



# HOW TO START A BUSINESS IN EAST SOMERVILLE

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For Economic Development Issues in  
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Massachusetts

# East Somerville Main Streets

# THIS IS EAST

## Somerville



Our mission is to improve the life of our community by building investment, connection and pride in our main street. We do this through a variety of ways including:

- Strengthening the role of the East Broadway Business District as a commercial center for the eastern half of Somerville and western part of Charlestown
- Promoting the East Broadway Business District as a remarkable and unique cultural destination, known for celebrating its traditions and heritage and maintaining the community's diversity.

## **Our Story:**

**In the 1970's**, the East Somerville neighborhood was islanded from the rest of the City of Somerville by the construction of Interstate 93. Geographically isolated, East Somerville's heart, a linear business district, became a dilapidated community focal point which gained a reputation for gangs and violence. However in the early 2000's a new wave of immigrants from Central America, Brazil and Haiti brought new economic vitality to the neighborhood by opening up restaurants, hair salons, barbershops and filling the empty retail storefronts.

**East Somerville is Somerville's most diverse neighborhood**, with a 35+% immigrant population and about 78% of the establishments in the commercial district immigrant-owned. The neighborhood is Somerville's most economically repressed and in need of resources to develop and maintain its unique characteristic. All of East Somerville Main Streets work is addressing these needs.

On a federal level, East Somerville has been identified as priority area for improvement, receiving the designation of “**Neighborhood Revitalization Strategy Area**” (NRSA), as 62.2% of the population qualify as low or moderate income.

### **East Somerville Commercial District Stats:**

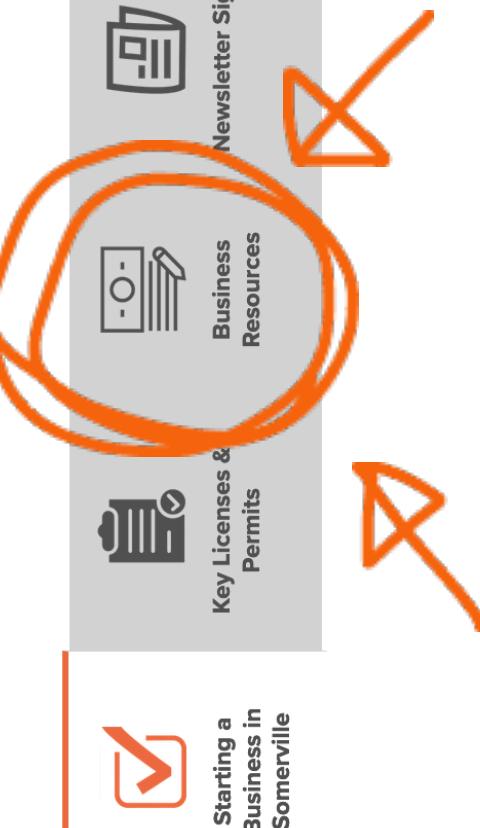
- Over 20% Vacancy Rate** A healthy rental vacancy rate typically hovers around 7 to 8 percent. A vacancy rate of above 12 percent is considered high, and above 20 percent is considered hyper-vacancy.
- Less than 17% of the storefronts are owner-occupied** Most of the businesses rent their commercial space, making them more debt obligated and less financial stable in the long-run.
- 36% of the active storefronts are restaurants** East Somerville is a restaurant-heavy commercial district. The restaurant industry is known for operating by narrow financial margins, which puts them at more financial risk than other types of industry. However, our uniquely diverse restaurant scene is also what contributes to the East Somerville character and adds diversity, vibrancy and vitality to the community.

# City of Somerville

## Doing Business in Somerville

### About Doing Business in Somerville

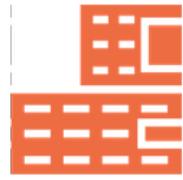
We're here to help you start, expand, or improve your Somerville-based business. The Economic Development Department is happy to help you navigate the process of getting your business up and running with all the necessary licenses and permits. We're also able to help you find real estate within the city and connect with financial or technical assistance resources to ensure you're off to a strong start.



### STARTING A BUSINESS IN SOMERVILLE

City of Somerville  
Office of Strategic Planning &  
Community Development  
[SomervilleMA.gov/Business](mailto:SomervilleMA.gov/Business)  
617-625-6000, ext. 2500

*See Assistance for Businesses to learn more about City-sponsored support for your business.*



**Small Business  
Support**

This program is currently on hold as a result of the coronavirus pandemic. Please see resources available for businesses at [SomervilleMA.gov/COVIDBizHelp](http://SomervilleMA.gov/COVIDBizHelp)



## Small Business Support

## Business Resources

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rehabilitation expenditures in state tax credit. For more information, please visit the [Massachusetts Historical Commission](#) website.

