Envision Cambridge

Economic Development Working Group: Session 3
July 17, 2017
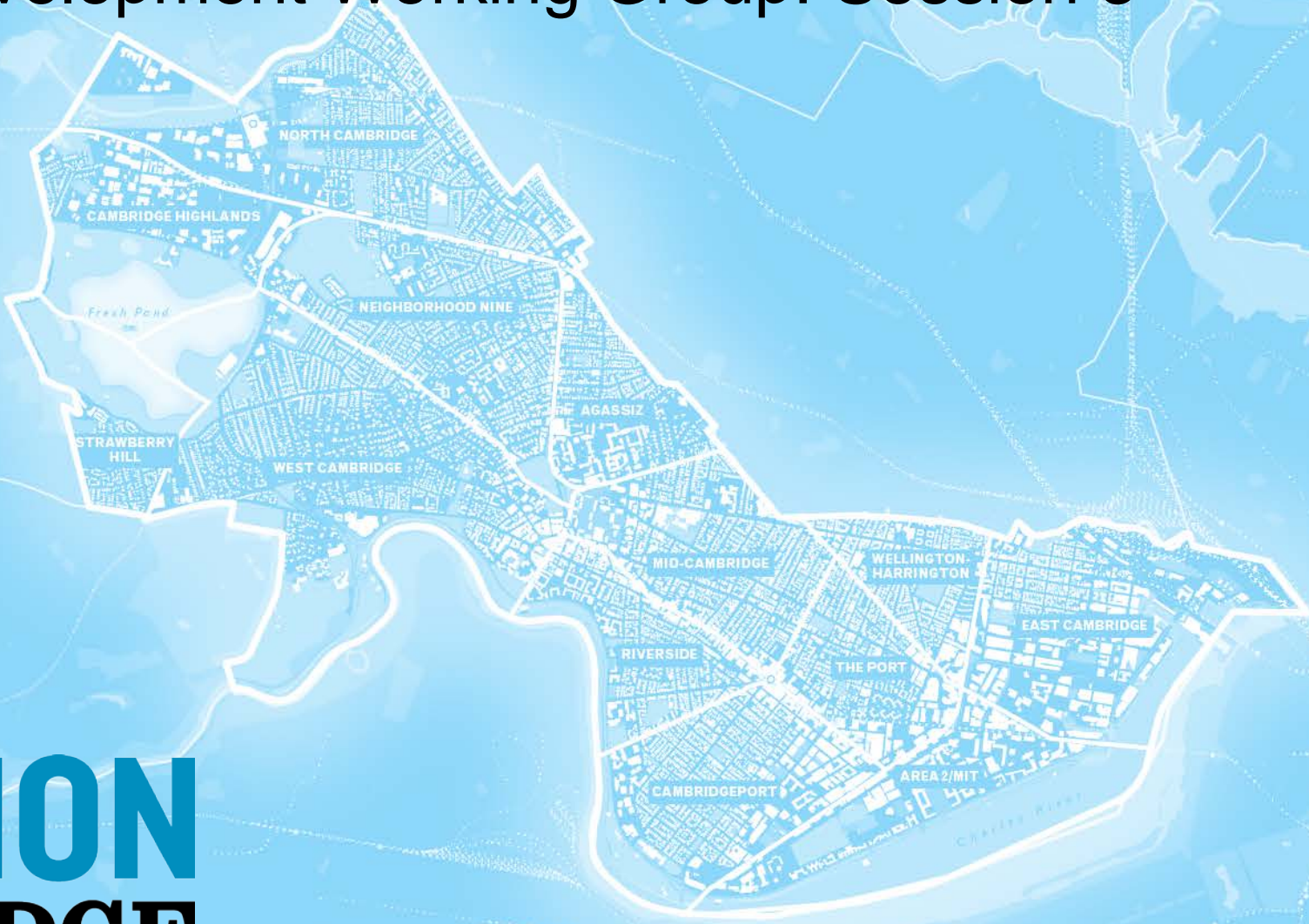
ENVISION CAMBRIDGE

Session Structure

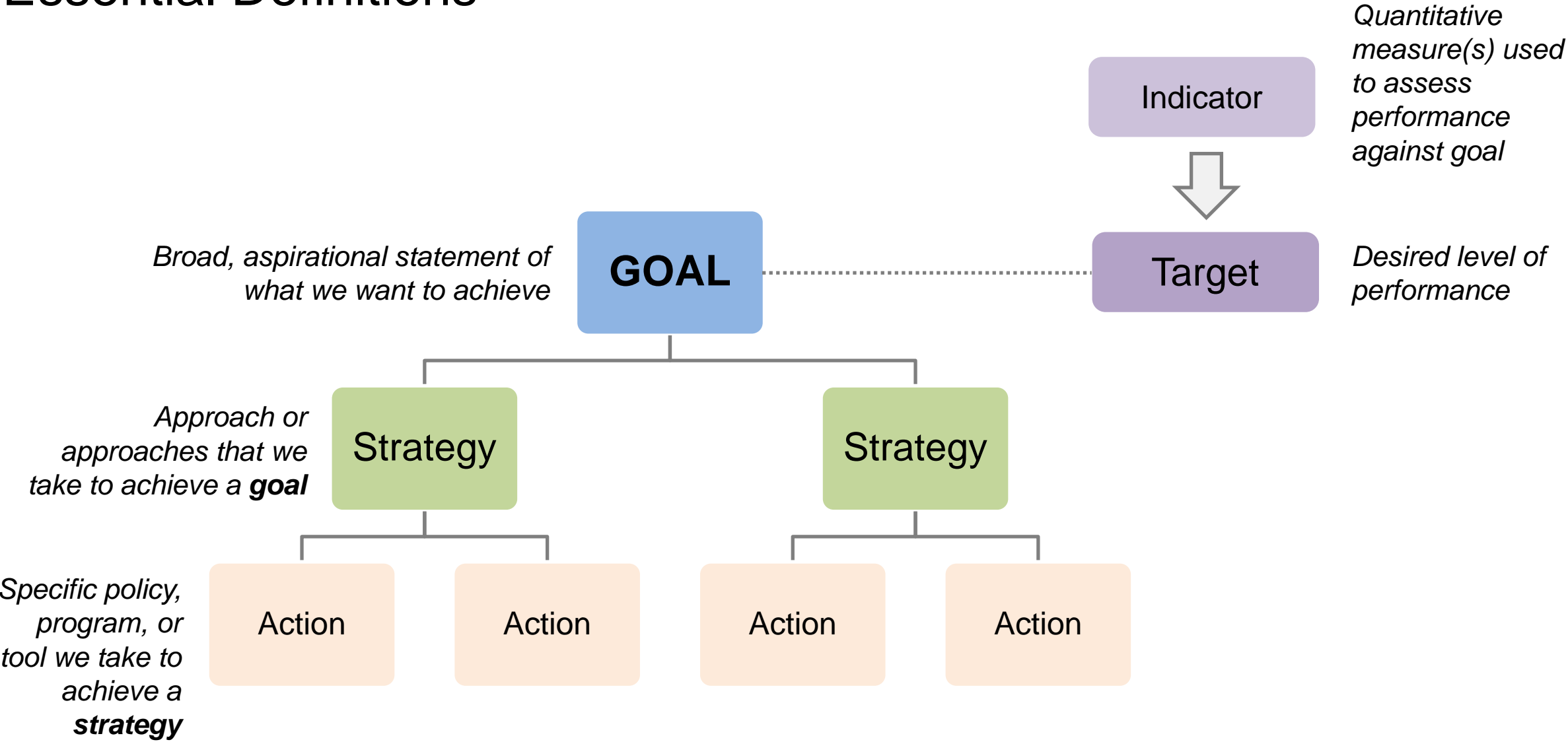|		
1. Workforce Best Practices	Review best practices for workforce development from across the United States to inform additional strategies for Cambridge.	*20 minutes*
2. Strategies & Actions	Confirm list strategies and actions generated during Working Group #2, and identify and fill any gaps.	*70 minutes*
3. Indicators & Targets	Discuss proposed indicators and targets for the City's Economy goals.	*45 minutes*
3. Next Steps	Discuss process for evolving strategies, actions, indicators, and targets before fall Working Group meetings.	*10 minutes*

