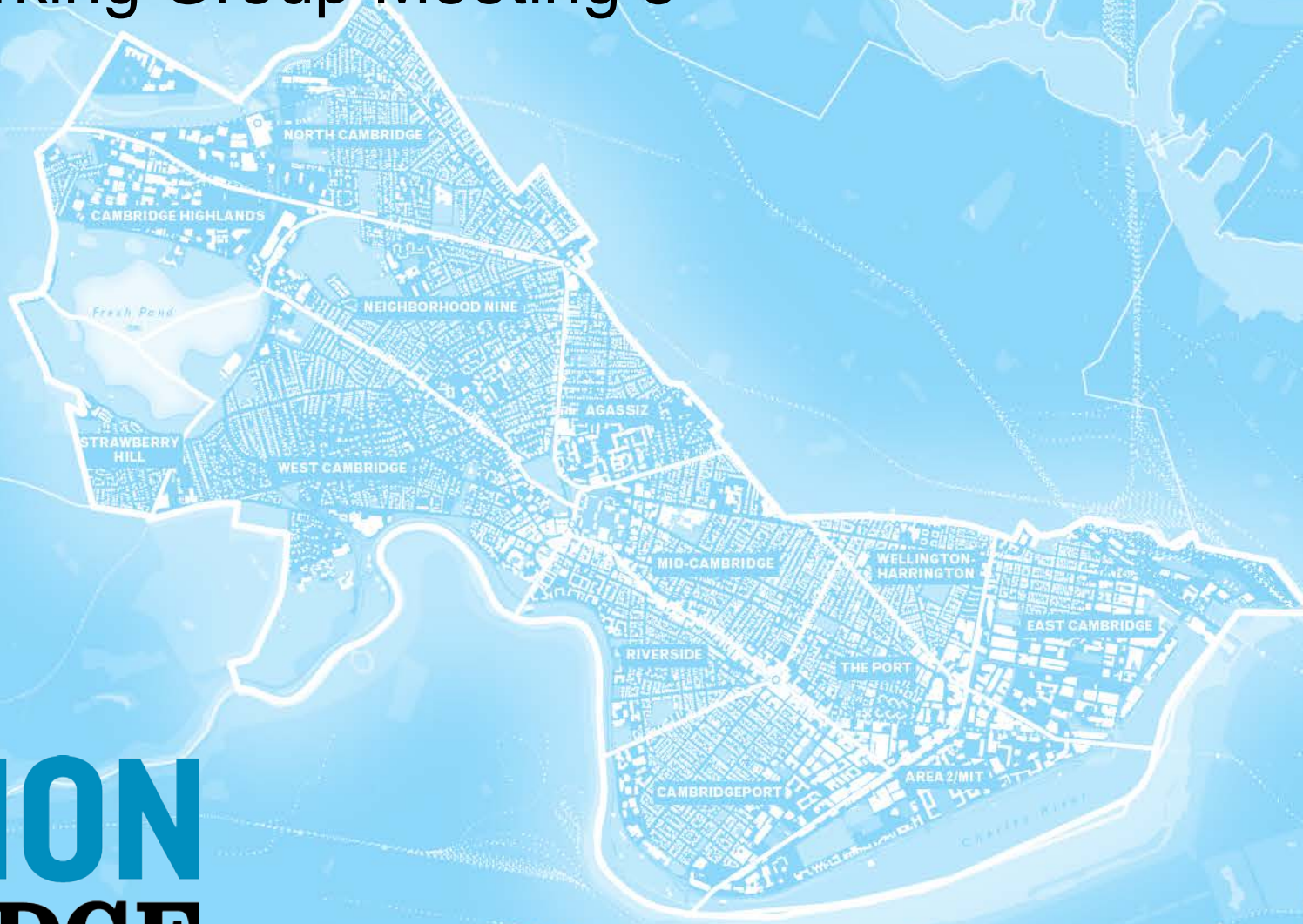


Economy Working Group Meeting 5

May 1, 2018



ENVISION CAMBRIDGE

Today's agenda

Meeting objective: Discuss draft indicators and targets, select up to 5 indicators that the City will measure on an ongoing basis

- **Introduction and Agenda** **15 mins**
- **Joint Working Group Meeting recap** **10 mins**
- **Draft economy implementation plan** **35 mins**
- **Indicators and Targets discussion** **80 mins**
- **Next steps** **10 mins**

