



April 22, 2025

Her Excellency Maura Healey
Governor of the Commonwealth

The Honorable Kim Driscoll
Lt. Governor of the Commonwealth

Acting Secretary Ashley Stolba
Executive Office of Economic Development

Secretary Matthew Gorzkowicz
Executive Office of Administration and Finance

Navjeet Bal, President and CEO
Massachusetts Development Finance Corporation

Transmitted via email

Re: Capital budget request for downtown vitality fund

Dear Gov. Healey, Lt. Gov. Driscoll, Acting Sec. Stolba, Sec. Gorzkowicz, and Ms. Bal,

We write to you today to thank you for last fall's LEADS Act, which included a \$9.5 million bond authorization for line item 7002-8075 establishing a grant program for cities and towns to support the vitality of downtowns and main streets. Given the headwinds facing local businesses from online retailers and rising costs, we believe that the Commonwealth needs a core strategy for strengthening local business districts, and that this downtown vitality fund can provide it.

We recognize that you have many priorities to juggle and a limited bond cap. Given that, we humbly request that your administration include a modest \$500,000 appropriation for line item 7002-8075 in your FY26 capital budget, followed by \$3 million per year for FY27-29.

Five hundred thousand dollars this year would be enough to launch the program at EOED and provide 510 strategic grants to communities seeking to establish district management tools such as business improvement districts, DIFs, parking benefit districts, cultural districts, Main Street organizations, and other forms of cultural and economic partnerships. These tools foster thriving business districts which help make our communities attractive places to live and work; create a unique sense of place with arts, culture, and history; and keep jobs and money circulating in our communities.

This year calls for smart and effective public investment, and we believe that the downtown vitality fund meets that criteria. The 2024 MassINC report “[District Management for Downtown Vitality](#)” calculates that adopting BIDs and DIFs reaps seven dollars in local and private investment for every dollar that the state invests over a ten-year period. That figure encompasses investment in local capacity and does not even account for the jobs, sales growth, and business creation that these tools spur.

For example, research has shown that commercial areas with BIDs receive more foot traffic, their visitors stay longer, and those visiting spend more at local businesses—and these effects can boost commercial property values by as much as 25 percent, which generates local tax revenue. This is the kind of strategic public investment that unlocks economic self-sufficiency, not dependency.

Furthermore, the downtown vitality fund will leverage existing state investments like MassDevelopment’s TDI program, providing an off-ramp after three years to local self-sustainability. Or by encouraging some of Mass Cultural Council’s cultural districts to formalize their economic development goals and establish independent funding streams.

We envision a state covered with a network of strong public-private partnerships at the local level that serve as the “quarterback” or “backbone” for dynamic main streets, downtowns, rural villages, and town centers—places that entice people to get out of their cars, participate in civic life, and patronize local establishments.

The downtown vitality coalition includes MassCreative, with more than 200 member organizations and individuals in its coalition; the Gateway Cities Innovation Institute, representing municipal leaders in 26 mid-sized cities; MAPC, the regional planning agency for 101 cities and towns in Metro Boston; Mass Cultural Council, the Commonwealth’s independent state arts agency; and the Mass Association of Business Improvement Districts with its 12 downtown partnerships.

Thank you for your attention and please feel free to contact us to discuss this matter further. We would be happy to meet virtually or in person at your convenience.

All the best,

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