Essential Definitions

Quantitative measure(s) used to assess performance against goal

Indicator

Target

Desired level of performance

Broad, aspirational statement of what we want to achieve

GOAL

Approach or approaches that we take to achieve a *goal*

Strategy

Strategy

Specific policy, program, or tool we take to achieve a *strategy*

Action

Action

Action

Action

Economy-Specific Example

GOAL

Provide opportunities for Cambridge residents of all educational backgrounds and skill levels to access jobs that pay a living wage so that they can share in the City's prosperity.

Strategy

Build robust entry-level pathways to jobs in Cambridge's core sectors.

Action

Expand the Biomedical Careers Training Program.
Strengthen Career and Technical Education pathways for students in Cambridge that offer apprenticeships with major employers.

Indicator

Increase the number of Cambridge workers that have less than a bachelor's degree and undergo training through City-sponsored programs who are being placed in jobs that make at least $15 per hour.

Target

100% of Cambridge workers who have less than a bachelor's degree and undergo training through City-sponsored programs are being placed in jobs that make at least $15 per hour.

Strategies & Actions

Translating Proposed Strategies & Actions Into Matrix

During Meeting #2 (June)

Develop proposed new strategies and actions to help the City and its partners achieve goals.

WG Members

Between Meeting #2 and #3

Conduct preliminary prioritization of strategies and actions, identify potential new strategies and actions, and consider timeframe for implementation.

Consulting Team & City Staff

During Meeting #3 (July)

Refine proposed strategies and actions and determine next steps.

WG Members, Consulting Team, & City Staff

Review Criteria

The strategies and actions proposed during Working Group #2 were advanced into the next round of discussion based on the following factors:

IMPACT

Their ability to have a major impact on the City's capacity to meet the goals set out by Envision Cambridge.

FEASIBILITY

Their feasibility, in terms of Cambridge's ability to successfully implement them, either independently or in partnership with other entities. Feasibility is impacted by implementation costs and the capacity to engage other partners among other factors.

NEED

Their ability to serve the populations in Cambridge in greatest need of economic development assistance.

Strategy 1 & Supporting Actions

STRATEGY **Support the growth of core sectors that drive Cambridge's and the region's prosperity.**

ACTIONS

A. <u>Collaborate regionally to invest in essential infrastructure</u> that will bring businesses and residents to the region.

B. <u>Collaborate regionally to create a comprehensive, integrated workforce development system</u> that will educate and train a qualified labor force for core sectors.

Strategy 2 & Supporting Actions

STRATEGY   **Expand hiring of Cambridge residents by Cambridge businesses, with a focus on opening up new pathways of opportunity for underserved residents.**

ACTIONS

C.   Expand employer partnerships to offer more "learn and earn" opportunities to Cambridge residents, so they can gain experience and learn new skills while earning a living wage.

D.   Publicly recognize Cambridge employers that provide living wages or equal pay.

Strategy 3 & Supporting Actions

STRATEGY

Build a comprehensive, integrated workforce development approach that targets specific key sectors and intentionally creates career pathways for Cambridge residents.

ACTIONS

E.   Develop closer collaborations with major employers to <u>gather ongoing feedback on their workforce needs</u>, including education and skill requirements.

F.   Encourage major employers to <u>commit to hiring graduates of City-supported workforce development programs</u>.

G.   Enhance <u>coordination between City economic development and workforce development efforts</u> to identify and pursue opportunities for collaboration with employers and academic institutions.

H.   Expand <u>employer and academic institution partnerships to offer Cambridge students internship opportunities</u> that provide career exposure and skill-building.

I.   Expand the number of <u>employers working with the City's adult education provider to offer workplace education to their current employees</u>, thereby increasing employees' ability to move onto the next level of employment.

J.   Provide a forum for <u>academic institutions to share best practices in workforce development</u>, both from research and their own experience in the Cambridge community.

Strategy 4 & Supporting Actions

STRATEGY   **Establish the City as a leader in attracting and retaining firms, including those in emerging industry clusters.**

ACTIONS

K.   Streamline City-business coordination, especially during the recruitment process.

L.   Conduct ongoing tracking (i.e., regular surveys) of the factors that are bringing firms to Cambridge and monitor the city's ability to meet their needs.

M.   Streamline permitting and licensing requirements, especially for small businesses.

N.   Conduct public education about the economic and social benefits of preserving light industrial land uses.

O.   Consider using land trusts, investment loans and funds, and business incubators to preserve land and buildings for light industrial uses.

P.   Conduct public education about Cambridge's capacity to accommodate home-based businesses.

Strategy 5 & Supporting Actions

STRATEGY   **Make investments in social and economic inclusion that support Cambridge's desirability as a place to live and work and its long-term economic competitiveness.**

ACTIONS

Q.   Provide <u>universal affordable early childhood education</u> (e.g., expand pre-K to all 3 year olds).

R.   Share <u>best practices from the City's efforts</u> to establish paid paternity leave, equal pay, and living wages for employees with private employers.