What we heard at the Joint Working Group meeting



Top voted actions across focus areas

CLIMATE	Develop disaster preparedness plans at the neighborhood level...
	Develop a Green Infrastructure Action Plan
ECONOMY	Undertake targeted business recruitment efforts to attract firms that offer low barrier-to-entry jobs...
	Change zoning to increase density and achieve a mix of uses in targeted areas...
	Increase existing City funds dedicated to affordable housing...
HOUSING	Establish new City funding sources...to support affordable housing at the project or district scale.
	Establish or expand the use of taxes that provide dedicated revenue for affordable housing...
	Change zoning to enable more housing, including affordable housing, to be built along major corridors and in other transforming areas that have the capacity to accommodate growth...
MOBILITY	Develop an implementation plan and increase funding to complete gaps in the Bicycle Network Plan...
	Prepare transportation infrastructure to be more resilient to periodic flooding...
	Change zoning to allow low maximum parking requirements near transit nodes...
URBAN FORM	Build the connections to integrate “Alewife Square” into the fabric of the City...



Other high priority economy actions

- **Allocate resources to assess the training and education needs of low/moderate income residents** to determine readiness to access existing industry-focused training programs and to inform the design of new programs.
- **Pursue a standard list of desired economic development community benefits**, including jobs and training opportunities for Cambridge residents to be pursued **through development review**.
- **Expand scholarships and number of slots in quality early education programs** with a particular focus on low income families...
- **Undertake alternative financing mechanisms**, such as increment financing, to **fund infrastructure or land assembly** in support of targeted commercial development
- **Support the industrial economy** by providing low-cost capital to firms providing light industrial jobs, encouraging the development of a manufacturing incubator space, and studying the creation of a light industrial land trust and implementing study recommendations.
- **Expand capacity and funding to provide additional “earn and learn” opportunities** with local employers for Cambridge residents...
- **Expand existing industry-focused training programs** to incorporate pre-vocational education that addresses barriers preventing residents from accessing training or “earn and learn” opportunities.

Development Requirements and Incentives

- Support to incentivize affordable housing beyond 20% inclusionary requirement and incorporate family-sized units with density bonuses
- Support to incentivize public gathering spaces (community rooms, childcare facilities, library)
- Support to incentive net zero construction ahead of required schedule
- District energy to be incentivized as part of large-scale developments (as part of PUDs).
- Increased trees and additional open space should be required rather than incentivized.



