

METROPOLITAN AREA PLANNING COUNCIL

Comprehensive Economic Development Strategy

2020-2025

Economic Development Team

Metropolitan Area Planning Council
60 Temple Place, 6th Floor
Boston, MA 02111

Contents

1	Acknowledgments
4	Executive Summary
6	Introduction
11	CEDS Themes and Definitions
15	Development of the CEDS
16	Background Data Pre-COVID-19
35	COVID-19 Data
37	Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis
41	Literature Review
52	The Strategies
67	Framework for Implementation
68	Appendix

Acknowledgments

The Comprehensive Economic Development Strategy (CEDS) is funded by the Economic Development Administration, and we wish to express our sincere gratitude for their support and funding of this effort.

MAPC Staff

The Comprehensive Economic Development Strategy represents the work of many MAPC staff. The document integrates data produced by the Data Services team as part of their ongoing research on the impacts of COVID-19 in the region. The plan was developed in coordination with the MetroCommon planning process, currently underway. Key staff leading both efforts are listed below.

The economic development staff below led the development of the plan and will facilitate its implementation.

Betsy Cowan Neptune
Chief of Economic Development

Josh Eichen
Senior Planner

Raúl González
Senior Planner

Jenn Kaplan
Economic Development Planner II

Indigenous Recognition

We recognize the economic development strategies recommended in this document suggest actions that would take place on the unceded ancestral homelands of the Massachusett, Nipmuc, Wabanaki, and Wampanoag peoples. We acknowledge the painful history of genocide and their forced removal from this land, as well as their resilience and resistance in the face of this and other injustices. We recognize that, while we aspire to plan for and integrate the needs of all residents, MAPC has fallen short in establishing relationships with the Native American communities, organizations, tribal governments, and individuals in our region. We pledge to seek to establish and deepen those relationships during the 5-year implementation of this plan—not only to honor and respect the many diverse peoples connected to this land, but also to ensure that MAPC's future economic development work reflects and responds to the values and priorities of our region's Indigenous and Native American populations.

The following MAPC staff members made significant contributions to the planning process and the production of this final plan.

Karen Adelman
Senior Communications Strategist

Eric Bourassa
Transportation Director

Ben Faust
Senior Policy Analyst

Mark Fine
Director of Municipal Collaboration

Lizzie Grobbel
Regional Planner II

Elise Harmon
Digital Communications Specialist

Kasia Hart
Policy Analyst

Eric Hove
Strategic Initiatives Director

Diego Huezo
Government Affairs Specialist

Barry Keppard
Public Health Director

Karina Milchman
Chief of Housing & Neighborhood Development

Jessie Partridge Guerrero
Research Manager

Lily Perkins-High
Analytical Services Manager

Cameron Peterson
Clean Energy Director

Sarah Philbrick
Socioeconomic Analyst II

Mark Racicot
Land Use Planning Director

Tim Reardon
Director of Data Services

Annis Sengupta
Interim Director, Arts & Culture

Caitlin Spence
GIS and Planning Analyst

Emily Torres-Cullinane
Assistant Director of Strategic Initiatives

Lizzi Weyant
Director of Government Affairs

Ella Wise
Senior Regional Land Use Planner

Advisory Committee Members

The process was shaped by the invaluable contributions of an External Advisory Committee. The Committee was comprised of representatives of municipalities, business organizations, small business assistance providers, workforce development entities, funders and academic institutions. The diversity of the perspectives on the Committee made the plan stronger and provided an opportunity to discuss the various strategies needed to guide economic recovery. Given this diversity, it is important to note that the final recommendations do not fully reflect the opinions of every member of the Advisory Committee.

Zamawa Arenas
CEO, Flowetik and MAPC Council Member

Rafael Carbonell
Executive Director, Taubman Center for State and Local Government, Harvard Kennedy School

J.D. Chesloff
Executive Director, Massachusetts Business Roundtable

Kate Dineen
Executive Vice President, A Better City

Peter Forman
Executive Director, South Shore Chamber of Commerce

Ben Forman
Research Director, Mass Inc

Lisa Hemmerle
Director of Economic Development, City of Cambridge

Jim Kupfer
Town Planner, Town of Bellingham

Techrosette Leng
Deputy Director, Planning and Workforce Development, City of Revere

Tanja Mettlach
Executive Director, Massachusetts Workforce Association

Alice Murillo
Associate Provost, Bunker Hill Community College

Emily Robbins
MetroBridge Manager, Boston University Initiative on Cities

Mary Sarris
Executive Director, MassHire North Shore Workforce Board

Natalia Urturbey
Director of Small Business, City of Boston

Michelle Volpe
Loan Fund President, Blue Hub Capital

Thanks also to the Ujima Project.

We are also grateful for the guidance of other key stakeholders in the private, public and non-profit sectors in the region.

Executive Summary

Vision

The Comprehensive Economic Development Strategy for the MAPC region for the next five years is built on the following vision:

The region will be:

- More **equitable**, with opportunities for people of all backgrounds, particularly BIPOC (Black, Indigenous and People of Color), and those in other marginalized groups to enjoy a high quality of life and to create, build and pass on wealth to future generations through living wages, high-quality public education, ownership of real estate, businesses, and other assets.
- More **resilient**, with the increased capacity and infrastructure necessary to withstand public health, economic, and climate shocks through diversification of the economy, increased collaboration, support for the most vulnerable to address disparate impacts and ensure equity and proactive care for the environment.
- More **interconnected**, with decreased distance between homes and places of employment, enhanced transit options that provide for more efficient travel, and digital access for all.

We will achieve this through:

- **Proactively developing collaborative partnerships** with a range of stakeholders from the public, non-profit, and private sectors, in suburban and urban communities, with a focus on coalition building and movement support.
- **Building the capacity** of MAPC and our partners to acquire tools and address barriers to advance racial equity, economic resilience, and climate resilience in the region.
- **Conducting analysis** of both traditional data sources and alternative ones, such as data gathered through storytelling, focus groups, lived experiences, and annual evaluation of the CEDS implementation process.

Summary of Goals and Strategies

Goal 1: Residents of the region achieve financial stability in order to withstand three to six months of economic hardship.

1. Provide effective workforce development supports and address barriers to quality employment for BIPOC through public-private collaboration and private sector leadership.
2. Increase protections against predatory lending and expand access to financial services and education through partnerships with financial institutions and partners in the financial technology sector.
3. Provide publicly funded income enhancements for those earning less than a living wage and support reduction in household expenses.

Goal 2: There is increased parity between the wealth of BIPOC and White people in the region.

4. Expand access to stable housing for BIPOC.
5. Build the resiliency and stability of businesses owned by BIPOC.
6. Strengthen community-driven economic systems.
7. Explore and advance tax reform to address systemic inequity.

Goal 3: Everyone in the region is able to access jobs, goods, and services close to their homes via affordable transportation options, with shorter commutes and fewer transfers.

8. Enable the production of affordable housing near employment centers and transit nodes.
9. Expand digital access to enable remote work and learning.
10. Provide access to affordable, safe, and accessible transportation options.

Introduction

Current Context

MAPC is presented with the opportunity to create a regional economic development strategy every five years as part of our designation as an Economic Development District (EDD) through the U.S. Economic Development Administration (EDA). The strategy design process offers a unique chance to evaluate current conditions that affect the economy and create strategies that capitalize on the region's strengths and opportunities, address internal weaknesses, and minimize external threats to equitable economic development.

The compound national crises of COVID-19 and environmental disasters, and the continuing crisis of racial injustice, spurred the creation of a regional strategy with resilience and racial equity at its core.

COVID-19

The region came to a halt in March 2020, with the implementation of social restrictions to curb the spread of the novel coronavirus. The unemployment rate in Massachusetts became one of the highest in the nation, given the impacts on key industries such as education, health care, the service industry, and others, and given the stringent social restrictions designed to keep the infection rate low. Small businesses began to shutter their doors temporarily and, in many cases, permanently. Municipal governments saw significant decreases in revenues while spending on basic social services, and COVID-19 response efforts climbed. With disparate public health and economic impacts on BIPOC, the pandemic posed a challenge to a region already wrestling with increasing inequality.

Increased Attention to Racial Justice

2020 also saw renewed attention to racial injustice, as incidents of police brutality highlighted the institutionalized racism that affects every aspect of life from law enforcement to housing, education, economic opportunity, and health care. This moment of reckoning provided yet another opportunity to take stock of the regional economy's internal weaknesses and the factors preventing an equitable economy for people of all backgrounds.

Current Economic Context in Light of Those Two Factors

PRE-COVID

The economy of the Greater Boston region thrived over the past decade. Over the past ten years, the region's GDP rose significantly,¹ driven by key innovation industries such as technology, finance, and business services. Life sciences became an increasingly important element of the economy, building on crucial business clusters and capitalizing on the region's rich educational resources and talent pipeline. The role of health care also grew in the region, although the health care sector's strength is being particularly tested during the COVID-19 pandemic.

In addition to these industries, several others continued to play an essential role in the region's growth. The Regional Labor Market Blueprint Planning process identified manufacturing and construction as priority industries in much of the region, in addition to health care and I.T.² The manufacturing sector adapted to technological changes and played a significant role in the economy, capitalizing on the high percentage of land zoned for industrial uses throughout the region. Tourism also played a key role, bringing millions of visitors to the state, generating significant revenue, and supporting thousands of jobs. While not as large in size, fishing and agriculture also represented an important element of the Greater Boston economy.

In addition to large employers, it is essential to note the role of small businesses in the region's economy. Small businesses continued to represent a vital element of the economy and the region's quality of life. They contributed to vital downtowns, neighborhood business districts, filled co-working spaces throughout the region, and provided vital employment opportunities.

Despite these strengths, a more in-depth analysis reveals that the growing economy worked well for some, but not others. The majority of jobs within the innovation sector require secondary education, and residents with a college degree earned significantly more than those with lower education levels.³ Income disparities are also visible along racial lines, as demonstrated by data contained in this document.

1 Boston Indicators/Source U.S. Bureau of Economic Analysis, FRED, Federal Reserve Bank of St. Louis.

2 Massachusetts Regional Labor Market Blueprints for the Northeast, Boston and Southeast: <https://www.mass.gov/files/documents/2018/04/27/Blueprint%20signed%203-30-18.pdf> https://www.mass.gov/files/documents/2018/06/19/Greater%20Boston%20Workforce%20Planning%20Blueprint_Final%20-%20053118_clean.pdf; <https://www.mass.gov/files/documents/2018/11/21/Southeast%20Region%20Labor%20Market%20Blueprint%20%28Final%29.pdf>

3 Boston Indicators/ Source: U.S. Census Bureau American Community Survey, 2016

Similarly, while small businesses continued to play an important role in the region, increasing pressures of online shopping, shifting consumer patterns, and the cost of doing business threatened small business owners' ability to generate wealth through their companies.

These trends, coupled with other factors, threaten the quality of life of the region. Housing prices are some of the highest in the country, providing benefits to some while also highlighting the lack of housing supply and affordability in and around Greater Boston. Rising home values led to higher rents and contributed to the movement of the middle class out of cities into more affordable areas.⁴

Commutes also increased. Between 2007 and 2017, the average commute in Greater Boston (one-way) climbed from 29 minutes to 31.7 minutes, and many commuters had one-way commute times of over one hour.⁵

Finally, severe climate events and the continued impacts of climate change threatened the region's aging infrastructure and the viability of commercial and residential properties along the coast and inland.

As a result, despite the strong profile of the region's economy, these underlying weaknesses threatened the region's ability to provide a high quality of life for its residents.

COVID

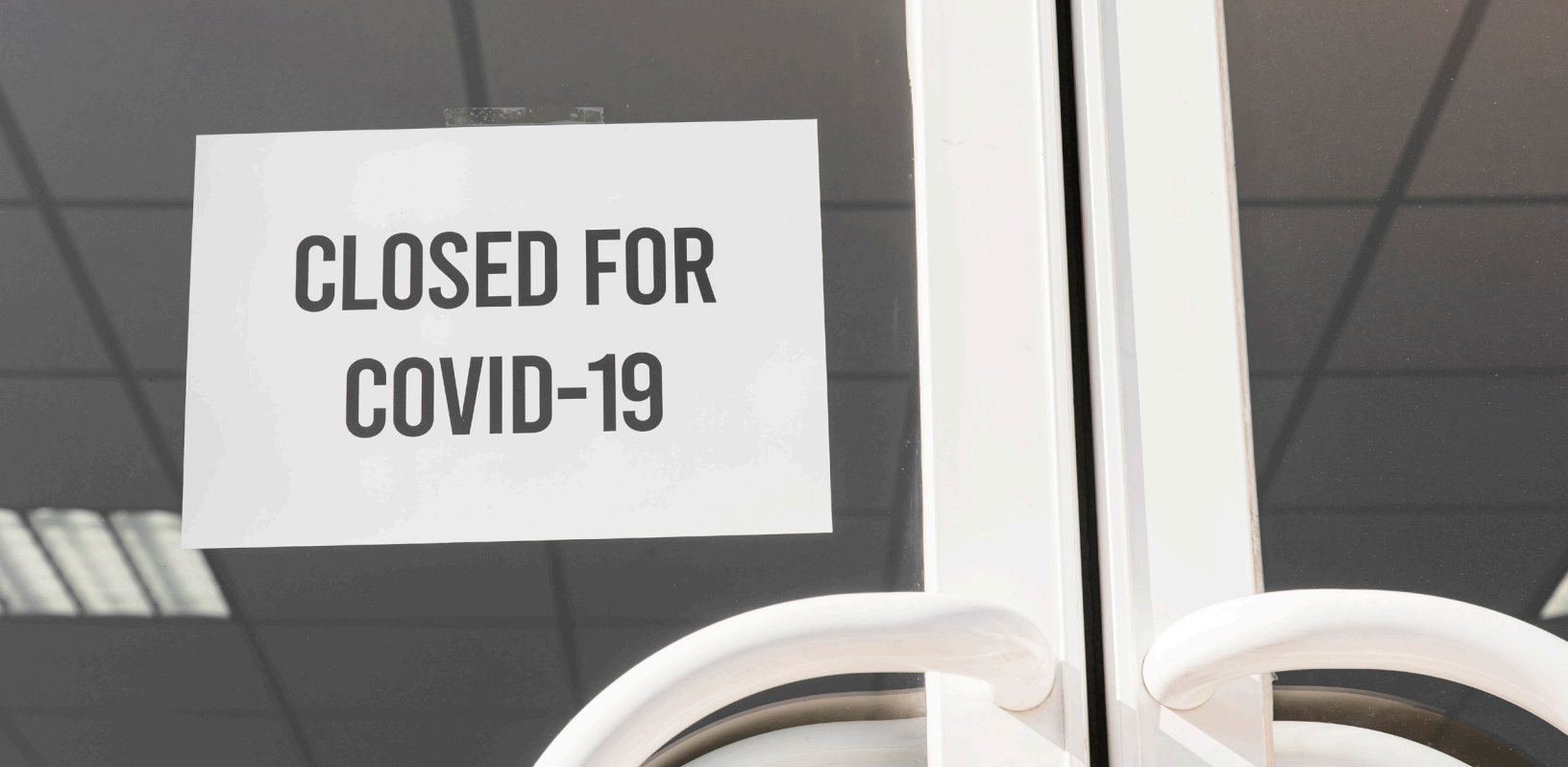
The COVID-19 pandemic dramatically exposed the region's economic inequality and the underlying weaknesses of the economy. While some of the region's workers were able to transition smoothly to remote work without disruptions to their employment, as of September 5, 2020, over 330,000 workers (approximately one in 10) were receiving unemployment assistance. Many of the layoffs occurred in the service, entertainment, and health care industries. Essential workers who maintained their employment, particularly those in the service industry, continued to work in low-wage positions at risk of exposure to the virus. Many of those individuals rely on public transportation and face lengthy commutes to their places of employment.⁶

Massachusetts quickly developed the highest levels of unemployment in the country, partly due to impacts on education, health care, and the service industry, as well as the stringent social restrictions designed to curb the spread of the disease. At the time of the writing of

4 Boston Indicators/Source U.S. Census Bureau Building Permit Survey via The Greater Boston Housing Report Card 2019)

5 Boston Indicators/ Source: U.S. Census Bureau American Community Survey, 2016

6 The COVID-19 Layoff Housing Gap. October Update: The Crisis Continues. <https://www.mapc.org/resource-library/covid-19-layoffs-october/>



CLOSED FOR COVID-19

this report, we are predicting potential future shutdowns due to surges in infection due to new strains, which could result in future layoffs and further business closures.

It is important to note that the impacts of COVID-19 are most significantly felt among the BIPOC population in the region. Cities with high percentages of BIPOC population experienced higher infection rates, as well as higher unemployment and, are now facing long-term challenges to economic recovery as a result. As will be described below, these disparate impacts demonstrate the need for solutions to increase individual and community resilience to economic disruptions.

These disparate impacts present a call to action to focus on:

- Improving individual financial security
- Addressing the racial wealth gap
- Ensuring everyone in the region is able to access jobs, goods, and services close to their homes with quality, affordable transportation options.

Why is the CEDS Important?

Given this context, the CEDS will serve as the blueprint to advance an equitable economic recovery in the region for the next five years. The strategies will guide the work of MAPC's Economic Development team, the work of the agency, and the work of our stakeholders from the public, private, and non-profit sectors.

The CEDS will help municipalities focus their own services and programs on key areas of need. This will be particularly important given the need to evaluate areas of municipal spending due to the strain on municipal budgets caused by the impacts of COVID-19. The CEDS can also guide service and program development for partner organizations in their efforts to maximize their impact with increasingly limited budgets.

Secondly, this document will help guide the legislative agenda of MAPC for the next legislative cycle and will serve as a guide for allied organizations such as the Metro Mayors Coalition and the North Shore Coalition.