S.   <u>Reduce "digital divide"</u> by supporting affordable broadband access in the City.

Strategy 6 & Supporting Actions

STRATEGY   **Provide necessary multi-modal transportation, public infrastructure, and built environment improvements where job density and growth is desired.**

ACTIONS

T.   Explore new partnerships with the MBTA, employers, and academic institutions to <u>expand bus and shuttle service to fill gaps</u>.

U.   Develop a <u>coordinated capital improvement plan</u>, including transit, bike & pedestrian infrastructure, streetscape, broadband, community space, in <u>designated growth areas</u>.

Strategy 7 & Supporting Actions

STRATEGY

Maximize effective use of public and private real estate to mitigate real estate pressures and support small business growth and community purposes.

ACTIONS

V. <u>Selectively add density</u> along major corridors to increase available commercial space.

W. For large commercial development projects, <u>establish community benefits agreements that focus on inclusive growth</u> through potential job training, local business support, infrastructure, and affordable housing commitments.

X. Expand use of <u>creative financing mechanisms</u>, including tax increment financing and business improvement districts, to facilitate transformative development.

Y. Perform <u>City-led site assemblage</u> as necessary to facilitate transformative development.

Z. Encourage <u>rapid reuse of empty storefronts</u> with the <u>proposed City vacant and abandoned property ordinance</u>.

AA. Research new uses for underutilized private spaces so they can be opened up to various entrepreneurs and startups as available.

Strategy 8 & Supporting Actions

STRATEGY   ***Encourage the provision of affordable commercial space.**

ACTIONS

AB.   ***Provide tax exemptions to property owners that offer affordable commercial space and offer fee waivers for new small and local businesses.

AC.   ***Adapt the proposed commercial land use classification to allow for flexible retail formats, including revising the fast food order definition and classification for small-batch manufacturing.

Strategy 9 & Supporting Actions

STRATEGY

***Enhance the experience within Cambridge's diverse commercial districts through necessary public realm improvements and the promotion of local events and activities.

ACTIONS

AD. ***Assess physical conditions in Cambridge's commercial districts and support necessary public realm improvements.

AE. ***Consider providing competitive funding for events and programming held by local business organizations.

Strategy 10 & Supporting Actions

STRATEGY   **Help small business owners prepare for a changing competitive environment.**

ACTIONS   AF.   ***Provide small business owners with online marketing, sales, and legal support technical assistance.

Full Set of Strategies

1. Support the growth of core sectors that drive Cambridge's and the region's prosperity.

2. Expand hiring of Cambridge residents by Cambridge businesses, with a focus on opening up new pathways of opportunity for underserved residents.

3. Build a comprehensive, integrated workforce development approach that targets specific key sectors and intentionally creates career pathways for Cambridge residents.

4. Establish the City as a leader in attracting and retaining firms, including those in emerging industry clusters.

5. Make investments in social and economic inclusion that support Cambridge's desirability as a place to live and work and its long-term economic competitiveness.

6. Provide necessary multi-modal transportation, public infrastructure, and built environment improvements where job density and growth is desired.

7. Maximize effective use of public and private real estate to mitigate real estate pressures and support small business growth and community purposes.

8. ***Encourage the provision of affordable commercial space.

9. ***Enhance the experience within Cambridge's diverse commercial districts through necessary public realm improvements and the promotion of local events and activities.

10. ***Help small business owners prepare for a changing competitive environment.

Indicators & Targets

Characteristics of a Good Indicator

An indicator is a quantitative measure used to assess performance against a goal. To guide the Working Group's development of indicators, the following <u>general</u> characteristics of good indicators have been identified.

Indicators That Do Not Meet These Criteria

Simple to understand and communicate

Gini coefficient

Historic data is available and readily accessible

Data about income growth experienced by long-time Cambridge residents without a college degree

Indicator is a true reflection of performance

Median household income

A. Job growth rate

What   Describes the total number of jobs added in Cambridge over a specific period of time.

Why   Indicates Cambridge's attractiveness to new businesses, its capacity to support the growth of existing businesses, and economic opportunities available to Cambridge residents.

Potential Targets   Total number of jobs to be added by XX date.
                            Job growth rate that exceeds that of peer communities.

Data Source   Massachusetts Executive Office of Labor and Workforce Development

Advantages	Disadvantages
✓ Readily accessible data. ✓ Enables comparison to peers.	✓ Does not consider job quality (wage and benefits) or recipients. ✓ Dependent on macroeconomic conditions that are not fully in Cambridge's control, creating need to benchmark against other places.

Precedents

Plan	Target
Imagine Boston	Maintain job growth rate that outpaces national average and peer cities.
Somervision	Create 30,000 new jobs by 2030.
Portland Strategic Plan	By 2020, add 28,000 quality jobs, including 13,000 middle-wage jobs.

B. Disparities in unemployment rate by race and ethnicity

What Measures differences in the unemployment rate of different racial and ethnic groups.

Why Indicates how economic opportunity is being experienced by a diverse cross-section of Cambridge residents.

Potential Targets Reduction in disparities, such that unemployment rates for all groups are brought below a threshold level.

Data Source U.S. Census Bureau

Advantages	Disadvantages
✓ Tracks access to economic opportunity at a finer grain than other indicators. ✓ Measures progress against persistent social inequities.	✓ Considers jobs access in binary terms (unemployed vs. employed), and not job quality. ✓ Dependent on macroeconomic conditions that are not fully in Cambridge's control.

Precedents

Plan	Target
DC Economic Strategy	Reduce unemployment levels of African-American residents from 13.5% to below 10%.
Portland Strategic Plan	Close the unemployment rate gap between white workers and workers of color by 2020.

C. Wage growth among low wage-earners

What   Describes annual changes in wages among the lowest 20-25% of wage-earners.

Why   Indicates progress towards low-wage workers achieving a living wage.

Potential Targets   Steady annual wage increases above inflation rate.

Data Source   Massachusetts Executive Office of Labor and Workforce Development

Advantages	Disadvantages
✓ Measures economic resources available to low-wage earners.	✓ Does not directly measure benefits to residents of Cambridge, as this metric is for Cambridge workers.

Precedents	
Plan	*Target*
Imagine Boston	Increase median wages in low-wage occupations.
MAPC Regional Economic Strategy	Reduce income disparities between the top and bottom quintile of the population across the region.