- [\*\*U.S. Small Business Administration\*\*](#) (U.S. Government): The SBA offers many loan programs; the 7(a) loans and loans have been useful to a number of business in Somerville. If you are looking to purchase a building or fixed your business, these loans can provide SBA-guaranteed loans that will drastically reduce the financing costs.
- [\*\*Business Alliance for Local Living Economies \(BALLE\)\*\*](#): Represents thousands of communities and conveners investors and funders who are defying business as usual. Its mission is to create local economies that work for Center for Women in Enterprise: Provides education and technical support for female business owners.
- [\*\*Commercial Leases 101. By Harvard Law School \(Transactional Law Clinics\)\*\*](#): This toolkit will provide an exp common provisions in commercial leases and how to interpret and apply these provisions, and recommend pro commercial tenants may try to include when negotiating a new commercial lease.
- [\*\*Interise\*\*](#): For established businesses seeking to grow.
- [\*\*Kirstein Business Library\*\*](#): Branch of the Boston Public Library focused on the needs of businesses.
- [\*\*Lawyers' Committee for Civil Rights and Economic Justice\*\*](#): Provides legal support and free events for small LoopNet: Search commercial real estate for sale and lease. Find your next investment property, office space, la space. Learn the trends in commercial rents.
- [\*\*Massachusetts Small Business Development Center\*\*](#): Provides free, one-to-one business assistance and free training programs to prospective and existing small businesses.
- [\*\*SCORE\*\*](#): Retired Executives provide one-on-one mentoring.

## City of Somerville

about future events, sign up for our [email list](#).

### Business Development & Support

- [\*\*Nibble Entrepreneurship Program\*\*](#) (Somerville Arts Council): These culinary training programs work directly with immigrants to assist them in exploring a culinary career and testing a food business idea. For more information, contact Rachel Strutt at [rstrutt@somerervilleartscommissionma.gov](mailto:rstrutt@somerervilleartscommissionma.gov) or 617.625.6600, x 2985.
- [\*\*Boston SCORE\*\*](#): Offers free counseling and mentoring to those looking to start or grow a business and low-cost workshops on a variety of topics.

- [\*\*Center for Women in Enterprise\*\*](#): Provides education and technical support for female business owners.
- [\*\*Lawyers' Committee for Civil Rights and Economic Justice\*\*](#): Provides legal support and free events for small businesses.

- [\*\*Massachusetts Small Business Development Center\*\*](#): Provides free, one-to-one business assistance and free or low-cost training programs to prospective and existing small businesses.
- [\*\*U.S. Small Business Administration\*\*](#): The SBA provides regular trainings, workshops, and other resources to small businesses throughout the nation. There is a regional office and a Boston district

NOW

## Financial Support

**Boston Private - Business Loan Express Program** - Business Loan Express Program offers expedited application, approval and loan closing for loan relationships up to \$350,000. Companies that create or retain employment opportunities for low- and moderate-income people, and those participating in governmentally supported programs, are a special focus.

**KIVA**: A site for people all over the world seeking small loans to start their own businesses. The loans typically back individual economic activity to help alleviate poverty through support for entrepreneurial ventures in places where other sources of funding are hard to come by.

**Accion** - Small business loans

## Financial Support

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## Business lending made simple

**KIVA:** A site for individuals and other sources.



**Accion** - S



### Tailored financing

Access credit with terms designed for your business, such as revolving lines of credit or term loans, to fund capital improvements, new equipment, and more.

### Community commitment

Financial solutions for affordable housing, first-time home buyers, economic development, social services, community revitalization, and small businesses.

### Expert advice

A consultative approach based on an understanding of the market, your industry, and most importantly, your business.





## Financial Support

# What makes us unique



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**KIVA:** A site for people all over the world individual economic activity to help alternative sources of funding are hard to c

**Action** - Small business loans



Free marketing and new  
customers

Up to \$15,000 at 0% interest

Yes, 0% interest – no catch. We're a non-profit aimed at expanding access to capital.

Market your product to Kiva's community of 1.6 million supportive lenders.



## Apply

20-30 min  
Find out if you're prequalified, then easily fill out our online application.

**Get started**



## Invite

Up to 15 days  
Prove your creditworthiness by inviting friends and family to lend to you.

**Continue application**



## Fundraise

Up to 30 days  
Go public on Kiva, with your loan visible to over 1.6 million lenders worldwide.



