A Boston That Works: Recommendations for building good jobs and strong communities
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Executive Summary

The new administration has an important opportunity to take critical steps to address the urgent problems of poverty and inequality that threaten the prosperity and well-being of Boston's communities. Nearly one in four Boston families lives in poverty and incomes in the Greater Boston area are more unequally distributed than in the vast majority of other metro areas around the country.

The good news is that the City has a number of important tools that can be engaged to address these problems. However, in order to maximize its effectiveness, the City will have to re-focus and re-organize its approach to economic development. Critically, the City must make combatting poverty and inequality a core priority in all of its programs. Moreover, the City should adopt a broader and more proactive vision of economic development and reorganize programs and structures accordingly. This includes ensuring that all Boston Residents are able to participate in critical decision making as well as in economic opportunity.

This report identifies five key ways in which the City can re-focus and re-organize its programs and provides a number of specific recommendations of steps the City should take. While some of the recommendations require rulemaking or legislative action, many do not.

Key Recommendations

1. Use every possible point of leverage in the City's purchasing, development and financial systems to create good, family-sustaining jobs with decent wages, paid time off, health insurance and adequate hours.

2. Fully enforce and expand the application of the Boston Living Wage ordinance. Expand the scope of the Living Wage ordinance to provide for paid time off, health insurance and full time work.

3. Re-organize the structure of planning and development agencies, primarily the Boston Redevelopment Authority (BRA) to include a focus on creating family-sustaining jobs, affordable housing and community building. Strict accountability standards are needed to ensure developers are meeting goals and standards.

4. Initiate a comprehensive planning process which involves all impacted communities in development of a vision and plan for Boston.

5. In all things prioritize equity of access for all city residents and ease of entry and participation in city life for all groups, including recent immigrants.
Introduction

As a new Mayor begins his first term in office in Boston, there is an opportunity to assess the state of the city and refocus on building a vibrant, equitable economy where prosperity is broadly shared and all families have access to the resources they need to live a good life and contribute to a vibrant Boston.

Unfortunately, that economy does not exist today. Boston is a city rife with economic inequality. Nearly one in four Boston families live in poverty, and young people and people of color generally are disproportionately poor. Incomes are distributed less equitably in Metro Boston than in 85% of the metro areas in the US. The wealthiest 20% of Metro Boston residents earn 10 times more than the poorest 20%. The cost of living has increased by 68% since 1990, and Boston’s cost of living is 10th highest in the US. However, over the last decade, real wages across the nation have stayed flat or declined for the entire bottom 60% of wage-earners. Moreover, as the economy comes out of recession, we’ve seen a disproportionate increase in low-wage jobs.

These conditions make it critical that the City of Boston focus its economic development efforts on increasing access to jobs with good wages and benefits, with a particular focus on low-income neighborhoods and communities of color. This includes turning existing poverty-wage jobs into good jobs. The benefits of doing so will be city-wide and have a positive impact on a range of policy areas, including education, public health, the economy, public safety and the City’s bottom line.

Boston is a key player in the region, Massachusetts, and the US. The Mayor of Boston can and should be a national leader in promoting, passing and implementing policies and programs that increase economic opportunity in disadvantaged communities and begin to address the extreme income inequality that plagues the city and our nation.

Boston’s new Mayor can and should use every available tool to convert poverty-wage jobs into good jobs, and to ensure that all new jobs are family-supporting. There are many tools available to do this, including legislation, policy and practice, and we discuss many of them in detail below. Perhaps the most important tool, however, is simply the voice and the presence of the Mayor. We all know how powerful the bully pulpit can be, and the Mayor should use this power to call for good jobs, and to educate the community about the importance of an equitable economy. The Mayor can and should stand with workers who are organizing and trying to enforce rights or raise standards. At times, he may need to literally stand with them, as in the case of politicians around the country who accompanied striking fast food workers back to work to reduce the likelihood that they would be fired. These symbolic acts are powerful, and the new Mayoral administration should not neglect them.
About Us

This memo was written by Satya Rhodes-Conway, Managing Director of the Mayors Innovation Project and a Senior Associate at COWS; Sam Munger, Managing Director of the Center for State Innovation and a Senior Associate at COWS; Peter Bailon, Research Specialist at COWS; James Irwin, Senior Associate at COWS; and Amy Sugimori, Director of Policy & Legislation at Service Employees International Union, local 32BJ (SEIU 32BJ).

COWS (Center on Wisconsin Strategy) is a nonprofit think-and-do tank, based at the University of Wisconsin-Madison, that promotes “high road” solutions to social problems. These treat shared growth and opportunity, environmental sustainability, and resilient democratic institutions as necessary and achievable complements in human development. Through our various projects, we work with cities around the country to promote innovation and the implementation of high road policy. COWS is nonpartisan but values-based. We seek a world of equal opportunity and security for all.

SEIU 32BJ represents over 145,000 men and women in 11 states and Washington DC along the East Coast. In Boston, our members maintain and provide security for buildings in the region’s leading industries including commercial office real estate, financial services, higher education, health care, biotech, high tech, and transportation and tourism. Throughout our jurisdiction, we are committed to advocating for policies and best practices that provide economic opportunities to local residents, improve quality of life, and further the economic vitality of the communities in which our members live.

In Boston, we have partnered with a wide range of community partners to develop an agenda for good jobs. At the national level, we have partnered with the Center for American Progress and the to collect and compile a broad array of best practices adopted by cities across the country to strengthen and broaden the middle class. We also draw on our own experience throughout our jurisdiction, where we have partnered with elected leaders to further policies that, among other things:

- Create accountability for job standards for businesses that receive economic development subsidies.
- Ensure that government spending through contracts provides economic opportunity while also delivering best value services for the public dollar.
- Maximize the role of anchor institutions – such as airports – as economic drivers.
- Provide for transparency and accountability, to ensure that recipients of tax breaks or other public subsidies are responsible actors.
- Ensure that immigrants can fully participate in city life and are able to access city offices and services.

The outcomes of recent elections have created an exciting moment in which cities can lead the way in combating inequality and building toward shared prosperity. We are pleased to be working closely with a number of newly-elected progressive mayors throughout our jurisdiction to build a cities-led movement for good jobs and strong communities.

Over the summer of 2013, 32BJ leadership and staff participated on recently-elected Jersey City, NJ Mayor Steven Fulop’s transition committees, with a particular focus on economic development. We are currently in close communication with Mayor Bill Peduto in Pittsburgh, PA around his platform and transition, and will be partnering with him to unveil a report on progressive city policies in February. We have worked with allies to draft recommendations for economic development and job creation for Mayor de Blasio in New York City and have developed a comprehensive set of procurement reform proposals for NYC. We anticipate continuing to work with other mayors throughout our jurisdiction on similar policies.
Background

Boston is the 21st largest city in the United States, with an estimated population of 636,000 in 2012 (down from its peak of over 800,000 residents in 1950). The city proper is relatively small, only 48 square miles (roughly the same size as San Francisco, but less than half the size of Atlanta, one-third the size of Denver, and less than one-sixth the area of New York City). The Greater Boston MSA is quite a bit larger—it is the tenth-largest metropolitan area in the country, home to 4.5 million people—and the Greater Boston Combined Statistical Area is the sixth-largest in the country (7.6 million people). While the focus of the analysis and recommendations in this paper is on important actions the City of Boston can take to combat inequality, these numbers underscore the importance of situating city policy and planning within a broader coordinated metropolitan area framework.

### DEMOGRAPHICS

#### Race/Ethnicity Composition (2010)

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Percentage</th>
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<tr>
<td>White</td>
<td>53.9%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>24.4%</td>
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<tr>
<td>Native American</td>
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<tr>
<td>Asian</td>
<td>8.9%</td>
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<tr>
<td>Native Hawaiian and Other Pacific Islander</td>
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<tr>
<td>Hispanic or Latino</td>
<td>17.5%</td>
</tr>
<tr>
<td>Non-Hispanic Whites</td>
<td>47.0%</td>
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*Source: "State & County QuickFacts - Boston (city), Massachusetts". United States Census Bureau. 2013-01-10.*

Today, close to 27% of Boston residents were born outside of the United States. This percentage ranks Boston 6th out of the 25 largest U.S. cities in terms of foreign-born population. Compared to other similar cities, Boston is relatively middle-of-the-pack in its percentage of Black, Asian/Pacific Islander, and Hispanic (of any race) residents. As a result, its minority population is more diverse than that of Atlanta (predominantly Black), San Francisco (predominantly Asian), or Denver (predominantly Hispanic); it is also more diverse than Seattle (a larger non-Hispanic white population).

Boston is also quite young, demographically. In 2010, Boston ranked number one among the 25 largest cities in the U.S. in the percentage of the total population between the ages of 20-34 (35%).
While the overall unemployment rate for the Boston Metropolitan Area has been slightly lower than the national average, the city’s overall economic health belies significant problems with both inequality and poverty.

A report by the Boston Indicators Project, a project of the Boston Foundation, found that 19% of Bostonians, 23% of families with children, and approximately 28% of all children, were living at or below the Federal poverty standard, based on American Community Survey data averaged over 2005-2009. The situation is worse for children of color. The report found that “40% of Latino, 35% of African American and 31% of Asian children lived in poverty compared to 10% of white children.” These significant levels of poverty occur in within a metro region that is remarkable for its inequality. According to a report by the Metropolitan Area Planning Council, the wealthiest 20% of Metro Boston residents earn 10 times the poorest 20%. Incomes are distributed less equitably in Metro Boston than in 85% of the metro areas in the US.

In addition to unacceptably high levels of inequality between the wealthiest and poorest residents, there are significant disparities between different racial and ethnic groups. For example, in spite of overall below-average levels of unemployment, the unemployment rate for African American men in the Boston area in 2012 was 15.4%, and for African American women almost 11%. An analysis of American Community Survey data by the Boston Indicators Project, a project of the Boston Foundation, found that “[t]he median income for white households in Boston was nearly twice as high as all households of color at more than $68,000 compared to $37,000 among Asian households, $34,000 among African American households and $29,000 among Latino households.”

Meanwhile, the cost of living in Boston is rising. The same report found that from 1990 to 2009, the cost of living in the city increased by 68%. Boston has one of the highest costs of living in the United States—10th highest in the US according to the Council for Community and Economic Research. The cost of living is 39.9% above average in the United States according to Kiplinger’s Index. At the same time, wages for many workers are flat or falling. A recent national study by the Economic Policy Institute found that between 2000 and 2012, real wages stayed flat or declined for the entire bottom 60% of wage-earners.
The BRA plays an unusually large and centralized role in both land use and economic development in Boston. The BRA is heavily real estate focused and has relied on a developer-driven, reactive approach to economic development. See Appendix A for a brief history of the evolution of the BRA. The modern BRA is granted broad authority over private and public development within the city of Boston. It is tasked with authorizing and approving all private development projects and given authority to contract with private development corporations for development. The private development process is relatively closed off to the public, requiring little input and no outside approval.

