### **METROPOLITAN AREA PLANNING COUNCIL**

# Comprehensive Economic Development Strategy 2021 Performance Review

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Partnership Planning Grant
Annual CEDS Performance Review
Submitted to the U.S. Economic Development Administration (EDA)
June 28, 2021

# **Performance Progress Report**

Grantee:	Metropolitan Area Planning Council
Project Title:	MAPC Planning Grant
Project Number:	ED19PHI3020055
CEDS Performance Year:	July 1, 2020 – June 30, 2021
Reporting period end date:	June 30th
Report Prepared by:	Raul Gonzalez, Senior Planner
Five-year CEDS Time Period:	July 1, 2020 – June 30, 2025

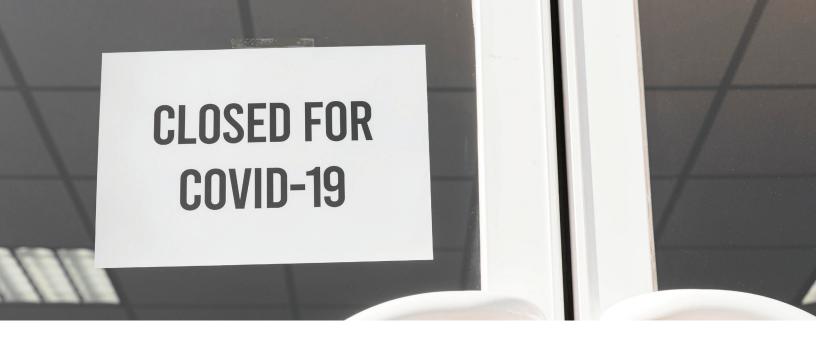
# **Regional CEDS Updates**

# Overview of the Changes to Regional Economic Conditions and Major Events

The Metropolitan Area Planning Council (MAPC), the regional planning agency that serves the people who live and work in the 101 cities and towns in the Greater Boston Area, is the designated Economic Development District (EDD) by the Economic Development Administration for the region. The region consists in whole or in part of the following Eastern Massachusetts counties: Essex, Middlesex, Norfolk, Plymouth, and Suffolk. MAPC's Comprehensive Economic Development Strategy, or CEDS for the period of fiscal years 2020 to 2025, was submitted in March 2021.

An MAPC Executive Committee-appointed CEDS Advisory Committee, along with MAPC staff, developed the CEDS with input from regional strategic economic development meetings held though out the EDD, including public and private stakeholders and partners within the region and a staff review of local, regional, and state plans and policies. The Advisory Committee is comprised of community leaders, public officials, representatives of workforce development, institutions of higher education, and private sector representatives who are critical to the implementation of the CEDS. The CEDS will implement the goals of, 1. Residents of the region achieve financial stability in order to withstand three to six months of economic hardship; 2. There is increased parity between the wealth of BIPOC (Black, Indigenous, and People of Color) and White people in the region; and 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.

Project work throughout the region is done in conjunction with the CEDS to actively respond to the effects of COVID-19 through economic resiliency in increasing the capacity of small businesses to adapt to the changes of the economy and improve municipal capacity to increase financial stability for residents. Furthermore, the EDD works to create community, digital, and regional economic recovery plans to achieve the reuse of underutilized commercial spaces, new economic activity in the downtowns, and provide strengthened financial stability of vulnerable populations and a stronger workforce in key industries. Lastly, MAPC also plays a vital role in ensuring



that municipalities can access key public, private and non-profit resources for investment and reinvestment in their communities.

As the aftereffects of COVID-19 unfolded, 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, they are:



**Food:** This includes creating affordable healthy food, having thriving food businesses and sustainable fisheries. These are all vital to the health of our economy, and they are aspects of a strong food system, and can be greatly disrupted through economic disruptions such as COVID-19. Cultivating them on the local level requires thoughtful planning and policy and an understanding of how the food system functions as a whole.



**Shelter:** As the third most expensive housing market for ownership and for renting in the nation, Metropolitan Boston is losing long-time residents and recent grads to more affordable locales.¹ High home prices also threaten our long-term economic competitiveness, as employers and employees balk at the high cost of living, particularly in housing costs. Furthermore, as the housing moratorium is concluding, housing insecurity is a very real threat.



**Medical security:** The opportunity to live a full and healthy life is not always achievable. Health equity means that everyone has a fair and just opportunity to be as healthy as possible. This requires removing obstacles to health such as poverty, discrimination, and an inaccessible healthcare system.



**Childcare:** Communities need access to safe, affordable childcare options. There is a need to expand funding for childcare providers in need of upgrades to their facilities, including expanding subsidies for those in need of childcare, and in exploring tax incentives for childcare providers, and for employers who provide childcare.



**Digital access:** As the pandemic unfolded, digital access was one of the key requirements for businesses and the workforce to stay afloat. However, the position of the U.S. government has been that the internet is a free-market service, not a utility.

Provision of those critical lifelines required a coordinated, networked response and funding from various stakeholders at the community, municipal, regional, and state level.

Additionally, the long-term plan for the MAPC region, <u>MetroCommon 2050</u>, released its policy recommendations. Metro Common 2050 serves to create a shared vision for what the residents and workers of Metro Boston want the region to be in the future and then provides a path to achieving that vision. Recommendations fall within five action areas, <u>Climate Change Adaptation & Mitigation</u>, <u>Dynamic and Representative Government</u>, <u>Equity of Wealth and Health</u>, <u>Homes for Everyone</u>, and <u>Inclusive Growth & Mobility</u>.

These recommendations are composed of a series of strategies and actions and were developed through research and conversations with policy experts and advocates. Some of the strategies and actions across different recommendations mutually reinforce one another, using complementary approaches to address common challenges. Taken together, the policy recommendations are intended to serve as a roadmap to achieving regional goals (including CEDS goals) through the lens of the plan's values.

#### The American Rescue Plan Act

In early 2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver \$350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery, ARPA allocations include \$5.3 billion to the Commonwealth of Massachusetts, as well as \$3.4 billion to local governments thus far.<sup>2</sup>

As of June 23rd, 2021, a proposal from Governor Charlie Baker's office to put to use approximately \$2.815 billion of the \$5.3 billion to support key priorities within the Commonwealth, including housing and homeownership, economic development and local downtowns, job training and workforce development, health care, and infrastructure.<sup>3</sup> This plan is currently being debated within the Legislature. The plan devotes funding to the following priorities:

# Housing

- \$300 million to support expanded homeownership opportunities, focused on first-time homebuyers who are residents of disproportionately impacted municipalities.
- \$200 million to support housing production through MassHousing's CommonWealth Builder Program and similar efforts, which aim to help communities of color build wealth by promoting home ownership among residents of disproportionately impacted municipalities.
- \$200 million to fund rental housing production and provide increased housing options to workers and residents of disproportionately impacted municipalities.
- \$300 million to finance the statewide production of senior and veteran housing. These new housing options would contain a supportive services component and would be combined with other resources including Low-Income Housing Tax Credits, rental payments, and, in the case of veteran housing, VA health care.



<sup>2</sup> American Rescue Plan Act (ARPA) Revenue and Grants, Office of the Massachusetts Comptroller, <a href="https://www.macomptroller.org/post/american-rescue-plan-act-arpa-revenue-and-grants">https://www.macomptroller.org/post/american-rescue-plan-act-arpa-revenue-and-grants</a>

<sup>3 &</sup>quot;Baker-Polito Administration Announces Plan to Invest \$2.8 Billion in Federal COVID-19 Funding to Support Economic Recovery, Communities Hit Hardest by Pandemic" 6/17/21 https://www.mass.gov/news/baker-polito-administration-announces-plan-to-invest-28-billion-in-federal-covid-19-funding-to-support-economic-recovery-communities-hit-hardest-by-pandemic

# **Economic Development**

- \$100 million for Downtown Development to concentrate economic growth activities, resources, and investments within local neighborhood areas in municipalities disproportionally impacted by COVID.
- \$250 million to support investments and regional collaboration aimed at invigorating downtowns throughout Massachusetts. These resources would provide grant funds to municipalities and other eligible public entities for a range of projects.
- \$100 million to support cultural facilities and tourism assets throughout Massachusetts.

# **Workforce Development**

- \$240 million to fund a suite of job training programs and address skills gaps, to better position residents who want to be hired into jobs that businesses need filled. Areas of investment include:
  - \$150 million for workforce credentials for entry and mid-level wages.
  - \$35 million to fund English for Speakers of Other Languages programs and Adult Basic Education.
  - \$25 million for work readiness and essential skills programs.

