



BUSINESS DEVELOPMENT INCENTIVES



ABOUT THE SOLUTION CENTER

The Main Street Solution Center is a free access portal to resources for communities and organizations working to revitalize and strengthen their local economies. The Solution Center's curated resources are designed to help guide and inspire local leaders and advocates as they navigate the complexities of downtown and neighborhood business district revitalization and economic growth.

ABOUT THE PARTNERSHIP

This Main Street Solution Center publication was underwritten by Michigan Main Street and Main Street Iowa. Their generous support demonstrates a shared vision and ongoing commitment to freely share knowledge, experience, tools, and best practices to fuel revitalization and economic growth in their own communities, and in locales spanning the nation.



ABOUT THE CREATORS

Leigh Young, AICP is Senior Main Street Specialist with Michigan Main Street and a driving force behind the creation of the Main Street Solution Center. Her deep passion for planning, placemaking, community engagement, and sustainable urban development is evident in her work to advance the cause for revitalization and economic development in downtown and neighborhood business districts across Michigan.

Jay Schlinsog, CMSM is the owner of Downtown Professionals Network (DPN), a Franklin, TN-based firm specializing in innovative, market-driven downtown and business district revitalization and economic development solutions. He brings more than thirty years of experience gained while serving as chief executive with chamber and district management organizations, and through his work with communities and organizations across the United States.

Ben Muldrow is a partner at Arnett Muldrow & Associates, a consultancy renowned for its creative approach to economic development, branding, and marketing strategies for small towns and cities across the nation. He brings an innovative mindset and a deep understanding of the unique dynamics of community branding to each engagement, blending traditional community values with modern marketing techniques to help communities and districts unlock their potential.

Main Street Solution Center (MSSC) library publications and resources are intended for free distribution. Please credit Main Street Solution Center and respective authors.

Every effort is made to ensure that information contained in MSSC publications and resources is accurate and up to date at the time of publication. However, all information is provided on an "as is" basis, and no warranties about the accuracy or completeness of information is implied or provided. MSSC publications and resources may include links to external websites, publications, resources, and information. MSSC's referencing or linking to a third-party website or resource should not be interpreted as an endorsement nor recommendation for the products or services offered by any third party, and MSSC and its owners, underwriters, contractors, and agents accept no liability in respect to third-party websites, products, and services. MSSC library contents and publications are not intended to offer, nor should they be relied upon for, legal, financial, accounting, or other organization- or project-specific advice. For expert assistance, contact a competent professional. MSSC and its owners, underwriters, contractors, and agents accept no liability for any inaccuracies or omissions. Any possible infringements or instances of incorrect or missing credits or attributions are unintentional and will be reviewed promptly upon request.



PRODUCTION DETAILS

Produced Feb, 2024 | MMS and MSI | Copyright 2024 | Cover generated by AI
Intended to be shared and used.



BUSINESS DEVELOPMENT INCENTIVES

Incentives, as part of a comprehensive approach to business development, can prove valuable in efforts to overcome barriers, to reduce the cost of starting, expanding, and operating a business, and to target businesses and uses that contribute to a district's appeal and overall sense of vibrancy. Even small, targeted, and well-administered incentives can make an impact, and clearly signal a supportive, pro-business approach is in place.

Incentives that align with local business needs, opportunities, and broader district enhancement goals and strategies are more likely to gather interest, gain support, and yield results. Use the following steps as a guide for creating or evaluating business development incentives for your district.

Identify the need for business incentives

Use conversations with existing business owners and economic development partners to identify common obstacles to starting and growing a business, or to advancing broader district business development goals. Consumer and business surveys can also be used to gauge interest and prioritize ideas for program incentives.

Tip: Involving local government officials and staff, local, regional and state economic development agencies, financial institutions, and other potential players during the early discussion and planning stages is a good way to build ownership in resulting business incentive program strategies.

Outline ideas and proposals to share with – and enlist – potential partners and funding sources

Create working concepts for proposed business development program incentives that outline:

- o The need or opportunity
- o Intended outcomes
- o Proposed funding levels and potential sources of funding
- o General criteria (e.g. eligible applicants and uses, match requirements, method of award, etc.)

Tip: Get a head start and help build the case by gathering examples of similar incentives offered in other/peer communities; and by becoming familiar with, and making connections to, the goals and shared interests of potential partners and funding sources. See a sampling of examples at the end of this document.

