

## **Executive Office of Economic Development**

### **Massachusetts Vacant Storefront Program Guidelines**

#### **I. INTRODUCTION**

##### **A. About the Program**

The Massachusetts Vacant Storefront Program was created through Section 5 of chapter 288 of the Acts of 2018 to aid municipalities of the Commonwealth of Massachusetts in their efforts to revitalize their downtown and commercial areas by encouraging new occupancy of long-term vacant storefronts.

Municipalities may apply through the Community One Stop for Growth for access to up to \$50,000 per year in refundable tax credits to use as a tool to incentivize businesses to occupy storefronts that have been vacant for a minimum of six (6) months.

An award from the Massachusetts Vacant Storefront Program in the FY26 Round of the Community One Stop for Growth allows a municipality to request tax credits for Vacant Storefronts be assigned to an eligible business within the community by the Economic Assistance Coordinating Council (EACC). The municipality will maintain access to the credits through the final quarterly meeting of the EACC in 2026, following which access to the tax credits will expire.

##### **B. What's New in FY26**

Several key improvements have been made to the Massachusetts Vacant Storefront Program for 2026:

- The Massachusetts Vacant Storefront Program is now administered as a competitive refundable tax credit incentive program through the Community One Stop for Growth.
- Municipalities may now apply for access to up to \$50,000 worth of refundable tax credits to be used to incentivize businesses to occupy vacant storefronts within the community's downtown and/or commercial areas.
- Communities are no longer required to establish a Vacant Storefront District in order to participate in the program. However, the program will take prior Vacant Storefront District adoption into consideration when evaluating applications.
- If awarded, a municipality will maintain access to the credits through the final quarterly meeting of the EACC in 2026.
- For the purpose of the program, a storefront is now considered vacant if it has been unoccupied for at least six (6) months.

##### **C. Community One Stop For Growth**

The Massachusetts Vacant Storefront Program is now part of the [Community One Stop for Growth](#), a single application portal and collaborative review process of community and economic development grant programs that make targeted investments based on a Development Continuum. It is designed to allow applicants to apply for consideration of multiple sources of funding to support multiple phases and facets of a project. For more information, including key dates, frequently asked questions, and instructions on submitting an Expression of Interest and Full Application, please visit [www.mass.gov/onestop](http://www.mass.gov/onestop).

The One Stop Full Application is organized into the following sections:

- Form 1 – Applicant Information
- Form 2 – Project Information
- Form 3 – Certification of Application Submission Authority

In order to be considered for refundable tax credits from the Massachusetts Vacant Storefront Program, applicants must include complete responses to all required questions.

### **Additional Information**

- For information on the One Stop, including key dates, frequently asked questions, and instructions on submitting an Expression of Interest and Full Application, please visit [www.mass.gov/onestop](http://www.mass.gov/onestop).
- The Expression of Interest is an optional, but highly recommended form that allows an applicant to seek guidance from the One Stop partner agencies. Applicants are encouraged to submit an Expression of Interest prior to starting their Full Application(s). Visit the [One Stop Expression of Interest webpage](#) for more information and access to the Expression of Interest form.
- All applications must be submitted electronically. The online application portal, IGX, can be accessed at <https://eohed.intelligrants.com>. An online webinar outlining the use of the system will be available on the site. The application form template and link to the portal will also be available on the [One Stop webpage](#).
- It is the responsibility of the applicant to be aware of all requirements and deadlines, and to ensure that their application is complete and submitted on time. All applications will be logged as to date and time received and kept on file as public record. Late submissions will not be considered.
- EOED reserves the right to request additional information from the applicant or external sources as may be necessary in order to complete the application review. EOED also reserves the right to recommend partial grant awards, as deemed appropriate.

## **II. PROGRAM REQUIREMENTS**

### **A. Eligibility Requirements**

All 351 municipalities in the Commonwealth of Massachusetts are eligible to apply. Only one application per municipality will be considered during each annual round under this program.

The Massachusetts Vacant Storefront Program defines a “storefront” as a commercial space with at least one side that faces a public way. For purposes of this program, a storefront is deemed “vacant” if the space has not been occupied by a tenant during the preceding 6 months.

*Municipalities with Existing Vacant Storefront Districts:* Currently there are 30 approved Vacant Storefront Districts. Municipalities with existing districts will be eligible for requesting tax credits as outlined in the [prior Massachusetts Vacant Storefront Program guidelines](#) through December 31, 2025. For access to Vacant Storefront tax credits in 2026 and beyond, all municipalities must meet the criteria outlined in these guidelines. Communities with an existing Vacant Storefront District in place will be assigned bonus points during the application review.

## **B. Maximum Award Amount**

A municipality can apply for access for up to \$50,000 in refundable tax credits to be issued by the state to businesses occupying vacant storefronts within the community's downtown and/or commercial storefront area. The tax credits may be applied to one or more storefronts in a single community.

## **C. Municipal Application Criteria**

In the application, the municipality should identify the priority vacant storefronts within the downtown/commercial area, explain why access to the tax credits is needed to incentivize businesses to fill the vacancies, and describe how a local match (either by the municipality or property owner) will be administered to support the occupancy of the vacant storefronts.

