project Resources 	Downtown/ Commercial Center Development	Historic Preservation	Industrial/ Business development	Infrastructure and Public Improvements	Mixed-Use Development
15	I-Cubed (Infrastructure Investment Incentive Program)	●		●	●	●
16	Investment Tax Credit (ITC)	●		●		
16	Mass Cultural Council - Adams Arts Program	○				
17	Massachusetts Cultural Facilities Fund		●			
18	Massachusetts Downtown Initiative (MDI)	●	○			
18	Massachusetts Historical Commission Survey & Planning Grants	○	●			
19	Mass Preservation Projects Fund	○	●			
19	Peer-to-Peer Technical Assistance Program	○	○	○	○	○
20	Public Works Economic Development Program (PWED)	○		●	●	●
20	Relocation Assistance Program	○		○	○	○
21	Smart Growth / Smart Energy Toolkit	○		●	○	○
21	Small Town Roads Assistance Program (STRAP)				●	
21	Tax Exempt Bonds			●	●	
22	Transit-Oriented Development Bond Program	●		●	●	●
22	Urban Center Housing Tax Increment Financing Program	○				●
23	Urban Renewal Program (UR)		○		●	●

RESOURCE SUMMARIES

Brownfields Covenant Program

Administered By

Office of the Attorney General

Purpose

To provide liability relief to owners and operators of contaminated properties interested in cleanup and redevelopment opportunities

Who is Eligible?

- Owners and operators, including cities and towns, of contaminated sites where liability relief is not addressed by the liability endpoints established under other provisions of Chapter 21E (Mass Oil and Hazardous Material Release Prevention and Response Act)

Funding and/or Eligible Uses

Cleanup and reuse of complex or difficult sites where redevelopment would not otherwise be possible

Brownfields Credit For Rehabilitation of Contaminated Property

Administered By

Department of Revenue

Purpose

Taxpayers are allowed a credit against their tax liability for the costs incurred to rehabilitate contaminated property owned or leased for business purposes and located within an economically distressed area. The credit is calculated on Schedule BC - Brownfields Credit.

Who is Eligible?

- Corporate trust;

- Corporation included in a combined return;
- Corporation;
- Nonprofit organizations
- Partnership;
- S corporation;
- Sole proprietor; and
- Trust.

Recent legislation extends the Brownfields credit:

- Credit is available to nonprofit organizations;
- The time frame for eligibility for the credit has been extended to August 5, 2011;
- The time for incurring eligible costs that qualify for the credit is extended to January 1, 2012; and
- Credits may be transferred, sold or assigned.

Funding and/or Eligible Uses

The tax credit can be claimed for eligible property where all three conditions are met:

1. the property is owned or leased by the taxpayer for business purposes
2. the property has been reported to the Department of Environmental Protection (DEP)
3. the property is located in an economically distressed area. A list of economically distressed areas can be obtained from the Massachusetts Office of Business Development, One Ashburton Place, Room 2101, Boston, MA 02108. Tel: 617-788-3670 Toll Free outside of Massachusetts: 1-877-BIZTEAM.

Amount of the Credit for All Taxpayers, Including New Environmental Response Action Cut-off Date:

In general, the amount of the credit varies according to the extent of the

environmental remedy. Effective July 1, 2000, it is either 25% or 50% of certain environmental response and removal costs incurred between August 1, 1998 and January 1, 2012, provided that the taxpayer commences and diligently pursues an environmental response action before August 5, 2011. The maximum amount of credit that may be taken in any taxable year may not exceed 50% of the tax liability for the taxable year.

Minimum Excise for Corporations: The credit may not reduce the corporate excise due below the minimum excise, currently \$456.

Maximum Amount of Credits, Carryover of the Credit: The maximum amount of credits, otherwise allowable in any one taxable year to a taxpayer, may not exceed fifty per cent of its excise. A taxpayer may carry over and apply to its excise for one or more of the next succeeding five taxable years, the portion of those credits, as reduced from year to year, not allowed.

Use with Other Brownfields Programs

Effective July 1, 2000, taxpayers may claim this credit even if they receive financial assistance from the Brownfields Development Fund or from the Redevelopment Access to Capital (RAC) Program. However, the amount of state funds received from either of these funds must be deducted from the expense base for which the credit is available.

Brownfields Redevelopment Access to Capital Program (BRAC)

Administered By

Massachusetts Business Development Corporation

Purpose

To encourage private sector lending on contaminated sites by utilizing environmental insurance to safeguard parties involved in redevelopment from the risk of environmental liabilities associated with Brownfields

Who is Eligible?