#### **Health Care**

- \$50 million for fiscally stressed hospitals in disproportionately impacted municipalities as these hospitals
  have supported their communities significantly during the pandemic despite interruptions to their revenue
  streams.
- \$175 million for addiction treatment and related behavioral health services.

#### Infrastructure Investment

- \$400 million to fund grants for water and sewer infrastructure.
- \$300 million to improve culverts, dams, and other environmental infrastructure.
- \$100 million to enhance and modernize state park facilities.
- \$100 million to close the digital divide and increase broadband internet access, helping to promote workforce development and economic growth.

ARPA funding is also providing funding for key priorities including a total of \$1.1 billion for transit. With a focus on increasing capacity for childcare and supporting parents as they return to work, the Administration is also proposing to distribute approximately \$760 million in additional federal funding to childcare providers in Massachusetts over the coming years. The remaining \$2.3 billion in direct federal aid would stay in the Federal COVID-19 Response Fund.

Of this, \$1 billion will go to municipalities and counties on a per-capita basis. The rest will be distributed through a modified Community Development Block Grant (CDBG) entitlement program formula that relies on population thresholds (50,000 people for designation). Unfortunately, use of these thresholds has the effect of excluding several very-high-need communities. Whereas Newton, for example, as a wealthier community that was not as impacted by the pandemic as communities like Chelsea or Everett, is designated an entitlement community that will receive funds. Communities like Chelsea and Everett, which had a higher COVID-19 case count, are not.

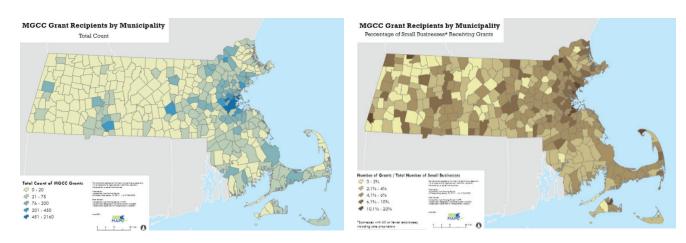
<sup>4 &</sup>quot;\$11.6m for Chelsea, \$65m for Newton: Hard-hit cities face funding disparities in COVID relief bill", Boston Globe, <a href="https://www.bostonglobe.com/2021/03/18/metro/cities-hit-hard-by-virus-are-underfunded-relative-peers-federal-stimulus/">https://www.bostonglobe.com/2021/03/18/</a>/ metro/cities-hit-hard-by-virus-are-underfunded-relative-peers-federal-stimulus/

<sup>5 &</sup>quot;Mass. Town-By-Town Data: See Your Community's Reported Coronavirus Cases", WBUR, https://www.wbur.org/commonhealth/2020/04/16/coronavirus-cases-by-city-and-town-in-massachusetts

# **Massachusetts Growth Capital Corporation Grants**

Through grants administered by the Massachusetts Growth Capital Corporation (MGCC), restaurants, retailers and other small businesses hurt by the pandemic received grants through a \$668 million small business relief fund operated by the Commonwealth. \$668 million has been deployed to small businesses across the Commonwealth, through the Massachusetts Growth Capital Corporation. The majority of the grants were given to businesses owned by people of color and women.

The pictures below highlight the number of MGCC grants that were received throughout the state, with most grants in the region being allocated to the more populous <u>Inner Core subregion</u> of MAPC, particularly Boston. However, when considering the percentage of grant recipients relative to the total number of small businesses within the municipality, the cities of Lynn, Revere, and Quincy saw a higher allocation of grants.



# **Massachusetts Reopening Process**

The Commonwealth's phased reopening plan, titled Reopening Massachusetts, was the four-phase approach to responsibly reopen the Massachusetts economy amidst the COVID-19 pandemic.<sup>6</sup> The goal of the phased reopening, based on public health guidance, was progressively to allow businesses, services, and activities to resume, while protecting public health and limiting a resurgence of new COVID-19 cases. Industries, sectors, and activities that presented lower risk were allowed to reopen in earlier phases. Those that presented greater risk opened in later phases. The reopening plan called for ending restrictions when vaccines became widely available, and effective May 29, 2021 all industries were permitted to open. With the exception of remaining face-covering requirements for public and private transportation systems and facilities housing vulnerable populations, all industry restrictions were also lifted, and capacity increased to 100% for all industries.

#### **SWOT for Performance Year**

As the CEDS performance year panned out, the continuation of the pandemic placed many of the region's weaknesses in plain sight. The pandemic's unequal 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.

6 Reopening Massachusetts, <a href="https://www.mass.gov/info-details/reopening-massachusetts">https://www.mass.gov/info-details/reopening-massachusetts</a>



# **Racial Equity**

Strengths and opportunities include the growing population in the state and its increasing diversification. According to the latest once-in-a-decade count by the U.S. Census Bureau, a total of 7,029,917 residents called Massachusetts home as of April 1, 2020. That is up 7.4% from the 6,547,629 Massachusetts residents counted in the 2010 census and the 2019 estimate of 6,892,503.7 Much of this growth has come from BIPOC populations. 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.

However, 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. Furthermore, the region continues to show the impacts of institutionalized<sup>8</sup> and community-level racism.<sup>9</sup> Wealth inequality between White and Black residents is high, and neighborhoods continue to be marked by stark racial lines. There is also a gap for businesses that are owned by people of color that continue to lag the percentage of people of color in the population.<sup>10</sup> There also continues to be a lack of representation of BIPOC individuals within the higher echelons of power and governance.<sup>11</sup>

<sup>7</sup> Census Bureau Newsroom, <a href="https://www.census.gov/newsroom/census-live.html">https://www.census.gov/newsroom/census-live.html</a>

<sup>8</sup> Racial Disparities in the Massachusetts Criminal System, Harvard Law School, <a href="https://hls.harvard.edu/content/uploads/2020/11/Massachusetts-Racial-Disparity-Report-FINAL.pdf">https://hls.harvard.edu/content/uploads/2020/11/Massachusetts-Racial-Disparity-Report-FINAL.pdf</a>

<sup>9 &</sup>quot;Systemic racism has dug its way into the housing landscape", Boston Globe, <a href="https://www.bostonglobe.com/2020/07/01/opinion/systemic-racism-has-dug-its-way-into-housing-landscape/">https://www.bostonglobe.com/2020/07/01/opinion/systemic-racism-has-dug-its-way-into-housing-landscape/</a>

<sup>10 &</sup>quot;The Color of the Capital Gap: Increasing Capital Access for Entrepreneurs of Color in Massachusetts", The Boston Foundation, <a href="https://www.bostonindicators.org/-/media/indicators/boston-indicators-reports/report-files/capitalgap052020211458.pdf?la=en">https://www.bostonindicators.org/-/media/indicators/boston-indicators-reports/report-files/capitalgap052020211458.pdf?la=en</a>

<sup>11 &</sup>quot;The Diversity Deficit: Municipal Employees in Metro Boston", MAPC, https://metrocommon.mapc.org/reports/14

# **Economic Resilience**

Several key sectors remained strong post-COVID. These sectors include education, I.T., health care and manufacturing within tech and life sciences sectors. Opportunities for new business models include creating a more hybrid work-from-home and office life as infection rates decline further.<sup>12</sup> Additionally, the American Rescue Plan Act of 2021 provides added relief for communities in the region through provision of premium pay to eligible workers, revenue replacement and investments in water, sewer and broadband infrastructure.

In the first quarter of 2021 (the most recent report) Massachusetts real gross domestic product (GDP) increased at a 11.3 percent annualized rate of growth, according to MassBenchmarks, while U.S. GDP increased at a 6.4 percent rate according to the U.S. Bureau of Economic Analysis (BEA). In the fourth quarter of 2020, the Massachusetts economy expanded at a 4.7 percent rate while U.S. GDP increased at a 4.3 percent rate according to the BEA.<sup>13</sup>

Weaknesses and threats during the pandemic continue to include the need for increased economic geographic diversification as well as the precarious nature of small businesses, particularly within the retail, service, and performing arts industries. Low-wage sectors such as leisure and hospitality and personal services that were hit hardest by the shutdown remain the sectors with the highest level of job losses. Additionally, the persistent wage inequality has only gotten worse since the pandemic, and transportation challenges continue, with limited service of public transportation and ride shares existing during the pandemic.