The BRA also has control over public development projects. Most importantly, under its public development authority, the BRA is granted the power of eminent domain over property it has determined to be “decadent, substandard, or blighted.” Moreover, the BRA is authorized to implement development projects designed primarily to decrease the unemployment rate in labor surplus areas under its power as an Economic Development Industrial Corporation. In this role the BRA may borrow money, issue revenue bonds to pay for projects, and invest funds. In addition the BRA may prepare development plans and enter into contracts and agreements necessary for development.

Finally, the BRA has expansive authority affecting zoning decisions in Boston. Before the City may adopt any zoning regulations or amendments, it must receive recommendations on the amendment or new regulation from the BRA. In addition, for development projects requiring a change in zoning law, the Zoning Board of Appeal or the Zoning Commission may only amend current zoning or adopt new regulations after receiving written recommendations from the BRA specifying how the zoning should be amended.

The combination of powers currently residing in the BRA renders it unique among redevelopment authorities nationally, and makes the structure of real estate development in Boston quite different from that in most major American cities. No other city that we surveyed combined planning and economic development in an independent authority. While some cities occasionally assign planning and development to a single city agency—see the Kansas City Planning and Development Department—they are usually separate divisions, and are subject to City Council budgetary authority and oversight. Redevelopment authorities—or development authorities, as they are sometimes called now—in other cities tend to be more limited both in their power, and sometimes in their geographical focus.

An examination of recent high-profile BRA development deals indicates a practice of providing significant subsidies to major businesses. Given the profits and executive compensation reported for these businesses, it is unclear to what extent they were actually in need of financial assistance. Moreover, given the detrimental impact on Bostonians of many of the subsidized businesses’ actions, there is a strong need for scrutiny and accountability mechanisms with respect to recipients of subsidies. The following are some high-profile examples.

In 2008, the BRA approved a $2 million property tax cut through a Tax Increment Financing (TIF) to J.P. Morgan Chase to move from 73 Tremont Street to 451 D Street in the Seaport. J.P. Morgan then went on to get a $1.5 million income tax break from the state. Subsequently, it was one of five national banks sued by Massachusetts Attorney General Coakley in connection with illegal foreclosures and deceptive loan servicing. Massachusetts later recovered $318 million from a $25 billion nation-wide state-federal settlement regarding unlawful foreclosures including robo-signing of documents.
In 2010, the BRA approved a TIF for Liberty Mutual valued at between $16 million and $24 million, to expand its Back Bay headquarters. Liberty Mutual additionally received $22.5 million in state tax credits. Meanwhile, Liberty Mutual came under scrutiny for paying its retired CEO Ed Kelly $50 million a year. In 2013, Liberty Mutual announced it was cutting retirement and other benefits for 38,000 employees, even during a period of profitability and after paying $4.5 million to renovate its CEO’s office.

In 2012, the BRA approved a $11.5 million 121A tax abatement for State Street bank to build a new office in South Boston. CEO Jay Hooley’s pay that year was $16 million. This came amid a wave of hundreds of layoffs at the company that continued right into 2013. In 2012, Secretary of State Bill Galvin fined State Street $5 million for misleading investors about subprime mortgages. And the City of Boston was one of hundreds of municipalities where the bank was accused of overcharging pension funds for foreign currency deals it handled on their behalf.

In addition to providing business subsidies, the BRA holds a number of properties. Experience has indicated that the BRA is not zealous in ensuring compliance with Living Wage requirements in the properties it owns. A union organizer with SEIU Local 615 (now a division within 32BJ) uncovered violations of the living wage law at the China Trade Building through talking with security officers there. With support from the union, the workers spoke with their employer about the situation, which was later resolved.

“I wish that the building owners and people responsible for the decision of our jobs would think of us, people who have nothing. If they could take a moment and walk in our shoes, they might change their practices.”

- Rosa Garcia

Rosa Garcia is the primary caretaker of six grandchildren, and the sole breadwinner in a house of eight including her mother. The youngest is in kindergarten and one of the children has autism. In early 2012 the building owner at 31 St. James St. hired an irresponsible contractor which laid off the existing 20 workers with no notice. She had been working there for four years. Rosa does not know what she will do to support her family. Her home is now facing foreclosure.
Recommendations: Building an Equitable and Sustainable Economy in Boston

Currently, the majority of economic development planning and work done by local government in Boston is done by the BRA. Because of this, there is a disproportionate focus on real estate development. In all fairness, many cities fall into the trap of equating real estate development with economic development, likely because they get the majority of their revenue from property taxes (and that is particularly the case in Boston). There is, however, much more to economic development than building new buildings, and the health of a city’s economy is measured in more than just property tax revenue. After all, Boston is not a city of projects and buildings – it is a city of people.

Accordingly, the recommendations we provide below are much broader than the current scope of the BRA’s work. Mayor Walsh has proposed changes to the structure of the BRA that would expand its scope and powers; another approach would be to shift some functions currently held at the BRA (especially planning and zoning) back to the City. Regardless of the structure and what entity is tasked with doing the work, we believe Boston should seriously consider the recommendations below.

1. Use every possible point of leverage in the City’s purchasing, development and financial systemsto create good, family-sustaining jobs with decent wages, paid time off, health insurance and adequate hours.
   a. Establish a Progressive Vision for Boston’s Economy

One of the most important roles of a mayor is to set the tone for the work a city does. Mayor Walsh has an opportunity to establish a clear vision of what Boston’s economy should be like – and thus what the goals of the City’s economic development should be. Elements of this vision should include:

- Broadly shared prosperity for all Bostonians
- Equity of opportunity and access to the economy
- A focus on traditionally underserved neighborhoods and populations
- Social, economic and environmental sustainability

An example of this is the mission statement of the Portland, OR Development Commission (PDC, the rough equivalent of the BRA), which states, “PDC’s mission is to create one of the world’s most desirable and equitable cities by investing in job creation, innovation and economic opportunity throughout Portland” (emphasis added).
Create New Metrics for Measuring Success of Economic Development Programs

- **Refine the focus.** The city's economic development and job creation program needs to be framed around how well the city is doing at creating good paying, high quality jobs that allow workers to sustain themselves and their families. The mission and metrics for success of the BRA (or any new incarnation) and of all economic development work in the city should focus on maximizing creation of family sustaining jobs. This means maximizing the number of Boston residents who are working and earning family sustaining wages. For each program and initiative, the question must be asked: “How is this increasing wages and benefits for all Bostonians—particularly those who have traditionally been left out of economic opportunity?”

- **Regular reporting on number and quality of jobs created.** Mayor Walsh has committed to bringing more transparency and oversight to economic development by merging the BRA with other agencies that receive city appropriations. The merged entity should regularly report on jobs created by financial assistance, including jobs created by contractors, concessionaires and tenants. This reporting should include details regarding the wages and benefits paid, wage bands used for reporting should be sufficiently narrow to accurately capture whether jobs truly pay a family-sustaining wage.

**Vigorous living and prevailing wage requirements for construction and permanent jobs on subsidized projects.** The city should establish goals for the percentage of the construction and permanent jobs (direct and indirect) on subsidized projects in each industry that will pay living wages or, where applicable, prevailing wages. Each program and initiative should be regularly assessed against these goals. Similarly, the effectiveness of agencies and other entities responsible for city spending should also be measured based on the number of family-sustaining jobs created by this spending.

- **Measure accomplishments against a more accurate threshold for poverty.** Recognizing the widely-acknowledged shortcomings of the Federal Poverty Guidelines when it comes to accurately measuring poverty in New York City, New York’s Center for Economic Opportunity developed its own poverty measure, which takes into account a more accurate picture of household spending as well as of the resources available to support a family. This measure, which incorporated recommendations by the National Academy of Sciences, better reflects what poverty means in a city like New York, with a high cost of living. Boston should look to this example and similarly develop a more accurate measure of poverty against which it can measure the success of economic development programs designed to lift communities out of poverty and create more broadly-shared prosperity.

b. **Ensure Purchasing and Contracting Creates Good Jobs**

The City of Boston spends millions of dollars on contracted goods and services. This provides an important economic engine that has the potential to create jobs and enable community residents to inject money into neighborhood economies through spending. However, it is important that the City take steps to ensure that City dollars are not going to irresponsible vendors who cut corners on labor standards. At the same time, the City should adopt strategic sourcing strategies to create economies of scale and increase efficiencies to improve contracting and reduce waste while maintaining workplace standards.
RECOMMENDATIONS

Create an Office to Oversee All Procurement

- Boston should create an office of city procurement – or a chief city procurement officer – responsible for overseeing contracts for services as well as goods. This could be an extension of the existing purchasing office, but if so, the mission and scope of that office would need to expand, and it would need adequate resources to fulfill the expanded mission. For example, New York City’s Mayor’s Office of Contract Services serves as the city’s compliance and oversight agency for procurement.

Standardize Procurement

In order for the city to get the best value from its contractors and suppliers, it needs to create a predictable procurement environment, one where everyone is working from the same information and has the same expectations.

- The City should create (and enforce the use of) standard procurement tools for all city procurement, including a standard solicitation and contract language, training about the living wage and other procurement requirements, materials to educate vendors on living wage and other obligations, and information on how to enforce contract provisions.

- Move toward city-wide master contracts where possible. In order to prevent duplicative efforts, achieve economies of scale and ensure uniform application of best practices, the City should consider developing City-wide solicitations for standard services and negotiate master contracts from which agencies can purchase.

Ensure the City does business with responsible contractors

- The City should collect information necessary to determine if a potential contractor is responsible or not. The City should take steps to ensure it has sufficient and up-to-date information to allow it to make accurate responsibility determinations. This should include having agency staff do independent research and soliciting information from the public in order to ensure they are doing business with responsible contractors.

- Move away from a low-bid race to the bottom. The City should take necessary steps to adopt a preference for using competitive sealed proposals as the preferred procurement methodology for awarding contracts for services, such as security and cleaning. This enables the City to evaluate proposals based on skill, experience and industry standards, rather than being bound to the low bid. In order to ensure transparency and a level playing field and best practices in terms of evaluating proposals, the City should develop and disseminate model weighted evaluative criteria for use in Requests for Proposals (RFPs) using this approach.

