

Transformative Development Initiative [TDI]

GATEWAY CITY ECONOMIC SNAPSHOT FEBRUARY
2016



MASSDEVELOPMENT



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Acknowledgements

MassDevelopment would like to acknowledge the organizations, leadership, and great research that have increased awareness of the Gateway Cities leading to innovative policies and programs such as the Transformative Development Initiative:



The Gateway Cities Legislative Caucus for its continued advocacy for the Gateway Cities and support for the Transformative Development Initiative.



The Baker-Polito Administration and the Executive Office of Housing and Economic Development for making the Gateway Cities an integral part of their economic development plan and supporting the Transformative Development Initiative.



The MassINC Gateway Cities Innovation Institute for helping establish the Gateway City designation and continuing to shed light on critical Gateway City issues.

The Federal Reserve Bank of Boston for its research, including the Lessons from Resurgent Cities report that led to the creation of the Working Cities Challenge program to strengthen civic infrastructure where residents are struggling the most.



The Economic and Public Policy Research (EPPR) group at the UMass Donahue Institute (UMDI) for its focus on economic development in the Gateway Cities, and the data visualization and analytical work in this report including the Gateway City summaries and typology, as well as data for each of the TDI Cities and their accompanying Districts.

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Introduction

In 2014, building on the work of legislative and agency partners, MassDevelopment launched the Transformative Development Initiative (TDI) to enhance and accelerate redevelopment in key Gateway City districts. TDI seeks to implement locally-initiated, strategic, and catalytic revitalization activities in Massachusetts' Gateway Cities to effect successful redevelopments.¹

MassDevelopment determined that a comprehensive baseline review of key indicators common to and differentiating the Gateway Cities and the ten designated TDI Districts in Development would provide needed context for future program development. This analysis is necessary to optimize the direction and deployment of resources custom-tailored to local conditions. The goal of this effort is to see how strategic redevelopment support is improving the TDI communities. This report comes just after the end of the first year of TDI—effectively the ‘Needs Assessment’ year when information was collected from the cities through extensive surveys, site visits, and considerations for technical assistance.

This work builds on prior Gateway Cities data-capturing efforts by introducing a unique place-based data set, which supports the ongoing work of MassDevelopment and other agencies. This more contextual view of Gateway Cities will provide a more tangible baseline from which to measure future investments and activities.

This report uses a ‘data dashboard’ to highlight key data points for ease of use and communication. MassDevelopment intends to support this report with an online platform that would allow additional asset and investment mapping providing contextual information about the Gateway Cities and district activities. The UMass Donahue Institute (UMDI) compiled the data and provided analysis for this report, which has three major components (with sources detailed in the Appendix):

- The first examines the Gateway Cities as a group, demonstrating opportunity and need, comparing their key indicators to statewide averages.
- The second is a typology that sorts cities across four different categories: Identity and Social Capital (Demographics); Equity (Socioeconomic); Enterprise and Jobs (Employment); and Market Conditions (Real Estate).
- The third takes those four categories and explores the ten designated TDI Districts in detail, comparing the city, district, and statewide data on key indicators.²

While Gateway Cities are often discussed as a group, they have meaningful differences. For example, a great deal of difference exists between cities such as Methuen, Quincy, Salem, and Peabody on socioeconomic indicators (all of which are relatively similar to the state overall) and places like Springfield, Lawrence, Chelsea, and Holyoke, which all exhibit higher than average rates of poverty, unemployment, household income, and/or educational attainment. By using a district-specific lens for the data inquiry, the project identifies ways to look at districts beyond the Gateway Cities that may share similar profiles; if this process succeeds, then TDI best practices could prove transferable.

Consideration of these differences by policymakers and real-estate investors could help enhance the economic-development potential of Gateway Cities and similar districts throughout the Commonwealth. Although not painting a full picture of these places, these data certainly provide a foundation for further analysis and/or policy interventions. Key takeaways from these data follow.

¹ There are 26 Gateway Cities legally defined as cities with a population between 35,000 and 250,000; a median household income below the state median; and a lower percentage than the state average of adults with a college degree.

² The district level data were collected, where possible, at a census tract level. The boundaries of the TDI Districts do not completely align with census tract lines, but are the closest approximation. In some cases, this distinction may create anomalies in the data.

GENERAL CONCLUSIONS

1. TDI Districts differ from their cities and are generally more distressed.
2. The variation of Gateway Cities (regardless of size or geography) across a wide range of metrics highlights the need for local solutions.
3. Gateway Cities have a concentration of anchor institutions, public and private, but their connectivity to TDI Districts is varied, limiting their utility as local market activators.

PROGRAMMATIC CONCLUSIONS

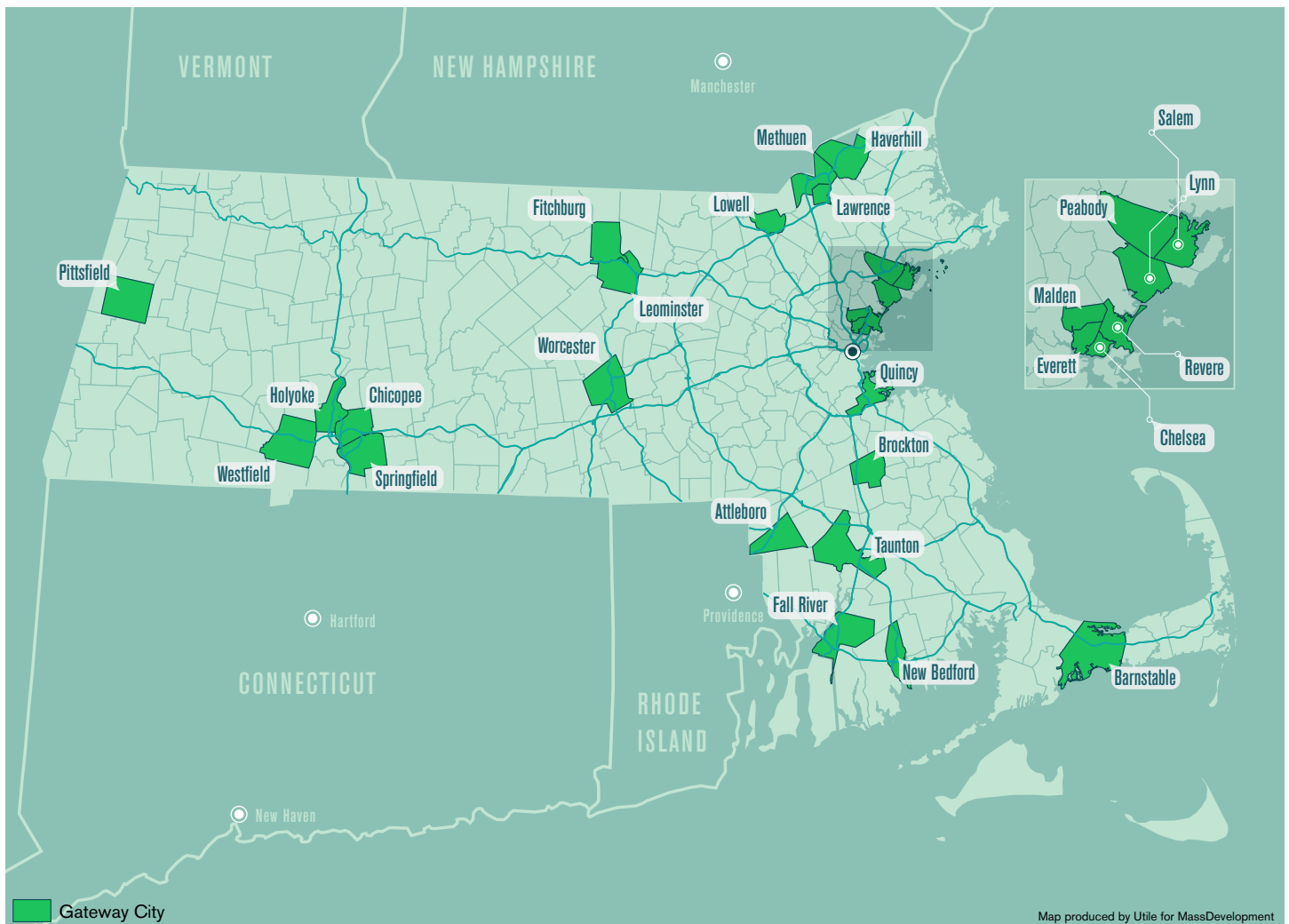
1. TDI Districts contain unique social, physical, and economic assets to leverage revitalization.
2. For more equitable economic growth and increased quality of life, TDI Districts require a diversified mix of incomes, uses, and jobs.
3. For more accurate data at the district level, additional primary source data collection is necessary. Identify unique data indicators to evaluate short-term and ongoing district activities.

PROGRAMMATIC RECOMMENDATIONS

1. **INCREASE VISIBILITY** of district assets and opportunities to encourage investment.
2. Provide technical assistance for reuse plans and **SHORT-TERM ACTIVATION STRATEGIES**.
3. Use TDI and MassDevelopment finance tools to catalyze **REUSE AND REHABILITATION**.
4. Strengthen community engagement to build **CAPACITY AND SOCIAL CAPITAL**.
5. Promote and support **LOCAL AND IMMIGRANT ENTREPRENEURSHIP**.
6. Engage public and private **ANCHOR INSTITUTIONS**.
7. **ENHANCE CONNECTIONS** between existing jobs/workers and local services and retail.
8. Support a diverse group of **COMMUNITY LEADERS**, including youth.
9. Encourage transit-oriented **INDUSTRIAL DEVELOPMENT**.

Gateway Cities

The Gateway Cities are the small and mid-size older industrial cities found throughout the Commonwealth. The state has identified 26 of these cities³ named for their past and present role as gateways for immigrants. Gateway Cities have physical infrastructure, civic institutions, and human capital that have attracted a new generation of residents who represent the young and diverse demographic future of the Commonwealth. With large segments of the low-income and working populations seeking opportunities in Gateway Cities, we must ensure that economic-development efforts reach them.



³ Attleboro, Barnstable, Brockton, Chelsea, Chicopee, Everett, Fall River, Fitchburg, Haverhill, Holyoke, Lawrence, Leominster, Lowell, Lynn, Malden, Methuen, New Bedford, Peabody, Pittsfield, Quincy, Revere, Salem, Springfield, Taunton, Westfield, Worcester.

As first identified in a 2007 report by the Massachusetts Institute for a New Commonwealth (MassINC),⁴ these regional urban centers maintain significant assets that play critical roles in regional economies including:

- Walkable and vibrant urban neighborhoods with access to public transit and affordable housing for low- and middle-income families;
- Dense downtowns with historical architecture, and a variety of regional and cultural amenities;
- Culturally diverse communities, locally-owned businesses, and immigrant entrepreneurs;
- Existing infrastructure and affordable real-estate sites with high potential for reuse;
- A ready and willing workforce; and
- Anchor institutions such as colleges, research universities, large businesses, and social-service providers.

After facing widespread disinvestment due to the decline of their manufacturing-based economies, many Gateway Cities still struggle to participate in both the knowledge economy and the overall economic growth taking place in the state. Accordingly, Gateway Cities have concentrated poverty, with many residents lacking access to basic services and jobs. Typically, these cities have a less diverse jobs base anchored by health and social services, higher vacancies, and more underused properties. Perhaps most challenging is the continued negative perception that these cities face. Fortunately, public and private organizations are increasingly aligning their resources to help these communities.

Subsequent work by the Federal Reserve Bank of Boston in its Resurgent Cities report⁵ and the Working Cities Challenge identified the need for systems-change approaches to these cities (the TDI program adopted this philosophy). The Fed's initial data dashboard offered a view of the status of the majority of Gateway Cities and an inspiration for the work in this report, which also includes metrics that show place-based real estate market conditions and district level data on which TDI focuses.

⁴ Mark Muro, John Schneider, David Warren, Eric McLean-Shinaman, Rebecca Sohmer, Benjamin Forman, Dana Ansel, and Greg Leiserson. 2007. *Reconnecting Massachusetts Gateway Cities: Lessons Learned and an Agenda for Renewal*. Boston, MA: MassINC. www.massinc.org/Research/Gateway-Cities.aspx.

⁵ Yolanda K. Kodrzycki and Ana Patricia Munoz. 2013. *Economic Distress and Resurgence in US Central Cities: Concepts, Causes, and Policy Levers*. Boston, MA: The Federal Reserve Bank of Boston. www.bostonfed.org/about/ar/ar2009/lessons-from-resurgent-cities.pdf.

TDI Program

With experience in both Gateway Cities and across the Commonwealth, MassDevelopment, the state's finance and development authority, launched TDI as an integrated place-based approach to revitalization. In 2014, the Agency designated ten TDI Districts, each with a local collaborative partnership composed of public, private, and nonprofit leaders. TDI-specific tools are limited but can help kick-start activity by focusing on key assets, leading to changes in perception that help to encourage property owners to invest in amenities, increase property use, and improve conditions. The program is built to assemble both MassDevelopment and partner agency tools, recognizing that each district is unique and that the initial TDI program funds alone cannot effect a full revitalization.

The following three core principles form the foundation of TDI:

- **Local Collaborative Partnerships** give key public, private, and nonprofit stakeholders the opportunity to build healthy economic futures for their districts, cities, and regions.
- **Community Engagement** involves developing constituencies, including local champions as well as underrepresented communities, to build collective visions for the districts.
- **Strategic Districts** provide opportunities to build on local assets and to leverage investments to drive perceptible changes and build momentum to catalyze increased follow-on investments.

TDI is organized around five distinct program offerings:

- TDI Assistance - Technical assistance programs provided by TDI-funded vendors.
- TDI Places - Community-building, locally-identified placemaking projects.
- TDI Fellows - Professional economic-development staff in selected TDI Districts.
- TDI Investments - MassDevelopment real-estate investments within TDI Districts.
- TDI Cowork - Funding for emergence and expansion of collaborative workspaces to support innovative activities and catalyze business development in Gateway Cities.

The initial needs assessment in 2014 has aided MassDevelopment and its partners in identifying and directing resources to address a community's expressed needs. Additionally, TDI District site visits and technical assistance processes, in combination with the data in this report, will help define and/or plan for new policy resources. The ten TDI Districts in Development and their core public-private partnerships are now under a three-year Memorandum of Agreement to identify the range of program tools available. All 26 cities continue to receive the breadth of MassDevelopment support and are eligible for certain program elements. To learn more, visit:

www.massdevelopment.com/what-we-offer/key-initiatives/gateway-cities/#tdi

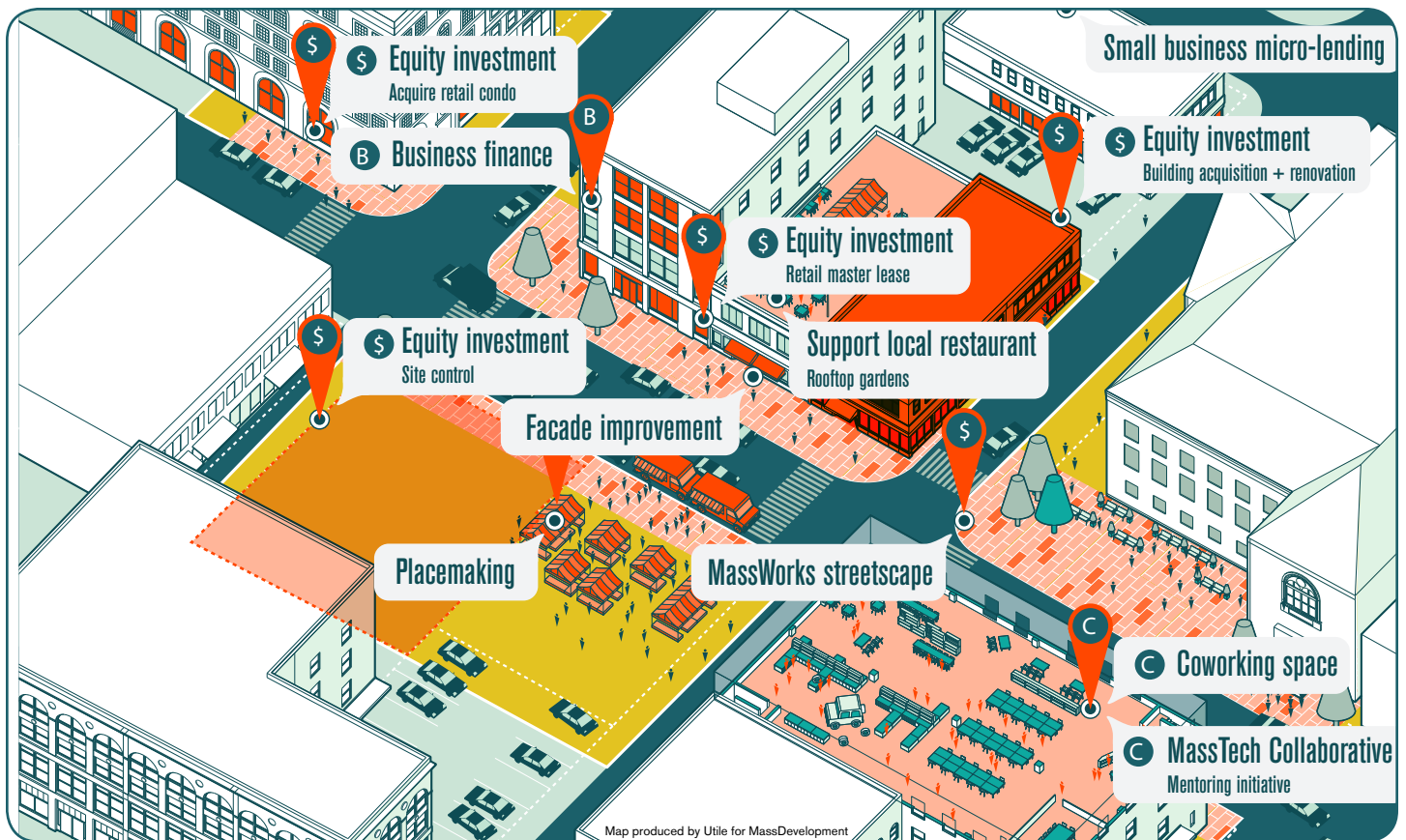


Figure 1: Illustrated approach to TDI program: concentrating many tools and efforts in smaller areas to build momentum.



Figure 2: [TDI] Districts in Development (designated December 2014).

Conclusions and Recommendations

The data in this report will advise redevelopment efforts, setting goals targeted to the needs of cities and their residents while measuring progress. Revitalization in the urban core should better connect the district to the city and region. Such a connection would have a systemic effect, and the data should reflect the lessening of the gap between the district and the city over multiple indicators. Ultimately, the city should aspire to match and/or exceed other Gateway Cities as well as the region and state.

GENERAL CONCLUSIONS

1. TDI Districts differ from their cities and are generally more distressed.

As downtowns and neighborhoods in the urban core have suffered from disinvestment, equity indicators reflect greater distress in the TDI Districts than in the Gateway Cities. Cities need economically-vibrant downtowns given the large roles they play in shaping perceptions and in serving as the economic engines of regions. TDI Districts also tend to be more diverse than larger Massachusetts cities, with greater non-white and foreign-born populations. Due to prior patterns of disinvestment, TDI Districts require proactive community engagement that develops social capital and community identity to ensure equitable growth.

2. The variation of Gateway Cities (regardless of size or geography) across a wide range of metrics highlights the need for local solutions.

Community characteristics and levels of distress among the cities vary regardless of geography and size. For example, despite their central position in the metropolitan Boston market, cities like Chelsea are struggling due to some of the same structural issues that cities in western Massachusetts face such as lack of capacity, insufficient fiscal resources, and the erosion of social capital. Overcoming these issues, starting at the neighborhood level, requires local collaborative solutions.

3. Gateway Cities have a concentration of anchor institutions, public and private, but their connectivity to TDI Districts is varied, limiting their utility as local market activators.

As providers of regional services, these cities have the bulk of major institutions in the state that are vital assets for regional economic development and are drivers of the statewide economy. Both private-sector anchors that are large employers, such as corporate headquarters, and public-sector anchors are physically located and heavily invested in Districts, giving them reason to engage in collaborative revitalization. Also, 40% of jobs in Gateway Cities with TDI Districts are in health care, social assistance, and education. These industries are particularly important to engage whether they are inside or outside the Districts, as they are major employers with potential for growth. Additionally, a concentration of jobs of a single type necessitates strategies for diversifying the jobs base to make the economy more resilient.

PROGRAMMATIC CONCLUSIONS

The following recommendations are opportunities for MassDevelopment and its partner agencies to address trends and characteristics highlighted by the data.

1. TDI Districts contain unique social, physical, and economic assets to leverage revitalization.

District Characteristics and Assets	Opportunities for Revitalization
Dense, mixed-use, walkable neighborhoods; underused or vacant buildings and storefronts	Less expensive space for small businesses and startups. Underused or vacant buildings with upper floors for rehabilitation. Potential for innovative uses in key locations to activate districts, engage stakeholders, and establish vibrant mixed-use walkable neighborhoods that are highly desirable.
Existing infrastructure	Zoning and infrastructure enable dense development. Large brownfields sites for rehabilitation and reuse with incentives. Connection to utilities of the required scale for businesses.
Historic building stock	Preservation of historic neighborhood character and history of cities as 'Gateways' to immigrants with creation of historic districts.
Less expensive residential rent and home values	Multifamily housing stock with affordable rents for low- and middle-income families underserved by current statewide market. Potential for market-rate housing and infill development with proper incentives.
Regional employers	Workers in the urban core offer a large potential market for new and existing services, and retail and cultural amenities.
Young and diverse population	Support the current and next generation of leaders in minority communities. Assist locally-owned small businesses that cater to immigrant populations.
Anchor institutions	Align local anchor institutions with resident priorities and revitalization plans to foster collaboration and continued urban investment.
Workforce	Ready and willing labor force, including underemployed individuals that can benefit from job training and educational resources. Develop partnerships with employers to connect low-income residents to opportunities.

2. TDI Districts require a mix of incomes, uses, and jobs for more equitable economic growth and increased quality of life.

ENTERPRISE & JOBS

District Characteristics	Recommendations
High office/retail vacancy; low office/retail rents; density	Support short-term activation strategies, such as tactical improvements and placemaking, to create a sense of vibrancy, and to help engage district residents, property owners, and businesses. Offer small business financing and technical assistance including market analysis.
Diverse districts with minority and foreign-born owned businesses	Promote immigrant entrepreneurship in the district and establish culturally inclusive amenities/destinations. Provide financing and technical assistance to existing immigrant-owned small businesses in and around the district.
Moderate jobs base in information, professional services, and finance in TDI Districts	Engage private anchor institutions in the traditional professional services and finance sector often located in downtown. Increase supply of desirable office space required for a diversified urban economy.
Lack of retail, service, and entertainment jobs base in TDI Districts compared to city	Increase connections between existing jobs/workers and local services and retail. Connect citywide retail jobs base with district through business expansion and relocation assistance. Establish cultural amenities and events with a regional draw.
High concentration public services jobs base in TDI Districts	Engage with (local, state, and federal) public-sector anchors.
Healthcare, social service, and education jobs base less concentrated in TDI District than citywide	Large hospitals and higher-education campuses tend to be isolated and lack a strong downtown presence, but often exist in the periphery; efforts should be made to engage them in district activities and expand into the downtown. Where possible engage strong local educational anchors.
Manufacturing, construction, and related industries jobs base less concentrated in TDI District than citywide	Quality manufacturing jobs can pay well and often do not require an advanced degree (in cities like Everett, Haverhill, and Malden). Opportunities exist for mixed-use, transit-oriented industrial development, next-generation manufacturing, light industrial, and green-/clean-tech companies in Gateway City urban cores.

Districts should diversify their jobs bases by pursuing job-growth opportunities in specific sectors and attracting employers that pay wages that allow workers to participate fully in their regional economies. Additionally, strategies for supporting innovative business models with shared equity such as worker cooperatives, community-owned businesses, business incubators, coworking spaces, community land trusts, or employee stock ownership plans should be considered.

MARKET CONDITIONS

District Characteristics	Recommendations
High office/retail vacancy; low office/retail rents; density	Provide technical assistance for reuse plans and short-term activation strategies to create a sense of vibrancy, and to help engage district residents, property owners, and businesses. Establish site control over underutilized properties.
High office/retail vacancy; low office/retail rents; density	Invest (along with other loan products such as code upgrades) in key commercial and industrial spaces to increase employment and reduce capital investment risks for employers enhancing vibrancy and use.
Concentration of affordable housing, retail vacancy	Increase residential density through market-rate rehabilitation projects and infill development to create mixed-use neighborhoods; demand for amenities will follow.
Low residential rent and home values	Increase district capacity to provide homeownership programs, financial coaching, and access to capital. Support development of CDCs or other capacity-building organizations. Consider new forms of tenure such as cooperatives or community land trusts.

Housing data, while generally reflective of current market conditions, show mid- to long-term need for market-rate housing given the research confirming the vital role these types of development play in revitalizing downtowns.

IDENTITY & SOCIAL CAPITAL

District Characteristics	Recommendations
Younger, more diverse population in TDI Districts (urban core) than citywide population	<p>Make deliberate community engagement efforts to reach out to minority, non-English speaking, youth, and other underrepresented populations to reinforce a strong district identity and develop social capital.</p> <p>Provide opportunities for active engagement in technical assistance including translation, convenient meeting times for working parents, and activities for families. Ensure culturally sensitive placemaking and programming. Engage surrounding neighborhoods and change perception of urban core within the city and region.</p>

EQUITY

District Characteristics	Recommendations
Low labor force participation and high unemployment rate	Connect low-income populations to employment opportunities, job training, and educational opportunities. Create partnerships between educational institutions and employers. Encourage local hiring and procurement by anchor institutions.
High poverty, low median income, housing cost burden	Establish a mix of incomes, uses, and jobs in the long run to reduce extremes in inequality; enhance access to services and jobs; and increase quality of life.
Low educational attainment	Engage primary schools and higher education institutions around TDI District in revitalization. Establish partnerships with educational institutions and local employers.
Regional employers (commute times)	Engage workers in district activities by providing placemaking and programming to encourage them to stay in city after work. Support local employment by public and private anchors.
Public safety (violent crime)	Downtown TDI Districts generally experience less crime than denser residential neighborhoods elsewhere. Therefore, often the perception of crime needs to be challenged. Community policing can also improve public safety.

3. For more accurate data at the district level, additional primary source data collection is necessary. Identify unique data indicators to evaluate short-term and ongoing district activities.

The following is an initial scope of short- to medium-term indicators that may be tracked to both define district characteristics more effectively as well as show progress over time. This initial list will be further refined for a pilot exercise of tracking districts in the second year of the program.

Indicator Category	Recommendations
Identity and Social Capital	Conduct surveys examining community organizations and other social support institutions, their relationships, programming, and capacity. Track partnership and TDI activities.
Equity	Take resident surveys, and collect municipal data regarding access to opportunity, education/job training, public safety, and other quality-of-life indicators.
Enterprise	Manually collect local jobs/business data including business and worker surveys. Conduct market analysis to increase business formation and the availability of jobs. Analyze regional commuter data.
Market Conditions	Undertake detailed real estate market analysis through sales data and as part of technical assistance. Manually assess commercial and retail vacancy rates. Track investments in district.