Finally, the CEDS will contribute to the regional plan, MetroCommon 2050, with detailed recommendations for economic progress and equity.

MetroCommon 2050 Context

It is important to note that the CEDS is a 5-year plan as part of the MetroCommon 30-year strategy, the long-rang regional plan under development by MAPC and scheduled for release in the second half of 2021. MetroCommon will contain a set of actions that local and state government can take to improve the region over time. The provisional MetroCommon goals and subgoals can be found [here](#).

Given how economic development intersects with housing, mobility, climate, and public health, the CEDS goals and strategies were designed within the broader framework of these goals.

Focus of the CEDS: Racial Equity, Economic Resilience, and Climate Resilience

The CEDS was constructed around three themes. These themes were developed in January of 2020, but have become increasingly relevant with the renewed attention to racial injustice, the impacts of the COVID-19 pandemic, and the continuing climate impacts experienced in our region.

Racial Equity

DEFINITION

MAPC defines equity as the condition of fair and just inclusion into society. Equity will exist when those who have been most marginalized due to their race or ethnic identity have access to opportunities, power, participation, and resources, and all have avenues to safe, healthy, productive, and fulfilling lives. Achieving equity requires restructuring entrenched systems of privilege and oppression that have led to the uneven distribution of benefits and burdens over multiple generations and addressing the disparities that have existed between White residents and Black and Brown communities.

With inspiration from Policy Link, King County Office of Equity and Social Justice

The Government Alliance for Race and Equity, and MAPC partner, defines racial equity as “when race can no longer be used to predict life outcomes and outcomes for all groups are improved. Racial equity means that race can’t be used to predict success, and we have successful systems and structures that work for all.”



IMPORTANCE

- Structural and institutional racism negatively impacts the quality of life for people in our region.
- Pursuing racial equity requires analysis and restructuring of deeply entrenched systems of privilege and oppression that have led to the uneven distribution of benefits and burdens over multiple generations.
- Incorporating racial equity in our work is essential to our region's sustainable future and the well-being of its residents, businesses, and economy.

BIPOC

As people work to educate themselves about racism and racial justice, some new terms and acronyms emerge. BIPOC is an acronym that stands for Black, Indigenous, and People of Color. Its use has become more prevalent, particularly after the murder of George Floyd in May of 2020 and the ensuing protests against police brutality and systemic racism.

Black Americans have a unique history that is not shared by people of color of other backgrounds. The addition of "B" for "Black" to the acronym highlights the specific forms of racism and oppression that Black Americans face. The "I," for "Indigenous," refers to groups native to the Americas who were here before the colonization by Europeans. Indigenous people have experienced discrimination and mistreatment from official policies and practices and the attempt to erase their culture and identity. Additionally, "People of Color" is an umbrella term to refer to non-White individuals who often face discrimination.

Although there is no one-size-fits-all use of language when speaking about race, we believe that terms such as BIPOC can play an essential role in serving different identities in our society.

LATINX

Latinx is a gender-neutral term often used in lieu of Latino or Latina. It refers to individuals with cultural ties to Latin America and individuals of Latin American descent. The -x replaces the standard o/a ending and is intended to be more gender-inclusive.

Economic Resilience

DEFINITION

In the context of economic development, economic resilience has three primary elements:

- The ability to recover quickly from a shock or disruption.
- The ability to withstand a shock or disruption.
- The ability to avoid the shock or disruption altogether.

IMPORTANCE

Economic resilience in a local or regional economy entails the ability to anticipate risk, evaluate how that risk can impact key economic assets, and build a responsive capacity.

The COVID-19 crisis placed the issue of economic resilience at the forefront of the CEDS planning process and formed the foundation of the strategy development. As the crisis unfolded, MAPC worked with communities throughout the region on response and recovery efforts, including support for unemployed workers.

Through that work, it became clear that efforts to promote economic recovery and increase economic resilience to withstand future economic disruptions must address critical lifelines necessary for individual and community economic activity—food, shelter, medical security, childcare, and digital access. Provision of those critical lifelines required a coordinated, networked response from various stakeholders at the community, municipal, regional, and state level.

As these critical lifelines are being strengthened, efforts must focus on addressing the causes of individual and community vulnerability to economic disruptions, such as the root causes of wage and wealth inequality, geographic concentration of certain occupations and industries, and resulting challenges for individuals to find quality employment, close to housing that they can afford, with the transportation options necessary to travel to those jobs. These challenges will be outlined further below.

Climate Resilience

DEFINITION

We define the climate resilience of an economic system as having two elements:

- Capacity to absorb stresses and maintain function in the face of external stresses imposed upon it by climate change.
- Capacity to adapt, reorganize, and evolve into more desirable configurations that improve the system's sustainability, leaving it better prepared for future climate change impacts.

IMPORTANCE

Climate change presents a range of complex challenges for regional planning and policy. The physical and social impacts of extreme weather events, sea-level rise, and increased heat correlate with other economic stressors.



Development of the CEDS

The MAPC Economic Development Working Group developed the goals and strategies in the CEDS in collaboration with a group of internal advisors from several MAPC departments, including Land Use, Transportation, Public Health, Arts & Culture, Environment, Clean Energy, Data Services, Strategic Initiatives, and Government Affairs. The Economic Development team was also assisted by an External Advisory Committee, comprised of representatives of municipalities, business organizations, workforce development entities, academia, funders, and small business organizations. This group reviewed the CEDS and provided feedback.

It is important to note that although the CEDS process involved review by these groups and a range of other stakeholders, it will be essential to collect feedback from impacted communities as implementation begins. One key tool to collect such feedback, in addition to surveys and other qualitative data collections methods, is the use of stories. MAPC is currently developing a storytelling practice as a method of collecting rich data and as a way of honoring the unique experiences of residents of the region.

The goals and strategies were developed through the following process:

- Regional SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis using the framework of racial equity, economic resilience, and climate resilience;
- Literature review based on key themes from the SWOT analysis;
- Development of goals;
- Goal review process with MAPC Internal Advisory Committee and External Advisory Committee;
- Strategy development using Driver Diagram process; and
- Strategy review process with MAPC Internal Advisory Committee and External Advisory Committee.

The strategies are designed to be implemented by MAPC and by relevant regional stakeholders. As a result, some strategies are not entirely or even largely within MAPC's control.

Structure of the Document

Given the goal of creating a strategic plan that can be used by a wide range of stakeholders, the document's format has been streamlined and simplified. What follows is:

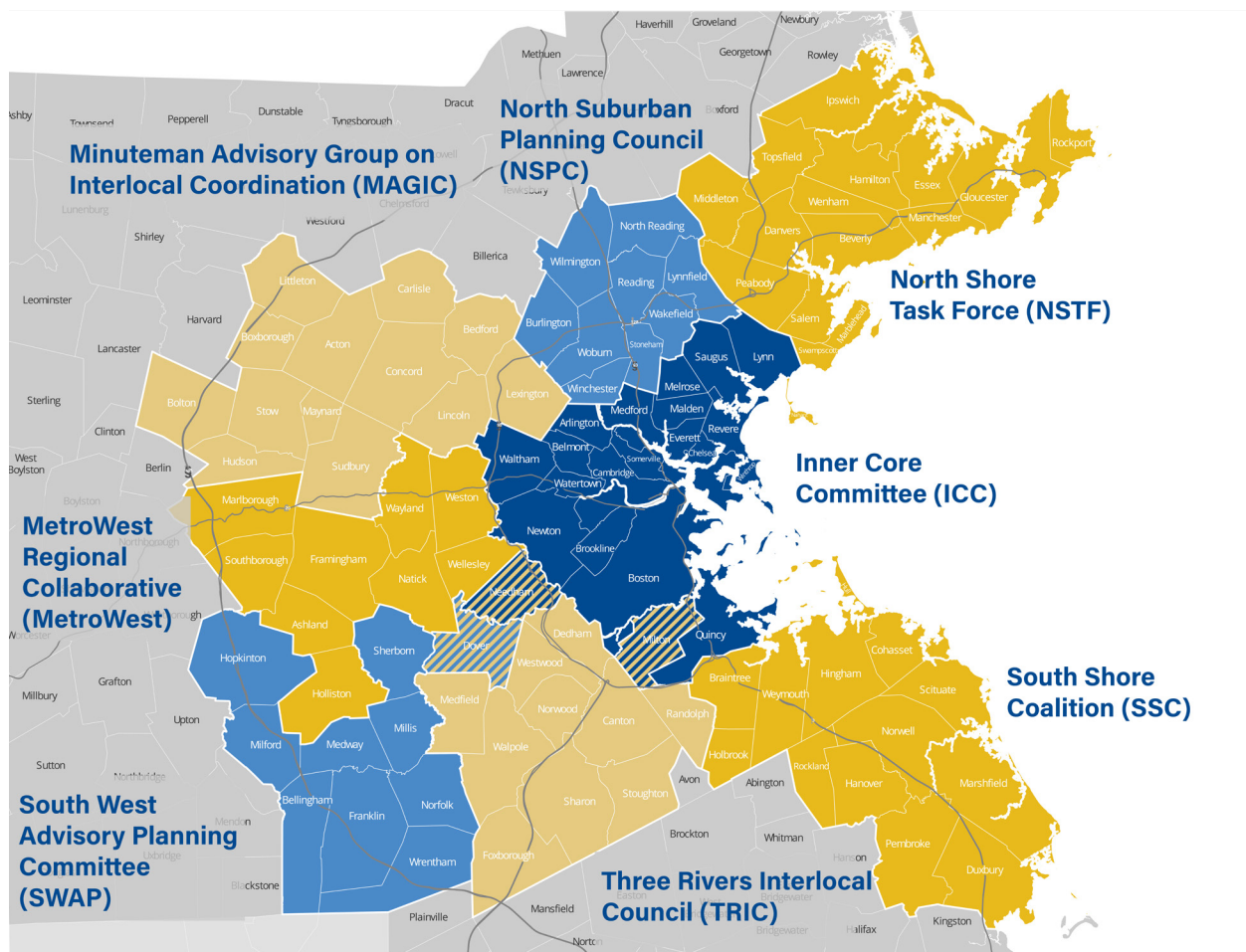
- Background Data Pre-COVID-19
- COVID-19 Data
- Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis
- Literature Review
- The Vision of the CEDS
- The Strategies
- Framework for Implementation

Background

The MAPC Region

Stretching west from Boston to include most of the communities inside the I-495 corridor, the MAPC planning area consists of 22 cities and 79 towns that include coastal communities, older industrial centers, rural towns, and modern cities.

MAPC divides the region into eight subregions and facilitates an MAPC subregional organization in each. Participants in the subregional organizations include municipal officials and regional and community stakeholders, all of whom work together to develop an annual work plan and priorities.



Pre-COVID Data

What follows are key data points about the racial equity, economic resilience, and climate resilience of the region before the COVID-19 pandemic. The data is by no means exhaustive but does form a snapshot of pre-COVID Greater Boston.

Demographics

The information below provides a snapshot of the MAPC Region's population by the numbers:

POPULATION GROWTH

Boosted by the Inner Core, the region has seen steady growth in population during the decade

AGE

About 81 percent of the population is over the age of 18, with a growing percentage of those over the age of 65.⁷

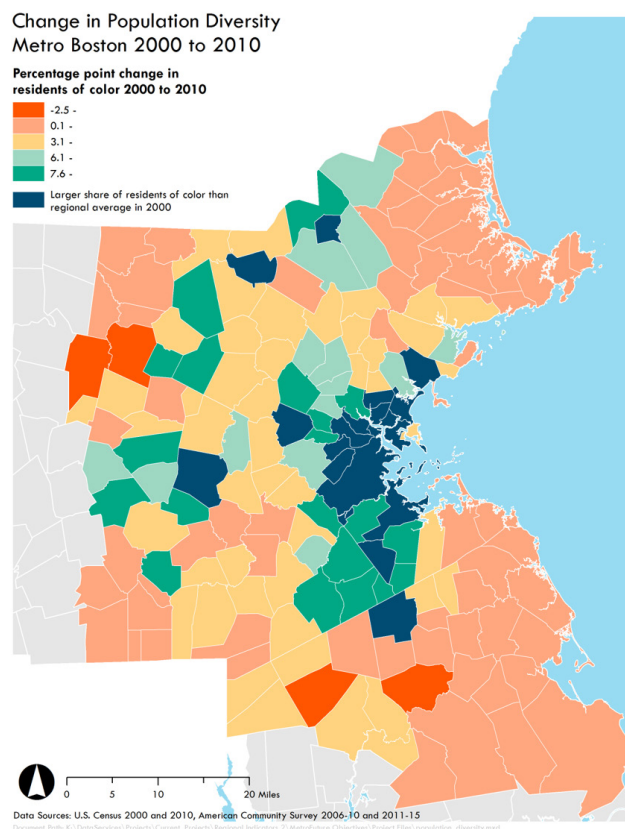
RACE IN THE MAPC REGION

Growth in racial diversity

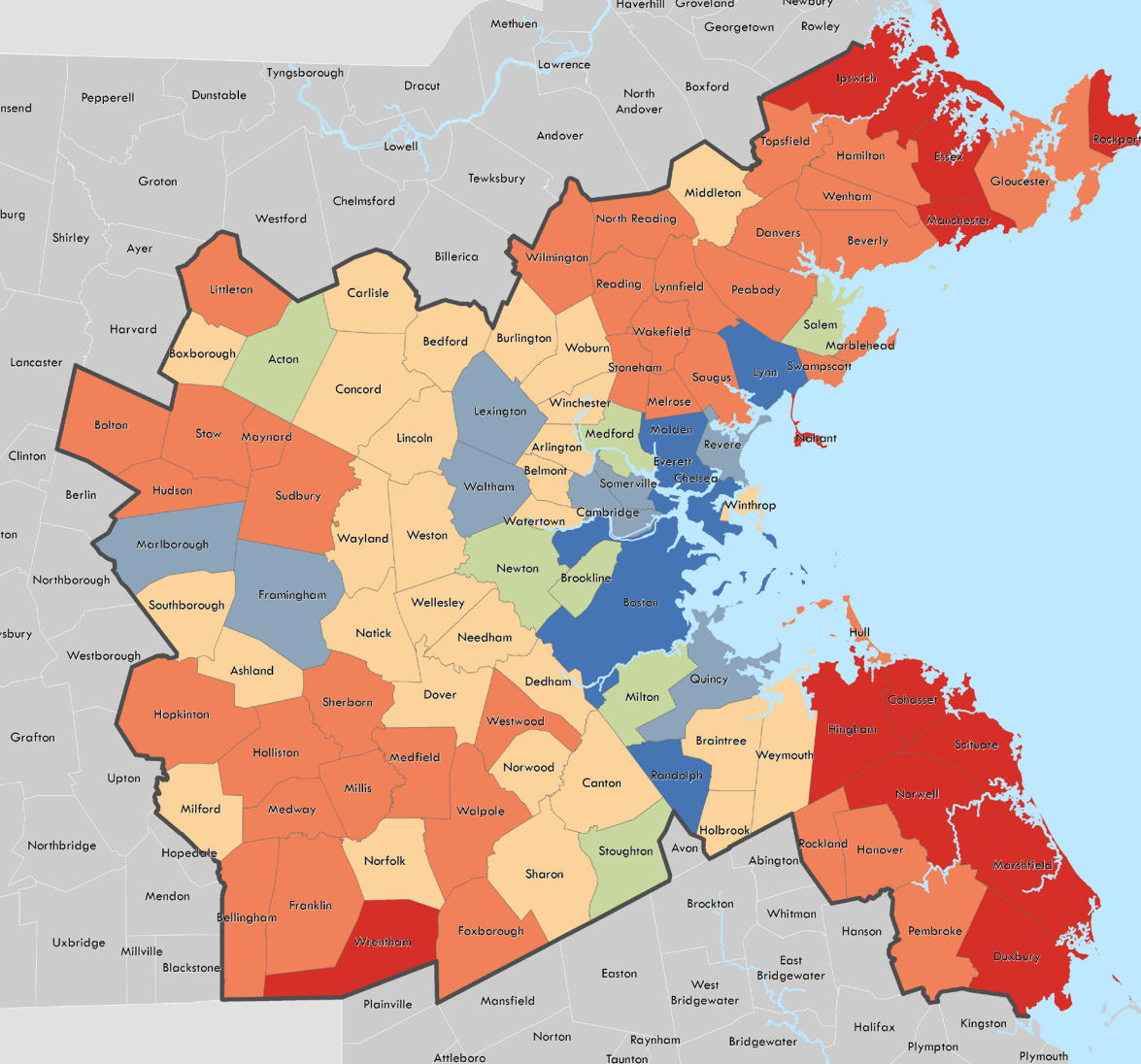
Since 2000, every municipality in our region has seen an increase in people of color. The fastest-growing groups in that time period have been "Non-Hispanic Asian" and "Hispanic/Latino of Any Race."

- The population of Non-Hispanic Whites has decreased from 76 percent in 2010 to about 69 percent in 2019

As of 2016, in a significant number of municipalities in the region, less than 15 percent of the population identifies as "Hispanic" or "non-White," while several communities have populations with a majority in those categories.









7 ESRI Business Analyst, 2019



Percent of
population identifying
as Hispanic or a
non-White race;
ACS 2012- 2016

Percent people of color

-  50% to 75%
-  30% to 50%
-  25% to 30%
-  15% to 25%
-  5% to 15%
-  Less than 5%

Demographics Continued

Currently, **six** municipalities are majority people of color, with **eight** more set to join them.

Race by MAPC Subregion

When broken down by subregion, as of 2017, we can see that the InnerCore communities around Boston show the most diversity, while communities farther out from Boston have smaller populations that do not identify as White.