- Cities and towns
- Any individual or entity borrowing from participating Massachusetts lenders to cleanup any contaminated site in Massachusetts

Funding and/or Eligible Uses

- BRAC backs private sector loans with environmental insurance
- Payment of up to 50% of the premium for environmental insurance
- Site assessment
- Site cleanup costs (in the event a remediation project is not completed)
- Loan guarantees
- Insurance premiums and excess deductibles

Brownfields Redevelopment Fund (BRF)

Administered By

MassDevelopment

Purpose

To provide low-interest loans and grants for site assessment and cleanup

Who is Eligible?

- Cities and towns
- Redevelopment authorities and agencies
- Economic Development and Industrial Corporations
- Community Development Corporations
- Within Economically Distressed Areas, and:
 - Significant economic results – i.e. new jobs, or
 - Contributing to economic or physical revitalization

- MassDevelopment may designate "Priority Projects" though the BRF. Eligibility for priority project designation is determined on a case by case basis by MassDevelopment.
- The BRF assistance must be necessary to make the project financially feasible

Funding and/or Eligible Uses

Administered by MassDevelopment

- Grants
- Loans

The applicant must provide matching funds.

Business Improvement Districts (BID)

Administered By

Department of Housing and Community Development

Purpose

To create stable local management structures to provide sustainable funding sources for the revitalization and long-term maintenance of downtowns and city/town centers. Owners of property within BID districts initiate, manage and finance supplemental services or enhancements above and beyond the baseline of services already provided by their local city or town governments.

Who is Eligible?

- All cities and towns may establish BIDs.
- A BID is established through a local petition and public hearing process.

Funding and/or Eligible Uses

- Funding for operations is through a fee structure on property within the BID

- BIDs are authorized to receive grants, donations and gifts
- Municipal treasurer-collector collects fees and distributes fees and interest to BID management
- Eligible uses including but not limited to:
 - District Management
 - Maintenance
 - Promotion and Marketing
 - Business Services
 - Capital/Physical Improvements

Chapter 40R (Smart Growth Zoning Act)

Administered By

Department of Housing and Community Development

Purpose

To substantially increase the supply of housing and enable municipalities to create Smart Growth Zoning Overlay Districts for the production of compact/high density housing. It targets the shortfall in housing for low- and moderate-income households, by requiring the inclusion of affordable units.

Who is Eligible?

- All MA cities and towns may apply.
- Development must include housing:
- In an area of concentrated development such as town centers, or
- Near transit stations, or
- Be in a highly suitable location
- 20% of housing units must be affordable.
- Municipality must adopt a 40R zoning district.

- Minimum residential densities of 8 units/acre for single family; 12 units/acre for 2-3 family; and 20 units/acre for multi-family

Funding and/or Eligible Uses

- Incentive payments of up to \$600,000 (plus a one time density bonus payment of \$3000 for each unit) for construction of new housing, substantial rehabilitation of existing buildings, or conversion to residential use

40R projects are eligible for payment under Chapter 40S which reimburses for some of the net increase in the cost of educating students living in new housing in smart growth districts. This funding is available starting in FY2008.

Chapter 43D (Expedited Local Permitting)

Administered By

Executive Office of Housing and Economic Development (EOHED)

Purpose

To streamline state and local permitting processes in order that a permit for commercial or industrial development (on a site identified as a Priority Development Site) can be issued within 180 days

Who is Eligible?

- The local governing authority approves the use of Chapter 43D for projects.
- A locally approved project then requires approval by the State Interagency Permitting Board.
- Priority Development sites must:
 - be zoned for commercial or industrial development

- involve the development or redevelopment of a building of at least 50,000 square feet of gross floor area (may include existing structures and contiguous buildings)

Funding and/or Eligible Uses

- Administered by the Department of Business and Technology
- All cities and towns are eligible for technical assistance grants of up to \$150,000 to improve permit tracking and issuance and to support coordinated project review by town boards and commissions
- Priority development sites are given priority consideration for certain state funding and for on-line marketing

Citizen Planner Training Collaborative (CPTC)

Administered By

Department of Housing and Community Development and the UMass Extension Office

Purpose

To provide technical assistance for planning and zoning to cities and towns

Who is Eligible?

- City or town officials, including Selectmen, Building Inspectors, and members of Planning Boards and Zoning Boards of Appeal, etc.

Funding and/or Eligible Uses

Trainees pay nominal fees for annual workshops and conferences, including:

- Comprehensive Permit - MGL 40B
- How to Hold A Perfect Public Hearing
- Introduction to the Subdivision Control Law and ANR
- Roles and Responsibilities of Planning & Zoning Boards

Commercial Area Transit Node Housing Program(CATNHP)

Administered By

Executive Office of Housing and Economic Development (EOHED)

Purpose

To support first-time homebuyer housing through new construction or acquisition and rehabilitation of housing developments, of 24 units or less, within neighborhood commercial areas and in proximity to public transit nodes

Who is Eligible?