D. Disparities in median or per capita income by race and ethnicity

What   Describes differences between incomes between races and ethnic groups.

Why   Indicates progress towards erasing economic inequities between different groups of Cambridge residents.

Potential Targets Steady reduction in disparities in household median income by race.

Data Source   U.S. Census Bureau

Advantages	Disadvantages
✓ Tracks access to economic opportunity at a finer grain than other indicators. ✓ Measures progress against persistent social inequities	✓ Disparities reflect larger social inequities that are perpetuated over time, potentially including the period before the resident moved to Cambridge.

Precedents	
Plan	*Target*
Imagine Boston	Reduce disparities in household median income by race.

E. Share of minority- and women-owned businesses

What   Describes the percentage of Cambridge's businesses owned by minorities or women.

Why   Indicates Cambridge's capacity to support attract and retain diverse business owners and support equal access to opportunity.

Potential Targets   Share of women- and minority-owned businesses that is proportional to their overall representation within the City.

Data Source   Cambridge Community Development Department

Advantages	Disadvantages
✓ Helps measure equal access to opportunity among entrepreneurs.	✓ Disparities in business ownership reflect larger social inequities that are perpetuated over time, potentially including the period before the business-owner entered to Cambridge.

Precedents	
Plan	*Target*
MAPC Regional Economic Strategy	Grow the number of businesses operated by Immigrant and Black/Latino entrepreneurs throughout the region.
Portland Strategic Plan	Increase percentage of small businesses registered in Multnomah County founded or owned by women or people of color by 2020.

F. Post-secondary educational attainment by race and ethnicity.

What — Describes the portion of Cambridge residents who have obtained at least a Bachelor's degree by different races and ethnic groups.

Why — Indicates progress by Cambridge residents in obtaining educational credentials to access quality job opportunities.

Potential Targets — Increase Bachelor's Degree completion rate for Black and Hispanic residents by X rate annually.

Data Source — U.S. Census Bureau

Advantages	Disadvantages
✓ Provides a strong proxy for measuring future economic opportunity.	✓ Trends may be due to in-migration and displacement rather than improved outcomes for existing Cambridge residents. ✓ Progress is likely to be incremental when measured at a citywide level.

Precedents

Plan	Target
MAPC Regional Economic Strategy	Increase the proportion of working-age Blacks and Hispanics with a 2 or 4-year college degree.

Workforce Development Best Practices Analysis

July 17, 2017

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UMASS DONAHUE INSTITUTE
ECONOMIC & PUBLIC POLICY RESEARCH

Overview

1. Where Do Cambridge Workers Live, Where Do Cambridge Residents Work, and What Does Each Group Do?

2. What Will Be the Outcome of the Final Occupational Analysis?

3. What Are the Preliminary Findings from the Occupational Analysis?

4. What Workforce Development Best Practices from Across the U.S. May Be Relevant to Cambridge?
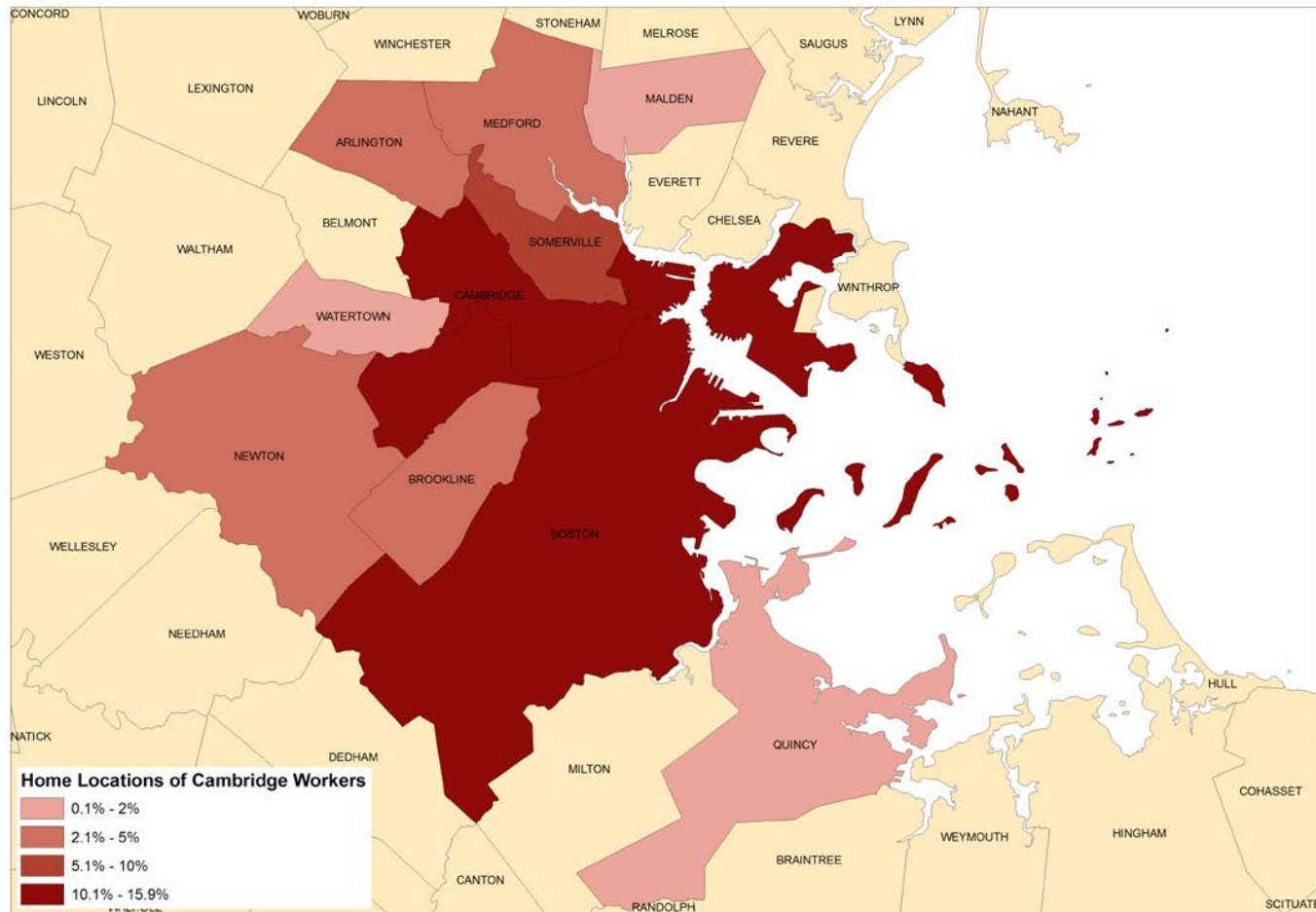
5. Next Steps