Support and engage minority and women-owned businesses. The City should conduct outreach to minority and women-owned businesses to educate them about the procurement process and help them be competitive in it. This includes providing guidance on living wage requirements and use of standard pricing worksheets and other tools designed to level the playing field. Clean Energy Works Oregon developed a comprehensive small business support program, and as a result is meeting its workforce diversity goals.

c. Set Minimum Job Standards Requirements for Businesses Receiving Subsidies
Public money, especially public money spent on economic development, should seek to maximize the public good. Local governments subsidize businesses in a variety of ways. These include direct grants and forgivable loans, low or no-interest loans, tax credits, property tax abatements, tax increment financing, sales tax rebates, infrastructure improvements, and land parceling or land write-downs. These subsidies should first and foremost go to those that actually need them – companies and projects that would be unable to access traditional financing or real estate – rather than those best able to lobby to receive them. Government should not subsidize investments that would have occurred regardless. When public money is spent, it should seek to maximize the benefit to these communities – not at the expense of others, but simply to level the playing field.

In September 2013, over 45 community and labor organizations convened a mayoral candidates’ forum, “Good Jobs, Strong Communities- Remain, Reclaim, Rebuild!” At that forum, Mayor Walsh, along with other candidates at the time, publicly committed to expanding the city’s living wage ordinance to apply to the wages in any business that receives a tax break or public subsidy, including the contractor, subcontractor or lessee of that business. By including job standards as a key part of economic development and procurement programs, Boston can ensure that growth produces the good jobs its residents need, and that City resources don’t go to support companies creating poverty-level jobs that will force those holding them to turn to public sources for support.

Over the past decade, cities have established job standards for individual economic development projects by negotiating “community benefits agreements” (CBA’s) with developers. Developers invariably require land-use approvals from the local government and often benefit from public infrastructure expenditures, government subsidies, and/or favorable tax treatment. CBAs are one way to ensure that at least some of a development’s benefits flow back to the local community. Cities are now looking to extend this approach by making job standards a key component of all new economic development subsidies. Some important requirements include:

- Baseline standards for every business that receives tax exemptions or subsidies or any other financial benefit over a minimal threshold;
- A requirement that financial assistance recipients make binding commitments to meet wage and benefits standards for all employees, and for all employees of their on-site contractors and subcontractor;
- A requirement that any entity, public or private that receives any form of subsidy from the city must ensure that everyone working at the site during construction or operation receives a living or prevailing wage;

Holding those receiving public dollars for projects to standards is not a new idea, and indeed Boston already does good work in this regard. For instance, the Boston Residents Jobs Policy sets laudable standards for hiring local residents, people of color and women. Unfortunately, these standards often go unmet and are too low. This was broadly acknowledged by mayoral candidates this past fall, and the subject of discussion at mayoral forums. This is of great concern since Boston is a majority-minority city, yet workers of color experience markedly higher unemployment rates than their white counterparts.

Mayor Walsh has already stated that he opposes tax breaks for downtown developments that do not commit to “strong community, housing, and workforce benefits.” That’s a great start to build on.
Establish Across-the Board Minimum Standards for Business Subsidies

We recommend adopting and expanding minimum standards that any business being considered for a subsidy must meet – a basic floor. This is the model used by Austin, TX Economic Development Department. These basic thresholds should at a minimum include:

- Being licensed and otherwise certified to complete work
- Compliance with prevailing wage standards for job classifications for which prevailing rates exist and with Boston Living Wage standards for all other jobs (applicable to direct jobs as well as subcontracted and tenants)
- Strong local hiring requirements – building on the Boston Residents Jobs Policy
- Goals for minority and women-owned businesses as contractors and subcontractors on subsidized projects
- Commitments to create or fund affordable housing units if qualifying for real estate subsidies
- Good workplace safety records

Clean Energy Works Oregon has been tremendously successful in providing this access, with 55% of project hours worked by women and people of color – earning living wages.

Adopt additional criteria that help determine the amount of subsidy a business or development may receive.

To foster a race to the top and to create incentives for going beyond the minimum, a system whereby contractors meeting certain criteria receive preference or weighting could be useful. There would be basic requirements to participate in the program, and then preference would be awarded based on hitting certain targets above and beyond the minimum. Criteria for such a BRA contracting program, or to help focus investments and decisions between competing projects could include:

- Total number of jobs to be created by project or company, or jobs created per dollar spent
- Participation or commitment to participate in first-source hiring programs or commitment to hire from disadvantaged communities, such as ex-offenders
- Meeting green building standards, such as LEED platinum
- Providing paid sick leave, health insurance, and other benefits to workers
- Location of the project in a targeted area
- Proximity of the development to transit, or provision to add transit to the area
- Demonstrating that workers are provided continuing education opportunities
- Being part of a targeted industry or cluster
- Other possibilities: commitment to create a certain number of full-time jobs per dollar amount, to maintain those jobs for a certain period of time
These standards should be developed with community input, leading to something like Seattle’s High Road Agreement that governs its residential retrofit program. Austin, TX, has similarly recommended a floor + incentives program for city contracting. The benefits of a negotiation process include a higher likelihood of contractor participation, less resistance from program partners, and deeper understanding of the agreement. Having an agreed-upon set of standards that is uniformly applied will increase compliance and decrease the cost of project-by-project negotiations.

Community Benefits. A criterion that should be included in evaluating applicants for city subsidies is whether they have negotiated a strong community-benefits agreement with authentic representatives of affected communities. These agreements should prioritize benefits to low-income residents and communities. Los Angeles was a pioneer in developing and extending the CBA model. In the past decade, model CBAs have been negotiated between developers and community coalitions in many U.S. cities, including Pittsburgh; New Haven, Connecticut; Denver; Atlanta; and San Francisco. In order to ensure transparency and a level playing field, the best approach is for the city to set baseline standards with respect to wages, benefits, local hiring and other requirements and then look to community representatives to negotiate for neighborhood specific needs and amenities, such as provision of playgrounds, particular affordable housing needs, or cultural spaces such as theaters.


a. Strengthen and Enforce the Living Wage and Require Prevailing Wages Where Applicable

“My full time job has helped my entire family to achieve their goals”
- Criselda Saladin

Living wage standards are important drivers of meaningful economic development. Building a vibrant economy - the true measure of economic development - requires that economic opportunity be available to all, so that community members are able to work to support themselves and their families. For any economy, local, regional, or national, to thrive, there must be adequate demand for the goods and services being produced. This means putting enough money in the hands of working families so they can afford the goods and services necessary to live in the area. Conversely, when cities keep wages and standards low to encourage any kind of job creation, this effectively means they are subsidizing low-wage employment (twice over if they have given any direct subsidy to the employer) by having to use public resources to deal with the consequences of a low-wage, low-skill, and low-productivity economy. Alternatively, cities can dedicate those resources to providing the social supports necessary for high-road production, creating more middle-class jobs and a thriving local or regional economy.

Criselda Saladin works as a contracted janitor in Boston’s Financial District. After 16 years of working at the same building, two years ago she was given the opportunity to work full time. Now she has health insurance and because she is earning more, is able to save. “I can cover household costs more easily, and have even been able to go on vacation and travel, something I’ve always wanted to do.”

Criselda’s 19 year old daughter, Grace, attends Suffolk University. Because of her increased earnings, Criselda is able to help her daughter pay for school. “I have always wanted to be a role model for my children. Saving and being careful with money is a value I’ve always tried to instill in them.”
The evidence from economic studies of existing living wage laws is clear: they raise wages for low-income workers, do not reduce employment, do not increase the cost of government, and do not lead to higher taxes.iii

Boston was an early innovator in setting living wage requirements for city contractors. In September of 1998, the Boston City Council approved an amended version of an earlier, more comprehensive living wage ordinance. Boston's living wage has a track record of success. A 2005 study of the city's living wage ordinance by the University of Massachusetts-Amherst showed that in Boston, workers covered by the living wage are overwhelmingly adults well into their working lives, and are also primarily women and people of color. These workers had a high incidence of poverty before implementation of the living wage law, attesting that it is well targeted to the working poor. Most importantly, the study found significant wage gains among covered workers after the law took effect, while the incidence of poverty fell sharply. However, the study also found that close to a third of these workers remained poor even after the law took effect and that the living wage level was generally not sufficient to lift covered workers and their families up to a still-modest but more substantial living standard that allowed them to fulfill basic needs.iii

In short, the Boston living wage provides a critical floor and should be applied as broadly as possible when public dollars are spent. That said, the living wage in itself is not sufficient to lift workers out of poverty, nor is it a sufficient safeguard against a race-to-the bottom for job classifications for which more robust prevailing wages have been established in the private sector. As the City ensures full compliance with living wage requirements, it should also leverage public spending to require prevailing wages where applicable.

Improve enforcement of the existing living wage ordinance

Boston was one of the first cities to take the important step of passing a robust living wage ordinance. However, to increase the efficacy of that excellent policy, the city can focus on enforcement. Enforcement of living wage ordinances is a problem in many cities: a landmark survey of almost 5,000 workers in New York, Chicago and Los Angeles found a 26 percent violation rate in a labor pool representing 15 percent of those cities’ populations.liv

With regard to Boston's living wage ordinance, improving enforcement should include:

• Take proactive steps to ensure compliance and prevent violations. As described in detail above, the City should create (and enforce the use of) standard procurement tools for all city procurement, and these tools should include:
  • Training about the living wage and materials to educate vendors on labor law, living wage, etc., and information on how to enforce contract provisions (like the living wage);
  • Model solicitation and contract language that makes clear living wage requirements;
  • Adoption of prevailing wage requirements where applicable in solicitations and contracts;
  • Standardized pricing worksheets and annual price adjustment formulas to ensure a level playing field;
  • Creation of an office, or at least appointment of a chief city procurement officer whose job it is to ensure that all city departments are in compliance in awarding contracts only to vendors who meet (and continue to meet) the living wage and other employment standards. Numerous cities, including Chicago, New Orleans, and Atlanta have taken that approach. New York City’s Mayor’s Office of Contract Services serves as the city's compliance and oversight agency for procurement.\lvi\lvi

• Apply strict scrutiny with respect to waivers. While the City has discretion to grant waivers under the law, the living wage is severely undermined when waivers are granted too frequently. The standard practice should not be to grant waivers.
RECOMMENDATIONS

- **Ensure strong enforcement with respect to violations of the law.** Employers subject to living wage requirements should expect consequences for violating the law. The city can send a message by:
  - More aggressively applying the penalty of terminating and barring from doing future work for the city any contractor found to violate the living wage ordinance;
  - Encouraging the filing of complaints. The process for filing a complaint under the living wage law should be made as clear and simple as possible, and employee advocates as well as affected employees should be able to file complaints.