**Wage inequality:** There continue to be persistent differences in income, particularly when analyzing income by occupations by race. Black residents have persistently low wages.<sup>16</sup>

**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.<sup>17</sup>

A transportation report released in February of 2021 highlighted the effects on e-commerce to the Commonwealth. Titled *Hidden and in Plain Sight: Impacts of E-Commerce in Massachusetts*, this report was released by MAPC to better understand how e-commerce affects the region's communities, and to provide a resource for municipalities and policy makers grappling with the rapid growth and multiplying impacts of this expanding form of retail.

The report found that in Massachusetts, the impacts of e-commerce can be seen in shifts in employment and in the growth of warehouse and distribution centers. The state's non-store retail employment – which includes online retail occupations – grew 64 percent from 2010 to 2019, while its employment in transportation and warehousing increased 30 percent.<sup>18</sup> During this same period, traditional retail employment numbers in Massachusetts remained relatively flat. The report states that the rapid growth of e-commerce has had widespread effects, especially on transportation networks and land use.

<sup>12</sup> MassBenchmarks, UMass Donahue Institute, <a href="http://www.massbenchmarks.org/publications/bulletin/120">http://www.massbenchmarks.org/publications/bulletin/120</a> <a href="bulletin">bulletin</a> <a href="bulletin">042921/IndexMar2021.pdf</a>

<sup>13</sup> MassBenchmarks, UMass Donahue Institute, http://www.massbenchmarks.org/publications/bulletin/120\_bulletin\_042921/IndexMar2021.pdf

<sup>14</sup> MassBenchmarks, UMass Donahue Institute, http://www.massbenchmarks.org/publications/bulletin/120\_bulletin\_042921/IndexMar2021.pdf

<sup>15 &</sup>quot;Uber, Lyft shortages make getting a ride in Boston an 'extreme sport'", Boston Globe, <a href="https://www.bostonglobe.com/2021/05/29/metro/uber-lyft-shortages-make-getting-ride-boston-an-extreme-sport/">https://www.bostonglobe.com/2021/05/29/metro/uber-lyft-shortages-make-getting-ride-boston-an-extreme-sport/</a>

<sup>16 &</sup>quot;Closing the Racial Divide in the US and Massachusetts: A Baseline Analysis", Massachusetts Taxpayers Foundation, <a href="https://www.masstaxpayers.org/sites/default/files/publications/2021-05/ClosingtheRacialDivide">https://www.masstaxpayers.org/sites/default/files/publications/2021-05/ClosingtheRacialDivide</a> FINAL 0514.pdf

<sup>17 &</sup>quot;You're Not Imagining It, The Traffic Is Back To Pre-Pandemic Levels", WBUR, <a href="https://www.wbur.org/news/2021/06/21/massachusetts-traffic-pre-pandemic-levels">https://www.wbur.org/news/2021/06/21/massachusetts-traffic-pre-pandemic-levels</a>
18 Hidden and in Plain Sight: Impacts of E-Commerce in Massachusetts, MAPC, <a href="https://www.mapc.org/wp-content/uploads/2021/02/Feb2021-Ecommerce-Report.pdf">https://www.mapc.org/wp-content/uploads/2021/02/Feb2021-Ecommerce-Report.pdf</a>



These impacts include increased traffic and emissions from delivery vehicles, greater competition for curb space during deliveries, and greater demand for land for warehouse and distribution centers. Amazon, the world's largest retailer, has 34 facilities either operating or proposed in Massachusetts. Once all facilities are operational, the Amazon footprint in Massachusetts will comprise over 12 million square feet of warehouse and distribution space.<sup>19</sup>

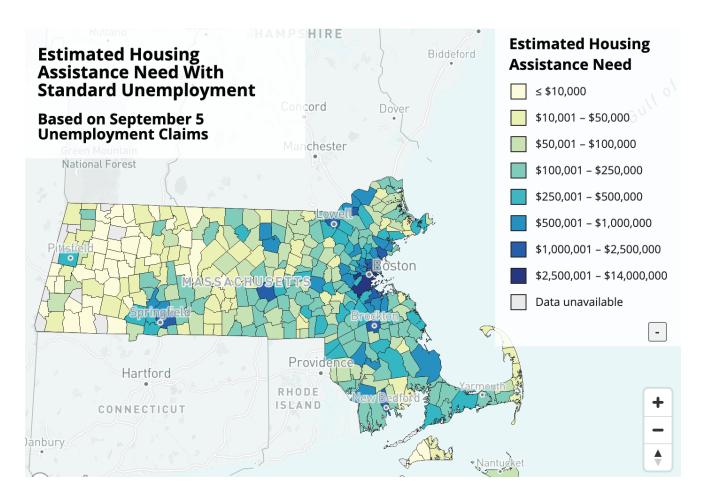
The report goes on to state that not every effect of e-commerce has been negative. The online retail business model and economies of scale have lowered prices for many consumer goods and have enabled home-bound and carless residents to purchase goods, services, and foods that might otherwise be unavailable to them. Unfortunately, the report finds that a lack of reliable data makes assessing impacts difficult and complicates the task of managing e-commerce to ensure greater equity and sustainability in the region.

In October of 2020, MAPC released an update to the COVID-19 Layoff Housing Gap Report.<sup>20</sup> The report noted that over 330,000 Massachusetts workers—about one in 10—were receiving standard unemployment assistance as of the week of September 5. Although the unemployment rate had been declining in the months following the shutdown, within September it was still estimated that 45,000 renter households and 35,000 owner households with a worker on standard unemployment assistance will have trouble covering their housing costs and basic needs month to month. The Census Bureau Pulse survey indicates that nearly one in six renters in Massachusetts were behind on their rent payments as of September 2020 and one in five were not confident they could pay October rent.<sup>21</sup> The estimated housing assistance need with standard unemployment for September 5, 2020's unemployment claims is provided on the next page.

<sup>19 &</sup>quot;To Deliver More Goods Faster, Amazon is Getting Closer to Your Door," Boston Globe, <a href="https://www.bostonglobe.com/2020/12/05/business/deliver-more-goods-fasteramazon-is-getting-closer-your-door/">https://www.bostonglobe.com/2020/12/05/business/deliver-more-goods-fasteramazon-is-getting-closer-your-door/</a>.

<sup>20 &</sup>quot;The COVID-19 Layoff Housing Gap: October 2020 Update", MAPC, https://www.mapc.org/resource-library/covid-19-layoffs-october/

<sup>21 &</sup>quot;Household Pulse Survey Data Tables", US Census Bureau, https://www.census.gov/programs-surveys/household-pulse-survey/data.html



Furthermore, June 30, 2021 will be the end of the Centers for Disease Control moratorium that will prevent residential evictions for non-payment for qualified tenants who submit a <u>written declaration to their landlord</u>.<sup>22</sup> As a result, more people may find themselves homeless or living in overcrowded housing—circumstances that contribute to the spread of COVID-19 and may extend the length of the pandemic.

While federal, state, and local leaders have increased the amount of emergency rental assistance, it remains insufficient to cover the need. Without federal, state, or court intervention, Massachusetts is likely to see a significant wave of evictions and foreclosures in the coming months. Small landlords unable to cover mortgage payments due to lost rent may be forced to sell their rental properties, accelerating the consolidation of the rental real estate market under the control of large corporate owners and trusts.



# **Climate Resilience**

Local, regional, and state leadership continues to be a strength in addressing climate change resilience and mitigation. In March, Governor Baker signed into law "An Act Creating a Next Generation Roadmap for Massachusetts Climate Policy," which represents a significant update to climate policy in the Commonwealth.<sup>23</sup> This law increases the annual budget for the Massachusetts Clean Energy Center (MassCEC), the quasi-public economic development agency, to help provide skills to people on how to build and operate wind turbines, install solar panels, weatherize buildings, or do any other number of necessary green jobs.

MassCEC is to spend \$12 million more each year on clean energy workforce development. This will create more job training opportunities for BIPOC populations, residents of environmental justice communities and fossil fuel workers, and awarding more grants to minority and women-owned small businesses and entrepreneurs.

Additionally, incorporating climate resiliency within the EDA investment priorities further benefits municipalities and regional organizations that closely align climate resilience with economic development.

However, new studies show that the region's rapid transit system could be operating at 40% less capacity within a decade due to impacts from climate change, which could have devastating impacts.<sup>24</sup> The region continues to face climate change threats from both rising seas and flooding during big rainstorms. These problems are complicated and will continue to have a profound effect on residents and much of the regional economy.