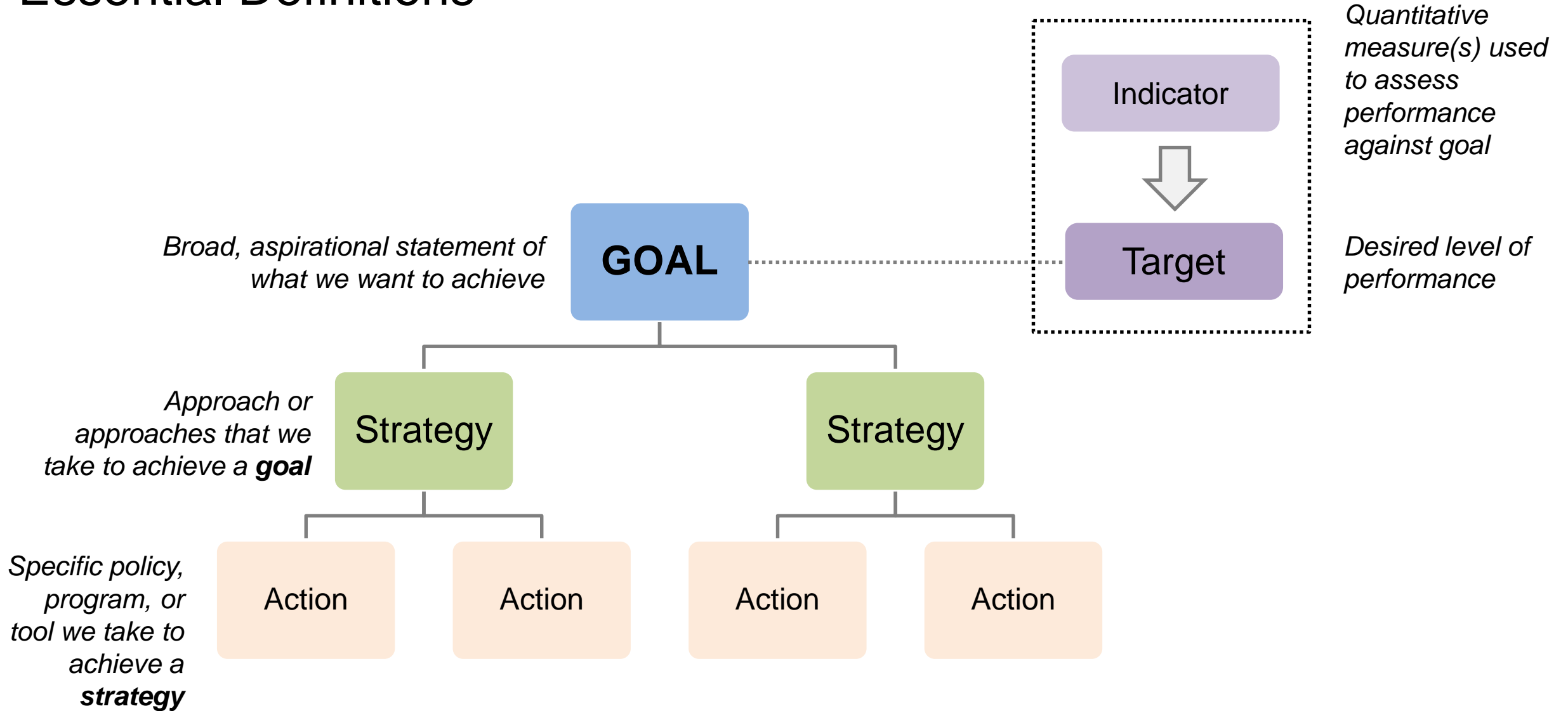
Implementation



Indicators and Targets



Essential Definitions



Proposed Economy Indicators

Indicator	Category
1 Job growth rate by sector and wage	Aggregate economic growth; Quality jobs and inclusive growth; Economic diversity
2 Disparities in median income by race/ethnicity, gender, and disability status	Racial/ethnicity and gender economic equity
3 Percentage of graduates of workforce-related programs working in a field that meets program objectives one year after program completion	Workforce development outcomes
4 Number of minority- and women-owned businesses engaged by City through grant funding and technical assistance	Racial/ethnicity and gender economic equity
5 Growth of small businesses in Cambridge	Success of small businesses
6 Median household income growth paired with decreasing income inequality	Quality jobs and inclusive growth
7 Portion of full-time, year-round workers living in Cambridge achieving a living wage	Quality jobs and inclusive growth

1. Job growth rate by sector

What Describes jobs added in Cambridge in aggregate and in specific sectors over time.

Why Indicates Cambridge’s ability to diversify its economy and support economic opportunities available to Cambridge residents

Data Source Massachusetts Executive Office of Labor and Workforce Development

Targets	<i>Cumulative job growth vs. MA and US: All sectors</i>	<i>Cumulative job growth vs. MA and US: Life science & High-tech sectors</i>	<i>Cumulative job growth vs. MA and US: Non-core sectors</i>
2025	4% higher	4% higher	2% higher
2030	7% higher	X% higher	4% higher

Trends

2012 –2016 Growth	All Sectors	Core Sectors		Non-Core Sectors
		Life Science Sector	High-Tech Sector	
Percent above MA	3%	7%	3%	1.3%
Percent above US	3%	12%	4%	1%

2. Disparities in median income by race/ethnicity, gender, and disability status

What Measures differences in the median income of residents based on racial and ethnic origin, gender, and disability status

Why Indicates progress in reducing economic inequities between different groups of Cambridge residents

Data Source U.S. Census Bureau

Targets

Race & Ethnicity

Gender

Disability

2025	Increase median income of individual communities of color by at least 10% relative to white non-Hispanic incomes	Increase female median income to at least 90% of male median income	Increase median income of disabled residents to at least 65% of non-disabled residents
2030	Increase median income of individual communities of color by at least 20% relative to white non-Hispanic incomes	Eliminate the disparity in median income between male and female workers	Increase median income of disabled residents to at least 75% of non-disabled residents

Trends

	Race & Ethnicity	Gender	Disability
Trends	Between 2010–2016 the percent change in incomes relative to non-Hispanic whites was 3% for Black residents and 45% for Hispanic residents	In 2016 Cambridge female median income was 82% of male median income, a disparity of \$7,500	In 2016 disabled residents' median income was 45% of non-disabled residents; in 2012 the same figure was 69%.