Q: Which of the following types of technical assistance and incentives, if available, would you be most likely to use?

Technical Assistance and Incentives	Percent
Low interest building improvement loans	33.3%
Low-interest loans for business expansion	30.4%
Free or low-cost building improvement design services	23.2%
Help to market your building or space	18.8%
Help on basic business start-up and operations topics	13.0%
One-on-one business counseling or coaching	7.2%
Help to create a succession plan or to sell your business	5.8%

Most frequent responses shown. More than one selection per respondent allowed.



MENU ≡

SERVICES

The following business resources are managed directly by the Downtown Davenport Partnership. We strongly encourage property and/or business owners to connect with us before applying so that our skilled team can open doors to the best options for your business.

DDP ENTREPRENEUR GRANT ^

What we are trying to accomplish:

- Foster a vibrant and diverse entrepreneurial ecosystem in downtown Davenport.
- Encourage new businesses to set up their operations within the downtown SSMID, contributing to the area's economic growth and vitality.
- Empower and support minority-owned businesses to thrive, driving greater inclusivity and representation within the entrepreneurial community.
- Remove financial barriers and provide resources to help entrepreneurs successfully establish and grow their businesses.
- Enhance the overall economic landscape of downtown Davenport by facilitating the launch of innovative and impactful ventures.

How it can help you:

DDP grant funding per business will be no less than \$2,000, but no more than \$5,000. Funding can be used for relocation expenses, operating or capital startup costs.

For more information and to submit an application, [click here](#).

DDP PRE-DEVELOPMENT GRANT v

DDP EXTERIOR & STRUCTURAL IMPROVEMENT GRANT v

DDP COMMERCIAL INTERIOR IMPROVEMENT GRANT v

DDP CREATIVE STOREFRONT SIGNAGE ASSISTANCE GRANT v

DDP ACTIVATION & EVENT GRANT v



Detail criteria and develop program applications, review and award procedures, marketing strategies and materials, etc.

Based on input and support gained through the previous step, detail and finalize program criteria and administrative procedures, and prepare a marketing strategy targeting eligible candidates.

Tip: Clearly define eligibility, and keep application, review, and award processes as streamlined as possible. Keeping it simple will enhance prospects for participation from small business owners who, generally, tend to be unaccustomed to elongated decision-making processes and turned off by “red tape.”

Promote incentives – and results

Make a splash during the rollout, and keep the program in the public eye with scheduled reminders targeting potential applicants, and ongoing features highlighting partners, awards, progress, and impacts.

Tip: Consider different ways to highlight incentives at work through images, testimonials, signage or clings, feature stories, reveal events, etc.

Evaluate

Monitor implementation, track investments and results relative to intended outcomes, and evaluate incentives with respect to demand (e.g. number of applications submitted and awarded, allocations vs. funding requests, etc.), criteria, application and administrative procedures, and other aspects. Use the evaluation to make appropriate adjustments, where needed, and to help inspire ideas for other program components or new incentives.

Tip: Seek input, ideas, and suggestions for refinements from program participants, and share updates and results with program partners and funding sources.

As you work through the steps, remain mindful of the local business climate and political landscape. A program exclusive to or heavily emphasizing incentives for new businesses could appear to conflict with goals to support existing businesses, potentially inviting criticism and making some current business owners feel unappreciated, or even threatened. At the very least, organizations should be prepared to explain how incentives align with overarching business development and district enhancement goals.

DOWNTOWN RETAIL TENANT IMPROVEMENT GRANT



A grant for interior tenant improvements, designed to foster retail growth in Downtown Memphis.

- Maximum grant of \$30,000, depending on the size of the space, and lease length.
- Grant is for permanent improvements, not temporary furnishings and fixtures.
- Higher priority for projects in target areas.