Furthermore, reports of "heat islands" in urban area have made lower-income neighborhoods, those with predominantly BIPOC populations, become unbearably hot.<sup>25</sup> These heat islands are concentrated in neighborhoods where fewer people have air conditioning or tree cover to keep their homes cool. Additionally, during the height of the COVID-19 emergency, it became harder for municipalities to safely offer cooling solutions throughout the region. Many communities in Massachusetts struggled whether and how to safely open cooling centers, splash-pads, parks, and pools, and plan for other outdoor cooling options.

<sup>23 &</sup>quot;An Act creating a next-generation roadmap for Massachusetts climate policy", Massachusetts State Legislature, https://malegislature.gov/Bills/191/S2995 24 "Evaluation of climate change resilience for Boston's rail rapid transit network" Science Direct https://www.sciencedirect.com/science/article/abs/pii/

<sup>25 &</sup>quot;Boston's 'heat islands' turn lower-income neighborhoods from hot to insufferable", Boston Globe, Boston's 'heat islands' turn lower-income neighborhoods from hot to insufferable.

### **Performance Measures**

# **CEDS Implementation as Part of MetroCommon Policy Recommendations**

The MAPC Economic Development District has made progress on several objectives set forth in the 2020-2025 CEDS. These regional accomplishments align closely with our recently released MetroCommon Policy Recommendations, which are described below. The lead implementers of the CEDS, the Metropolitan Area Planning Council and its many economic development partners, have also adapted to the ongoing COVID-19 pandemic and the phased re-openings in several ways.

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

#### **STRATEGY 1:**

Provide effective workforce development supports and address barriers to quality employment for 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.

- Within MetroCommon 2050, MAPC has created action items to address revisions to the <u>Workforce</u> <u>Investment Opportunity Act</u> to target areas of high need. (<u>Equity of Wealth and Health: Workforce</u> <u>Development</u> A1.1)
- MAPC recommends that the state review the current geographic designation for <u>MassHire Workforce</u>
   <u>Boards</u> to evaluate having a designation that would provide the most effective programs to high-need
   communities (<u>Equity of Wealth and Health: Workforce Development</u> A1.2)
- 3. Additionally, within MAPC's long-range plan, one action item detailed the need to finance tuition free community college for low-income individuals, including older adults. (Equity of Wealth and Health: Wealth Creation A1.2)
- 4. Creation of specific action items within MetroCommon to integrate Workforce Investment Board activities into economic development efforts, including incentivizing boards to work with municipalities to update the <u>Regional Labor Market Blueprints</u>, particularly on sector-based and private sector driven partnerships. (<u>Equity of Wealth and Health: Workforce Development</u> A3.2-3.3)
- 5. MetroCommon action items address career pathways for the K-12 system by increasing funding to early college programs, increase incentives for employers to participate in summer youth jobs programs, address funding disparities in the higher education system, and revise regional vocational technical schools. (Equity of Wealth and Health: Workforce Development A4.1-4.4)

#### **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.

- 1. MetroCommon specifically includes recommendations to eliminate instances of predatory lending and address racial disparities in lending by strengthening the Commonwealth's Community Reinvestment Act. We recommend that the Commonwealth impose CRA-type obligations and evaluations on all types of mortgage lenders to reflect today's mortgage lending behaviors. (Equity of Wealth and Health: Wealth Creation A2.4)
- 2. Creation of a MetroCommon recommendation to authorize public banking in Massachusetts and incentivize municipal investment in local financial institutions (Equity of Wealth and Health: Small Business A1.3).

#### **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.

- 1. MetroCommon recommends the creation of career pathways for those earning living wage into sectors with better wages by utilizing regional planning frameworks like blueprint planning and support from the Executive Office of Labor and Workforce Development and other agencies. For example, industrial sectors like manufacturing pay much higher wages than hospitality industry for workers with highschool diploma or less.
- 2. Incorporated a policy action within the MAPC regional plan to institute a statewide pilot of universal basic income, particularly based upon the lessons learned from the UBI pilot in Chelsea. These bonds would be reserved for low-income families for assets beyond higher education, such as homeownership. (Equity of Wealth and Health: Wealth Creation A1.1)
- 3. MAPC MetroCommon action agenda integrates expanding access to retirement accounts; require employers of gig, part-time and seasonal employees to contribute to a retirement fund. (Equity of **Wealth and Health: Wealth Creation A1.3)**
- 4. An action item within MetroCommon recommends gradually increasing Transitional Aid to Families with Dependent Children (TAFDC) until grants reach 50% of the federal poverty level. (Equity of Wealth and Health: Wealth Creation A2.3)



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

#### **STRATEGY 4:**

Expand access to stable housing for BIPOC.

**Objective:** There is sufficient safe, stable housing for BIPOC.

- 1. Creation of a MetroCommon recommendation to increase funding for the Family Self-Sufficiency Program to mitigate the cliff effect, particularly over welfare assistance and rental subsidies. (Equity of Wealth and Health: Wealth Creation A2.1)
- 2. Creation of additional MetroCommon housing recommendations to ensure that people of all races and income levels have equal access to affordable housing through homeownership and rental opportunities by including efforts to enforce anti-discrimination protections and affirmatively furthering fair housing, preserving existing affordable housing, and helping low-income households achieve stable housing and homeownership through targeted assistance. (Homes for All: Equal Access A1.1-1.3, A2.1-2.2, A3.1-3.3)
- 3. Efforts to expand protections against displacement for low-income communities, communities of color, and renters were included in MetroCommon (Homes for All: Anti-Displacement, A1.1-1.4, A2.1-2.4, A3.1-3.3)

#### **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.

- 1. MAPC's long-term plan, MetroCommon 2050 has incorporated an action to further implement this objective by setting a goal of at least 10% of business and government contracts going to minorityowned businesses in five years in order to increase supplier diversity on yearly and multi-year contracts from government and anchor institutions. (Equity of Wealth and Health: Small Business A1.2)
- 2. MAPC has taken steps to develop a complementary resiliency implementation strategy in coordination with regional workforce development blueprints spearheaded by the MassHire Workforce Boards (Equity of Wealth and Health: Small Business A1.1)
- 3. Working to further providing resources for businesses to transition employee-centered business models. This also includes creating a MetroCommon action item on increasing funding for the Massachusetts Center for Employee Ownership to expand technical assistance offerings. (Equity of Wealth and Health: Small Business A3.1)
- 4. Advocating for the creation of a technical assistance program designed to help small businesses, particularly small business owned by people of color, to adapt to changing business and customer landscape. (Equity of Wealth and Health: Small Business A3.3)

#### **STRATEGY 6:**

Strengthen community-driven economic systems.

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

- 1. MetroCommon recommendation to make publicly owned buildings available for rent by locally owned businesses at reduced rates.
- 2. MAPC included recommendations to its long-range plan to provide additional financial resources and technical assistance to accelerate the creation of additional cultural districts and bolster the creative economy. (Equity of Wealth and Health: Small Business A2.2)
- 3. Creation of a MetroCommon action item to reduce barriers to local community-based food production and agriculture, particularly through zoning changes as well as the creation of municipal Right to Farm bylaws. (Equity of Wealth and Health: Small Business A2.3)

#### **STRATEGY 7:**

Explore and advance tax reform to address systemic inequity.

**Objective:** The tax system addresses systemic inequities

- 1. MetroCommon action item addresses raising and establishing a dedicated funding source for the Earned Income Tax Credit. Once increased, expand eligibility for the EITC to individuals who meet the income requirements but do not have children, and base eligibility on personal rather than family income. (Equity of Wealth and Health: Wealth Creation A2.2)
- 2. MetroCommon identifies a strategy in protecting families experiencing financial insecurity by increasing resources available to organizations that participate in Volunteer Income Tax Assistance (VITA) to help families utilize all available tax benefits. (Equity of Wealth and Health: Wealth Creation A2.3)
- 3. Further MAPC MetroCommon recommendations include adopting a graduated income tax, an increase and expansion on unearned income, and increase the corporate income tax to address current inequitable state tax codes. (Equity of Wealth and Health: Wealth Creation A3.1-A3.3)



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.

