
Jobs Report

Keeping Boston On Top

Thomas M. Menino, Mayor
September 5, 2011

“True progress
should be
shared widely.”



INTRODUCTION

Boston continues to be one of the best job growth cities in the country. The city was last month named number one among 100 major cities for job growth. We are one of the few cities with more private sector jobs now than five years ago. Our diverse sectors remain strong, and neighborhoods continue to provide a welcome home to new small businesses. The U.S. unemployment rate of 9% is higher than here in our state, and considerably higher than Boston's rate of around 7%. Our city has been, by national standards, unusually resilient in the wake of the recession.

However, approximately one in fifteen Bostonians who want work can't find it, and certain demographics of our city are struggling especially hard. Older workers in evolving industries and younger workers – with and without college degrees – find fewer prospects. The unemployment rate among communities of color is considerably higher. For unemployed or underemployed Bostonians, finding a job remains worry number one.

The City continues to prioritize job creation and job retention for what it means to these families and to our neighborhoods. That Boston has remained so strong, even in the face of so many global and national economic challenges, is evidence of innovative approaches, strong partnerships, strategic use of resources, and a focus on what matters most to people. Investments in education, job training, economic development, neighborhood infrastructure, and housing growth have all contributed to Boston's resilience.

Yet, no effort is enough for families struggling to make ends meet. This report suggests ten additional strategies for retaining Boston's position as a top city for jobs and for putting its residents to work.

Some Jobs Highlights

33 development projects under construction, creating approximately 6,500 construction jobs

Nearly 200 projects in the development pipeline, totaling 50 million square feet and approximately \$15 billion in development costs

Fifteen projects anticipated to break ground in the last quarter of 2011 and the first quarter of 2012

Almost 500 jobs created from BHA construction contracts since January 2010

Upcoming BHA projects to create up to 600 additional construction jobs

Communities Putting Prevention to Work created or retained 100+ jobs and supported 130 part-time youth jobs

Since 7/09, Office of Business Development assistance helped 90 neighborhood businesses create 445 new jobs

100+ jobs created from construction on city facilities. 350 jobs to be created at Ferdinand site

Energy efficiency programs creating additional 100 jobs for outreach, retrofits, and installations

STRONG FOUNDATION

Boston's resilience is a function of strong private, non-profit, and government efforts. Keeping our job strength requires a focus on continuing what works. Among the key drivers are:

1. **DIVERSITY IN THE ECONOMY**

Boston's economy is built on multiple sectors. Four pillars – “meds”, “eds”, financial services, and hospitality – all grew last year and were complemented by growth in emerging industries.

2. **DIVERSE WORKFORCE**

Boston is a majority-minority city, and its workforce – diverse in skills, backgrounds, and perspectives – is an asset to local companies.

3. **STRONG NEIGHBORHOODS**

Boston's neighborhoods remain strong for city companies and their employees. Twenty Main Streets districts are welcoming homes to local retail and restaurant opportunities.

4. **HOUSING GROWTH**

New housing attracts employers seeking proximity and affordability for employees and creates construction jobs. Boston housing grew 8% over the decade, its highest growth rate since 1960.

5. **EDUCATED WORKFORCE**

Education reform has driven graduation rates to record highs at Boston Public Schools. Citywide partnerships like Success Boston help students get into and through college to job readiness.

6. **THE INNOVATION ECONOMY**

Boston is building a strong platform for growing sectors. 70 companies have located in the Innovation District since January 2010. Green efforts have made us a hub for cleantech jobs.

7. **YOUNG TALENT**

Boston is #1 among major cities with highest proportion (35%) of 20–34 year olds, a key workforce for city employers. Colleges and universities are key pipeline for ideas and talent.

8. **JOB TRAINING / JOB LADDERS**

Job training programs and job ladder programs with partners in key sectors, like healthcare, provide pathways for success. The Mayor's summer jobs program introduces 10,000 teens to work.

9. **PUBLIC-PRIVATE PARTNERSHIPS**

Targeted development partnerships including I-cubed, TIFs, and the BID, are supporting business attraction on the waterfront, in Downtown Crossing, in Dudley Square, and across the city.

10. **LOCAL, STATE, AND FEDERAL COORDINATION**

Collaboration with state and federal partners attracts grant dollars and leverages spending. ARRA and other investments are transforming neighborhoods and putting residents to work.

TEN ADDITIONAL STRATEGIES

The City will aggressively pursue additional strategies for job creation and retention in Boston. For Boston's unemployed or underemployed, there is no room for let-up in efforts. This work will take place across all departments and in concert with outside partners. Recommendations for ten new initiatives are below.

PROPOSAL 1: CREATE PILOT CREDIT FOR HIRING UNEMPLOYED WORKERS

Objective: Address unemployment and long-term unemployment. Foster job creation at non-profit institutions, a large part of Boston's economy

The City of Boston would provide \$1,000 PILOT Credit to non-profit institutions that fall under the PILOT payment program for hiring each unemployed Boston resident and \$1,500 hundred for hiring those that have been unemployed for more than six months. Institution's PILOT credit would count towards their service or financial component of PILOT Payments.

