



Key Takeaways from Regional Session Breakout Tables

Business Climate

- Access to capital and high interest rates are a challenge
- Licensing and permitting processes are hard to navigate
- More technical support for business planning, financial literacy, marketing, etc.
- Need a streamlined system to more easily access resources for small businesses

Community and Neighborhood Development

- Physical barriers to development (i.e. water, sewer, internet, etc.)
- Downtown districts facing significant challenges
- Housing squeeze is affecting everyone
- Need more support for small business development and entrepreneurship

Key Clusters and Innovation

- Emphasis on economic development strategies that contemplate regional strengths, weaknesses, etc.
- Enhance accessibility and connectivity within MA for better economic opportunity
- Increase technical support from the state to generate better economic development outcomes at the local level

Workforce and Talent

- Clearer pathways for students, adults, and employers (apprenticeships, voc-techs, immigrants, etc.)
- State needs more streamlined approach for distributing resources
- More support for cliff effects with better wraparound services
- Transportation and cost of living are core to workforce challenges

Equity and Opportunity

- Address language barriers & Improve cultural competencies
- Re-integration after incarceration
- Access to affordable capital, lending programs and grant funding
- Encouraging and fostering the opportunities through pathways, like the Trades

Life Sciences| Opportunities & challenges for sub-sector, and what success looks like from an economic development perspective



Opportunities

- MA is home to the leading life sciences cluster in the country; and 19/20 largest biopharma companies in the world have a presence in the state
- The industry employs over 100K residents, and the employment base grew by 6.6% between 2011 – 2021
- MA leads the nation in per capita NIH funding; over \$30 billion invested in MA-based biopharma companies between 2020-22; and lab space grew from ~18 million sq. feet in 2011 to nearly 56 million sq. feet in 2022.

Challenges

- Increased competition from other states, such as NC, TX, NJ, NY, and PA, that are actively attracting companies and creating rival ecosystems
- Industry is facing workforce shortages and struggles to navigate the workforce training system in MA
- The state's perception is not good for business which puts added pressure on individual companies to market and recruit

What success looks like for economic development

Short term

- 1 Launch Pathmakers Program at MLSC to create job pathway for 150-200 students by the first quarter of 2024.
- 2 Improve external perception of MA with strategic messaging and communication

Medium/long term

- 3 Passage of a Life Science 3.0 legislative package that positions MA to remain global leader
- 4 Build a workforce talent pipeline that can support anticipated growth for second over the next 5-10-15 years



Lever	Detail
<p>1. Invest in initiatives that will keep "young" potential founders here</p>	<ul style="list-style-type: none"> Talent will attract money...the state needs to retain the talent. MA must recruit and incent young people and college graduates to stay in MA. Better facilitate recruitment of undergrad and grad students into our local companies — through internship programs, recruitment fairs, etc. By promoting our incredible companies, we will have a better shot at talent retention. Evaluate the feasibility and effectiveness of a Scout Fund/Founder Program that makes capital available to MA-based founders, such as spinouts from area colleges and universities.
<p>2. Celebrate vibrancy of ecosystem</p>	<ul style="list-style-type: none"> Strong sentiment within the tech ecosystem that the state does not recognize the industry as well as other sectors (some major tech companies/VC firms in MA!). MA should better spotlight and celebrate tech sector! Branding Campaign: Energize Boston's image as a place that is fun for young people, facilitates collaboration, and embraces bold ideas. This is a place that values civil liberties and individual rights. <ul style="list-style-type: none"> Ex: Create a destination conference around an area in which Boston shows strength (e.g. climate), attracting celebrities, high-profile investors, etc. Bring tech CEOs and industry leaders into the Team MA tent and get them out there more on behalf of the state; and better leverage public-private partnerships
<p>3. Create an environment that attracts immigrants</p>	<ul style="list-style-type: none"> Embrace immigrant entrepreneurs with creative solutions, such as to helping secure visas for graduating international students. Pursue all visa avenues (i.e. H1-B, J1, O1, etc.) to make MA a destination for immigrant founders and international entrepreneurs. Ex: partner with higher ed (ex: UMass Boston VDC) to maximize opportunities
<p>4. Make MA more desirable to live and work</p>	<ul style="list-style-type: none"> Cost of living (ex: housing, childcare, etc.) and transportation are major disadvantages for companies seeking to retain and attract talent in MA. Healey-Driscoll Administration must make progress in these areas.