#### **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.

- 1. MAPC's current work with Workforce Investment Board on Cherry Hills Industrial Park at Danvers and Beverly focuses on increased housing. The organization is currently identifying labor shed to the area as well as at travel bands and housing sub-market options for workers living in those bands. Barriers faced by workers to access job centers identified here can be useful in advancing this objective.
- 2. MetroCommon recommendations include accelerating the production of diverse housing type throughout the region with a particular focus on transit-oriented, climate resilient and other smart growth locations by further empowering localities to zone for housing diversity, increase funding for all housing types, and dedicate resources to equip the private market to build diverse housing. (Homes for **All: Housing Production** A1.1-1.4, A2.1-2.4, A3.1-3.4)

#### **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.

- 1. Creation of a MetroCommon action item to allocate state funds to invest and upgrade digital capacity for the MassHire Workforce Boards and Career Centers to provide remote services. (Equity of Wealth and Health: Workforce Development A1.3)
- 2. MAPC's action items include convening Regional Workforce Blueprints and community colleges with state and local actors to evaluate options for housing, childcare, and digital access to support students in need. (Equity of Wealth and Health: Workforce Development A2.2-2.3)
- 3. Further goal-setting was incorporated within the Digital Access and Equity Plan for the Cities of Revere and Chelsea. Digital access goals include assisting our municipalities in planning for their digital future, working with the Commonwealth to set standards related to internet speed and access, invest in the digital workforce, implement a "Dig Once Policy" (which involves installing fiber through existing conduits), forming digital collaboration and standardization of permits for small wireless facility permits, and incorporating broadband as a right.

#### **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.

- 1. MetroCommon 2050 has highlighted strategies to improve the reliability of the region's public transit system, including establishing a means-based fare for MBTA and include recommendations for fare-payment coordination amongst all transit options, including ride share, and regional bike share companies. (Inclusive Growth and Mobility: Transportation Accessibility A1.2-1.3)
- 2. Strategies within MetroCommon include discouraging single occupancy vehicle travel by incorporating congestion pricing that would compensate for the disproportionate impact to low-income drivers and incentivize municipalities to dedicate more space for buses and cyclists. (Inclusive Growth and **Mobility: Transportation Accessibility** A2.1-2.2)
- 3. MetroCommon also included strategies to create safe, accessible, and well-connected networks of cycling and walking infrastructure, particularly for commuters, particularly by prioritizing capital funding to improve bicycle and pedestrian conditions, policies, and infrastructure. (Inclusive Growth and **Mobility: Transportation Accessibility** A3.1-3.2)

# **Summary of Accomplishments**

Activity	Task	Benefits/Outcome/Impacts/Deliverables	Milestone Date
Residents of the region achieve financial stability in order to withstand three to six months of economic hardship.	Provide effective workforce development supports and address barriers to quality employment for BIPOC through public-private collaboration and private sector leadership.	<ul> <li>Employers set internal goals and are accountable to achieve them in areas such as hiring, promoting, and supporting BIPOC employees:         <ul> <li>Participation in the Blueprint planning processes of the regional Workforce Boards to ensure incorporation of strategies addressing housing and transit, to minimize barriers to employment.</li> <li>Work with local chambers and business associations to discuss the loss of women in the workforce, particularly women of color.</li> <li>Creation of a draft document of the City of Revere Workforce Development Plan</li> </ul> </li> <li>State government adopts the necessary requirements and incentives to ensure quality employment:         <ul> <li>Development and presentation of recommendations for state workforce development initiative regarding workforce training programming, and strategies to reduce barriers to employment.</li> </ul> </li> </ul>	6/17 – ongoing 3/22/21 – ongoing 4/15/21
	Increase predatory lending protections and expand access to financial services and education through partnerships with financial institutions and partners in the financial technology sector.	Residents have access to fair and equitable banking systems such as lending and savings:  Work with the Black Economic Council of Massachusetts and other entities on policy recommendations regarding the establishment of a public bank. Development of policy proposal and planning for policy work in the next fiscal year.  Expansion of partnerships with financial institutions in the development of small business support plans to ensure expansion of services to businesses with more limited options to access credit.  Planning for the creation of regional program to support MWBEs using ARPA funding.	4/1/21 – ongoing 3/25/21 – ongoing 5/5/21 – ongoing
	Provide publicly funded income enhancements for those earning less than a living wage, and support reduction in household expenses.	Those earning less than a living wage can access needed financial support and are able to reduce their expenses.  Development of programmatic and policy priorities for an equitable and resilient recovery, including research on Universal Basic Income and other income supports.	4/15/21

# **Summary of Accomplishments** (continued)

Activity	Task	Benefits/Outcome/Impacts/Deliverables	Milestone Date
parity between the wealth of BIPOC and White people in the region.		<ul> <li>There is sufficient safe, stable housing for BIPOC.</li> <li>Development of housing policy and programming priorities for ARPA funding</li> <li>Workforce + housing + transit project advocating for housing and transit improvement near key employment centers in the region.</li> <li>Creation of a Racial Equity Municipal Action Plan program for six MAPC municipalities to address racial disparities, including housing affordability and wealth creation</li> </ul>	4/15/21 6/15/21 – ongoing 8/1/20 – ongoing
	Build the resiliency and stability of businesses owned by BIPOC.	<ul> <li>Businesses owned by BIPOC have the resources and support necessary to become resilient and financially stable.</li> <li>Development of Local Rapid Recovery Plans for 5 downtowns impacted by COVID-19.</li> <li>Planning for the creation of regional program to support MWBEs using ARPA funding.</li> <li>Completion of the Regional Immigrant Entrepreneurs Storytelling Project highlighting the stories of AAPI businesses and recommending policy changes to increase support for immigrant business owners.</li> <li>Completion of the Chelsea-Everett Small Business Needs Assessment along with Bunker Hill Community College for creation of a Small Business Enterprise Center in a community with a large number of BIPOC businesses and entrepreneurs.</li> <li>Completion of the Quincy Small Business Plan, which reviews the small business landscape and its strengths, gaps and opportunities in a city with a large immigrant and ESOL population.</li> </ul>	3/25/21 – ongoing 5/5/21 – ongoing 5/3/21 12/31/20 7/30/20
	Strengthen community-driven economic systems.	Residents and business owners have expanded access to community-driven economic systems.  Work with the Ujima project, the Black Economic Council of Massachusetts and other partners to explore alternative financing mechanisms.  Collaborating with a network of economic development practitioners to share best practices, provide guidance regarding regulatory changes and emerging legislation.	3/1/21 – ongoing 07/8/30 – ongoing
	Explore and advance tax reform to address systemic inequity.	The tax system addresses systemic inequities.  Development of programmatic and policy priorities for an equitable and resilient recovery, including recommendations for future tax reform.	4/15/21

# **Summary of Accomplishments (continued)**

Activity	Task	Benefits/Outcome/Impacts/Deliverables	Milestone Date
	Enable the production of affordable housing near employment centers and transit nodes.	<ul> <li>There is increased production of affordable housing near employment centers and transit nodes.</li> <li>Workforce + housing + transit project advocating for housing and transit improvement near key employment centers in the region.</li> <li>Partnership with the MassHire Workforce Boards to incorporate housing strategies in the blueprint planning processes.</li> </ul>	6/15/21 6/17/21 – ongoing
Everyone in the region is able to access jobs, goods, and services close to their homes via affordable transportation	Expand digital access to enable remote work and learning.	<ul> <li>All residents in the region have sufficient digital access to enable remote work and learning options.</li> <li>Development of digital access plans in 3 communities with limited internet access.</li> <li>Work with 6 communities to implement state grant to fund hotspot implementation.</li> <li>Work with regional IT Directors to explore collaborative project leveraging ARPA funding</li> </ul>	5/3/21 – ongoing 5/5/21 – ongoing
options, with shorter commutes and fewer transfers	Provide access to affordable, safe, and accessible transportation options.	Residents have access to affordable, safe, and accessible transportation options, with shorter commutes and fewer transfers.  Partnership with MassDevelopment and the MAPC Transportation Department to fund a COVID emergency transportation program through state funds to support the taxi industry.  Advocacy with the MBTA to increase access following COVID-19 cuts, resulting in the restoration of service.  Supported the implementation of MassDOT Shared Streets funded projects in communities across the state through information sharing, procurement support and peer exchange.	Fall 2020 Fall 2020 July – Jan 2021



# **Challenges and Mitigation**

#### COVID-19

Although Eastern Massachusetts had experienced multiple FEMA-declared disasters within the past decade, including four severe snowstorms and flooding events (2018, 2015, 2013 and 2011), a terrorist attack (2013), and two tropical storms (Irene, 2011 and Sandy, 2013), it experienced the ongoing declared disaster of the COVID-19 pandemic recently, which was declared on March 27, 2020.<sup>26</sup>

After a decade of growth, the Greater Boston region has seen its economic gains destroyed by the coronavirus pandemic. The key industries of higher education, health care, IT, manufacturing, and construction have been significantly affected. Public health care systems were overwhelmed, and the vaccination rollout was delayed within the state.<sup>27</sup> Although all municipalities in the EDD have been impacted, those with higher concentrations of poverty, people of color, and immigrants have experienced the highest infection levels in the state and country. Unemployment in those communities has been far higher than the state average, even as the economy begins to recover. Many small businesses have closed permanently, increasing commercial vacancy rates and leaving residents with few options for goods and services.