- All MA Cities and towns
- Non-profit developers
- For-profit developers
- Housing development must be within neighborhood commercial areas and in proximity to public transit nodes.
- Not less than 51% of the units assisted by the program must benefit persons earning not more than 80% of the area median income.

Funding and/or Eligible Uses

- A state funded bond program
- The total amount of CATNHP funds requested per eligible project may not exceed \$750,000 or \$50,000 per unit.

Community Development Action Grant (CDAG)

Administered By

Executive Office of Housing and Economic Development (EOHED)

Purpose

To provide funding for publicly owned or managed projects that have a significant impact on the overall economic condition of a city or town, including activities that will significantly improve the conditions of low and moderate income persons through:

- the support of workforce housing needs across a range of incomes;
- the generation and/or retention of long term employment;
- the leveraging of significant private investment; and
- the improvement of physical conditions.

Who is Eligible?

- All cities and towns may apply.
- Commitment of local and private funds required.
- Public ownership or management of project.

Funding and/or Eligible Uses

- Grants of up to \$1,000,000 for a wide range of activities, including infrastructure improvements that support new workforce housing and commercial developments such as municipal water systems, sewer lines or other utility distribution systems, upgrades to streetscapes, sidewalks and roadways, site preparation and improvements to publicly-owned buildings, including demolition, new construction or rehabilitation of existing structures, and many other eligible activities.

- Up to two funding rounds per fiscal year. Submission and approval of a Notice of Interest to Apply (NIA) is required prior to application.

Community Development Block Grant (CDBG)

Administered By

Department of Housing and Economic Development

Purpose

To help small cities and towns implement housing, community, and economic development projects that assist low and moderate-income residents, or that revitalize areas of slum or blight

Who is Eligible?

- MA cities and towns with populations over 50,000 receive CDBG funds directly from the federal Department of Housing and Urban Development (HUD).
- MA cities and towns with populations under 50,000 that do not receive CDBG funds directly from HUD are eligible to receive CDBG funding from the Department of Housing and Community Development.

Funding and/or Eligible Uses

Eligible CDBG projects include but are not limited to:

- Housing rehabilitation or development
- Micro-enterprise or other business assistance
- Infrastructure
- Community/public facilities
- Public social services
- Planning

- Removal of architectural barriers, and
- Downtown or area revitalization.

Community Development Fund

Administered By

Department of Housing and Economic Development

Purpose

To address the needs of low- and moderate-income residents by assisting with community and economic development activities including public social services and the production of housing and infrastructure

Who is Eligible?

- MA cities and towns with populations under 50,000 that do not receive CDBG funds directly from the federal Department of Housing and Urban Development (HUD)
- Applications are accepted once per fiscal year.
- Applications can be submitted by individual communities or regionally by several communities.

Funding and/or Eligible Uses

- Federal Community Development Block Grant
- Housing, community and economic development projects, including:
 - Architectural barrier removal
 - Assistance to for-profit entities
 - Commercial rehabilitation
 - Demolition/ clearance
 - Housing rehabilitation
 - Other housing (although not new construction of housing)

- Infrastructure
- Micro-enterprise assistance
- Planning
- Public facilities
- Public social services

Community Preservation Act (CPA) (M.G.L. c.44B)

Administered By

Massachusetts Historical Commission

Purpose

- To allow cities and towns to exercise control over local planning decisions
- To allow cities and towns to create a CPF by assessing a surcharge on annual real estate taxes, which can be used to address three core community concerns:
 - Acquisition and preservation of open space
 - Creation and support of affordable housing
 - Acquisition and preservation of historic buildings and landscapes

Who is Eligible?

Voters must approve establishment of a CPF by vote in an annual municipal or state election.

Funding and/or Eligible Uses

- A minimum of 10% of the annual revenues of the CPF must be used for each of the three core community concerns.
- The remaining 70% can be allocated for any combination of the allowed uses, or for land for recreational use.

District Improvement Financing (DIF)

Administered By

Department of Housing and Economic Development

Purpose

- To enable municipalities to fund public works and infrastructure projects by allocating future incremental tax revenues collected from a predefined district
- To stimulate private investment, which in turn increases the taxable value of property and generates the incremental taxes

Who is Eligible?

