

### 2017-06-15 Economy Working Group #2

#### **Committee Attendees**

Chris Barr, Sarah Gallop, Josh Gerber, Theresa Hamacher, Denise Jillson, Jay Kiely, Ivy Moylan, Gina Plata, Daniel Shenfeld, Ottavio Siani, Saul Tannenbaum, Ty Wilson

<u>Staff / Consultant Present</u> **Staff:** Gary Chan, Lisa Hemmerle, Sue Walsh, Allyson Allen. Christina DiLisio, Lauren Shuffleton-Drago, Pardis Saffari **Utile:** Nupoor Monani **HR&A:** Shuprotim Bhaumik, Sara Brown **UMass Donahue Institute**: Branner Stewart

<u>Committee Members Absent</u> Dave Holtz, Daniel Lander, Mary Ting Hyatt, Ebi Poweigha, Ruth Ryals

Four members of the public present.

#### Meeting overview

Sara Brown led a facilitated discussion of revised goals, existing City policies, and new strategies and actions. The presentation is available <u>here</u>.

#### **Additional information**

For reference, please also see information about the City's recently completed <u>Retail Strategic Plan</u>. (Supporting material includes the <u>first presentation</u> and <u>second presentation</u> from consultant.)

### **Committee Discussion**

### **Goals discussion**

Goal A: Shared Community Prosperity

- Some members felt that the goal should clarify that it refers to jobs for Cambridge residents in Cambridge and the region.
- Members felt that the difference between goals A (Shared community prosperity) and C (Opportunity infrastructure) was unclear. They noted that while the heading varies, the content of the goal seems identical. The consultant team clarified that goal A was focused on jobs while while goal C also included supporting social services.
- One member noted that Cambridge has a strong and robust economy today but this has not always been the case. They would like to revise the goal to say "... share in the city's <u>current</u> economic prosperity."

### Goal B: Global Economic Center

- One member suggested adding the phrase "sustains the city's financial health." They emphasized that supporting a thriving business community which in turn supports the city's tax base was important to them as a resident of the city.
- Other potential revisions included:
  - o Adding "... through unparalleled connections between academia and industry."



- Emphasizing that Cambridge is key in "addressing global challenges"
- Making the goal more aspirational and rephrasing as ".. support Cambridge as <u>the</u> leading center of the global economy"

## Goal C: Opportunity Infrastructure

- One member brought up broadband internet as an important piece of infrastructure to support goal C, noting that lack of access constrains a person's ability to access economic opportunity.
  - City staff agreed that affordable access to broadband could be a way to achieve shared prosperity, though would not be a goal in itself.
- With respect to "families with education and access to training," City staff clarified that the City does not necessarily need to create new programs but can play a key role in providing access to programs and opportunities elsewhere.

### Goal D: Equity and Fairness

- One member suggested being aspirational and replacing "decrease" to "erase."
- Similarly, another member suggested to remove the phrase "support efforts" and make the goal more action-oriented.

### Goal F: Diverse Real Estate Options

 Members emphasized that the goal should not only be about providing diverse real estate options, but having the other necessary supporting infrastructure in place (transportation, bike & pedestrian infrastructure, streetscape, broadband, hotel and motel, community space) and coordinating investments. They made the point that supporting infrastructure is important since many workers are now housed in non-traditional offices and need an alternative means to access these basic services.

### Strategies and actions discussion

- Members asked the City staff to provide a short overview of the City's flagship programs. They
  wanted to know where the City is investing currently and what their largest efforts are.
  - City staff from the Economic Development Division mentioned the Biomedical Careers Training Program, Storefront Improvement Program, Small Business Enhancement Program, Small Business Challenge, Life Sciences Corridor Initiative, and recently completed Retail Strategy Plan as a few.
  - City staff from the Department of Human Services mentioned providing financial resources to non-profits, such as Just-A-Start for Youth Build. Among City-run programs, they identified the Cambridge Employment Program, Cambridge Works, and Mayor's Youth Summer Employment Program (MYSEP) as their top efforts. They also mentioned that the City is participating in other regional efforts that they are not directly funding.

Following this, the facilitator asked for the group to develop strategies and actions to support each individual goal.

### Goal A: Shared Community Prosperity

• One member suggested that the City could create a jobs bank that highlights businesses providing a living wage. Similarly, another member suggested that this be extended to highlight employers that provide equal pay too.