Program Administered by the Center City Development Corporation | 114 North Main Street Memphis, TN 38103 | (901) - 575 - 0540 DowntownMemphisCommission.com



HOW TO APPLY

Read Full Packet for More Details

- 1**  **Submit your initial project idea.**
Send DMC staff some basic info about your project – including where the property is located, what you'd like to change, and current pictures of the existing space.
- 2**  **Prepare a project budget and design plans.**
Create an itemized budget for your proposed project, and basic drawings of the space you plan to create.
- 3**  **Follow Equal Business Opportunity (EBO) Guidelines.**
Every project that receives a DMC incentive must receive bids through an open and fair process. Before submitting your final application, meet with DMC staff to make sure you have a plan to comply with this requirement.
- 4**  **Submit your final application for CCDC approval.**
The CCDC board meets the third Wednesday of every month at 9:00 AM. To have your project considered at a monthly board meeting, submit your final application three weeks before the meeting date.
- 5**  **Begin work!**
Once your application is approved by the CCDC board, and you've properly bid out work according to the DMC's EBO guidelines, you can start work. Grant funds will be dispersed after the project's completion.



More familiar incentives directed toward property owners undertaking façade or other building improvements can be viewed as one way to offset costs that might otherwise be fully borne by owner-occupants or passed along to tenants – thus reducing the cost of entry or occupancy for businesses. Incentives specifically designed for and targeting businesses offer another approach, and one that may allow for more creativity and a stronger focus on specific, local business barriers, needs, and opportunities. Examples include:

Columbia, SC: A Grease Trap Rebate Program helps restaurants and other places that serve food install required grease traps or grease interceptors that can cost tens of thousands of dollars. The rebate program repays up to \$10,000 of the cost, and is part of the City of Columbia's Business Friendly Initiatives.
[City of Columbia \(SC\) Business Friendly Initiatives](#)

Memphis, TN: The Open on Main Initiative pairs emerging retailers and entrepreneurs with vacant downtown storefronts. The spaces available provide rent-free opportunities for tenants to test market and temporarily showcase their businesses on Main Street, usually for one month or longer. Meanwhile, a Retail Tenant Improvement Grant designed to support new retail, creative arts & entertainment, and food & beverage based businesses helps bridge the financial gap between property owner and tenant by providing financial assistance of up to \$30,000 on qualified permanent improvements to the interior of a tenant's space.
[Downtown Memphis \(TN\) Open on Main Initiative](#)

[Downtown Memphis \(TN\) Retail Tenant Improvement Program](#)

Mesa, AZ: The Downtown Small Business Attraction Utility Rate Program offers a 25% reduction in energy and water bills for three years for new businesses that fit the U.S. Small Business Administration's definition of a small business.
[Downtown Mesa \(AZ\) Downtown Small Business Attraction Utility Rate Program](#)

New Orleans, LA: The Outdoor Dining Grant Program provides funding for businesses to enhance their sidewalk and curbside dining spaces. The program supports retention and expansion efforts to create a more vibrant and appealing streetscape that offers consistency throughout the district, and offers a matching grant for 50 percent, up to \$3,000, for eligible costs to purchase and install outdoor dining improvements, such as outdoor furniture, trash receptacles, portable heaters, decorative planters, and decorative or atmospheric lighting.
[New Orleans \(LA\) Outdoor Dining Grant Program](#)

Davenport, IA: An Entrepreneur Grant offers \$2,000 to \$5,000 in funding for relocation expenses, operating or capital startup costs; and a Creative Storefront Signage Assistance Grant offers a 50 percent match, up to \$1,000, to help cover sign design, creation, and installation costs.
[Downtown Davenport \(IA\) Business Services and Incentives](#)

Lansing, MI: Downtown Lansing, Inc.'s Small Business Support Grants is aimed at creating resiliency and strengthening local businesses by providing funding assistance, in the form of reimbursement grants up to \$50,000, to support small businesses. Expenses eligible for reimbursement include rent or mortgage payments, utilities, payroll, equipment costs and inventory, non-permanent mobile outdoor patio or retail pop-up sales space, and general marketing or technology to assist in connecting with customers.
[Downtown Lansing \(MI\) Small Business Support Grants](#)

Charles Town, WV: Based on survey results, funding for a façade improvement program was reallocated to a new REVIVE! Commercial Grant Program. The grant focuses on the adaptive reuse of older historical buildings into vibrant commercial spaces, with preference given to retail and restaurant spaces, commercial kitchens, and vacant buildings. Introduced as a pilot program, the initial \$38,000 allotment benefited three projects, each including a commercial kitchen. Due to the pilot program's success, city leaders subsequently committed to an annual allocation for REVIVE!
[Reviving Commercial Kitchens in Charles Town by Elizabeth Cook, Charles Town Now | Main Street America](#)