Where Do Cambridge Workers Live, Where Do Cambridge Residents Work, and What Does Each Group Do?
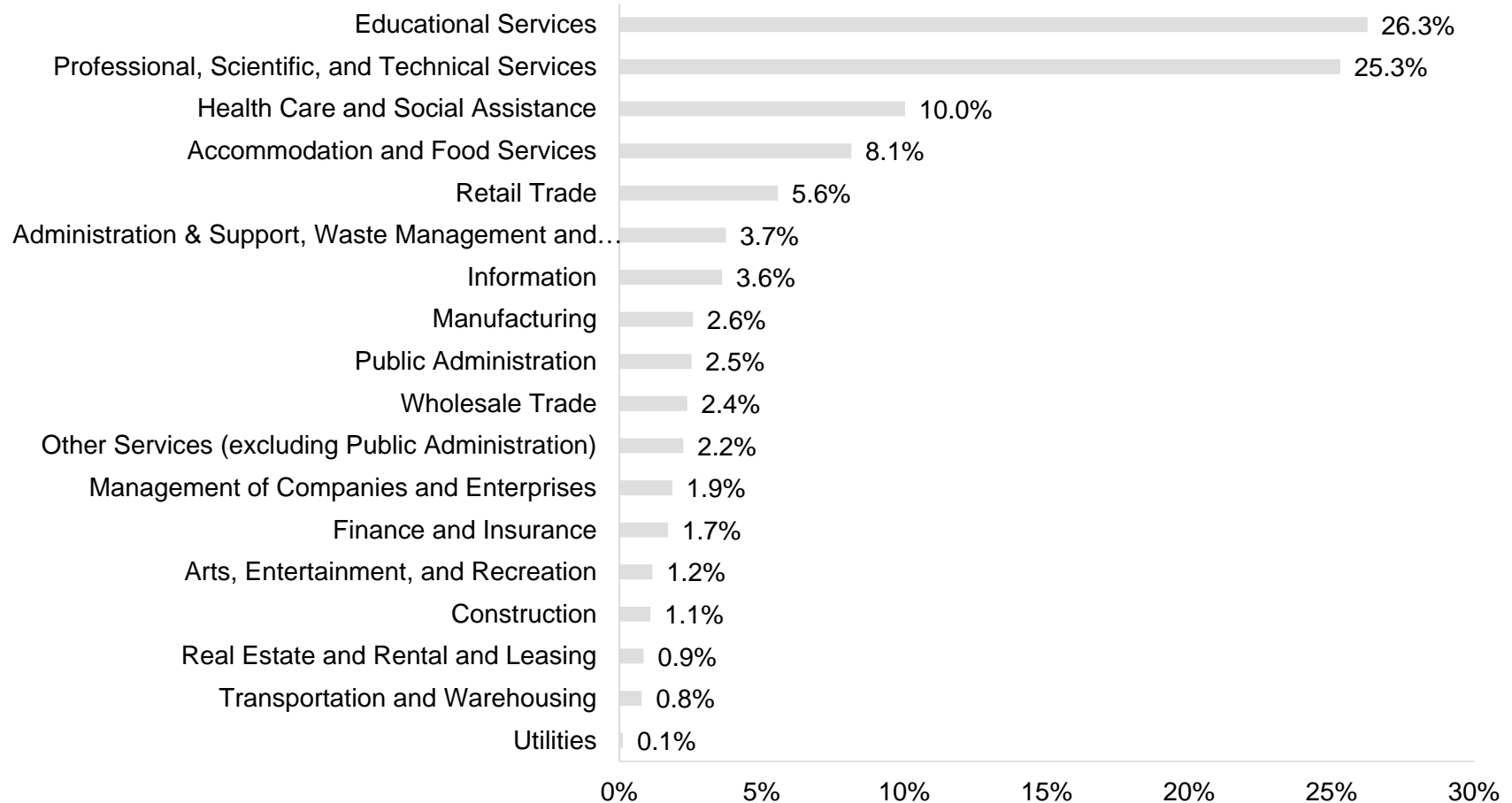
LEHD Analysis: Cambridge Inflow/Outflow
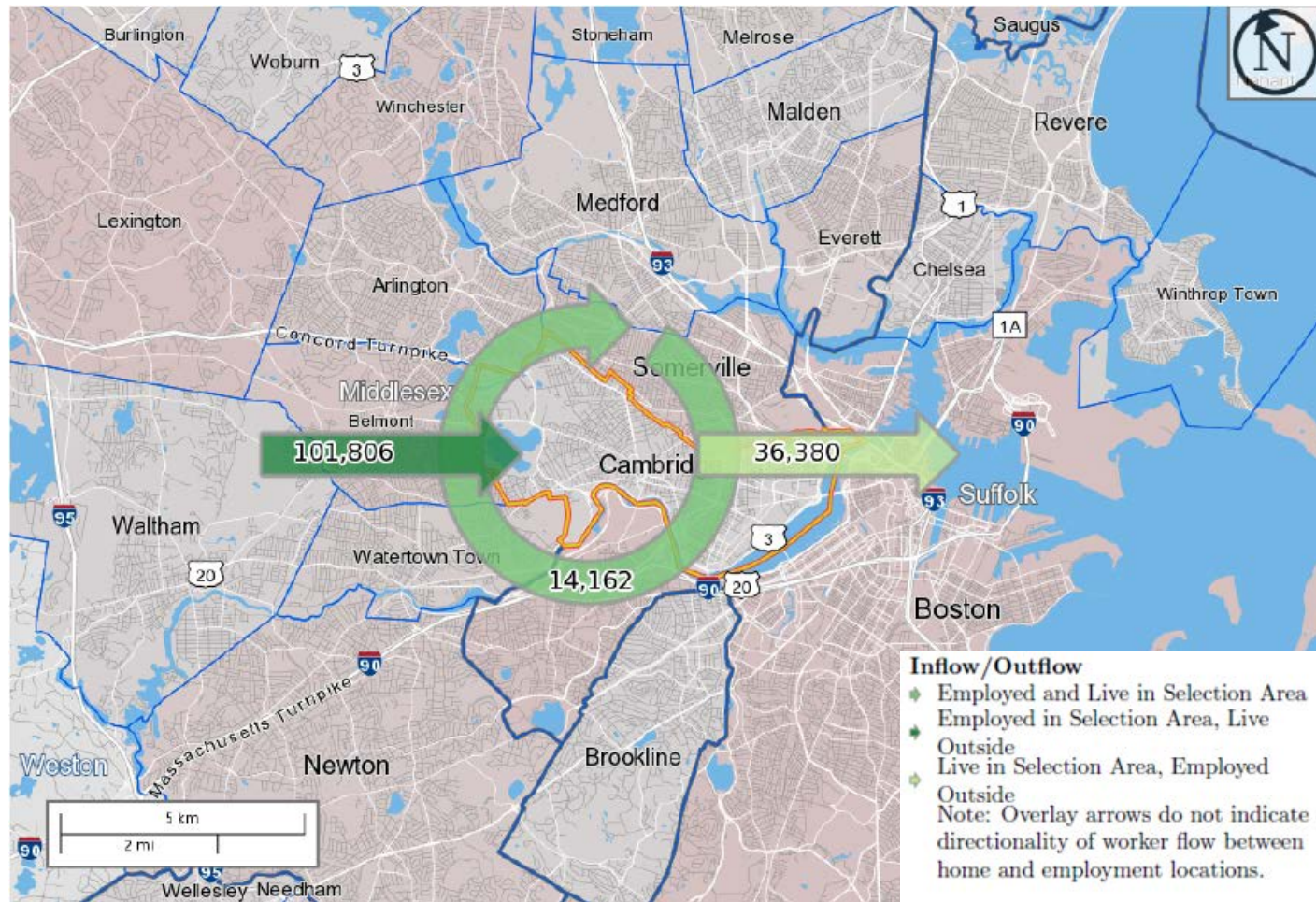
