

★ MAYOR ★
MARTIN J. WALSH

BOSTON2014
TRANSITION COMMITTEE



Intergovernmental Relations

Working Group
Transition Team Report

April 16, 2014

Photos: Kit Pyne





MISSION

As with the other Working Groups, our goal is to aid Boston Mayor Martin J. Walsh by drawing up a menu of ideas and proposals that represent possible ways to advance certain values or priorities laid out during his recent mayoral campaign. Unlike other Working Groups for the Transition Team, our work did not include a public hearing nor wide publication of ideas or input. It is the very nature of the work of intergovernmental relations that our focus is on the mechanics of communication to further public policy. As such, this work, while vital, is little understood by the general public. However, as Mayor Walsh knows from his experience as a state legislator, intergovernmental relations provides an essential service in the furtherance of government cooperation on a local, regional, federal, and international level.

While many of the other Working Groups organized their thinking around the scenarios Keep, Implement, and Dream, the discussion among our team more appropriately focused on relationships, and could be more accurately organized around Build, Deepen, and Develop.

In this report we will discuss Mayor Walsh's opportunities to build and deepen relationships between the city and other elected and appointed officials. To do so, he will be able to take advantage of the relationships he has developed over the course of his career in public life, the existing infrastructure and personnel within City Hall, and new partnerships at all levels of government.

For this analysis to be of use to the administration, we must consider the initial strengths and weaknesses of both Mayor Walsh and the City of Boston at this point in time. We will then discuss how best to address them with regard to engagement at the city, state, federal, and international level.

STRENGTHS

To identify the strengths of Mayor Walsh and his administration in the area of intergovernmental relations, it is important to consider competitive advantages, core competencies, and the best opportunities to maximize impact.

It is without debate that the mayor and his office's greatest strengths are in the mayor's goodwill, his strong legislative connections, and his existing intergovernmental relationships. While Mayor Menino also had strong relationships, there is now an opportunity to reset those relationships in a more collaborative manner, particularly as

regards fellow mayors in the Commonwealth. Mayor Walsh should "seize the moment," build upon those relationships, and use them to support, collaborate, and coordinate with the regional coalition of mayors' offices.

An additional strength is the current staff and institutional knowledge of the city's Department of Intergovernmental Relations. The current charge of the mayor's Intergovernmental Relations Department is to coordinate the city's dealings with the federal, state, and other local governments and to foster constructive links between the city and these entities. The department keeps the mayor informed about intergovernmental issues and assists him in representing the city's interests in these matters. In addition, the office serves as a liaison between the administration and the Boston City Council.

Another important strength is Boston's brand. Boston maintains global brand awareness in substantial part thanks to the myriad higher educational institutions within the city and its immediate neighbors. Current and emerging world leaders travel to the metropolitan area to further their respective careers, with many researchers, businesspeople, and creative economy practitioners remaining for both long and short terms. The city's brand is the first connection point with potential investors and residents; incentives and other economic inducements only enter the conversation after the initial brand interaction.

WEAKNESSES

To identify the weaknesses and Mayor Walsh and his administration, we must consider where the city can improve operationally and reputational,



and what areas have been hindered by past practices, relationships, or perceptions.

Boston is Massachusetts' capital city, its major media market, and has a population that doubles every working day. While according to every other metric relating to the health of the city this is a major asset, in terms of intergovernmental relationships this can be a liability. Boston is perceived by many in the legislature as commanding a disproportionate amount of state resources. Boston has the staff and resources that other cities and towns in the Commonwealth lack and uses them to engage at all levels of

government. It may be true that Boston does not need its neighbors to help effectuate change in the legislature, in Washington, or internationally, but Boston should work with its neighbors on both big and small issues.

Finally, during the campaign and in the early days of the administration, much has been said about Mayor Walsh's positive relationships with local, state, and national leaders. While this is a tremendous asset, it could also raise unrealistic expectations around issues such as local aid from the state or federal transportation earmarks.

MUNICIPAL PARTNERSHIPS

Boston's engagement in organizations like the Metro Mayor's Group should be stronger. Stepping up Mayor Walsh's commitment to this group and in other organizations will help create a path for Boston to achieve its regionalization goals in the areas of Economic Development, Tourism, and International Relations.