3. Percentage of graduates of workforce-related programs working in a field that meets program objectives one year after program completion

What Survey of individual program attendees indicating work status after program completion

Why Indicates the City’s effectiveness in using its resources to improve workforce readiness and promote economic mobility

Data Source City of Cambridge Department of Human Service Programs and Non-Profit and Private Partners, City of Cambridge Department of Community Development

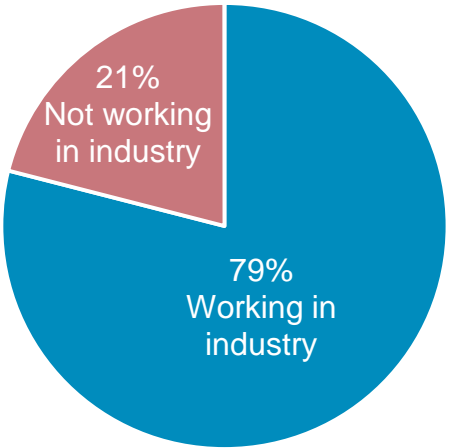
Targets

2025 **80%** of annual program graduates are working in a field that meets program objectives one year after program completion by 2025

2030 **90%** of annual program graduates are working in a field that meets program objectives one year after program completion by 2030

Trends

JAS Biomedical Careers Program graduates working in industry one year after program completion, 2012-2017 Average



4. Number of minority- and women-owned businesses engaged by City through grant funding and technical assistance

What Total number of women and minority-owned business participating in grants or consultations or receiving technical assistance from the City

Why Indicator measures equal access to entrepreneurial opportunities across the City and tracks how Cambridge businesses are taking advantage of available resources

Data Source City of Cambridge Department of Community Development

Targets

MWBE firms receiving grants or consultations *MWBE firms receiving technical assistance*

2025 Increase by **10%** from 2017 Increase by **10%** from 2017

2030 Increased by **20%** from 2017 Increase by **20%** from 2017

Trends

	Grant Funding & Consultations*	Technical Assistance**	Total
FY17	37	71	108
FY18 (as of April)	28	71	99
2025 Target	41	78	119
2030 Target	45	85	130

*Includes the Small Business Enhancement Program, Storefront Improvement Program, and Retail Interior Accessibility Program

**Includes workshops and the entrepreneurship program

5. Growth of small businesses (less than 20 employees) in Cambridge

What Measures number of establishments with employees in Cambridge with less than 20 employees

Why Indicates the City's success in ensuring a community of locally-focused and start-up businesses

Data Source U.S. Census Bureau Zip Code Business Patterns

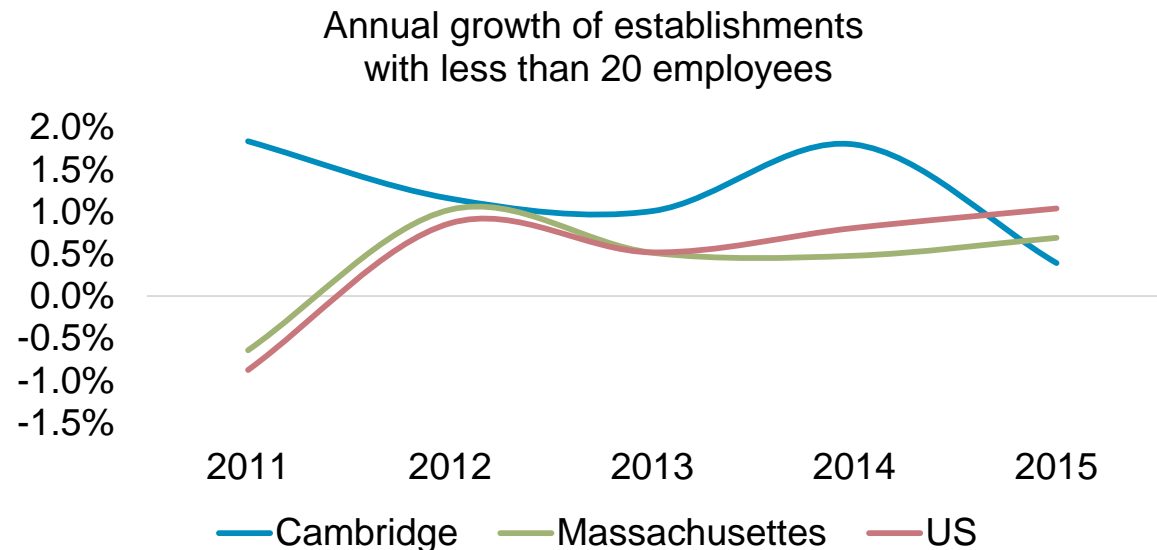
Targets

2025–2030 Annual growth rate in establishments with less than 20 employees that **exceeds the growth rate of these establishments in MA and US.**