POTENTIAL DISTRICT LEVEL INDICATORS

Social Identity	Equity	Enterprise	Market Conditions	Other
Community connecting institutions	Commuting and transportation availability	Asset mapping: amenities, businesses, investments	Permits pulled	Pedestrian/bike counts, bike lanes
Assess worker and residential quality-of-life perceptions	Affordable housing units/ market-rate housing units	Sales and product diversity	Dollars spent locally and regionally	Capital improvements in district
Engagement in political/ social activities	Educational opportunities (programs)	Workers/job types/ regional workforce	Diversity of housing/ commercial stock	
Events/placemaking	Food access/food retail	Parking receipts	Physical density	
Leadership/relationships	Social services/ (programs)	Commercial/retail jobs distribution	New project leads	
Local community banks		Restaurant occupancy rates	Median prices of leases and sales	
		Capital investments in business	Properties exempt from taxation	
		Residential/commercial mix	Total valuation	
		Employees part time/full time	Upper floor vacancy/ hours of operation	
		Access to capital		

Gateway Cities Data Summary

This section examines all 26 Gateway Cities collectively, and demonstrates the common opportunities and common needs through particular metrics that may be useful in informing policies targeting these cities. It compares the 10 cities containing TDI Districts as a group with all 26 Gateway Cities as a group and Massachusetts. Conditions vary greatly by region, city, and neighborhood, a factor that subsequent sections of this report will explore.

Most conversations regarding the Gateway Cities focus on the fact that they face significant demographic and economic challenges. This section explores a host of other demographic and socioeconomic indicators that demonstrate that Gateway Cities are significantly different from the Commonwealth as a whole. Due to their legacy as manufacturing hubs, they have many assets including dense historic neighborhoods and downtowns, civic institutions, multimodal transportation networks, and artistic and cultural resources. These assets have attracted a new generation of residents seeking opportunities and serve as the basis for revitalization. The high levels of distress often found in these communities affect large concentrations of young people, minorities, and immigrants, all of whom represent the future of the economic and social fabric of the Commonwealth and need to have more economic options. This section highlights the potential for Gateway Cities policies to address the critical intersection of economy, equity, and environment to contribute to sustainable growth.

Gateway Cities: Opportunities

22%
of the state's jobs

(27% of the manufacturing jobs and 32% of the health and social services jobs)

27% of the Commonwealth's population;
1.8 Million residents (13% in TDI cities)

57% } of the state's Hispanic residents in the state (31% in TDI cities)

27%
of the state's housing units

37% } of the foreign-born residents in the state (16% in TDI cities)

43%
of the state's non-white residents in the state (23% in TDI cities)

36%
of the state's multi-family housing stock and 36% of the non-owner occupied units

Gateway Cities: Needs

40%
of the state's renter housing burdened residents⁸

37% } of Gateway City residents live below twice poverty rate⁶

44%
of the Commonwealth's population living in poverty in the state

32%
of the state's unemployed population (12% in TDI cities)

47%
of the state's population with less than a high school education

51% } of the state's linguistically isolated residents (20% in TDI cities)⁷

34% of the state's Subsidized Housing Inventory Units (18% in TDI cities)

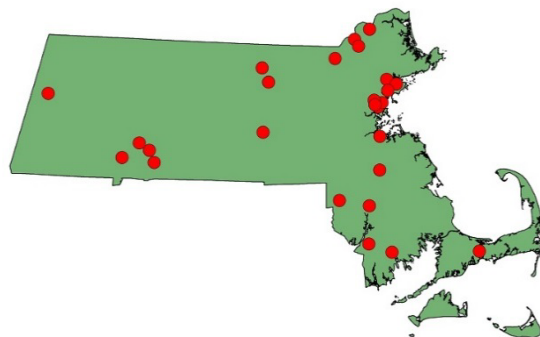
⁶The official poverty rate is widely accepted as being inadequate in capturing those whose earnings make meeting ends difficult. To account for this shortcoming, many cite the "twice poverty" rate, which is double the threshold (\$44,628 in 2010 for a family of four) and provides a more accurate measurement of material deprivation. See more at: <http://stateofworkingamerica.org/fact-sheets/poverty/#sthash.yYDfNDMB.dpuf>.

⁷Linguistically Isolated - No one age 14 and over speaks English only or speaks English "very well."

⁸ Housing Burden is defined as spending 30% or more of income on housing.

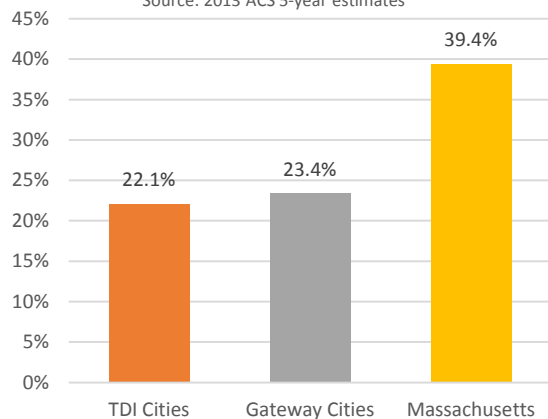
GATEWAY CITIES CRITERIA

- The Gateway Cities have between 35,000 and 250,000 residents with median household incomes and the percent of the population with a college degree lower than the state average.
- 1.8 million people live in the Gateway Cities (27% of the Massachusetts population).
- Close to one million people live in the TDI Cities.
- Nearly 35,000 people live in the TDI Districts.



Percent 25 and Older with at Least a Bachelor's Degree

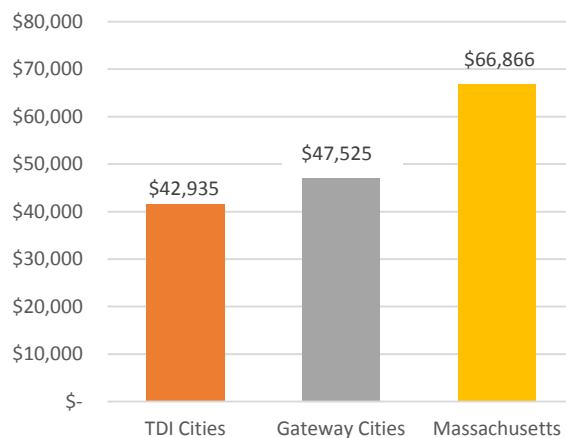
Source: 2013 ACS 5-year estimates



The percentage of Gateway City and TDI City residents with at least a four-year degree is significantly lower than that of Massachusetts as a whole.

Median Household Income

Source: 2013 ACS 5-year estimates

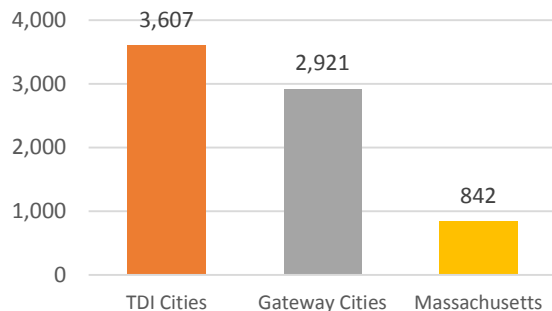


The median household income for all Gateway Cities is roughly \$19,000 less than the state overall. For all TDI Cities, the gap is nearly \$24,000.

GATEWAY CITIES OPPORTUNITY INDICATORS

Population Density (People per Square Mile)

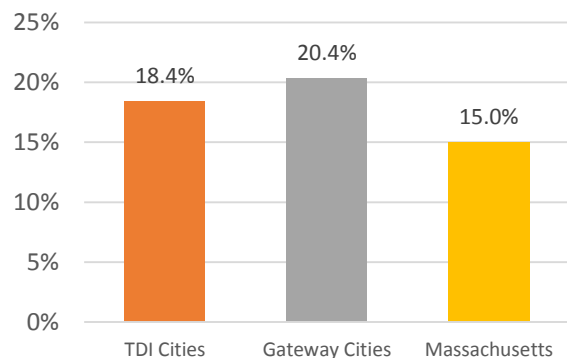
Source: 2013 ACS 5-year estimates



Gateway Cities offer dense and walkable neighborhoods.

Percent Foreign-Born

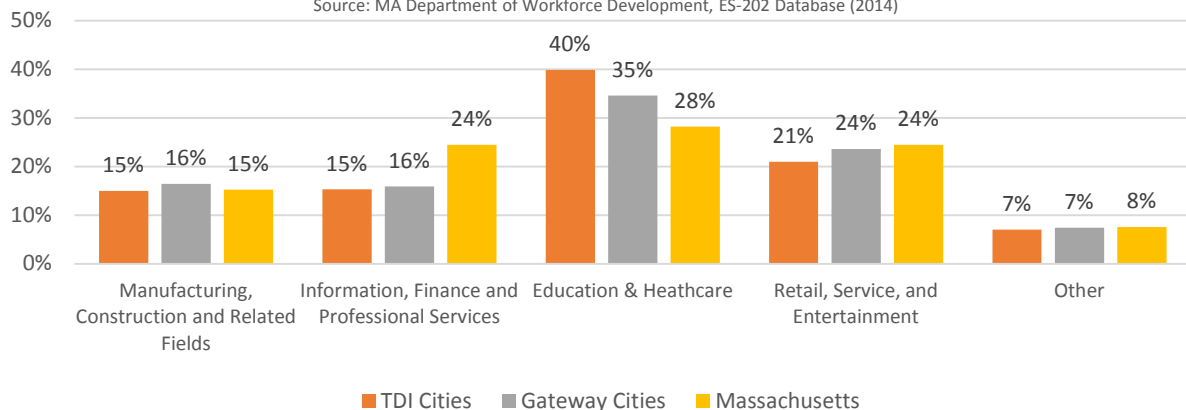
Source: 2013 ACS 5-year estimates



Nearly 37% of the state's foreign-born population lives in a Gateway City.

Percent of Total Employment by Industry

Source: MA Department of Workforce Development, ES-202 Database (2014)



A significant concentration of employment in Gateway and TDI Cities is in Education & Healthcare, representing key anchor institutions that can drive economic development. But, Information, Finance, and Professional Services jobs are underrepresented in Gateway and TDI Cities when compared to the state.

Retail Rents (Asking Rent per SF)

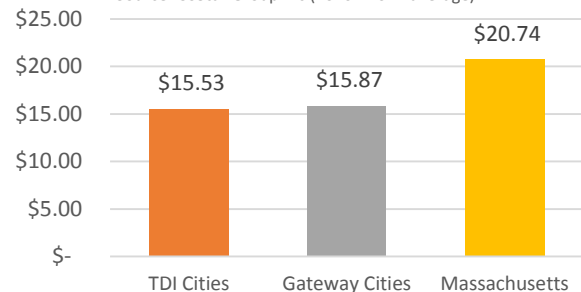
Source: CoStar Group Inc (2010 - 2014 average)



Lower retail rents provide an opportunity for local entrepreneurs and culturally diverse small businesses.

Office Rents (Asking Rent per SF)

Source: CoStar Group Inc (2010 - 2014 average)

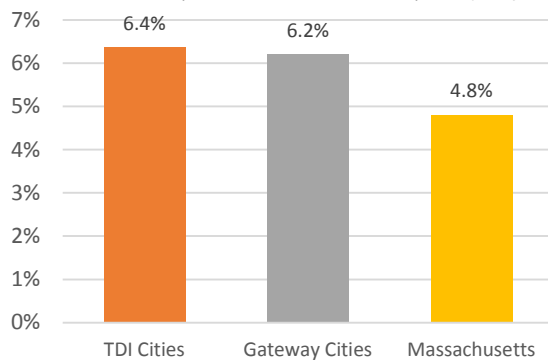


Gateway Cities offer a lower-cost alternative to the Boston Metro market, an especially significant factor for start-ups and growing businesses.

GATEWAY CITIES NEED INDICATORS

Unemployment Rate

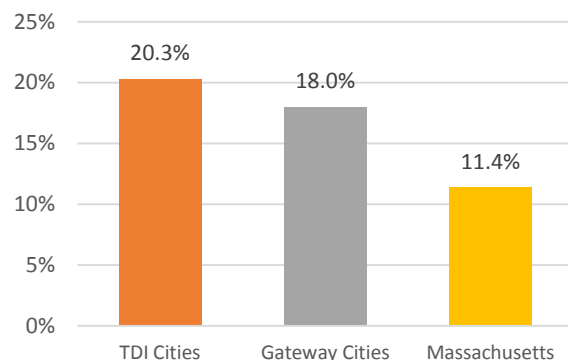
Source: MA Department of Workforce Development (2014)



Unemployment in the Gateway and TDI Cities is similar, about 1.5% percentage points higher than the state.

Poverty Rates

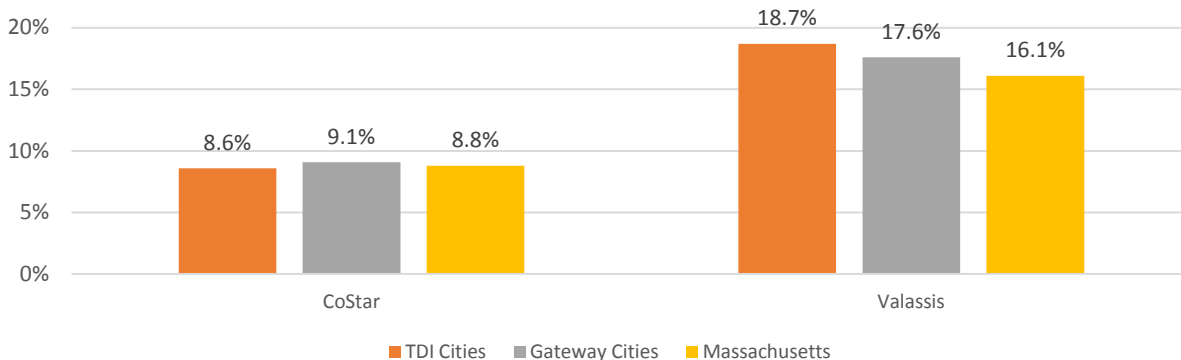
Source: 2013 ACS 5-year estimates



44% of the state's population in poverty lives in a Gateway City.

Commercial Vacancy Rates

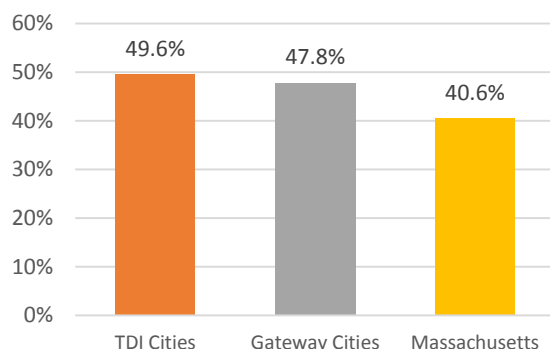
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



CoStar measures available properties on the market and shows that TDI and Gateway Cities have vacancy rates similar to the state's. Valassis measures unoccupied buildings and shows more properties unused in the TDI and Gateway Cities than the state overall.

Percent with Housing Burden

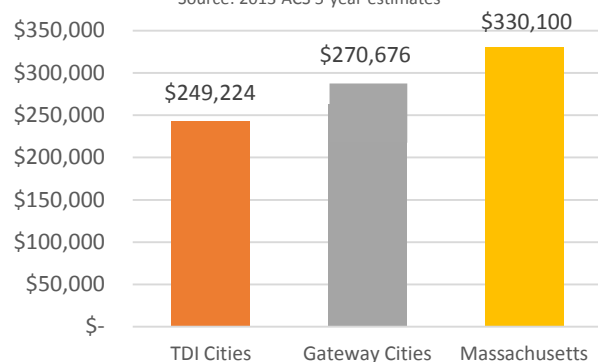
Source: 2013 ACS 5-year estimates



Nearly half of households in Gateway and TDI Cities spend at least 30% of their income on housing.

Median Home Value

Source: 2013 ACS 5-year estimates

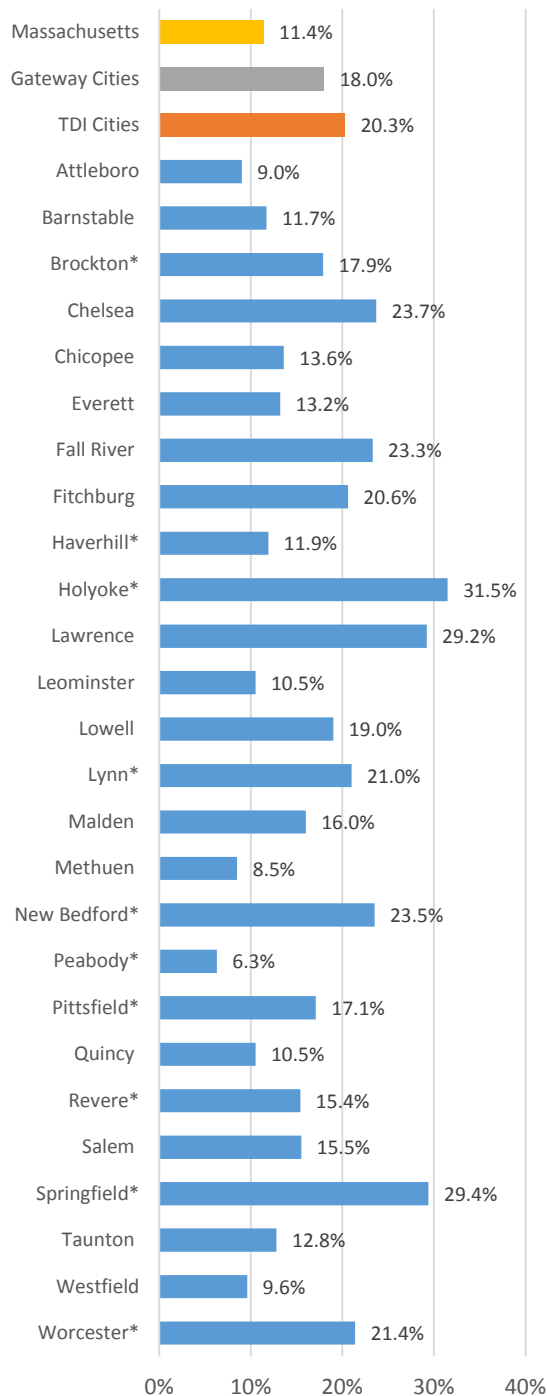


There is less expensive housing in Gateway Cities including multifamily and workforce housing.

ALL GATEWAY CITIES

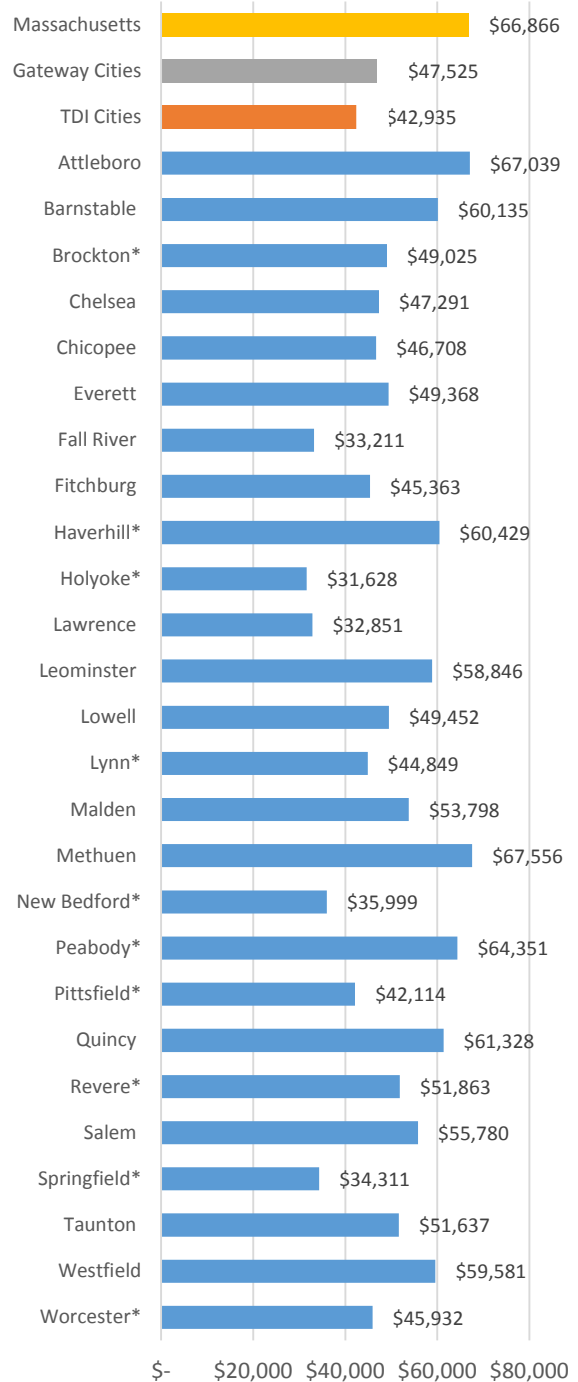
Poverty Rate

Source: 2013 ACS 5-year estimates



Median Household Income

Source: 2013 ACS 5-year estimates



There is large variation in poverty rates among the Gateway Cities with some such as Attleboro, Methuen, and Peabody actually falling below the state average. In contrast, for Holyoke, Lawrence, and Springfield, nearly one-third of their populations are in poverty.

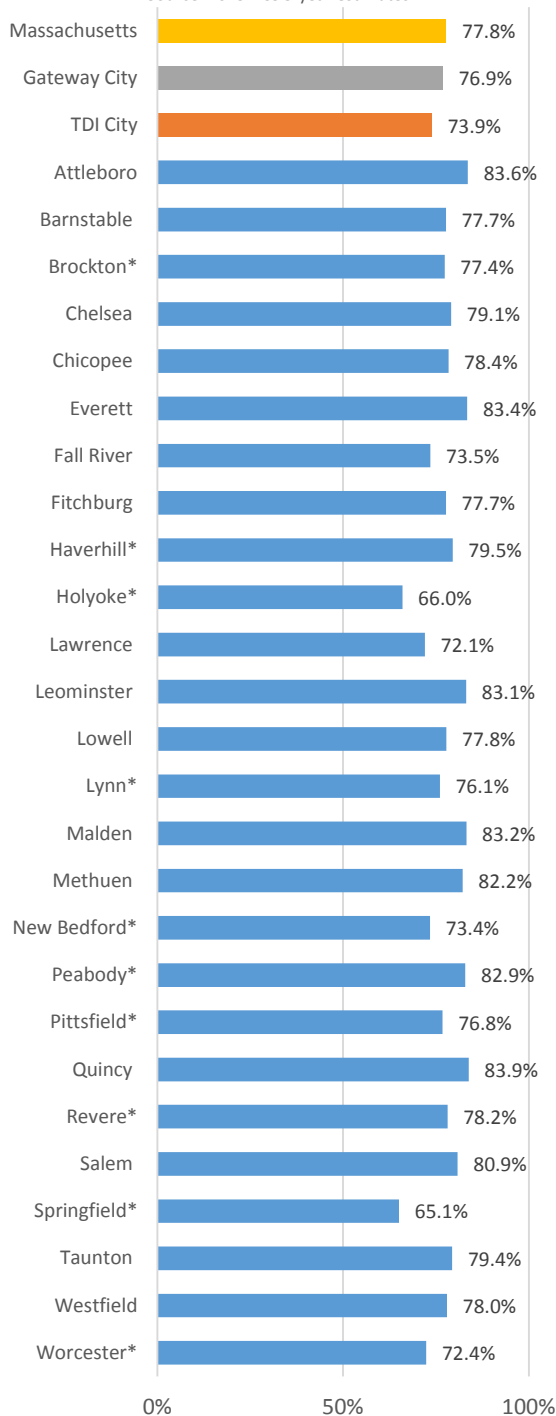
There is wide variability in median household income among Gateway Cities. Some such as Fall River, Holyoke, and Lawrence have median incomes that are only half of the state median.