## Repay

Up to 36 months  
Build your customer base by repaying your Kiva loan.



## Financial Support

### Boston Private - Business Loan Express

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### Accion - Small business loans

**We harness the power of digital technology to create a financially inclusive world.**

HERE'S HOW ↗



## Financial Assistance - Government Programs

- **Direct Install for Small Business** (Mass Save): Eversource provides eligible business customers a free energy audit of their facility by Mass Save. The audit will identify energy saving opportunities, and potentially pay for up to 70% of the total cost for retrofitting qualified lighting and mechanical systems. Gas measures will also be addressed. For further information and other small business incentives, please visit Mass Save's website for businesses.
- **Disabled Access Credit** (U.S. Government): The Disabled Access Credit provides a non-refundable credit for small businesses that incur expenditures for the purpose of providing access to persons with disabilities. An eligible small business is one that earned \$1 million or less or had no more than 30 full time employees in the previous year; they may take the credit each and every year they incur access expenditures. Refer to Form 8826, Disabled Access Credit (PDF), for information about eligible expenditures. Additional information can be found by visiting the American with Disabilities Act website or calling the ADA Information Line at 800-514-0301 or TTY 800-514-0383.
- **Barrier Removal Tax Deduction** (U.S. Government): The Architectural Barrier Removal Tax Deduction encourages businesses of any size to remove architectural and transportation barriers to the mobility of persons with disabilities and the elderly. Businesses may claim a deduction of up to \$15,000 a year for qualified expenses for items that normally must be capitalized. Businesses may use the Disabled Tax Credit and the architectural/transportation tax deduction together in the same tax year, if the expenses meet the requirements of both sections. For further information, contact the Internal Revenue Service. Additional information can be found by visiting the American with Disabilities Act website or calling the ADA Information Line at 800-514-0301 or TTY 800-514-0383.
- **Federal Tax Incentives for Preserving Historic Properties** (U.S. Government): Federal historic preservation tax incentives are available for any qualified project that the Secretary of the Interior designates as a certified rehabilitation of a certified historic structure. For more information, please visit the National Park Service's website.
- **KIVA**: A site for people all over the world seeking small loans to start their own businesses. The loans typically back individual economic activity to help alleviate poverty through support for entrepreneurial ventures in places where other sources of funding are hard to come by.
- **Massachusetts Historic Rehabilitation Tax Credit** (Commonwealth of Massachusetts): The Massachusetts Historic Rehabilitation Tax allows the certified rehabilitation of an income-producing property to receive up to 20% of the cost of certified rehabilitation expenditures in state tax credit. For more information, please visit the Massachusetts Historical Commission's website.
- **U.S. Small Business Administration** (U.S. Government): The SBA offers many loan programs; the 7a loans and the CDC/504 loans have been useful to a number of business in Somerville. If you are looking to purchase a building or fixed equipment for your business, these loans can provide SBA-guaranteed loans that will drastically reduce the financing costs.

# What is a 7(a) loan?

The 7(a) Loan Program, SBA's most common loan program, includes financial help for small businesses with special requirements. This is the best option when real estate is part of a business purchase, but it can also be used for:

- o Short- and long-term working capital
- o Refinance current business debt
- o Purchase furniture, fixtures, and supplies

The maximum loan amount for a 7(a) loan is \$5 million. Key eligibility factors are based on what the business does to receive its income, its credit history, and where the business operates. Your lender will help you figure out which type of loan is best suited for your needs.

# What is the 504 loan program?

The CDC/504 Loan Program provides long-term, fixed rate financing of up to \$5 million for major fixed assets that promote business growth and job creation.

504 loans are available through Certified Development Companies (CDCs), SBA's community-based partners who regulate nonprofits and promote economic development within their communities. CDCs are certified and regulated by the SBA.

- Totals approximately 3% of the debt, rate may be financed with the loan |

# Somerville Community Corporation

Empowering residents to sustain a diverse and affordable Somerville

## WHAT WE DO



### Real Estate Development

SCC develops and preserves affordable rental and ownership units and commercial space in Somerville to maintain and strengthen the socioeconomic diversity of the City.