The COVID-19 pandemic has created both a public health and economic crisis for the region. In response, the MAPC EDD, using local, regional, state, and federal networks and resources, sprang into action through its EDA CARES Act project starting in July 2020. The MAPC Economic Development team designed the activities funded by the CARES Act funding to complement those implemented through the planning grant funding provided by EDA.

<sup>26</sup> FEMA Declared Disasters for the Commonwealth of Massachusetts: https://www.fema.gov/disaster/declarations?field\_dv2\_state\_territory\_tribal\_ value=MA&field\_year\_value=All&field\_dv2\_declaration\_type\_value=All&field\_dv2\_incident\_type\_target\_id\_selective=All

<sup>27 &</sup>quot;It must change now': Equity advocates knock Massachusetts vaccine rollout", Boston.com, https://www.boston.com/news/coronavirus/2021/03/12/ massachusetts-vaccine-rollout-equity-advocates/

# Unemployment

In September 2020, Massachusetts had an unemployment rate of 9.4 percent of the state's total labor force. This ranked Massachusetts 7th for the highest unemployment rate in the nation. While the unemployment rate has decreased to 6.5 percent as of April 2021,<sup>28</sup> Massachusetts still ranks comparatively high in unemployment at 14th in the nation.<sup>29</sup> Additionally, these periods of unemployment had a significant impact on financial and housing stability. Between January and December of 2020, Massachusetts saw 3.4% reduction in the labor force participation rates for women, which amounts to 89,690 women, or 13,131 (0.1%) more than men.

According to the January 2021 U.S. Census Bureau's Household Pulse Survey,43 over half of white respondents in Massachusetts indicated they have worked from home during the pandemic, whereas just over one-quarter of Blacks and one-third of Hispanic indicated that they had done so.<sup>30</sup> This reinforces the conclusion that the impact of the recession on jobs and employment opportunities is felt unequally based in part on the type of employment, with Blacks and people of color disproportionately employed in service industries that require in-person performance.

Through MetroCommon 2050's Equity of Wealth and Health Report MAPC has created action items to address revisions to the Workforce Investment Opportunity Act to target areas of high need.<sup>31</sup> Efforts should also include integrating Workforce Investment Board activities into economic development efforts, including incentivizing boards to work with municipalities to update the Regional Labor Market Blueprints, particularly on sector-based and private sector driven partnerships. Additionally, MAPC recommends that the state review the current geographic designation for MassHire Workforce Boards to evaluate having a designation that would provide the most effective programs to high-need communities.

Mitigation efforts should also include the need to finance tuition free community college for low-income individuals, including older adults. MetroCommon also recommends creating career pathways for the K-12 system by increasing funding to early college programs, increase incentives for employers to participate in summer youth jobs programs, address funding disparities in the higher education system, and revise regional vocational technical schools.

#### **Small Business Growth**

While COVID-19 forced some businesses to close, 2020 also brought a flood of new business applications. Around 4.3 million business applications were filed in 2020, up 24% from 2019 and 51% higher than the 2010-2019 average, according to the Census Bureau's Business Formation Statistics.<sup>32</sup>

The total number of people who were self-employed and working declined by 20.2 percent between April 2019 and April 2020. Latinx populations experienced a higher decline than their White counterparts, at 26.0 percent. The highest declines were experienced by the Asian and Black self-employed workers, with a decline of 37.1 percent for Asian workers and 37.6 percent for the Black workers. These numbers remained lowest at 17.4 percent decline for the White group.<sup>33</sup>

 $<sup>28\</sup> Bureau\ of\ Labor\ Statistics,\ Local\ Area\ Unemployment\ Statistics:\ \underline{https://www.bls.gov/web/laus/laumstrk.htm}$ 

<sup>29 &</sup>quot;DEEP-MAPS Project Estimates" Local Area Unemployment Statistics, Bureau of Labor Statistics, and PUMS data

<sup>30 &</sup>quot;Week 22 Household Pulse Survey: January 6 - January 18" United States Census Bureau, https://www.census.gov/data/tables/2021/demo/hhp/hhp22.html

<sup>31 &</sup>quot;Equity of Wealth and Health Narrative", MAPC, <a href="https://metrocommon.mapc.org/system/refinery/resources/">https://metrocommon.mapc.org/system/refinery/resources/</a> W1siZiIsIjiwMjEvMDUvMDcvOGRxbW8xanQyaV9FV0hfTmFycmF0aXZILnBkZiIdXQ/EWH%20Narrative.pdf

<sup>32</sup> Business Formation Statistics, US Census Bureau, https://www.census.gov/econ/bfs/index.html

<sup>33 &</sup>quot;The Effects of the COVID-19 Pandemic on Small Businesses", Small Business Administration, https://cdn.advocacy.sba.gov/wp-content/uploads/2021/03/02112318/COVID-19-Impact-On-Small-Business.pdf

Further challenges were identified in the Color of the Capital Gap report released in May of 2021 by the Boston Foundation.<sup>34</sup> Racial discrimination and the racial wealth gap were identified by the report as key determinants of capital access disparities, particularly when it comes to family savings and favorable treatment by small business loan officers. Racial gaps in access to capital were also identified in the study, where, in many cases, the data shows that Black and Latinx entrepreneurs have especially low levels of capital access.

Further, survey data that is not collected in various languages failed to capture the unique challenges facing immigrant entrepreneurs with low English language proficiency. Ideally, data on entrepreneurship and capital access would be gathered in multiple languages and capture other demographic characteristics like place of birth, ancestry, wealth, and other characteristics to support more precise analysis across groups.

In May of 2021, MassINC, in partnership with the Coalition for an Equitable Economy, released a report on equitable recovery for entrepreneurs of color.<sup>35</sup> Its mitigation efforts highlight the need for addressing the three requirements for business success, which are:

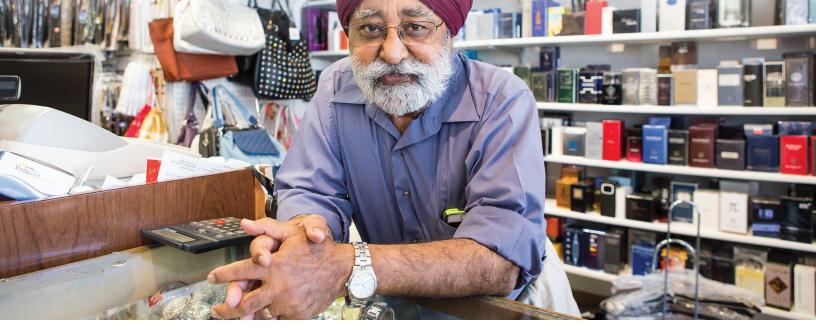
- 1. Creating an inclusive entrepreneurship as an equitable growth strategy for Massachusetts: Including boosting entrepreneurship is a high-yield economic development strategy, increasing the number of entrepreneurs of color in order to grow the state economy, creating inclusive entrepreneurial ecosystems that are vital to the state's tech sector, reducing the racial wealth gap, and creating new possibilities to support entrepreneurs of color in the future through a comprehensive strategy.
- 2. Creating a Three Pillar Plan: By building skills and relationships through technical assistance programs and network-building organizations, providing access to capital through crowdfunding, accelerators, and community investment funds, and providing access to markets and customers through procurement strategies, aggregation strategies, and commercial (i.e., business improvement) districts.
- 3. Building from a blueprint for inclusive entrepreneurial ecosystems: Which involves dramatically expanding the Small Business Technical Assistance grant, establishing a center of excellence, providing seed grants, creating new grant programs for inclusive sector-specific accelerators (including cannabis, clean energy, and fin-tech), and establishing DEI goals for the Collaborative Workspace Program. Additionally, creating new grants for backbone organizations that provide convening and facilitation capacity, investing in revitalizing commercial districts and main streets, and passing legislation to create greater access and transparency in creating contracting opportunities for businesses of color could boost access to capital.

