

Diane Nichols Tradd  
Assistant City Manager/DPD Director

Craig Thomas  
Deputy Director

**MEMORANDUM**

TO: Eileen M. Donoghue, City Manager *EMD*

FROM: Diane N. Tradd, Assistant City Manager/DPD Director

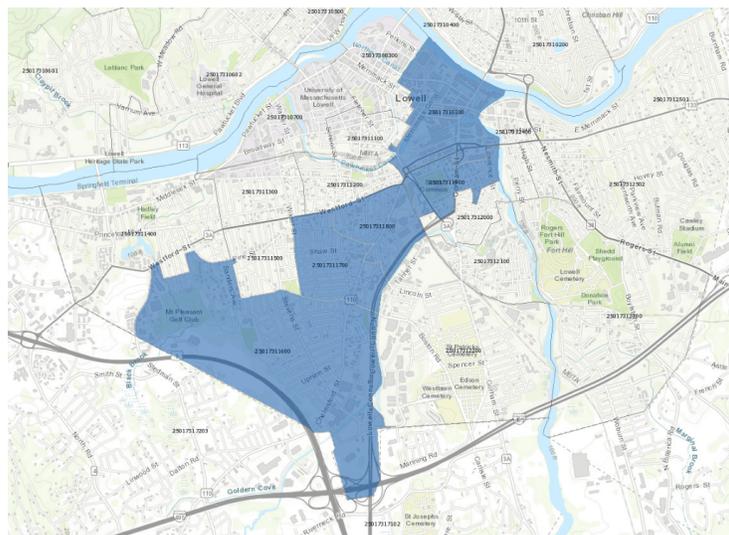
DATE: April 14, 2020

SUBJECT: COUNCIL MOTION OF 02/25/20 BY COUNCILOR ELLIOTT  
REQUEST ECONOMIC/DOWNTOWN DEVELOPMENT SUBCOMMITTEE TO MEET WITH  
SMALL BUSINESS OWNERS THROUGHOUT CITY'S VARIOUS BUSINESS CORRIDORS TO  
DEVELOP, ENHANCE, AND EXPAND BUSINESS OPPORTUNITIES/ECONOMIC  
OPPORTUNITY ZONES FOR VACANT PROPERTIES, INCLUDING DOWNTOWN VACANT  
STOREFRONTS.

Opportunity Zones (OZ) are a new community development program established by the United States Congress in the *Tax Cuts and Jobs Act of 2017* to encourage long-term investments in low-income urban and rural communities nationwide. The Opportunity Zones program provides a tax incentive for investors to reinvest their unrealized capital gains into Qualified Opportunity Funds (QOFs) that are dedicated to investing into Opportunity Zones designated by the chief executives of every U.S. state and territory.

The U.S. Department of the Treasury granted approvals in March 2018 of economically distressed census tracts that have an individual poverty rate of at least 20 percent and an average household income no greater than 80 percent of the area median.

There are five (5) U.S. Treasury designated Opportunity Zones in Lowell:



The Opportunity Zone program presents an opportunity for private, tax-advantaged investment into Lowell's Route 110 corridor, which connects downtown Lowell and the Gallagher Terminal (transportation hub) to Cross Point, a major employment center, and the intersection for Routes 3 and 495 benefiting both residents living in the zones and private investors. Due to the current pandemic and limits on social gatherings, the Economic Development office has placed on hold scheduling large events with investors and developers. Our Economic Development website includes a list of available private properties for lease or sale that are located in Opportunity Zones. We continue to provide site finding services and alert interested investors and developers when specific properties are located in an Opportunity Zone. Additionally, we have included a list of Opportunity Funds that are available. We plan to resume event planning, in coordination with Middlesex 3 Coalition and Smart Growth America's LOCUS, when it is safe to do so.

The Economic Development Office strives to serve and reach all neighborhood business districts, regardless if they are located in an Opportunity Zone. The DPD is mindful of the need to balance commercial investments in Lowell and continues to work closely with our small neighborhood businesses. With FY20 earmark funding secured by Representative Golden, our office intends to expend funds in various business corridors to provide free technical assistance, education and training to our target group in the form of individual, one-on-one consultation or in a classroom/workshop setting on the following topics: accounting, financing, budgeting, marketing and store layout. Workshops will be free to participants of the target group and will provide them with the tools they need to stay competitive. After completing the workshop, businesses become eligible to apply for a grant up to \$2,000 to implement their strategies (e.g. website development) or for grants ranging from \$2,500-\$10,000 for sign and facade improvements.

To date, a number of Lowell's neighborhoods have been served by the City Manager's Neighborhood Improvement Initiative. This program has restored public parks, improved pedestrian access along busy streets and at intersections, improved the facades of numerous businesses, among other projects. Many areas targeted under this program included business corridors. Building on this model, DPD has identified Branch Street as a corridor that serves as major arterial routes through the City and has not previously received assistance through the former Neighborhood Improvement Initiative. Over the course of the next few months DPD, with input from other City Departments, when social distancing requirements are lifted, will develop a plan to work with residents and business owners in the Branch Street business corridor to identify specific opportunities for improvement and a schedule for implementation. The Economic Development Office will collaborate with Cambodian Mutual Assistance Association of Greater Lowell, Inc. (CMAA) for critical language support and translation services.

The COVID-19 pandemic and the resulting social distancing precautions are impacting our local economy. We understand the stress that our businesses and workers are facing given the uncertainty of this outbreak and the disruption of our normal schedules. The Economic Development Office is committed to communicating important information and share business resources to enable businesses and their employees to stay safe and informed during these uncertain times.

DNT/ns

cc: Christine McCall, Director of Economic Development  
Maria Dickinson, Economic Development Officer