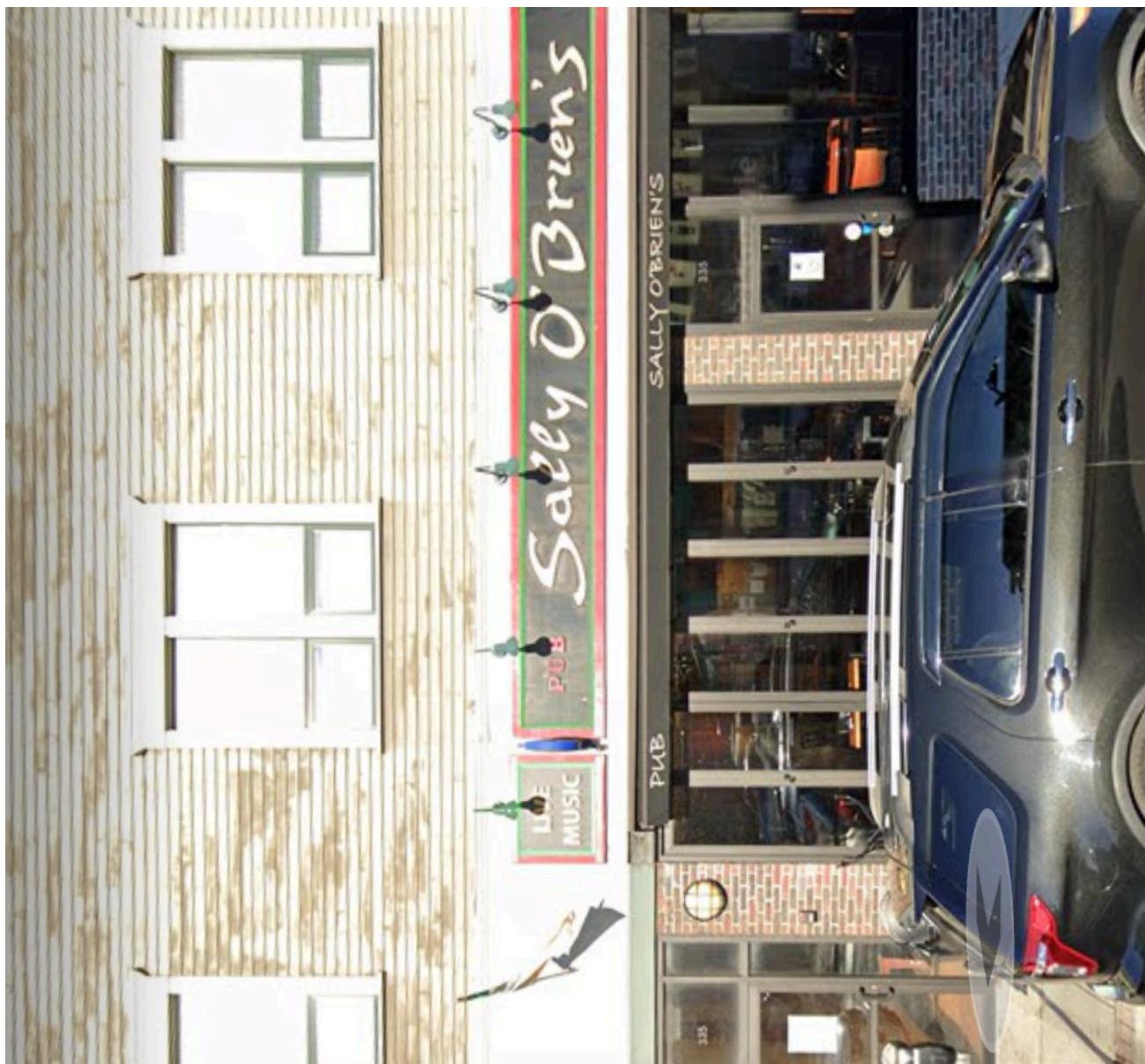
### Economic Opportunity

SCC works to preserve the City's social, economic and cultural diversity and counters years of unequal opportunity by offering programs and services focused on helping people find good local jobs, achieve financial stabilization and sustainability, and make the dream of affordable homeownership a reality.



### Community Organizing

SCC helps to make Somerville more livable, sustainable, and inclusive by increasing and diversifying housing options, as well as organizing in the community around affordable housing policy, and



# Microloans

*Smaller-size loans of up to \$50,000 provided through SBA funding intermediaries.*

## Business Development & Support

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- **Business Alliance for Local Living Economies (BALLE)**: Represents thousands of communities and conveners, entrepreneurs, investors and funders who are defying business as usual. Its mission is to create local economies that work for all.
- **Center for Women in Enterprise**: Provides education and technical support for female business owners.
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## Small Business Help From SCORE

SCORE has the largest network of free volunteer small business mentors in the nation. No matter what stage your business is at SCORE has a mentor for you. Easily request a mentor to help you start, grow, or transition your business today!