Demographics Continued

Data	Inner Core (ICC)	MAGIC	Metro West	NSPC	North Shore (NSTF)	South Shore (SSC)	South West (SWAP)	Three Rivers (TRIC)
Population	1,722,341	178,740	243,670	214,609	292,346	266,858	143,998	264,580
White Alone	56%	79%	76%	86%	88%	90%	87%	76%
Black Alone	13%	2%	3%	3%	2%	2%	2%	9%
Indigenous Alone	0%	0%	0%	0%	0%	0%	0%	0%
Asian & Pacific Islander Alone	11%	14%	9%	7%	2%	4%	4%	7%
Some other Race Alone	1%	0%	1%	1%	0%	0%	1%	1%
Two or More Races Alone	3%	2%	2%	1%	2%	1%	2%	2%
Latinx	16%	3%	9%	3%	7%	2%	5%	5%

INCOME

Annual Household Income

Households in Boston Metro have a median annual income of \$88,711, which is \$26,774 more than the median annual income of \$61,937 across the entire United States. This is compared to a median income of \$85,691 in 2017, which represents a 3.52 percent annual growth.⁸ It is important to note that while the median annual income is higher than that of the country, the cost of living in the region is also significantly higher.⁹

⁸ American Community Survey 1-year Estimate, 2016

⁹ World Population Review Cost of Living Index by State 2021. <https://worldpopulationreview.com/state-rankings/cost-of-living-index-by-state>

Demographics Continued

Wage inequality

In Suffolk County, where Boston is located, the top one percent earns an average income nearly 54-times more than the bottom 99 percent, according to data from the Economic Policy Institute.

HOUSING

Homeownership rates¹⁰

Of the 1,365,615 housing units in the region, 55 percent were owner-occupied, 39 percent were renter-occupied, and six percent were vacant.

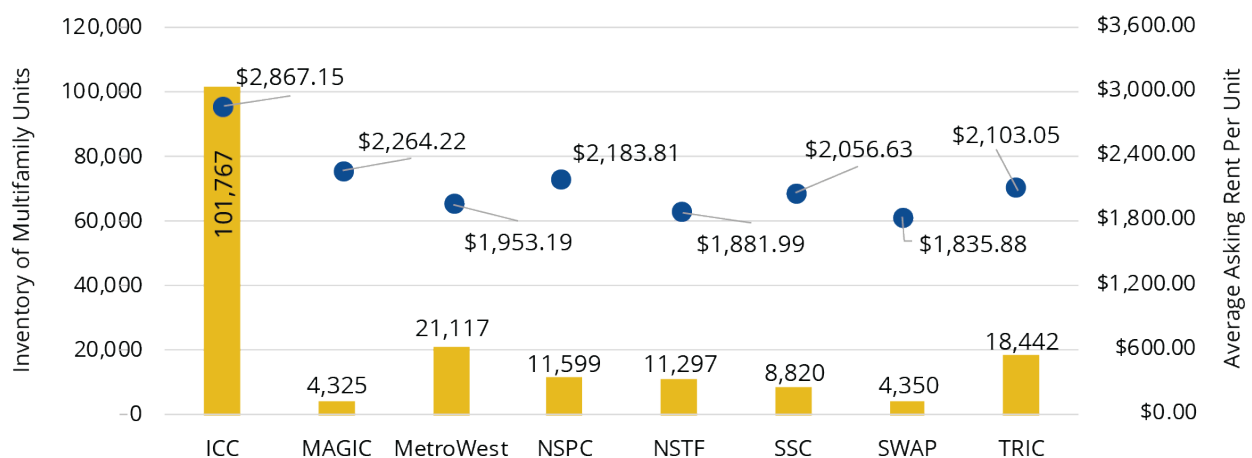
HOUSING AFFORDABILITY

Rental Housing

Additional analysis of 111,000 rental listings from 2015-2016 showed that only 12 percent of available rentals are affordable to a four-person household (MAPC).

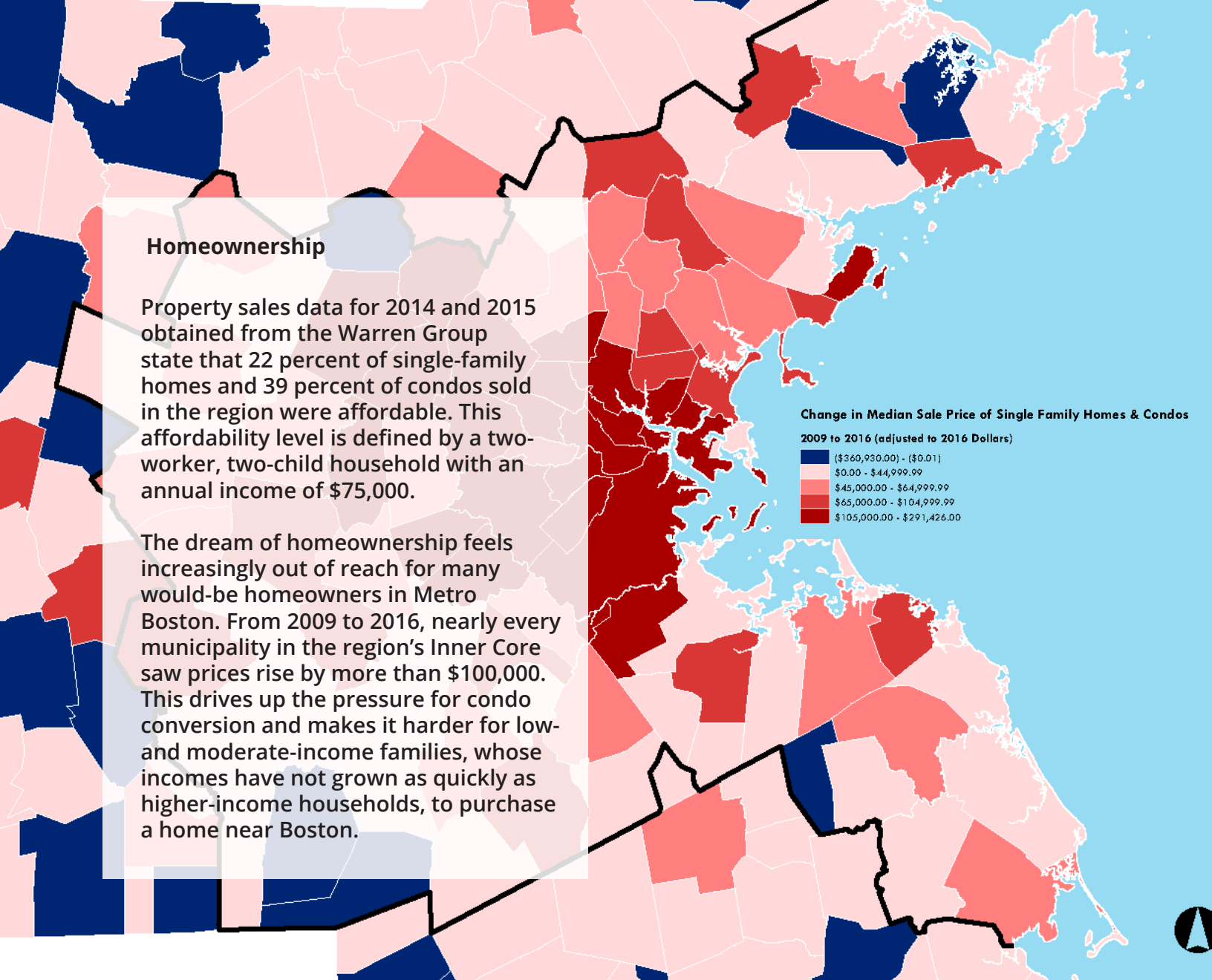
Housing Inventory across the MAPC region

The largest number of multi-family units can be found in the InnerCore subregion, followed by the MetroWest and TRIC regions. However, while there is a large supply of multi-family housing in the Inner Core, the average asking rent per unit is \$2,867.15, unaffordable for many.



Source: CoStar Group 2020

10 2014-2018 ACS Occupancy by Tenure



Racial Equity

The information presented in this section sketches the state of racial equity in the region.

KEY INDICATORS BY RACE

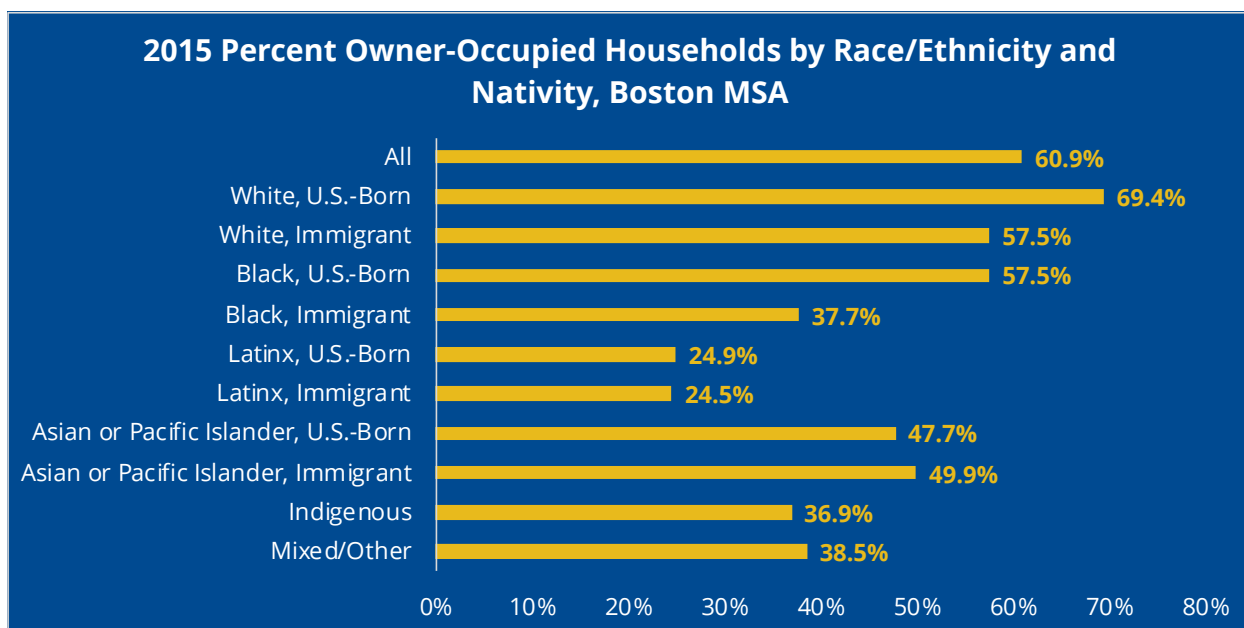
Wealth

The median net worth for White households in the Greater Boston area is \$247,500. In contrast, the median net worth for non-immigrant African American households is \$8, according to "The Color of Wealth in Boston," a 2015 report by the Federal Reserve Bank of Boston, Duke University, and the New School.¹¹

¹¹ Muñoz, Ana Patricia, Kim, Marlene, Chang, Mariko, Jackson, Regine, Hamilton, Darrick and Darity, Jr., William. The Color of Wealth in Boston. Duke University, The New School and the Federal Reserve Bank of Boston. 2015.

Racial Equity Continued

KEY INDICATORS BY RACE CONTINUED



Source: National Equity Atlas, 2015

Homeownership and Property Value

In 2015, White, U.S.-born households had the highest homeownership rate at almost 70 percent. Conversely, Latinx immigrant households had the lowest homeownership rate at 24.45 percent, although US-born Latinx and Black households also had low homeownership rates.

Outside of Whites, there were no other racial or ethnic groups where most households were owner-occupied.

Research by Andre Perry in his book “Know Your Price” showed homes in Black neighborhoods are devalued by 23 percent, about \$48,000 per home.¹²

BUSINESS OWNERSHIP

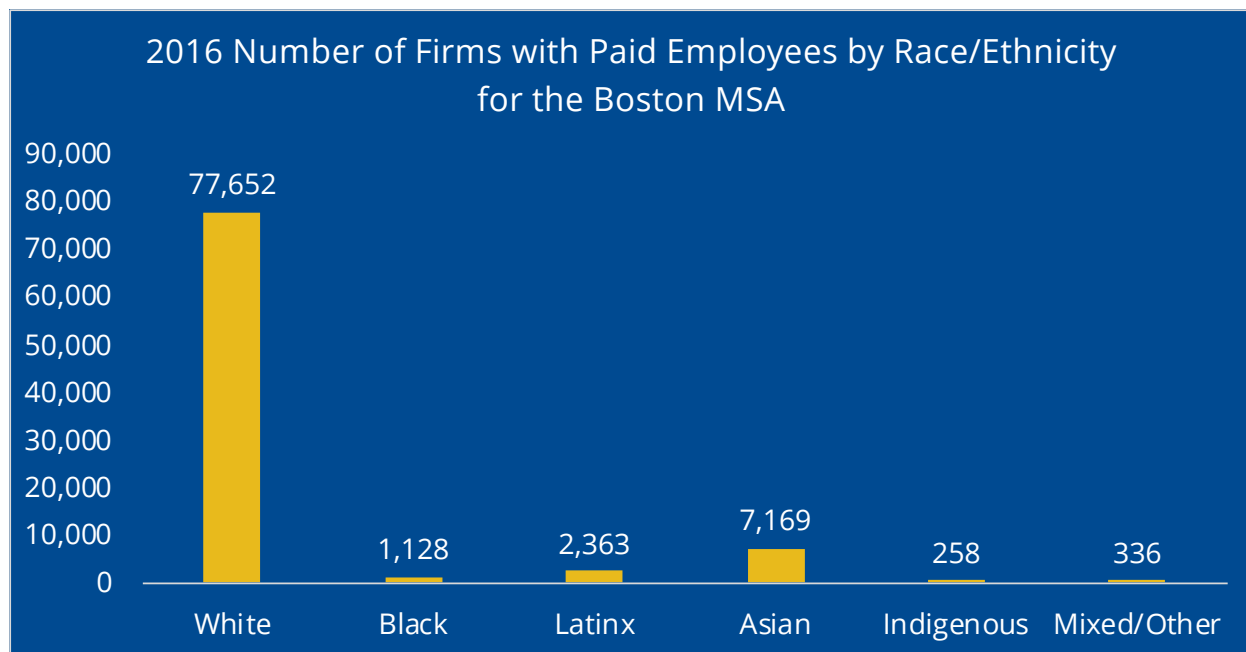
Business Ownership by Race and Ethnicity

Below are the estimates of business ownership by race and ethnicity from the 2016 Annual Survey of Entrepreneurs. These are from all businesses in which there are paid employees. Although White Americans are 71 percent of the population of the MAPC region, they are

¹² Perry, Andre. Know Your Price. New York, Brookings Institution Press, 2020.

Racial Equity Continued

BUSINESS OWNERSHIP CONTINUED



Source: U.S. Census Annual Survey of Entrepreneurs, 2016

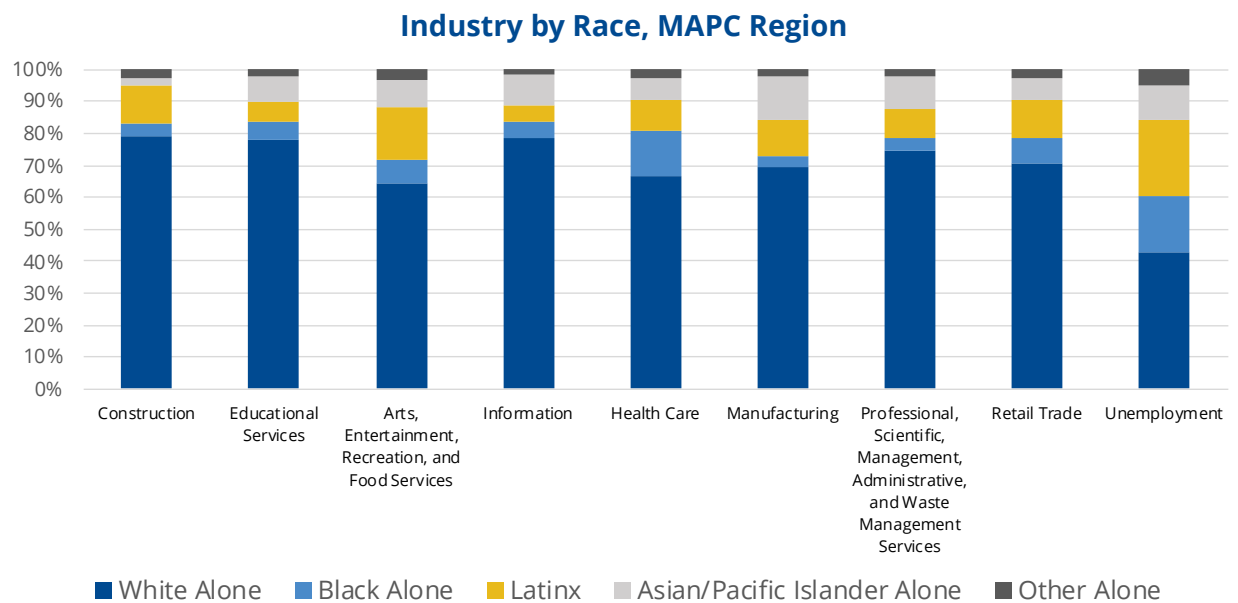
87 percent of business owners, with over 77,000 business owners identifying as White. This is over 70,000 more owners than the next largest group. And although those who identify as Latinx represent 10 percent of the population, only three percent of business owners are Latinx. Lastly, although African Americans are seven percent of the MSA's population, they are only one percent of business owners.