- All cities and towns
- DIF Plan required
- Approval by the Economic Assistance Coordinating Council

Funding and/or Eligible Uses

- Administered by the Massachusetts Office of Business Development
- Incremental revenues can either pay for the municipal improvements (from year-to-year) or,
- Can be estimated and pledged in advance toward repayment of bonds to be issued to pay for the municipal improvements

Economic Development Fund

Administered By

Department of Housing and Economic Development

Purpose

To finance industrial, commercial, service, real estate and mixed-use projects and programs that:

- create and/or retain jobs
- improve the local and/or regional tax base, or
- enhance the quality of life in the community

Who is Eligible?

- All cities or towns not designated as “entitlement communities” by the US Dept. of Housing and Urban Development (HUD)

Funding and/or Eligible Uses

- Eligible activities include but are not limited to:
 - Pre-development planning studies
 - Acquisition
 - Micro and small business technical assistance programs
 - Regional revolving loan funds
 - Business technical assistance
 - Public social services related to economic development, and
 - Infrastructure and public facilities projects in support of economic development
- Direct business assistance for:
 - Purchase of equipment
 - Acquisition of real estate
 - New construction and rehabilitation
 - Working capital, and
 - (In some cases) refinancing

Economic Development Incentive Program

Administered By

Department of Housing and Economic Development

Purpose

- To stimulate business growth and foster job creation
- To attract and retain businesses in Economic Target Areas

Who is Eligible?

Businesses within an Economic Opportunity Area that are creating permanent new jobs and:

- Expanding existing operations
- Relocating operations
- Building new facilities

Funding and/or Eligible Uses

- Administered by the Massachusetts Office of Business Development
- State tax incentives:
 - Investment Tax Credit
 - Abandoned Building Tax Deduction
- Municipal tax incentive:
 - Special tax assessment - a phased-in assessment of the total value of the project property, or
 - Tax Increment Financing (TIF) - a five- to 20- year property tax exemption based on the increased value of the project property due to new construction or significant improvements

Economic Development Industrial Corporation (EDIC)

Administered By

Department of Housing and Economic Development

Purpose

- To decrease the unemployment rate and eliminate decadent or blighted open areas
- To implement local economic development projects that involve manufacturing and industrial uses in accordance with locally approved economic development plans

Who is Eligible?

- Any city or town designated by the US Department of Labor as a labor surplus area due to high unemployment is eligible to establish an EDIC under M.G.L. Chapter 121C.
- EDICs may be changed via special acts of the legislature to include additional eligible activities such as commercial development, business assistance, or housing development.

Funding and/or Eligible Uses

- EDICs may undertake economic development projects involving industrial and manufacturing uses and designed to decrease the unemployment rate and eliminate decadent and blighted open areas.

Economic Opportunity Area Credit (EOAC)

Administered By

Community Economic Development Assistance Corporation (CEDAC)

Purpose

Taxpayers who participate in a certified project as defined in M.G.L. c. 23A, s. 3A are allowed a credit against their tax liabilities equal to 5% of the cost of qualifying property purchased for business use within an economic opportunity area (EOA).

Who is Eligible?

The credit is available to the following taxpayers:

- Corporate trusts;
- Corporations;
- Partnerships;
- S Corporations;
- Sole proprietors;
- Trusts.

Eligible property where both conditions must be met:

- the property must qualify for ITC Credit if it was purchased by a manufacturing corporation or a business corporation engaged primarily in research and development; and
- the property must be used exclusively in a certified project within an EOA. A certified project is a project that has been approved by the Economic Assistance Coordinating Council (EACC) for participation in the Economic Development Incentive Program administered by the EACC.
- S corporations may either claim the credit against its corporate liability or pass it through to its shareholders. Whatever choice is made will determine how any unused credit carry forwards is taken

in subsequent years, i.e., if the initial credit flows through to the S Corp shareholders, then any unused credit must be taken by the shareholders.

Economic Opportunity Area Credit with Certain Credits for Corporations:

For Massachusetts purposes, a corporation may not take both an EOAC credit and any other credit against tax with respect to the same property such as: [Investment Tax Credit allowed by M.G.L. c. 63, s. 31A](#); and [Massachusetts Low Income Housing Credit allowed by M.G.L. c. 63, s. 31H](#).

Minimum Excise, Maximum Amount of Credits, Carryover of the Credit:

The credit may not reduce the corporate excise due below the minimum excise, currently \$456. The maximum amount of credits, otherwise allowable in any one taxable year to a taxpayer, may not exceed fifty percent of its excise. If the credit exceeds the tax due, the excess credit may be carried forward for up to ten succeeding tax years.

