



The City of Westfield

VACANT STOREFRONT ACTIVATION PROGRAM (VSAP)

In its 2020-2024 Consolidated Plan for Housing and Community Development, the City of Westfield identified increasing entrepreneurship opportunities as a high priority need. Coupled with the impacts of the COVID-19 pandemic, Downtown Westfield is at a critical juncture, requiring special attention be paid to filling visible, long-term vacant storefronts. This program is designed to facilitate the establishment of small businesses within the corridor. The program can provide up to \$12,600 in grant funding to assist entrepreneurs to weather the first two years at a new downtown location.

Since the project will be funded with CDBG funds, all applicants will be required to meet a HUD National Objective by creating a full-time equivalent (40 hours per week) employment for a low-to-moderate income individual. Income limits can be found in an accompanying appendix.

Award Ceiling

The Downtown Westfield VSAP provides commercial rent subsidies over a two-year period. The first year subsidy is 50 percent of rent, up to \$7.00 per square foot. The second year, the subsidy is for 25 percent of rent, up to \$3.50 per square foot. The maximum total subsidy per business is \$8,400 per business in the first year and \$4,200 per business in the second year. This is set up as a reimbursement program where business owners will be required to document full payment of rent and be reimbursed in accordance with their contract on a monthly basis.

Designated Area and Location

Eligible businesses must locate within currently vacant storefronts in the designated Downtown area (Map attached).

Eligible Businesses and Conditions

Only "for-profit" businesses new to Downtown Westfield are eligible for this program. Businesses with existing Downtown locations are not eligible.

Grant funds may not be used for real property improvements. Funds may not be used for expenses that were incurred prior to final execution of the program agreement by the City of Westfield.

Additional Requirements

The following additional requirements apply to all recipients.

- The business must have an executed multi-year (2-year minimum) lease with an acceptable market rate or below market rate monthly lease.
- **The business must be in compliance with all applicable** federal, state, and local building, fire, health, and zoning codes.

Funding Eligibility Exclusions

The following uses are not eligible for funding:

- Civic, Non-profit or Religious organizations;
- **Buildings not within the** Downtown limits;
- **Individual K-12 schools (public or private);**
- **Organizations that discriminate based on race, gender, sexual orientation, age, or religion**
- **Political activities;**
- **Adult businesses;**

Application Requirements

- **Completed application form**
- **Business Plan (template included)**
- **Financial Projections**
- **Tax returns for all** business principals.

Additional information may be required to meet HUD income verification requirements. The City of Westfield uses the Internal Revenue Service Form 1040 method of calculating income.

Recommended Consultation Providers

The City encourages all prospective applicants to engage the assistance of professionals as they prepare their business plans.

Western Massachusetts is fortunate to have several agencies capable of providing such assistance. Resources can be found at the following:

westernmassachusetts.score.org
www.commoncapitalma.org
www.msfdc.org

Scoring Criteria

The following criteria will be used by Community Development staff to prioritize grant projects:

- **Number of jobs created**
- **Growth potential**
- **General quality of the business plan**
- **Other funding secured**
- **Social return on investment**, meaning impact the new business will have on the overall improvement to downtown

Conflicts of Interest

No persons who exercise or have exercised any responsibilities with respect to this program shall be eligible to receive any assistance under this program. This lists includes, but is not limited to, all City staff, all elected and appointed officials exercising responsibilities related to the CDBG program, and the immediate family members of these groups. This prohibition will continue for a period of one year from the date their affiliation ceases. Immediate family members include: parents, spouses and domestic partners, siblings, and children regardless of age.

General Disclaimer

There is no right or entitlement to funding. All decisions are made at the discretion of the granting authority. All projects must meet all applicable regulations of the Community Development Block Grant program, including environmental review requirements. All grant agreements are subject to approval by the City of Westfield.