[Find a Mentor ▶](#)    [Become a Mentor ▶](#)



**SCORE:** Retired Executives provide one-on-one mentoring.

# LCR

LAWYERS FOR  
CIVIL RIGHTS  
BOSTON

## BizGrow



We contribute to the economic growth of communities of color by providing free legal support to entrepreneurs with big dreams and limited resources.

Explore

Lawyers' Committee for Civil Rights and Economic Justice: Provides legal support and free events for small businesses.

**COMMON FUTURE.**

**We're Common Future.  
A network of leaders (re)building an  
economy that includes everyone.**

Our initiatives are designed to shift capital  
into communities, uplift local leaders, and  
accelerate the development of equitable  
economies.

**Business Alliance for Local Living Economies (BALLE)**: Represents thousands of communities and conveners, entrepreneurs, investors and funders who are defying business as usual. Its mission is to create local economies that work for all.

# Bridging the Gap for Black Entrepreneurs

Jessica Norwood knows firsthand that

raising "friends and family" capital is a major barrier to black business creation. In fact, there is a \$19,000 divide between the net worth of the average black household (\$11,000) and the \$30,000 you need to start a business from scratch. The Runway Project aims to bridge that gap.

"It's not a pilot problem, it's a runway problem."



Center for Women & Enterprise

We believe that lifting  
up women benefits  
everyone.

[Center for Women in Enterprise](#): Provides education and technical support for female business owners.

A photograph showing two women in a kitchen. One woman, wearing a black floral shirt and a black apron, is smiling and looking towards the camera. The other woman, wearing an orange shirt and a black cap, is also smiling and looking towards the camera. They are standing in front of a stainless steel counter with various kitchen equipment and ingredients visible. The background shows orange and white tiled walls.

**Nibble Restaurant Opening**

Tue, December 3, 6:00pm

**1 Bow Market Way, Somerville**

[Home > Nibble Restaurant Opening](#)

We are thrilled to announce a national first: a local arts council is opening a restaurant! The restaurant, called Nibble Kitchen and located at Bow Market in Union Square, Somerville, will feature an international menu featuring chefs from Somerville's rich immigrant communities. The menu will rotate day by day, and includes: Venezuelan arepas, Ethiopian wots, Brazilian street food, Bolivian cuisine and delicious Bengali fare. Only in Somerville, Massachusetts will you find such an innovative concept and a menu so adventurous and diverse.

**Venezuelan arepas, Ethiopian wots, Brazilian street food, Bolivian cuisine and delicious Bengali fare**

Like the overall Nibble initiative, Nibble Kitchen has a strong social justice and economic development component. **Our entrepreneurs** are predominantly female, and hail from our immigrant communities. Nibble Kitchen will allow them to test out restaurant concepts in a low-risk environment before launching independent businesses and share their cultures via food. Finally, Nibble Kitchen aims to keep Union Square deliciously diverse and thus plays an important placemaking role. Please visit our **Press** page for media coverage so far.

After almost a decade of Nibble programming, the support of the City of Somerville and a co-working grant from MassDevelopment, Nibble's first brick-and-mortar kitchen and restaurant opened at Bow Market in 2019.

Office of Strategic Planning and  
Community Development +  
Somerviva/City of Somerville  
Communications Department

## NIBBLE ENTREPRENEURSHIP PROGRAM (NEP)

- Business development instruction and mentoring through workshops by industry professionals
- Opportunities to practice and share cooking by teaching classes, receiving critiques, and vending at the Nibble Kitchen
- Receive hands-on experience and training at a fraction of the cost of any community college
- Attend bilingual business workshops w/ translation offered for all one-on-one mentoring



## NEP CASE STUDY



Carolina Garcia and Carolina Salinas (also known as "Las Carolinas"), natives of Caracas, Venezuela, have been part of the Nibble Entrepreneurship Program since February of 2016. They specialize in arepas—a type of sandwich made of ground maize dough, that is grilled, and then stuffed with a variety of fillings. Garcia and Salinas have: attended all of the NEP workshops; achieved ServSafe certification; held successful pop-up restaurants; and vended at numerous festivals, selling up to 200 plates per event. Over the past year they have worked doggedly to open their own restaurant, which they achieved in September 2019. Read all about the duo's new Venezuelan restaurant.

# Sources

<https://www.eastsomervillemainstreets.org/our-mission>

<https://www.eastsomervillemainstreets.org/starting-a-new-business>

<https://www.somervillema.gov/departments/programs/doing-business-somerville>

<https://nibblesomerville.com/culinary-entrepreneurship>

<https://www.bostonprivate.com/business/commercial-lending/business-lending#businessLoanExpress>

<https://www.kiva.org/>