Source: Working group

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 ■ Message
 ■ Resources
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Real Estate & Development | Top recommended levers for state support



Lever	Detail
<p>1. Update and improve state permitting framework</p>	<ul style="list-style-type: none"> The state can make the permitting process more efficient and streamlined for the development community: <ul style="list-style-type: none"> Examine existing regulations and empower a Permitting & Regulatory Ombudsman to improve decision-making, timelines, and cross-agency collaboration Reevaluate 43D Expedited Permitting to ensure it is still relevant and useful for towns and cities Improve transparency related to review processes, project evaluations, etc.
<p>2. Recognize that the building sector is adapting to significant updates to the building code, energy code, etc.</p>	<ul style="list-style-type: none"> The state has recently made several updates to codes affecting the sector: MEPA, energy code(s) i.e. stretch, specialized stretch, fossil free municipal opt-in, building code, emission sub-limit standards, and large building energy reporting requirements, etc. The Healey-Driscoll Administration should allow time for these updates to go into effect and monitor outcomes. These new standards are a significant new cost to real estate projects. The state should consider incentives and tools to help offset these impacts to help the industry with decarbonization while also ensuring the grid is prepared to support this transition.
<p>3. Be aggressive and bold on housing</p>	<ul style="list-style-type: none"> The state needs to leverage all tools at its disposal to move the dial on housing production: <ul style="list-style-type: none"> Explore a state revolving loan fund to help offset the cost of debt in projects, especially small-to-midsize developments Consider tax relief for affordable housing projects (ex: New York's 421A Program) Better streamline the process for 40B and push communities to do better Maximize the potential of MBTA Communities Ensure local leaders have tools and information needed to counter NIMBY and enact policies that support housing production Support and adequately fund programs like HDIP to spur more housing in Gateway Cities Create new division of EOHLC to monitor real-time data to shape housing policies (i.e., permits pulled, total demand, etc.)
<p>4. Strategically invest in the state's economy to support growth across different segments</p>	<ul style="list-style-type: none"> A strong, healthy, and resilient economy is critical to the success of the sector. MA must support and invest in key sectors, new high-growth opportunities, and small businesses. The industry needs a skilled workforce (ex: the trades) to execute construction projects. Partner with local governments to make downtowns and town centers vibrant and attractive in the face of remote work. Ex: Look to other markets for examples on how to address obsolete buildings and identify barriers to adaptive reuse; and explore zoning relief, incentives and other ways to support the conversion of underutilized office buildings to residential use Identify infrastructure challenges that restrict economic expansion and pursue innovative solutions (i.e., sewer/wastewater, etc.)

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Advanced Manufacturing | Top recommended levers for state support



Lever	Detail
<p>1. Target emerging technologies/industries where state has a competitive advantage</p>	<ul style="list-style-type: none"> MA must create an environment that nurtures the rapid evolution of new technologies...as enablers for future growth. This includes artificial intelligence (AI), quantum computing, robotics etc. <ul style="list-style-type: none"> The state can lead on convening and collaboration between government, industry, startups, higher ed, etc. MA should endeavor to have the best R&D tax credit in the country (and be mindful of Canada). Fail Forward: capture good ideas/proposals that aren't embraced by the federal government, such as salvaging the National Science Foundation (NSF) ideas that did not make it.
<p>2. Become the “scale up” state</p>	<ul style="list-style-type: none"> The state needs to be more in lock step with companies that are scaling: <ul style="list-style-type: none"> Track startup companies that are in a growth phase (Series B funding and later) and help them grow in MA Drive better connectivity within MA manufacturers because more connectedness within the supply chain ecosystem can benefit all companies (small, medium, and large)
<p>3. Address energy challenges & infrastructure shortfalls (incl. permitting)</p>	<ul style="list-style-type: none"> The cost of energy (and grid capacity) is becoming increasingly concerning for advanced manufacturers. MA needs to make it easier for advanced manufacturing companies, especially those that want to grow, expand, etc. Capitalize on the opportunity to leverage the Inflation Reduction Act to achieve this goal.
<p>4. Build a skilled workforce</p>	<ul style="list-style-type: none"> Improve talent pipeline with enhanced coordination between government, industry, K-12 schools, higher ed, etc. <ul style="list-style-type: none"> Early engagement and pathway connections are critical. More can be done to get into middle schools, high schools, voc-techs, and innovation high schools. The state should push for more industry engagement, too. Embrace immigrant workforce, where possible. Build on successful models, such as internship programs. The cost of living (housing, childcare, etc.) is a strain for workforce recruitment and retainment (e.g. mid-career talent).
<p>5. Strengthen the startup ecosystem</p>	<ul style="list-style-type: none"> Ensure startups are connected to available resources including suppliers, potential customers, and state programs Facilitate greater connectivity and collaboration among the state’s accelerators and incubators
<p>6. Increase supply chain resilience via digitalization of small to medium-sized enterprises (SMEs)</p>	<ul style="list-style-type: none"> Expand the public and non-profit programs in the state that incent and support technology adoption by SMEs <ul style="list-style-type: none"> create access to resources, such as digital engineering toolkits, cybersecurity toolkits, AI, test beds, etc. Provide incentives to OEMs to make public commitments to support digitalization among their suppliers Engage the state’s engineering grad schools to support student internships/projects with SMEs