Minority Business Enterprises

The State's Supplier Diversity Office has 1,115 Minority Business Enterprises (MBE) registered within their system, 1,811 Women Business Enterprises (WBE), and 634 Disadvantaged Business Enterprises. The proportion of those businesses in the MAPC region is broken down in the following table:

	MAPC	Massachusetts	Percent
Minority Business Enterprises	684	1,115	61%
Women Business Enterprises	1,019	1,811	56%
Disadvantaged Business Enterprises	340	634	54%

Source: Massachusetts Office of Supplier Diversity, 2020.



WORKFORCE

Employment by industry and race¹³

The top industries in the MAPC region are:

- Professional, Scientific, and Management, and Administrative, and Waste Management Services (15 percent of total industry employees)
- Health Care (13 percent)
- Educational Services (11 percent)
- Retail Trade (10 percent)
- Arts, Entertainment, and Recreation, and Accommodation and Food Services (10 percent)
- Manufacturing (8 percent)

Broken down by race, these industries are:

- Professional, Scientific, and Management, and Administrative, and Waste Management Services (15 percent)
 - White, non-Hispanic/Latinx (75 percent)
 - Black, non-Hispanic/Latinx (4 percent)
 - Hispanic/Latinx (9 percent)
 - Asian/Pacific Islander, non-Hispanic/Latinx (10 percent)
 - Other, non-Hispanic/Latinx (2 percent)
- Health Care (13 percent)
- Educational Services (11 percent)
- Retail Trade (10 percent)
- Arts, Entertainment, and Recreation, and Accommodation and Food Services (10 percent)
- Manufacturing (8%)

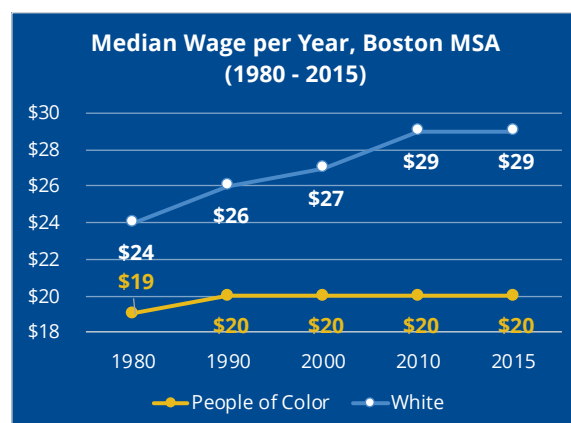
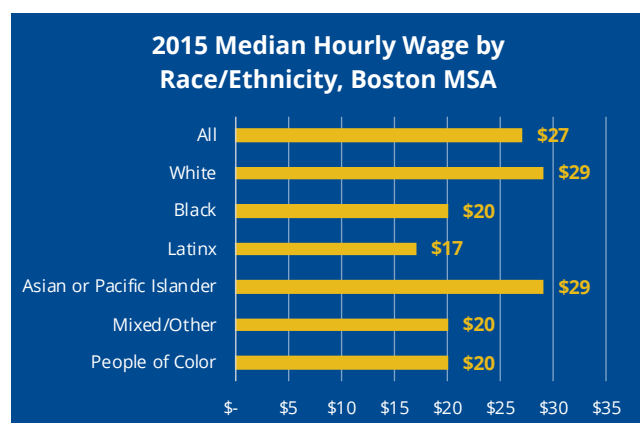
¹³ American Community Survey, 2014-2018

Racial Equity Continued

WORKFORCE CONTINUED

Black employment represented a higher share than the share of the population within the Healthcare industry (14 percent) and was relative to the population in Retail (8 percent). Unemployment was higher than their share of the population at 18 percent.

Latinx employment was overrepresented in Arts, Entertainment, Recreation, Accommodation, and Food Service (17 percent), Retail (12 percent), Construction (12 percent), and were relative to their population in Manufacturing (11 percent). Their unemployment was more than double their share of the population at 24 percent.



Source: National Equity Atlas

Wages by Race/Ethnicity

Regional Context:

- Racial economic gaps are wide and persistent, as detailed here by the median hourly wage by race and ethnicity for 2015, as well as a timeline comparing median hourly wages for BIPOC to that of Whites from 1980 to 2015.

National context:

- As of 2015, the median wage for workers of color was nine dollars less than the median wage for White workers, and in 2015, Latino workers earning 12 dollars per hour less.¹⁴

14 Desilver, Drew. For Most of Us Workers, Real Wages Have Barely Budged for Decades. Pew Research, August 7 2018. [For most Americans, real wages have barely budged for decades | Pew Research Center](#)

Racial Equity Continued

WORKFORCE CONTINUED

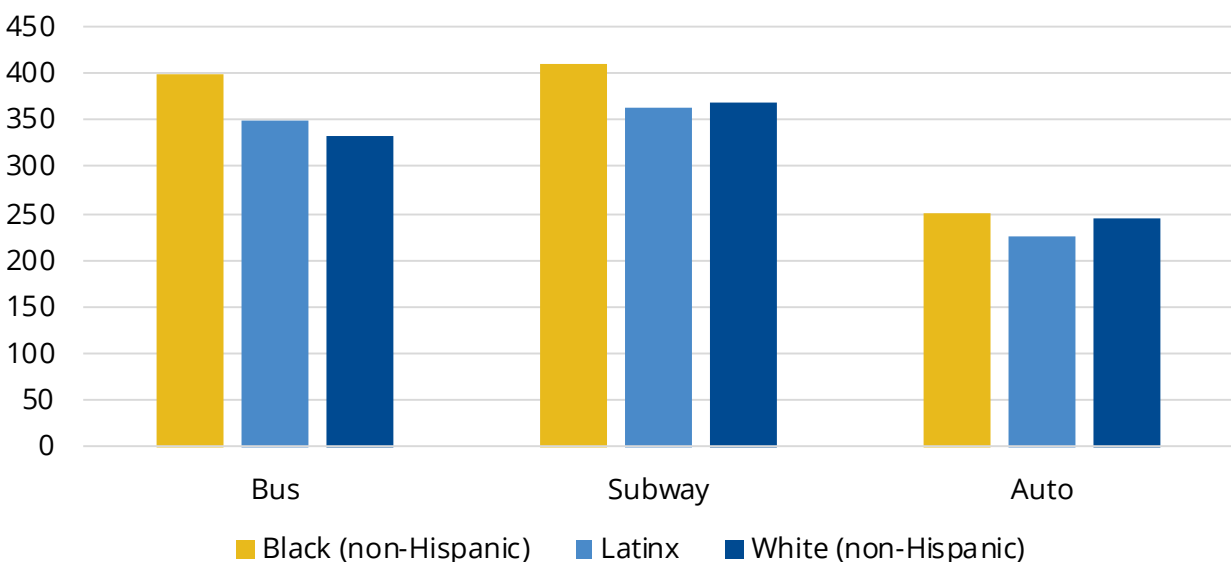
- The wage gap between Black and White workers is the smallest for workers at the bottom of the wage distribution, given that the minimum wage serves as a floor for wages. However, the largest gap between Black and White workers can be found at the top of the wage distribution. This is explained in part by the increases in wages at the top of the distribution and the continued concentration of BIPOC workers in lower paid positions.¹⁵

TRANSPORTATION

Commute times

Black commuters spend 64 hours more on their commutes each year, on average than White commuters. Additionally, the travel time disparity between Latino and White bus commuters has been growing and now stands at 15 hours per year. The commute time disparity between Black and White subway commuters has also increased to 40 hours per year, up from 31 hours.¹⁶

Commute Travel Time (Hours Per Year) by Mode of Transportation for MAPC Region



Source: American Community Survey, 2013-2017

¹⁵ Gould, Elise. Black-White wage gaps are worse today than in 2000. Economic Policy Institute, February 2020. <https://www.epi.org/blog/black-white-wage-gaps-are-worse-today-than-in-2000/>

¹⁶ American Community Survey, 2013-2017

Economic Resilience

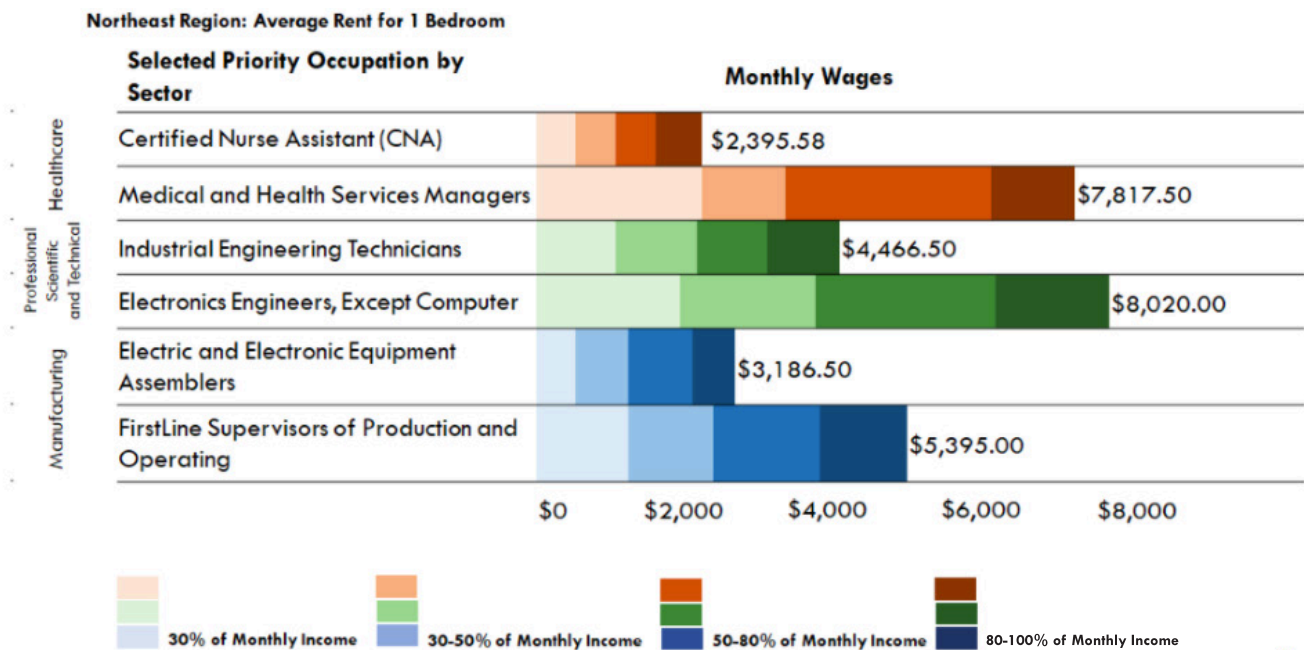
Using the definition of economic resilience as the ability of an individual and a region to recover from, withstand and avoid an economic shock or disruption, the data presented below paint a picture of the level of individual and regional economic resilience in the region.

INDIVIDUAL AND HOUSEHOLD RESILIENCE

To analyze individual and household economic resilience, the MAPC team examined wages in critical industries, educational attainment to allow for career advancement, and the cost of childcare, an important factor for securing employment.

Wages and Benefits

An analysis of priority occupations for the Northeast Workforce Area shows that while some of the wages are relatively high, others remain persistently low, thus threatening workers' ability to respond to unanticipated expenses or other economic shocks.



Source: MassDOL, PodMapper/Zillow

Economic Resilience Continued

INDIVIDUAL AND HOUSEHOLD RESILIENCE CONTINUED

National context:

- “Workers are getting a smaller share of the economic pie than they used to.” Analysis of wage stagnation is most commonly done by analyzing wages as a percentage of gross domestic income. Wage and salary disbursements were 43 percent of GDI in 2017, and while the percentage was lower from 2010 to 2016, this is the lowest it has been in 60-plus years.¹⁷

Benefits (National Context):

- More companies provide benefits in lieu of pay increases as health care costs rise. In the 1980s, we saw a decrease in two-tier wage and benefit systems, an increase in lump-sum payments in place of wage increases, and more flexible employee benefit plans. We are currently likely to see more variety in benefit packages and more blurred lines between pay and benefits.¹⁸

Education¹⁹

Educational attainment:

- For individuals over the age of 25 in the region, 18 percent have a high school degree, 2 percent have a GED or alternative credential, 13 percent have completed some college but do not have a degree, 6 percent have an Associate’s degree, 27.7 percent have a Bachelor’s degree, and 25.6 percent have a graduate or professional degree.

The average net price of a college degree in the MAPC region is detailed below²⁰:

- The median cost of a four-year degree in the MAPC region is \$28,906.50
- The median cost of a two-year degree in the MAPC region is \$9,322.00

17 Robertson, Lori. Are Wages Rising or Flat. Annenberg Public Policy Center. June 28, 2019. <https://www.factcheck.org/2019/06/are-wages-rising-or-flat/>

18 Desilver, Drew. For Most of Us Workers, Real Wages Have Barely Budged for Decades. Pew Research, August 7 2018. [For most Americans, real wages have barely budged for decades | Pew Research Center](#)

19 National Center for Education Statistics, 2020.

20 These costs are net costs for the 2018-2019 school year. The dataset also includes information for each individual school, which demonstrates some variation in cost leading to the median figures listed.

Economic Resilience Continued

INDIVIDUAL AND HOUSEHOLD RESILIENCE CONTINUED

- The median cost of a degree from a private university is \$29,263.00
 - The median cost of a degree from a four-year private university is \$29,712.50
 - The median cost of a degree from a two-year private university is \$16,850.50
- The median cost of a degree from a public university \$11,489.00
 - The median cost of a degree from a four-year public university is \$18,328.50
 - The median cost of a degree from a two-year public university is \$8,799.00

Child Care

Annual Cost of Childcare in Massachusetts²¹

- Massachusetts is ranked second out of 50 states and the District of Columbia for the most expensive infant care.
 - The average annual cost of infant care in Massachusetts is \$20,913—an average of \$1,743 per month.
- Childcare for a four-year-old costs \$15,095, or \$1,258 each month

Annual Cost of Childcare in the Boston-Cambridge-Newton MA region²²

- One Child: \$12,577
- Two Children: \$16,041
- Three Children: \$19,506

21 Economic Policy Institute. <https://www.epi.org/child-care-costs-in-the-united-states/>

22 MIT Living Wage Calculator. <https://livingwage.mit.edu/>



Economic Resilience Continued

REGIONAL ECONOMIC RESILIENCE

To analyze regional economic resilience, the MAPC team evaluated economic diversification and the connectivity between workforce, transit, and housing.

Economic Diversification

Major industries by Subregion:

- As illustrated by the impacts of the COVID-19 pandemic on the region, the Greater Boston economy benefits from the strength of the health care, professional/technology services, and education sectors. However, the industrial sector cannot be overlooked and could play a vital role in advancing economic recovery through manufacturing and distribution/warehousing.

Manufacturing:

- It is also important to note here that, like other areas of the country, the Greater Boston region has experienced declines in manufacturing with shifts in the makeup of the economy. However, the region continues to have a strong manufacturing center driven, in part, by the biotech industry as well as the defense sector and the various research institutions associated with both. This mix of strong tech and life sciences engines combined with the region's manufacturing capacity is unique and creates an ideal ecosystem for the development of a range of products. It is critical that such manufacturing capacity is preserved to provide support to these critical industries. Key investments must be made to develop the workforce for these valuable positions.^{23, 24}

Geographic diversification:

- It is important to note that while the region has a relatively strong level of economic diversification when compared to other metropolitan areas,²⁵ as illustrated by the charts below showing the distribution of industries across the region, many of the jobs are concentrated in specific geographies, thereby creating challenges for those attempting to access those positions.
- The charts below show the number of firms for each of the subregions in the following categories: Industrial; Health care; FIRE (Finance, Insurance, Real Estate) and Professional/Technical services.

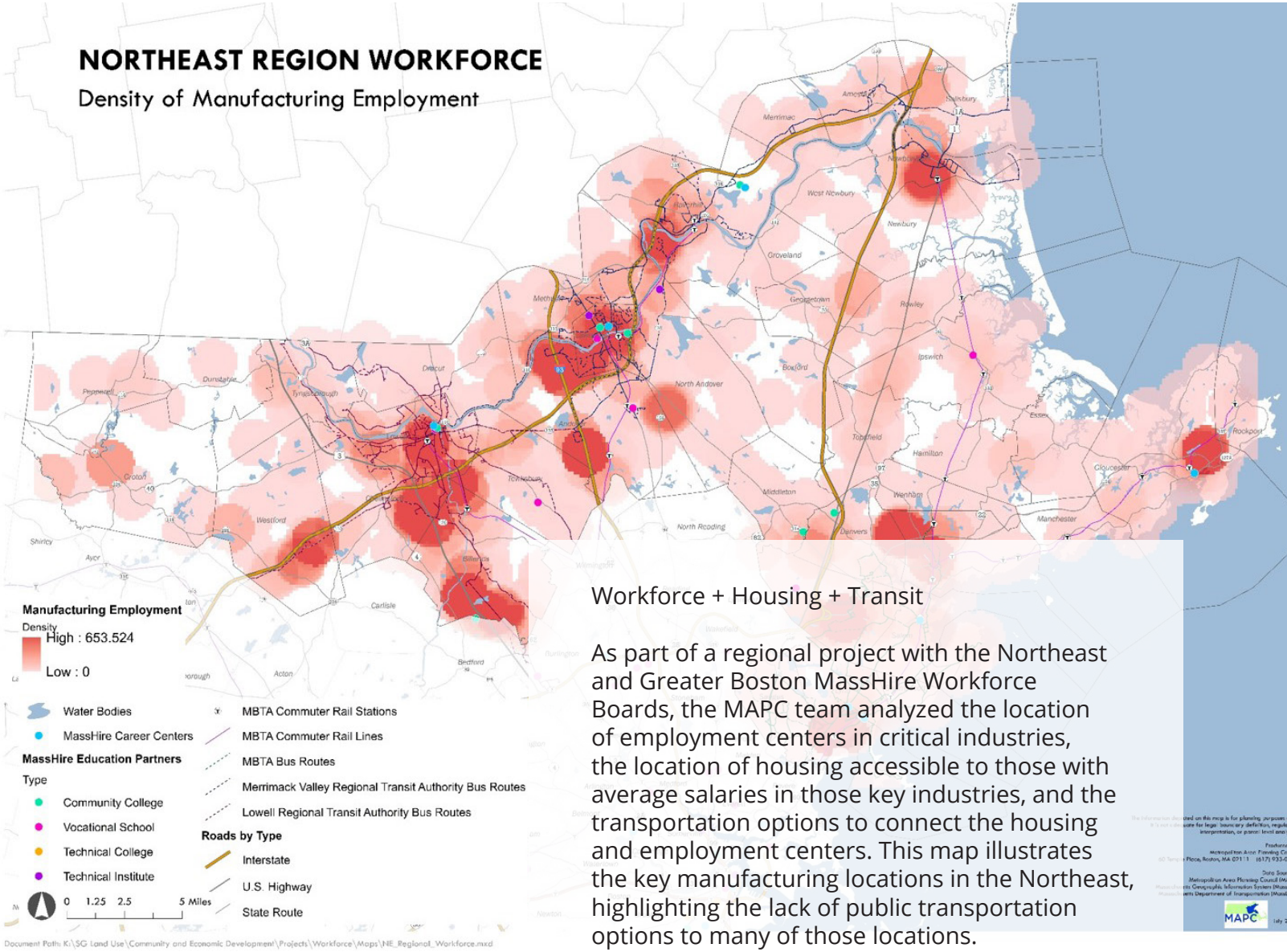
23 Logan, Tim. "Despite State Slowdown, the State's Life Sciences Industry Keeps on Building." Boston Globe, December 3, 2020.