LEHD = Longitudinal Employer-Household Dynamics, a program of the U.S. Census Bureau
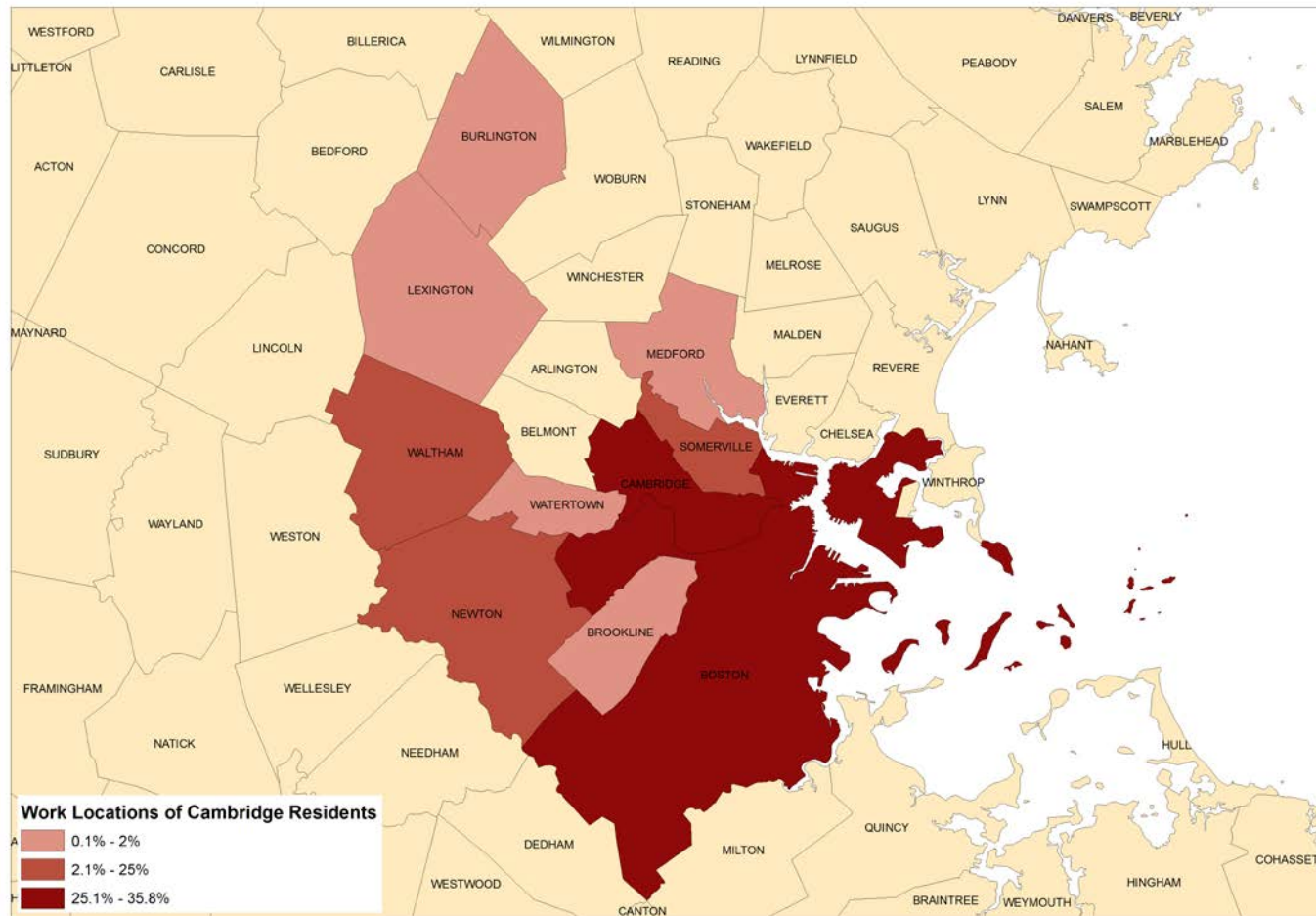
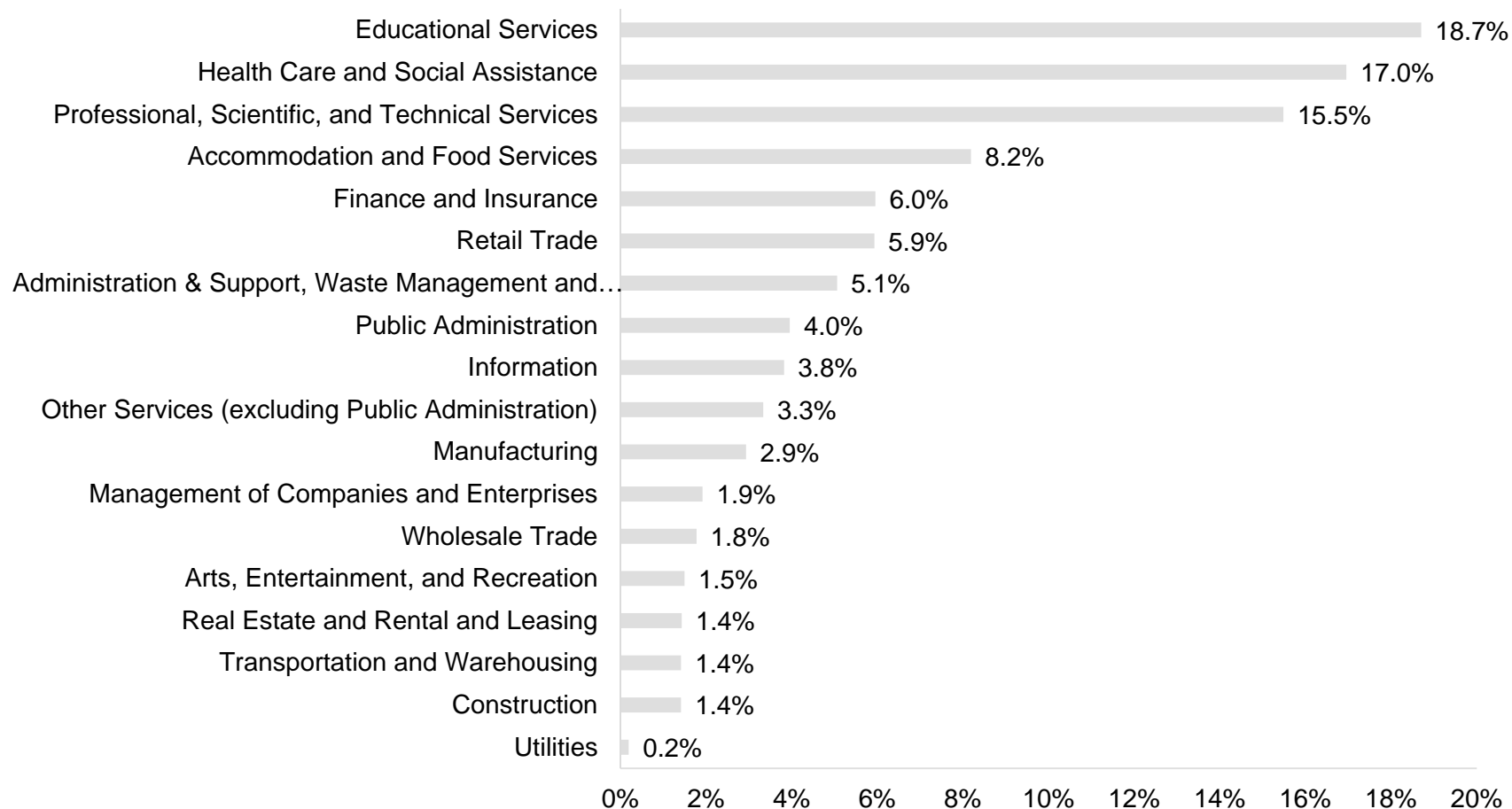# LEHD Analysis: Where Do People Working in Cambridge Live?

