Transformative Development Initiative
Building a Culture of Co-investment in Small Cities
Way to grow, Massachusetts!

As the Commonwealth’s quasi-governmental economic development and finance agency, MassDevelopment is committed to achieving three goals:

1. Stimulate business
2. Drive economic growth
3. Help communities thrive across Massachusetts
Transformative Development Initiative

TDI is a **program for Gateway Cities** designed to **accelerate** economic growth within focused districts.
Gateway Cities are legally defined as cities with:

- Population between 35,000 and 250,000
- Median household income below the state median
- A lower percentage than the state average of adults with a college degree
Transformative Development is...

“...redevelopment on a scale and character capable of catalyzing significant follow-on private investment, leading over time to transformation of an entire downtown or urban neighborhood, and consistent with local plans.”

Massachusetts General Laws, Chapter 23, Section 46
Our vision is a connected network of Gateway Cities in which sustainable, restored market conditions more accurately reflect the promise of the community.
TDI Fellows enhance the TDI activities in the Districts, following a workplan designed by TDI Partnerships and MassDevelopment.

TDI Fellows are each based in one district but work together as a cohort to lend expertise across cities.
TDI Toolkit

City Building Expertise

TDI Fellows

Technical Assistance

MassDevelopment
Real Estate Services, ULI TAP

Partner Agency Programs

Implementation Strategy and Investor Prospectus Springfield, MA

Follow-on Activity

- Restaurant start-up guide created by City
- Food truck ordinance enacted

Better Block Haverhill, MA

Follow-on Activity

- Vendors opened new brick and mortar locations in downtown Haverhill
**TDI Toolkit**

**Investments**

1. **526 Main**  Worcester, MA  [in progress]

   **District significance**
   - Activate highly visible property
   - Influence investment in surrounding properties

2. **Container Farm**  Holyoke, MA  [in progress]

   **District significance**
   - Return key site to productive use
   - Serve as a test case for Holyoke’s broader urban agriculture vision
**TDI Toolkit**

**Business Growth**

1. **Create & Escape** Peabody, MA
   - Small Business Need
   - ✓ Startup costs: build out and early rent payments

2. **La Pizza di Forno** Haverhill, MA
   - Small Business Need
   - ✓ Cost of conversion: vacant storefront office to restaurant space that can open to the street

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**TDI Cowork**
Collaborative Workspaces

**TDI Local**
Pilot programs to catalyze local market

**MassDevelopment**
Business Financing

**Partner Grants, Loans, Microfinance**
(Ex: Barr Foundation MGCC)
Contributions at multiple scales, from multiple sectors, inspire and are inspired by collaborative action and confidence in place.
Indicators of Co-investment

TDI-influenced Investment

The investment would not have been made (or at its current scale, location, timing, or use) but for the direct involvement of a TDI resource or in response to specific TDI TA efforts and program activities within the district.

TDI-assisted Investment

The investment was supported in its implementation by significant TDI involvement but was initiated independent of the program.
Co-investment at the Program Level

In TDI’s first 6 years $20M of program funds have influenced at least $100.2M and assisted at least $219.9M of public and private funds invested in the TDI Districts.
The program is working with each TDI Partnership to build a local culture of co-investment.