- **Establish an office dedicated to labor standards enforcement.** Enforcement should not be exclusively complaint-driven: to the extent possible, the City should strive to proactively monitor application of the living wage. One way that some cities have attempted to do that is by creation and funding of a dedicated office to enforce wage and job standards, and, perhaps more importantly, allocating sufficient resources to that office to accomplish its job. For instance, the San Francisco Office of Labor Standards Enforcement has 18 staff, of which 6.5 FTE are dedicated solely to enforcement of the city’s minimum wage. While in Boston workers may submit a complaint to the Living Wage Division of the Mayor’s Office of Jobs & Community Services for investigation, it is not clear how many staff are currently assigned to investigating those complaints. The city might also consider a requirement that the agency in question investigate high-violation industries.

- **Develop and fund partnerships with community based organizations.** Another way of increasing the efficacy of the City’s existing living wage ordinance is to fund outreach programs that work with existing community groups to increase knowledge and aid enforcement. For instance, in San Francisco five community groups, including the Chinese Progressive Association, the Filipino Community Center and La Raza Centro Legal, get funding from the city for primary education and outreach in ethnic minority communities, extending the labor standards office’s ability to find aggrieved workers. In 2013, the city doubled its investment in the groups to $482,125.

**Strengthen the penalties and enforcement mechanisms under the law**

- **Steeper penalties.** The city should adopt stronger penalties, including larger fines for late payments (the City currently allows penalties of up to $300 per employee per day; by contrast, San Francisco recently upped the maximum fine for violations of its minimum wage law to $1000 per employee) and penalties targeting employers more directly;

- **Private right of action.** A way to enforce living wage requirements that requires little to no city resources would be to empower citizens to bring private lawsuits against violators, as workers are able to do with the state prevailing wage law or have done with living wage laws in other states. However, given the fairly restrictive grant of home rule in Massachusetts (and the fact that the state has already defined a prevailing wage scheme with a private right of action that might be seen as preempting city action), the city might be forced to achieve this end by building private rights of action into City contracts and financial assistance agreements, as outlined below.

- **Strengthen anti-retaliation protections.** Given the complaint-based nature of enforcement of the living wage law, the city should take steps to prevent workers from being chilled in advocating for their rights. The City of San Francisco’s living wage law includes good anti-retaliation language.
RECOMMENDATIONS

Expand coverage of the living wage

In general, wage standards work best when applied to all employers, and to as many employees as practicable. Boston’s living wage ordinance is one of the best in the country in this regard, inasmuch as its coverage is quite broad and exemptions are generally written narrowly. However, Boston should take steps to close or narrow loopholes wherever possible.

• Limit both employer and employee exemptions. For instance, Boston currently exempts all employers with fewer than 25 FTE and all non-profits with fewer than 100 FTE. By comparison, the St. Paul, MN living wage ordinance only exempts entities with fewer than 20 FTE. Employee exemptions should be limited to the extent possible as well.

b. Set additional local worker standards

Given the insufficiencies of federal and state worker protection laws, Boston should take every step possible to strengthen across-the-board worker protections at the local level. Examples of critical protections include displaced worker protections, the right to paid sick leave and a minimum wage that accurately reflects the economic reality of the city.

Montgomery County, MD and Westchester County, NY, both recently enacted Displaced Worker Protection Ordinances requiring new contractors in the private sector to maintain the prior contractor’s workforce for transition period. Jersey City, NJ’s prevailing and living wage ordinance contains similar language. Existing ordinances in Washington, D.C., New York City, and other communities have been shown to allow contractors to compete on the quality of the service provided rather than low wages and to provide essential protections to service workers and their families. One noted urban economist has shown that such ordinances have little or no negative consequences to cities or counties that enact them.

While the Center for Disease Control and Prevention and most health professionals recommend that people stay home when sick, too many working people are faced with a terrible choice when they or a family member gets sick: stay home and suffer income loss and negative fallout at work or go to work and send the kids to school sick. Aside from the toll this takes on workers and families, it is bad for public health.

Even with the recent increase, the state minimum wage is not sufficient to lift a family out of poverty – especially given the higher cost of living in the City of Boston. A growing number of West Coast cities such as San Francisco, Los Angeles, San Jose, CA; Seattle, WA; and Santa Fe, NM have adopted minimum compensation ordinances recognizing the ways in which the economic realities of the city are different from the state as a whole. There is increasing interest on the East Coast, in cities such as New York, in broadening home rule power to do the same.
Require displaced worker protection

The city should also build protections for displaced workers into contracts and subsidy agreements. In the event of a change in service contractors or a decision by the city to contract out a particular service in the first instance, employees currently performing the work should have the first opportunity to keep their jobs under the new employer. The federal government has had a right of first refusal policy for federally contracted work in place since 2009. A carryover workforce also reduces disruption in the delivery of services and eliminates the transaction costs of training new workers.

Require paid sick leave

Boston should require City contractors and recipients of subsidies to ensure that workers, whether directly employed or working for tenants or subcontractors, have access to paid sick leave. Moreover, it should seriously explore whether it can join the growing number of cities throughout 32BJ's jurisdiction that have adopted or are considering earned sick leave legislation, including New York City, Jersey City, and Newark, Washington, DC and Philadelphia. Due to the important public health need to limit the spread of infectious disease, it may be within the City's police power to adopt such legislation. Boston should consider whether it can pass legislation protecting workers from adverse consequences for taking sick leave and enabling them to accrue paid sick leave which can be used when they or their family members are sick.

Seek home rule power from the state to set local minimum wage standards

A Boston local minimum wage policy would almost certainly require action by the state legislature. Boston has a relatively limited grant of home rule. Based on our research, it appears to be one of the most severely constrained in the nation. Under the state constitution's Home Rule Amendment, the City is specifically denied the power to regulate elections; levy, assess and collect taxes; borrow money or pledge the credit of the city or town; dispose of park land; enact private or civil law governing civil relationships except as incident to an exercise of independent municipal power; or define and provide for the punishment of a felony or to impose imprisonment. For these categories, Boston may act only if it has been specifically authorized to do so by state statute. However, the constitution does give the city significant power to regulate land use even in the absence of state authorizing legislation.

Though the state legislature is generally prohibited from passing legislation specifically targeting a single city (except by two-thirds vote in each House), the state may pass special legislation singling out a city if the city in question files a home rule petition requesting it. Some of the acts empowering the BRA were accomplished via this mechanism, and minimum wage legislation would likely require the same sort of authorization by the state legislature.

The City should file a home rule petition with the state requesting the authority to establish a city minimum wage. If the petition is successful, City government should enact a minimum-wage ordinance setting an appropriate minimum wage, indexing it to inflation, and providing a benefits supplement.
3. Re-organize the structure of planning and development agencies (primarily the BRA) to include a focus on creating family sustaining jobs, affordable housing and community building. Strict accountability standards are needed to ensure the developers are meeting goals and standards.

   a. Move toward a more holistic vision for economic development.

Economic development is not successful if people are working full time but still living in poverty. Boston is not a cheap city to live in. The focus of economic development should be to maximize the number of Boston residents who are working and earning family-sustaining wages and benefits. This means expanding approach to economic development so that it is framed within a broader vision of a diverse, vibrant and sustainable Boston rather than as a real estate focused program that acts in response to developer demand. It also means using and strengthening all of the tools in the City's toolbox to require job standards and connect residents to good jobs.

**Master Economic Development Plan**

Boston should develop a master economic development plan that will provide the structure for economic development and guide all activity. This plan should be developed with community input and set aggressive goals for creation of good jobs, affordable housing, education and sustainability. It should recognize the role of real estate development in Boston's economy but move beyond it. It should connect the good work Boston is doing in other areas – such as food policy, education, and the Office of New Urban Mechanics, to name a few – with economic development. It should also connect infrastructure investments, especially transit, and real estate development projects with neighborhood economic development plans, to ensure that the community has a say in, and benefits from, places the city is investing significant resources. Finally, it should include the framework for subsidies described above, which sets mandatory minimum standards and a process for negotiating additional requirements.

**Focus on combatting poverty**

The BRA (or any future incarnation of it) should include reducing poverty in Boston as one of its priorities. As described above, this includes adopting appropriate metrics to measure success in creating good jobs and converting poverty jobs into good jobs. This focus should inform all economic development efforts. Boston can look to other cities for examples of programs run by redevelopment agencies. The Los Angeles Community Redevelopment Agency, for example, took a broad role in preserving and developing industries in the city that were most likely to provide good-paying jobs for low-income communities. This included a focus on preserving industrial land (something Boston has struggled with) and promoting Los Angeles as a clean technology manufacturing center via the CleanTech Corridor initiative. The Portland Development Commission runs the Economic Opportunity Initiative, a workforce development program focused on increasing participant's incomes by at least 25% in three years.
**Appoint a “Good Jobs Czar”**

The Mayor should create a new, high-level position in City Hall charged with leading good jobs policy across city agencies. This person would be responsible for holding entities spending public dollars accountable to the goal of good jobs creation. The role of this position should include working with City agencies and entities across the board to ensure that public spending and programs support the creation of good jobs, and union and low-wage worker organizing, wherever possible. This position should also advise the Mayor on developing new policy initiatives around good jobs such as a higher minimum wage better matched to the city’s high cost of living.

**Asset Mapping**

Boston has many strengths, and its economic development plan should both draw on and reinforce them. The City should inventory Boston’s many economic assets, including major and critical industries, critical firms in those industries, and value flows among those firms and others. The inventory should include an assessment of human capital, investment, infrastructure, business performance, and key indicators such as income distribution and standard of living.

This process will identify economic clusters—groups of firms in a particular industry—in the area that are growing or poised for growth. The City can research how these clusters function and why they succeed, and consult with members of the cluster to identify gaps and service needs that local service providers could fill to strengthen the cluster and further ground it in the local community and create good jobs. The City can focus economic development on attracting or growing businesses that can fit into these supply chains.

The City should target economic development efforts to firms in these clusters and their supply chains. Encourage and facilitate clusters by working with local education and training institutions to develop workforce skills and continually promote workforce training. Skill-development policies should be oriented toward filling discrete skill gaps in the local labor market that could otherwise inhibit cluster development.

Several cities and metropolitan areas—including the Puget Sound, the Twin Cities, and Northeast Ohio—have drafted asset analyses and business plans in partnership with the Brookings Institution, which launched a metropolitan business planning program focused on developing compelling investment opportunities in cities. Brookings has also developed an interactive mapping and downloads tool that provides in-depth access to regional clean economy data that can be accessed online.

The Initiative for a Competitive Inner City has studied inner-city economies in 100 U.S. metropolitan areas since 1994 and conducted on-the-ground consulting engagements in 20 inner cities. They have identified a series of best practices to build inner city economies based on cities’ existing strengths.

**Focus on jobs for youth**

Boston’s Youth Fund already connects youth to employment opportunities, but its budget has been cut. During the campaign, Mayor Walsh expressed support for restoring the Youth Fund budget to $8.5 million and increasing the eligible age range to 14-19 years old.