2025 Maintain at least **27 small businesses per 1,000 residents** by 2027.

2030 Reach at least **30 small businesses per 1,000 residents** by 2030.

Trends



6. Median household income growth paired with decreasing income inequality

What Measures the change of median household income combined with the ratio of 80th percentile of median income to 20th percentile of median income for the Cambridge

Why Indicates of the City's ability to promote inclusive economic growth, with both median income growth and decreasing income inequality

Data Source U.S. Census Bureau

Targets

Median household income growth vs. MA and US

80th percentile/20th percentile income ratio vs. MA and US

2025 At least 5% higher

Within 0.5 by 2025

2030 At least 8% higher

Equal by 2030

Trends

Year	Cambridge	Massachusetts	United States
<i>Median Income</i>			
2011	\$69,013	\$65,981	\$52,762
2016	\$83,112	\$70,974	\$55,322
% Change	17%	7%	5%
<i>80%–20% Ratio</i>			
2011	6.45	5.16	4.78
2016	6.53	5.46	4.96

7. Portion of full-time, year-round workers living in Cambridge achieving living wage

What Tracks the number of full-time, year-round working Cambridge residents who earn an annual income above that of the City's statutory living wage*

Why Measures the ability of Cambridge residents to afford a certain standard of living, while avoiding measuring the income of full-time students which could confound the data

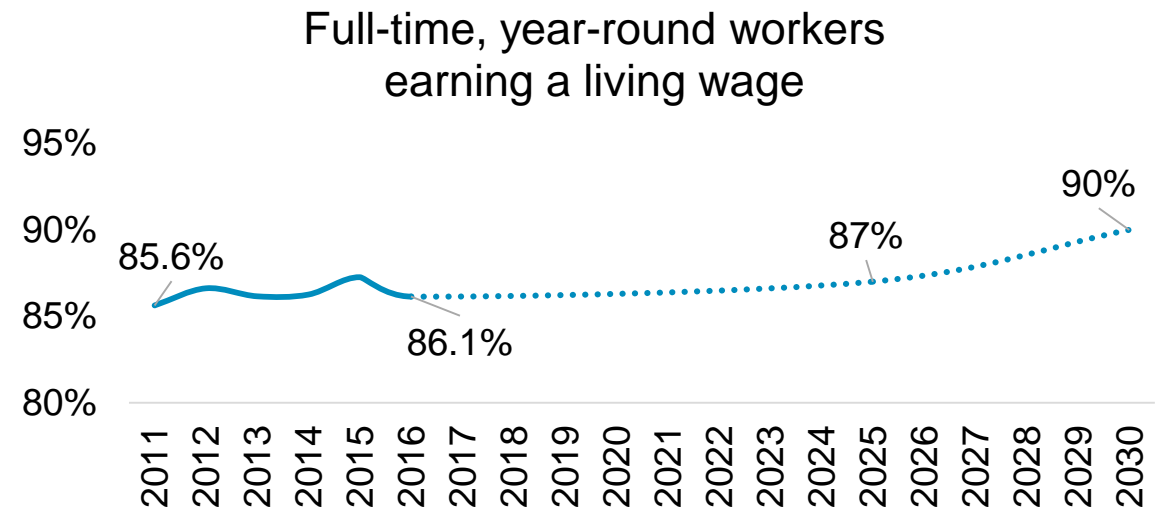
Data Source U.S. Census Bureau

Targets

2025 Demonstrate that **87%** of full-time, year-round workers living in Cambridge have incomes that meet or exceed the living wage standard

2030 Demonstrate that **90%** of full-time, year-round workers living in Cambridge have incomes that meet or exceed the living wage standard

Trends



*The analysis defines the annual living wage as \$32,500, equivalent to the Cambridge statutory living wage (\$15.64 as of March 1, 2018) multiplied by a full-time work year (2,080 hours).

Next steps



Next steps

- Finalize targets and indicators based on today's discussion.