Additional mitigation efforts include the Local Rapid Recovery Program (LRRP) through the Department of Housing and Community Development, which works to provide every municipality in Massachusetts the opportunity to develop actionable, project-based recovery plans tailored to the unique economic challenges and COVID-19 related impacts to downtowns, town centers, and commercial areas across the Commonwealth.

These plans will include analysis and exploration of challenges, barriers, strategies, and actions, with a focus on developing tactical and strategic project recommendations that help communities achieve their recovery goals. The program provides technical assistance through Plan Facilitators (of which MAPC serves in that capacity for five communities) assigned to each community applicant and Subject Matter Experts who are available to help seed ideas for project recommendations and best practices webinars, as well as inform and further refine project recommendations through individual consultations.

<sup>34 &</sup>quot;The Color of the Capital Gap: Increasing Capital Access for Entrepreneurs of Color in Massachusetts", The Boston Foundation, https://www.bostonindicators. org/-/media/indicators/boston-indicators-reports/report-files/capitalgap 052020211458.pdf? la=endicators/boston-indicators/boston-indicators-reports/report-files/capitalgap 052020211458.pdf? la=endicators-reports/report-files/capitalgap 052020211458.pdf

<sup>35 &</sup>quot;Unleashing the Potential of Entrepreneurs of Color in Massachusetts: A Blueprint for Economic Growth and Equitable Recovery" MassINC and the Coalition for an Equitable Economy, https://2gaiae1lifzt2tsfgr2vil6c-wpengine.netdna-ssl.com/wp-content/uploads/2021/03/MassINC-Entrepreneurs-of-Color-Report-FINAL-Mar-30.pdf



Communities and Plan Facilitators are currently working together to assess COVID-19 impacts, convene community partners to solicit project ideas and provide feedback, and develop project recommendations. The effort will culminate in plans that summarize the diagnostic findings and offer clear, tactical project recommendations. One hundred and twenty-two municipalities within the Commonwealth are participating in the Local Rapid Recovery Program. Recommendations will be released in September of 2021.

# **Next Steps**

The Economic Development team will continue implementation of the activities as described within the CEDS and will replicate the community and municipal resilience planning efforts in several areas of the region. The primary focus for the next several months will be on the effective distribution and implementation of the ARPA funding through the design of regional initiatives.

Given the new federal investments that will be deployed over the next several years, the team has shifted its focus to prioritize capacity-building for municipalities to ensure that they can effectively and efficiently utilize new funding sources to promote a sustainable, equitable recovery.

As a result, each of the planning efforts will focus on ways to inform resource decision-making and ways to develop and implement regional programming solutions and municipal and state policy decisions that will facilitate recovery.

#### **Client Success Stories**

The Economic Development team will continue implementation of the activities as described within the CEDS and will replicate the community and municipal resilience planning efforts in several areas of the region. The primary focus for the next several months will be on the effective distribution and implementation of the ARPA funding through the design of regional initiatives.

Given the new federal investments that will be deployed over the next several years, the team has shifted its focus to prioritize capacity-building for municipalities to ensure that they can effectively and efficiently utilize new funding sources to promote a sustainable, equitable recovery.

As a result, each of the planning efforts will focus on ways to inform resource decision-making and ways to develop and implement regional programming solutions and municipal and state policy decisions that will facilitate recovery.

#### **Revere and Chelsea**

With funding through a Federal Economic Development Administration CARES Act Grant, MAPC is currently building the capacity of Revere and Chelsea stakeholders to begin addressing the challenges of internet access in these cities. The Plan will outline the different paths available to improve internet access within the region, accompanied by approximate costs, estimated timelines, and proposed partnerships. The plan's recommendations will be structured around achieving the to-be-determined vision and goal of internet access and will lay out 2-3 potential pathways that Chelsea and Revere and community stakeholders could pursue.

These pathways may include actions that could be taken by the Cities' administration, school district, community-based organizations, internet service providers, or other entities. The pathways will not be mutually exclusive, and MAPC will work with the Cities' administration and stakeholders to evaluate short-, medium-, and long-term opportunities.

MAPC will work to align this process with regional and state-level efforts to advance broader internet access. Where possible, MAPC will coordinate the recommendations and implementation steps with efforts in adjacent communities to encourage shared resources and investment strategies.

#### Salem

In March of 2021, EDA awarded a \$662,922 CARES Act Recovery Assistance grant to the city of Salem to implement a recovery strategy to plan for long-term recovery and ensure the region's tourist economy remains competitive in the future. MAPC assisted Salem in constructing their grant for EDA funding, This EDA grant, to be matched with \$165,730 in local investment, is expected to create nearly 400 jobs.

The project will allow Salem to implement a tourism industry recovery strategy, including a visitor marketing campaign; alternative events programing; industry-based technical assistance for small businesses; and the creation of a comprehensive economic diversification strategy to identify promising industries for diversification based on regional economic trends, as part of a three-stage COVID-19 Business Recovery Plan formulated in conjunction with the city's Economic Development Recovery and Revitalization Task Force.

#### **Gloucester**

In October of 2020, EDA provided investment support to the City of Gloucester with making flood protection improvements needed to protect the city's vital seaport near a designated Opportunity Zone. The project will help with recovery efforts from severe flooding events that impacted the region by providing critical flood protection for the city's Water Pollution Control Facility (WPCF). In addition, the project will support the final design of the flood barrier, permitting, and ultimately construction of the barrier and associated site work, which will protect the WPCF from future flooding events and support the existing fishing industries. Once completed, the project will assist the region with diversifying its economy, bolstering job creation, attracting private investment, and advancing economic resiliency throughout the area.

#### Gulf of Maine Research Institute/SeaAhead

Additionally, The Gulf of Maine Research Institute (GMRI), in partnership with SeaAhead, a Boston-based bluetech startup platform, received funding from EDA to lead a blue innovation recovery initiative to provide direct support to regional seafood-related startups and small businesses that face significant operational challenges as a result of the COVID-19 pandemic.

Throughout the Gulf of Maine region, a burgeoning group of entrepreneurial businesses are focused on driving innovation in finfish, shellfish and algae aquaculture, as well within U.S. wild fisheries. Their solutions - including supply chain digitization, aquaculture innovations, and new fisheries technology - are essential to global competitiveness in the blue economy. This economic relief grant will help preserve the region's momentum in blue innovation as entrepreneurs face an increasingly difficult operating environment. It will also establish a lasting platform for growth and resiliency after the pandemic.

The project workstreams center on building a stronger regional open innovation platform that addresses the critical tasks that blue economy startups and small businesses struggle to execute, especially as a result of the coronavirus pandemic. The EDA SPRINT grant will assist seafood-related startups and small business scale-ups by enabling the Project Team to 1) scale entrepreneurship support models through a digital platform and simplified access to physical assets; 2) deepen and enrich digital mentorship models and connect startups to key mentors; 3) increase and enhance access to investment capital. The result is an enhanced economic corridor in northern New England that will allow the region to be more resilient to the next economic shock.



# **Additional Projects in the Pipeline**

The 2021 CEDS Performance Review provides a list of projects that have received technical assistance from the MAPC EDD. A request is sent to all municipalities, economic development organizations, and key stakeholders, particularly those who attended the Information Session. The projects are reviewed for eligibility and readiness by MAPC staff. The following includes all projects that have been submitted to EDA or are currently in development.

