



## Rising to Meet the Innovation Economy

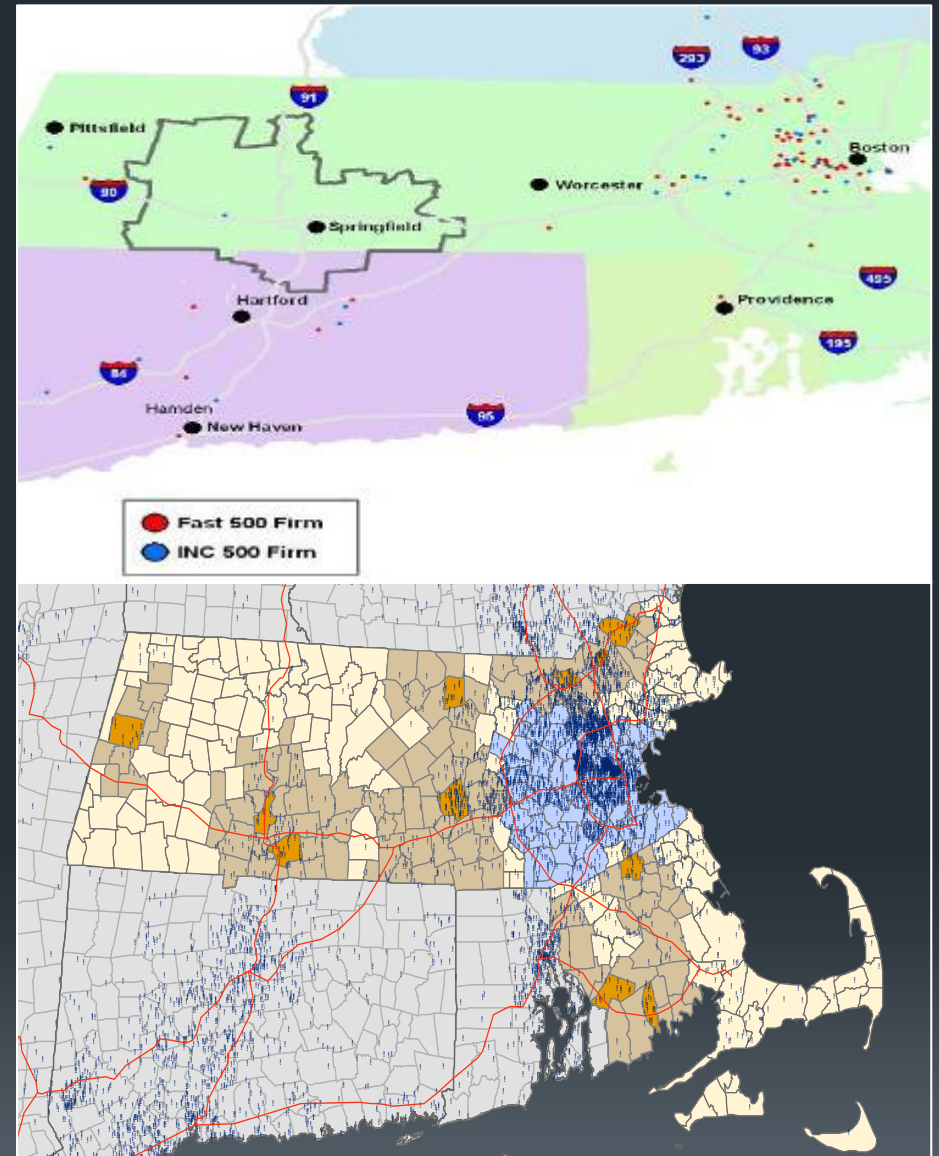
moderator: kathryn madden

panelists: peter abair, benjamin forman, steve magoon

# Balancing Growth in a Knowledge Economy

## Problem Statements: Tech economy is centralizing growth

- Southern New England's Gazelle firms are predominately located in Greater Boston
- Greater Boston's share is growing -- up from 53% of tech firms in 1991 to 60% in 2004
- Massachusetts has gone from one of the most even income distributions in the US to the most uneven
- Regional "Gateway Cities" have been left behind

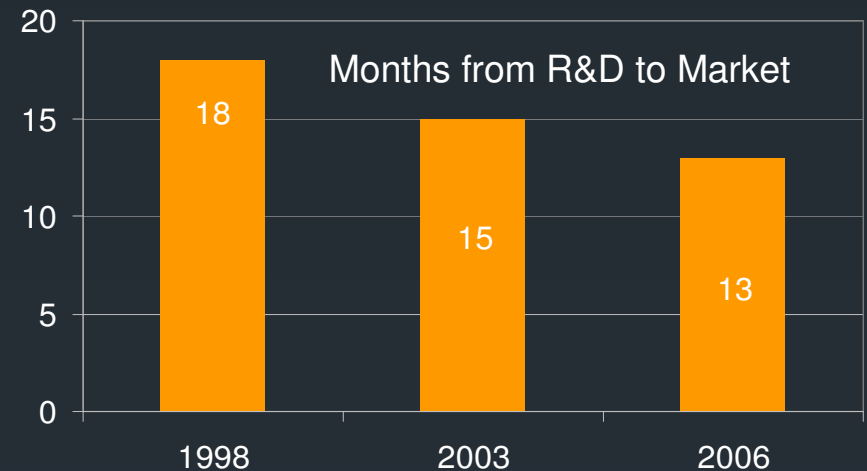


RISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy

## Problem Statements: Rapid innovation shortens product lifecycle

- Specialized economies must maintain high degree of flexibility
- Regional cities lack capacity to reinvent themselves



RISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy

## Problem Statements: Super-region loses productivity gains

- Regional cities play an important role in super-region
  - Lots of human capital
  - Lots of infrastructure
  - Low-cost
  - Pro-growth

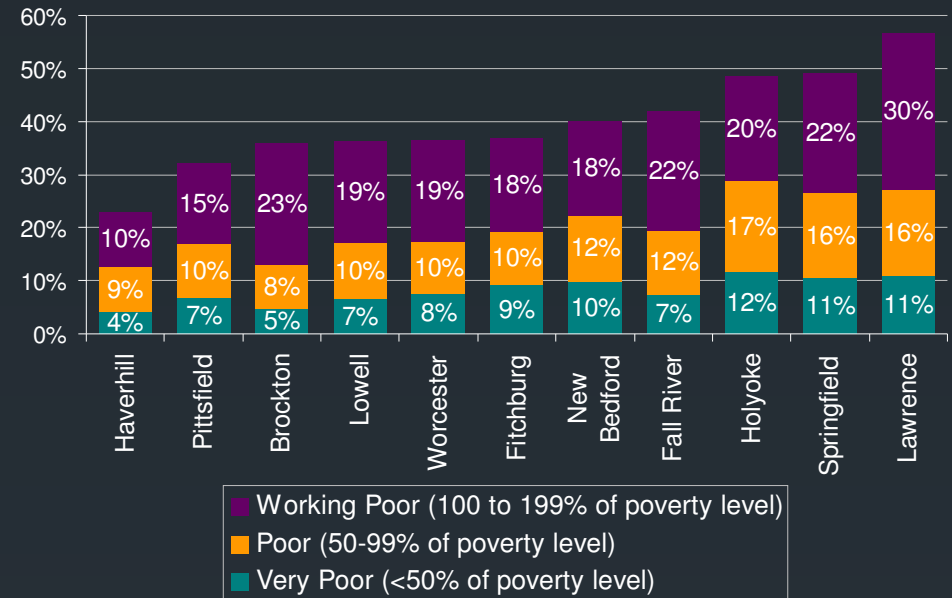


RISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy

## Problem Statements: Regional cities challenged by unbalanced growth

- Concentrations of poverty
- Low levels of education attainment
- Declining civic capacity



### Gateway Cities make up:

- 15% of Massachusetts residents
- 30% of residents in poverty
- 45% of welfare caseload
- 50% of incarcerated youth
- 60% of underperforming schools
- 10% of payroll
- 7% of BAs

RISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy



**Strategies:** Unlocking the opportunity in regional cities calls for a range of specially tailored strategies

- Coalition building
- Network building
- Community & economic development planning
- Transformative investments
- Weak market neighborhood revitalization
- Transportation investments



## **Accumulated assets in MA Gateway Cities:**

- 21 colleges and universities
- 29 hospitals
- 3 national parks
- 6 commuter rail stations
- 4 Amtrak stations
- 11 CSX terminals
- 2 deepwater ports
- 4 airports
- 5 interstate highways
- Authentic urban fabric  
(1,000+ registered historic buildings)

**RISING TO MEET THE INNOVATION ECONOMY**

# Balancing Growth in a Knowledge Economy



## Strategy 1: Coalition Building

- 11 Mayor's sign Gateway City Compact for Community & Economic Development
- Gateway Cities legislators form caucus



Gateway City mayors and managers sign compact

RISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy



## Strategy 2: Network Building

- Connecting and supporting innovative leaders working within Gateway Cities
- Connecting Gateway Cities to external capacity



Gateway City leaders gather at education forum

RISING TO MEET THE INNOVATION ECONOMY



# Balancing Growth in a Knowledge Economy



## Strategy 3: Community and economic development planning

- Traded cluster strategies
- Local market strategies
- Quality of place strategies
- Transportation strategies
- Poverty reduction strategies
- Social capital strategies



RISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy



## Strategy 4: Transformative investments

- Pool and target capital to invest strategically in large scale projects with catalytic impact

Worcester City Square: Existing Conditions



Worcester City Square: Site Plan



RIISING TO MEET THE INNOVATION ECONOMY

# Balancing Growth in a Knowledge Economy



## Strategy 5: Weak Market Neighborhood Revitalization

- Renovation costs are high (code compliance)
- Systems are antiquated
- Values not sufficient to justify rehab costs
- Existing subsidies target limited resources to affordable housing production



Markets hampered by underutilized mill space

# Balancing Growth in a Knowledge Economy



## Strategy 6: Transportation Investments

- High density, high auto dependency downtown streets are clogged
- Disproportionate parking costs
- Underfunded regional transit systems



Downtown Haverhill is served by Amtrak and commuter rail but local roads are heavily congested

RISING TO MEET THE INNOVATION ECONOMY