24 Shaver, Les. "Biomanufacturing is an Emerging Growth Spot within Life Sciences." GlobeSt.com October 19, 2020.

25 Berube, Alan. "Small and Mid-Sized Legacy Communities: Trends, Assets and Principles for Action." Brookings Institution, 2014.

NORTHEAST REGION WORKFORCE

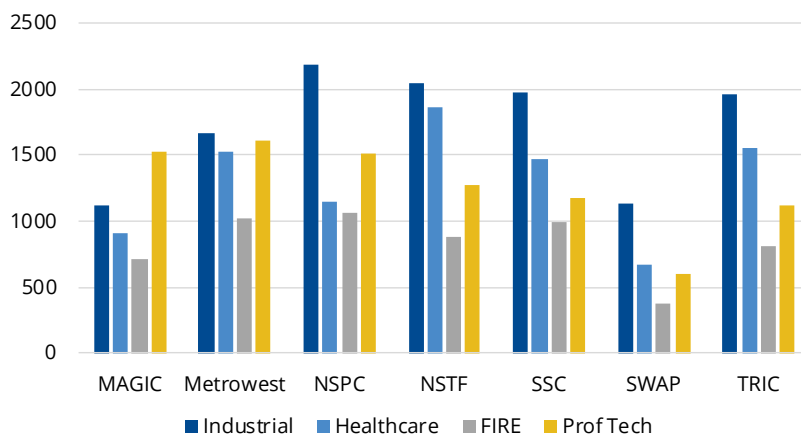
Density of Manufacturing Employment



Workforce + Housing + Transit

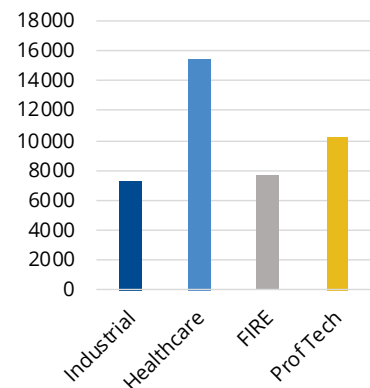
As part of a regional project with the Northeast and Greater Boston MassHire Workforce Boards, the MAPC team analyzed the location of employment centers in critical industries, the location of housing accessible to those with average salaries in those key industries, and the transportation options to connect the housing and employment centers. This map illustrates the key manufacturing locations in the Northeast, highlighting the lack of public transportation options to many of those locations.

Major Industries by Sub Region - No ICC



Source: ES 202 Labor Market Information

ICC Industries by Major Sector



Climate Resilience

Climate change is both affected by and affects the development of the economy in the region. As demonstrated across the country and the globe, economic activities impact our environment and, in many cases, have significantly accelerated climate change. Put simply, means of production require fuel and create waste. This certainly is true in the Greater Boston region. The advent of the COVID-19 pandemic and the resulting economic recovery efforts needed provide an opportunity to explore ways to build a more robust circular economy, aimed at eliminating waste and the continual use of resources. Given the breadth of such efforts to develop stronger circular economies, and the importance of including such strategies in the economic recovery process, further research is required and will be included in an update to this report to be published at a later date.

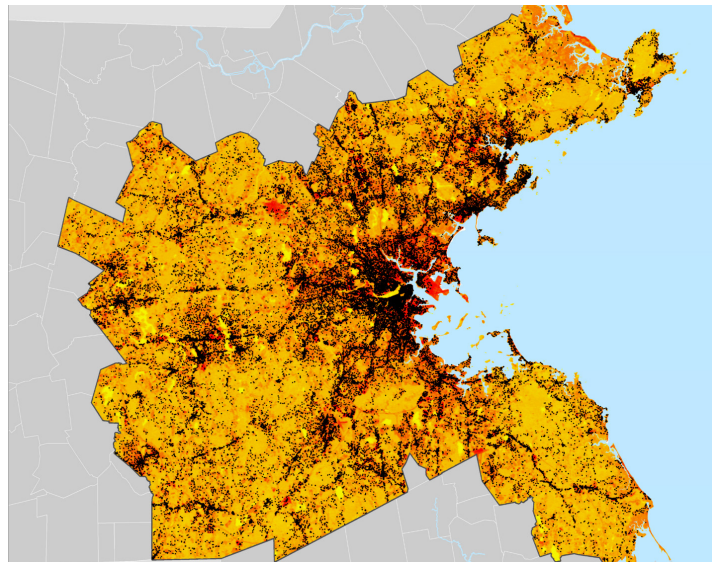
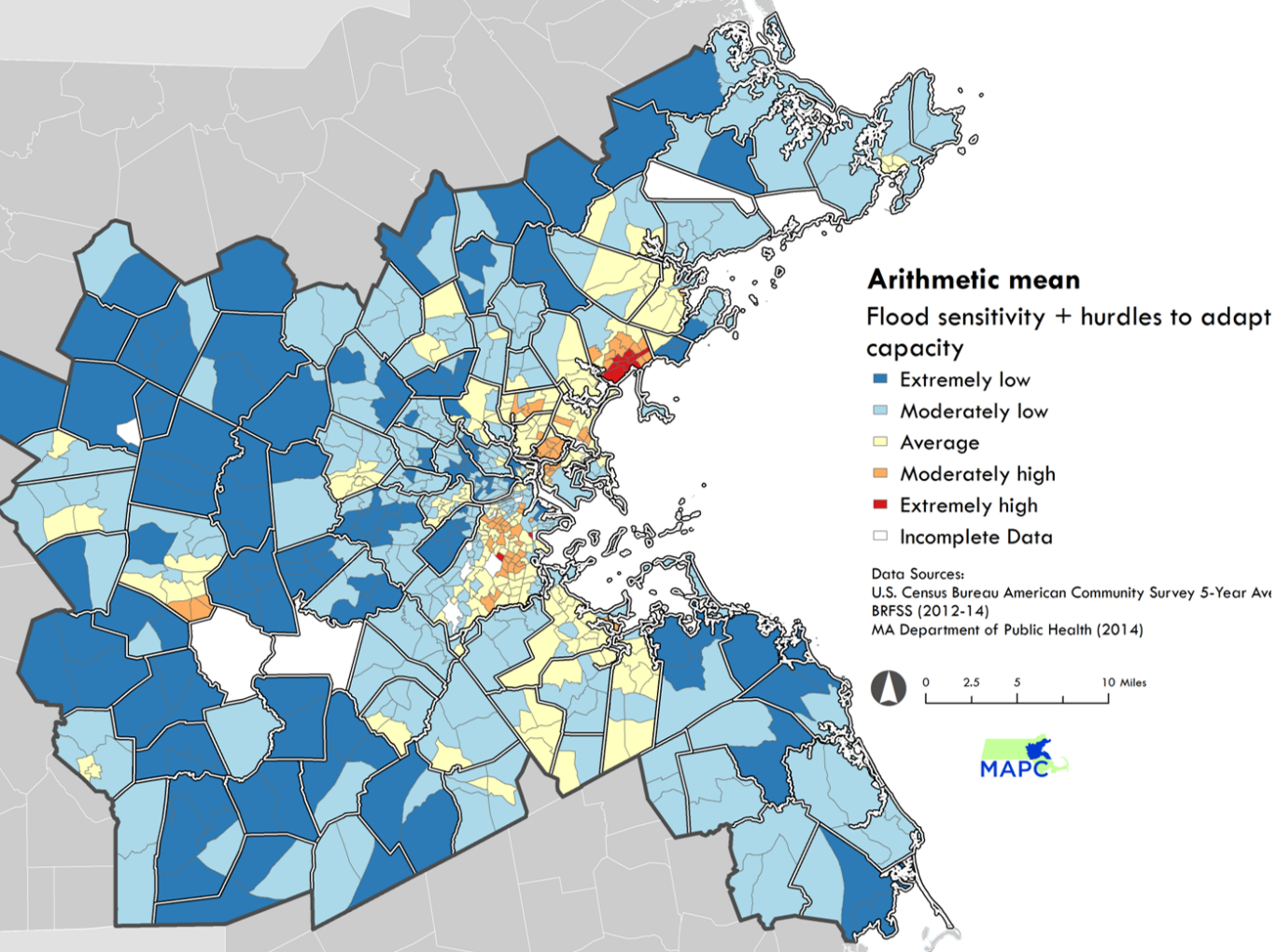
To understand the region's ability to withstand climate shocks and adapt to climate change, the MAPC team analyzed the following elements of climate change and their impact on individuals, infrastructure, and businesses. A more comprehensive analysis of regional vulnerability and resilience will also be included in the CEDS update.

FLOOD SENSITIVITY AND ADAPTIVE CAPACITY

A study by MAPC looked at the relative ranking of census tracts based on the arithmetic mean aggregation of flood sensitivity and adaptive capacity indices. The study showed that many communities in our region are susceptible to flooding. In addition, these communities have lower adaptive capacity due to factors such as an aging population, older housing stock, vehicle access, unemployment, median household income, poverty rate, race, linguistic isolation, and health insurance coverage, among other factors. The previous chart ("Arithmetic mean") combines an analysis of flooding susceptibility with the adaptive capacity of communities based on the factors mentioned above. It is important to note that such analysis does not diminish the importance of focusing on all areas at risk of flooding, but that special attention should be paid to those areas where the residents experience additional vulnerabilities.

FLOOD SENSITIVITY AND INFRASTRUCTURE

As flooding sensitivity increases, investments in resilient infrastructure will be critical. MassDOT and Woods Hole Group are collaborating to assess the vulnerability of coastal transportation systems. The Massachusetts Coast-Flood Risk Model (MC-FRM) will soon be available for the entire Massachusetts coast. The model will project the depth and extent of flooding based on sea-level rise scenarios for 2030, 2050, and 2070. An earlier version of the model depicts the projected depth of inundation during the one percent chance storm, with eight feet of sea-level rise, for the Town of Hull.



Climate Resilience Continued

CLIMATE CHANGE IMPACTS ON VULNERABLE OCCUPATIONS

In 2019, MAPC facilitated four focus groups and conducted follow-up interviews with managers, employees, and representatives from the construction, farming, home health care, and fishing industries, in which they reflected on how climate change affects their industries. These industries were selected both due to their vulnerability to climate change and due to the demographics of workers in these industries who might be more susceptible due to the factors mentioned previously (income, vehicle access, race, etc.)

- Home Health Care: Biggest challenges include client and worker exposure to extreme heat due to utility costs burden and lack of weatherization, transportation barriers, and poor coordination with emergency response systems increase clients' vulnerability during storms.
- Farming: Changing and unpredictable weather patterns affect crops and make it difficult for farmers to consistently deliver products to market. High heat and warmer weather also threaten the well-being of workers, livestock, and crops.
- Fishing: Species migration and warmer waters are changing the mix of species available for commercial fishing (new types, species decline, shellfish closures). Some of these species are invasive, and they have disruptive impacts on local habitats and species. Regulations do not adequately account for species migration.
- Construction: Loss of predictability and warmer winters contribute to a more extended work season but create more risk for worksite weather damage at the margins of each season. Adoption of clean energy equipment and vehicles adoption on worksites is happening very slowly.

EXTREME HEAT AND SMALL BUSINESSES

Many small businesses are located in areas of extreme heat. The current density of small businesses in concentrated areas of extreme heat is demonstrated by this map that shows the location of businesses with 50 employees or fewer on a hot day recorded on July 13, 2016. Temperatures on this day ranged from 64 – 104 degrees Fahrenheit.

COVID Data

From the advent of the pandemic, MAPC has been tracking key indicators and analyzing their impacts on individuals and households in the region. A snapshot of several key quantitative and qualitative data is presented below.

Racial Equity and Economic Resilience

Unemployment²⁶

During the COVID pandemic, unemployment reached its highest rate since the 1970s. 334,200 Massachusetts workers filed continuing unemployment claims for the week ending on September 5, which constituted approximately 9.4 percent of the state's total labor force. This ranked Massachusetts seventh for the highest unemployment rate in the nation. While the unemployment rate has decreased since then, these periods of unemployment had a significant impact on financial and housing stability.

Unemployment also affected occupations differently. As of the August numbers, 40 percent of Food Preparation and Food Service workers had filed for unemployment, along with 33 percent of workers in the Construction and Extraction fields. Workers in Installation, Maintenance, and Repair; Transportation; Sales; and Personal Care and Service occupations had also experienced unemployment rates of 25 percent. As demonstrated by the data above with corresponding wages and the breakdown of race by industry, many low-wage BIPOC workers were hit particularly hard by the pandemic and continue to be.

Housing Costs²⁷

Unemployment resulted in significant housing cost burdens for those affected. Housing instability continues to exacerbate the pandemic, threatening the ability of the economy to rebound with the loosening of restrictions as rates decrease. The MAPC Data Services team estimated that, given the expiration of expanded unemployment assistance, 45,000 renter households affected by unemployment would need financial assistance to cover housing and basic costs.

It is important to note that self-employed, contract and seasonal workers will need additional assistance once the federal expanded unemployment runs out at the end of the

26 The COVID-19 Layoff Housing Gap. MAPC: <https://www.mapc.org/resource-library/covid-19-layoffs-october>. October, 2020

27 The COVID-19 Layoff Housing Gap. MAPC: <https://www.mapc.org/resource-library/covid-19-layoffs-october>. October, 2020

calendar year. In addition, the figures above do not include undocumented workers, who will need additional financial assistance given their inability to access benefits. (Please note that represents the latest analysis conducted by MAPC using data pulled in September 2020.)

Small Business

Between May and June of 2020, MAPC reached out to our municipalities, Chambers of Commerce, and other economic development partners to review the results of various small business impact surveys relative to COVID-19.

Key questions included: “What have been the immediate impacts of COVID-19 on your business?” “What have been the longstanding issues since the closures?” and “What can public entities and partnering organizations do to help?”

The largest issues revolved around the following categories:

- Decline in sales and general uneasiness of customers spending at their business.
- Difficulty in paying rent and being forced to close their business locations permanently.
- Beyond financial assistance, businesses anticipate a need for a myriad of logistical resources related to operational business capabilities.
- Lack of direct communication on the reopening process and figuring out what the next steps should be. This includes the need for PPE supplies, learning about new allowances/flexibility for reopening, and learning about safety protocols to reopen.
- Many businesses were unaware of the different types of resources and programs available, and many felt they did not qualify or learned about programs near or after the deadline.

Since that survey was conducted, many businesses have reopened, but often with high costs associated with social distancing and worker/customer safety, along with reduced sales. Some continue to suffer from supply chain issues that make operations difficult. And many have seen revenue drop significantly with the cold weather and increasing infection rates. All of these issues raise the concern that many businesses that have survived into the fall may not be able to make it through the winter, making additional financial and counseling support for small and medium-sized enterprises critical.