Combined Return Filing for Corporations:

If a corporation files a combined return of income under G.L., c. 63, s. 32B, a tax credit generated by a member of a combined group may first be applied against the separately determined excise attributable to that member, subject to the limitations stated above. Any excess credit may be applied against the excise of another group member, to the extent that such other member corporation can use additional credits, again subject to the limitations stated above. An unused, unexpired credit generated by a member corporation may be carried over from year to year by the individual corporation that generated the credit.

Learn More

For further information, taxpayers should contact the Massachusetts Office of Business Development, 10 Park Place, Suite 3720, Boston, MA 02116, (617) 973-8600.

Growth Districts Initiative (GDI)

Administered By

Department of Housing and Economic Development

Purpose

To create a level of “development readiness” within identified “growth districts” comparable to that now available at Devens.

Who is Eligible?

- Municipalities must identify one or more areas within their communities as being appropriate locations for significant new growth, whether commercial, residential or mixed-use.
- Locations should be proven to be highly attractive to new development and to be truly competitive at a national and international level.

Funding and/or Eligible Uses

- EOHD will partner with municipalities that have identified “growth districts”.
- EOHD will work with communities and property owners within identified “growth districts”, to make districts truly “development ready” with respect to local permitting, state permitting, site preparation (including brownfields remediation), infrastructure improvements, and marketing.

Historic Rehabilitation Tax Credit

Administered By

Department of Revenue

Purpose

Creates a tax credit to property owners to facilitate the rehabilitation and reuse of commercial structures for economic or rental housing purposes.

Who is Eligible?

Commercial property owners.

Funding and/or Eligible Uses

Tax credits can be claimed against the rehabilitation costs of a qualified historic structure that has been approved and certified by the Chairperson of the Massachusetts Historical Commission as being consistent with the standards established by the Secretary of the United States Department of the Interior for rehabilitation of historic properties

The tax credit shall be equal to a percentage, not to exceed 20 per cent, of the qualified rehabilitation expenditures made by the taxpayer with respect to a qualified historic structure which has received final certification and has been placed in service as provided for in 830 CMR 63.38R.1(9).

Learn More

Massachusetts Historical Commission
www.sec.state.ma.us/mhc/mhcidx.htm

I-Cubed (Infrastructure Investment Incentive Program)

Administered By

Office of Administration and Finance

Purpose

To support, through public infrastructure investment, certified economic development projects that will result in new jobs and increases in property values, real estate tax revenue, and tax revenue to the Commonwealth

Who is Eligible?

- The project would not happen or would not achieve the contemplated level of development or other economic activity without the public infrastructure improvements financed under I-Cubed.
- The project must be approved by the related Municipality, the Secretary of Administration and Finance and MassDevelopment in order to be “certified” as eligible for funding.
- The cost of the public infrastructure improvements financed under I-Cubed may not exceed \$50 million and may not be less than \$10 million.
- The projected annual new state tax revenues from each occupied project component must be at least 1.5 times greater than the projected annual debt service on the related bonds.
- Not more than one other economic development project in the municipality may have been approved for financing under I-Cubed.
- The project must be financially feasible and the developer must demonstrate sufficient resources to carry out the project.
- The project must be consistent with sustainable development principles.

- The project may not receive public assistance under certain other state programs.

Funding and/or Eligible Uses

- Bonds issued by MassDevelopment
- Investment in public infrastructure improvements in support of certified economic development projects

Investment Tax Credit (ITC)

Administered By

Department of Housing and Economic Development

Purpose

The Massachusetts Investment Tax Credit (ITC) offers a three-percent credit for qualifying businesses against their Massachusetts corporate excise tax. The credit is to be used for the purchase and lease of qualified tangible property used in the course of doing business.

Massachusetts recognizes that growing your business and investing in new jobs requires time and money. We can encourage capital investment, and in return, the ITC can reduce the cost of expansion. Additionally, the ITC includes a carry forward provision and is considered a permanent incentive.

Who is Eligible?

The Massachusetts Investment Tax Credit is available to corporations classified by the Department of Revenue as:

- Manufacturers
- Certain Research and Development Corporations
- Corporations engaged primarily in agriculture or commercial fishing

Terms and conditions apply.

Learn More

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Mass Cultural Council - Adams Arts Program

Administered By

Massachusetts Cultural Council

Purpose

- To create jobs and income, revitalize downtowns, and draw visitors
- To inspire innovative, progressive, and systemic approaches to economic development
- To give cultural leaders the opportunity to join the discussion and contribute valuable perspectives on neighborhood revitalization, job creation, and economic development

Who is Eligible?