LEHD Analysis: Leading Industries for People Working in Cambridge

Industry	Percentage
Educational Services	26.3%
Professional, Scientific, and Technical Services	25.3%
Health Care and Social Assistance	10.0%
Accommodation and Food Services	8.1%
Retail Trade	5.6%
Administration & Support, Waste Management and…	3.7%
Information	3.6%
Manufacturing	2.6%
Public Administration	2.5%
Wholesale Trade	2.4%
Other Services (excluding Public Administration)	2.2%
Management of Companies and Enterprises	1.9%
Finance and Insurance	1.7%
Arts, Entertainment, and Recreation	1.2%
Construction	1.1%
Real Estate and Rental and Leasing	0.9%
Transportation and Warehousing	0.8%
Utilities	0.1%

LEHD Analysis: Where Do People Living in Cambridge Work?

LEHD Analysis: Leading Industries for Employed Cambridge Residents

Industry	Percentage
Educational Services	18.7%
Health Care and Social Assistance	17.0%
Professional, Scientific, and Technical Services	15.5%
Accommodation and Food Services	8.2%
Finance and Insurance	6.0%
Retail Trade	5.9%
Administration & Support, Waste Management and…	5.1%
Public Administration	4.0%
Information	3.8%
Other Services (excluding Public Administration)	3.3%
Manufacturing	2.9%
Management of Companies and Enterprises	1.9%
Wholesale Trade	1.8%
Arts, Entertainment, and Recreation	1.5%
Real Estate and Rental and Leasing	1.4%
Transportation and Warehousing	1.4%
Construction	1.4%
Utilities	0.2%

What Will Be the Outcome of the Final Occupational Analysis?

Occupational Analysis

Final regional occupational analysis will:

- Identify jobs that are in demand

- Project future occupational openings

  - Due to growth

  - Due to replacement

- Segment low and middle-skill job opportunities

What Are the Preliminary Findings from the Occupational Analysis?

Preliminary Occupational Analysis

- **Three quarters of future job openings in Greater Boston will be due to replacements**

Percentage of Average Annual Openings by Type
Greater Boston Area, 2014-2024

Growth, 25%

Replacements, 75%
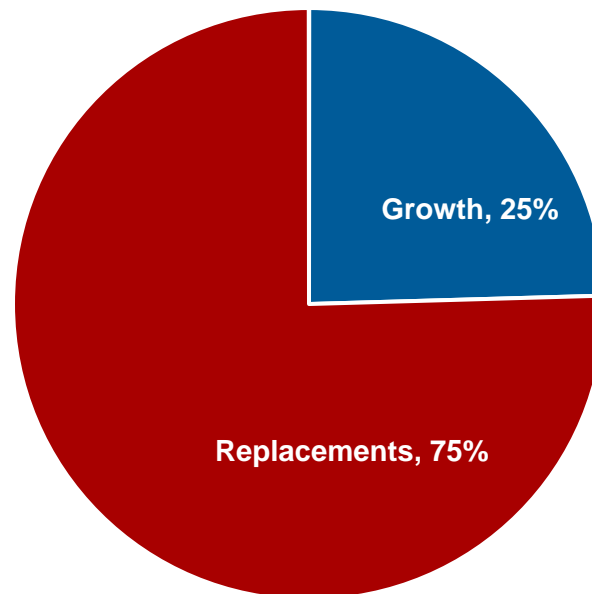
Source: Massachusetts EOLWD, Labor Market Information, 2014