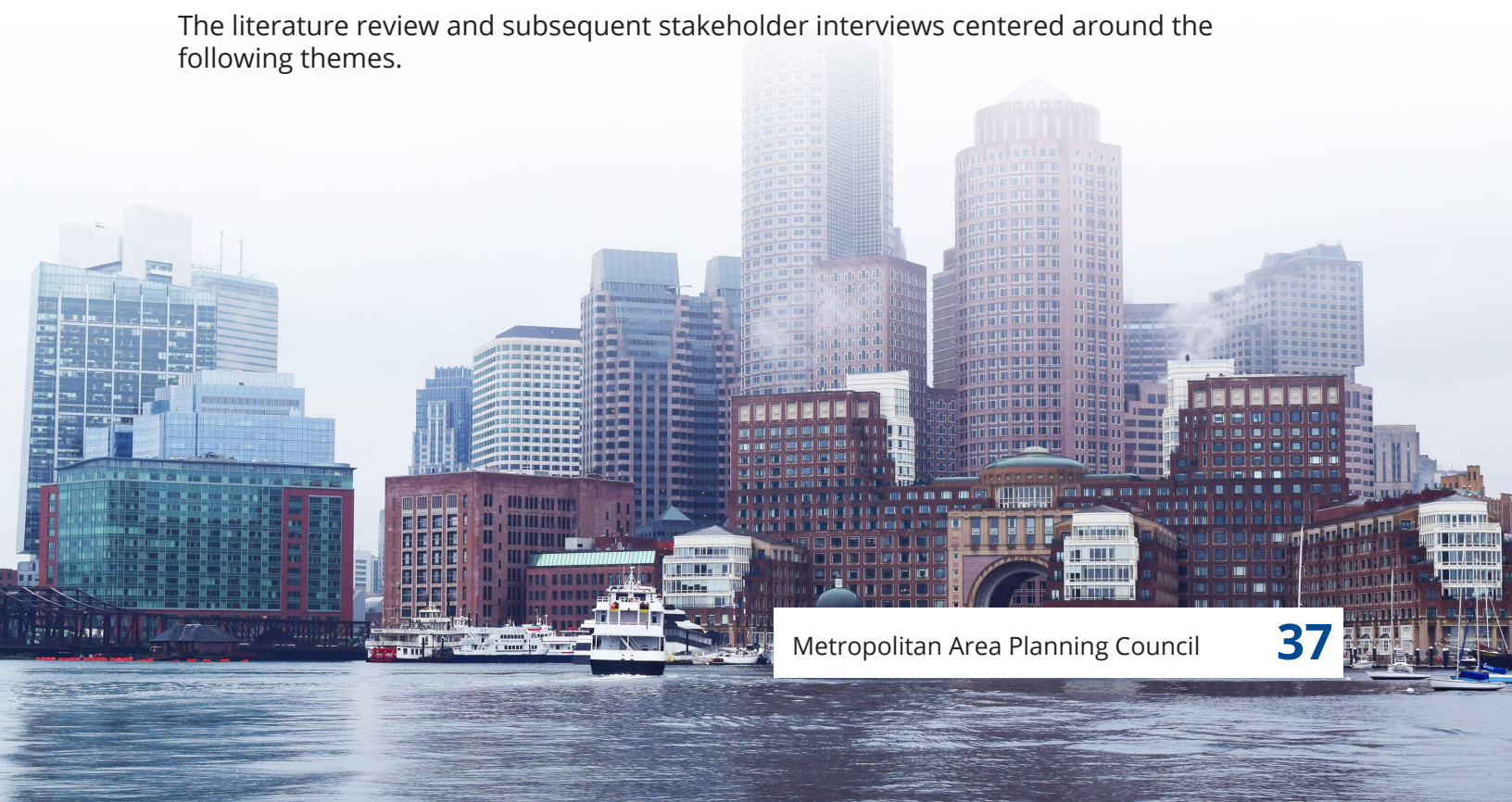
Expected business closures over the next several months will continue to have devastating impacts on the economy by increasing unemployment, business failures, and personal savings loss. The ripple effects will be seen in the housing market with the eviction moratorium’s expiration in October 2020 and the resulting increased need for housing assistance. Communities need rapid access to food, housing, and financial assistance, as well as digital access to ensure continued remote schooling and work, as well as safe childcare options.

Strengths, Weaknesses, Opportunities, and Threats

In January 2020, building on pre-COVID data analysis, the Economic Development team led the Advisory Committee in an exercise to highlight the strengths, weaknesses, opportunities, and threats to the Greater Boston economy, based on the three pillars of racial equity, economic resilience, and climate resilience. A summary of their analysis is presented in the appendix. The team then conducted a literature review based on the SWOT analysis conducted and stakeholder interviews with members of the Advisory Committee and others.

It is important to note that the initial discussion with the Advisory Committee was held before the COVID-19 pandemic, but subsequent analysis occurred as the pandemic unfolded. The pandemic set many of the region's weaknesses in clear relief. The pandemic's disparate impacts across the region highlight the continued challenges of inequality and unequal quality of life throughout the region. Some of the region's strengths can be leveraged to address those weaknesses as part of a regional recovery process. However, losses in critical sectors, small business closures across the region, and one of the country's highest unemployment rates certainly pose challenges to that recovery and raise questions about how to build a more diversified region that is more resilient to future economic disruptions.

The literature review and subsequent stakeholder interviews centered around the following themes.



Strengths and Opportunities

Racial Equity

INCREASING DIVERSITY

As noted above, the population of people of color in the region has increased over the past twenty years. Since 2000, every municipality in our region has seen an increase in people of color. This increasing diversity was noted as a strength by many of the Advisory Committee members. Several studies have shown that diversity spurs economic development for many reasons, such as increased openness to technology, creativity fostered by the interaction of different perspectives, etc. The increasing diversity has undoubtedly contributed to the region's economic growth and the ability to attract and retain employers and talent in the region.

Economic Resilience

GROWTH IN KEY SECTORS

Over the past decade, the region's economy has been strong, spurred by critical sectors such as education, I.T., health care, manufacturing, particularly manufacturing focused on tech and life sciences. These key sectors have attracted interest from large firms. They have also facilitated the growth of local firms that expanded their footprint in the region, hiring additional workers and generating more revenue for the region. These growing sectors, and the complementary industries associated with them, have facilitated job growth and continue to provide career development opportunities in well-compensated positions. In addition to these sectors, increased funding for and attention to climate mitigation and resilience provides an exciting opportunity for business and job growth in the climate and energy sectors.

Several key sectors remained strong during the COVID pandemic: As the pandemic unfolded, there were continued opportunities in these sectors given remote work options and the need for medical manufacturing and safer workplaces for manufacturing companies.

NEW BUSINESSES AND BUSINESS MODELS

It is also important to note that new companies and business models emerged during the pandemic, as entrepreneurs pivoted to respond to the crisis and the shifting consumer preferences. Such trends were seen in medical manufacturing with increased demand for medical devices and personal protective equipment, food service delivery, outdoor vending and dining, etc.

WORKER PROTECTIONS AND BENEFITS IN MASSACHUSETTS

Massachusetts has implemented many recommendations for providing quality employment, such as \$15 minimum wage, earned sick leave and paid family leave, enforcing wage violations for contracts, protecting prevailing wages, and enforcing labor standards. Worker protections, such as paid sick leave and family leave, were crucial worker protections as COVID-19 evolved.

Climate Resilience

REGIONAL LEADERSHIP

The Greater Boston area has seen increased interest in and leadership in climate resilience and mitigation. Facilitated by strong research institutions, investments in climate planning and mitigation, and private-sector leadership, there are growing public and private commitments to increasing the region's climate resilience.

Weaknesses/Threats

Despite the opportunities to build upon the region's economic growth and strengths, the COVID-19 pandemic laid bare the underlying weaknesses and threats to the economic prosperity of the region, particularly for BIPOC residents.

Racial Equity

RACIAL WEALTH GAP

The region continues to show the impacts of institutionalized and community-level racism. Wealth inequality between White and Black residents is high, and neighborhoods continue to be marked by stark racial lines.

BUSINESS OWNERSHIP GAP

Businesses owned by people of color continue to lag behind the percentage of people of color in the population.

PRIVATE SECTOR, NON-PROFIT AND POLITICAL REPRESENTATION

A quick scan of local elected leaders and non-profit and private leadership reveals the need for increased representation of BIPOC individuals.

Economic Resilience

NEED FOR INCREASED ECONOMIC DIVERSIFICATION

Although, as noted earlier, the region's economy shows a higher level of

diversification that many other similar regions, the impact of COVID-19 related shutdowns highlighted the region's reliance on key industries hit hard by the pandemic. The education sector experienced significant disruptions. While some aspects of the health care sector saw increased funding, other parts of the field were entirely halted due to reduced non-emergency procedures. More importantly, the geographic concentration of industries, particularly in the Inner Core and in certain locations North and West of Boston, makes it challenging for individuals to access those positions and for employers to recruit the talent necessary given the inability to find accessible housing close to their places of work.

PRECARIOUS NATURE OF SMALL BUSINESSES

The negative impacts of COVID-19 on the small business sector also revealed inherent weaknesses given the number of business owners with little to no savings needed to weather the storm. The rapid increase in consumer spending online instead of on-site at small businesses and the potential permanent shifts in consumer behavior have precipitated business closures across the region.

WAGE INEQUALITY

There continue to be persistent differences in income, particularly when analyzing income by occupations by race. Black residents have persistently low wages.

TRANSPORTATION CHALLENGES

Transportation continues to be a key element of economic resilience, given its role in facilitating the region's economy. While some individuals enjoy short commutes, residents of color in the region also travel farther to access their job. These long commutes are added to high transportation costs, resulting in inequitable access due to cost.

Climate Resilience

SUSCEPTIBILITY TO SEVERE WEATHER

As demonstrated by severe weather impacts and resulting flooding and other adverse impacts in Revere, Lynn, and other coastal communities, the region continues to be susceptible to the effects of climate change.

SEA LEVEL RISE

Many coastal communities are threatened by sea-level rise, threatening residential and commercial developments along the coast, requiring significant investments to reinforce sea walls or facilitate managed retreat.

Literature Review

Based on themes in the analysis above, the team compiled a literature review to compile innovative solutions and responses to the trends identified. A summary of the content of the literature review is included below.

The analysis centered around four key themes:



Wages, benefits, working conditions, and career advancement.



Labor force diversification across all major segments of work, with less low wage/skill concentration, high skill/high wage concentration.



Homeownership and business ownership as tools for wealth creation.



The connection between housing, employment centers, and transit access



Wages, Benefits, Working Conditions, and Career Advancement

Problem Statement

Although wages for certain professions have increased steadily over the past decade, wages in other occupations have remained stagnant, threatening the ability of workers to provide for their daily needs. In addition, some professions lack clear career advancement options, which could lead to improved wages, work conditions, and worker satisfaction.

National Trends

Wages have been stagnating over the past several decades. In 2017, wage and salary disbursements were 43% of the Gross Domestic Income, one of the lowest percentages in more than 60 years.²⁸

However, after adjusting for inflation, today's average hourly wage has approximately the same purchasing power as in 1978. The \$4.03-an-hour rate recorded in January 1973 had the same purchasing power that \$23.68 would today.²⁹

Massachusetts Income Inequality

Income inequality in Massachusetts is among the worst in the country. Although the 2000s dot-com bubble saw the most significant discrepancy develop between what the top one percent and what the bottom ninety-nine percent earned, the income gap has only steadily gotten worse since. According to data from the Economic Policy Institute, in Suffolk County, where Boston is located, the top one percent earns an average income nearly fifty-four-times more than the bottom ninety-nine percent.³⁰

28 Robertson, Lori. Are Wages Rising or Flat? Annenberg Public Policy Center, June 28, 2019. <https://www.factcheck.org/2019/06/are-wages-rising-or-flat/>

29 Desilver, Drew. For Most of Us Workers, Real Wages Have Barely Budged for Decades. Pew Research, August 7 2018. [For most Americans, real wages have barely budged for decades | Pew Research Center](#)

30 Unequal States of America: Massachusetts. Economic Policy Institute. 2018. [Interactive: The](#)

Industry-Specific Data

MANUFACTURING

While manufacturing workers earn 13 percent more in hourly compensation than other comparable workers earn in the rest of the private sector. However, the manufacturing compensation premium has declined by about one-fourth (3.9 percentage points) since the 1980s, when it was 16.9 percent.³¹ While many health care occupations in the region offer competitive salaries, CNAs are among the lowest earners of the target occupations identified by the Regional Labor Market Blueprint planning process. These nursing assistants earn a median base salary of \$24,000 but have a current market value of \$30,505, or a 21.3 percent increase, according to Glassdoor. Certified nursing assistants and other nursing aids are increasingly in demand because of the aging U.S. population. Jobs for these workers will grow 17 percent through 2024, or much faster than average, the Bureau of Labor Statistics says. Still, consistently low wages in these positions threaten the wealth creation potential of these essential health care workers.³²

Policy and Programming Recommendations

Wage stagnation has a range of causes such as increasing costs of health care and other benefits, declines in educational attainment, job declines in manufacturing and production, and a shift toward job growth in low-wage industries and monopsonies. The literature review revealed a series of effective federal policies and state policies to respond to such causes, some of which the state has already implemented.^{33, 34} Given the current impacts of COVID-19 and the resulting labor force disruptions as well as the progress the state has made in the implementation of these policies, the recommendations in the plan focus on workforce development and educational supports, engagement of the private sector, as well as income enhancements for those earning less than a living wage.

[Unequal States of America | Economic Policy Institute \(epi.org\)](#)

- 31 Manufacturing Still Provides a Pay Advantage, but Outsourcing is Eroding It. Economic Policy Institute. 2018. <https://www.epi.org/publication/manufacturing-still-provides-a-pay-advantage-but-outsourcing-is-eroding-it/>
- 32 The 9 Most Underpaid Jobs in America. CBS News. 2017: <https://www.cbsnews.com/media/the-9-most-underpaid-jobs-in-america/>
- 33 How to Raise Wages that Work and Policies that Don't. Economic Policy Institute. 2015. <https://www.epi.org/publication/how-to-raise-wages-policies-that-work-and-policies-that-dont/>
- 34 Glover Blackwell, Angela. We See You: Why America Must Invest in Young People of Color, Stanford Social Innovation Review, Jan 4, 2021. https://ssir.org/articles/entry/we_see_you_why_america_must_invest_in_young_adults_of_color: Why America Must Invest in Young Adults of Color (ssir.org)



Labor Force Diversification

Problem Statement

Communities with higher percentages of BIPOC have higher rates of unemployment and participate in low wage jobs more than White communities.³⁵ An equitable future for the region would see a more proportional share of the BIPOC population in high wage occupations and industries.

Persistent Racial Wealth Disparities

The Black-White wage gap is smallest at the bottom of the wage distribution, where the minimum wage serves as a wage floor. The largest Black-White wage gap, as well as the one with the most growth since the Great Recession, is found at the top of the wage distribution.³⁶

Wage growth by Education, Race, and Ethnicity

35 Gould, Elise. Black-White wage gaps are worse today than in 2000, State of Working America Wages 2019 <https://www.epi.org/blog/black-white-wage-gaps-are-worse-today-than-in-2000/>

36 Gould, Elise. Black-White wage gaps are worse today than in 2000, State of Working America Wages 2019 <https://www.epi.org/blog/black-white-wage-gaps-are-worse-today-than-in-2000/>

In 2019, Black workers with some college education still had lower wages than in 2000. Black-White wage gaps by education were larger in 2019 than in 2000 for all education groups, while Hispanic-White wage gaps were narrower for workers at any level of educational attainment except those with some college. From 2018 to 2019, Latinx workers were the only group with positive wage growth across all educational attainment levels. However, Latinx and Black workers were paid consistently less than their white counterparts at nearly every education level.³⁷

Policy and Programming Recommendations

Complementary to the recommendations above, the literature notes that increased and enforced anti-discrimination protections for prospective and current workers can be an effective tool. The expansion of support programs for BIPOC job seekers and employees, particularly in industries with higher wages, has proven effective.³⁸

37 The State of the Union for Black Workers. Working Economics Blog: Economic Policy Institute, February 4, 2020. <https://www.epi.org/blog/the-state-of-the-union-for-black-workers-myths-and-facts/>

38 Gould, Elise. Black-White wage gaps are worse today than in 2000, State of Working America Wages 2019 <https://www.epi.org/blog/black-white-wage-gaps-are-worse-today-than-in-2000/>



Homeownership, Business Ownership, and Wealth Creation

Problem Statement

The BIPOC population in the nation and the region has less wealth than their White counterparts, leading to diminished capacity to own property and businesses. Many factors have contributed to the homeownership and business ownership gap, such as land use policies, discrimination through restrictive covenants, redlining, and other lending practices that have inhibited the creation of wealth needed to own homes, start businesses, and pass wealth to future generations.

Homeownership and Wealth Transfer

The difference in parental homeownership and wealth explains twelve to thirteen percent of the homeownership gap between Black and White young adults nationwide. The stability of parents' homeownership and the amount of wealth they possess also affect their child's likelihood of owning a home. The impact of parental homeownership and wealth on young adults' homeownership also varies across time and location. The parental homeownership effect was stronger during the economic boom, and the wealth effect was stronger during the bust when credit tightened. Both parental wealth and homeownership have a stronger relationship with young adults' likelihood of homeownership in low-cost cities, where housing is more affordable. In 2017, the black homeownership rate (41.8 percent) was the lowest of all racial and ethnic groups. Between 2000 and 2017, the black homeownership rate dropped 4.8 percentage points—a loss of about 770,000 black homeowners—while the homeownership rates of other racial and ethnic groups either remained constant or increased.^{39, 40}

39 Explaining the Black-White Homeownership Gap. Urban Institute 2019.

40 Rosen, Kenneth. Bank, David. Belfor, Heather. Eckstein, Adam. Gade, Anisha. Tcheau, Michael. Hurdles to Homeownership: Understanding the Barriers. Fisher Center Working Papers, 2017

Business Ownership and Wealth

Although Black Americans are more likely than White Americans to start a business, White-owned businesses are more likely to grow and succeed.⁴¹ White American adults have 13 times the wealth than Black American adults, and on average Black business owners have less in assets and less disposable income with which to start a business than White business owners.⁴² Despite these challenges, new research from the Brookings Institution suggests that support for Black-owned businesses can be part of a path to a “robust and equitable recovery.”⁴³

Policy and Programming Recommendations

Several policy and programming recommendations emerged from the literature review, centered around strengthening access to credit and building alternative forms of credit and reforming local zoning laws and land-use policies to encourage affordable housing development and support affordable commercial development. The literature also highlighted the benefits of government and private-sector leaders expanding procurement with minority-owned small businesses and addressing barriers to wealth creation and wealth transfer via tax reform.^{44, 45, 46, 47}

-
- 41 Minority Business Ownership: Research on Race and Entrepreneurship. Kauffman Foundation. 2016.
 - 42 Entering Entrepreneurship: Racial Disparities in the Pathways into Business Ownership. Samuel Dubois Cook Center on Social Equity, Duke University. 2019.
 - 43 Economic recovery in American cities: Building Black Businesses and wealth. Brookings Institution: Presentation Recorded on December 9, 2020. <https://www.brookings.edu/events/economic-recovery-in-american-cities-building-black-businesses-and-wealth-2/>
 - 44 Camara, M'Balou, Zaw, Khaing, Hamilton, Darrick and Darity, Jr., William. Entering Entrepreneurship: Racial Disparities in the Pathways into Business Ownership. The Samuel DuBois Cook Center on Social Equity, Duke University: 2019. <https://socialequity.duke.edu/wp-content/uploads/2019/10/Entering-Entrepreneurship.pdf>
 - 45 Williamson, Vanessa. Closing the Racial Wealth Gap Requires Heavy, Progressive Taxation of Wealth. Brookings Institution: 2020. <https://www.brookings.edu/research/closing-the-racial-wealth-gap-requires-heavy-progressive-taxation-of-wealth/>
 - 46 Weller, Christian. Getting Serious about Closing Racial Wealth Gap Means Looking for New, Large Solutions. Forbes, Jan 14, 2020. <https://www.forbes.com/sites/christianweller/2020/01/14/getting-serious-about-closing-racial-wealth-gap-means-looking-for-new-large-solutions/?sh=3033ca914fbf>
 - 47 McKinney, Fred. “And Finally III” Boston: Greater New England Supplier Diversity Council, 2013.