Climate | Top recommended levers for state support



Lever	Detail
<p>1. Embrace and Nurture Climate Tech Cluster Development</p> 	<ul style="list-style-type: none"> MA is well-positioned to become a hub for the new technologies needed to accelerate decarbonization. The state must keep the center of gravity here by convening industry, academia, and government. To do that, the Healey-Driscoll Administration should look to replicate the Life Sciences Initiative for Climate Tech. Climate Tech Innovation is playing out across different sectors so this approach must be flexible and nimble across emerging opportunities, such as offshore wind; solar, storage, and transmission; sustainable mobility; superconductivity; etc.
<p>2. Build World Class Climate Tech Ecosystem</p> 	<ul style="list-style-type: none"> Prioritize and streamline permitting/siting, financing, research and innovation Provide support mechanisms, capacity building and incubation resources for start ups Expand and scale existing successful offerings, such as the Lead by Example program and others Collaborate with industry and local government on creative pilot programs that create environments for testing and evaluation of new technologies (“proof of concept”)
<p>3. Invest in the workforce needed to support climate tech jobs</p> 	<ul style="list-style-type: none"> Build out and scale MassTalent to create needed pipeline for climate tech jobs for the present and future Engage education sector to align offerings with projected in demand jobs
<p>4. Commit to Environmental Justice</p> 	<ul style="list-style-type: none"> Capitalize on this opportunity to yield more wealth creation opportunities, improve access and affordability, and enhance quality of life for those impacted negatively by air pollution and climate change.

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Tourism | Top recommended levers for state support



Lever	Detail
<p>1. Reimagining the RTC Funding Formula and Long-Term Planning - Investment in Destination Marketing</p>	<ul style="list-style-type: none"> Reinvest a larger portion of hotel occupancy and gaming tax dollars to increase funding to support marketing and communications campaigns to target long haul domestic and international markets as well as markets including LGBTQIA+, BIPOC, sports, groups, and meetings markets. Increased marketing and promotion of Massachusetts will increase overnight stays, meals, and retail sales, in turn increasing tax receipts. <ul style="list-style-type: none"> Without increased funding, Massachusetts will lose market share to competing destinations
<p>2. Develop key performance indicators (KPIs) to track impact and success of the tourism industry</p>	<ul style="list-style-type: none"> Evaluate and improve earmark and grant reporting to demonstrate benefits of investments Improve reporting from MOTT to clearly communicate the economic impact of the Massachusetts tourism industry
<p>3. Workforce Development</p>	<ul style="list-style-type: none"> Improve the workforce pipeline (i.e. K-12 schools, vocational and technical schools, higher ed, etc.) with tourism and hospitality businesses Change the perception that tourism and hospitality jobs are all entry level; there are lucrative career paths here Address housing challenges for the tourism, hospitality, arts, and culture workforce Encourage recent graduates to stay and work in Massachusetts by promoting state
<p>4. Technical Assistance</p>	<ul style="list-style-type: none"> Support tourism, arts, and cultural organizations and businesses by streamlining permitting and processes for opening and running a business Promote collaboration and connect organizations with similar goals