Boston’s cradle-to-career focus in its education work should be connected to job-creation and youth employment efforts. The City can facilitate coordination between schools, training programs and employers to increase the chances of young people being able to obtain employment. The Mayor has already committed to convening a meeting of the 350 largest businesses that do not hire youth and youth leaders to discuss youth employment opportunities.
In Oakland, California, the job-training organization Youth Employment Partnership, aided by the state of California, regularly deconstructs warehouses and government buildings. In some cases, they have managed to salvage more than 70 percent of the building materials, most of which would otherwise have filled our nation’s brimming landfills. The Urban Corps of San Diego County in California uses Community Development Block Grant funds to train young adults in tree planting, care, pruning, and watering. They focus their activity in low-income neighborhoods, bringing multiple benefits to the city.

**Adjust linkage fees promptly**

State law provides for funding of affordable housing and job training programs through requiring subsidy recipients to pay linkage fees. Under state law, the BRA can adjust the jobs and housing linkage fees for inflation every 3 years. However, if the BRA waits more than 3 years to make an adjustment, it can only look back to the past 36 months for the change in Consumer Price Index. We recommend a policy requiring the linkage fees to be adjusted every 3 years to avoid missing the full value of the adjustment.

**Reform Tax Increment Financing**

Another area of the BRA’s subsidy program that warrants consideration is its administration of the Tax Increment Financing Program (TIF). In addition to requiring the above mentioned standards on projects financed with TIF, the reimbursement of subsidies by programs that do not meet them should be enforced. A reanalysis of the utility of TIF in general should be performed in concert with a city-wide planning exercise (addressed elsewhere in this document). The cost-benefit analysis of future TIF projects should be determined on a community-wide basis, or at least in adjacent tax districts, not just within the project area. TIF projects should have minimum job creation goals, in addition to abiding by the wage requirement and other guidelines outlined in this paper.

b. Increase transparency of city programs, including the BRA

Access to government development information, functions, and procedures is essential to ensuring that all of Boston is able to reap the benefits of continued development. Adopting a strong transparency policy can enhance civic engagement and public trust, increase government accountability and oversight, improve policy and planning, and help ensure that taxpayer funds are being used to benefit all Boston residents. Boston needs to increase the transparency of its programs. This is particularly important because, as a recent report from Good Jobs First shows, at least in terms of subsidy disclosure, Boston cannot even be ranked in terms of best practices in transparency because it fails to disclosure any information at all. Boston officials should work together and with the public to establish a system of transparency, public participation, collaboration, and accountability that ensures effective development, creating good jobs and healthy living and working environments, while considering all Bostonians in the process.

Mayor Walsh has made it clear that transparency is important to his administration, presenting several important ideas, including negotiating with community representatives on community benefits, and workforce and affordable housing goals; increasing city council oversight of the BRA; requiring owners of City-owned parcels to have local partners; and making BRA data publicly available and easily accessible. Below are a few ideas that expand on or add to the Mayor’s.
It is important to note, there are a variety of ways to set out and implement transparency standards. However, to ensure comprehensive coverage, transparency policies should be adopted by the city, and ideally citywide, as well as voluntarily established by internal policy by the various agencies working in and around development. Because of its current scope of authority, this includes the BRA in particular.

Publicly disclose subsidies

Boston should publicly disclose (in an easily accessible and transparent fashion) information on subsidies disbursed and jobs created, on a per-company and per-project basis. This information should be published online, with clear indications of which projects are meeting their agreed-upon targets, and the economic benefit derived from each. Michigan uses a map-based format that allows users to filter for different types of subsidies, see how they are concentrated geographically, and then access more information and links to the formal documentation. Arguments that such disclosure policies will disclose companies’ sensitive financial information should addressed by drafting releases such that confidential information is protected – but it should also be acknowledged that these disclosures are part of receiving a subsidy – an entirely voluntary action.

New York City took good first steps on local subsidy disclosure. In 2011 the city council passed a bill authorizing the publication of current and historical discretionary subsidy deals through the city’s Industrial Development Agency. Formally known as the Annual Investment Projects Report, it includes data on current and promised employment, amounts and types of city subsidies, amount of subsidies recaptured, and various characteristics about the new employees, including whether they are city residents and whether they are offered health benefits. It is worth noting that one weakness of the NYC law is that disclosure only applies to direct employees, but in many cases the majority of low-wage workers are employed through contractors.

Require online information and data disclosure

Require the maintenance and disclosure of data related to development. The city, and the BRA in particular, should set policy requiring that data related to subsidies and budgeting, development location and type, and development outcomes be maintained and displayed through a single online central access point, provided aggregated data in an accessible format. The data should also be archived to allow for comparison and analysis for goals and development trends. The data should include:

- Basic subsidy recipient info, including actual dollar amount for subsidy received
- Subsidy commitments
- Subsidy outcomes
- Related job creation outcomes
- Budgeting/subsidy process
- Breakdown of resource allocation, including project type
- Location of all projects
- Project breakdowns, including likely neighborhood/community impact
RECOMMENDATIONS

One successful example is Austin, TX. Austin’s site lists each development subsidy recipient and the amount of subsidy awarded, in addition to a flow chart outlining the subsidy approval process. The site also provides access to the original subsidy agreements and the City Council resolutions awarding each subsidy, all in a single user-friendly table. Users can also download annual compliance reports required for each subsidy recipient and an independent auditor’s compliance report for the company, and access Austin’s annual development reports. The site also offers explanations and documents, including plans, to all the city’s development programs and related services.

Development contract policy and process disclosure

Require the development and disclosure of the development contract policy and process. The policy should provide a comprehensive guide to the development process for developers, as well as members of the general public interested in the development contracting and decision making process. In addition, the City should require disclosure of all its current property holdings and whether and where they are in the sale and development process.

In April 2012, Philadelphia created and released a policy for the “Sale and Reuse of City Owned Property.” The policy guide outlines the entire sale and reuse process for prospective buyers and developers. In addition to the policy guide, the Philadelphia Redevelopment Authority launched interact database and map of the City’s property holdings called the “Front Door.” The Front Door provides a map of the City, highlighting city-owned property, color-coded based on the agency with control over the property. In addition, the map allows you to click on each available property to view the relevant property information, including location, zoning, size, and price.

Require public hearing and participation

Require public hearings for all development projects. The City, ideally in the form of a general sunshine ordinance, and the relevant agency, most likely the BRA, should adopt a public hearing policy which requires sufficient notice and requires that the appropriate materials are made available in advance of the hearing to allow residents and stakeholders to engage in an informed discussion and debate about the project.

For example, the New York City Economic Development Corporation posts project materials and notice of public hearings on its website seven days prior to the hearing, in addition to providing email sign up for public hearing notifications, links to live, and archived, audiocasts of meetings, and a detailed schedule for all deadlines and currently scheduled meetings and public hearings.

Annual reporting

Require the consistent creation, publication, and online distribution of an annual report for each agency engaged in development activities. The report should not only provide an overview of the agency’s mission, goals, accomplishments, and future projects, but it should also provide a detailed explanation of where public money was used and what benefit those projects provided.
The New York City Economic Development Corporation (NYCEDC) produces a variety of annual reports, which are then grouped and made available on a single website. Not only does the NYCEDC produce a report focused on how it is meeting the needs of New Yorkers in creating sustainable jobs, industry, and infrastructure by offering general project overviews and goals, but it also links to independent auditor reports on internal financial reporting control and, perhaps most importantly, produces annual investment project reports, “containing descriptive data on a selected group of NYCEDC projects, the amounts of City assistance ... provided by NYCEDC to the businesses involved in these projects, and estimates of the tax revenues generated ... by these projects.” In addition, “Data on Investment Projects receiving loans, grants and tax benefits ... are provided for the life of the project, irrespective of the date it initiated. Data on sales of City-owned land are provided for all transactions closed since January 1, 2005 if at least twenty-five jobs are estimated to be at the project’s site. Data on leases of City-owned land are provided for all active contracts.”

c. Leverage Economically Targeted Investments

Mayor Walsh has correctly identified city pension funds as a potential source of investment in Boston. In addition, there are other streams of money, which the City collects, invests, and uses somehow. In both investment and expenditure, local government has an opportunity to leverage those dollars to create jobs, particularly for the unemployed, underemployed, or hard to employ. Investors and policymakers are increasingly considering investment strategies that promote broad-based sustainable development. Called economically targeted investment, this entails investments with rates of return comparable to conventional investment options but that also improve the economic well-being of a region by stimulating job and business creation, increasing or improving the stock of affordable housing, or improving infrastructure.

Promote Responsible Banking

The City took a small but important step toward local investment recently by passing “responsible banking” legislation, which establishes a nine member commission that evaluates financial institutions and rank them based on information provided to the City’s Treasurer on such things as residential lending, numbers of foreclosures vs. mortgage loan modifications, small business lending, and community development investments. In doing so, Boston joined a long list of cities including Minneapolis, Portland, Seattle, Los Angeles, New York, Philadelphia, Pittsburgh, Cleveland, and Kansas City to use their consumer power to demand more from the financial institutions they work with. The city should move quickly to implement the ordinance, and might consider other steps that leverage the City’s banking power to increase local investment, like expanding the city’s existing linked deposit program.

Invest in Boston

Boston should identify public projects that are good candidates for investment because they require upfront capital but provide revenue or savings over time. Examples will likely include infrastructure projects such as water and sewer systems, landfills, and parking facilities, energy efficiency and renewable energy projects, and housing developments. The City should create guidelines for using city-controlled investments, such as pension funds, to finance these types of projects. Guidelines should include the percentage of the total that may be invested in economically targeted investments, a transparent process to choose or solicit projects, job-quality guidelines, and policies excluding projects that harm public-sector jobs.
New York City uses a portion of its pension assets to provide capital via indirect investment for low, moderate, and middle-income housing construction and improvement. The Dallas Police and Fire Pension system became the first U.S. pension fund to invest directly in a major road project with its investment in the Texas Department of Transportation’s managed express lanes project on I-695 in Dallas. The Contra Costa County Employees Retirement Association, the Los Angeles County Employees Retirement Association, and the Los Angeles Fire and Police Pension Fund, all in California, have devoted portions of their funds to ETI.

4. Initiate a comprehensive planning process which involves all impacted communities in development of a vision and plan for Boston.

   a. Develop a city-wide master plan

Comprehensive, or master, city plans are a tool that most cities use to establish a long-term vision and goals for the community. They are general in nature and cover a long time frame (30 years or more). They generally don’t include specific legislative recommendations, but rather are used to guide executive and legislative action by setting goals and metrics. Big picture goals should be articulated in ways that are easily understood and communicate a compelling vision. For example, an often-cited goal of New York City’s PlaNYC is to “Ensure all New Yorkers live within a ten-minute walk of a park.” They should also be consistent with shorter-term, more issue-specific or geographically-limited plans like neighborhood plans or transportation plans. They should be adopted by the city council and be used by government and the community.