A thoughtful relationship with these other communities—our local regional partners—will help us work towards strength and progress as a region, through both a national and international lens. In the end, our regional strength nationally and internationally lies in our strength locally.

Mayor Walsh should make it a priority to establish personal relationships with other local mayors, especially within Route 128. These relationships are critical. Routine communication between Mayor Walsh and his staff with the regional mayors and their staffs is essential.

STATE RELATIONS

Mayor Walsh's experience in the legislature, the deep relationships he has with his former colleagues, and the affection and respect in which he is held is a key asset of his new administration. As noted previously, it can also set unreasonable expectations. In FY14, an estimated 16% of Boston's revenue will come through state aid. The two largest state appropriations to the city are \$209 million in education aid (Chapter 70 funds) and \$164 million in Unrestricted General Government Aid (UGGA). Other priority line items in the state budget include charter school reimbursement, summer jobs, public safety/violence prevention grants, special education circuit breaker, homelessness assistance, Boston Public Library funds, job training, public housing, and more. The expectation is that Mayor Walsh can convince the legislature to increase that funding.

There was been a longstanding misconception that Boston receives a disproportionate amount of state aid, which consistent educational efforts have been unable to dispel. In fact, Boston receives less state aid than it deserves in terms of population per capita or revenue generation. Boston generates 20% of all state tax revenue and receives 1% back in state aid. The 5% of local aid provided to Boston does not correspond to the 10% of the Commonwealth's population living in the city. This is a longstanding and thorny issue, and one that jeopardizes relationships with other cities and towns. Mayor Walsh could use his strong relationships on Beacon Hill to begin a real discussion of funding equity, which would benefit the people of Boston.

In addition, there is the general issue of home rule. In comparison to similar cities in other states, Massachusetts imposes more legal

obstacles to levy taxes, regulate elections, control transportation, or the granting of liquor licenses on the city of Boston. There has been some progress on this issue with regard to local option taxes, as well as progress in the area of liquor licenses. The mayor should continue to partner with the City Council on this particular issue, and continue to educate his former colleagues in the legislature on the larger concept.

FEDERAL RELATIONS

Boston has been engaged with Washington on many different levels, through the Massachusetts congressional delegation, external organizations such as the U.S. Conference of Mayors (USCM), National League of Cities (NLC), the National Low Income Housing Coalition, the Northeast-Midwest Institute and others, and directly with the White House. The importance of federal funding to the city, through direct funding and competitive grants, is extremely important and not fully realized.

The direct work in Washington and with national organizations is coordinated by IGR staff and a contract lobbyist in Washington. Several members of the transition team cited the good work of this team in efforts around federal funding and issues, notably the Mayors Against Illegal Guns (MAIG) Coalition with former New York City Mayor Michael Bloomberg. High-profile efforts like MAIG and leadership roles in USCM and NLC can help Mayor Walsh build political capital to benefit Boston's standing for federal aid, trade, and provide a platform for bringing new ideas into the city.

The base of federal relations work is to define key issues and priorities of city departments and

Photo: Kit Pyne



articulate them to the Congressional delegation and relevant federal agencies. As previously stated, the mayor has strong relationship with the Congressional delegation, but that must be deepened and extend to relationships with key delegation and City Hall staff. Boston’s pursuit of competitive grants from federal agencies in the areas of education, public safety, transportation, community development, public health, broadband, homelessness, seniors, energy efficiency and conservation, workforce development, and public housing is extremely important. It also presents another opportunity for regional collaboration, as Boston has the resources to be a leader in joint efforts that can maximize opportunities for the region. The mayor

should also work to coordinate advocacy efforts with other major cities and key organizations for federal programs and initiatives important to municipal stakeholders.

INTERNATIONAL RELATIONS

Boston’s global brand, which we listed as a strength, includes its surrounding cities and towns and in some cases conflates to the entire Commonwealth or, more broadly, New England. That the “image” of Boston seeps across jurisdictional boundaries does not in itself pose a problem—indeed, the daily interplay between Boston and commuters, Boston businesses and business along Route 128, and Boston Logan International Airport serving New England only further serves to solidify that brand among global leaders.