In addition, the applicant should include:

- A map of the downtown or commercial area, with streets delineated, clearly identifying storefronts that have been vacant for 6 months or more and will be targeted for the use of tax credits.
  - Communities with existing vacant storefront districts may use their current district map, or a revised version, based on the new criteria outlined in these guidelines.
- A list of vacant downtown storefronts, identified by addresses and/or Parcel ID.
- A clear description of the community's goals for the downtown's development and explanation of how the Massachusetts Vacant Storefront Program supports existing efforts/tools to support the downtown vitality.
- A scope of work explaining how the municipality will use the tax credits to incentivize businesses to occupy vacant storefronts, including:
  - The name, contact information and position title of an employee from either the city or a local non-governmental organization who will be responsible for recruiting businesses into vacant storefronts.
  - An outreach plan that includes strategies for finding, identifying, and attracting businesses into vacant storefronts.
  - The criteria the municipality will use to determine whether to pursue tax credits for a prospective tenant.
- A letter of support from the Municipal Chief Executive or Chief Elected Official.
- Description of the amount of funds that will be dedicated to supporting this project. A project match is not required but is encouraged. Potential sources of match may include, but are not limited to, the following:
  - Cash match from municipality (i.e., general funds, funds from another municipal funding source)
  - Contributions for building owners (i.e. rent relief, assistance with buildout)
  - CDBG funded /other funding sources (i.e., loan programs, business assistance programs, sign and façade grant)
  - Permit/licensing fees dismissed (include documentation)
  - Staff time
  - Volunteer time (calculated using a rate of \$33.49 per hour)

## **D. Municipal Application Evaluation Criteria**

Municipal applications will be reviewed to determine overall consistency with the goals of the Executive Office of Economic Development (EOED) and the Commonwealth of Massachusetts, as well as the impact on downtown area revitalization efforts. EOED will evaluate applications based on the following:

- Ability to Execute and Leadership
- Achievable Timeline (ability to use the tax credits within calendar year 2026)
- Reasonable Tax Credit Request Based on Map with Identified Storefronts
- Description of How Match will be identified
- Outcomes and Impact

#### **E. Application Approval and Municipal Award Letter**

A municipality that receives an award from the Massachusetts Vacant Storefront Program through the Community One Stop for Growth will be sent an award letter from EOED indicating the quantity of Vacant Storefront tax credits available to the community.

Upon receipt of the award letter, the municipality may use the tax credits as a tool to incentivize businesses to occupy storefronts that have been vacant for a minimum of 6 months. The municipality may choose to use the tax credits to incentivize the occupation of one or more vacant storefronts.

The municipality will maintain access to the tax credits through the final quarterly Economic Assistance Coordinating Council (EACC) board meeting of 2026. Any tax credits not approved following the final meeting will expire.

### **III. PROCESS FOR TAX CREDIT ALLOCATION**

Municipalities that receive a Massachusetts Vacant Storefront Program award in the FY26 Round of the One Stop must submit a Vacant Storefront Tax Credit Application (“Tax Credit Application”) to EOED on behalf of any business seeking tax credits.

EOED will administer the process for bringing the business application to an EACC board meeting for a vote to approve the tax credits to the business(es). These meetings are held in March, June, September, and December. The Tax Credit Application may be submitted to EOED any time after the municipality receives the award notification, however no applications will be considered following the December 2026 board meeting. The municipality has the discretion to set the award amount for any business. The municipality will have access to these tax credits from receipt of award letter through the final quarterly board meeting of the EACC in 2026.

In order for a business to receive tax credits, the following steps must be taken:

#### **1. Municipality Submits Vacant Storefront Tax Credit Application to EOED**

The municipality will submit a Tax Credit Application to EOED requesting tax credits be approved for the business that will occupy a vacant storefront. The municipality will request access to the Tax Credit Application from the EOED Vacant Storefront Program administrator. The Tax Credit Application must include the following:

- A Certificate of Good Standing from the Massachusetts Department of Revenue (DOR) and the Massachusetts Secretary of State and a Certificate of Compliance from the Massachusetts Department of Unemployment Assistance (DUA).
- A projected date for commencement of occupancy of the storefront and a

commitment by the applicant to occupy the space for a term of not less than one year.

If the business has been in operation for less than one year, the application must include a business plan that the municipality deems sufficient.

**2. EOED and the EACC Board Considers Approval of Tax Credits**

EOED will be responsible for vetting all tax credit applications and will determine if the application will be presented to the EACC for approval. EOED will take the following into consideration when reviewing the Tax Credit Application:

- The number of jobs to be created by the business
- The business' synergy with other downtown businesses
- Whether the business qualifies as a Minority- and/or Women-owned Business Enterprise (MWBE)
- Whether the business occupancy supports the municipal goals described in the FY26 Community One Stop for Growth application.

EOED will coordinate the presentation of the Tax Credit Application at an EACC board meeting.

**3. Business Contracts with EOED**

Businesses awarded tax credits are required to enter into a contractual agreement with EOED. Contracts will set forth the amount of tax credits the recipient is authorized to claim, the recipient's obligations, reporting requirements, and other information as necessary.

**4. Business Files Taxes**

A recipient of tax credits must submit personal income tax or business excise tax to the Massachusetts Department of Revenue (DOR). The tax credits reduce the recipient's tax liability to the Commonwealth; to the extent the tax credit award exceeds the tax liability, the difference will be refunded to the taxpayer. The tax credits can be claimed by the business upon their next filing of a tax return with the Commonwealth.

**IV. MUNICIPAL GRANTEE REPORTING REQUIREMENTS**

The goal of the Massachusetts Vacant Storefront Program is to fill vacant storefronts. Municipal grantees will be required to submit reports to EOED on a quarterly basis, detailing the municipality's efforts to recruit businesses, the amount of tax credits assigned to date, municipal match provided, map showing location of storefront utilizing tax credits, and other metrics.