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Small Business | Top recommended levers for state support



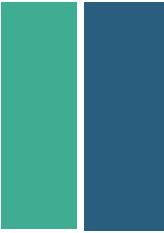




Lever	Detail
<p>1. Increase funding for the Small Business Technical Assistance (SBTA) Program</p>	<ul style="list-style-type: none"> Substantially increase funding for MGCC’s SBTA Program and make it multi-year Prioritize funding for nonprofit organizations focused on serving businesses owned by communities facing the greatest disparities (BIPOC, women, low-income) Provide training and quality control to ensure TA providers have needed tools (i.e. train the trainer) Consider industry expertise that could be leveraged by all TA providers
<p>2. Invest in Small Businesses with an array of tools</p>	<ul style="list-style-type: none"> Continue and expand the Community Development Financial Institution (CDFI) funding program to provide grants to the MA CDFIs for financing (loans/equity) Evaluate all tools used to invest in small businesses including grants, loans and other incentives. Create and augment new investment tools and ensure that all programs are culturally competent and eliminate language barriers.
<p>3. Create anchor institution coalition to make and deliver on meaningful SMB procurement commitments</p>	<ul style="list-style-type: none"> Convene large corporations, colleges and universities, and municipal governments and create an anchor procurement coalition with a mission to increase small business procurement with an emphasis on BIPOC-owned businesses Activities could include institutional data analysis (identifying “addressable spend”), making spend commitments, and maintaining a supplier database; leverage work of relevant programs (e.g., Pacesetters)
<p>4. Streamline quality business support resources</p>	<ul style="list-style-type: none"> Create a statewide inventory of small business resources (public, nonprofit, private) by type of support, industry, size/stage, demographic focus, etc.; focus on vetted best practices and demonstrated impact Develop a digital platform to help small businesses identify and connect with business support resources Market small business resources to increase the rate of SMB participation in BSO programs Leverage and scale existing mapping efforts (e.g., City of Boston’s Small Business Plan BSO inventory)
<p>5. Entrepreneurship and small business campaign</p>	<ul style="list-style-type: none"> Messaging campaign to promote MA as a welcoming and competitive place to start and grow a business aimed at increasing the rate of entrepreneurship in the state; focus on diversity and inclusion and entrepreneurs that reflect the community

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Rural | Top recommended levers for state support



Lever	Detail
<p>1. Devote Funding, Resources, and Incentives to Support Economic Opportunity</p> 	<ul style="list-style-type: none"> • Continue and increase support to shovel-worthy projects in rural communities, with substantial funding to incentivize growth. • Explore additional incentives that would benefit rural areas such as, tax abatements, no or low interest financing, tax revenue sharing, agricultural land trusts. • Strategically consider key industries, like agriculture, fishing industry, and outdoor recreation
<p>2. Enhance Support and Consideration for Rural Communities in State Funding Allocations</p> 	<ul style="list-style-type: none"> • Ensure that Rural communities are a consideration in all funding sources within the state. Ensure against “value-bias” that directs outsized share of grant resources to areas that are not suffering from a lack of capital. • Examine existing mandate compliance to determine rural hardship. Consider necessary aids to compliance before new requirements are implemented to scaffold rural communities’ ability to meet them.
<p>3. Invest in Capacity Building</p> 	<ul style="list-style-type: none"> • Expand DLTA funding to increase municipal capacity and encourage more regionalization of municipal services • Invest in the economic development of rural communities through targeted small business support • Encourage a municipal career pipeline through curriculum development in high schools, community and four colleges and universities, and consider a student loan forgiveness program for municipal careers. • Support transition of Historic Mills to next use, either by redevelopment or creation of new developable sites • Increase PILOT land values for rural communities to ensure equitable compensation to support capacity
<p>4. Improve Data Collection</p> 	<ul style="list-style-type: none"> • Collect information specific to the unique challenges of rural communities and use that data to promote change. • Examine rural population, school enrollment and valuation trends to understand the consequence of inaction. • Examine cost of inaction in addressing distressed properties that block redevelopment.
<p>5. Spotlight Rural Communities</p> 	<ul style="list-style-type: none"> • Use a variety of state and local resources to highlight strengths and attractiveness of rural communities. • Expand investment and marketing to support rural tourism, digital and creative economies

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