



DOING BUSINESS IN
#LOWELL
THERE'S
A LOT TO *like*.

City of Lowell Economic Development Office Summary of Development Incentives and Support

There are many reasons why developers have chosen to invest in Lowell. With our prime location at the intersection of Routes 3 and 495 and the talented workforce driven by higher education institutions like [UMass Lowell](#) and [Middlesex Community College](#), Lowell is a great place to live and work. As the fifth largest city in Massachusetts, Lowell has been at the forefront of utilizing federal, state, and local incentive programs to attract and support development. The [City of Lowell's Economic Development Office](#) can help identify the programs that meet your needs.

Highlight of Recent Zoning Changes and Easing of Parking Requirements

The City of Lowell recently approved new regulations relating to development in the **Downtown Mixed-Use (DMU)** zoning district and **Transit Overlay District (TOD)** in the City. These changes removed the minimum off-street parking requirement for residential, commercial, and mixed-use developments in these districts, and in the TOD district added a parking maximum requirement. In addition to eliminating the off-street parking requirement, the regulations also eliminated the Special Permit requirement for developments with 10 residential units or less in the DMU zone and removed the Special Permit requirement for all residential developments in the TOD district. These changes significantly reduce the amount of Board approvals required for new developments in the both the Downtown and Transit Overlay Districts.

Direct Lending

[MassDevelopment](#), the Commonwealth's top lending agency, offers several loan programs including programs specialized for emerging technologies, manufacturing, multi-family housing, and mixed-use developments. The [Property Assessed Cleaned Energy \(PACE\) program](#) offers attractive financing to owners of commercial, industrial, and multi-residential properties to make substantial energy improvements such as energy-efficient windows, roof, insulation, HVAC systems, solar panels, LED lighting, and more. [The Transformative Development Initiative \(TDI\) Equity Program](#) provides financing up to \$250,000 to commercial projects in and around a TDI district such as the Lowell's Acre TDI District.

The [Property and Casualty Initiative, LLC \(PCI\)](#) offers financing to companies and developers that are unable to obtain the required financing from conventional sources. Loans can be used for working capital, equipment, real estate purchases, and redevelopment. Priority is given to projects located in an economic target area (i.e. Lowell ETA), minority and women-owned businesses, and companies that are creating new jobs and/or employ low and moderate-income Massachusetts residents.

[The Lowell Development & Financial Corporation](#) offers flexible lending to developers and business owners. Loans can be used for the acquisition, construction, restoration and/or rehabilitation of commercial, industrial, or mixed-use properties.

[HOME Rental Housing Development Program](#): This program provides financial assistance in many forms

to both for-profit and nonprofit rental housing developers. This program has significant flexibility in providing assistance to rental projects for permanent housing for homeless to market rate.

Tax Incentives

[The Housing Development Incentive Program \(HDIP\)](#), established as M.G.L., Chapter 40V, provides Lowell with a development tool to increase residential growth, expand diversity of housing stock, support economic development, and promote neighborhood stabilization in designated areas. The program provides two tax incentives to developers to undertake substantial rehabilitation of properties for lease or sale as multi-unit market rate housing within the Lowell Housing Development (HD) Zone:

1. A local-option real estate tax exemption on all or part of the increased property value resulting from improvements.
2. State tax credits, for Qualified Substantial Rehabilitation Expenditures (QSREs) that are awarded through a competitive application process.

[The Urban Center Housing Tax Increment Financing \(UCH-TIF\) Program](#) is a State statutory program authorizing cities and towns in the Commonwealth of Massachusetts to promote housing and commercial development. The UCH-TIF Program provides real estate exemptions on all or part of the increased value of improved real estate. Tax increment financing may be combined with grants and loans from local, state, and federal development programs.

[Federal](#) and [MA Rehabilitation Historic Tax Credits](#): The Federal Historic Tax Credit program offers a 20% income tax credit for the rehabilitation of historic buildings that are determined by the Secretary of the Interior through the National Park Service. The Massachusetts Historic Rehabilitation Tax Credit provides up to 20% of the cost of certified rehabilitation on an income-producing property.

Other Programs and Incentives

[Bioready Community](#): Lowell has received and maintained its Bioready Community Platinum status by [MassBio](#), which is the highest, most prestigious rating and comparable with Cambridge and other Boston area communities.

For more information please contact Lowell's Economic Development Team at DoBizInLowell@lowellma.gov or 978.674.1437