



Five Big Economic Development Ideas Gateway Cities Leadership Summit July 22, 2025

#1. “All Hands” for Housing Financing: Go big with the Housing Development Incentive Program (HDIP) and leverage new types of real estate financing to jolt housing production.

Rationale: HDIP has successfully sparked market-rate housing development where traditional financing does not pencil out or projects cannot attract private equity. The demand is enormous—if the program were large enough, it could help Gateway Cities and the state meet their housing production targets and reduce price pain statewide.

Long-term goal: \$100M annual HDIP funding.

Short-term goals: Identify other types of private financing to address the pipeline of projects, including potentially Opportunity Zones, credit enhancers, and/or upfront bridge financing on HDIP credits.

#2. A Flagship Downtown Program: Massachusetts needs an integrated downtown strategy with a clear, state-level vision and a consistent funding source.

Rationale: Vibrant downtowns and main street areas provide vital support for small businesses and offer public amenities and local job opportunities that attract residents and employers. They strengthen social infrastructure and civic life, and create a unique sense of place that capitalizes on our state’s history and culture.

Long-term goal: Establish a \$50M Downtown Vitality Fund that can support the Mass Downtown Initiative, MCC’s cultural districts, MassDevelopment’s TDI, local adoption of district management tools, and strategic grants to implement downtown plans.

Short-term goals: Tap into the existing capital authorization for downtown vitality in the FY27 capital plan. Consider establishing a MA Downtown Advisory Council. Restore Mass Downtown Initiative funding in FY27 budget.

#3. Level the Playing Field: It needs to be easier to develop in our cities than in our forests and farmland.

Rationale: The well-intentioned desire to protect vulnerable communities and achieve social goals such as climate resilience can have the perverse effect of slowing permitting and raising costs, thereby discouraging investment in the very communities that most need it. Meanwhile, sprawl and greenfield development proceed unencumbered by such concerns.

Long-term goal: Reduce state and local permitting time to six months in urban areas.

Short-term goals: Reform the “30% Rule” governing building accessibility; exempt or streamline MEPA review of urban renewal plans; pass the Mass READY Act with expansive environmental permitting reforms for priority housing projects; implement additional reforms in the Governor’s Commission on Unlocking Housing Production.

#4. Regional Innovation Campuses: When companies are ready to grow, we want them to stay in Massachusetts, and we want as many as possible to locate in Gateway Cities.

Rationale: MassDevelopment has learned, over years of experience at Devens, what best practices in site preparation, permitting reform, marketing, and financing can support growing companies and industry clusters. Now is the time to apply these lessons to our Gateway Cities to support more balanced and sustainable regional growth.

Long-term goals: Connect the technology ecosystem to every part of the state and develop prototyping facilities in collaboration with local partners and industries. Nurture homegrown industry clusters and entrepreneurship, with one example outlined in MassINC’s *Accelerating Inclusive Growth in the Pioneer Valley*.

Short-term goals: Provide opportunities for local economic development leaders to engage with entrepreneurs and investors in emerging industries; develop a municipal roadmap for economic readiness and competitiveness; and enact state rules making it easier for municipalities to implement the lessons of Devens.

#5. Energy Abundance: Gateway Cities need access to ample, predictable sources of energy, and they need a greater ability to plan and allocate it.

Rationale: Our state’s Gateway Cities have older and at times outdated energy infrastructure which makes it challenging to attract employers, especially in energy-intensive industries.

Long-term goal: Enable Gateway Cities to become energy producers.

Short-term goals: Speed connection times for new development projects; prioritize grid investments that enable every city to implement clean energy improvements; prepare a report on the energy barriers faced by Gateway Cities and similar communities and how they can maximize local energy production to meet the energy needs of low-income neighborhoods.