*=TDI District City

ALL GATEWAY CITIES

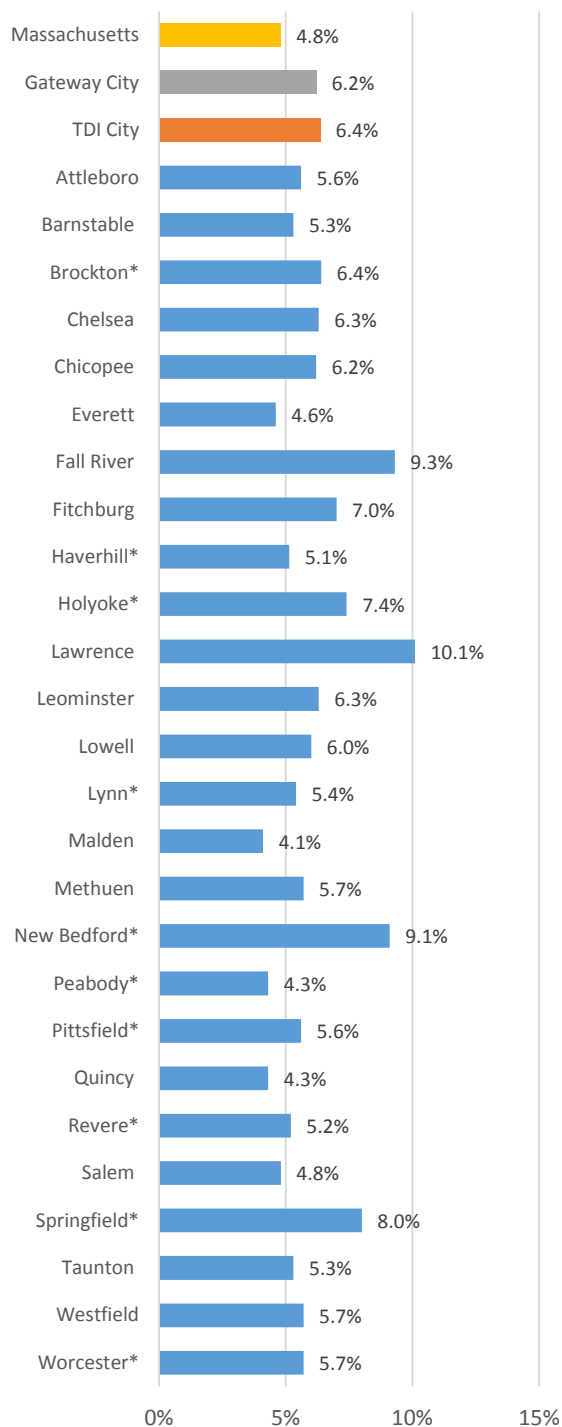
Labor Force Participation Rate (16 to 64)

Source: 2013 ACS 5-year estimates



Unemployment Rate

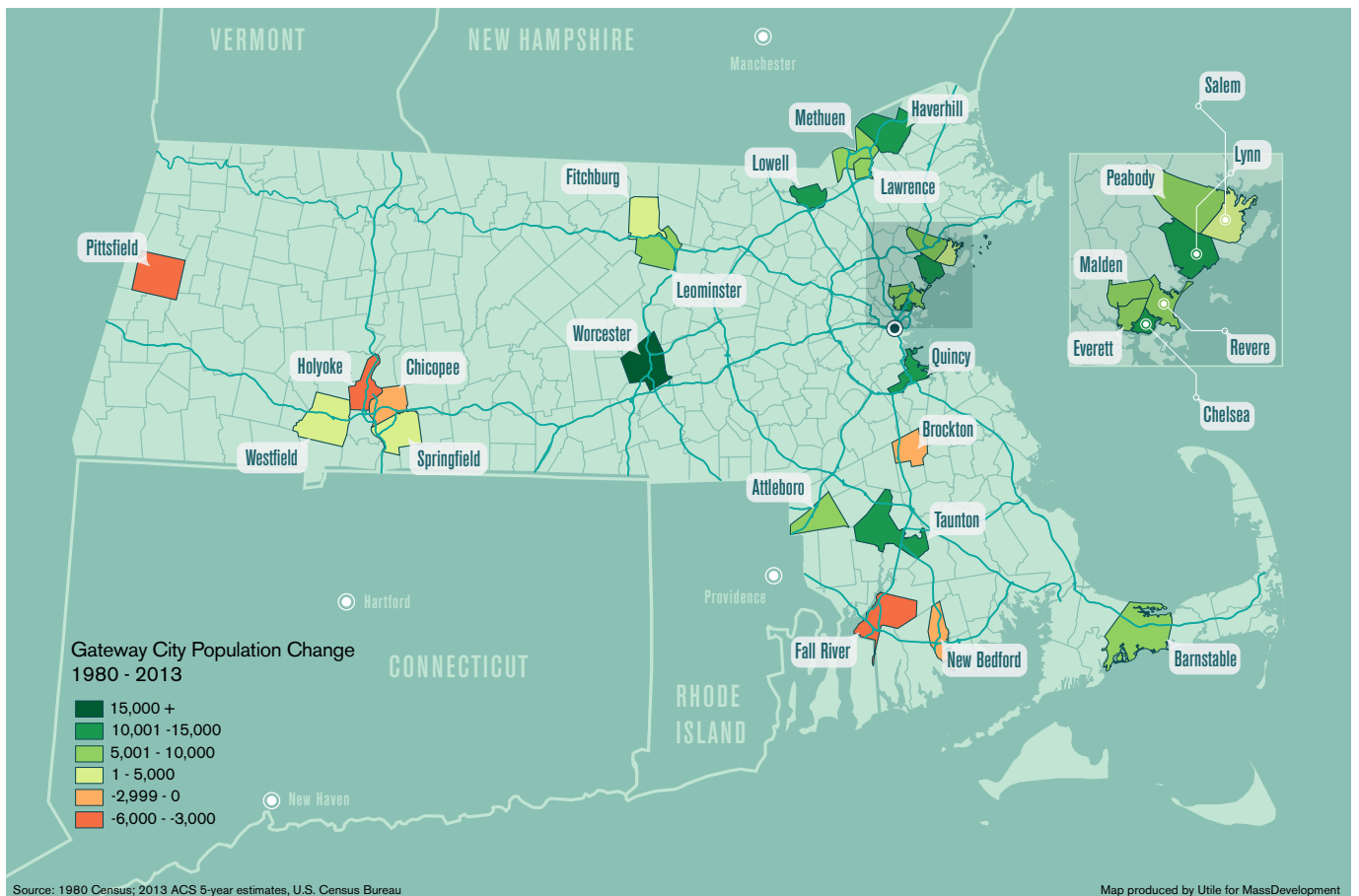
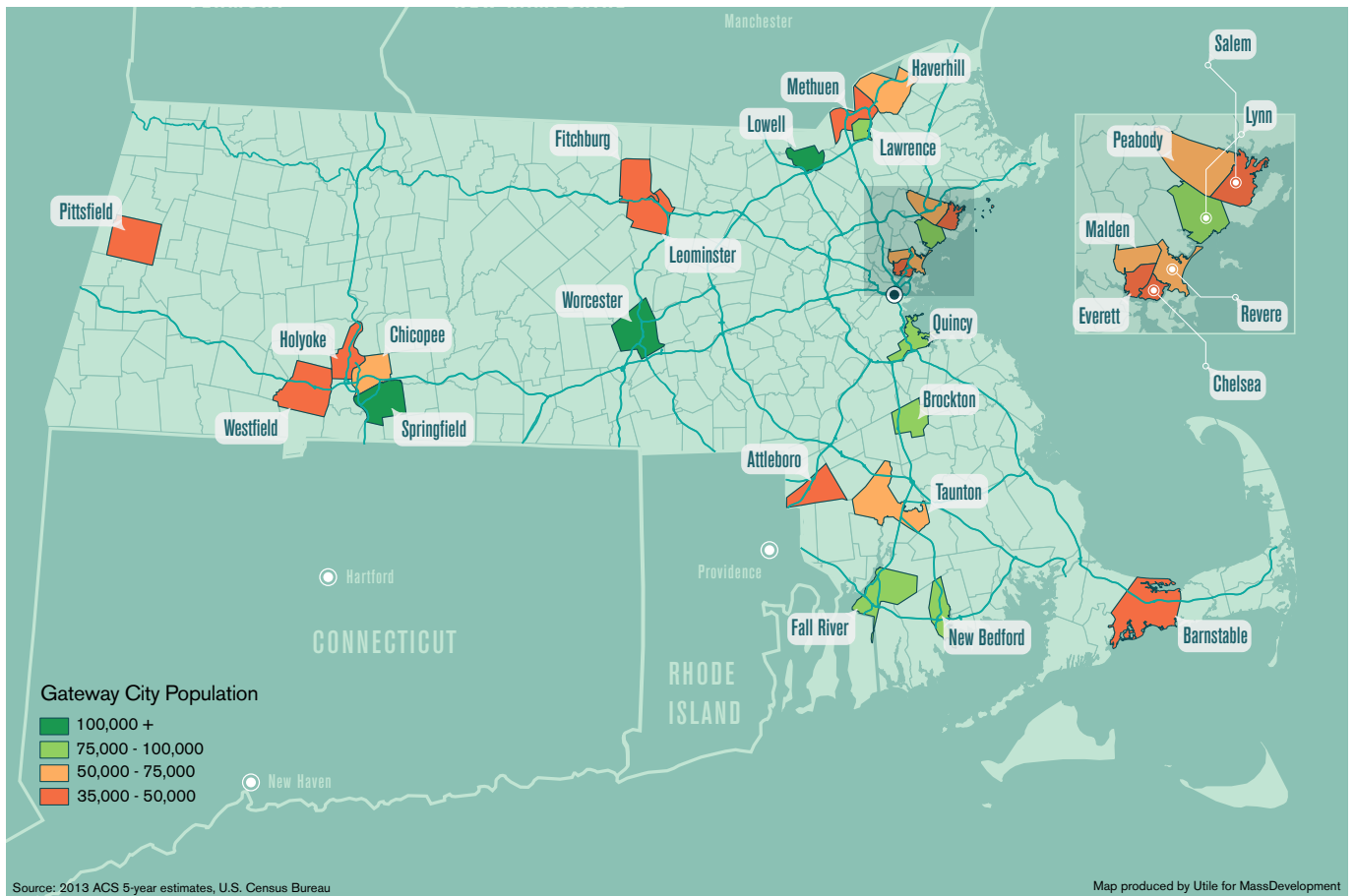
MA Workforce Development (2014)



For most Gateway Cities, labor force participation is similar to the state overall. But some cities, notably Holyoke and Springfield, are well below the state average.

The unemployment rates of Gateway Cities are normally above the state average with some such as Fall River, Lawrence, New Bedford, and Springfield being far higher. Cities like Springfield and Holyoke both have low labor force participation (which includes unemployed workers) and high unemployment.

*=TDI District City



Gateway Cities Typologies

The following section presents typologies for characterizing Gateway Cities across four broad categories: Identity and Social Capital; Equity; Enterprise and Jobs; and Market Conditions. A city's classification in each typology is relative to the group of all Gateway Cities. A great deal of variability among Gateway Cities across a number of demographic, socioeconomic, and market indicators makes detailed analysis all the more necessary to have a nuanced understanding of the specific conditions in these communities.

IDENTITY AND SOCIAL CAPITAL

Basic demographic indicators include:

- Population density
- Median age
- Percent non-white
- Percent foreign-born
- Percent linguistically-isolated (no one over the age of 14 in the household speaks English at least “well”)

Gateway Cities were grouped across three main Identity and Social Capital categories: Newcomer Centers, 2nd Tier Newcomer Centers, and Less Diverse, Aging Communities. Cities were primarily categorized in terms of Identity and Social Capital based on their concentrations of non-white and foreign-born residents, and linguistically-isolated households.

Newcomer Centers	2nd Tier Newcomer Centers	Less Diverse, Aging Communities
Dense population	Dense population	Less dense population
Young	Slightly older than Newcomer Centers	Older
Large non-white population	Large non-white population	Higher concentration of white residents
Large foreign-born population	Large foreign-born population	Smaller foreign-born population
Large linguistically-isolated population	Large linguistically-isolated population	Smaller linguistically-isolated population

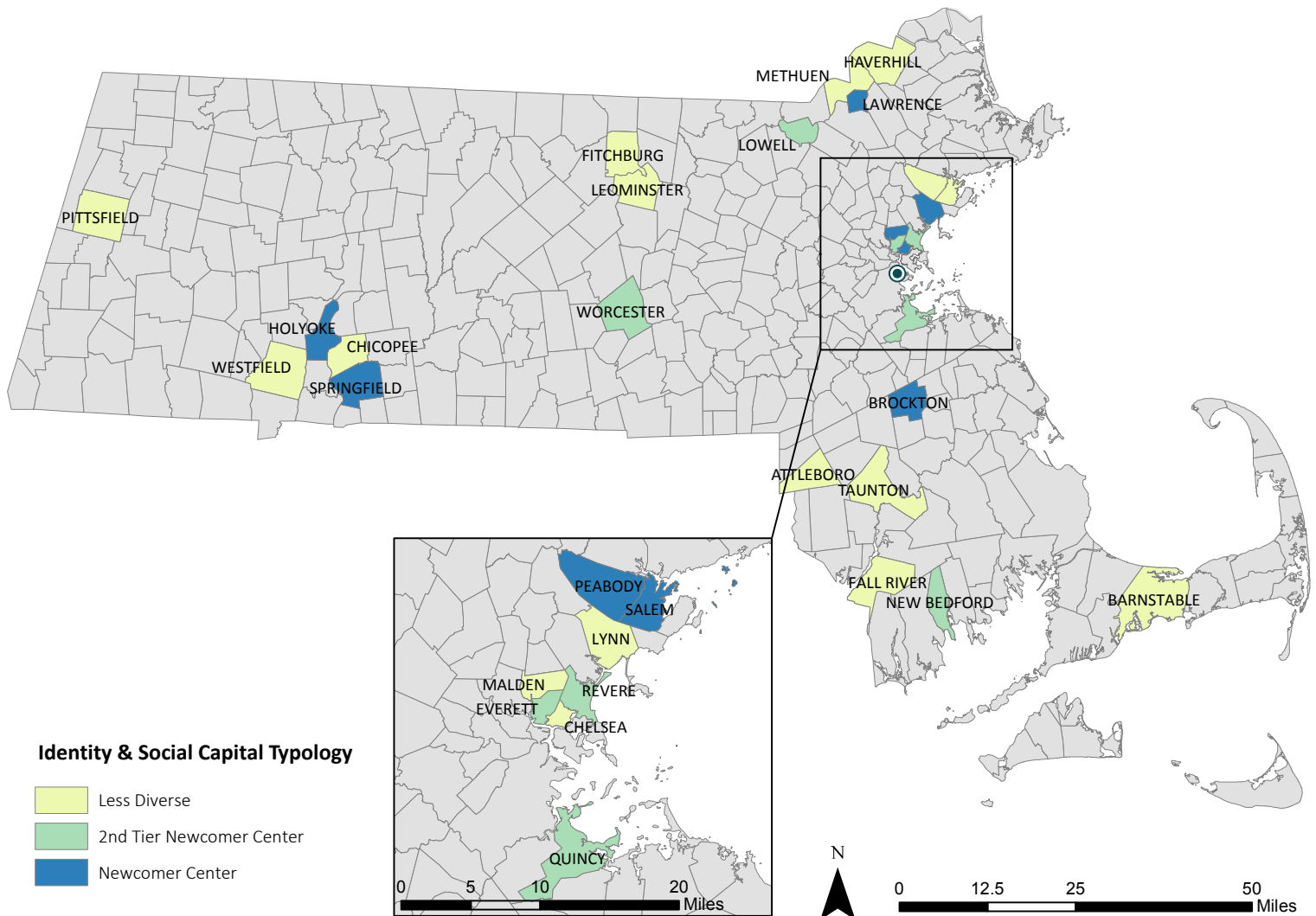
The average⁹ percentage of non-white residents for Newcomer Center is 62% compared to 39% for 2nd Tier Newcomer Centers and 19% for Less Diverse, Aging Communities. The average percentage of foreign-born residents for Newcomer Centers and 2nd Tier Newcomer Centers is 28% compared to 12% for Less Diverse, Aging Communities. The average percentage of linguistically-isolated households for Newcomer Centers is 18% compared to 13% for 2nd Tier Newcomer Centers and 5% for Less Diverse, Aging Communities. The average median age for Less Diverse, Aging Communities was 40, compared to 34 for Newcomer Centers and 36 for 2nd Tier Newcomer Centers.

⁹ In these instances, “average” refers to the arithmetic average of the cities classified in each category. In other places in the report, in particular references to the average for Gateway Cities, we are actually taking the weighted average of Gateway Cities as a group.

Newcomer Centers	2nd Tier Newcomer Centers	Less Diverse, Aging Communities
Brockton	Everett	Attleboro
Chelsea	Lowell	Barnstable
Holyoke	New Bedford	Chicopee
Lawrence	Quincy	Fitchburg
Lynn	Revere	Haverhill
Malden	Worcester	Leominster
Springfield		Methuen
		Peabody
		Pittsfield
		Salem
		Taunton
		Westfield

While Newcomer Cities, both Springfield and Holyoke have low percentages of foreign-born residents. The large proportion of non-white and linguistically-isolated households in these cities is directly related to the resident Puerto Rican population.

IDENTITY AND SOCIAL CAPITAL



EQUITY

Basic socioeconomic indicators include:

- Unemployment rate
- Poverty rate
- Educational attainment
- Median household income
- Violent crime rate
- Labor force participation rate
- Housing burden
- Homeownership rate

We grouped Gateway Cities across four main Equity categories: Higher Income, Medium Higher Income, Medium Lower Income, and Lower Income. Cities were categorized across the Higher Income, Medium Higher Income, Medium Lower Income, and Lower Income continuum based generally on indicators related to unemployment, poverty status, income, and labor-market participation.

Higher Income	Medium Higher Income	Medium Lower Income	Lower Income
Low unemployment	Lower unemployment	Higher rates of unemployment	High unemployment
High homeownership rates	More high school graduates	Lower median income	Low homeownership
More college graduates	Higher median income	Higher rates of poverty	Low rates of high school and college graduates
Low rates of housing burden	Lower poverty rates	Lower labor-participation rates	High rates of housing burden
High median income			Low median income
Low poverty rates			High poverty rates
High labor-participation rates			Low labor-participation rates
Lower violent-crime rates			High violent-crime rates

The average median household income for Higher Income communities is just under \$63,000, compared to approximately \$54,000 for Medium Higher Income communities, \$48,000 for Medium Lower Income communities, and \$38,000 for Lower Income communities.

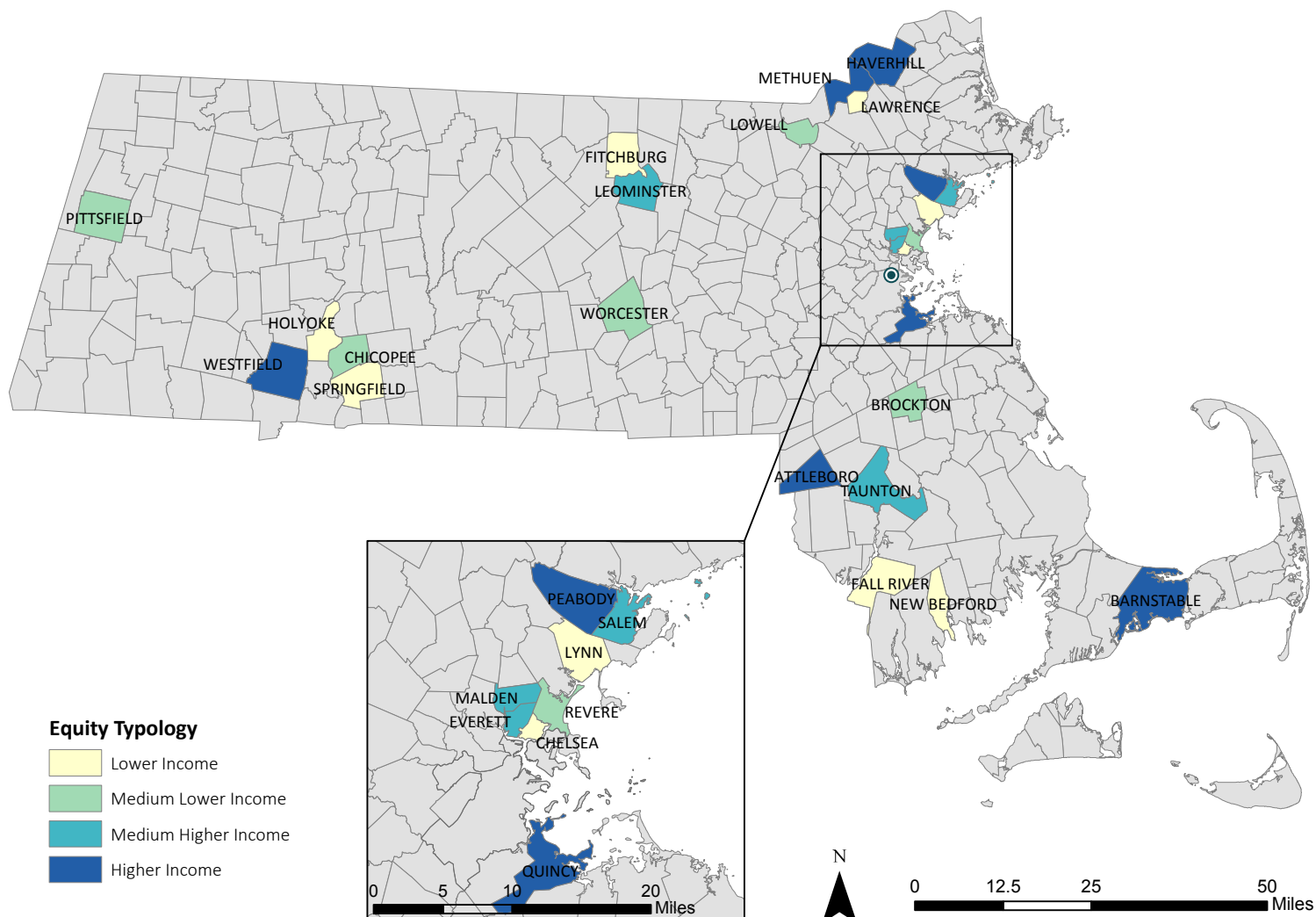
The average percentage of college degree holders in Higher Income cities is 32%, compared to 26% for Medium Higher Income communities, 22% for Medium Lower Income communities, and 16% for Lower Income communities.

The average percentage of people in poverty in Higher Income cities is 9.6%, compared to 13.6% for Medium Higher Income communities, 17.4% for Medium Lower Income communities, and 25.3% for Lower Income communities.

Higher Income	Medium Higher Income	Medium Lower Income	Lower Income
Attleboro	Everett	Brockton	Chelsea
Barnstable	Leominster	Chicopee	Fall River
Haverhill	Malden	Lowell	Fitchburg
Methuen	Salem	Pittsfield	Holyoke
Peabody	Taunton	Revere	Lawrence
Quincy		Worcester	Lynn
Westfield			New Bedford
			Springfield

Quincy is grouped with the Higher Income communities; home ownership is, however, much lower in Quincy (48%) than the group average (65%), likely due to the city's proximity to Boston and its high median home values (\$341,600). In the Medium Higher Income group, Everett features relatively low educational attainment (16% of the population with a college degree) and median household incomes (approximately \$49,000), but boasts some of the lowest unemployment (4.6%), poverty (3.2%), and crime rates (400/100,000) among all Gateway Cities. These figures are partly explainable by the high concentration of manufacturing jobs in Everett (see Enterprise category on the next page). The conditions of the Lower Income cities often strikingly differ from the state overall. For example, the median incomes for Fall River, Holyoke, and Lawrence are less than half the state level of approximately \$67,000.

EQUITY



ENTERPRISE AND JOBS

There are four main Enterprise and Jobs groups focused on the industrial makeup of each city:

- Manufacturing, Construction, and Related Industries
- Health Care and Social Assistance
- Retail, Service, and Entertainment
- Finance and Professional Services

Gateway Cities tend to feature a significant concentration of Health Care and Social Assistance jobs and a low concentration of Professional, Scientific, and Technical Services jobs. The degree of concentration in these and other industries often varies considerably. Gateway Cities were assigned into one of four groups based on their industrial makeup: Manufacturing, Construction, and Related Industries; Health Care and Social Assistance; Retail, Service, and Entertainment; and Information, Finance, and Professional Services.^{10,11} Cities assigned to the Manufacturing, Construction, and Related Industries group may not have a majority of jobs in that group but had lower concentrations in Health Care, Social Services, and Education and about one-quarter of all jobs in Manufacturing, Construction, and Related Industries. All cities classified in the Manufacturing, Construction, and Related Industries category demonstrated at least some significant concentration of employment in other industrial sectors as well. Retail, Services, and Entertainment include cities with approximately one-third of all employment in these industries in some cases due to the presence of a mall.

Manufacturing, Construction, and Related Industries	Health Care and Social Assistance	Retail, Service, and Entertainment	Information, Finance, and Professional Services
Attleboro	Brockton	Barnstable	Quincy
Chicopee	Fall River	Chelsea	
Everett	Holyoke	Leominster	
Fitchburg	Lowell	Methuen	
Haverhill	Pittsfield	Peabody	
Lawrence	Salem	Revere	
Lynn	Springfield	Taunton	
Malden	Worcester		
New Bedford			
Westfield			

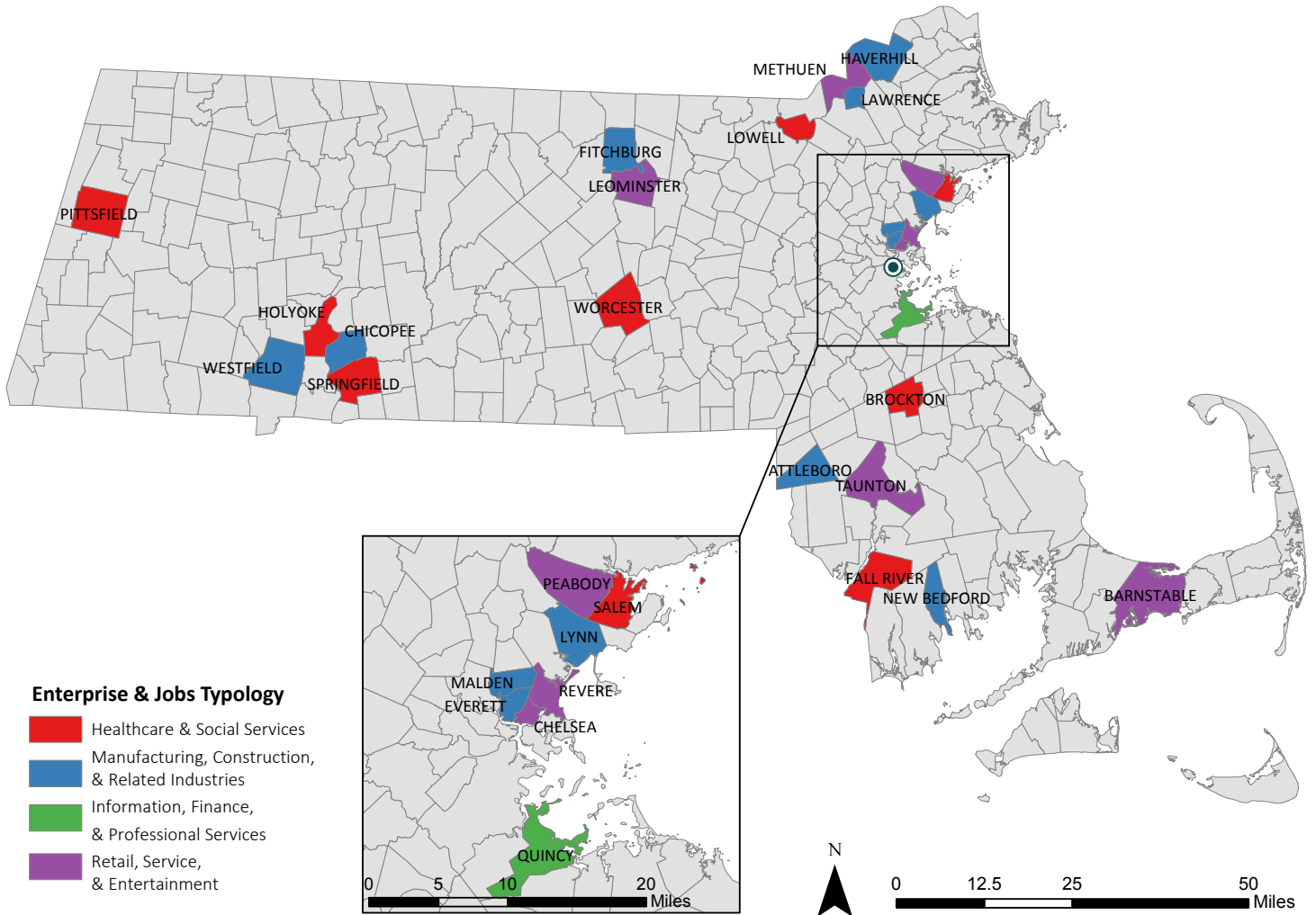
Quincy is the only city with a significant concentration in Finance and Professional Service (40% of employment in Information, Finance, and Professional Services). While some Gateway Cities have significant educational employment, notably Worcester (16.2%), Fitchburg (16.1%), Salem (14.3%), and Lowell (14.3%), Educational Services never represented the bulk of jobs in any of the Gateway Cities and did not warrant its own category.

- In the Health Care and Social Assistance category, the sector accounts for 42% of jobs in the city on average.
- In Worcester, Health Care and Social Assistance accounts for almost one-half of the jobs in the city (48%). This figure represents the highest concentration of jobs in a single industry for all Gateway Cities.
- Information, Finance, and Professional Services is normally the most underrepresented industry, with only 16% of all jobs in Gateway being in one of these industries, although it tends to be higher in TDI Districts (see section 2).
- Malden is unique in that 15% of all employment is also in the “Other” sector, which primarily includes Public Administration jobs.

