



Commonwealth of Massachusetts

Executive Office of Economic Development and the
Massachusetts Office of Business Development

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Request for Proposals (RFP)

Business Builds Capital Grant Program

Program Guidelines

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A. INTRODUCTION & PROGRAM OVERVIEW

The **Business Builds Capital Grant Program (Business Builds)** is a competitive funding initiative created by the Mass Leads Act to support business expansion and private investment in the Commonwealth of Massachusetts. Administered by the Massachusetts Office of Business Development (MOBD) under the Executive Office of Economic Development (EOED), the program provides capital reimbursement grants to businesses that are expanding operations, relocating to, or creating jobs in Massachusetts.

The program is designed to:

- Support capital investments in facilities and equipment, particularly climate-friendly investments
- Attract and retain businesses in the Commonwealth and spur job creation in Gateway Cities, rural towns, and underutilized spaces.
- Complement existing programs such as Economic Development Incentive Program (EDIP).

Business Builds is part of **The Business Front Door**, a single portal that provides the most relevant resources available for each individual business and connects each business with a single point of contact to help address their business needs. To access the Business Builds application, businesses must register at [Business Front Door | Mass.gov](#) and select “Explore Resources.”

After registering for the Business Front Door and being presented with Business Builds as a potential resource, the business may seek a Business Builds grant by submitting a project application through the Business Front Door. Each business may submit only one project application at a time. A business is eligible to apply if the project consists of capital investments in a facility that enables the business to relocate from one location to another in Massachusetts, relocate from out of state to Massachusetts, expand an existing facility or to establish a new facility in a Massachusetts. Projects that mitigate climate impacts of the business or facility and contain a job component will be prioritized. Once a timely and complete application is received, the Massachusetts Office of Business Development (MOBD) will review and evaluate the project for eligibility and may make an award determination. MOBD reserves the right to ask additional clarifying questions related to the application.

RFP SCOPE AND DETAILS

| Overview | Description |
|-------------------------------|---|
| Eligible Applicants | Businesses seeking to expand or improve their operations within the Commonwealth. |
| Application Timing | Rolling basis via Business Front Door, with reviews and awards made quarterly. |
| Typical Grant Range | \$500,000 - \$2,500,000 |
| Match Requirement | Requirement: 50/50 match (business must match grant funds dollar-for-dollar). Matches cannot be other state grants or in-kind contributions. |
| Grant use | <p>Eligible Expenses (Capital Only):</p> <ul style="list-style-type: none"> • Construction, buildout, and fit-out using climate-friendly materials. • Equipment aligned with the project’s sustainability goals. • Site preparation and infrastructure such as water, sewer, power, HVAC, or clean energy installations. <p>Ineligible Expenses:</p> <ul style="list-style-type: none"> • Operating expenses • Working capital • Non-capital administrative costs |
| Contract Payment Terms | <p>Cost reimbursement contracts. Funds are disbursed on a cost reimbursement basis, on 45-day cycles.</p> <p>Only approved expenses, based on a scope of work contained in a fully executed contract with MOBD, will be reimbursed.</p> <p>Applicant must accurately project spending of the grant. The grant request may span fiscal years, but funding will not roll over from fiscal year to fiscal year. The funding must be spent within the projected fiscal year.</p> |
| Performance Period | Three full fiscal years |

| | |
|--------------------|---|
| | Once awarded, a Business Builds grant may run for a maximum of 3 full fiscal years following the successful execution of a contract. |
| Limitations | Applicants with a project that have applied for and received the ClimateTech Tax Incentive for Capital or the capital programs for the MassLife Sciences Center cannot apply to Business Builds. Separate projects will be considered if it has not been supported by the programs noted above. |

B. PROJECT APPLICATION

The project application is broken down into four sections:

Section 1: Applicant Information

This section requests basic information about the business undertaking a proposed project, including the business contact information.

Section 2: Project Information

This section requests information about the proposed project, including scope of work, outcomes and public benefits.

Section 3: Employment

This section requests details of the jobs to be created.

Section 4: Grant Request

This section requests information about the request, use of funds, matching funds and projections of spending.

Section 5 & 6: Supplemental Information

The final sections includes affirmations, authorizations, disclosures, and signature of the application.

C. PROJECT ELIGIBILITY AND EVALUATION

Once a business has submitted a complete application, MOBD will carefully review each project application’s eligibility to confirm that the following conditions have been met:

- 1) The project is located in Massachusetts
- 2) The project consists of capital investments in a facility that enables the business to relocate from one location to another in Massachusetts, relocate from out of state to Massachusetts, expands an existing facility, or to establish a new facility
- 3) The project appears to be economically feasible for the business

Projects that mitigate climate impacts of the business or facility and contain a job component will be prioritized.