Housing, Employment Centers, and Transit Access

Problem Statement

Average commute times in the region are now some of the worst in the country. The cost of housing has driven many lower-wage workers to areas without sufficient transit access, leading to long commutes on transit or necessitating the purchase of a vehicle. Long commutes also mean more considerable transportation costs. For the average family in the twenty-five largest U.S. metro areas, any income gains made in the last decade have been erased due to the combined cost of housing and transportation.⁴⁸ Affordable housing development faces the challenge of high land costs in transportation accessible areas for new subsidized units.⁴⁹

48 Losing Ground: The Struggle of Moderate-Income Households to Afford the Rising Costs of Housing and Transportation. https://www.cnt.org/sites/default/files/publications/CNT_LosingGround.pdf

49 Creating Connected Communities: A Guidebook for Improving Transportation Connections for Low and Moderate-Income Households in Small and Mid-Sized Cities. U.S. Department of Housing and Urban Development Washington, D.C. Prepared by: Center for Transit-Oriented Development April 2014

National Commute Time Data

Consistent with local data, commute times are different for people of different backgrounds in the United States. In 2015, Asian or Pacific Islander workers had the longest average commute time at 28.9 minutes, while Black and Latinx workers also had longer commute times than White workers.⁵⁰ The typical metropolitan resident can reach about 30 percent of jobs in their metropolitan area via transit in 90 minutes. However, only one-quarter of jobs in low- and middle-skill industries are accessible via transit within ninety minutes for the typical metropolitan commuter, compared to one-third of jobs in high-skill industries.⁵¹

Transportation Costs and Times

Generating new measures of accessibility combining travel time and transit fares provides more accurate measures that can be easily communicated by transportation planners and engineers to policymakers and the public since it translates accessibility measures to a dollar value.⁵² Average household transportation costs for the typical household rose by 33 percent between 2000 and 2010, while housing costs rose by 52 percent. In comparison, median household income increased just 25 percent.⁵³

Integrating Transportation Access into Land Use Planning and Advocacy

Emerging approaches show how stakeholders engaged in community development can integrate housing, economic development, and transportation policy and investment to advance equity, i.e., just and fair inclusion into a society in which all can participate, prosper, and reach their full potential.⁵⁴

50 Average travel time to work (minutes) by race/ethnicity: United States, 2015. National Equity Atlas. https://nationalequityatlas.org/indicators/Commute_time

51 Missed Opportunity: Transit and Jobs in Metropolitan America. Brookings Institution, May, 2011. <https://www.brookings.edu/research/missed-opportunity-transit-and-jobs-in-metropolitan-america/>

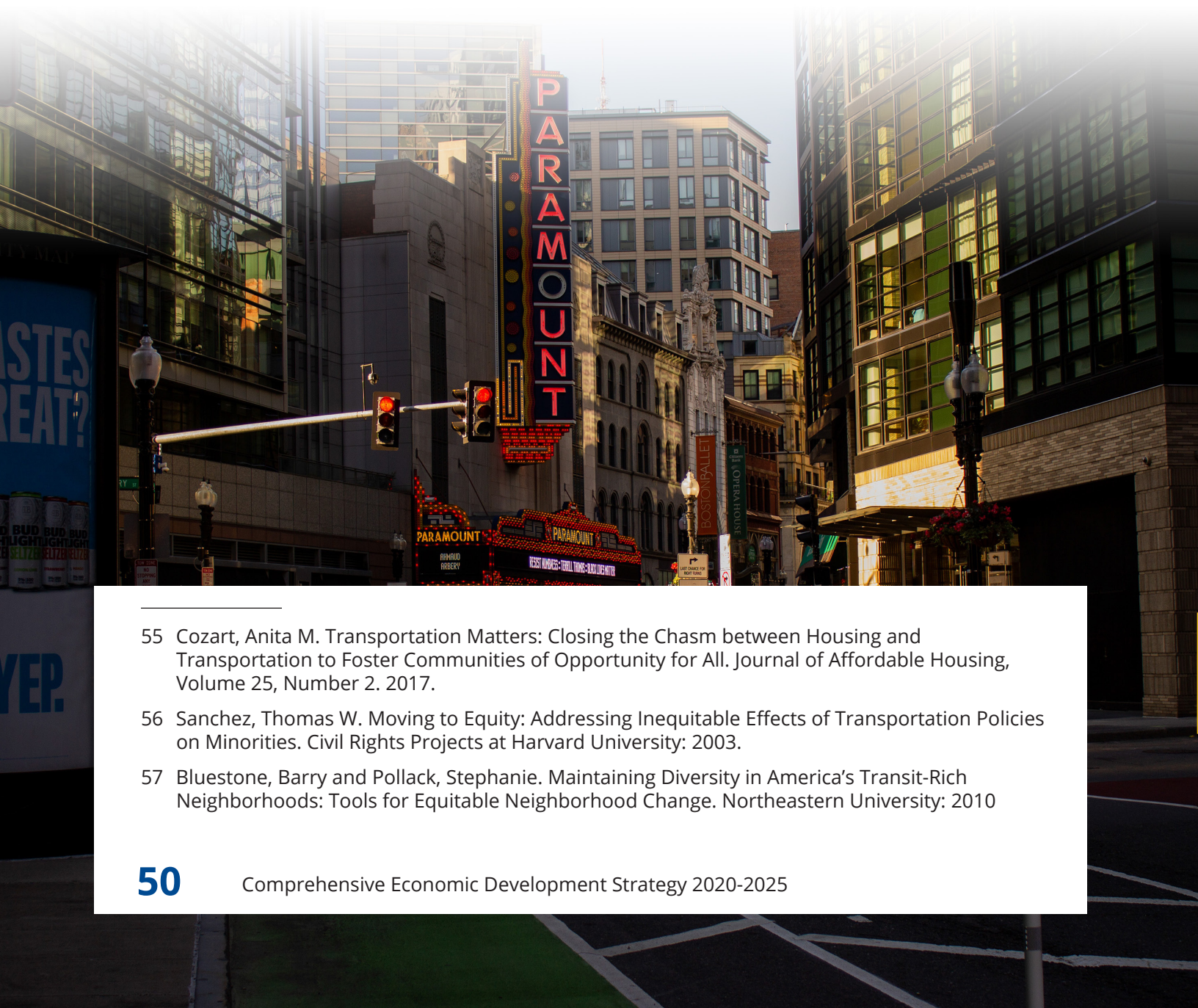
52 The Cost of Equity: Assessing transit accessibility and social disparity using total travel cost. Science Direct, Vol 91, September, 2016. <https://www.brookings.edu/events/economic-recovery-in-american-cities-building-black-businesses-and-wealth-2/>

53 Creating Connected Communities: A Guidebook for Improving Transportation Connections for Low and Moderate-Income Households in Small and Mid-Sized Cities. U.S. Department of Housing and Urban Development Washington, D.C. Prepared by: Center for Transit-Oriented Development April 2014 https://www.huduser.gov/publications/pdf/Creating_Cnnctd_Comm.pdf

54 Cozart, Anita M. Transportation Matters: Closing the Chasm between Housing and Transportation to Foster Communities of Opportunity for All. Journal of Affordable Housing, Vol 25, No. 2: 2017.

Policy and Programming Recommendations

The literature pointed to integrating transportation analysis and planning into land use planning, particularly residential and commercial developments, and the importance of involving the workforce development, housing, and transit stakeholders in such decision-making processes. In addition, the literature review highlighted the need for creative funding sources for public transit and programs to support mobility for the BIPOC population, as well as to incentivize the creation of low and moderate-income housing close to transportation and employment nodes.^{55, 56, 57}

- 
- 55 Cozart, Anita M. Transportation Matters: Closing the Chasm between Housing and Transportation to Foster Communities of Opportunity for All. *Journal of Affordable Housing*, Volume 25, Number 2. 2017.
 - 56 Sanchez, Thomas W. Moving to Equity: Addressing Inequitable Effects of Transportation Policies on Minorities. Civil Rights Projects at Harvard University: 2003.
 - 57 Bluestone, Barry and Pollack, Stephanie. Maintaining Diversity in America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change. Northeastern University: 2010

Vision

At the beginning of the CEDS design process, the External Advisory Committee members shared their vision for the region, which formed the following vision statement.

The region will be:

- More **equitable** with opportunities for people of all backgrounds, particularly BIPOC (Black, Indigenous and People of Color), and those in other marginalized groups to enjoy a high quality of life and to create, build and pass on wealth to future generations through living wages, high-quality public education, ownership of real estate, businesses, and other assets.
- More **resilient**, with the increased capacity and infrastructure necessary to withstand public health, economic, and climate shocks through diversification of the economy, increased collaboration, support for the most vulnerable to address disparate impacts and ensure equity, and proactive care for the environment.
- More **interconnected**, with decreased distance between homes and places of employment, enhanced transit options that provide for more efficient travel and digital access for all.

We will achieve this through:

- **Proactively developing collaborative partnerships** with a range of stakeholders from the public, non-profit, and private sectors, in suburban and urban communities, with a focus on coalition building and movement support.
- **Building the capacity of MAPC and our partners** to acquire tools and address barriers to advance racial equity, economic resilience, and climate resilience in the region.
- **Conducting analysis** of both traditional data sources and alternative ones, such as data gathered through storytelling, focus groups, lived experiences, and annual evaluation of the CEDS implementation process.

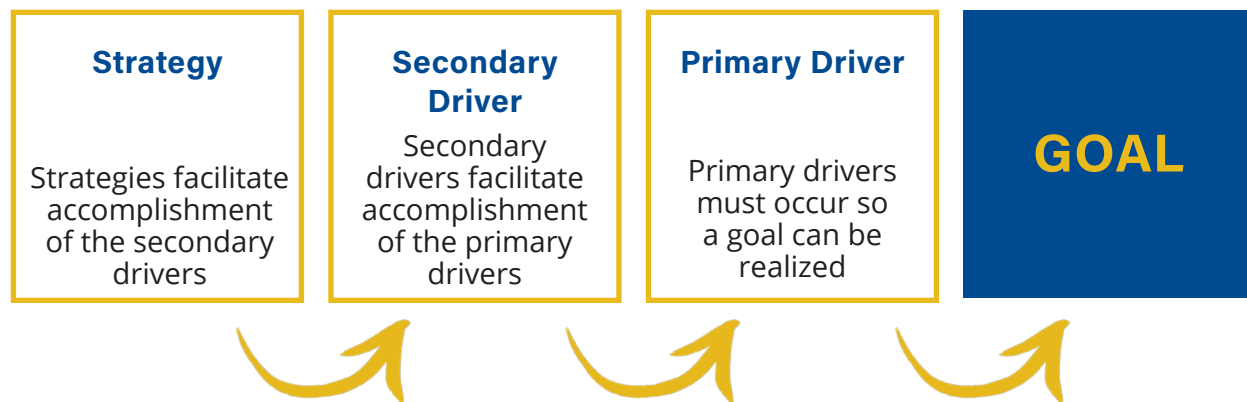
Goals and Strategies

Goal Development

The team used the vision developed by the Advisory Committee and the findings from the literature review to create draft goals, which were then reviewed and updated following feedback from internal advisors and the External Advisory Committee.

Strategy Development

The MAPC team then used the driver diagram methodology to develop strategies to achieve the goals. Read from right to left, the driver diagram is a visual representation of a theory of what “drives” or contributes to the achievement of a goal.



The team then developed objectives and strategies as detailed below. Members of the MAPC staff, external Advisory Committee members, and other stakeholders provided valuable feedback on the strategies.

Summary of Goals and Strategies

The goals and strategies are summarized as follows:

Goal 1: Residents of the region achieve financial stability in order to withstand three-six months of economic hardship.

1. Provide effective workforce development supports and address barriers to quality employment for BIPOC through public-private collaboration and private sector leadership.
2. Increase predatory lending protections and expand access to financial services and education through partnerships with financial institutions and partners in the financial technology sector.
3. Provide publicly funded income enhancements for those earning less than a living wage, and support reduction in household expenses.

Goal 2: There is increased parity between the wealth of BIPOC (Black, Indigenous, and People of Color) and White people in the region.

4. Expand access to stable housing for BIPOC.
5. Build the resiliency and stability of businesses owned by BIPOC.
6. Strengthen community-driven economic systems.
7. Explore and advance tax reform to address systemic inequity.

Goal 3: Everyone in the region is able to access jobs, goods, and services close to their homes via affordable transportation options, with shorter commutes and fewer transfers.

8. Enable the production of affordable housing near employment centers and transit nodes.
9. Expand digital access to enable remote work and learning.
10. Provide access to affordable, safe, and accessible transportation options.

Detail



The section below provides additional details on the strategies described above. The strategies are grouped into two categories: Legislative/regulatory and Programmatic. Legislative/regulatory strategies are focused on changes to the legislative or regulatory frameworks to achieve the objectives, while programmatic strategies are focused on the municipal and state level programming needed for successful achievement of the objectives.

Goal 1: Residents of the region achieve financial stability in order to withstand three-six months of economic hardship.

In the MAPC region, households face an average cost of \$7,440 per person for basic annual expenses (basic expenses include food, medical care, and transportation, but exclude housing costs and childcare for the purposes of this analysis). This is equivalent to just under \$30,000 per year on basic, non-housing expenses for a four-person family. This demonstrates that even before COVID-19, hundreds of thousands of working households were forced to make difficult decisions about spending, go into debt, or rely on other types of assistance to make monthly ends meet. These are also the households most vulnerable to income disruptions. As we recover COVID-19 and build resiliency in response to the public health, climate, and racial equity crises facing our region, ensuring residents have the financial means to withstand unexpected expenses over an extended period of time is crucial.⁵⁴

STRATEGY 1

Provide effective workforce development supports and address barriers to quality employment for Black, Indigenous, and People of Color (BIPOC) through public-private collaboration and private sector leadership.

OBJECTIVE: Employers set internal goals and are accountable to achieve them in areas such as hiring, promoting, and supporting BIPOC employees.

OBJECTIVE: State government adopts the necessary requirements and incentives to ensure quality employment.

DETAILS

Legislative/Regulatory

Fund effective workforce development initiatives

- Promote pay for success strategies to fund effective workforce development programming, to target limited dollars to programs with demonstrated positive, measurable outcomes. (See “Pay for Success” below)
- Include workforce development support in key state legislation on topics such as transportation, information technology, and climate change to encourage job creation in growing industries in each of these sectors.

58 The COVID-19 Layoff Housing Gap. MAPC: <https://www.mapc.org/resource-library/covid-19-layoffs-october/>. October, 2020

GOAL 1 CONTINUED

- Expand access to effective higher education programs through free or subsidized tuition with federal and state support.
- Expand certificate programs and analyze credentialing needed for critical occupations aligned with the regional Labor Market Blueprint goals⁵⁹ and regional goals for racial equity and climate mitigation.

Expand access to childcare

- Expand funding for childcare providers in need of upgrades to their facilities due to COVID-19 precautions.
- Expand subsidies for those in need of childcare.
- Explore tax incentives for childcare providers and for employers who provide childcare.

Extend unemployment benefits to workers in the gig economy who work at least 20 hours/week, building on the precedent set by the expansion of federal unemployment benefits to such workers during the COVID-19 pandemic.

PAY FOR SUCCESS

Pay for success is a funding mechanism that transfers the up-front costs and risks of a program from a funder (usually a public entity) to an investor. The investor is paid back with interest if the program outcomes are achieved, as demonstrated through an independent evaluation. If the program does not achieve the expected outcomes, the investors could lose their investment. The Massachusetts Pathways to Economic Advancement program (M.A. Pathways), launched by Jewish Vocational Services in 2017, is the first Pay for Success project in the world with a focus on workforce development. The investors' return is based on increased participant earnings and the revenue the Commonwealth receives from tax revenues generated from those increased earnings. The program provides vocational English and job training to adults; English language instruction and job placement for students seeking re-employment or advancement; specific vocational training, certification, and placement in the hospitality or health care sector; remedial math, science, and English support for individuals seeking higher education.