¹⁰ Industry breakdown by 2-digit NAICS Code: Manufacturing, Construction and Related Industries - 11 (Agriculture, Forestry, Fishing & Hunting), 21 (Mining), 22 (Utilities), 23 (Construction), 31-33 (Manufacturing), 48-49 (Transportation and Warehousing); Information, Finance and Professional Services - 51 (Information), 52 (Finance and Insurance), 53 (Real Estate and Rental and Leasing), 54 (Professional and Technical Services), 55 (Management of Companies and Enterprises), 56 (Administrative and Waste Services); Health Care and Social Assistance - 62 (Health Care and Social Assistance); Retail, Service and Entertainment - 42 (Wholesale Trade), 44-45 (Retail Trade), 71 (Arts, Entertainment, and Recreation), 72 (Accommodation and Food Services); Educational Services - 61; and Other - 92 (Public Administration), 81 (Other Services).

¹¹ Note that for some of the smaller Gateway Cities, the industrial composition does not add up to 100% due to the suppression of employment data for certain industries.

ENTERPRISE & JOBS



MARKET CONDITIONS

Indicators describing the costs and vacancy rates for different property types include:

- Median home value
- Median residential contract rent
- Residential vacancy rate
- Commercial vacancy rate
- Percent of subsidized housing units
- Office and residential asking rents (per square foot)

Gateway Cities were grouped across three main Enterprise and Jobs categories: Soft Real Estate Market, Moderate Real Estate Market, and Tight Real Estate Market.

The soft market cities are characterized by low median home values and residential rents, as well as elevated commercial and residential vacancy rates. In addition, asking rents for retail properties tended to be low. Soft market cities also tend to have high concentrations of subsidized housing. The moderate real estate market cities are similar to the previous group, but median home values and residential rents are slightly higher.

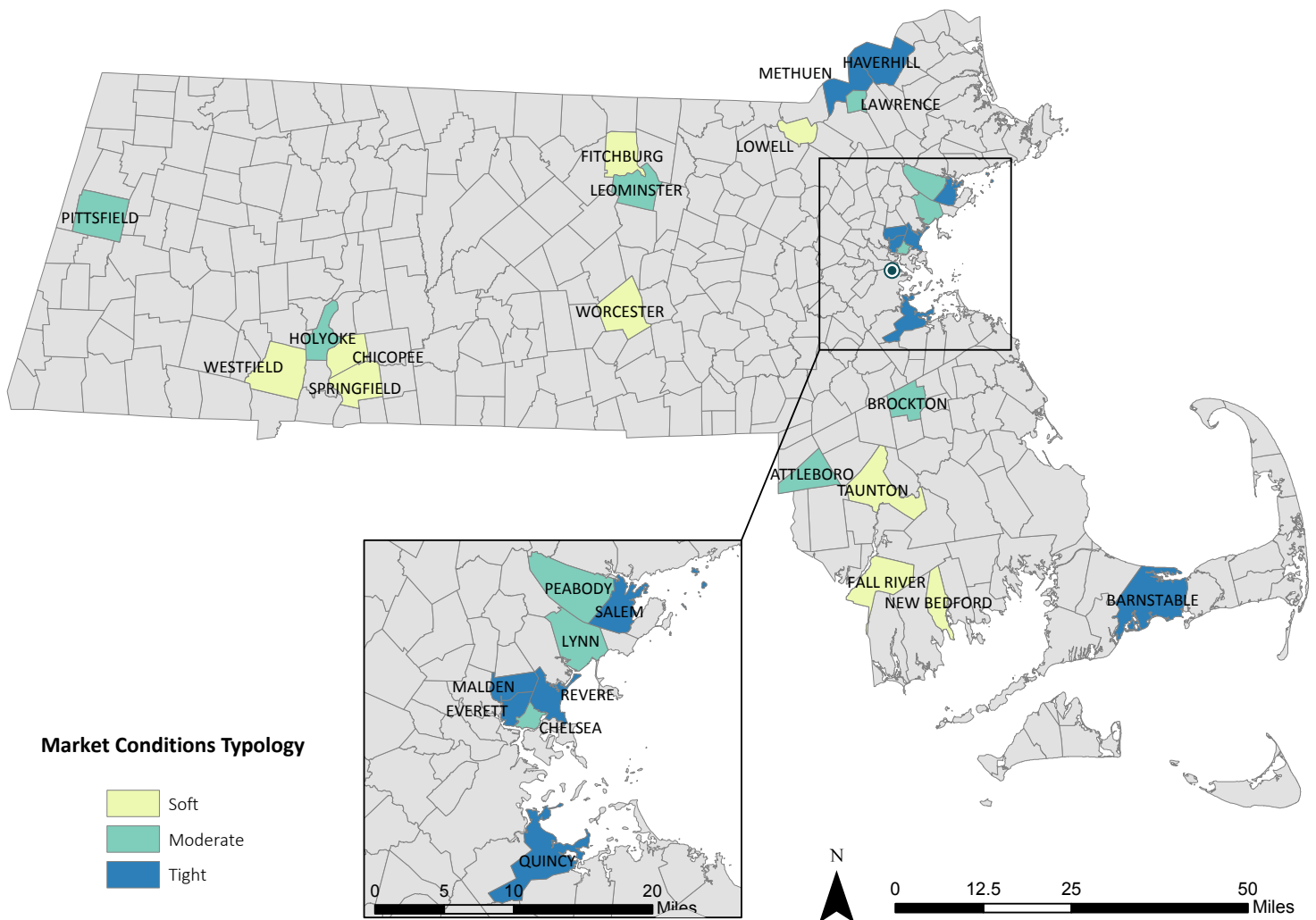
Soft Real Estate Market	Moderate Real Estate Market	Tight Real Estate Market
Low median home value	Moderate median home value	High median home value
Low median residential contract rent	Moderate median residential contract rent	High median residential contract rent
High residential vacancy rate	Moderate residential vacancy rate	Low residential vacancy rate
Low asking rent per square foot for retail properties	Mixed asking rent per square foot for retail properties	High asking rent per square foot for retail properties
High vacancy rate for commercial properties	Moderate vacancy rates for commercial properties	Low vacancy rates for commercial properties
High concentration of subsidized units		

Tight real estate markets have high average home values (\$310,000) and lower average commercial vacancy rates (12.9% Valassis/6.7% CoStar) than moderate real estate markets (\$240,000, 17.1%, 7.8%), and soft real estate markets (\$209,000, 21.6%, 10.9%).

Soft Real Estate Market	Moderate Real Estate Market	Tight Real Estate Market
Chicopee	Attleboro	Barnstable
Fall River	Brockton	Everett
Fitchburg	Chelsea	Haverhill
Lowell	Holyoke	Malden
New Bedford	Lawrence	Methuen
Springfield	Leominster	Quincy
Taunton	Lynn	Revere
Westfield	Peabody	Salem
Worcester	Pittsfield	

Soft real estate markets include Fall River and Fitchburg, with high levels of residential and commercial vacancies, as well as low-cost real estate. Malden and Quincy stand out among the tight real estate markets with high real-estate costs and low vacancy rates. By contrast, Barnstable has high real-estate costs, but also high residential and commercial vacancy rates (in the Valassis data), largely due to seasonal effects (Barnstable has a number of vacation homes, and the Valassis data used for this analysis were from the fourth quarter of 2014).

MARKET CONDITIONS



By: Ian Jakus, MassDevelopment - TDI
 Source: Donahue Institute Gateway City Typology
 Date: 10/8/2015

TDI Cities and Districts

This section looks in detail at the ten TDI Districts and their cities in four categories:

- Equity
- Identity and social capital
- Enterprise and jobs
- Market conditions

Indicators compare city data with the TDI District, the Gateway City average, and the state average where possible. These data show how neighborhoods differ from the city as a whole, and where a city stands in comparison with its Gateway City peers and the Commonwealth.

Notes on data:

- TDI District ACS data were estimated using the closest fitting Census tracts. For the vacancy data, the exact district is used.

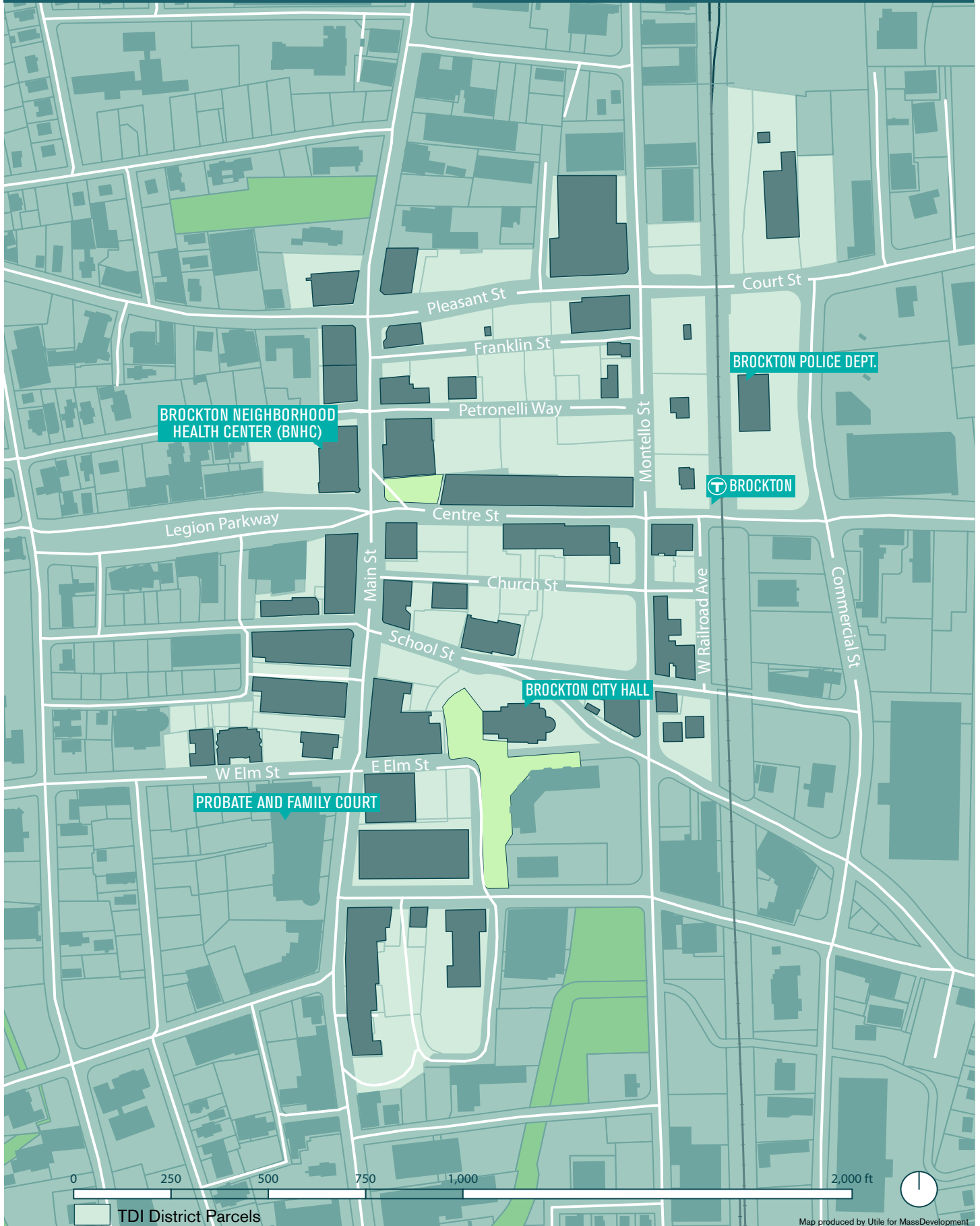
Enterprise and jobs:

- The 'Assessed Value by Property Type' data point is based on the total assessed value by use type, not use type by land area; therefore, it should not be confused with land use as it is more reflective of the tax base. Personal property type includes stock in trade; machinery used in the conduct of the business; furnishings and effects not kept at an individual's domicile; air conditioning of premises; underground conduits; poles; and wires and pipes whether on public or private property.
- Employment by Industry: Healthcare and Education includes social-service agencies that would capture government and nonprofit services that are typically located in these cities.

Market Conditions:

- For the data from CoStar and Policy Map/Valassis, the exact District boundaries are used. These data track different things. CoStar is the industry's most comprehensive commercial property database and reports on listed available properties through interviews with landlord rep brokers, property managers, and owners. Valassis reports on returned direct mail to commercial properties. In short, CoStar measures those properties that are actively on the market or available but excludes properties with discouraged or landlords that are not actively seeking tenants. By contrast, Valassis measures unoccupied commercial space. Used together, you can see cities that may have low vacancy rates in CoStar and high vacancy rates in Valassis, which could mean limited demand for commercial space in the location (CoStar) and, perhaps, high levels of unoccupied space (Valassis).

BROCKTON: Downtown Gateway District



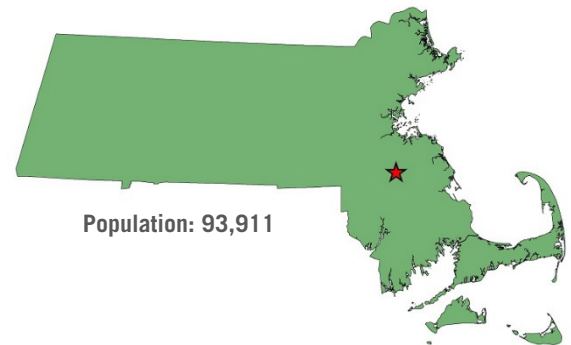
BROCKTON: Downtown Gateway District

VISION

The Downtown Gateway District will be a national example of successful TOD redevelopment that will be a pleasant, walkable neighborhood with shops, restaurants, offices and residences for all income levels.

DATA SUMMARY

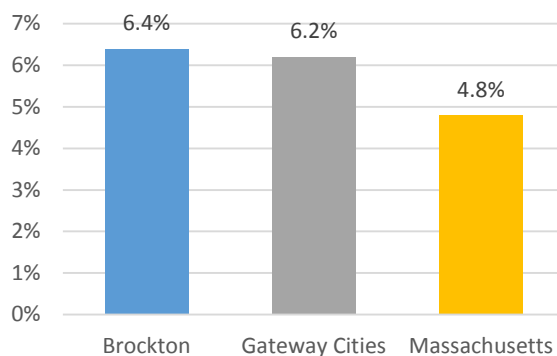
- 56% of Brockton is non-white. This is mainly attributable to the African-American population. 37% of Brockton is African-American, the highest percentage among all Gateway Cities.
- Rents are less expensive despite proximity to Boston.
- The TDI district in Brockton has extremely high concentrations of poverty and low-income households.
- Employment has grown steadily over the past five years, matching the state's growth rate of 5%.
- Primarily commercial, the TDI District has close to 2,500 residents.



EQUITY

Unemployment Rate

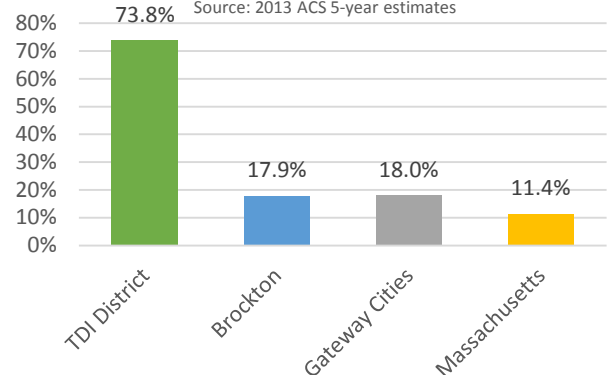
Source: MA Department of Workforce Development (2014)



The unemployment rate in Brockton is similar to Gateway Cities as a whole, but about 1.5 percentage points higher than the state.

Poverty Rate

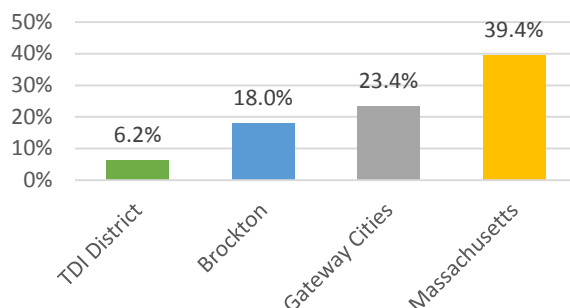
Source: 2013 ACS 5-year estimates



Although Brockton's poverty rate is the same as the average Gateway City, almost 3/4 of the population in the TDI District is in poverty.

Percent 25 and Older with at Least a Bachelor's Degree

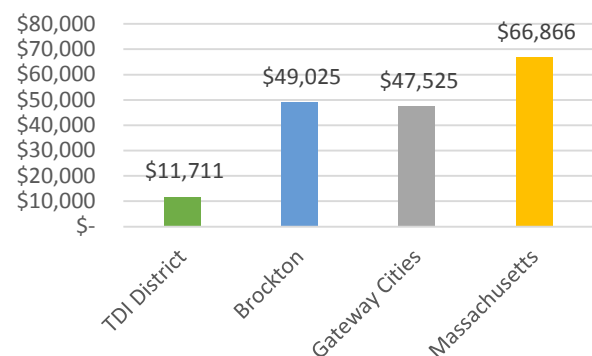
Source: 2013 ACS 5-year estimates



The proportion of Brockton's population with a four-year degree is below average for a Gateway City. Educational attainment is particularly low in Brockton's TDI District.

Median Household Income

Source: 2013 ACS 5-year estimates



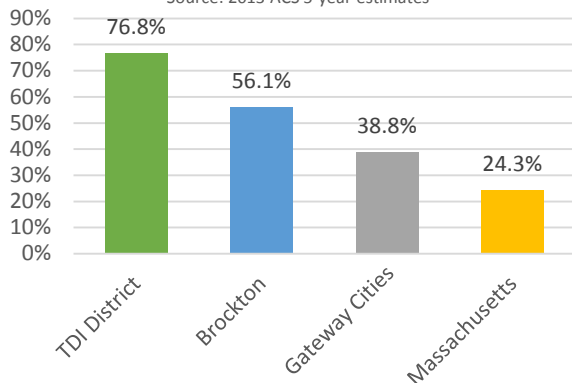
Brockton's median income is fairly low compared to the Commonwealth. Brockton's TDI District has a high concentration of low-income households.

BROCKTON: Downtown Gateway

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

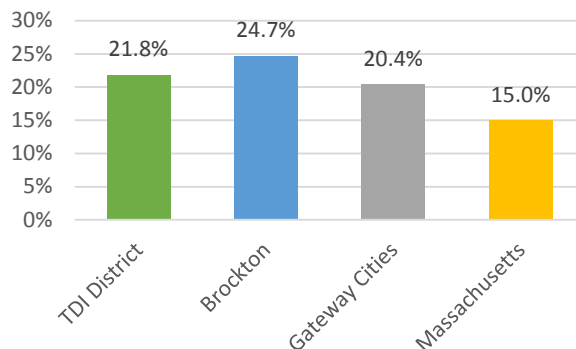
Source: 2013 ACS 5-year estimates



Brockton has high concentration of African-American residents. 37% of Brockton is African-American, the highest percentage of all Gateway Cities.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

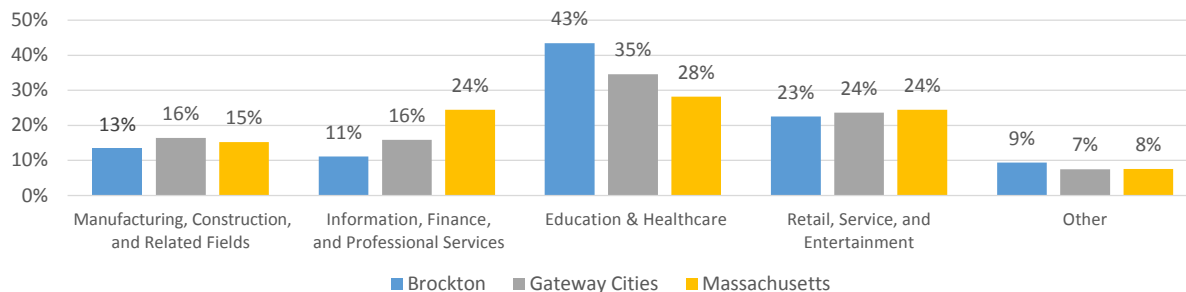


About one-quarter of Brockton's population is foreign-born, above average for Gateway Cities.

ENTERPRISE & JOBS

Employment by Industry

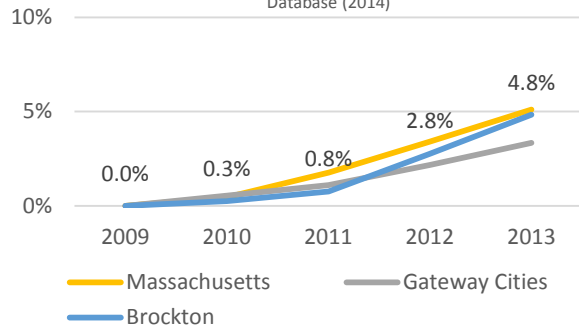
Source: MA Department of Workforce Development, ES-202 Database (2014)



Similar to other Gateway Cities, Brockton has a high concentration of employment in Education & Healthcare, but a lack of jobs in Information, Finance, and Professional Services.

% Change in Total Employment from 2009

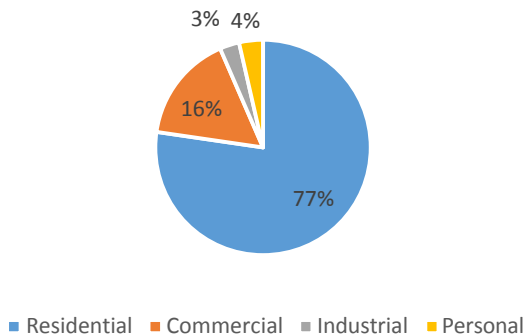
Source: MA Department of Workforce Development, ES-202 Database (2014)



Employment has grown steadily over the past five years, matching the state's growth rate of 5%.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



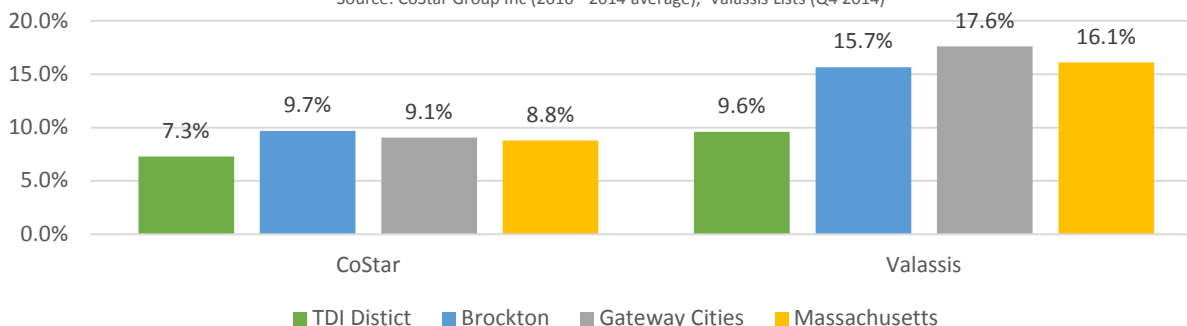
Brockton is mostly residential, with a higher percentage of commercial property than most Gateway Cities.

BROCKTON: Downtown Gateway

MARKET CONDITIONS

Commercial Vacancy Rates

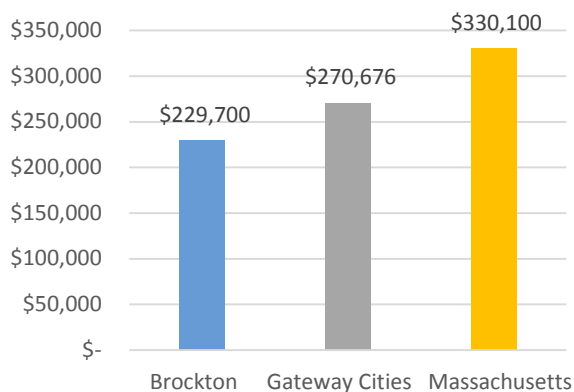
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



CoStar measures available properties on the market. Valassis measures unoccupied properties, regardless of availability. The data above show that vacancies in the TDI District are relatively low, possibly due to vacant lots and large buildings.

Median Home Value

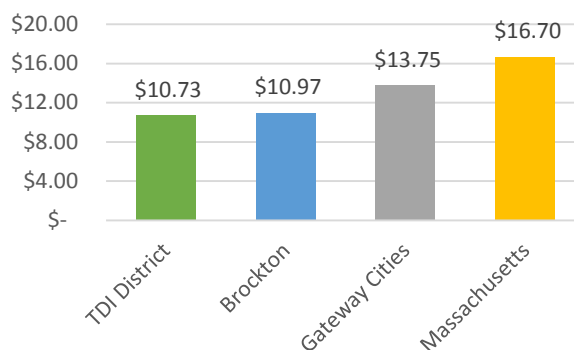
Source: 2013 ACS 5-year estimates



Brockton's median home value is about \$100,000 less than the state's median of \$330,100.

Retail Rents (Asking Rent per SF)

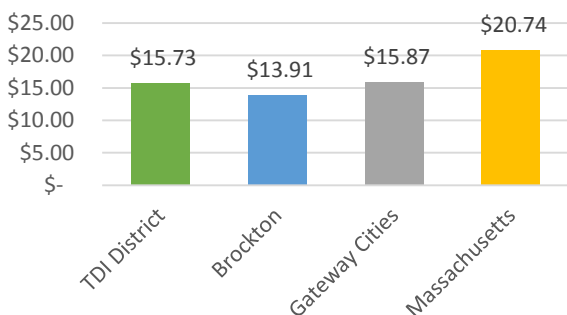
Source: CoStar Group Inc (2010 - 2014 average)



Retail space in Brockton is less expensive than the typical Gateway City, indicating low demand for space, despite relatively low vacancies.

Office Rents (Asking Rent per SF)

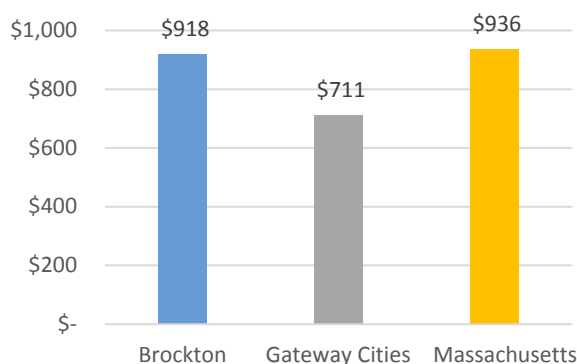
Source: CoStar Group Inc (2010 - 2014 average)



Office space in Brockton is less expensive than the average Gateway City, indicating low demand for space despite relatively low vacancies.

