

City of Cambridge

The Economic Development, Training and Employment Committee held a public meeting on April 11, 1997, beginning at 10:45 a.m. in the Ackermann Room for the purpose of discussing the proposed economic development policy submitted to the City Council by the City Manager.

Present at the hearing were Councillor Anthony Galluccio, Chair of the Committee, Vice Mayor Kathleen L. Born, Councillor Henrietta Davis, Councillor Michael A. Sullivan, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury. Also present on behalf of the City were Robert W. Healy, City Manager; Richard Rossi, Deputy City Manager; Susan Schlesinger, Assistant City Manager for Community Development, Jean Strain, Director of Economic Development, Community Development Department; Ellen Semonoff, Deputy Director of Human Services; Sue Walsh, Workforce Development; and James Maloney, Assistant City Manager for Finance.

Councillor Galluccio convened the hearing, welcomed all those in attendance and explained the purpose. He stressed the importance of a broad representation in this discussion and encouraged all those present to reach out to interested persons in all parts of the community. He said that the next years in Cambridge will be exciting. The development of an appropriate economic policy will need the creativity and participation of all sectors of business in Cambridge and all sectors of the community.

Ms. Schlesinger then provided background on the development of the draft economic policy. The report grew out of a year and half of meetings with City Councillors and staff to discuss and evaluate these issues. The first draft was then distributed to a variety of persons and organizations involved with these issues, including the Chamber of Commerce and business people.

Ms. Schlesinger stated that one goal of this policy is to broaden the definition of economic development to include more than just real estate issues. In doing so, the common interests of businesses and residents in many areas become very evident. For example, high quality of life is seen by business as extremely important to them remaining competitive. She noted that the report divides economic development into five areas: entrepreneurship, employment, capital, real estate and business climate. The report also lays out the City's current economic development initiatives and makes recommendations for future initiatives.

Jean Strain then provided a brief description of the City's current economic development initiatives.

Councillor Davis asked about the goals of this meeting.

Councillor Galluccio said he would like to see a plan for how to get a broader group of people to review this policy. He said that he would like input on how to get a broader involvement and how to move forward.

Jean Strain then provided an overview of the current activities of the Economic Development staff. There are five staff members in the component.

Staff work includes the following:

- Policy research and development.
- Collaborative work in the area of employment and training. Ms. Strain serves on the Regional Employment Board.
- Concern with maintaining the manufacturing Cambridge still has and developing small scale high tech manufacturing.
- Development of a small business loan fund to assist small companies that do not meet traditional bank loan eligibility standards.
- Discussions with potential investors around the globe.
- Active planning and support assistance in commercial districts. The new project planner Susan Price has been very active in the Cambridge Street planning process. The staff is also active in Central Square.
- Work in development districts such as University Park, Cambridgeport.
- Work on streamlining the permitting process, developing a guide to permitting and improving the City's signage.

Councillor Galluccio suggested an organizational chart of staff employees and duties in the economic development component.

Ms. Strain then presented a slide show related to the proposed economic development policy. She noted the core values stressed in the policy. The first is the interdependence of civic life and business life which is felt in the areas of jobs, taxes, quality of life, local spending and philanthropy. The second is participation and choice. Conditions found in economies with high levels of participation and choice include an adequate job supply, training opportunities, avenues to business ownership, and limited disparities among groups. Finally, a self-sustaining economy is also a core value. Hallmarks of a self-sustaining economy are entrepreneurship, innovation, balanced development and reinvestment.

Ms. Strain stated that the next step was looking at competitive advantages and challenges. Advantages presented by the current economy include the entrepreneurial climate, discovery and technology transfer, the availability of capital, a highly skilled labor force and a high quality of life. Challenges include the limited supply of real estate, somewhat of a skills mismatch, cost structure - Cambridge is a high cost community, and transportation and parking.

Ms. Strain then reviewed the draft goals.

Councillor Sullivan asked about retail. Ms. Strain said retail has been fairly constant over twenty years.

Councillor Galluccio said that he believes the most important of the process of considering an economic policy is to involve people from all parts of the economy and the community. He said that he hopes that in the process of considering this policy, participants will open doors and build bridges.

Councillor Triantafillou suggested asking those present to introduce themselves.