Preliminary Occupational Analysis

- **39 percent of Greater Boston job openings are expected to require a Bachelor's degree or higher.**

Share of Job Openings by Typical Educational Attainment Required
Greater Boston Area, 2014-2024

High School or Less, 48%

Bachelor Degree or Higher, 39%

Some College or Associate Degree, 13%

Preliminary Occupational Analysis

- **Skill levels are high for current Greater Boston workers, indicating that people have greater job skills than the typical occupational requirements**

Average Educational Attainment for Workers 25+ in All Occupations
Greater Boston Area, 2014
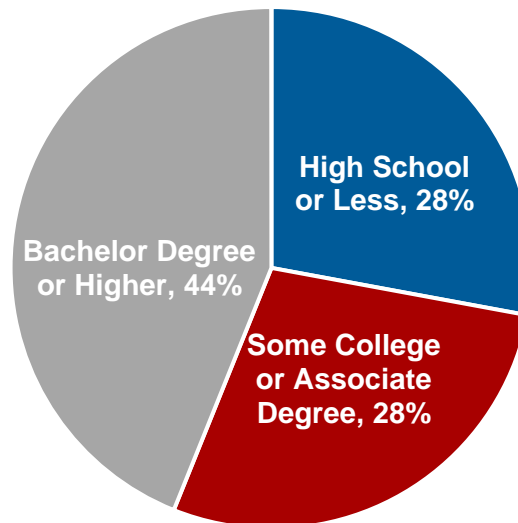
Source: ACS PUMS 2011-2015

What Workforce Development Best Practices from Across the U.S. May Be Relevant to Cambridge?

Workforce Development Program Best Practices

Best Practice Categories:

- Connections to community colleges
- Partnerships with industry
- Partnerships with institutions
- Paid work training
- Opportunities for young adults with criminal records

Best Practices – Connections to Community Colleges

Broadening Advanced Technological Education Connections ("BATEC", UMass Boston)

- Category: Connections to Community Colleges, Pathways

- Career-focused pathways in computer science, information technology, computer networking, and data analysis

- Bridge to Community College program functions as a technology education ladder for non-traditional students

- Early College STEM High Schools (Chicago Public Schools)

- ICT Pathways is a collaborative model aimed at creating and improving coherent and effective education and career pathways in information and communication technologies (ICT) related fields

Best Practices – Partnerships with Industry

Baltimore Alliance for Careers in Healthcare

- Category: Partnerships with Industry, Pathways

- Career pathways in healthcare

- Allied health career coaching at six hospitals and two long-term care facilities

- Web-based toolkit for employers to use in employee training and support

- Career maps for administrative, long-term and patient care, and technician positions

Best Practices – Partnerships with Industry

BostonPIC Summer Internship/Apprenticeship

- Category: Partnerships with Industry

- Mayor's Summer Jobs Program: partnership with the City and Boston Public Schools where 3,000+ BPS high school students are hired to work in employer-paid jobs/internships at more than 200 private sector companies

- Tech Apprentice: six-week, paid summer internship program for tech-savvy Boston public high school students who want to work at local companies

- Re-Engagement Center: partnership with Boston Public Schools to provide outreach to high school dropouts to help them re-engage with school or other alternatives (GED, alternative program, etc.)

Best Practices – Partnerships with Industry

District 1199C Training and Upgrading Fund (Philadelphia area)

- Category: Partnerships with Industry, Pathways

- Career pathways for job seekers and incumbent workers in nursing, allied health, behavioral health, health information, and childcare

- Programs and classes are stackable credentials towards college level certificates and degrees

- Programs are open to union members, as well as low-income residents or those with obstacles to careers

- Coordinate the Greater Philadelphia Healthcare Partnership that offers subsidized on-the-job training, clinical programs, and skill building workshops

Best Practices – Partnerships with Institutions

Yale's New Haven Community Hiring Initiative (New Haven)

- Category: Partnerships with Institutions

- A bridge between qualified, pre-screened New Haven Works participants (the City's workforce development organization) and open positions at the University

- Works directly with Human Resources and hiring managers to assess candidates

- Program also provides training and skill enhancement opportunities for New Haven Works participants and local youth

Best Practices – Partnerships with Institutions

Drexel University's Customized Job Training (Philadelphia)

- Category: Partnerships with Institutions

- Emphasizes employment for local residents in positions on-campus and with vendors and partners organizations

- Participants in adult education and workforce development programs are referred directly to these opportunities and are given strong consideration for employment

- Program currently focuses on positions for medical assistants in Drexel Medicine practices, food service positions with SodexoMagic, a food service vendor, and a construction trades pre-apprenticeship program

Best Practice – Paid Work Experience

Digital Service Fellows (Urban Technology Project, Philadelphia)

- Category: Paid Work Experience

- Digital Service Fellows (DSF) is an AmeriCorps program for recent Philadelphia high school graduates in information technology.

- DSFs work in the School District for a full year under the direct mentoring of I.T. professionals

- Provides on-the-job training, computer courses at the Community College of Philadelphia, and work towards industry certifications

- Outstanding DSFs can apply for the Computer Support Specialist (CSS) Program at UTP, a PADOL registered I.T. Apprenticeship program

Best Practices – Opportunities for Young Adults with Criminal Records

Jane Addams Resource Corporation (Baltimore)

- Category: Opportunities for Young Adults with Criminal Records

- JARC's Careers in Manufacturing Programs are free job training courses that can help you gain employment in the manufacturing or construction sectors — with skills in Computer Numerical Control (CNC), welding, and more.

- Free training for unemployed and low-income adult job seekers

- The majority of CNC and welding trainees have criminal backgrounds

Best Practices – Opportunities for Young Adults with Criminal Records

Next Course (St. Vincent de Paul, Baltimore)

- Category: Opportunities for Young Adults with Criminal Records

- Next Course is a 16 week, intensive competency-based food service training program that integrates classroom instruction with hands-on experience in the KidzTable production kitchen.

- The integrated curriculum immerses students fully in the production of 9,000 meals each school day and 6,000 meals each summer day for children in the Baltimore area.

- The Next Course is targeted at students who have barriers to employment and is predominately comprised of single, African-American adults who live at or below the poverty line. More than half of Next Course students are 30 years old or younger.

Next Steps

- **Connect results of final occupational analysis and best practices research**

- **Incorporate input from this working group session to identify focus areas for recommendations**