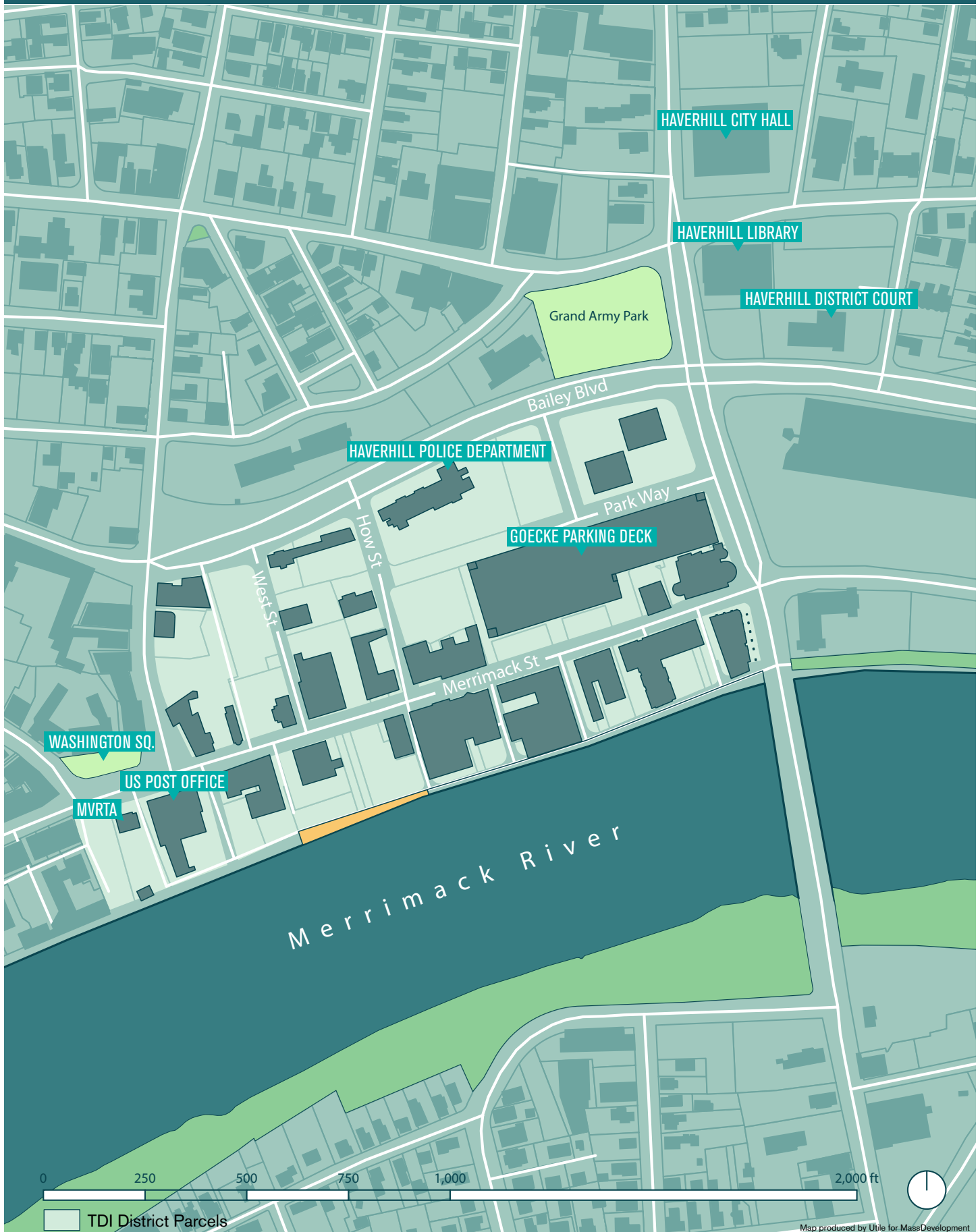
Median Contract Rent

Source: 2013 ACS 5-year estimates



Median contract rent for Brockton's TDI District is slightly less than Massachusetts' contract rent.

HAVERHILL: Merrimack Street Transformative Development District



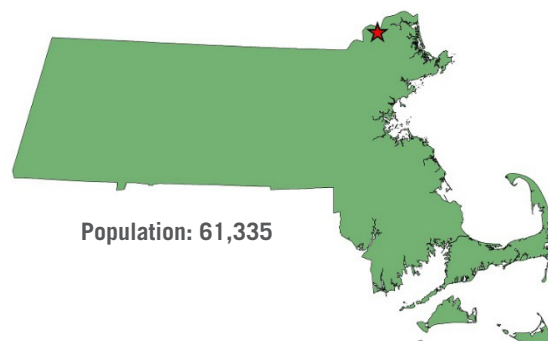
HAVERHILL: Merrimack Street Transformative Development District

VISION

The Merrimack Street Transformative District connects two ends of a vibrant downtown—an attractive, safe and diverse place to work, live, study, recreate, dine, and shop.

DATA SUMMARY

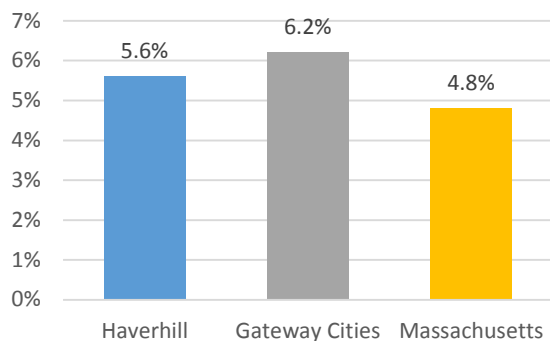
- Employment in Haverhill has grown 11% in the last five years, much higher than the state's 5%.
- Haverhill has a concentration of manufacturing, construction, and related jobs, but in general reflects the industrial makeup of an average Gateway City.
- Haverhill has a higher percentage of white residents than the state, though the district does not.
- Unemployment and poverty is low in Haverhill, and median household income is high when compared to other Gateway Cities.
- The foreign-born population in Haverhill is smaller than is typical for Gateway Cities.
- Primarily commercial, the TDI District has roughly 5,500 residents accounting for 9% of Haverhill's population.



EQUITY

Unemployment Rate

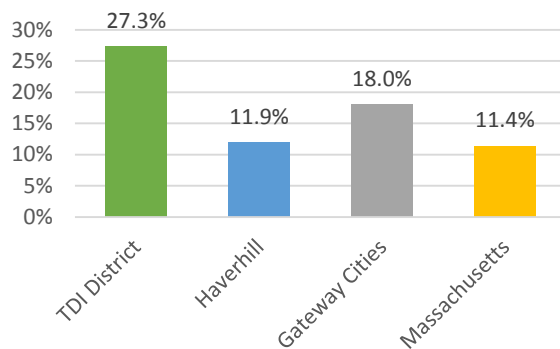
Source: MA Department of Workforce Development (2014)



Unemployment in Haverhill is less than other Gateway Cities, but still higher than the state.

Poverty Rate

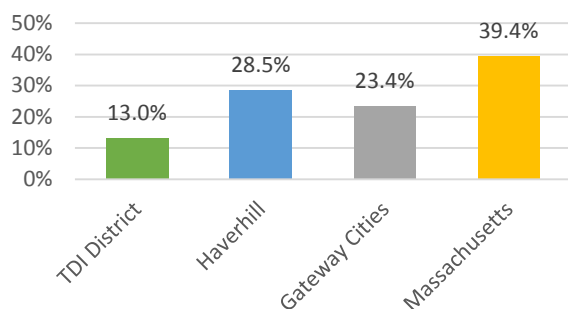
Source: 2013 ACS 5-year estimates



The poverty rate in Haverhill is almost the same as the state's. The TDI District in Haverhill has a much higher concentration of poverty.

Percent 25 and Older with at Least a Bachelor's Degree

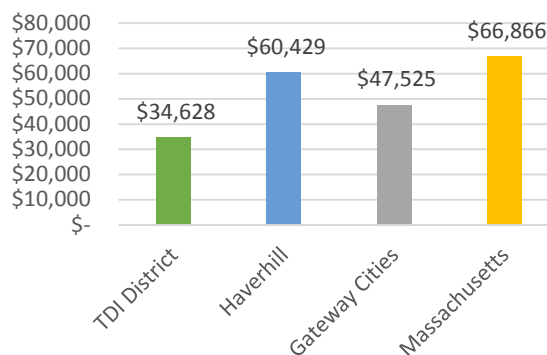
Source: 2013 ACS 5-year estimates



Haverhill has a more educated population than most Gateway Cities; however, the TDI District has much lower educational attainment.

Median Household Income

Source: 2013 ACS 5-year estimates



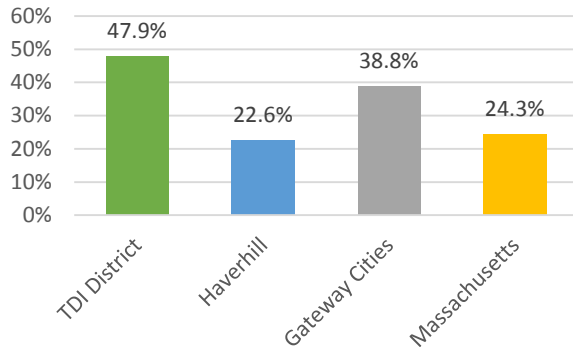
Haverhill's median household income is high for a Gateway City, but the District's is significantly lower.

HAVERHILL: Merrimack Street Transformative Development District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

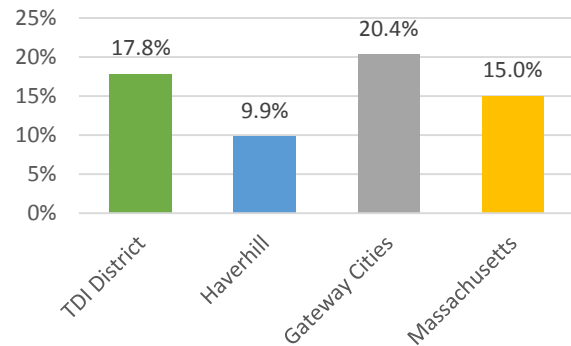
Source: 2013 ACS 5-year estimates



Haverhill has a higher percentage of white residents than the state. Half of the TDI District is non-white.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

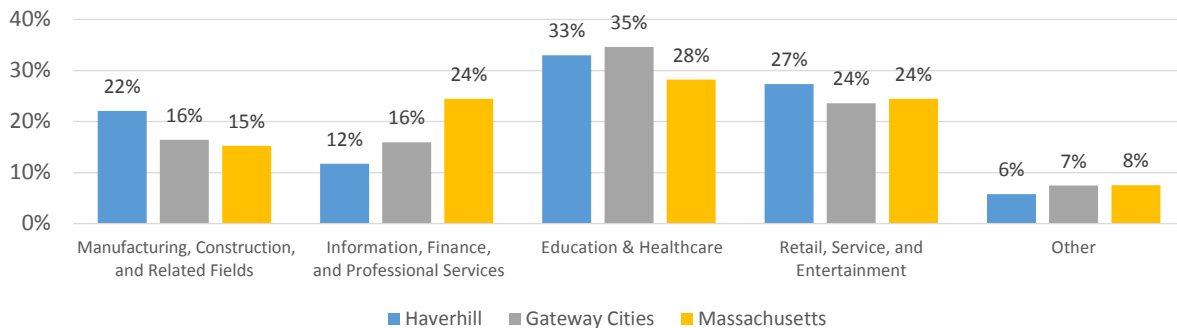


The concentration of foreign-born residents in Haverhill is far lower than the state's.

ENTERPRISE & JOBS

Employment by Industry

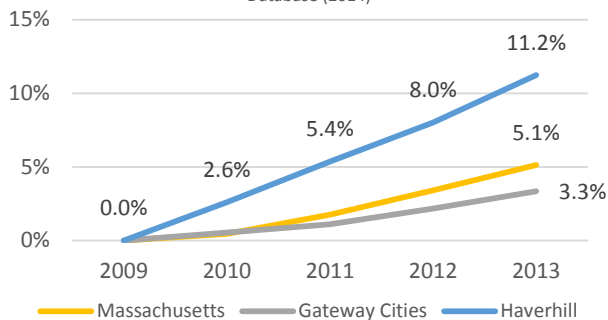
Source: MA Department of Workforce Development, ES-202 Database (2014)



Haverhill has a slightly high concentration of jobs in manufacturing and construction, accounting for more than one-fifth of total employment.

% Change in Total Employment from 2009

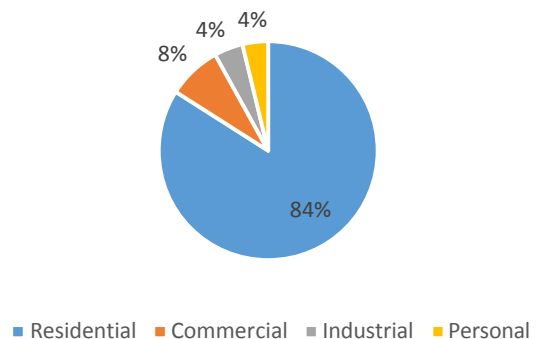
Source: MA Department of Workforce Development, ES-202 Database (2014)



Employment in Haverhill has grown by about 11%, much higher than the state's 5%.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



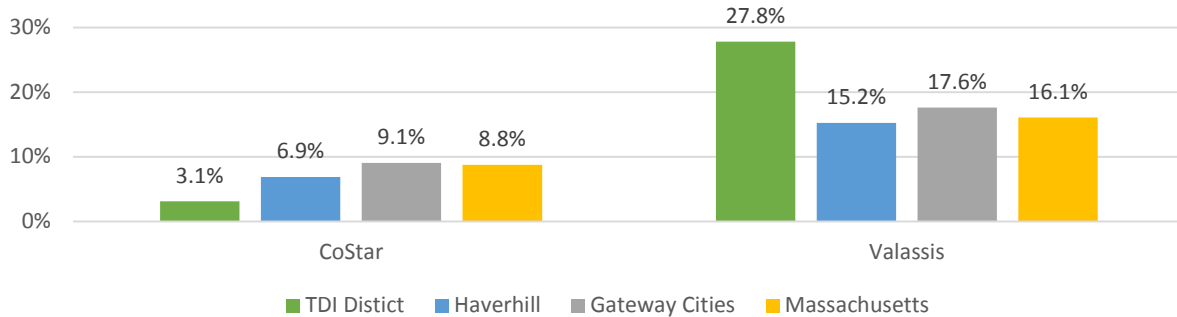
Haverhill is primarily residential.

HAVERHILL: Merrimack Street Transformative Development District

MARKET CONDITIONS

Commercial Vacancy Rates

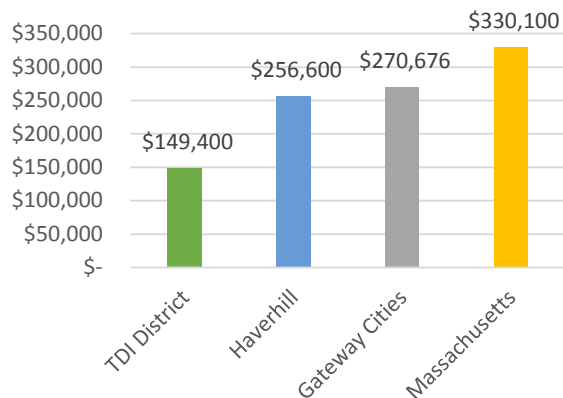
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



Haverhill's vacancy rates are low. Interestingly, the available vacancy rate for Haverhill's TDI District is low, though the District has a large number of unoccupied properties.

Median Home Value

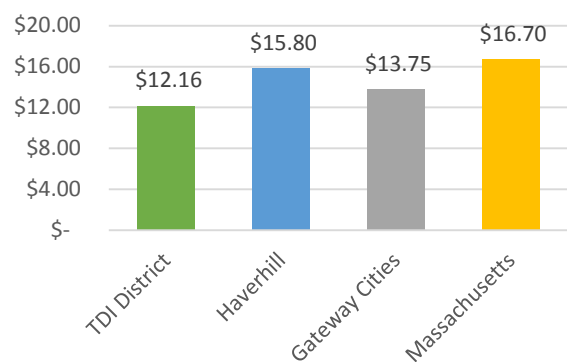
Source: 2013 ACS 5-year estimates



Haverhill's median home value is typical for a Gateway City. Home values are low in the TDI District, less than half of the state's level.

Retail Rents (Asking Rent per SF)

Source: CoStar Group Inc (2010 - 2014 average)



The cost for retail space in Haverhill is comparable to the state's. The retail market is weaker in the TDI District.

Office Rents (Asking Rent per SF)

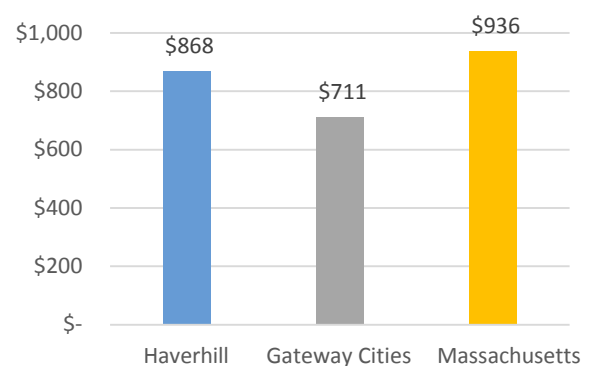
Source: CoStar Group Inc (2010 - 2014 average)



Office space in Haverhill is less expensive for a Gateway City and well below the average cost in the state as a whole.

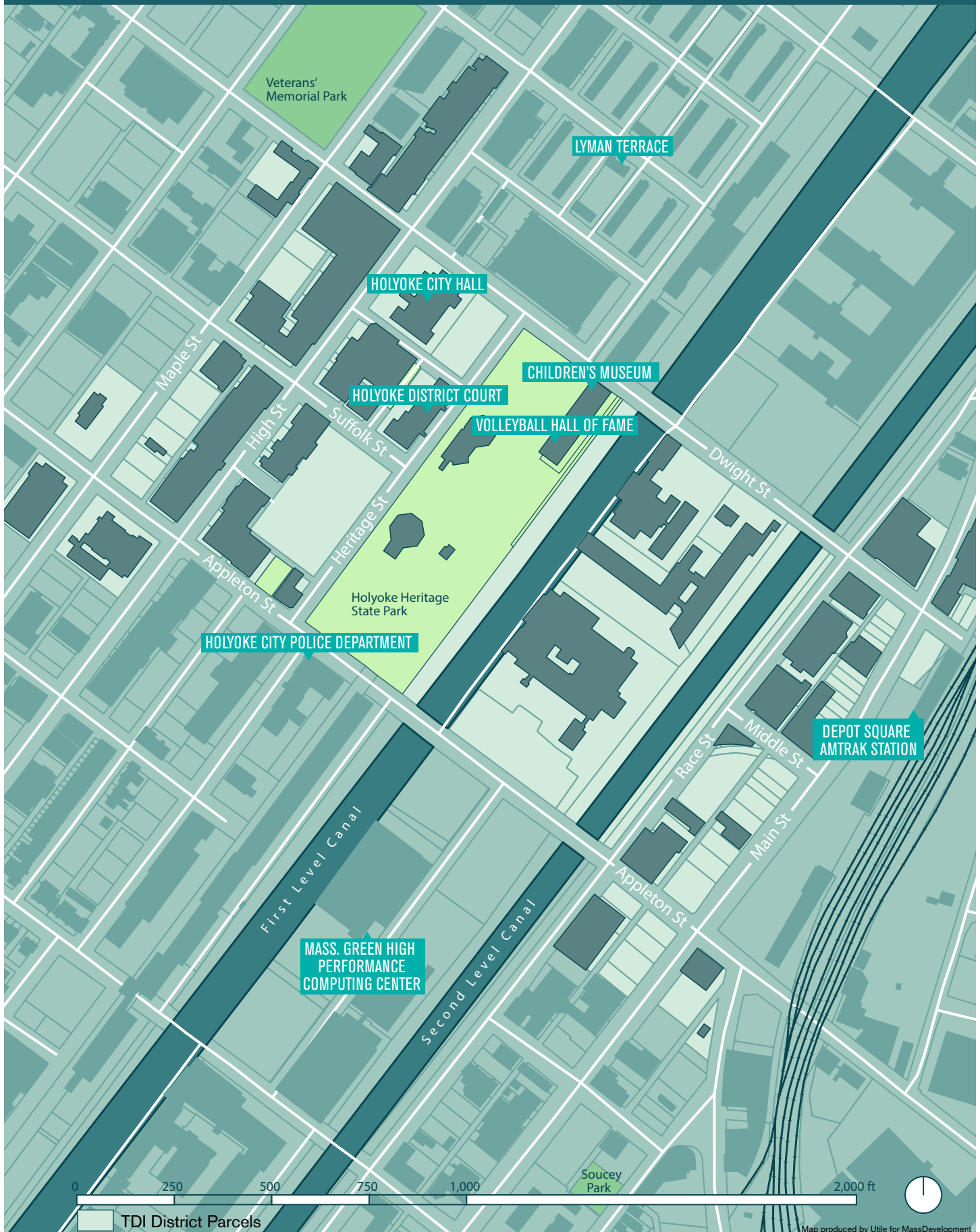
Median Contract Rent

Source: 2013 ACS 5-year estimates



Haverhill's median contract rent is slightly lower than the state's and is relatively high compared to other Gateway Cities.

HOLYOKE: Transit-Oriented Development District



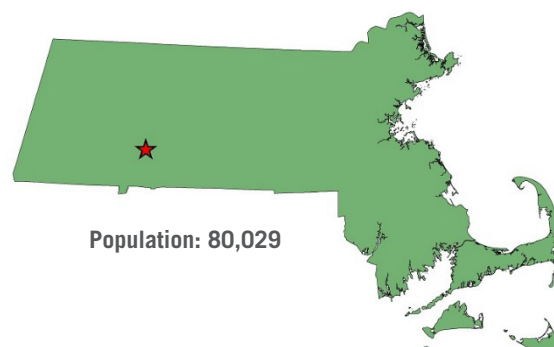
HOLYOKE: Transit-Oriented Development District

VISION

The TOD District will be a center for innovative entrepreneurs, makers, artists, and boutique manufacturing and services and a place where casual and structured collisions and partnerships allow for ideas to be generated, developed and deployed first.

DATA SUMMARY

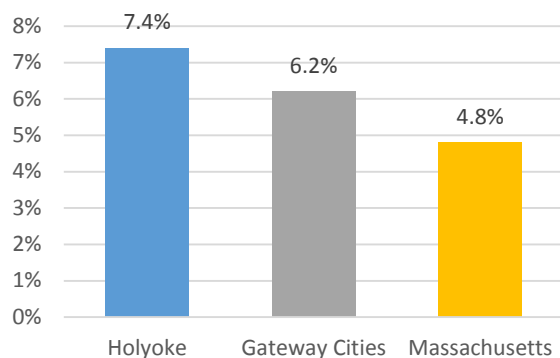
- Holyoke has one of the lowest median household incomes and highest poverty rates among Gateway Cities.
- The TDI District in Holyoke has a particularly high concentration of poverty and low-income households.
- Rents are significantly less expensive than the state and other Gateway Cities, including larger, industrial spaces.
- 26% of adults in Holyoke have less than a high school education.
- 54% of Holyoke is non-white, primarily due to the fact 48% of Holyoke is Hispanic.
- Only 6% of Holyoke is foreign-born. The large Hispanic population is related to the large number of Puerto Ricans living in the city.
- Primarily commercial, the TDI District has close to 2,700 residents, accounting for 7% of Holyoke's population.



EQUITY

Unemployment Rate

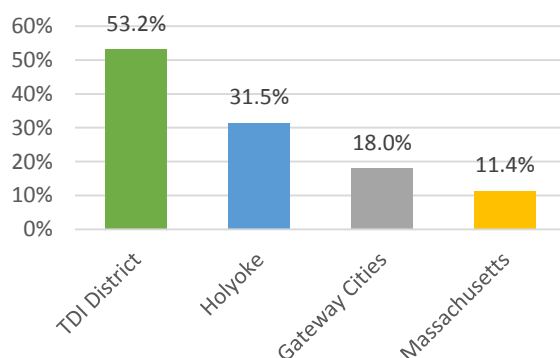
Source: MA Department of Workforce Development (2014)



Holyoke has much higher unemployment rate than the state as a whole.

Poverty Rate

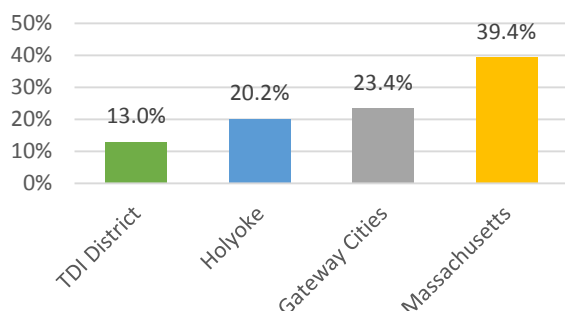
Source: 2013 ACS 5-year estimates



Holyoke has a high concentration of poverty even compared to other Gateway Cities. More than half the District population is below the poverty line.

Percent 25 and Older with at Least a Bachelor's Degree

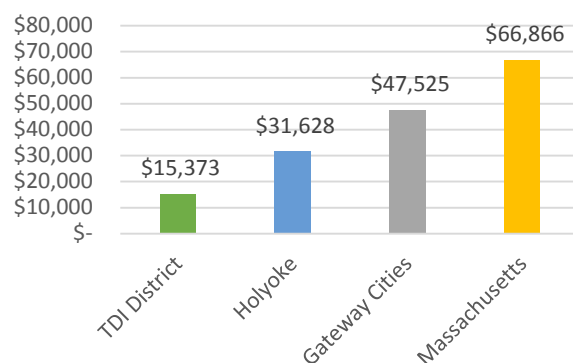
Source: 2013 ACS 5-year estimates



The percent of college graduates in Holyoke is lower than Gateway Cities on average. 26% of adults in Holyoke have less than a high school education.

Median Household Income

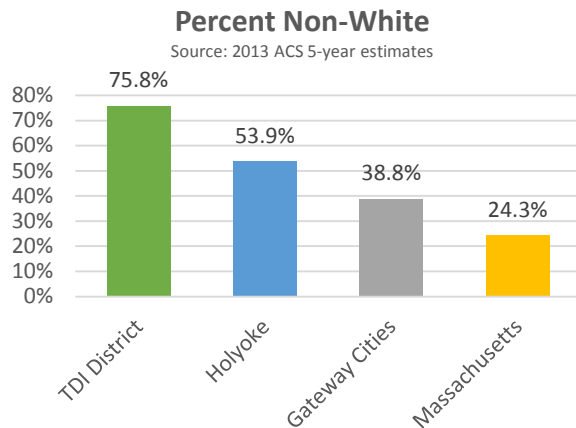
Source: 2013 ACS 5-year estimates



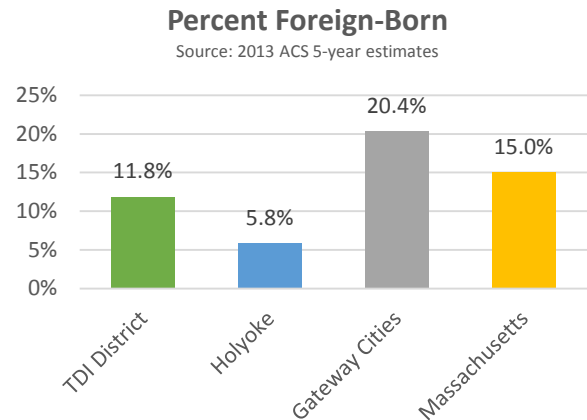
Holyoke has one of the lowest median incomes of all the Gateway Cities. The median income for the TDI District is less than half that of the city.

