

# HCID Case Studies

## Boston: Main Streets



### Overview

The City of Boston has one of the nation's most comprehensive commercial corridor programs. In 1995, Mayor Thomas Menino created the first urban multi-district Main Street program in the United States, based upon the National Trust for Historic Preservation model. Ten districts were selected in a citywide competition in 1995. By 2001, twenty neighborhood Main Street commercial districts had been chosen to participate. They receive financial and technical assistance, intensive training, matching funds, and operating support. The City's Office of Business Development, a division of the Department of Neighborhood Development, supports Boston Main Streets with small business assistance, economic development initiatives, and financing programs, including:

1. ***ReStore Boston***: matching grants of up to \$8,000 per storefront to neighborhood business and property owners for storefront renovation projects and \$3,000 grants for sign improvements.
2. ***Boston Business Hub***: business services for startup, relocation, and expansion, including demographic and market data, permit and licensing support.
3. ***Boston Retail***: the retail attraction and retention program of the City of Boston assists businesses with their site selection, real estate and financing needs as well as navigation of city services.
4. ***The Neighborhood Restaurant Initiative***: support for sit-down, family-style restaurants with business advice, permit and licensing assistance, storefront improvement grants and connections to financing.
5. ***Women on Main***: connects women-owned Main Street businesses with each other and to the City, assisting them in securing training, education and funding resources.

The City of Boston partners with the Boston Redevelopment Authority (BRA), a self-sustaining agency "charged with growing the tax base, cultivating the private jobs market, training the workforce, encouraging new business to locate in Boston and existing businesses to expand." BRA aids businesses with bond programs, grants, and loans for capital, storefront and signage improvements and assistance with financing, marketing, and management.

Twelve commuter rail lines serve Boston. With construction of the 9.2 mile, \$200 million Fairmount Corridor improvement project begun in 2009, four new inner-city stations are being built (three opened in 2013). The City of Boston and BRA are coordinating with the Massachusetts Bay Transportation Authority (MTBA) to foster transit-oriented development (TOD). The goal ". . . is to connect all neighborhood centers into a comprehensive transit network and to support [it] . . . with appropriate development near these neighborhood centers." The Fairmount Collaborative, a coalition led by four Boston CDCs with support from Boston LISC, is engaging in joint planning for new smart growth and TOD projects along the corridor, to support community-driven, equitable development.

### Use of Funds

In FY 2013, the City of Boston committed:

- \$1.9 million to support its Main Streets program in 20 neighborhoods, including funding for design, organizational assistance, economic restructuring and technology
- \$1 million for ReStore matching grants (up to \$50,000 per project and \$8,000 per storefront) for facade improvements
- \$5.9 million (including \$5 million of HUD Section 108 funds) in loans and grants for commercial real estate projects that create or retain jobs for low-income residents or provide business services in low-mod areas
- \$738,000 for technical assistance to businesses, including marketing, financial management and legal help
- \$1.42 million for low interest land acquisition loans to support TOD along the Fairmount corridor

Project support is provided by BRA and two of its affiliates, the Boston Industrial Development Finance Authority (BIDFA) and the Boston Local Development Corporation (BLDC). BIDFA issues tax-exempt bonds for nonprofits and manufacturers, financing acquisition, construction, expansion, and capital expenses for public facilities, institutions and mixed-use projects. BLDC offers small business loans of up to \$250,000 for working capital, inventory, property acquisition and leasehold improvements.

## Partnerships

Boston's Main Street program and its TOD initiatives have captured the imagination and investment of citywide and neighborhood partners alike. After 10 years of success, at the urging of Mayor Menino, a volunteer Board of Directors of top business leaders created the Campaign for Boston Main Streets. They recruit corporate peers to raise \$2.5 million annually for the *Boston Main Street Foundation* so that these neighborhoods can continue to build their competitive advantage. Sponsors become a "Citywide Champion" for committing \$1 million over 5 years; a 4 District Sponsor for committing \$500,000 over 5 years or a 2 District Sponsor for \$250,000 over 5 years.

The Fairmount Collaborative is led by four CDCs that have joined forces to create equitable TOD along their corridors. *Boston LISC* has invested \$1.9 million in loans and recoverable grants for property near the new stations. Over \$1.75 million in lines of credit have been committed for predevelopment expenses in addition to \$185,000 in grants to support planning and project development.

With the opening of three new stations in 2013, the *Boston Foundation* announced the commitment of \$10

million over the next four years to projects along the Fairmount Corridor. Since 2009, the Foundation has invested \$8.75 million in community building and transit equity along the transit line. Now, according to President & CEO Paul Grogan, their investment is shifting "from the development of equitable transit options for residents along the line to realizing the economic and cultural development potential that affordable transit access provides."

## Program Integration

New Mayor Martin J. Walsh has proposed consolidating the City's economic development activities into a new entity called the Boston Economic Development Authority, led by a Cabinet Secretary who would also serve as Chief Economic Development Officer of the City. The Secretary would lead the Mayor's Economic Development Cabinet, which would include each City department with a key role in economic development (including Transportation, Capital Planning, Inspectional Services, and others), meeting bi-weekly to solve problems and streamline the development process.

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## Additional Resources

City of Boston Office of Business Development  
<http://www.cityofboston.gov/dnd/obd/>

Boston Redevelopment Authority  
<http://www.bostonredevelopmentauthority.org/business-dev>

Boston LISC/The Fairmount Collaborative  
[http://www.bostonlisc.org/index.php?option=com\\_content&view=article&id=195&Itemid=176](http://www.bostonlisc.org/index.php?option=com_content&view=article&id=195&Itemid=176)

The Boston Foundation  
[https://www.tbf.org/news-and-events/news/2013/july/tbf-announces-\\$10-million-fairmount-corridor-investment](https://www.tbf.org/news-and-events/news/2013/july/tbf-announces-$10-million-fairmount-corridor-investment)

Boston Main Streets Foundation  
[http://www.bmsfoundation.org/pdfs/BMSF\\_campaign\\_brochure.pdf](http://www.bmsfoundation.org/pdfs/BMSF_campaign_brochure.pdf)