William Zamparelli, ComEnergy, Chair of the Chamber of Commerce Economic Development Committee, expressed the importance of a good economic development policy for the City.

Brendan Noonan Real Estate Developer, member of Chamber of Commerce Committee on Economic Development, stated the Chamber is excited about the opportunity of working on this issue.

Jonathan Ginsberg, Community Relations, Forest Cities, stated that Forest Cities, as developer of University Park, a major economic development initiative, is interested in working with the City on these issues.

John DiGiovani, stated that he is on the Government Affairs Committee of the Chamber of Commerce and the Harvard Square Advisory Committee and that his business is property management.

John Pitkin, resident, stated that he also owns a small business in Cambridge and that he believes in the interdependence of business and civic life.

Paul Casey, ComEnergy, Director of Real Estate, said that this is a great start. He is pleased that there will be discussion of the parking issues. He stated that he has experienced international expressions of interest in Cambridge as a business site. He also stated that the issue of downzoning must be addressed. He gets many questions regarding this issue.

Councillor Galluccio noted the variety of viewpoints that he hears from different segments of the business community. He also noted the high unemployment rate among unskilled workers at the same time that overall unemployment is very low. He stated that he believes that the following segments of the economy should be brought into any discussion of economic development policy:

biotech industry, computer industry, research and development, the universities, the hospitals, neighborhood associations, the construction trades, developers, the Chamber of Commerce, hotels and restaurants, the real estate industry, retail, food services, utilities, Workforce Development and small business. He requested additional suggestions.

Mr. Zamparelli said that the intersection between jobs in Cambridge and residents of Cambridge is interesting. Twenty five percent both live and work in Cambridge, which is significant.

Councillor Davis asked about the goal of the committee. She said that her idea is to look at the proposed policy, see if there are changes needed, if so recommend them, with the final goal that City Council adopt an economic development policy.

Councillor Galluccio said that an important goal is that at the end of this process, the participants have interrelationships. He agreed that the final goal is for the City Council to adopt an economic development policy.

Councillor Triantafillou said that she hopes the committee is not planning on re-doing the work that went into initial development of the proposed policy. She does not want to spend time talking about economic development if it will hold up the actual economic development. She suggested sending the draft to people in the segments. Councillor Galluccio listed, along with a notice of a schedule for reviewing the draft policy.

Councillor Galluccio suggested that he meet with Ms. Schlesinger to set up a draft schedule and send it to the committee members.

Councillor Sullivan said that it is important to get it done. This is an election year so the City Council will be busy, and it is important for the Community Development Department to have the Council's support on its economic development program. He noted that staff circulated this draft to business people.

John DiGiovanni said that it is a great idea to have a goal and schedule. He said that the Chamber hopes that Jean Strain will make this presentation to neighborhood groups as well. There is a lot of common ground for neighborhoods and businesses. He also agreed with Mr. Casey regarding the importance of zoning.

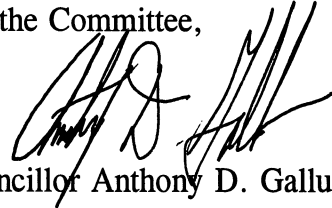
Councillor Galluccio agreed that the idea of making presentations to neighborhood associations is an excellent idea. Ms. Schlesinger said that Community Development Department would welcome the opportunity to make this presentation to neighborhood groups.

Councillor Sullivan noted the importance of stability and predictability of regulations. He emphasized that both businesses and residents are concerned about the quality of life. There is no plan for the City Council to change everything to favor businesses at the expense of the neighborhoods and the quality of life in Cambridge.

Councillor Galluccio noted the number of jobs that require one year of technical education past high school. He said that this committee will also be looking at these issues.

Councillor Galluccio thanked those present for their attendance. The meeting was adjourned at 12:00 p.m.

For the Committee,

A handwritten signature in black ink, appearing to be 'Anthony D. Galluccio', written over a horizontal line.

Councillor Anthony D. Galluccio
Chair

A report was received from the Economic Development, Training and Employment Committee, for a meeting held on April 11, 1997 for the purpose of discussing the proposed economic development policy submitted to the City Council by the City Manager.

In City Council April 28, 1997

*Report Accepted.
Placed on file.*