HOLYOKE: Transit-Oriented Development District

IDENTITY AND SOCIAL CAPITAL

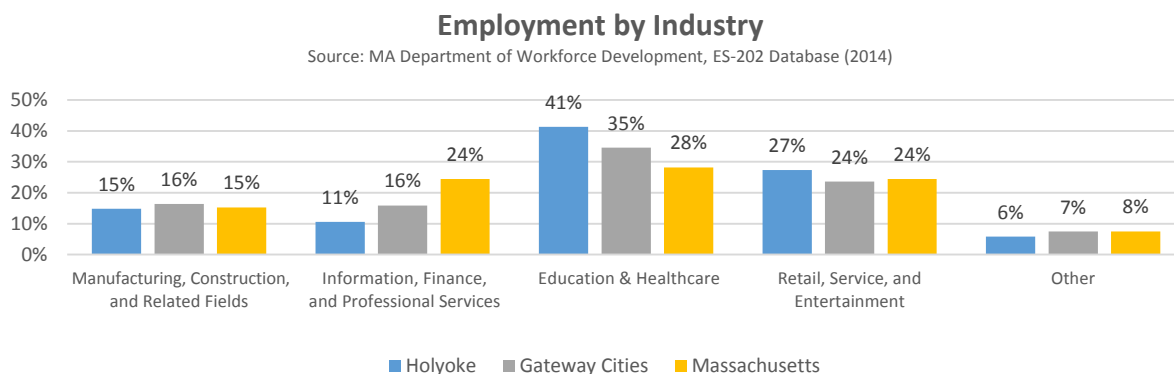


The high percentage of non-white residents in Holyoke is primarily due to the large Puerto Rican population.

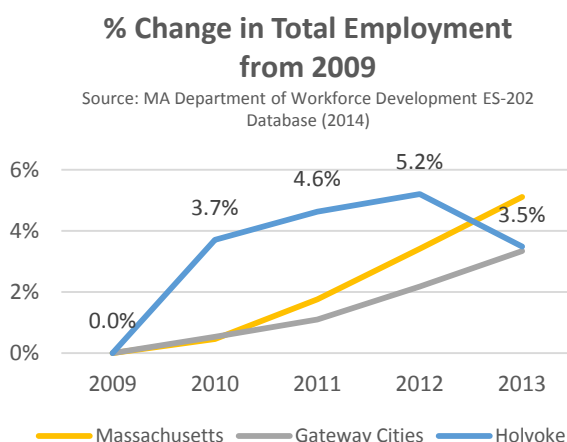


Holyoke has the second lowest concentration of foreign-born residents among Gateway Cities.

ENTERPRISE & JOBS



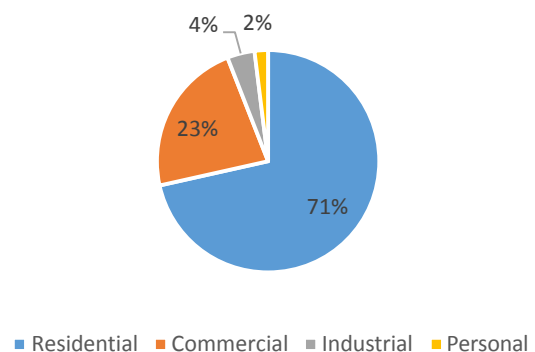
Holyoke's industrial makeup is similar to the Gateway Cities on average, but with an even higher concentration of healthcare and retail jobs and a lack of employment in Information, Finance, and Professional Services.



Employment increased 3.5% since 2009, compared to 5% for the state. The city lost jobs between 2012 and 2013.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



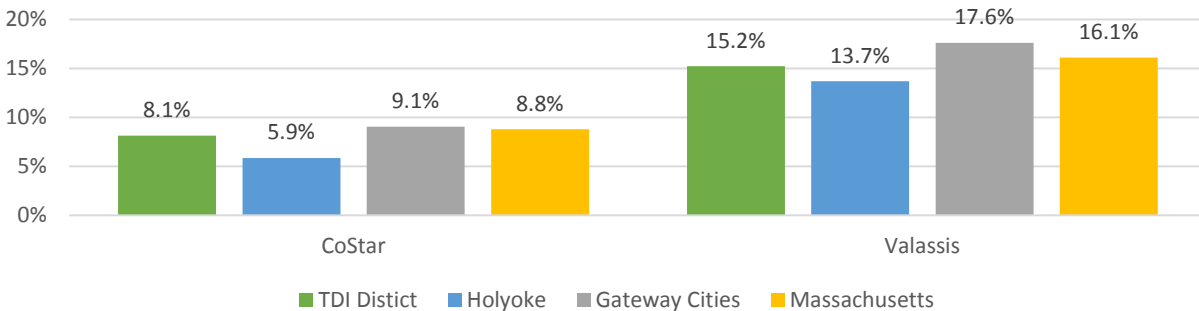
Holyoke is primarily commercial and residential. The Holyoke Mall is a large user of commercial space.

HOLYOKE: Transit-Oriented Development District

MARKET CONDITIONS

Commercial Vacancy Rates

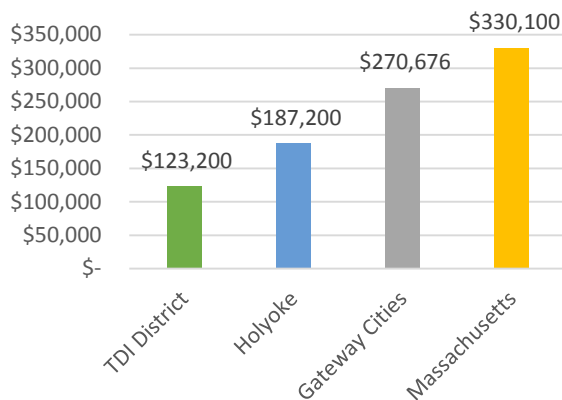
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



Holyoke has relatively low vacancy rates overall. However, vacancy rates appear to be elevated in the TDI District. Large buildings contribute to high square footage of vacant space that may not be reflected in the data.

Median Home Value

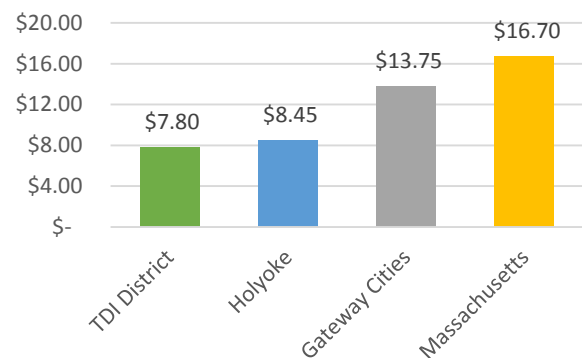
Source: 2013 ACS 5-year estimates



The median home value in Holyoke TDI District is far below the median for Gateway Cities and Massachusetts.

Retail Rents (Asking Rent per SF)

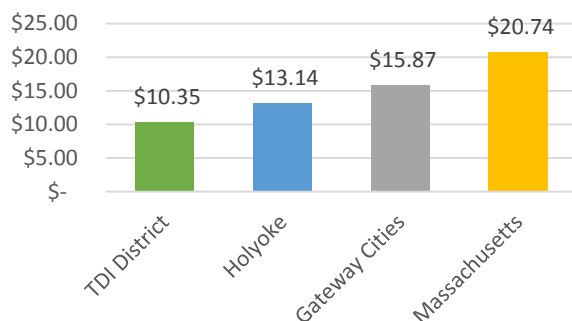
Source: CoStar Group Inc (2010 - 2014 average)



Retail space in Holyoke costs about half as much as the state average, indicating relatively low demand despite the low commercial vacancies.

Office Rents (Asking Rent per SF)

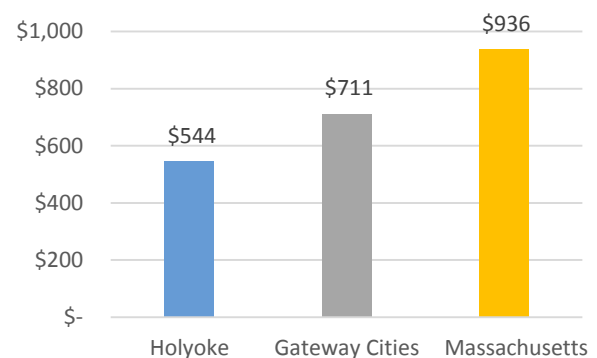
Source: CoStar Group Inc (2010 - 2014 average)



Office space in Holyoke overall is slightly more affordable than most Gateway Cities. In the TDI District, office space costs only half as much as the state average.

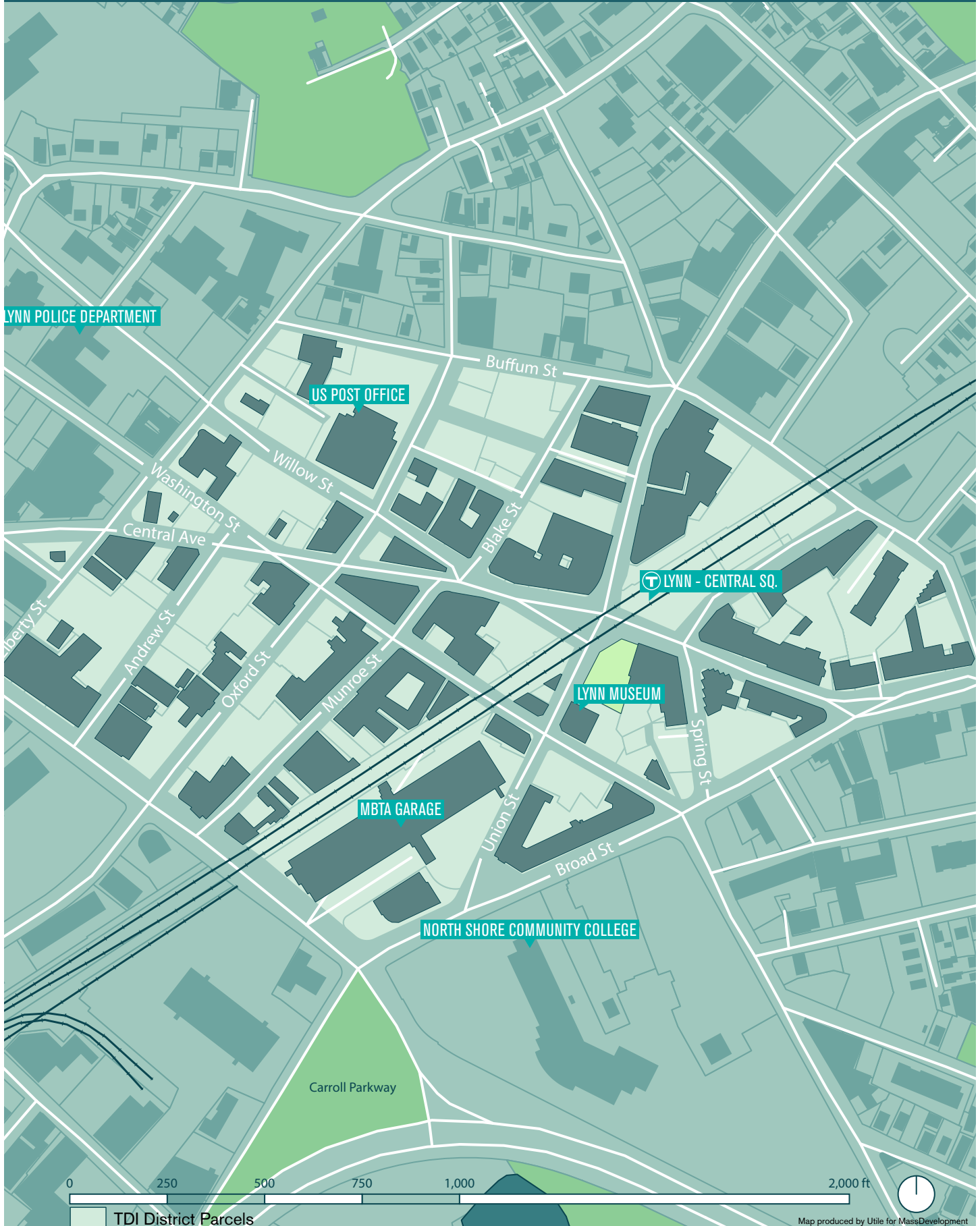
Median Contract Rent

Source: 2013 ACS 5-year estimates



Median contract rent in Holyoke is significantly lower than the state and the lowest among Gateway Cities.

LYNN: One Lynn District



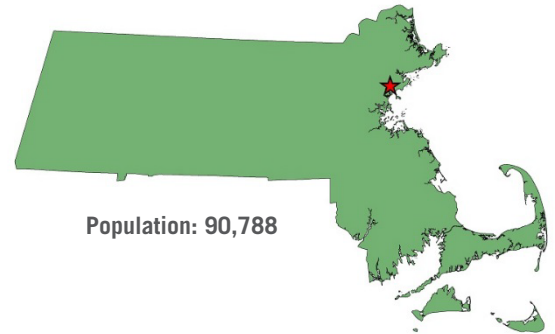
LYNN: One Lynn District

VISION

With its proximity to Boston, including the popular commuter ferry and a vibrant arts and culture scene, the One Lynn District will be the next great place to buy a home as well as be a top destination for unique arts-based retail and diverse restaurant scene in the region.

DATA SUMMARY

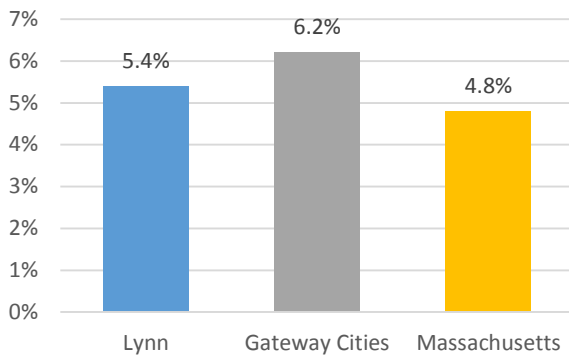
- Lynn has a high concentration of manufacturing, construction, and related jobs and a less prominent healthcare and education sector than most Gateway Cities.
- Employment has grown modestly over the past five years, with periods of stagnation.
- 54% of Lynn is non-white, and one-third of the city's population is Hispanic or Latino.
- 30% of Lynn's population is foreign-born, double the concentration of the state.
- Primarily commercial, the TDI District has 3,000 residents.



EQUITY

Unemployment Rate

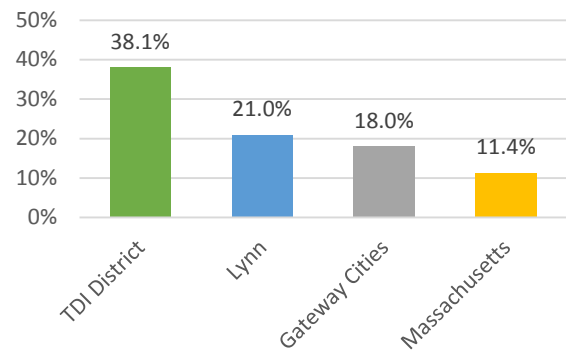
Source: MA Department of Workforce Development (2014)



Lynn's unemployment is higher than the state, but is still better than the Gateway Cities on average.

Poverty Rate

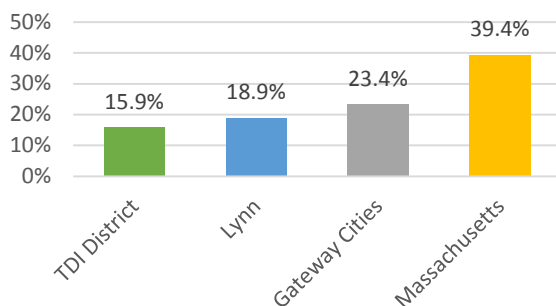
Source: 2013 ACS 5-year estimates



The poverty rate in Lynn is above average for a Gateway City. The poverty rate in Lynn's TDI District is significantly higher than that of the city.

Percent 25 and Older with at Least a Bachelor's Degree

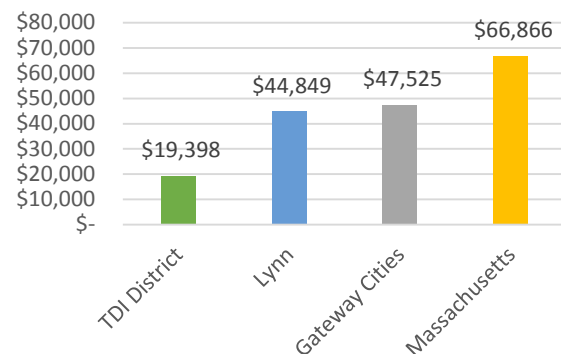
Source: 2013 ACS 5-year estimates



Educational attainment in Lynn is lower than average among Gateway Cities. 20% of adults in Lynn have less than a high school education.

Median Household Income

Source: 2013 ACS 5-year estimates



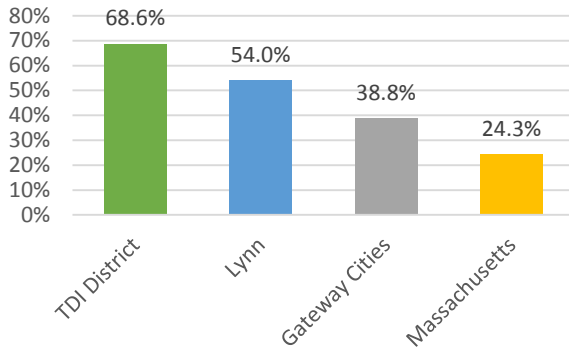
Median household income in Lynn is lower than the Gateway City median. Household income is particularly low in the TDI District.

LYNN: One Lynn District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

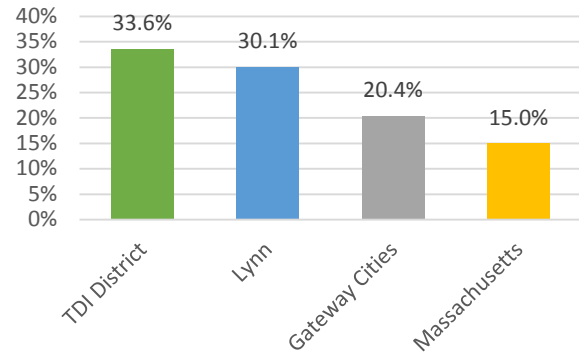
Source: 2013 ACS 5-year estimates



Lynn has a significant non-white population. One-third of the city's population is Hispanic or Latino.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

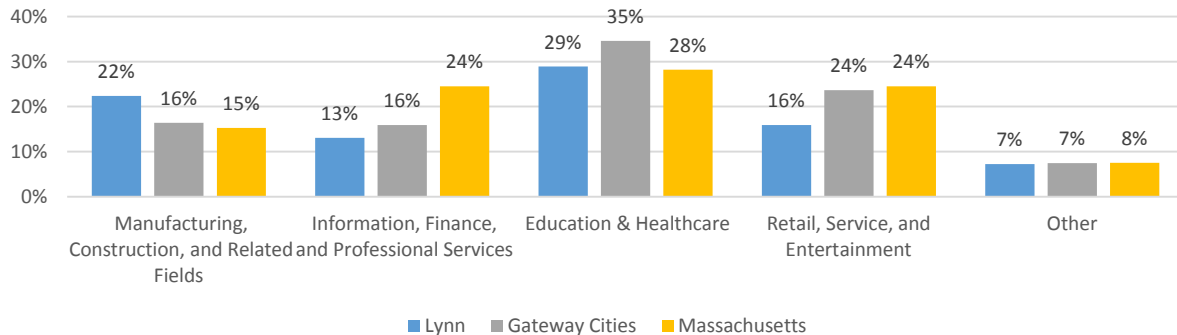


More than 30% of Lynn's population is foreign-born, about double the concentration of the state.

ENTERPRISE & JOBS

Employment by Industry

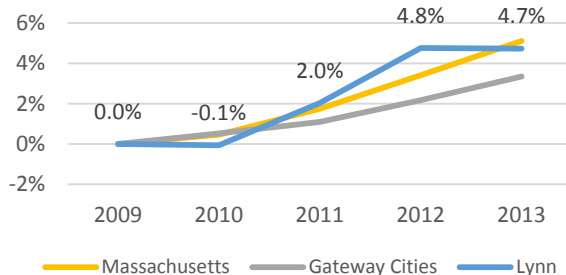
Source: MA Department of Workforce Development ES-202 Database (2014)



Half of Lynn's industry composition is found in manufacturing, construction, education, and healthcare. Lynn has fewer jobs in Information, Finance, and Professional Services, and Retail, Service, and Entertainment than the average Gateway City.

% Change in Total Employment from 2009

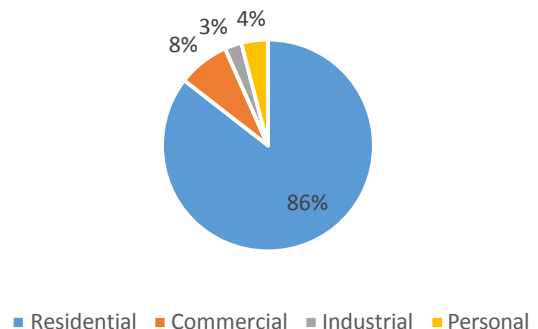
Source: MA Department of Workforce Development ES-202 Database (2014)



Employment grew by about 5% since 2009, the same as the state.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



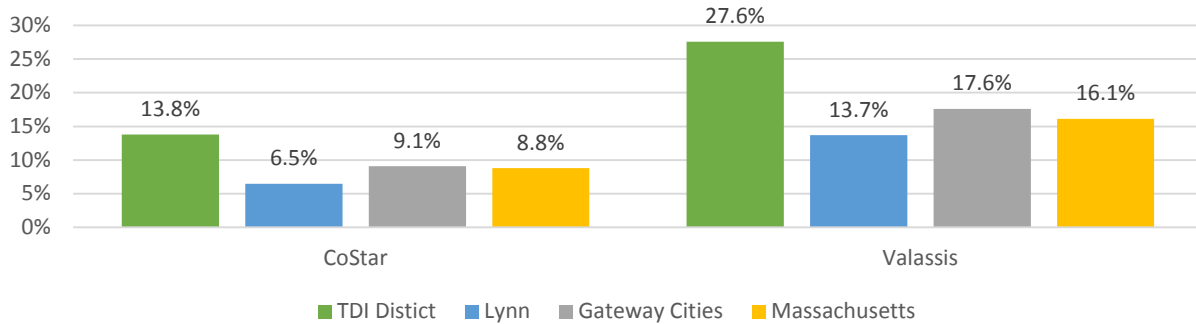
Lynn is primarily residential, with a modest concentration of commercial properties.

LYNN: One Lynn District

MARKET CONDITIONS

Commercial Vacancy

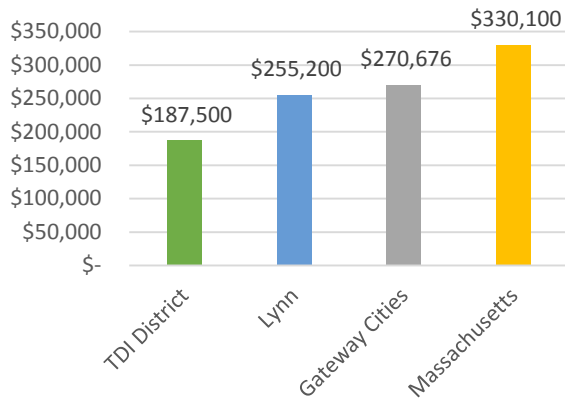
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



Vacancy rates in Lynn are relatively low compared to other Gateway Cities and the state. However, the TDI District has significant vacancies, with more than one-quarter of properties unoccupied.

Median Home Value

Source: 2013 ACS 5-year estimates

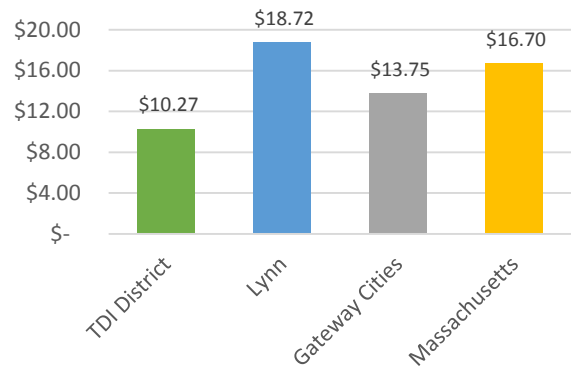


Lynn's median home value is lower than the Gateway City median and well below the median for Massachusetts.

Retail Rents

(Asking Rent per SF)

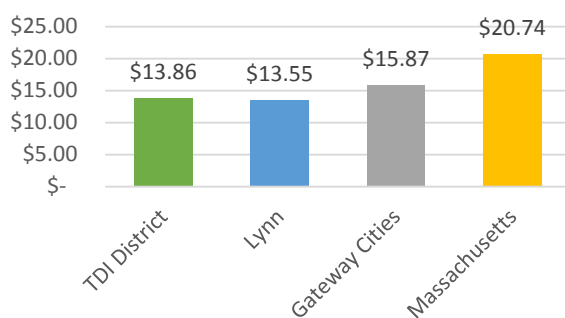
Source: CoStar Group Inc (2010 - 2014 average)



Retail space in Lynn is currently more expensive than the state average, indicating a strong retail market. However, low asking rents in the TDI District indicate low demand.

Office Rents (Asking Rent per SF)

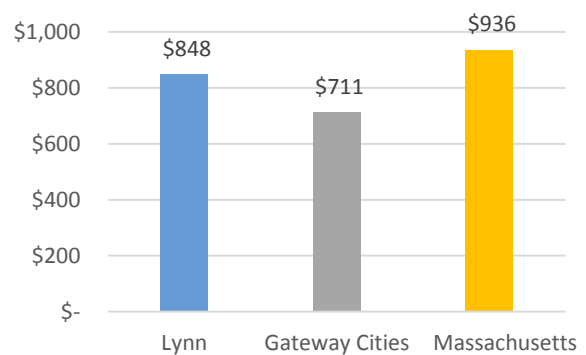
Source: CoStar Group Inc (2010 - 2014 average)



Office rents in Lynn are slightly lower than the average for Gateway Cities.