Some states (Florida and Wisconsin, for example) require every municipality to have a comprehensive plan. These plans often have multiple chapters that cover policy areas like land use, economic development, transportation, housing, and open space. Boston, unlike its peer cities, does not have a comprehensive plan.

Develop, adopt and begin to implement a comprehensive plan that, at a minimum, includes chapters on land use, transportation, housing, sustainability and economic development.

This plan should include a comprehensive land use component that is sensitive to the needs of individual neighborhoods while maintaining a vision of the whole city. It should continue Boston’s emphasis on green and transit-oriented development, and focus on increasing resilience in land use in general and individual development projects in particular, including considerations of energy efficiency, distributed energy generation, and low-impact stormwater management.

Many cities across the country have comprehensive plans, and have for years. Recently, some larger cities have begun to use their comprehensive planning processes to create a larger community vision around city services, land use, and sustainability. One example is PlaNYC in New York City, the goal of which is to “strengthen our economy, combat climate change, and enhance the quality of life,” and which covers eighteen broad areas, including housing, water, transportation, energy, food, and economic opportunity.
Another example is Austin, TX, where “Having an up-to-date comprehensive plan – a unified set of marching orders for all city departments – has fostered a fresh spirit of cross-departmental coordination and collaboration.” The plan, Imagine Austin, has a 30 year timeframe and sets eight high-level goals that the entire city, including community partners, is working towards.

Right next door, Sommerville, MA adopted SomerVision, a comprehensive plan “aimed at long-range, aspirational planning based on community-generated values and vision.” Boston’s plan should relate to its neighbors, and to regional planning efforts, such as MetroFuture.

Conduct an inclusive, city-wide planning process that authentically engages citizens.

City stakeholders should be invited to participate in a strategic planning process to develop a vision and goals for what the city will look like in the medium to long term – with respect to population, housing needs, educational needs, infrastructure, resiliency and job creation, among other things.

Authentic engagement will require both a robust outreach process and a way to build community capacity. There is an excellent example of this in Boston – the Dudley Street Neighborhood Initiative. This nonprofit community-based planning and organizing entity engages a diverse, multicultural and multigenerational cross-section of the Roxbury/North Dorchester neighborhoods of Boston. They have achieved an impressive level of community engagement and implemented many neighborhood-changing projects over the years. Boston should learn from these efforts as it embarks on city-wide citizen engagement.

Boston can learn from other cities as well. Portland, OR adopted the Portland Plan in 2012. The Plan is centered around equity and was developed using a remarkable public input process that was overseen by a Community Involvement Committee. That committee’s evaluation of the public input process contains a number of insights into how to get widespread public involvement, including the need to provide materials in multiple languages and formats, and to make them accessible to people unfamiliar with government and planning processes. Notably, the planning department built relationships with a number of community based organizations, and even provided them with modest funding to help conduct outreach for the planning process. This resulted in more, and more culturally-appropriate, outreach than staff could have done on their own.

The City of Seattle hires Public Outreach and Engagement Liaisons to help with outreach around planning efforts. These independent professionals are “expert bridge-builders” who are part of their respective community’s cultures, fluent in their respective languages, and are bi-cultural and bi-lingual. Equitable outreach and engagement is conducted in a culturally-specific manner allowing participants some comfort and familiarity while navigating the city’s processes. These liaisons reach a much broader and more diverse audience than the City could on its own.
Minneapolis, MN’s recent comprehensive plan update included public meetings, focus groups, a website, surveys, and public hearings to gather input from stakeholders. Community outreach and participation was designed in consultation with the city’s Community Engagement Coordinator, Multi-cultural Affairs staff, and the city’s communications office.

Baltimore’s Comprehensive Planning Division, which is currently developing a new comprehensive plan, employs Comprehensive Planners who are assigned to geographic sections (planning districts) of the city. In addition to informing the design of the City’s comprehensive plan, they provide services such as: developing neighborhood plans, urban renewal plans and plan amendments in collaboration with community stakeholders and agency representatives; coordinating appropriate community review of development plans, zoning appeals, and planning-related City Council bills; developing a capital budget and six-year capital improvement program (CIP) annually, by reviewing capital improvement requests and making recommendations about the placement, reuse, or closing of facilities; and developing the City’s loan authorization program.

b. Separate land use planning and zoning from economic development and develop a city-wide vision to be housed within a City department

Boston needs a city-wide vision that sets out its priorities for land use. While neighborhood planning is important, it is no substitute for a plan that covers the whole city. As part of a comprehensive plan, a land use plan can and should take into account neighborhood variation, but it also looks at the bigger picture. For example, the land use portion of a comprehensive planning process should ask (and answer) questions like: Where is more affordable housing needed? Where does industrial land need to be protected for job creation? What levels of height and density are appropriate for different areas? Where is transit-oriented development needed? A comprehensive land use plan should reflect the values of the city, and should guide zoning, land use and development into the future. This type of plan can and should be developed and implemented in concert with transportation master plans, sustainability plans, and the economic development plan for the city.

Minneapolis’ comprehensive plan update built on and was coordinated with other area- and purpose-specific plans including the Minneapolis Park and Recreation Board Comprehensive Plan, The Access Minneapolis Ten Year Transportation Action Plan, The Minneapolis Plan for Arts and Culture, The Industrial Land Use and Employment Policy Plan, Light Rail Station Area Plans, and various Small Area Plans representing many areas of the city. Many cities have topic-specific plans that coordinate with their comprehensive plan: Denver, for instance, adopted “Blueprint Denver: An Integrated Land Use and Transportation Plan” as a supplement to the Denver Comprehensive Plan. Blueprint Denver sets out exceedingly specific plans with regard to both development, with an emphasis on mixed-use development, and transportation, with an emphasis on building multi-modal streets.

Mayor Walsh has publicly discussed separating the planning, research and development functions within the BRA. While this would be good, we would urge him to situate the city’s planning work in a City department, controlled by the Mayor and Council. A whole-city land use plan will necessarily be at a fairly high level. Neighborhood or special area plans should provide a greater level of detail and focus more on specific places. Similarly, the land use portion of a comprehensive plan should relate to regional planning efforts.
As part of the comprehensive planning process, create a robust land use plan

This should be included in the planning process described in the previous section, and should include robust public input. It should relate to, and perhaps even be based on, existing neighborhood plans. It should reflect the needs and priorities of the city as a whole, and should take into account economic development but not be driven only by economics.

Focus on Affordable Housing

It’s fair to say that there is an affordable housing crisis in Boston. People and families at many levels of the economy are having trouble affording housing. While the city has gained housing units over the past decade, only about a quarter of those could be considered affordable.

Housing is an essential component of strong neighborhoods and must be considered as a part of local government land-use planning. In particular, local governments should strive to create mixed-income neighborhoods centered on schools, with good access to employment, basic needs, and transit. Because the private housing market will generally provide adequate market rate and luxury housing, Boston should focus on affordable housing creation.

Boston has a history of developing really good housing plans, and funding implementation through the housing linkage fee and the inclusionary zoning policy. However, as housing affordability becomes more and more of an issue, the City needs to broaden its focus to include more levels of affordability.

Review and update the zoning code

Mayor Walsh called for updating neighborhood zoning at least every 10 years, with comprehensive resident input. Such an update would be an improvement over current practice. Zoning should reflect the adopted plans of the city, strive to eliminate conflicts between land uses, and preserve the ability of the community to influence development and benefit from it. Any update of the zoning code should include a robust public process and should look to other cities for examples of best practices.

5. In all things prioritize equity of access for all and ease of entry and participation for all groups in the city including recent immigrants.
   a. Adopt a comprehensive city-wide equity policy.

As a first step to ensure city growth is in the best interest of all Bostonians, the City should create and adopt a equity policy applying to all development plans, projects, initiatives, and contracts. The equity policy should focus on ensuring employment opportunities for people of color and women and encouraging the employment of traditionally marginalized groups, including people with disabilities and veterans. The City can lead the way in creating a more equitable Boston by including internal alignment provisions within the policy to ensure city hiring and retention policy establishes city employment practices aimed at creating a city staff that reflects the unique diversity of the City of Boston.
RECOMMENDATIONS

Finally, to ensure that the interests of all of residents are taken into consideration in every action the City takes, large or small, Boston should adopt a citywide comprehensive equity policy, requiring the equity principles to be imbued in every decision and action in every city department and agency.

b. Expand and enforce the Resident Employment program

One of Boston’s biggest assets is its people. Investing in workforce development, setting wage and benefit standards, and strengthening worker protections will strengthen Boston’s economy. Perhaps the most critical component of workforce development, and one often neglected, is to connect training programs to the availability of jobs. Boston already has a policy in place to help accomplish this: the Boston Resident Jobs Policy (BRJP). The BRJP requires construction projects receiving City funds or receiving funds that the City expends or administers to hire at least 50 percent Boston residents, 25 percent people of color, and 10 percent women. To assist contractors in meeting these requirements and connect residents to real jobs, before any project or plan may begin, the City is responsible for identifying the necessary jobs and training for the project, recruiting and arranging training for employees for the project, and referring residents to contractors. In addition, for new and substantial rehabilitation projects requiring a Development Impact Project Plan where a building permit has not been issued, developers are required to submit a plan for approval to the BRA showing the developer’s plan to ensure that the BRJP employment standards are met. Finally, the Boston Employment Commission is tasked with determining compliance with and enforcement of the BRJP.

Despite the clear requirements and responsibilities under the BRJP, people of color in Boston – making up 53 percent of the city population – have not seen much progress on the employment front with, for example, the unemployment rate for Black men almost three-times that of White men and nearly 25 percent of Black workers underemployed, as compared to 10 percent of White workers. This is, at least in part, due to contractors failing to meet BRJP employment standards and continued problems with enforcement. One way to address the chronic access to employment issue facing Boston’s communities of color is to strengthen the City’s current policy under the BRJP. To do this, Boston should expand target percentages. In determining the appropriate target level, a good place to start is with targets recommended in the Community Labor United report released this year, suggesting resident and people of color targets of 51 percent and a target of 15 percent for women – targets that Mayor Walsh expressed support for. However, adjusting targets is not enough. Mayor Walsh expressed support during the campaign for a robust program of enforcement that includes penalties for non-compliance. The city should bolster enforcement efforts by establishing targets as a hard floor to be met, as opposed to what, in practice, amounts aspirational goals. Finally, the Boston Employment Commission should provide strong and consistent review for each project failing to meet policy standards based on the heightened requirements and standard of review mentioned above.

c. Strengthen community capacity.