- Partnerships and collaborations are encouraged. One of the partners must be a cultural organization incorporated in Massachusetts.
- Partnerships may include:
 - Public sector entities such as municipalities
 - Agencies:
 - Regional
 - Tribal
 - State

- Federal
- Not-for-profit organizations such as:
 - Community development corporations
 - Cultural institutions
 - Local arts agencies
 - Educational institutions
 - Religious institutions
- Private, for-profit businesses and organizations
- Applications from individual cultural organizations will be considered for funding if they have conceived of a cultural economic development idea that is clearly outside of their usual operations.

Funding and/or Eligible Uses

- Administered by the Massachusetts Cultural Council
- The grant application process is competitive.
- Matching Fund Grants to help cover the costs of creating cultural economic development plans
- Matching Fund Grants to help cover the costs of the early stages of implementing cultural economic development plans
- The amount of the matching fund grant is contingent upon the cost of the project.

Mass Cultural Facilities Fund

Administered By

MassDevelopment

Purpose

To increase investments from both the public sector and the private sector to support the sound planning and development of cultural facilities in Massachusetts

Who is Eligible?

- Nonprofit cultural organizations; and
- Subject to some limitations:
 - Municipalities
 - Institutions of higher education that own cultural facilities

Funding and/or Eligible Uses

- Administered by MassDevelopment and the Massachusetts Cultural Council
- Capital Grants
- Feasibility Grants
- Technical Assistance Grants
- All grants must be matched with cash contributions from the private or public sector.
- Eligible uses include:
 - Acquisition
 - Design
 - Repair
 - Rehabilitation
 - Renovation
 - Expansion
 - Or construction of nonprofit cultural facilities

Massachusetts Downtown Initiative (MDI)

Administered By

Department of Housing and Economic Development

Purpose

To promote the revitalization and the preservation of downtowns by:

- Encouraging community involvement & ownership
- Preserving & enhancing downtown character
- Ensuring economic vitality
- Promoting downtown assets
- Improving parking management and traffic conditions
- Increasing downtown housing

Who is Eligible?

- All cities and towns are eligible.
- For Downtown Technical Assistance Site Visit Program only non-entitlement Community Development Block Grant (CDBG) cities and towns (i.e., less than 50,000 population) are eligible

Funding and/or Eligible Uses

- Federal CDBG funds
- The MDI Technical Assistance Site Visit Program provides assistance to cities and towns targeting specific downtown revitalization issues including, but not limited to:
 - Economic development
 - Organizational development, including the start-up of a Business Improvement District
 - Design
 - Housing Development

- Promotion and marketing
- Parking

Mass Historical Commission Planning & Survey Grants

Administered By

Massachusetts Historical Commission

Purpose

To preserve and rehabilitate historic properties

Who is Eligible?

Eligible applicants are:

- Local historical commissions
- Certified Local Governments
- Local and state agencies
- Educational institutions, and
- Private organizations

Funding and/or Eligible Uses

- 50% matching federal funds
- Preparation of community surveys
- Preservation plans
- Preparation of historic district studies and legislation
- Archaeological surveys
- Nominations to the National Register, and
- Educational preservation programs

Massachusetts Preservation Projects Fund (MPPF)

Administered By

Massachusetts Historical Commission

Purpose

- To ensure the continued use and integrity of historic cultural resources by supporting the restoration rehabilitation, stabilization, and documentation of historic and archaeological properties, landscapes, and sites listed in the State Register of Historic Places
- To ensure that government actions are studied in consultation with interested parties, and
- To ensure that proposed actions be modified, if feasible, so that public funds are not used in ways that cause needless destruction to our heritage

Who is Eligible?

Historic and archaeological properties listed on the State Register of Historic Places and owned by:

- Cities
- Towns
- Non-profit organizations

Funding and/or Eligible Uses

- 50% matching grants are available for qualifying properties listed on the State Register to ensure their physical preservation.
- Applicants have the option to apply for up to 75% of the total project cost if they are willing to commit an additional 25% toward an endowment fund for long-range preservation and maintenance of the property.

- Studies necessary to enable future development or protection of a State Register-listed property
- Construction activities including stabilization, protection, rehabilitation, and restoration
- Costs of material and labor necessary to ensure the preservation, safety, and accessibility of historic cultural resources
- Universal access development is allowable as part of a larger project.
- Overall building preservation, building code compliance, and barrier-free access where historic fabric is directly involved
- Acquisition of State Register-listed properties that are imminently threatened with inappropriate alteration or destruction
- The acquisition of endangered properties
- The restoration of historic building
- Research projects such as:
 - Historic structures reports
 - Archaeological data recovery projects, or
 - Study of innovative preservation techniques

Peer – to – Peer Technical Assistance Program

Administered By

Office of Housing and Economic Development

Purpose

To provide small grants to municipalities for short-term problem solving or technical assistance projects. Municipalities may apply for grants of up to \$1,000 to employ appointed or elected municipal officials from other communities to provide technical assistance related to community development and/or capacity building at the local level.