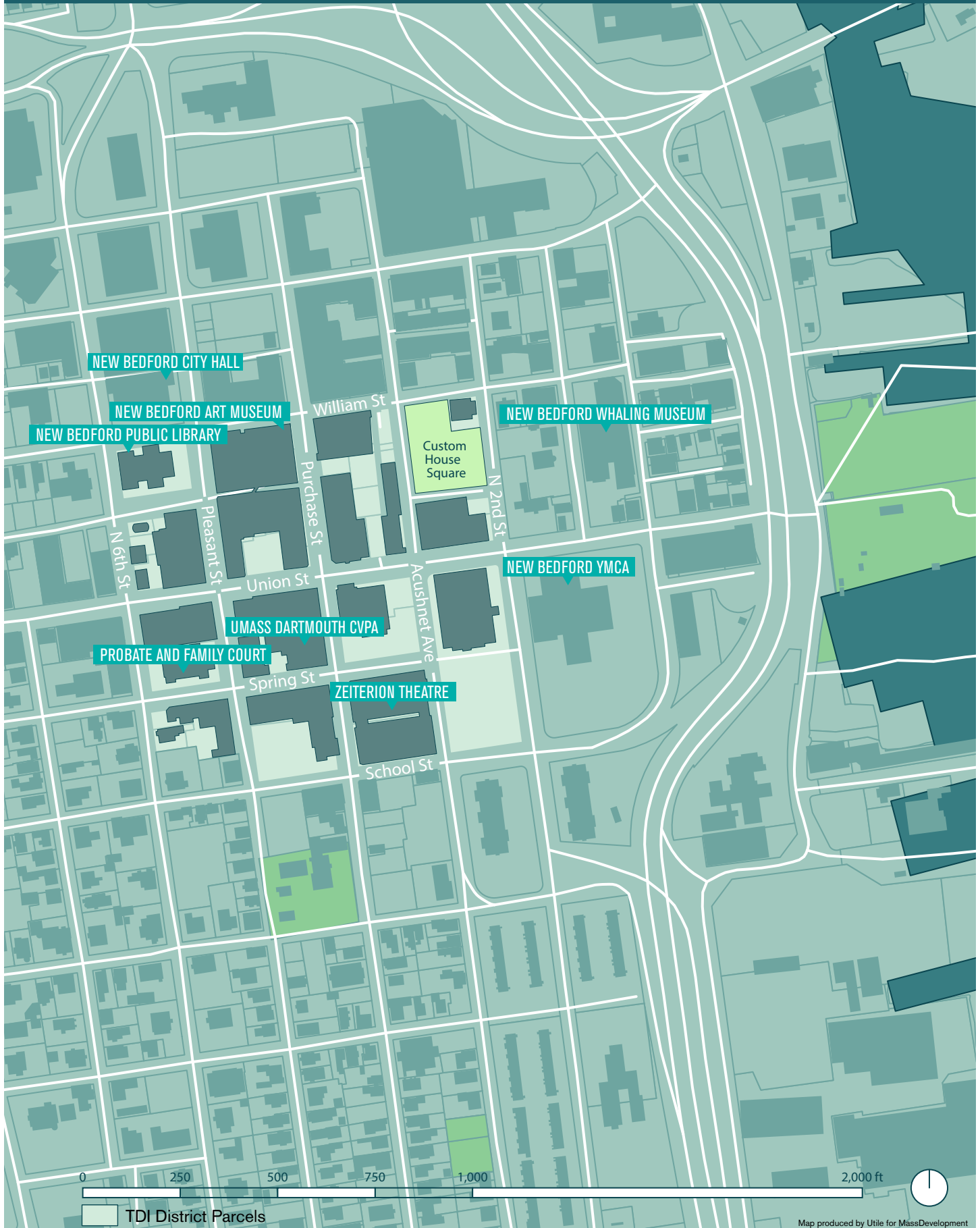
Median Contract Rent

Source: 2013 ACS 5-year estimates



The median contract rent for Lynn is less than the state's median, but higher than the Gateway Cities median.

NEW BEDFORD: Union & Purchase Innovation District



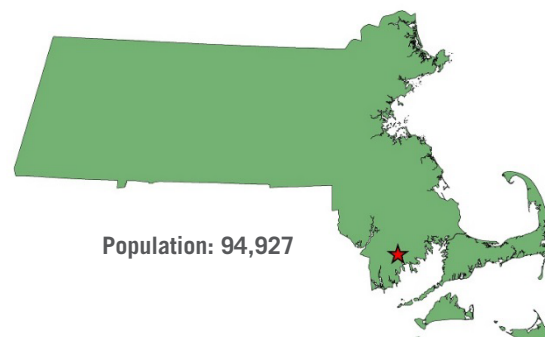
NEW BEDFORD: Union & Purchase Innovation District

VISION

The Union and Purchase Innovation District is the heart of New Bedford and will be among the nation's best urban neighborhoods in every sense: welcoming, cultured, diverse, fun, with great design and open space and an anchor presence of arts and innovation.

DATA SUMMARY

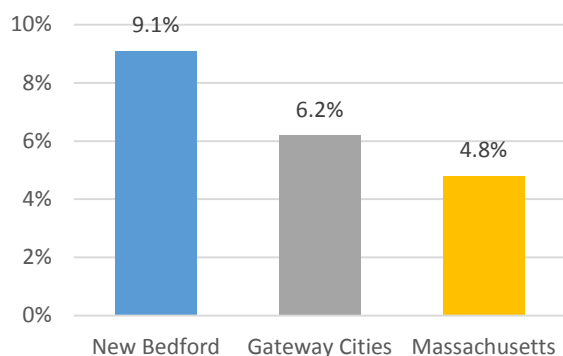
- New Bedford has a significant concentration of manufacturing and construction industries.
- The unemployment rate in New Bedford is significantly higher than the Gateway City and Massachusetts averages.
- New Bedford has a significantly higher poverty rate and lower median household income than the Gateway City average. These trends stand out even more in the TDI District.
- Educational attainment is low in New Bedford. Only 15% of the adult population has a college degree. Thirty percent has less than a high school education.
- The TDI District has more than 1,700 residents.



EQUITY

Unemployment Rate

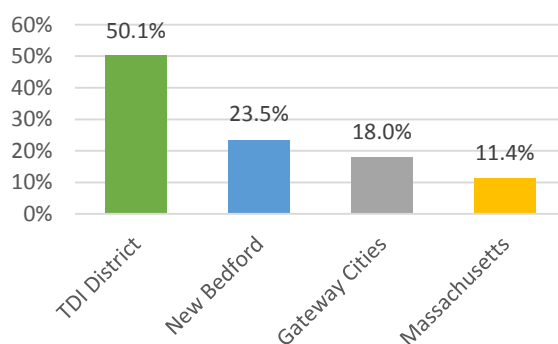
Source: MA Department of Workforce Development (2014)



The unemployment rate in New Bedford is significantly higher than the Gateway City and Massachusetts averages.

Poverty Rate

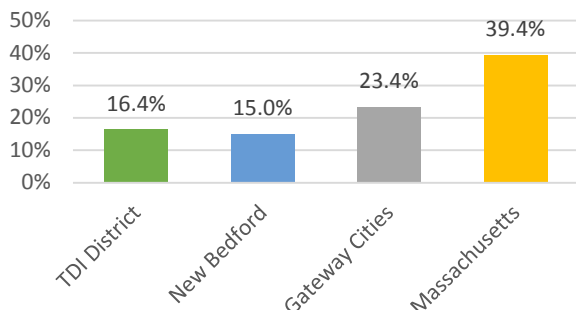
Source: 2013 ACS 5-year estimates



Almost one-quarter of the population of New Bedford is in poverty. In the TDI District, more than half of the population is in poverty.

Percent 25 and Older with at Least a Bachelor's Degree

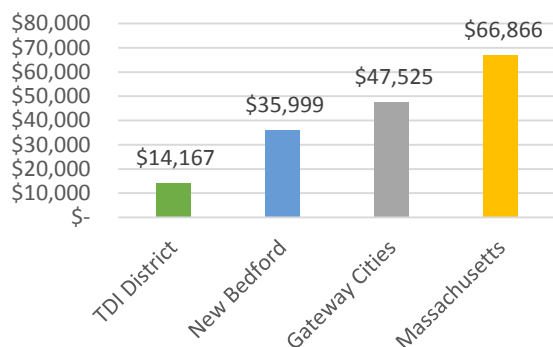
Source: 2013 ACS 5-year estimates



The proportion of adult residents with at least a bachelor's degree is well below average for a Gateway City.

Median Household Income

Source: 2013 ACS 5-year estimates



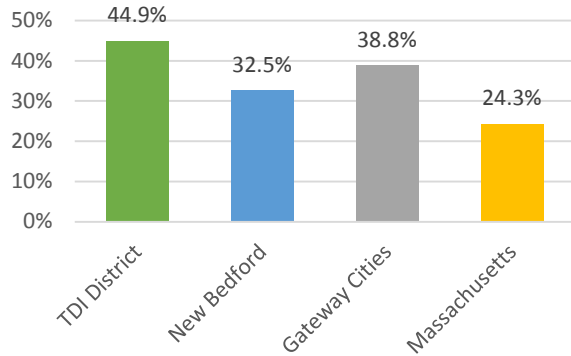
Median income in New Bedford is low for a Gateway City. In the TDI District, the median income is less than one-quarter of the median for the state overall.

NEW BEDFORD: Union & Purchase Innovation District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

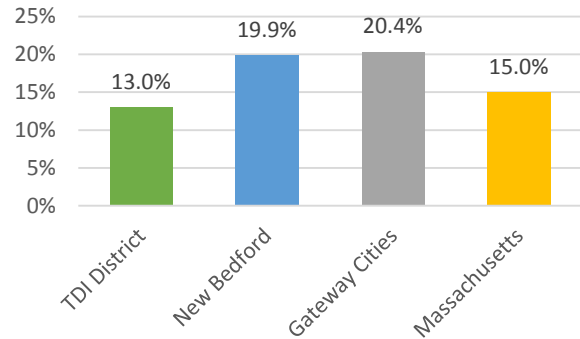
Source: 2013 ACS 5-year estimates



The percent of non-white residents in New Bedford is low compared to Gateway Cities overall.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

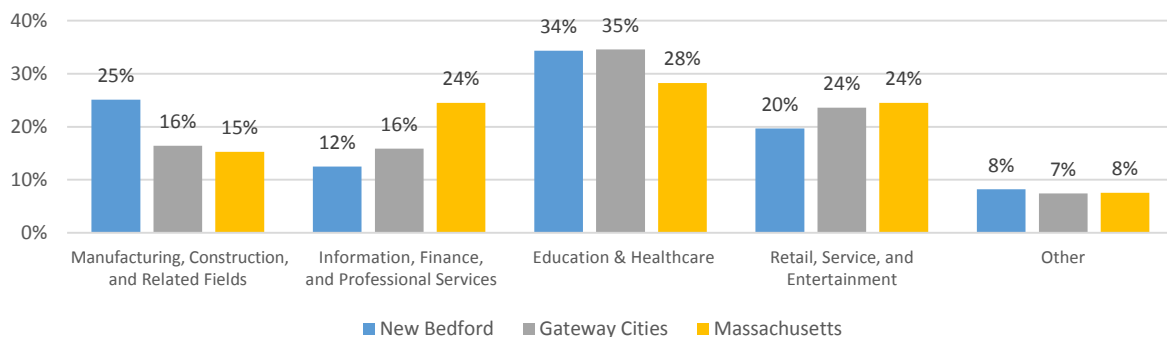


The concentration of foreign-born residents in New Bedford is similar to the average Gateway City.

ENTERPRISE & JOBS

Employment by Industry

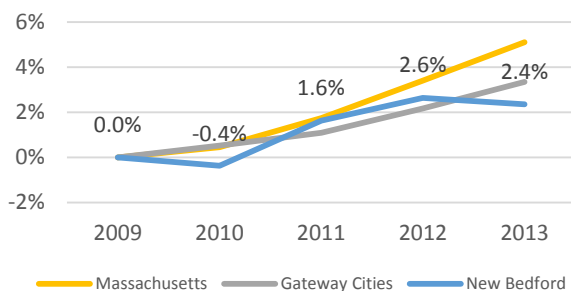
Source: MA Department of Workforce Development ES-202 Database (2014)



New Bedford has a significant concentration in manufacturing and construction, accounting for one-quarter of all employment in the city.

% Change in Total Employment from 2009

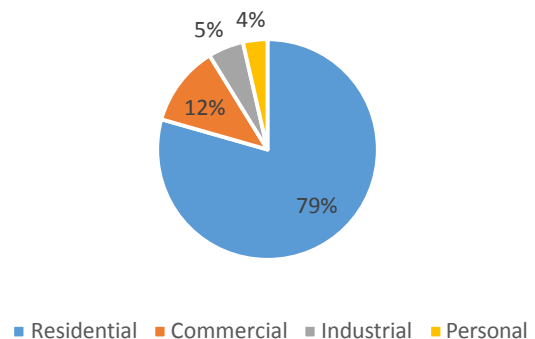
Source: MA Department of Workforce Development ES-202 Database (2014)



Employment has grown just 2% over the last five years, compared to 5% for the state.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



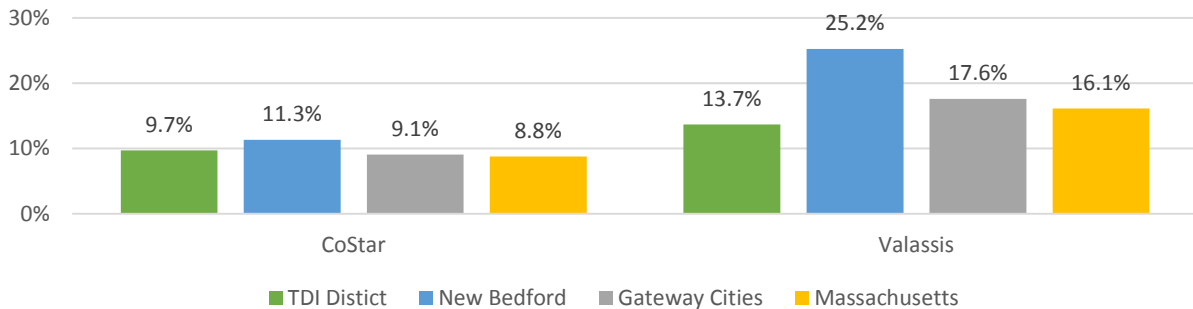
New Bedford is primarily residential with a modest concentration of commercial properties.

NEW BEDFORD: Union & Purchase Innovation District

MARKET CONDITIONS

Commercial Vacancy Rates

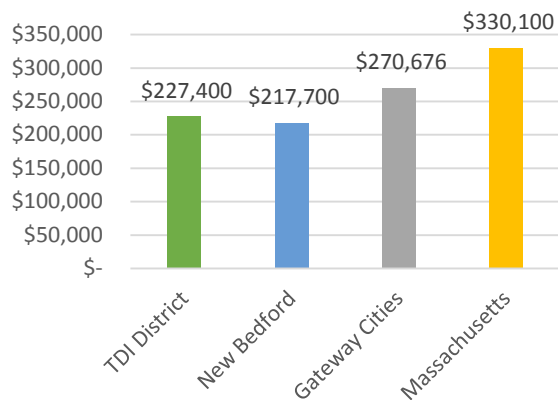
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



Vacancy rates are relatively high in New Bedford. The high vacancy rates in the Valassis data indicate some level of urban decay in the city, as more than one-quarter of the commercial properties are unoccupied.

Median Home Value

Source: 2013 ACS 5-year estimates



The median home value for New Bedford and the TDI district are comparable, but both are lower than the median for all the Gateway Cities.

Retail Rents

(Asking Rent per SF)

Source: CoStar Group Inc (2010 - 2014 average)

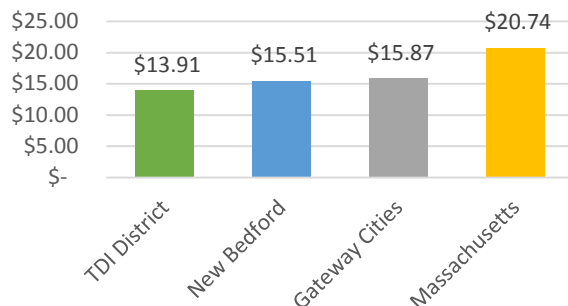


Retail space in New Bedford is about as expensive as a typical Gateway City. Retail space is less expensive in the TDI District, indicating weaker demand.

Office Rents

(Asking Rent per SF)

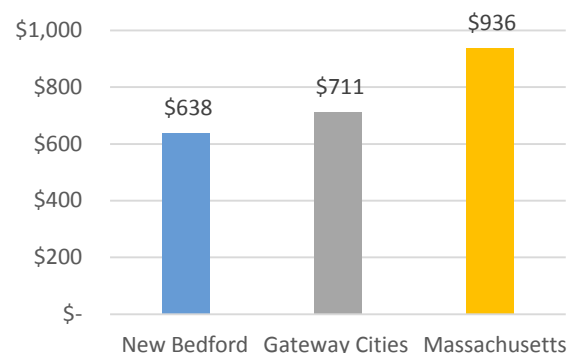
Source: CoStar Group Inc (2010 - 2014 average)



The cost of office space in New Bedford is similar to the Gateway City average.

Median Contract Rent

Source: 2013 ACS 5-year estimates



New Bedford median contract rent is slightly lower than the median for Gateway Cities, but is slightly more than two-thirds of the state's median.

PEABODY: North River Neighborhood District



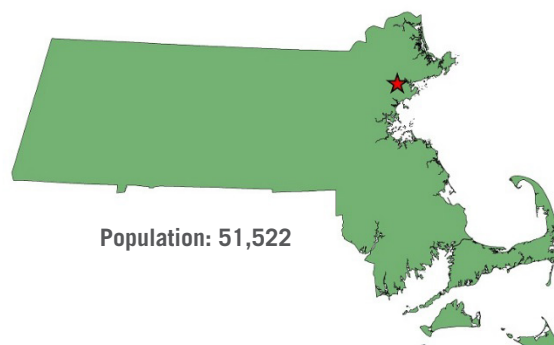
PEABODY: North River Neighborhood District

VISION

The North River Neighborhood District is a mixed-use neighborhood with an identity all its own, including a Riverwalk component with restaurants and open space oriented towards the North River making a more inviting and safer area.

DATA SUMMARY

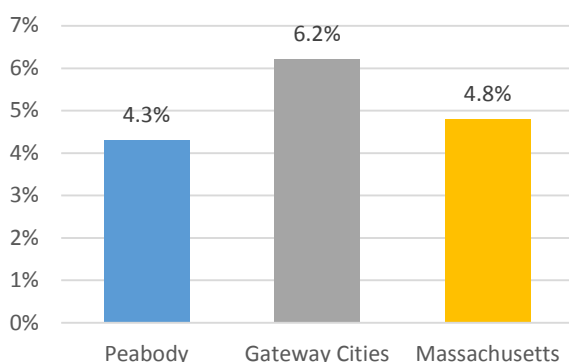
- Peabody has stronger economic indicators than most Gateway Cities, with low unemployment, low poverty, and a high median household income.
- Peabody is demographically different than most Gateway Cities. Peabody's population is older and less racially diverse than typical Gateway Cities.
- Peabody's industrial makeup is atypical of a Gateway City, with an absence of the healthcare and education industry and a concentration in retail, service, and entertainment.
- Employment has remained largely stagnant and has actually contracted by about 1% since 2009.
- The TDI District has nearly 4,800 residents, accounting for 9% of the city.



EQUITY

Unemployment Rate

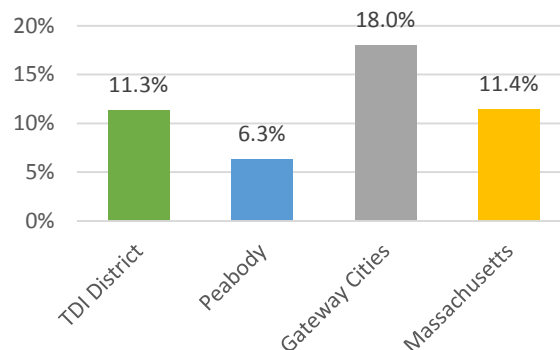
Source: MA Department of Workforce Development (2014)



Peabody has a low unemployment rate. Peabody is one of the few Gateway Cities with an unemployment rate lower than the state's.

Poverty Rate

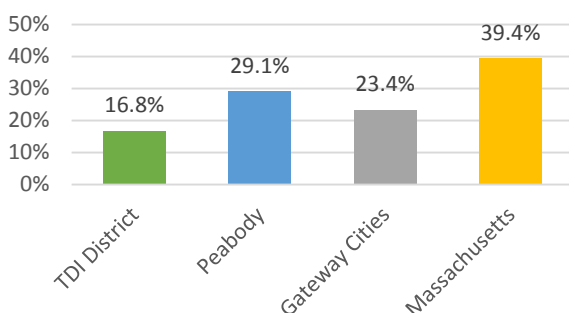
Source: 2013 ACS 5-year estimates



The poverty rate in Peabody is one-third of the Gateway Cities in the aggregate. Peabody's poverty rate is lower than the state's as well.

Percent 25 and Older with at Least a Bachelor's Degree

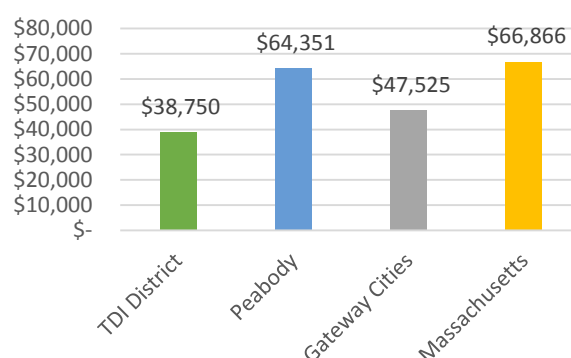
Source: 2013 ACS 5-year estimates



Educational attainment is higher in Peabody than the average Gateway City, but still below the state average.

Median Household Income

Source: 2013 ACS 5-year estimates



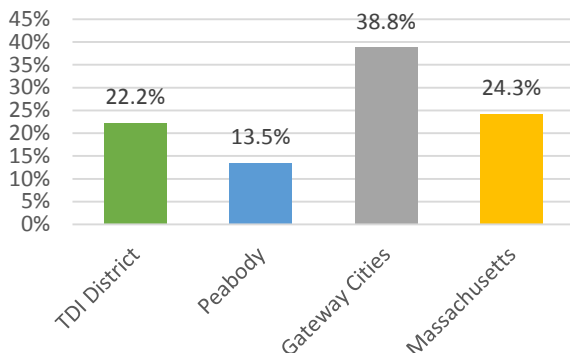
Median household income in Peabody is similar to the state overall. Median household income is significantly lower in Peabody's TDI District.

PEABODY: North River Neighborhood District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

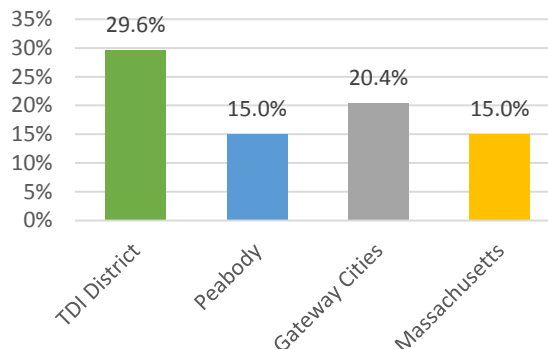
Source: 2013 ACS 5-year estimates



The non-white population in Peabody is smaller than is typical for Gateway Cities.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

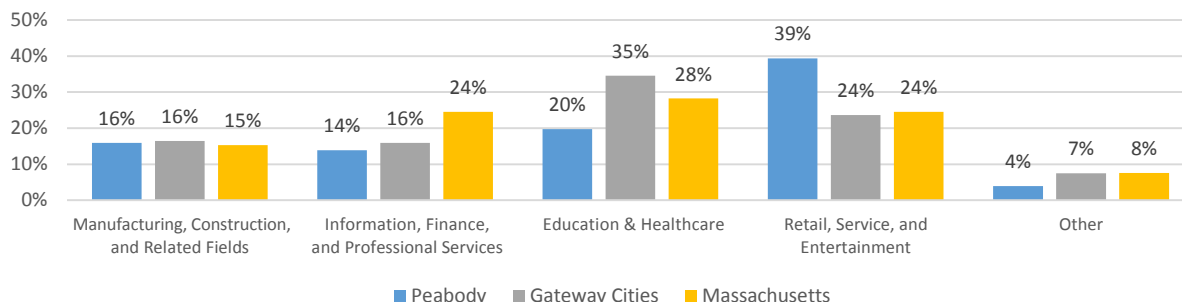


The proportion of foreign-born residents is equal to the state overall. There is a more significant concentration of foreign-born residents in the TDI District.

ENTERPRISE & JOBS

Employment by Industry

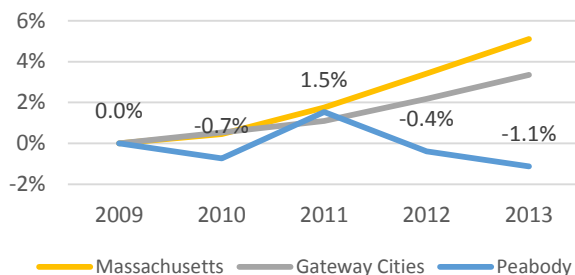
Source: MA Department of Workforce Development ES-202 Database (2014)



Peabody's industrial makeup is atypical of a Gateway City, with a lower concentration of healthcare and education jobs and higher concentration in Retail, Service, and Entertainment.

% Change in Total Employment from 2009

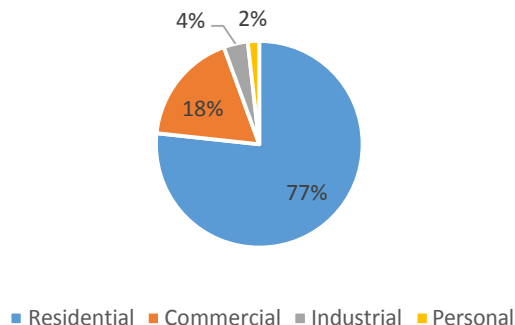
Source: MA Department of Workforce Development ES-202 Database (2014)



Employment has remained largely stagnant and has actually contracted by about 1% over the last five years.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



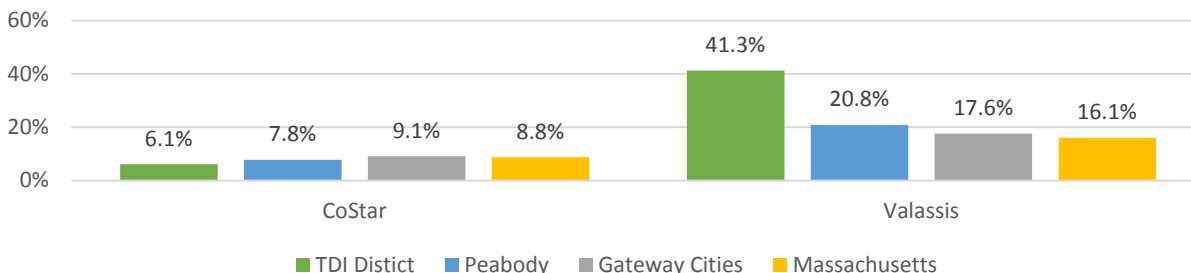
Almost one-fifth of Peabody's total assessed land value comes from commercial properties.

PEABODY: North River Neighborhood District

MARKET CONDITIONS

Commercial Vacancy Rates

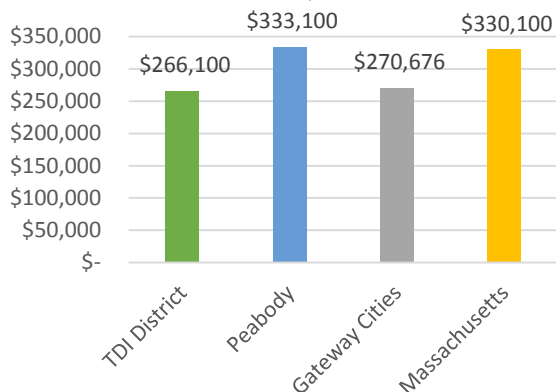
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



The vacancy rates are low in Peabody overall. However, the TDI District has a extremely high concentration of unoccupied commercial properties, even though the vacancy rate of advertised commercial space is quite low.