The “metropolitan brand” fits well with the mayor’s intention to work more deeply with surrounding municipalities on economic development and other relevant issues. Below are some points of shared, interrelated strengths within the metropolis:

- 1) Numerous higher educational institutions, from community colleges to post-graduate degree granting schools.
- 2) Highly trained workforce, in the innovation economy and the trades.
- 3) Developed mass transportation network, with a commuter rail reaching far beyond city limits, covering a broader swath of the aforesaid workforce.
- 4) Diverse cultural and leisure offerings, from the Boston Symphony Orchestra to the hiking

trails of the Blue Hills.

Deeper regional coordination will only serve to further leverage these assets. In addition, a global company entering a neighboring municipality can have significant effects on Boston, where services and other economic activity may be sourced. A foreign investor, presented with the breadth and depth of a regional pool, would have a much broader understanding of the market as a whole as opposed to being presented with each municipality's selling points.

One point of entry into this discussion is the Consular Corps of Boston, a grouping of both official and honorary representatives of foreign governments. This group makes up the diplomatic corps of the city and region, but is also an important conduit for investment. Currently there are 56 countries represented in the region, with 60% of these siting their offices or addresses in the City of Boston. In addition to diplomatic activities, many of the larger consulates maintain economic departments with the specific aim of connecting to the innovation economy in the region. These departments connect regularly with local economic development partners and would be well served by a regional access point.

While the 56 consulates in the region represent a significant portion of the global economy, Russia, India and China do not have consular representation in the region. All cover the area from New York. Any discussion on attracting those countries (and others that are not represented) would require not only a conversation with the foreign government but with partners at the state and federal level, an

opportunity for additional intergovernmental cooperation.

Boston and its environs host a significant number of international students every year. According to the Institute of International Education, Massachusetts hosted over 46,000 international students in 2013, ranking 4th in the nation. Expenditure attributed to these students and activities was estimated at over \$1.7 billion dollars in 2013. The top two institutions in the Commonwealth for international students in 2013 were both located in Boston, Northeastern University and Boston University, with 7,705 and 6,615 students, respectively. (The 3rd and 4th institutions in terms of international student population, Harvard and MIT, are both located within the immediate metropolitan area).

Acknowledging the above, Boston has an opportunity to increase the number international students through dedicated outreach (in partnership with the Commonwealth, which has already begun engagement on such efforts), and through events and programs designed to further welcome these students. These efforts would complement efforts to retain students once they have graduated, which would involve further collaboration, particularly on the federal level.

This topic begs the question of where responsibility for this important initiative lies within the administration. In the past, international issues resided within the economic development arm of the Boston Redevelopment Authority. Since the last discussion of the Intergovernmental Relations Working Group, Mayor Walsh has created a Chief of Economic Development position, and having staff within his cabinet with experience in this field could prove valuable.

THE RECOMMENDATIONS

The Intergovernmental Relations Department has not been the only link between the mayor and those entities and it is not our recommendation that it serve that function. However, the IGR Department should continue to play both a lead and coordinating role. The staff of the IGR Department can only be effective if they speak for the mayor, and it is important that they continue to have direct access to him. As Mayor Walsh has close relations with many elected officials, particularly in the state legislature, they must play a key role in coordinating his contacts and prioritizing his agenda.

As a Working Group, we did not discuss the Mayor's relationship with the Boston City Council at any significant length. This is a close relationship whose members must collaborate on the budget, approving federal and other grant appropriations, the enactment of ordinances, and the delivery of constituent services. As a candidate for mayor, Marty Walsh stated his desire to have a more collegial working relationship with the Boston City Council. The mayor's close relationships with individual councilors, as well as members of his administration who have served on the council, will help him maintain and deepen his work with the council. He cannot allow local council issues to be overshadowed by issues at the state and federal level.

As stated before, one of the great strengths of the administration will be Mayor Walsh's existing relationships with elected and appointed officials. Deepening those relationships, building new relationships with municipal officials, and assembling (and retaining) a talented team to help coordinate and prioritize

the administration's agenda at all levels of government should be a top priority.

The members of this Working Group are confident in Mayor Walsh's ability achieve this goal, and stand ready to offer him our advice and support.

Intergovernmental Relations Working Group

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Organizational titles and affiliations are provided for identification purposes only.