

Maximizing Ground-Floor Commercial Occupancy

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3 Main Strategies

MA Vacant Storefront District Tax Credits

\$10K credit with municipal match

CDBG Small Business Expansion Program

Forgivable loan for microenterprise operating expenses

Pop-Up Retail Incubator Programs

Create low-risk opportunities for entrepreneurship with CDBG funds

Massachusetts Vacant Storefront Tax Credit

Overview

- \$10,000 tax credit for tenants who occupy ground-floor commercial units vacant for 1 year or more
- CDBG funds for local match (100%)

Measurable impact in Lowell

- 5 new businesses have received state tax credits
- City provided total of \$130,000 in grants or forgivable loans
- Program leveraging over \$3M in private investment





CDBG Small Business Expansion Program

A forgivable loan of up to available to eligible brick-and-mortar for-profit businesses who:

- want to start-up in Lowell
- are located elsewhere but want to establish a location in Lowell
- are already located in Lowell but want to expand within the city

Preference is given to **retailers, restaurant operators, and businesses** that are filling ground-floor vacant commercial units, especially in Downtown Lowell who are **eligible for MA Vacant Storefront Tax Credit**

Eligible expenses: **Rent, utilities, insurance, marketing**

Impact in Lowell

\$450,000 have been awarded to fifteen (15) Lowell businesses through The ***Small Business Expansion Program***.

Of the awardees:

- 47% are minority-owned businesses
- 46% are women-owned business
- 94% are minority- or women-owned small businesses





Pop-Up Retail Incubators

- Incubators are eligible for CDBG funding (microenterprises)
- Enhance a community's entrepreneurial climate
- Create a pipeline of potential new tenants for other opportunities in commercial districts
- Provide small-scale manufacturers and new entrepreneurs a low-risk opportunity to test the market and their capacity to operate a storefront

Commercial Vacancy Bylaw/Ordinance

Require property owners to register vacant commercial units after a predetermined period of vacancy

Opens lines of communication and cooperation between municipality and property owner

Allows municipality to fine property owners who create blight or suppress property values through neglect or abandonment

Thanks!

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