MOBD will evaluate each eligible project application according to the following criteria:

| Category | Description |
|---|--|
| Job Commitment and Capital Investments | The amount, type, timing and compensation (wages and benefits) of net new jobs created and the amount of total capital to be invested by the business in the project will be considered. |
| Project Strength | The applicant should clearly describe the project, demonstrate it is achievable, and describe the anticipated economic and public benefits. |
| Project Support | The applicant should identify and describe municipal support of the project, if any, including local incentives or endorsements, impact of the project on the municipality and the region, and commitments to use local contractors for the project. |
| Alignment with Economic Priorities | Project applications from businesses in high-priority sectors (listed below), the maturity of the business, and whether the business has committed to hiring diverse contractors will also be taken into consideration. |
| Location Characteristics | Consideration will also be given to the location of the project and the impacts it will have on the local and regional economy, including impacts to rural communities and Gateway Cities. |
| Grant Impact | The applicant should clearly describe why the grant funds are needed for the business to grow in Massachusetts |
| Climate Mitigation Impact | Use of sustainable materials, reduction in emissions, energy efficiency, and alignment with state climate goals. |

Public Benefit

All applicants must describe the public benefit of the project. These benefits should illustrate how this project and funding will support the broader economy or community of Massachusetts, beyond the benefits to the applicant. Examples of public benefits include:

1. Job Opportunities for Local Communities

Describe how the project will create new, high-quality employment opportunities for residents of Massachusetts, particularly in Gateway Cities, rural towns, or areas with high unemployment. Include any plans to hire from disadvantaged populations or invest in workforce training.

2. Environmental/Climate Health and Wellbeing

Explain how the project or company will reduce pollution, energy use, or greenhouse gas emissions. Describe any planned investments in clean energy,

energy efficiency, green infrastructure, or other measures that will improve environmental conditions and public health.

3. Economic Stability and Growth

Detail how the project will contribute to the economic development of the region. This may include revitalizing vacant or underutilized properties, supporting local supply chains, or strengthening nearby commercial districts.

4. Better Public Infrastructure

Identify any anticipated improvements to local infrastructure associated with the project, such as utilities, transportation access, or public amenities. Explain how these improvements will benefit the surrounding community beyond the improved facility.

5. Competitive and Attractive Job Market

Describe how the project will improve job quality and market competitiveness, including offering good wages, career advancement opportunities, or skills development. Include any partnerships with schools, training institutions, or workforce development programs.

6. Long-term Sustainability

Discuss the long-term environmental impact of the project, including how it aligns with Massachusetts' climate and energy goals. Outline any sustainability standards (e.g., LEED certification), low carbon building materials, or operational practices that will ensure long-term environmental performance.

7. Stronger State Economy

Explain how the business' expansion will increase tax revenues, attract additional investment to the state, or enhance Massachusetts' reputation as a destination for innovation, sustainability, or advanced industry. Emphasize the broader economic impact of the project.

Additional or different benefits will also be considered.

Priority Sectors

Projects in sectors identified as economic priorities, including technology, artificial intelligence, climate technology, advanced manufacturing, and the medical and robotics industries, will be prioritized.

D. AWARD RECOMMENDATIONS & CONTRACTING

Award Decisions

After the close of the application period, all submitted applications will be reviewed for eligibility and evaluated based on the program criteria by a review team. All applicants will be notified in writing about the decision made on their application.

Applicants that are approved for funding will receive a commitment letter outlining the grant amount and any conditions of the award. Grantees will need to verify the project's readiness and address any related conditions at the time of award.

All awards are subject to availability of funds and are contingent upon full execution of a contract between the Commonwealth and the Grantee. Successful applicants, upon notification of award, will be required to enter into a grant contract agreement with MOBD prior to the disbursement of any grant funds. All scope of work items, timelines, and project outcomes will be detailed and incorporated into the contract. Grantees are not authorized to expend any grant funds until a contract is fully executed. All grant funds must be expended in accordance with the drawdown schedule outlined in the contract.

Applicants that are not selected to receive funding during the round will have the opportunity to request feedback on their application.

Grantees will also be required to enroll in Electronic Funds Transfer (EFT) as a contract requirement if it has not done so already. Enrollment is done by completing and submitting the Authorization for Electronic Funds Payment Form for filing with the Office of the Comptroller. Because the Authorization for Electronic Funds Payment Form contains banking information, this form, and all information contained on this form, shall not be considered a public record and shall not be subject to public disclosure through a public records request.

The Massachusetts Executive Office of Economic Development and Mass Office of Business Development comply with all Commonwealth of Massachusetts' procurement laws and regulations set forth and overseen by the Commonwealth's Operational Services Division when awarding contracts as well as the state's award requirements as mandated and overseen by the Office of the State Comptroller when dispersing these funds. All responses and information submitted in response to this RFP are subject to the Massachusetts Public Records Law, M.G.L. c. 66 § 1 and to c. 4, §7(26). During the term of a contract agreement and for a period up to seven years thereafter, if the Executive Office of Economic Development and Mass Office of Business Development is audited, the Grantee will be required to make all records relating to this grant available.

Tax Considerations

Government grants are generally considered taxable income under federal and Massachusetts tax laws. Please consult your tax professional for reporting Business Builds Capital Grants as taxable income when filing tax returns.

Reporting and Close-Out of Certified Project

At the end of each fiscal year (June 30), each grantee is required to report information on the project, including number of permanent full-time employees, capital investments, climate and carbon impact, and other relevant information necessary to determine project progress. MOBD will review annual reports to determine whether the business has substantially achieved its obligations set forth in the Contract.

MOBD will close out a grant award upon receipt of an annual report evidencing the certified project has met its obligations and all building projects are complete. Upon project close out, any grant funds awarded but not utilized will no longer be available to the company.