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MEMORANDUM

TO: Juan Vega, Assistant Secretary for Communities and Programs
Executive Office of Housing and Economic Development

CC: Kevin J. Murphy, Lowell City Manager
Diane N. Tradd, Assistant City Manager/DPD Director

FROM: Allison Lamey, Economic Development Director, City of Lowell

SUBJECT: City of Lowell Community Compact Best Practices - Update

The following is an update on the status of Lowell's progress toward the Best Practices outlined in its Community Compact, awarded by the Commonwealth in April 2016.

1) *Preparing for Success: There is a demonstrated ability to partner with the private sector, non-profits, and public sector organizations in order to advance the housing and economic development vision and goals of the community as evidenced by the successful completion of public/private/non-profit project(s).*

The City of Lowell is rich in public and private sector organizations dedicated to advancing the housing and economic opportunities for Lowell and its residents. The following initiatives are just a sample of the projects completed through the collaborative efforts of public, private, and non-profit institutions.

Housing Development: Lowell is home to several strong non-profit housing developers that provide affordable rental and home ownership opportunities for Lowell residents. Most recently Habitat for Humanity of Greater Lowell has made significant investments in the Acre Urban Renewal Plan area, with the completion of 8 new homes. The Acre neighborhood is an area with high concentrations of poverty and minority residents. Habitat and the City work closely to identify city-owned parcels where single or two-family homes are appropriate. Habitat's investment in the area is helping the City reach its housing development goals outlined in the State approved Urban Renewal Plan and helping to stabilize and strengthen the neighborhood through home-ownership opportunities.

Significant residential development is also taking place in Lowell's downtown neighborhood including the conversion of upper floor office space into apartments and condos. In an effort to increase the supply of market rate units in the downtown, the City adopted the Commonwealth's Housing Development Incentive Program. The HDIP program has been instrumental in helping to develop new market housing in an area of the City that had historically high concentrations of poverty. The addition of higher

income households to the downtown helps generate more spending power to support the retailers and restaurants in the ground floor storefronts. City staff work closely with developers through the HDIP application. To date 42 units have been completed under the program and are occupied. Another 378 units are under construction as part of three separate projects.

Fostering an Ecosystem of Entrepreneurship: Lowell is trying to build a reputation as a great place for innovation and entrepreneurship. In this vein the City is teaming up with UMass Lowell, Middlesex Community College, the non-profit organizations EforAll and UTEC; incubator and makerspaces such as the Innovation Hub, Lowell Makes, and Mill No. 5; private property owners; and the local lending institutions to build an environment that is supportive of startup companies in innovative industries. Specifically two new loan pools were recently created, one of which is subsidized through a HUD grant managed by the City, to support start-ups that wish to grow their business in Lowell. These loans, the Incubator Loan Program, and Launch in Lowell are financed through the Lowell Development Financial Corporation a consortium of local lending institutions. Additionally the City is partnering with the Capital Network in Cambridge to bring a technical assistance program to entrepreneurs who want to improve their success at seeking venture capital and other types of private investment. UTEC recently opened a commercial kitchen in downtown Lowell, which the City is supporting through technical assistance programming and resources that will support entrepreneurs looking to sell their products or open a commercial space of their own. Through our relationships with commercial property owners the City has also assisted small companies, ready to leave incubator space, find a commercial space within the City at below-market rent. The City, in partnership with many of these same organizations has hosted events geared toward the entrepreneurship community to highlight the resources available in Lowell including an event through MassInnovation Nights at the UMass Lowell Innovation Hub, which brought 175 people to Lowell!

Working Cities Challenge: The City of Lowell, in collaboration with the Coalition for a Better Acre, and multiple other community stakeholders were awarded a Working Cities Challenge Grant through the Federal Reserve Bank in 2016. The goal of the WCC Initiative is to build economic self-sufficiency among residents of the Acre neighborhood by building partnerships among community members and organizations where they may not have historically existed. Lowell's Department of Planning and Development is engaged with the WCC team particularly around bringing workforce development opportunities and small business resources to residents of the area.

Micro-Manufacturing: The Lowell City Council is currently reviewing proposed zoning amendments which aim to improve economic opportunities downtown and along adjacent commercial corridors. Specifically the proposed changes clarify micro-manufacturing and craft businesses (i.e. commercial kitchens, craft breweries, food production, etc.) and allow them by right in some commercial areas. These uses can create the active engaging environment that helps attract new businesses and consumers to an area. To strengthen these efforts, the City of Lowell and the Working Cities Challenge Initiative was one of 4 communities across the country to receive a technical assistance grant from Smart Growth America to help the City identify opportunities to support small scale manufacturing efforts.

Commonwealth Collaborations: In addition to the number of local collaborations described above, Lowell enjoys a strong partnership with several State organizations as well. Working closely with MassDevelopment several downtown mixed-use properties have been restored and put into active reuse. MassDevelopment is also assisting several private companies, supporting their plans to expand operations in Lowell. The Department of Housing and Community Development has been extremely supportive in Lowell's efforts to

bring a BID to its downtown. While these efforts are currently on hold staff at DHCD have been terrific resources as the City and downtown private property owners conducted research and eventually outreach to the community. Finally the Mass Office of Business Development is an instrumental partner in the City's efforts to encourage companies to locate or expand in Lowell that will invest in commercial property and bring new jobs to the area. Most recently MOBD supported MACOM, the City's largest advanced manufacturer with their plans to expand their headquarters in Lowell; and supported the relocation of Kronos to Cross Point Towers in Lowell, bringing 1,500 jobs to the City and the promise to bring an additional 500 more.

Additional Opportunities: The City has had success in securing state and federal funds to support a number of these initiatives and also receives generous support from private and non-profit partners. The Department of Planning and Development continues to monitor the State's website for additional funding opportunities that may support its housing and economic development goals. We are particularly interested in potential funding through the Site Readiness Program when future funding rounds become available and have identified several projects that may be eligible under the Urban Agenda Program should that initiative receive future funding. We have also considered several programs managed through MassDevelopment including the Commonwealth Places program to support a placemaking initiative.

2) Regional Cooperation: The Middlesex 3 Coalition communities, including Lowell, are faced with transportation challenges, including limited public transportation between the northern and southern portions of the Middlesex 3 corridor. This is partly because there are two regional transit authorities that serve the area, resulting in an artificial boundary which separates and creates a disjointed and limited system along the Middlesex 3 Highway without well-planned interconnections between the systems.

The City of Lowell enjoys a strong partnership with its neighboring communities due in large part to the work of the Middlesex 3 Coalition. A key priority of the Coalition is improving transportation opportunities for the workforce within the 9 member communities to better serve the companies locating here. A collaborative of the M3 Coalition member communities, the Northern Middlesex Council of Governments, the Metropolitan Area Planning Council, and the Central Transportation Planning Staff is working toward identifying ways to improve the linkages and efficiency of the regional transportation networks that service the 9 member communities.

In January 2017 the town of Bedford, acting as the lead agency for the M3 Coalition, entered into an agreement with NMCOG to lead the collaborative. Currently NMCOG and the partner organizations are conducting outreach to identify existing conditions, challenges and needs of the area. An online survey was distributed to municipalities and top employers in the area in early May. Two stakeholder meetings are scheduled to take place this spring including one on May 31st in Lowell and a second on June 9th in Burlington. Following this portion of the project a presentation will be made to the participating members of the Coalition. Goals, objectives, and evaluation criteria will be developed to help direct the remaining study process.