PROPOSAL 2: DEPLOY SUCCESSFUL ARRA TEAM MODEL AS JOBS TEAM FOR MAXIMIZING FEDERAL JOBS PROGRAM

Objective: Maximize opportunities that emerge for Boston residents out of Federal jobs stimulus efforts

The Mayor would deploy his ARRA team model and their process for securing federal investment, this time as part of any jobs stimulus. Boston won 31 of 38 competitive ARRA grants due to coordination of efforts across departments and commitments to spend the funding responsibly. The jobs team would be in charge of advocating for a jobs stimulus, securing any infrastructure and operational funding that is made available to cities, and making sure residents and local companies are aware of incentive programs.

PROPOSAL 3: CREATE A SMALL BUSINESS INCUBATOR

Objective: Support small business creation and success

The City would identify partners, including the BPL's Kirstein Business Library, for a small business incubator that could host small business entrepreneurs and provide mentorship and support. Incubators and accelerators are driving business growth among tech and life science companies; the model can be adapted for small and local businesses, with experienced businesses managers providing advice and networking resources.

PROPOSAL 4: TAKE THE NEW BUSINESS HUB TO THE NEIGHBORHOODS, ELIMINATE REDUNDANT PERMITS, AND BEGIN WEEKLY BUSINESS SERVICES MEETINGS

Objective: Streamline permitting for new businesses

The City's new Business Hub website will launch this fall to provide new businesses with easy connections to city personnel and an up-front roadmap for permitting. Trainings in the neighborhoods will make this tool – and city agencies – even more accessible.

The City has identified redundant permits (including four dumpster permits) for elimination and could consolidate the construction/demolition/renovation BFD permit with ISD's construction permit, consolidate flame certification applications and provide more pre-approval communications, and streamline fire protection permits.

The Boston Redevelopment authority will complete a development permit review, and the new Director will designate key areas for improvement by mid-November.

City agencies will participate in weekly business service meetings to resolve delayed permitting questions and speed permitting. These meetings would be modeled on successful basic city service meetings that have representation from key departmental leaders and operational staff and have enhanced response time.

PROPOSAL 5: INITIATE SECOND I-CUBED ECONOMIC DEVELOPMENT PROJECT

Objective: Stimulate construction and permanent job creation and infrastructure investment

The City will proactively identify a second site for an I-Cubed partnership. This city-state-private sector program was developed by Boston and is being successfully deployed to foster growth on the waterfront and investment in the site for Vertex Pharmaceuticals. The Boston Redevelopment Authority will identify priority areas/projects for consideration and work with the City's financial team and the state with the goal of initiating a second I-Cubed project in Boston.

PROPOSAL 6: COMPLETE A 2015 JOBS INVENTORY

Objective: Match education and job training efforts with jobs for the near future

The Mayor will ask the city's private businesses and institutions to work with the Boston Redevelopment Authority to forecast their job needs for 2015, by skills required. A comprehensive job inventory would serve as a guide for education and job-training partners for immediate and short term changes and build on job-matching efforts by JCS, PIC, and others.

PROPOSAL 7: EXPAND TECH JOB TRAINING OPPORTUNITIES WITH PRIVATE SUPPORT

Objective: Help Bostonians transition to new jobs requiring new skills

The Mayor will seek private support to expand successful job training/job transition programs. The City's On-line Learning Readiness program, supported with public funding, is oversubscribed. Each training cycle provides 240 hours of technology, self-directed learner, and workforce readiness skills. The program could then be expanded to a) include more participants and/or b) incorporate additional competencies and knowledge required for specific higher-level job categories requiring digital skills.

PROPOSAL 8: EXPAND SUMMER JOBS PROGRAM AND ENGAGE GROWING SECTORS

Objective: Help young residents get exposure to jobs in growing industries

The Mayor's Boston Youth Fund, the Private Industry Council, and other summer jobs partners will enhance outreach efforts to start-up companies and other businesses in greentech, life sciences, and technology sectors. Currently, summer employment is heavily weighted toward established companies. Early outreach will be necessary to educate newer companies about the city's nation-leading summer jobs program.

PROPOSAL 9: RESTRUCTURE VOCATIONAL TRAINING AT SECONDARY AND POST-SECONDARY LEVELS

Objective: Prepare residents for trade, technical, and healthcare work

Working with Boston Public Schools (including Madison Park), local Community Colleges, unions, and private companies, and building on in-process reviews of vocational training, the city will enhance training in the city to 1) provide more opportunities for training 2) increase graduation rates from these programs at the secondary and post-secondary levels and 3) raise post-graduation employment rates.

PROPOSAL 10: LAUNCH JOB RESOURCE CENTERS AND CREATE JOB LITERACY CENTERS

Objective: Help residents get additional access to job listings and career prep

The Mayor's Office of Jobs and Community Services could partner with Boston Public Libraries to create mobile/community job resource centers and job literacy centers in the neighborhoods. New job literacy centers could be run at Boston Library sites, in community centers, or in Main Streets Districts in open retail space. "Pop-up" job centers could be considered for weekend and out-of-work times in high-traffic areas.