Who is Eligible?

MA cities and towns with populations of under 50,000 that do not receive CDBG funds directly from the federal Department of Housing and Urban Development (HUD)

Funding and/or Eligible Uses

- CDBG Technical Assistance Funds provide for grants of up to \$1,000.
- Exclusively for technical assistance related to community development and/or capacity building related to community development at the local level
- Grant funds may be used to pay for up to 30 hours (\$900) of technical assistance and up to \$100 for reimbursement of travel, photocopying and/or the cost of incidental materials.
- A maximum of 10 eligible applications are funded yearly on a first-come, first-served basis.

Public Works Economic Development (PWED)

Administered By

Executive Office of Transportation

Purpose

- To assist cities and towns with funding for transportation infrastructure
- To complement other discretionary state spending programs that effect development patterns
- Leverage investment by others, particularly the private sector

Who is Eligible?

- All cities and towns
- Projects must facilitate economic growth consistent with applicable state policy

Funding and/or Eligible Uses

- Transportation infrastructure that will:
 - Stimulate economic development
 - Create and retain jobs and increase local tax revenue, particularly where most needed
 - Improve mobility through a balanced and multi-modal transportation system
 - Advance smart growth:
- Within city and town centers
- On brownfields or underutilized commercial or institutional land, or
- As part of a transportation oriented opportunity

Relocation Assistance Program

Administered By

Office of Housing and Economic Development

Purpose

To provide advice, assistance and approvals for and to public agencies that cause businesses and individuals to move as a result of real estate acquisitions (voluntary or involuntary) or takings

Who is Eligible?

Any residential or business occupant displaced by a public or private entity using public funds

Funding and/or Eligible Uses

- Fair and reasonable relocation payments to displaced persons and businesses must be made under MGL Chapter 79A by any agency or person that is acquiring real property or issuing an order to vacate real property for purposes of rehabilitation or other improvement or for demolition purposes.
- Actions include:
 - Taking of real property by eminent domain
 - Negotiated sale
 - Rehabilitation or other improvement
 - Demolition

Smart Growth / Smart Energy Toolkit

Administered By

Office of Energy and Environmental Affairs

Purpose

- To provide easy access to information on twelve different planning, zoning and subdivision techniques
- To increase understanding of smart growth tools and how to customize the techniques to local circumstances

Who is Eligible?

The Toolkit is designed to be both an educational guide and a reference document

Funding and/or Eligible Uses

Provided by the Executive Office of Energy and Environmental Affairs

Small Town Road Assistance Program (STRAP)

Administered By

Executive Office of Transportation

Purpose

To provide financial assistance to small towns for the maintenance of pressing road and bridge projects.

Who is Eligible?

This program funds the ongoing cost for grants to municipalities with a population of not more than 7,000 persons as established by the most recent Federal census, for new road projects.

Funding and/or Eligible Uses

Priority will be given to those projects which promote public safety, which encourage the retention of the applicant's economic base and where the urgency of the project can be demonstrated.

Learn More

Executive Office of Transportation and Public Works
www.eot.state.ma.us

Tax Exempt Bonds

Administered By

Massachusetts Housing Partnership/MassDevelopment

Purpose

To provide very low interest rate financing for capital projects.

Who is Eligible?

- Cities and towns
- Non-Profits
- Developers
- Projects financed must be eligible for tax-exempt financing under the federal tax code

Funding and/or Eligible Uses

- Municipal and governmental projects
- Waste recovery and recycling facilities
- 501(c)(3) nonprofit real estate and equipment
- Manufacturing facilities and equipment
- Affordable residential rental housing

Transit-Oriented Development Bond Program

Administered By

Executive Office of Transportation

Purpose

To increase compact, mixed-use, walkable development close to transit stations.

Who is Eligible?

- A project must involve at least one of the following:
- Design, construction, reconstruction or improvement of a pedestrian improvement, bicycle facility, and/or parking facility serving a mixed-use development; or
- Development or rehabilitation of a housing project, at least 25% of which must be affordable.
- A project must be situated in an eligible location.
- A project must receive technical or financial assistance from one or more of the following agencies: DHCD, EOE, MBTA, MassHousing or MassDevelopment.

Funding and/or Eligible Uses

- Financing for pedestrian improvements, bicycle facilities, housing projects, and parking facilities within .25 (1/4) mile of a commuter

rail station, subway station, bus station, bus rapid transit station, or ferry terminal.