A certain amount of community sophistication and infrastructure is necessary in order to ensure community interests are well-represented in negotiations with businesses applying for subsidies. The City should take steps to build community capacity and create an infrastructure through which people can engage.
Focus on building community capacity, especially in historically disenfranchised neighborhoods, which tend to be low-income and of color, and with historically disenfranchised populations, including youth, immigrants, formerly incarcerated individuals and the homeless. Seattle runs a program called the People’s Academy for Community Engagement, a leadership development program that focuses on “community organizing, community-building, neighborhood planning, leadership, and outreach specifically to underrepresented communities” in a participatory, multi-cultural learning environment. Knoxville, TN runs the Building Strong Neighborhood Organizations program, designed to help citizens participate in and improve their neighborhood groups.

Revitalize and expand Boston’s existing Neighborhood Council structure to build neighborhood and citizen capacity. The city should look to good models for training community members to fully participate in this structure. For example, in New York City, the Borough President’s Offices have developed an initiative to train and empower community board members that includes outreach and education as well as a number of handbooks and guides on topics including: Land Use, the role of Community Boards in developing the budget, parliamentary procedures and motions, as well as a general handbook for community board members.

d. Protect immigrant rights

As of 2010, over a quarter of Boston’s population is made up of foreign-born residents. Immigrants are vital to Boston’s economy and play integral roles in its neighborhoods and communities. Working across a variety of industries, these same populations spend over $4 billion annually and account for over 8,800 small businesses, representing almost $3.7 billion in annual sales and employing over 18,000 people. However, immigrant populations are often left vulnerable to unscrupulous employers, while, at the same time, unable to access city services and protections due to language and cultural barriers or fear of adverse actions by public employees.

In addition, without careful planning city agencies and officials can end up playing an important de facto role in the enforcement of the civil provisions of immigration law. Local enforcement of immigration laws erodes community relations and discourages immigrant community residents from reporting crimes and cooperating with the police. It also unnecessarily diverts already scarce resources in times of tight budgets.

Boston should take steps to ensure that some of Boston’s most vulnerable residents are able to access city services and interact with city employees without language barriers or deportation concerns.

“It’s a dream for me that my children have been able to go to college”
- Tomasa Castro

Tomasa Castro has worked as a part-time contracted janitor for eleven years, and has been at Northeastern University for the past three years. She lives in Roxbury with her three children, whom she has raised as a single mother. She arrived to the U.S. from the Dominican Republic in 1985, seeking a better life.

Since arriving, “I’ve done a little bit of everything to support my family— from cleaning, to working at a beauty salon, to making food to sell.” She was determined to provide them with the best life possible. Tomasa would love to have a full time job—not only would she finally have affordable family healthcare, but it would provide stability and more income so that she’d be able to save money— “I’ve never been able to put away anything.”
RECOMMENDATIONS

Coordinate all immigrant-related policy through the Office of New Bostonians (ONB)

Expand on the ONB’s currently stated mission by allowing the Office to serve as a comprehensive resource center providing Boston residents a single location where they can access general information on all the city’s services and programs and access services specific to their needs. Some examples of potential initiatives include:

• Coordinating with language access staff and volunteer translators – perhaps, expanding on the Boston Housing Authority volunteer interpreter program – to provide language services at the ONB and serve as a liaison when residents engage other city services.

• Providing access to deportation defense where possible by partnering with legal services non profits, like the New York Immigrant Family Unity Project. The first public defender program in the country for immigrants facing deportation provides low-income immigrants facing deportation with free legal representation. This one-year pilot, funded by the New York City Council, aims to improve immigrants’ access to justice and keep them with their families and in their communities.

In order to fully facilitate coordination and ensure adequate implementation of the proposals below, in addition to advertising the services provided, the city should provide adequate resources for the ONB, including funding and authorization for additional staff positions. In addition, the Mayor should elevate the Director of the ONB, giving the Director the ability to set and recommend policy in support of Boston’s immigrant communities.

One successful example is New York City’s Mayor’s Office of Immigrant Affairs (MOIA), which provides services and information to facilitate the integration process of immigrants in New York. The MOIA services include a list of city benefits and services; connection to community-based organizations; connections between community-based organizations serving immigrants and city agencies and officials; and information on city, state, and federal law affecting immigrants. In addition, the head of MOIA serves as a Commissioner in the Mayors administration.

Taking a slightly different approach, Los Angeles, CA and the U.S. Citizenship and Immigration Services (USCIS) jointly created the Immigrant Integration Partnership, which offers information sessions on citizenship; naturalization workshops; distribution of USCIS educational materials; and focused outreach to raise awareness of the rights and responsibilities related to citizenship. Recently, a new initiative was included in the partnership providing Los Angeles Public Libraries with “citizenship resources and training for library staff.”

Finally, once Congress passes Comprehensive Immigration Reform, the ONB can play a lead role in coordinating federal funding and support for immigrants seeking to adjust their status.
RECOMMENDATIONS

Language access for direct city services related to wage and benefits/enforcement

The City should require all public agencies and departments providing services, programs, or benefits related to wages and employment benefits to accommodate Limited English Proficiency (LEP) individuals by providing comprehensive access to interpreters and translated materials. The city may go a step further and adopt a citywide language access policy, establishing language access as a right for Boston residents.

There are several examples of robust, successful city language access policies. For example, St. Paul, MN's Limited English Proficiency Plan, in addition to establishing standards for competence and cultural sensitivity of interpreters, requires the City to provide an interpreter without charge to LEP individuals in any situation where one is needed to receive meaningful access to City services, programs and activities and requires public meeting notices to include notification that interpreters will be provided if requested at least 5 business days prior to the meeting. The District of Columbia Office on Asian and Pacific Islander Affairs, in addition to providing outreach and training to residents and city agency staff, provides D.C. residents with language services through the Language Access program, including document translation and in-person or over the phone interpreter services. Also, New York City, in addition to passing language access laws relating to city agencies and schools, and making agency language access plans available on its website, includes a variety of links to city websites, programs, and services in Spanish, Chinese, and Russian through the NYC Language Gateway site.

Provide a Municipal ID

Many members of low income communities, including immigrants, youth and the elderly, face barriers to accessing government-issued identification documents. In many cases, they also face barriers to accessing banks and financial institutions. New Haven, CT provides municipal ID cards to all its residents, regardless of immigration status. In addition to identification, the card allows holders to receive access to resident-only services and receive resident discounts for city fees (e.g. at the municipal golf course). It also acts as a library card, and can be converted into a debit card accepted by city parking facilities and multiple local businesses. Several other cities, including San Francisco and Richmond, VA, have similar programs.

The City should develop and provide municipal ID cards to anyone able to show they are a city resident, while allowing the ID card to serve as identification for purposes including entering public buildings and parks, opening library accounts, and accessing city services. Boston should also work with financial institutions to enable the ID card to act as a prepaid debt card, allowing for residents to avoid using expensive alternative financial services and carrying large amounts of cash. In addition to allowing immigrants further opportunities to integrate into community life, ID cards may also encourage undocumented immigrants to contact law enforcement or other city officials to report crime or labor and housing violations.
RECOMMENDATIONS

Prohibit honoring of ICE detainer requests

The federal Secure Communities Program threatens to indiscriminately draw hard working immigrants into detention and deportation proceedings. This is not good policy for Boston or its residents. Though Secure Communities is a federal program, cities continue to have the power to set policy with regard to whether and when it will comply with requests from Immigration and Customs Enforcement (ICE) to hold individuals on immigration detainers.

Immigration status does not impact workers’ legal right to organize, join a union or otherwise enforce their workplace rights. In fact, 32BJ has run successful organizing campaigns involving immigrant and non-immigrant workers standing shoulder to shoulder to improve their workplace conditions. However, bad-actor employers often use threats of immigration enforcement or the need to re-verify workers’ status as tools of intimidation to chill workers’ efforts to organize or enforce their rights.

The increase in emphasis on local enforcement of immigration law, such as through the Secure Communities program, bolsters employers’ claims that workers who speak up or organize could face arrest, deportation or job loss. This fear does not just harm undocumented immigrants; entire communities suffer when immigrants are arbitrarily swept into detention and deportation proceedings.

A growing number of jurisdictions, including Cook County, IL, Santa Clara County and San Francisco, CA, Taos, NM, New York City, Newark, NJ, and Washington, DC have enacted local detainer policies that establish when they will and when they will not hold a person for additional time at ICE’s request. The States of Connecticut and California have adopted statewide detainer policies. These laws and policies are often referred to as “Local Trust” acts or policies.

Boston should adopt policies limiting its participation in the Secure Communities program by prohibiting compliance with detainer requests. This can be done legislatively or administratively, and the City’s power to do so derives from its power to set law enforcement priorities – including smart community policing strategies that depend on strong community relation, and its power to make decisions about how scarce law enforcement resources are to be used.

As an example, in July 2013, Newark, NJ, became the first city in New Jersey to prohibit compliance with Immigration and Custom Enforcement (ICE) detainer requests. The Directive, issued to the Newark Police Department, requires all personnel to decline detainer requests issued by ICE. Similar policies have been adopted in several other cities, including New York City, San Francisco, Chicago, and the District of Columbia.
Limit inquiries into immigration status and require confidentiality

Adopt policies prohibiting government agencies, officers, and employees, including law enforcement, from inquiring into or disclosing private information, including but not limited to an individual’s immigration status, unless their status is pertinent to a criminal investigation or they are otherwise required to do so under federal or state law.

In an effort to ensure access to city services, New York City Executive Orders 34 and 41 extend confidentiality and privacy rights to New Yorkers including immigrants. Order 34 prohibits inquiry into an individual’s private information, including but not limited to immigration status unless such information is necessary for city program, service or benefit eligibility. The order also prohibits NYPD officers from inquiring about private information including but not limited to the immigration status of individuals seeking police assistance. Executive Order 41 prohibits the disclosure of certain information, including immigration status, obtained by a New York City agency unless disclosure is required by law or the individual is suspected of a crime.

Conclusion

As outlined above, there are many things that the City of Boston can and should do to combat the problems of poverty and inequality in order to ensure that all residents are able to share in economic opportunity and participate fully in public life. In a moment when cities throughout the country are taking the lead in developing policies for a 21st Century economy that works for all, Boston can play an important leading role in showing the way.
Appendix: A brief history of the BRA

Fueled by newly-available federal funding, ambitious urban renewal programs—often focused on “slum clearance”—reshaped many major American cities in the 1950’s and 60’s. The Housing Act of 1949 provided federal funding to cities to cover the cost of acquiring areas of cities perceived to be “blighted,” kick-starting many urban renewal programs. The passage of the Housing Act of 1954, which made these projects more enticing to developers by, among other things, providing FHA-backed mortgages, increased momentum. It was in this climate that many cities configured renewal agencies or authorities, in large part to more effectively access the newly-available federal funding.