- City staff highlighted the Cambridge Employment Program whereby the City provides access to internships, by connecting potential workers with jobs in Cambridge. This also includes paid internships for adults in training that provide benefits such as flexible hours.
- The group responded that could be two approaches. supporting substantive career explorations by providing exposure and creating career pathways by building skills for Cambridge students, and providing "earn and learn" internship opportunities for adults that enable them to gain skills and experience, while still earning a living wage (to be done in close coordination with employers)

### Goal B: Global Economic Center

- There was a brief discussion about the role of culinary arts in Cambridge's economy. One member noted that Cambridge is a leader in the restaurant scene, but overall the committee disagreed with the culinary arts program being framed as a core sector workforce development program.
- They also noted the importance of recognizing the contributions of smaller businesses and freelance workers to the economy
- One member suggested that the City should proactively engage with companies about moving to Cambridge. They would like the City to engage more proactively about moving to Cambridge to retain Camrbidge's advantage in the global economy.
- Another member noted that the recently completed Retail Strategy study presents a different ratio of Cambridge workers to Cambridge residents.
- One member wondered why companies move to Cambridge and if there was any research benchmarking metrics like access to talent which give Cambridge a competitive advantage. They suggested that the City track on an ongoing basis the factors which bring companies to Cambridge and monitor Cambridge's ability to meet their needs
  - Another member pointed to a study being conducted at MIT which identified a few factors, being the intersection between academia and industry which is not replicated anywhere else in the world. Others were density, variety, proximity to non-university research institutions.
  - Members agreed, another noted that close geographic clustering has shown to be successful throughout the history of innovation.

### Goal C: Opportunity Infrastructure

- One group member suggested that the City's permitting and licensing platforms should be changed or improved. They recommended making "interface changes" noting that they have personally had difficulty obtaining the permits they needed for sidewalk obstruction (café seating) and found the City's platforms to be challenging for getting the task done.
- Another member noted that opportunity infrastructure should be broader than providing access to jobs. It should also include social services, for example advocating to universities and employers to provide community benefits such as making their day care publicly accessible, free library access; field trips for Cambridge students.
  - Another member noted that strategies should be developed not just for people in today's workforce but think ahead to ideas for opportunities for the next generation through early childhood education.

### Goal D: Equity and Fairness

• One member suggested that there be a living wage education campaign be modeled after the equal pay education campaign.



- referred to an equal pay law that was recently passed by the City and said that this should also be highlighted in a potential new jobs bank that the City might deploy. They suggested that this be hosted on the City website.
  - One member of the audience mentioned the STEAM initiative as a good model for consolidating programs and resources for students, workers in these disciplines. They would like to see an effective interface which connects the Cambridge community to resources at the universities.
  - City staff also mentioned that the STEAM program responds to the need for creating opportunity infrastructure to promote access and equity.
  - Members also discussed focusing on social equity as a force of economic competitiveness.

# Goal E: Economic Diversification

- One member noted that the key factors that affect a new or growing business in Cambridge are the cost of real estate, access to transportation, and neighborhood amenities, and wondered how zoning can play a role in creating incentives or barriers of this nature.
  - Another member responded that zoning could be used to build taller and effectively reduce the cost of commercial real estate.
  - One member cited the example of Brookline Street, and noted that it already has building stock at the right scale to locate light industrial businesses. However, it lacks infrastructure like transit access to support the growth of this sector. They asked that the City think of complementary place-based strategies across planning topics. Another member suggested starting a shuttle service from Harvard to Lechmere as a new initiative.
  - Members also discussed the need for affordable commercial space for small businesses / other entities that cannot afford to pay rents of Cambridge's core sectors
- Some members suggested that the City should monitor emerging sectors to better identify the needs for future commercial real estate.
- Noting that a growing number of people are working in non-traditional office spaces, one member mentioned that the creation of hotels and other meeting spaces would be critical to supporting a diversified economy.
  - Another member mentioned that there is a fair amount of commercial real estate lying vacant throughout the city. They asked what the City could do to encourage activity on those sites.
  - City staff noted that in many cases these are retail parcels which are large and therefore prominent. And even though they take up a large footprint, the overall vacancy rate is still low. (According to the Cambridge Commercial Real Estate Overview Sheet for Q1 2017, CoStar reports that the vacancy rate was 1.9%. That figure of 1.9% is lower than the vacancy rate for other commercial uses in that same quarter according to various reporting agencies, e.g. Office: 3.6%, 3.0%, 2.8%, 1.9%)
  - Further, City staff also mentioned the vacant properties ordinance proposed earlier this year.
- Another member pointed out that in some locations offices are starting to occupy ground floor shopfronts, posing an additional threat to retail businesses. They cited this as an issue with the city's zoning and use codes.

### Goal F: Thriving Commercial Districts



- The discussion around this goal led one member to comment that none of the strategies address preservation of Cambridge's historic buildings and neighborhoods. They cited Central Square as an example of a neighborhood with a rich architectural history that is coming under threat of new out-of-scale development. They proposed changing the language from "distinct identity" to "distinct character."
  - Another member noted that at one point in Cambridge's history, Central Square had no height limits and was permitted to be much taller. They questioned which period from Central Square's history should then be preserved?
- Other ideas from the group included:
  - Continuing to support thriving restaurant scene as point of competitive difference (important to attracting knowledge economy firms)
  - o Improving district marketing (through initiatives like restaurant walk)
- Some members felt that this goal was too vague and not clear in scope for the issue it is addressing.
  - City staff responded that it aims to maintain diversity of local businesses and maintain activity in the different businesses districts.
  - The consultant team agreed that this is an opportunity to develop place-based strategies to highlight the different retail clusters, squares, and corridors, and draw ideas from the recently completed retail strategy plan.