59 In 2017, the state launched a regional planning initiative to respond to the skills gaps. The process brought together educators, workforce and economic development professionals to create regional blueprints for workforce development growth throughout the Commonwealth. The process produced regional Labor Market Blueprints used to guide the MassHire Workforce Boards and their partners. <https://www.mass.gov/service-details/view-your-regions-blueprint>

GOAL 1 CONTINUED

Programmatic

Expand coordination of workforce development programming at the state and municipal level to ensure targeted outreach to populations with barriers to employment.

Strengthen leadership of the private sector with support from municipalities, workforce partners, and others to solve critical issues related to racial equity, economic growth, climate resilience, and workforce development. (See “Private Sector Partnerships.”)

Strengthen referral system for workers/claimants experiencing possible wage theft or other labor violations.

PRIVATE SECTOR PARTNERSHIPS

One successful model for encouraging private sector leadership is the Next Generation Sector Partnership model, designed to foster partnerships of businesses from the same industry and labor market, to then work with partners in education, workforce development, economic development, and community-based organizations to address key challenges to growth. The model encourages leaders of key members of the private sector, supported by staff from local government and non-profit organizations. The model has proven effective in addressing a range of issues from workforce development to supply chain issues, housing, and other challenges to growth.⁶⁰

60 www.nextgensectorpartnerships.com

GOAL 1 CONTINUED

STRATEGY 2

Increase predatory lending protections and expand access to financial services and education through partnerships with financial institutions and partners in the financial technology sector.

OBJECTIVE: Residents have access to fair and equitable banking systems such as lending and savings.

DETAILS

Legislative/Regulatory

Increase predatory lending protections, such as municipal zoning regulations to restrict predatory lenders, and work with the federal delegation to restore the requirement that lenders check that borrowers can repay their loan when it comes due.

Programmatic

Expand access to financial education through partnerships with local financial institutions.

Partner with fin tech companies and others to expand access to financial services.

GOAL 1 CONTINUED

STRATEGY 3

Provide publicly funded income enhancements for those earning less than a living wage, and support reduction in household expenses

OBJECTIVE: Those earning less than a living wage can access needed financial support and are able to reduce their expenses.

DETAILS

Programmatic

Create and expand savings and supplemental income programs.

- Create municipal and state individual savings accounts to help individuals to generate savings over time.
- Pilot baby bond programs at the municipal and state level to provide bonds to children at varying levels based on family income.
- Expand Family Self-Sufficiency programs and address cliff effect issues (when a household loses eligibility due to increased income but continues to need assistance).

Legislative

Expand the Earned Income Tax Credit program to offer a larger credit to a larger segment of the population.

Expand programs that address basic costs for low-income individuals and families

- Expand subsidized home energy retrofits to reduce energy costs and promote climate resiliency.
- Expand food security programs and health care subsidies working with the private and non-profit sectors.
- Implement low-income fares on public transit.

Some municipal and state savings and supplemental income programs would also require legislative approval.

Goal 2: There is increased parity between the wealth of BIPOC (Black, Indigenous, and People of Color) and White people in the region.

According to a 2015 study by the Federal Reserve Bank of Boston, non-White households in the region had only a small percentage of the net worth of White households. In 2015, White households had a median net worth of \$247,500, while Dominicans and U.S. born Black residents had a median net worth close to zero.⁶¹ Given the disproportionate effects of COVID-19 on BIPOC communities, it is critical to ensure that residents who identify as BIPOC can generate and build wealth to promote an equitable recovery and ensure access to quality education, health care, and other quality of life elements.

STRATEGY 4

Expand access to stable housing for BIPOC

OBJECTIVE: There is sufficient safe, stable housing for BIPOC.

DETAILS

Legislative/Regulatory

Incentivize production of a range of housing options, including subsidized housing in largely White communities, to address historic segregation.

Expand renter protections

- Expand fair housing enforcement and promote renter protections.
- Promote the sealing of eviction records to reduce barriers to accessing stable housing.

Address discriminatory real estate and mortgage practices.

61 Munoz, Ana Patricia, Kim, Marlene, Chang, Mariko, Jackson, Regine, Hamilton, Darrick and Darity, Jr., William. The Color of Wealth in Boston. Duke University, The New School and the Federal Reserve Bank of Boston. 2015.

GOAL 2 CONTINUED

Programmatic

Accelerate housing production

- Designate state capital funds for the creation of community land trusts.
- Research ways to reduce the cost of building new housing.
- Build net-zero housing near jobs and other activity centers to reduce energy and transportation costs.

Expand access to home buying classes and flexible, affordable mortgages for homebuyers.

Preserve existing housing

- Preserve existing affordable rental and homeownership units.
- Explore climate bonds to fund adaptation and resilience measures for housing currently situated in vulnerable areas.

STRATEGY 5

Build the resiliency and stability of businesses owned by BIPOC

OBJECTIVE: Businesses owned by BIPOC have the resources and support necessary to become resilient and financially stable.

DETAILS

Legislative/Regulatory

Expand municipal procurement with MWBE's. (e.g., MassPort) through changes in municipal procurement policy and practices.

Address discriminatory commercial lending practices.

Programmatic

Deliver effective, culturally competent small business support

- Increase mentorship and technical assistance for small businesses in all sectors and geographies through partnership with small business support organizations, with a particular focus on businesses in growing industries.
- Increase capacity across public, private, and non-profit sectors to provide culturally competent outreach to and support for MWBE's and immigrant business owners.
- Work with community-based lenders such as the Ujima project to redefine lending risk to expand access to alternative financing with appropriate technical assistance support to ensure successful repayment.

GOAL 2 CONTINUED

Facilitate access to commercial space

- Incentivize creative downtown and commercial redevelopment to support new business creation and production of needed assets such as housing, open space, public infrastructure, etc.
- Provide subsidized, community-supported commercial space for MWBE's through the redevelopment of municipal properties, funding for commercial land trusts, or similar models.

Promote increased inclusion of MWBE's in the private sector supply chain

Expand and replicate programs such as the Boston Chamber Pacesetters program that encourage employers to set MWBE procurement goals and provides supports for MWBE's to expand their contracting capacity.

STRATEGY 6

Strengthen community-driven economic systems

OBJECTIVE: Residents and business owners have expanded access to community-driven economic systems.

DETAILS

Legislative/Regulatory

Restructure federal and state CRA to increase banking activity that benefits LMI households and neighborhoods.

Expand municipal utilization of local banks to manage municipal finances.

Explore the establishment of a state-owned bank (e.g., North Dakota) to expand liquidity for bank lending to small businesses.

Programmatic

Expand the impact of effective community-based investment platforms, such as the Ujima project and others, through increased participation of small businesses and community members and replication of effective models.

GOAL 2 CONTINUED

STRATEGY 7

Explore and advance tax reform to address systemic inequity

OBJECTIVE: The tax system addresses systemic inequities.

DETAILS

Legislative/Regulatory

Explore expansion of the state EITC to include family caregivers, including those who do not have earnings from outside employment.

Research universal basic income policies and best practices.

Research inheritance tax/wealth transfer tax.

Reform municipal tax policy, such as exploring reform to Prop 2 ½



Goal 3: Everyone in the region is able to access jobs, goods, and services close to their homes via affordable transportation options, with shorter commutes and fewer transfers.

Before the COVID-19 pandemic, Boston had the third-longest average commute time among major U.S. cities.⁶² Only 13 percent of commuters could reach their destinations by vehicle or mass transit within 30 minutes. These lengthy commutes had implications on the health and well-being of individuals and families and the environment. However, the COVID-19 pandemic and the resulting social restrictions have significantly impacted transportation behavior. First, for those residents reliant on public transportation and working in employment that cannot be done remotely, many experience ongoing challenges of accessing safe, reliable, and affordable service, which will only be exacerbated given the financial difficulties the MBTA is experiencing as a result of the pandemic. Workers with access to a vehicle may opt to drive rather than take public transportation due to safety considerations. For employees able to work remotely, commuting needs have shifted significantly and may shift permanently post COVID, given a likely increase in remote work patterns. Addressing these longstanding and emerging trends will involve coordination from leaders in the business community as well as leaders in housing, workforce development, transportation, and other sectors.

STRATEGY 8

Enable the production of affordable housing near employment centers and transit nodes.

OBJECTIVE: There is increased production of affordable housing near employment centers and transit nodes.

DETAILS

Legislative/Regulatory

Increase funding for affordable housing development.

- Increase funding through both bond and appropriation to create and preserve more affordable housing through government action and partnership with the private sector.

62 Boston Indicators/ Source: U.S. Census Bureau American Community Survey, 2016

GOAL 3 CONTINUED

- Expand use of municipal linkage fees beyond the small number of communities in which it is currently used, with investment tied to affordable housing development.

Pass Governor Baker's Housing Choices legislation, enabling a simple majority of local boards to approve housing-supportive zoning changes and special permits for mixed-income housing near transit.⁶³

Expand adoption and implementation of inclusionary development practices.

Incentivize higher density development and expand the range of housing choices near transit and employment nodes through municipal and state action.

Programmatic

Strengthen connections among municipal leaders, employers, affordable housing developers, and Workforce Boards to create stronger collaboration between decision-makers.

Encourage municipal procurement of land located near transit for affordable housing and commercial/industrial development.

Broaden stakeholders engaged in decision-making regarding zoning and permitting, such as newer residents, younger families looking for housing, renters, BIPOC, single parents.

⁶³ Since the development of these strategies, the Economic Development Bond Bill was passed in January 2021, which included the Housing Choices legislation.

STRATEGY 9

Expand digital access to enable remote work and learning.

OBJECTIVE: All residents in the region have sufficient digital access to enable remote work and learning options.

DETAILS

Legislative/Regulatory

Expand subsidized internet service plans with state and federal support.

GOAL 3 CONTINUED

Programmatic

Expand broadband access in communities with limited service through work with the EDA, sister regional planning agencies, the state, and private sector.

Improve network infrastructure, such as local mesh networks and other models.

Expand municipal networks and develop partnerships to lower the cost of entry of new networks.

STRATEGY 10

Provide access to affordable, safe, and accessible transportation options.

OBJECTIVE: Residents have access to affordable, safe, and accessible transportation options, with shorter commutes and fewer transfers.

DETAILS

Legislative/Regulatory

Provide local funding tools for cities and towns to raise funds for transportation improvements, such as multimodal improvements, shared streets, etc. Encourage smart growth and mode shift, and ensure equitable access to a range of climate-forward transportation options, such as electric vehicles, micro-mobility options in underserved areas, etc.

Raise broad-based revenue for transportation improvements that help to create equitable, safe transit access, improving transportation services for underserved populations.

Utilize tools such as progressive user fees (such as tolling with means-testing).

Framework for Implementation

Action Plan

The action plan will be developed in collaboration with the Economic Development Committee (CEDS Committee), which will be formed following adoption of the CEDS to ensure that the action plan incorporates the context of the evolving crises. Committee members will be incorporated into agency efforts to promote regional recovery, advance legislative action and produce research to inform this work.

Evaluation Framework

Based on the action plan, the Economic Development team will develop key metrics to track progress annually. The metrics will be constructed in the context of the implementation of the MetroCommon2050 regional plan, as well as other data collection efforts undertaken by the agency as regional recovery efforts expand.

The team will evaluate the relevant data points as well as the effort required for data collection, to develop a framework that most efficiently tracks the region's progress.

Potential areas of evaluation include: unemployment and wages; access to childcare; utilization of financial institutions; wealth by race; housing; small businesses including Minority and Women-Owned Business Enterprises; proximity to place of employment and proximity to transit; broadband access and digital speeds; and commute times.

During the first year of implementation baseline data will be used, and changes in the data will be tracked in subsequent years.

Appendix: SWOT Analysis

The section below contains notes from a discussion with the Advisory Committee regarding the strengths, weaknesses, opportunities, and threats to the regional economy. It is important to note that this discussion took place in January 2020, prior to the COVID pandemic. It is also important to highlight that the list below represents the committee members' opinions, which were then reviewed by the internal team, followed by a literature review to test the analysis.

Strengths/Opportunities

RACIAL EQUITY

Summary

- There is a growing population of people of color in our region with an increasing talent pool.
- There is an opportunity to help scale minority-owned businesses to bolster the local economy, increase compensation across all industries, and strengthen public transportation, so these jobs are accessible.

Notes from Committee Discussion

Strengths:

- Deep higher ed/anchor network and resources that could benefit communities of color.
- Immigration/talent
- Jobs and impact--technology (driving force), scaling, retrofitting, production, manufacturing, adaptation (climate

resiliency) can provide more employment opportunities for people of color.

- Demographic Shifts (increasing diversity)
- Increasing Asian homeownership
- A strong economy encourages employment in groups that were previously less likely to be employed.

Opportunities:

- Transportation improvements would increase access to employment.
- Increased opportunities to connect w/ one another
- Businesses advocating for immigration reform/immigrant workers
- Educational opportunities at high school/community college
- Data--we can see the problem
- Companies want a diverse workforce
- More tolerant and inclusive views among youth
- Community colleges in major urban centers

ECONOMIC RESILIENCE

Summary

- There is increasing diversification in the economy. There are critical, vital industries, such as education, manufacturing, and health care.

Appendix: SWOT Analysis

- There are opportunities to develop training pathways to diversify talent with growing racial equity.

Notes from Committee Discussion

Strengths:

- Manufacturing has declined in some areas, but advanced manufacturing is strong with opportunities for further growth given the strength of the tech and life sciences sectors.
- Diverse job sectors
- Job training programs
- Growing racial diversity is a strength if opportunities are widespread
- Lots of talent at our higher education institutions
- Some small businesses have served as tools of wealth creation.

Opportunities:

- Focus new developments near transportation hubs
- Develop training pathways to strengthen and diversify talent
- Community/city incentives for businesses hubs to develop by transportation hubs
- Investment in transit/TDM
- Private sector partnership opportunities to address housing, transportation.
- Opportunity to grow health care outside of the inner core and target areas with access to transit.
- Opportunity to leverage robust data to track measures of wealth (not just

the inputs that are going into those measures).

- Immigrant growth provides additional talent for a range of industries.

CLIMATE RESILIENCE

Summary

- There is an opportunity to engage specific industries around participation in climate resilience measures, including higher education.
- There is opportunity to increase affordable rental housing at transit nodes in climate-resilient locations.
- There is opportunity to support more robust building codes and regulations to mitigate climate impact.

Notes from Committee Discussion

Strengths

- State planning--MVP/state plan
- Relatively diverse industry distribution

Opportunities

- Opportunity for new business development to respond to weather changes
- New jobs in emerging sectors.
- Business engagement opportunities given interest in leadership to engage in climate change discussions and actions.
- Opportunity to launch regional/ statewide resilient committee
- Net-zero housing initiatives

Appendix: SWOT Analysis

- Opportunity to join forces with local college students to measure air quality, water quality and help get more data/science into the hands of policymakers

Weaknesses/Threats

RACIAL EQUITY

Summary

- Low rates of business and homeownership opportunities amongst residents of color in our region.
- Current immigration policy poses a challenge.
- Fragmented networks of business and governance
- Wage disparity is rampant, with low paying jobs being much easier to access
- Segregation of the housing market continues to be an issue

Notes from Committee Discussion

Weaknesses/Threats

- Businesses
 - There are fewer MBEs as compared to the population, and they are smaller in size.
 - Limited training to scale up.
- Employment
 - Wage disparity
 - Lack of jobs near affordable housing
 - Lack of support infrastructure to get training for advancement: childcare, tuition assistance, commute times
 - The weakness of the labor

movement hits POC particularly hard.

- Lack of consistent, well-funded pathway training
 - Lack of childcare, ESOL, to secure employment.
 - Complexity in tapping into relevant funding sources to support diverse populations
 - Insufficient Immigration policy
 - Uneven resources/civic networks
- Housing
 - Lower rates of homeownership among POC and homeownership is a wealth driver.
 - Affordable homeownership might limit wealth creation
 - Transportation
 - Commute time disparity
 - Lack of reliable public transportation to jobs.
 - Segregation
 - The inability for entrenched interests to understand different lived experiences
 - Voting access
 - Municipal zoning and permitting decisions that keep POC, immigrants & families with children out of certain communities & neighborhoods
 - School quality and resources heavily correlated with race

ECONOMIC RESILIENCE

Summary

- While there are growing opportunities in other areas of the region, jobs

Appendix: SWOT Analysis

continue to be concentrated in the Inner Core.

- Health care is a vulnerable field as funding can be so volatile, leading to concerns that the region might be too dependent on the health care sector.
- The lack of connectivity between jobs and homes needs to be addressed.
- Anti-immigration policy and rhetoric are posing challenges for the region in terms of employment.

Notes from Committee Discussion

Weaknesses/Threats

- Transportation: Lack of connection/proximity to transit
- Health care
 - Health care legislative changes and changes to the level of funding through health insurance might threaten the industry.
 - Social security laws and funding of in-home care
- Disjointed set of job training and small business support programs with limited effectiveness
- Job training
 - Less fed. job training \$ due to low unemployment
 - Reduction of job opportunities with an increase in automated technology.
- Lack of diverse options to have goods and services
- Housing: Lack of affordable housing near jobs

- Small business
 - Lack of access to business ownership along Latinx, Black populations, and lack of access to capital, mentorship, business training, etc.
 - Vacant stores & businesses sometimes intentional by the owner
- Anti-immigration policies/rhetoric
- Lack of access to capital networks

CLIMATE RESILIENCE

Summary

- The changing climate is a threat to aging infrastructure and communities.
- There is a lack of funding and political will to make the upgrades needed.

Notes from Committee Discussion

Weaknesses/Threats

- Business projections of sales/growth are affected by weather patterns
- Loss of workforce when disasters occur
- Threats to existing businesses, increasing business costs.
- Aging infrastructure
- Dep outdated stormwater data
- Lack of funding for large regional infrastructure
- Lack of political will for big infrastructure projects
- Cost of flood resilience