The Boston Redevelopment Authority (BRA) was one such. Created in 1957, primarily to improve the city’s success in attracting federal and state urban renewal grants, the BRA was actually relatively late to the scene: for the previous decade, every city in the state apart from Boston had been permitted to create a redevelopment authority. Initially, the BRA was tasked only as a redevelopment authority. But in 1960, at the request of the Mayor and city officials—in part to secure urban renewal expert Edward Logue as the head of the new agency and in part to establish a mechanism for incentives to ensure the Prudential Insurance Company established a large regional headquarters in Boston—the City Planning Board was abolished and its powers given to the BRA, thus making it the first—and still one of the only—major American cities to combine these functions in one agency. This conferred on the BRA the right to review and make recommendations on every proposed zoning regulation and amendment before the Zoning Board made a decision. The same act gave the BRA powers previously held by the State Housing Board, including the power of eminent domain, the power to approve urban renewal projects, and the power to grant zoning, health, building, and fire code variances. Among other things, these gave the City a means to have abandoned railroad land in Boston’s Back Bay declared as a blighted area, making way for the Prudential Insurance building development (a move the Supreme Judicial Court signed off on, after having struck down previous efforts to accomplish the same end unconstitutional). Significantly, the legislation also allowed the BRA to offer tax concessions as private development incentives.

The BRA used its new powers to undertake massive urban renewal projects (in many cases, completing already-begun or previously-envisioned urban renewal plans) that remade the face of Boston in the 1960’s. They embarked on a plan to radically remake downtown Boston and the surrounding neighborhoods, ultimately razing fully one-third of the city including major parts of the old South and West Ends. The New York Streets section of the South End was redeveloped, and nineteenth-century buildings around Scollay Square were demolished to make way for the new Government Center. The BRA also oversaw the demolition of the West End of Boston, an infamous urban renewal project that razed a large Italian and Jewish neighborhood, displacing most of the residents and generating a considerable negative reaction locally and across the country. During this period, the BRA also built an extensive modernist complex around the Prudential Center, a parking garage under Boston Common, and completed the Central Artery Massachusetts Turnpike extension (what would later become the “Big Dig”).
Appendix: A brief history of the BRA

As federal urban renewal funding waned in the 1970's, the BRA was increasingly forced to find other sources of revenue. These included its role as a developer and landlord, collecting fees and rents on properties it owned, and selling land it had acquired through eminent domain to developers. This transition was facilitated by the city's gradual economic turnaround: the city's economy boomed in the 1970's after 30 years of economic downturn. A large number of high rises were constructed in the Financial District and in Boston's Back Bay during this time period with BRA backing. While not immune to national and global recessions, Boston's trajectory has essentially been one of economic and population growth through the present. Among other things, this has fueled sharp increases in housing prices and a shortage of affordable housing.

Beginning in 1987, the BRA removed itself from the City budget—and not incidentally from City Council oversight—and began to rely entirely on revenue derived from its real estate activities. Its current budget derives in large part from income on property it owns and leases (it owns nearly $1 billion of property in Boston, including City Hall Plaza and Christopher Columbus Park), parking revenues from sites it owns, grant and interest income, and one-time development deals. The BRA has been quite inventive in funding itself. For instance, the BRA inserts language into the original deeds, (for example, with condominium developers) that ensures that the BRA collects a percentage of any future sales; this practice is known as “resale payments.” It mandates that the same language be incorporated in the deeds of all future condo owners. For a single building in the Charlestown Navy Yards, this has resulted in an estimated $4.5 million in revenue for the BRA. The agency argues that resale payments promote development by having the BRA take less money upfront for land it sells, leases, or clears for development, which makes it easier for a project to get off the ground. The agency then recoups its money over time from subsequent owners. The arrangement is similar to a real estate transfer tax, which the BRA lacks the authority to impose.

In 1993, in a final consolidation of power, the BRA merged with the city Economic Development and Industrial Corporation (EDIC), tasked with heading economic development activities at industrial and manufacturing properties in Boston. The merger created a single agency under outgoing Mayor Thomas M. Menino, responsible for all planning and development in the city of Boston. The acquisition gave the BRA the power to hand out loans, to issue bonds, to oversee job training, and to run the city's Marine Industrial Park, among other things.
Endnotes


iv The unemployment rate reported for October 2013 for the Boston-Cambridge-Quincy Metropolitan Statistical Area (the most recent data available as of December 23, 2013) by the Massachusetts Department of Labor and Workforce development is 6.3%, http://lmi2.detma.org/lmi/lmi_lur_b.asp?A=25&GA=071650&TF=2&Y=&Sopt=&Dopt=TEXT, during the same period, the national unemployment rate was 7.0%, http://www.bls.gov/news.release/metro.nr0.htm.


vi Id.


viii Id.


xi Id.

xii Id.


MGL c. 121A.

MGL c. 121B, §§ 11, 46, 47; see also Sanjoy Mahajan vs. Dep’t of Environmental Protection, 464 Mass. 604; 984 N.E.2d 821 (2013).

MGL c. 121C §§ 2, 5.

MGL c. 121C § 5.

Acts of 1956, Chapter 665, § 3 (as amended through November 30, 2001); See also The Zoning Enabling Act of 1960, Mass Acts of 1960, c. 652, § 12 (conferring all City Planning Board powers on the BRA by referring explicitly to G.L. c. 121, §§26KK and 26ZZ, recodified in 1969 as c. 121B, §48, which granted to municipal planning boards a right of approval over urban renewal plans).


For instance, the Denver Urban Renewal Authority (DURA), created one year after the BRA, is city-wide in scope and has the power to use Tax Increment Financing (TIF) or eminent domain to redevelop blighted areas throughout the city. “Redevelopment,” Denver Urban Renewal Authority. http://www.renewdenver.org/redevelopment.html. DURA does not, however, have any power over zoning in Denver. Moreover, DURA cannot acquire or transfer property or undertake a redevelopment project until a plan has been adopted by City Council, which plan must be in alignment with the city's Comprehensive Plan and any other relevant area plans. “The Urban Renewal Plan,” Denver Urban Renewal Authority, http://www.renewdenver.org/redevelopment/redevelopment-sections/the-urban-renewal-plan.html.

Other development authorities are sometimes configured to exercise a wide range of powers over a single, geographically-limited site. See, for instance, Atlanta’s McPherson Implementing Local Redevelopment Authority, tasked with addressing the former site of Fort McPherson. That authority has significant power, but only within a highly constrained geography – it has the power to purchase, lease, and sell land; the ability to construct, improve, and rent property; it can borrow money, lend money, issue bonds, and accept grants; and it is additionally responsible for providing job training and housing rehabilitation programs for residents. McPherson Implementing Local Redevelopment Authority, “Legislation and Bylaws,” http://www.mcphersonredevelopment.com/content.aspx?ID=LB.

Id.


Casey Ross, Liberty Mutual's new Boston tower opening soon


Massachusetts General Laws, Chapter 30B, Section 6. Available at https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIII/Chapter30B/Section6.


Since public subsidies and benefits are often one-time payments, the living wage law needs to specify how coverage applies to these firms. Typical is St. Paul, where tax benefit or subsidy recipients must adhere to the living wage law for the length of their agreement with the city or three years, whichever is longer. An even better option is to have the law apply for a period of time per unit of benefit or subsidy – for example, coverage under the law for 1 year for each $25,000 or $50,000 worth of economic benefit. This way, recipients of very large subsidies are covered for a very long time.


Michael Reich, Peter Hall and Ken Jacobs, “Living Wages and Economic Performance: The San Francisco Airport Model,” Institute of Industrial Relations, University of California, Berkeley, March 20003, p. 35.
http://www.irle.berkeley.edu/research/livingwage/sfo_mar03.pdf;


“Procurement Services” City of Chicago. Available at:

“Procurement Office/ Bureau of Purchasing” City of New Orleans. Available at: http://www.nola.gov/purchasing/


Id.

M.G.L. c. 151, s. 20, https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXI/Chapter151/Section20


San Francisco Administrative Code, Sec. 12R.6., available at,


MASS. CONST. amend. art. LXXXIX, §7.


MASS CONST. amend. art. LXXXIX, § 8.

Cecilia Estolano “Sustainable Growth with Equity in Practice: The Example of Community Redevelopment Agency of the City of Los Angeles” ELP Advisors LLC.


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Portland Plan Community Involvement Committee” City of Portland OR. Available at: http://www.portlandonline.com/PortlandPlan/index.cfm?c=50731&

Public Outreach and Engagement Liaisons Overview“ Seattle Department of Neighborhoods. Available at: http://www.seattle.gov/neighborhoods/poe/poe.htm
Minneapolis’ comprehensive plan update built on and was coordinated with other area- and purpose-specific plans including the Minneapolis Park and Recreation Board Comprehensive Plan, The Access Minneapolis Ten Year Transportation Action Plan, The Minneapolis Plan for Arts and Culture, The Industrial Land Use and Employment Policy Plan, Light Rail Station Area Plans, and various Small Area Plans representing many areas of the city. Many cities have topic-specific plans that coordinate with their comprehensive plan: Denver, for instance, adopted “Blueprint Denver: An Integrated Land Use and Transportation Plan” as a supplement to the Denver Comprehensive Plan. Blueprint Denver sets out exceedingly specific plans with regard to both development, with an emphasis on mixed-use development, and transportation, with an emphasis on building multi-modal streets.


“City Announces New Programs for Neighborhoods” City of Knoxville, 2012. Available at: http://www.cityofknoxville.org/Press_Releases/Content/2012/0210b.asp

Training materials on file with the authors.


Chicago Ordinance No. 4984 (2012), available at http://www.immigrationpolicy.org/sites/default/files/docs/SO2012-4984.pdf. See also, 2011 Cook County Ordinance 0-73, http://alicelaw.org/catalog/614 (Although this ordinance was adopted at the county level, it is worth noting as one of the most comprehensive compliance bans. The ordinance prohibits honoring of all detainer request unless there is a signed agreement between the County and the US government which states that the US government will cover all costs. It also prohibits ICE agents from having access to individuals in the Sheriff’s custody unless they are possession of a warrant.).


Frug and Barron, “Boston Bound,” 68.

O’Connor, Building, 177-178.

See O’Connor, Building, 190-232.


See Jones, The Slaughter of Cities, 524.

O’Connor, Building, 178, 182-188.


A Boston That Works:
Recommendations for building good jobs and strong communities