



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: October 27, 2020

SUBJECT: COUNCIL MOTION OF 10/13/2020 BY COUNCILOR CHAU
INVESTIGATE AND REPORT ON POSSIBLE ADDITIONAL FUNDING FOR
SMALL BUSINESSES WITHIN THE CITY

We are pleased to report that the City of Lowell Economic Development Office is the recipient of supplemental Community Development Block Grant Coronavirus (CDBG-CV) funding in the amount of \$500,000. This funding is to support businesses in the City that have been most significantly impacted by the COVID-19 pandemic and was made available through the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The Economic Development Office intends to roll out our programs over the next year and a half to support our local businesses that have been devastated by the global pandemic. The impacts of the COVID-19 pandemic will be felt by our local economy for years to come. Our intention is to create new programs as a direct response to changing business needs. Our initial small business emergency grant program, using re-appropriated regular CDBG funds, supported businesses with short-term capital assistance. We prioritized funding to businesses that were immediately impacted by the pandemic, such as restaurants, small retailers, and personal service businesses. We intend to continue to support businesses in these sectors, however, we want to ensure that we are providing relief programs to other industries in Lowell such as our start-up companies, artists, entertainment, and small-scale manufacturing. Our goal is to implement programs and interventions over a period of time to protect small businesses and set them on more resilient footing so that we can prevent widespread business closures that would ultimately create long lasting unemployment and economic damage in Lowell.

The Economic Development Office will continue to collaborate with our partners in the City, like the Entrepreneurship Center at CTI, who also received CDBG-CV funding to support businesses, to avoid duplication of services and to ensure that we are assisting a broad variety of businesses and industry sectors in Lowell. Public health regulations and changed consumer behavior will continue to be a source of vulnerability for our local businesses. The Economic Development Office, in collaboration with other City offices and partners, will continue to promote and incentivize campaign efforts encouraging residents to shop and eat locally, while meeting all public-health requirements.

CM/ns

cc: Christine McCall, Director of Economic Development