Urban Center Housing - Tax Increment Financing (UCH-TIF)

Administered By

Department of Housing and Economic Development

Purpose

To promote multi-unit housing and commercial development, including affordable housing, in commercial centers through tax increment financing. Such development must be primarily residential

Who is Eligible?

- All cities and towns having designated commercial centers with a need for multi-unit housing
- Development must be primarily residential, and 25% of housing units produced must be affordable.
- A participating city or town must adopt an Urban Center Housing Tax Increment Financing Plan (“UCH-TIF Plan”) for a designated commercial area (the “UCH-TIF Zone”).
- The UCH-TIF Plan must include development plans for proposed public and private projects in the UCH-TIF Zone and executed agreement(s) with property owners undertaking new development who will be receiving tax increment exemptions (“UCH-TIF Agreements”) on these projects.
- Before submitting an application for approval of a UCH-TIF Zone and a UCH-TIF Plan to the Department of Housing & Community Development (DHCD), a municipality must implement a local review and approval process.

Funding and/or Eligible Uses

- DHCD provides no direct funding.
- Cities and towns may grant a real estate tax exemption up to 20 years on all or part of the increased value of improved real estate due to new construction or significant improvements.
- Tax increment financing may be combined with grants and loans from local, state and federal development programs.
- Multi-unit housing in designated commercial centers with 25% of units affordable to households with incomes at or below 80% of area median income
- Primarily residential development

Urban Renewal Program (UR)

Administered By

Department of Housing and Economic Development

Purpose

- To redevelop deteriorated areas (substandard, decadent or blighted open areas) by providing the economic environment needed to attract and support private investment for residential, commercial, industrial, business, governmental, recreational, educational, hospital or other purposes
- To help cities and towns establish and strengthen urban renewal agencies
- To provide technical assistance in the development and implementation of urban renewal plans

Who is Eligible?

- All MA cities and towns

- Urban Renewal Agencies (Redevelopment Authorities and Consolidated Departments of Community Development)

Funding

Urban Revitalization Development Grant Program (Requires separate application)

Eligible Uses

- Planning
- Establishment of design and rehabilitation standards
- Acquisition of land, including taking of land by eminent domain
- Assembly of land into developable parcels and disposition for private redevelopment
- Relocation of businesses and residential occupants
- Demolition or rehabilitation of structures
- Improvements to infrastructure
- Issuance of bonds and borrowing of money

SUPPLEMENTAL INFORMATION

Combining Resources

Funding for the planning and implementation of development projects frequently involves combining state resources/programs and other resources/programs, (e.g., federal, foundation, other private).

Partnering

Many development projects pursued by cities and towns involve public/private partnerships among a municipality, the Commonwealth and developer(s).

Program Eligibility Requirements

Most programs have specific eligibility requirements and limitations on the use of funds. For example, cities and towns seeking a CDAG grant must provide matching local and private funding.

Commonwealth Capital Program

The Commonwealth Capital Program explicitly endorses planning and zoning measures that are consistent with the Commonwealth's Sustainable Development Principles and encourages municipalities to implement them by using state funding as an incentive. The Program specifically links state spending programs to municipal land use practices. Communities must submit a Commonwealth Capital Application as part of a request for funding from any of the covered programs.

Community Development Block Grant (CDBG)

The following DHCD Programs are limited to cities and towns with a population under 50,000 and that do not receive Community Development Block Grant funds directly from the federal Department of Housing and Urban Development (HUD).

- Community Development Fund
- Economic Development Fund
- Housing Development Support Program
- Massachusetts Downtown Initiative Technical Assistance Site Visit Program

- Peer-to-Peer Technical Assistance Program

Community Development Block Grant Entitlement Communities

The Community Development Block Grant Program (CDBG), a program of the US Department of Housing and Urban Development (HUD), funds local community development activities, such as affordable housing, anti-poverty programs and infrastructure development.

CDBG funds are allocated to local and state governments on a formula basis. Larger cities and towns (called entitlement communities and, generally, with populations over 50,000) receive CDBG funds directly from HUD. HUD requires the Commonwealth and all entitlement communities to prepare and submit a five-year "Consolidated Plan" that establishes goals for the use of CDBG funds that are consistent with the following national objectives for CDBG:

- Activities that benefit a majority of low- and moderate-income people
- Prevention or elimination of slums or blight, or
- Other community development activities to address an urgent community development need

Massachusetts municipalities with populations under 50,000 (non-entitlement communities) that do not receive CDBG funds directly from HUD are eligible for CDBG funding through DHCD's Mass CDBG Program. Pittsfield is the only CDBG entitlement community in Berkshire County. All other communities are eligible to apply for Mass CDBG funds.