Applicant	Project Type
Benjamin Franklin Institute of Technology (BFIT)	Workforce Building in Roxbury
Boston Arts and Culture MOAC	Strand Theatre Reactivation
Bunker Hill Community College	Creation of a Small Business Enterprise Center
Cities of Revere and Lynn	Regional Rail Connection/Tourism from
City of Chelsea	Infrastructure for Food Produce Center
City of Framingham	Small Business Assistance Program
City of Gloucester	Wastewater Plant Flood Wall
City of Medford	Economic Resilience Plan
City of Quincy	Downtown Broadband Master Plan
City of Salem	Tourism Recovery Strategy
City of Somerville	Implementing Master Plan & Business Growth Near Green
	Line Extension
Commonwealth Kitchen	Expansion and Reconfiguration of Food Production Space
Massachusetts LGBT Chamber	Increased capacity to address business needs post-
	COVID-19
Malden	MBTA Station Growth and Biotech Growth Opportunity
Marlborough EDC	Downtown Revitalization Project
Mass Lodging Association	Tourism Assistance Program Addressing Post-Pandemic
	Tourism
MassBay College	Creation of Health Sciences School in Framingham

Applicant	Project Type
MassChallenge	Expansion into Health Tech, Financial Technology, and Diversity, Equity, and Inclusion
Massachusetts eHealth Institute /MassTech	Creation of a Digital Health Program
Morgan Memorial Goodwill	Logistics and Parking Construction for Workforce Hiring Center
New England Culinary Arts Training	Expansion and Consolidation of Food Service Workforce Training Programs and Space
Salem State University	Expansion of Virtual Education Programs
SeaAhead/ Gulf of Maine Research Institute	Bluetech Startup
Town of Bedford	Broadband and Wastewater Capacity Expansion
Town of Brookline	Small Business Assistance Program and Downtown Revitalization
Town of Burlington	Wastewater Infrastructure Development
Town of Foxborough	Tourism and Small Business Study
Town of Franklin	Downtown Franklin Visioning and Revitalization Plan
Town of Maynard	Commercial Water Capacity
Town of Natick	Golden Triangle Zoning Study
Town of Randolph	Downtown Revitalization and Urban Renewal Plan
Town of Weymouth	Infrastructure for Arterial Road for South Shore Medical Center
Venture Café	Creation of Roxbury Innovation Center
International Digital Accountability Council	Post-COVID-19 Contact Tracing Technological Development



# **EDA Assistance-Needed**

Any new updates on the American Rescue Plan Act of 2021 will be helpful, particularly as potential projects become identified after the MAPC Informational Session. There has been an increased interest in the travel and tourism component of the American Rescue Plan Act and in furthering economic development infrastructure projects as well as programs related to higher education workforce programs, vocational schools, and arts and culture organizations. Additionally, pooling together state and federal resources towards economic development goals can further strengthen potential applicants in the region.

Further expanding EDA's funding priorities in ways that align with MAPC CEDS goals would further bolster programs within the region that address equity, entrepreneurship and small business growth, as well as addressing the impacts of climate change.

#### **Equity**

Economic development planning or implementation projects that advance equity across America through investments that directly benefit underserved populations and underserved communities.

# **Technology-Based Economic Development**

Economic development planning or implementation projects that foster regional knowledge ecosystems that support entrepreneurs and startup.

# **Environmentally Sustainable Development**

Economic development planning or implementation projects that help address the climate crisis.

MAPC, through its research and strategy implementation, as well as through its conversations with regional stakeholders, recommends that EDA consider incorporating additional investment priorities.

#### Housing

Particularly through providing increased housing options to workers is closely aligned to economic development to economic development in the region. Increasing housing supply, especially through more equitable production across the region is an area where Massachusetts has lagged other states.

#### **Public Health**

As displayed by the severity of the pandemic, economic health is closely tied to public health, particularly after fiscally stressed hospitals and staff in disproportionately impacted municipalities supported their communities significantly during the pandemic. All this despite interruptions to their revenue streams. Additionally, addiction treatment and related behavioral health services and programs are necessary for the region, and there is a close tie to the economic consequences of substance abuse to productivity and quality of life in a community. Furthermore, the public health workforce continues to grow in the region and is one of the main economic drivers.

#### **Arts and Culture**

Funding arts organizations and artists, either within the public, private, or nonprofit sectors, can serve to strengthen the regional economy by cultivating businesses and jobs in the arts and culture industry. Creative industries provide direct economic benefits to communities by creating jobs, attracting investments, generating tax revenues, and stimulating local economies through tourism and consumer purchases, as well as attracting young professionals to the area.

#### **Infrastructure Improvements**

Improving our region's infrastructure is critical in rebuilding the region. This includes building and improving public transit, roadways, railways, ports, and airports; ensuring clean drinking water, dependable wastewater, public utilities including high-speed broadband; and revitalizing critical building infrastructure for businesses, healthcare institutions and schools.

Through ongoing outreach efforts, MAPC partners have sought including business assistance programs, additional lending programs, and direct business assistance within their greatest needs for economic development.

As always, Debra Beavin has been an invaluable staff member of EDA and has provided MAPC and all other Massachusetts EDD's in learning about the various open EDA programs, and in answering important questions relative to the application and grant management processes. Additionally, Matthew Suchodolski has done an outsized effort in providing the state additional resources on federal funding opportunities, webinars, and programs.

# **Press Engagements/Opportunities**

MAPC staff are engaged in an extensive outreach strategy to understand the partnership and technical assistance needs of a broad pool of potential applicants and better inform them about collaboration and funding opportunities. In doing so, applications and potential projects will better match the priorities that EDA and MAPC have outlined and MAPC will be able to help to strengthen applications by building a broader and more diverse applicant pool and by facilitating partnerships with and among potential applicants.

We are anticipating potential press opportunities with pending applications, such as those listed above. We look forward to partnering with EDA on these opportunities.

Additionally, the MAPC EDD has been leading work to ensure municipalities and other public sector entities are able to access valuable EDA funding to advance recovery efforts. On April 1, the organization hosted an information session on the various funding opportunities through EDA. MAPC's Economic Development team assists communities with grant applications for such funding. The session was attended by over 100 representatives of community colleges, CDCs, arts organizations, municipalities and others. Christian Brandt and other members of the Community Engagement team assisted with the information session.

With those goals in mind, the purpose of outreach for this project is to:

Identify potential grant applicants and potential projects based on EDA and MAPC's priorities for grant distribution.

Build awareness around the EDA's grant application requirements and around potential partnership opportunities.

**Educate** potential applicants about EDA grant requirements and eligibility.

Facilitate partnership development between municipalities, institutions, community-based organizations, and other interested organizations.

Outreach interviews are being conducted with regional economic development partners. These interviews asked the following questions of those who have had previous experience working with EDA:

- 1. How was the application process? Any issues submitting it? Acquire the proper documentation? Match?
- 2. What was the starting point in putting together an EDA application? How did you finesse your project to suit EDA's priorities? What made you think of EDA as a potential funder? Did you think of reaching out to MAPC?
- 3. Who were your partners (co-applicants, grant partners, beneficiaries, subrecipients?)?
- 4. How was your management of the grant, once funded? Did you have issues with required paperwork, special award conditions? How was the closeout? What is on time?

All partners were asked the following questions on their economic development goals and project readiness:

- 1. What are your current programmatic goals and accomplishments? What do you seek to further at your org/ agency?
- 2. What are your funding goals? Are there areas in which you could expand? Are there areas in which you should plan for resiliency or recovery? If money were no object, how would you accomplish your economic development goals and priorities? What have been the effects of COVID-19 on your goals?
- 3. What are your partnership goals? What relationships would you like to build upon? Who do you envision collaborating with in the future (individuals, orgs, businesses, regional partners, industry types)? What experience do you have with forming and managing partnerships? Have you done that before?



On April 1, the Economic Development team hosted an Information Session for potential EDA applicants. The recording of the EDA information session can be found <a href="here">here</a>. This webinar discussed the various grants available and how to apply and features past EDA grant recipients talking about their recent projects as well as the application process. Participants were informed that successful applications must match MAPC's and EDA's funding priorities, and that MAPC is a resource for their application. Christian Brandt and other members of the Community Engagement team assisted with the information session.

Additionally, MAPC staff have created a Partnership Survey to gauge project readiness and collaborative efforts. A list of questions were provided to partners throughout the region. These questions asked:

- 1. Are you interested in partnering with another organization for an EDA project?
  - Over 3/4ths of respondents said that they would, with a guarter stating "not sure."
- 2. If no, why not? Select all that apply.
  - No organization selected this.
- 3. How often do you partner with other organizations to accomplish a shared project/goal?
  - Half would often partner with other organizations, with 29% saying 'very often.' Only seven percent said that they rarely do, and none said never.
- 4. When you have partnered with other organizations, has the partnership been successful?
  - 93 percent of respondents said that their partnerships have been successful.
- 5. What were some challenges that you experienced in your previous partnerships? Select all that apply.
  - Challenges include staffing capacity (38%), funding constraints (25%), and differences in priorities (19%).
- 6. In your previous partnerships, what or organization did you partner with? Select all that apply.
  - 21% partnered with nonprofits, 18% with a governmental body that was not a municipality, and 15% partnered with municipalities.
- 7. If you are comfortable, please tell us the specific organizations that you have partnered with previously.
  - Most include various economic development agencies, municipalities, and higher education.
- 8. How would you describe your organization?
  - 29% were nonprofits, 21% municipalities, and 14% were "other".