Median Home Value

Source: 2013 ACS 5-year estimates



The median home value in Peabody is actually \$3,000 higher than the state's \$330,100. The median home value in the District is lower than the city overall.

Retail Rents (Asking Rent per SF)

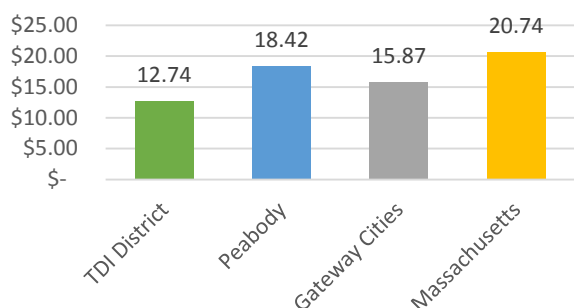
Source: CoStar Group Inc (2010 - 2014 average)



There is relative high demand for retail space in Peabody, as indicated by the high asking rents compared to Gateway Cities and the state.

Office Rents (Asking Rent per SF)

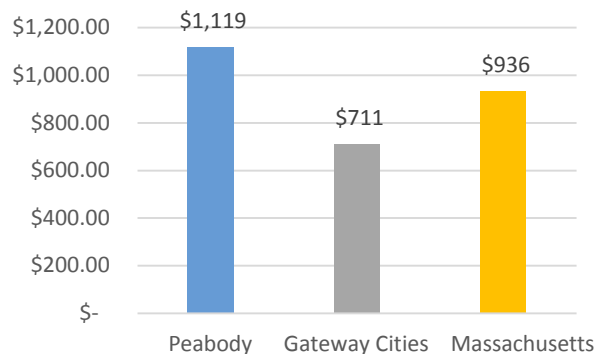
Source: CoStar Group Inc (2010 - 2014 average)



Office space in Peabody is less expensive than the state average.

Median Contract Rent

Source: 2013 ACS 5-year estimates



The median contract rent for Peabody is almost \$200 higher than the state's median and is also roughly \$400 higher than the Gateway City median.

PITTSFIELD: Tyler Street District



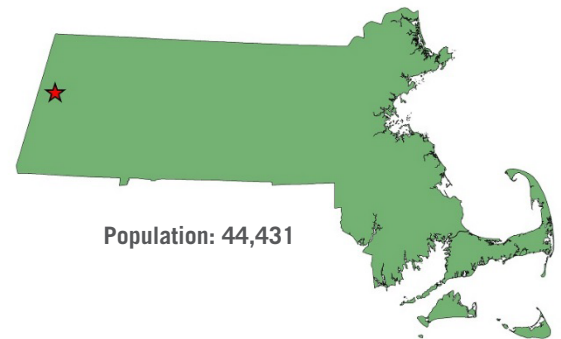
PITTSFIELD: Tyler Street District

VISION

The Tyler Street District will be a thriving residential neighborhood to an adjacent innovation district where typical day-to-day needs can be met within walking distance at locally owned stores that provide a high level of service.

DATA SUMMARY

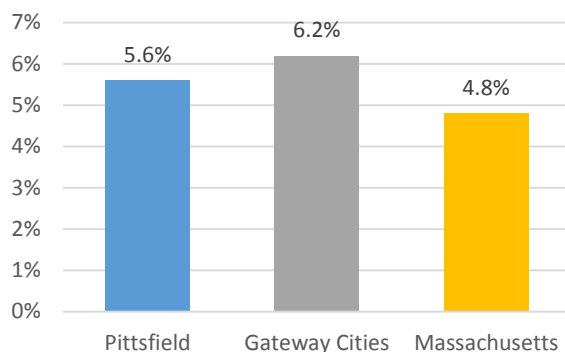
- Demographically, Pittsfield is different than typical Gateway Cities. The median age in Pittsfield is higher (44 compared to 36) and the non-white and foreign-born populations are smaller than the Gateway City averages.
- The poverty rate in Pittsfield is slightly lower than the average Gateway City but still above Massachusetts' level.
- Pittsfield has an average proportion of college graduates even when compared to other Gateway Cities, but few in the TDI District.
- The TDI District has just over 4,000 residents, accounting for 9% of Pittsfield's population.



EQUITY

Unemployment Rate

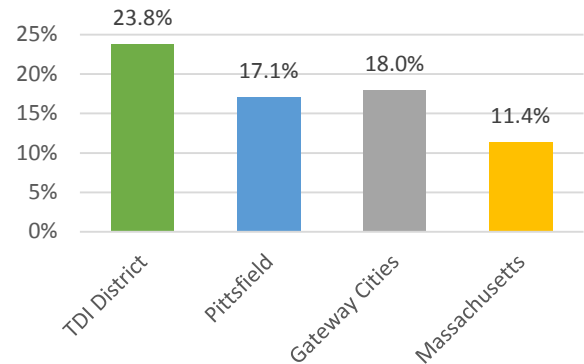
Source: MA Department of Workforce Development (2014)



The unemployment rate in Pittsfield is higher than Massachusetts as a whole but lower than the average for Gateway Cities.

Poverty Rate

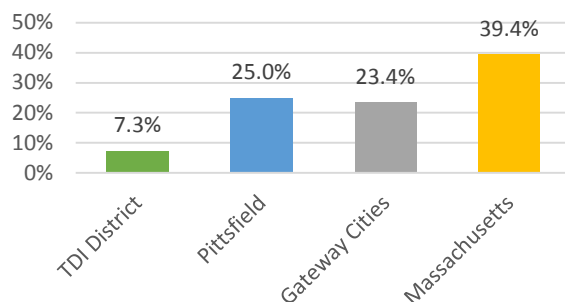
Source: 2013 ACS 5-year estimates



The poverty rate in Pittsfield is slightly lower than the average for Gateway Cities but still above the Massachusetts level.

Percent 25 and Older with at Least a Bachelor's Degree

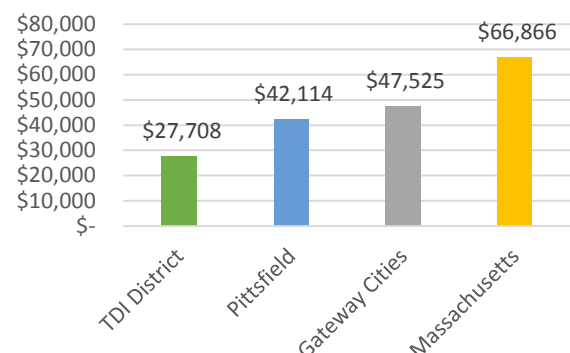
Source: 2013 ACS 5-year estimates



The proportion of the population with a college degree in Pittsfield is similar to other Gateway Cities. Educational attainment is low in the TDI District.

Median Household Income

Source: 2013 ACS 5-year estimates



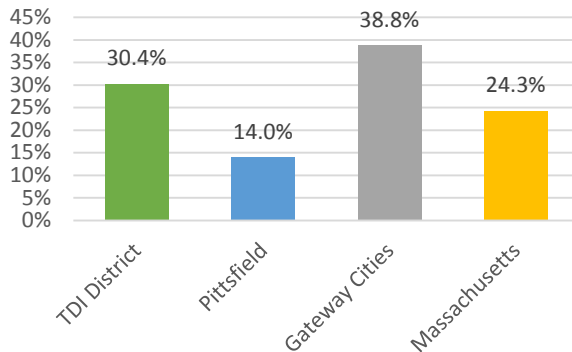
Median household income is low in Pittsfield when compared to the state or other Gateway Cities.

PITTSFIELD: Tyler Street District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

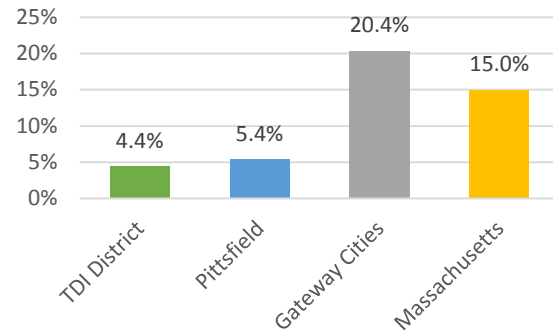
Source: 2013 ACS 5-year estimates



Pittsfield has a low concentration of non-white residents. Pittsfield's TDI District is more racially diverse than the city overall.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

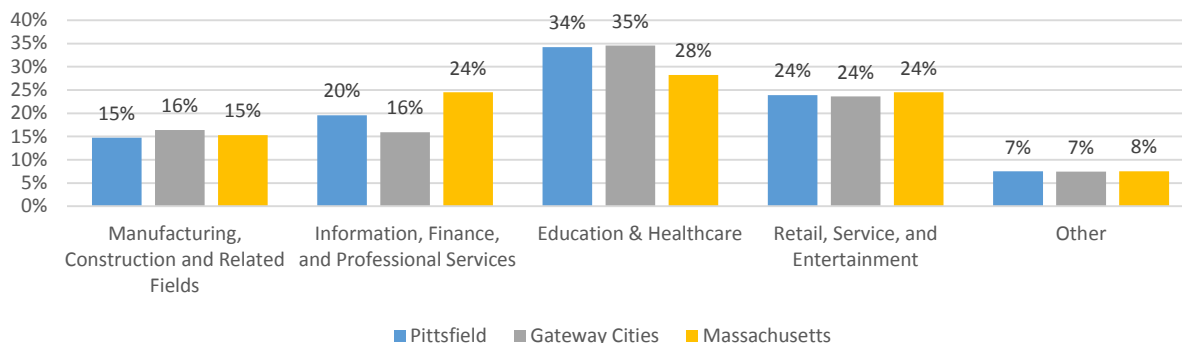


The concentration of foreign-born residents is significantly lower in Pittsfield than in the state.

ENTERPRISE & JOBS

Employment by Industry

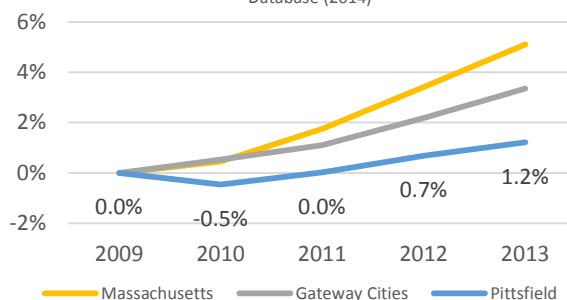
Source: MA Department of Workforce Development ES-202 Database (2014)



Pittsfield's industrial makeup is similar to most Gateway Cities, with a significant concentration in education/healthcare and Retail, Service, and Entertainment.

% Change in Total Employment from 2009

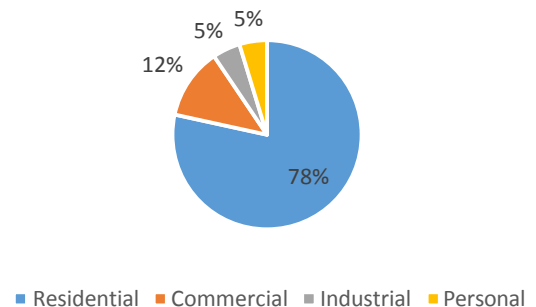
Source: MA Department of Workforce Development ES-202 Database (2014)



Pittsfield's employment has increased only 1% in the last five years, compared to 5% for the state.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



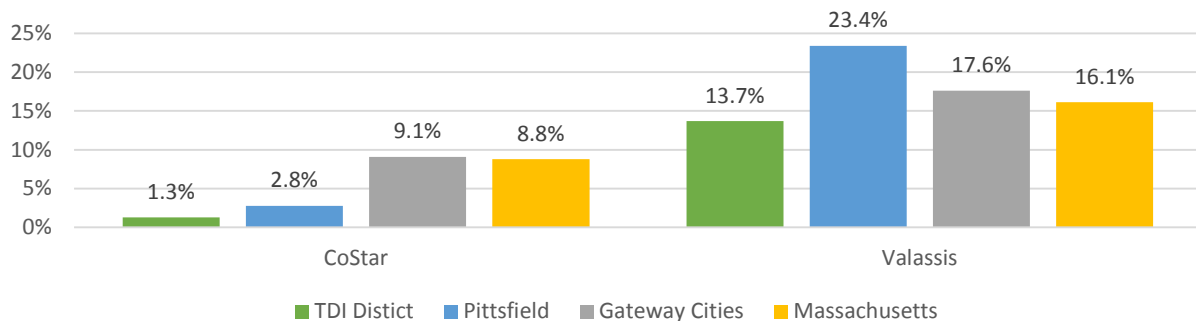
Pittsfield is primarily residential with some commercial properties.

PITTSFIELD: Tyler Street District

MARKET CONDITIONS

Commercial Vacancy Rates

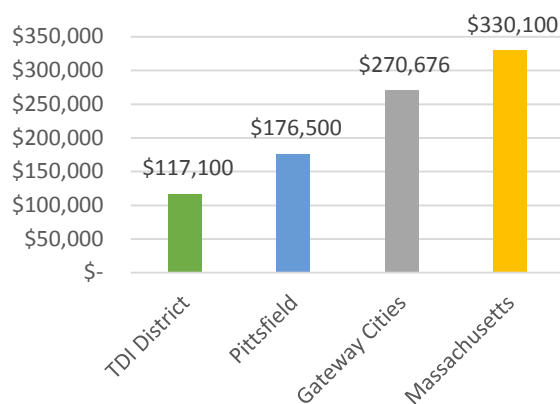
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



Pittsfield's advertised commercial vacancy rates are low. However, Valassis data show nearly one-quarter of the city's commercial properties are unoccupied, indicating some level of urban decay.

Median Home Value

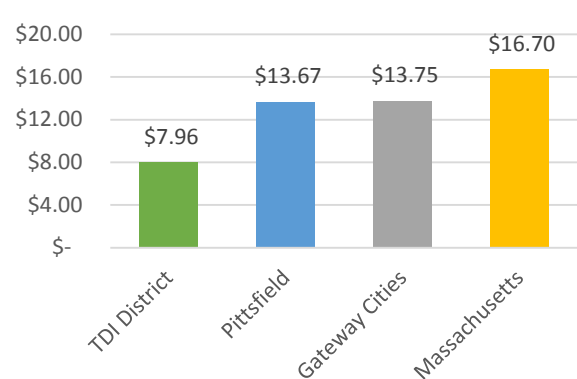
Source: 2013 ACS 5-year estimates



The median home values are much lower in Pittsfield compared to other Gateway Cities and the state.

Retail Rents (Asking Rent per SF)

Source: CoStar Group Inc (2010 - 2014 average)

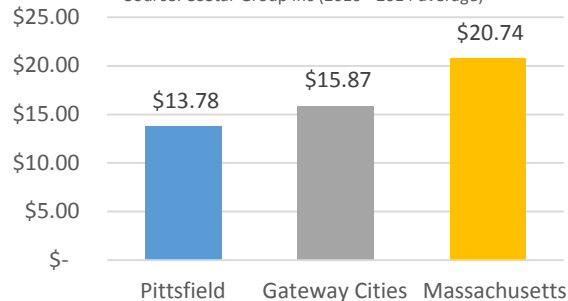


The cost for retail space in Pittsfield is similar to Gateway Cities overall. Asking rents for retail space in the TDI District are less than half the state average, indicating weak demand, despite low vacancies.

Office Rents (Asking Rent per SF)

*no estimate available for the TDI District due to a lack of observations.

Source: CoStar Group Inc (2010 - 2014 average)



Office space in Pittsfield is slightly less expensive than the Gateway Cities average and significantly lower than the state.

Median Contract Rent

Source: 2013 ACS 5-year estimates



The median contract rent for Pittsfield is significantly lower than the state's median.

REVERE: Coastal Development District



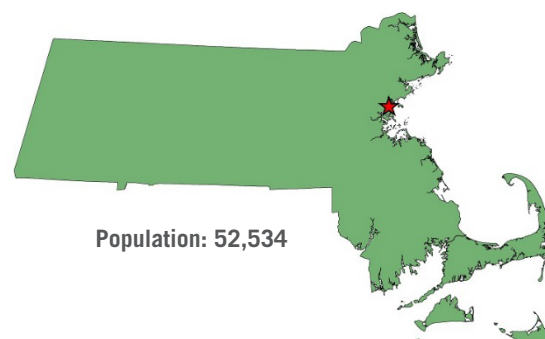
REVERE: Coastal Development District

VISION

The Revere Coastal Development District will be a vibrant urban area featuring good live, work, and play opportunities and that enjoys excellent transportation options and a magnificent setting on the shore with unique restaurants and entertainment venues.

DATA SUMMARY

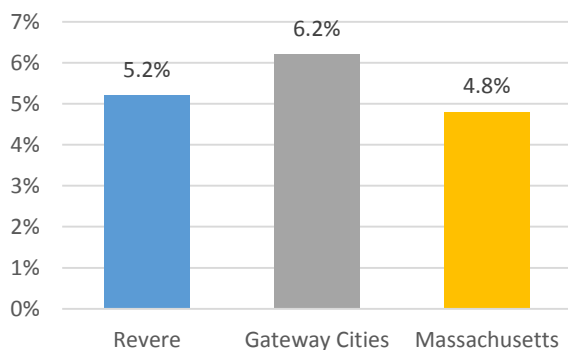
- Revere has an atypical industrial makeup for a Gateway City with a high concentration of retail, service, and entertainment and a less prominent healthcare and education sector.
- Revere has more than double the concentration of foreign-born residents than the state overall.
- Twelve percent of Revere households are linguistically-isolated, twice the proportion of the state.
- The TDI District has more than 6,000 residents, accounting for 12% of Revere's population.



EQUITY

Unemployment Rate

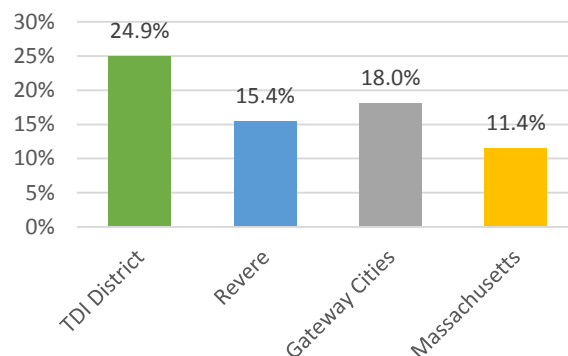
Source: MA Department of Workforce Development (2014)



Revere's unemployment rate is lower than the average for Gateway Cities, but slightly higher than the state's.

Poverty Rate

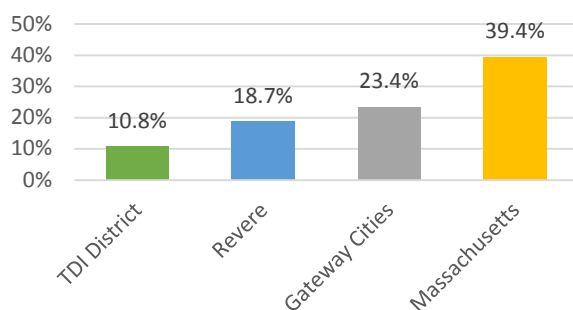
Source: 2013 ACS 5-year estimates



Revere's poverty rate is lower than the average for Gateway Cities. One-quarter of households in the TDI District in Revere are in poverty.

Percent 25 and Older with at Least a Bachelor's Degree

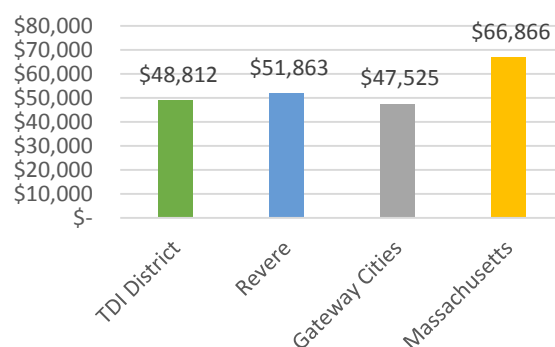
Source: 2013 ACS 5-year estimates



Educational attainment in Revere is low compared to the average for Gateway Cities and the state overall. Educational attainment is particularly low in the TDI District.

Median Household Income

Source: 2013 ACS 5-year estimates



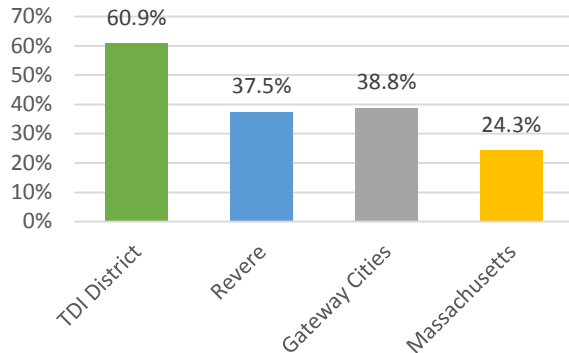
The median household income for Revere is similar to Gateway Cities overall and roughly \$15,000 lower than the state's.

REVERE: Coastal Development District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

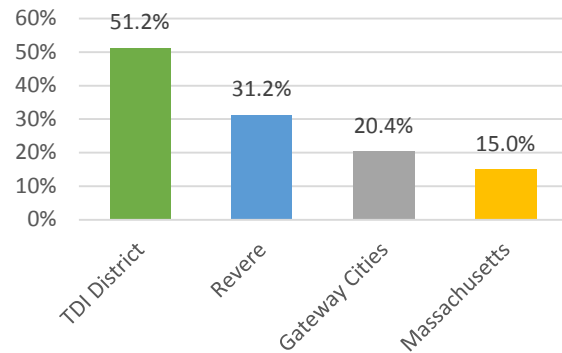
Source: 2013 ACS 5-year estimates



Revere's non-white population is similar to Gateway Cities overall. The TDI District in Revere has a high concentration of non-white residents.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

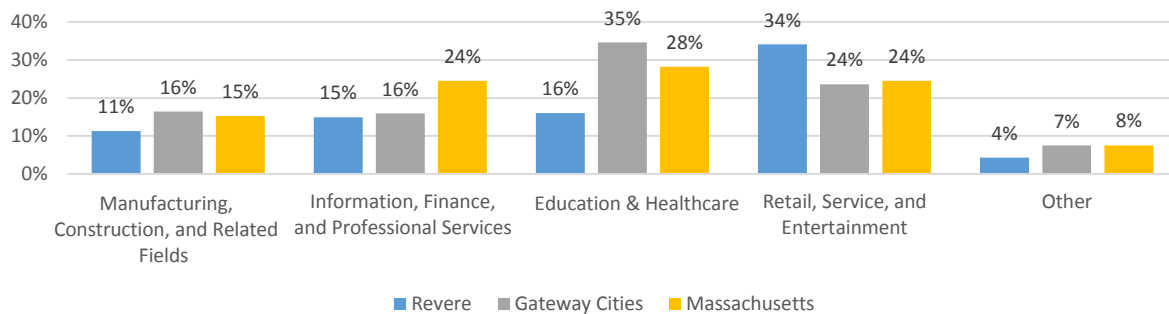


Revere has a high concentration of foreign-born residents. More than half of the TDI District in Revere is foreign-born.

ENTERPRISE & JOBS

Employment by Industry

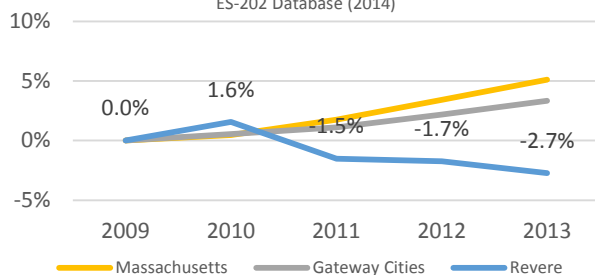
Source: Source: MA Department of Workforce Development, ES-202 Database (2014)



Revere has an atypical industrial makeup for a Gateway City with a high concentration of Retail, Service, and Entertainment and a lack of healthcare and education jobs.

% Change in Total Employment from 2009

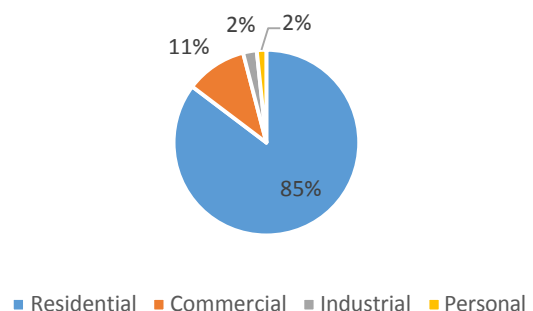
Source: Source: MA Department of Workforce Development, ES-202 Database (2014)



Employment in Revere has declined almost 3% since 2009. Comparatively, the state's economy grew 5% during that time.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



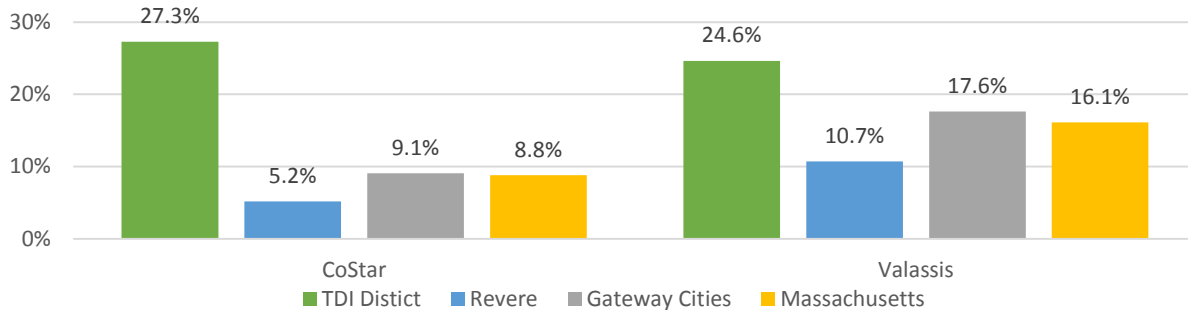
Residential properties dominate Revere, but a sizable concentration of commercial properties exists.

REVERE: Coastal Development District

MARKET CONDITIONS

Commercial Vacancy Rates

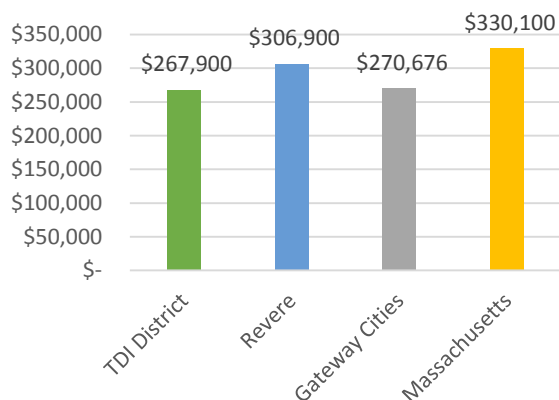
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



Commercial vacancy rates are generally low in Revere, but are extremely high in the TDI District.

Median Home Value

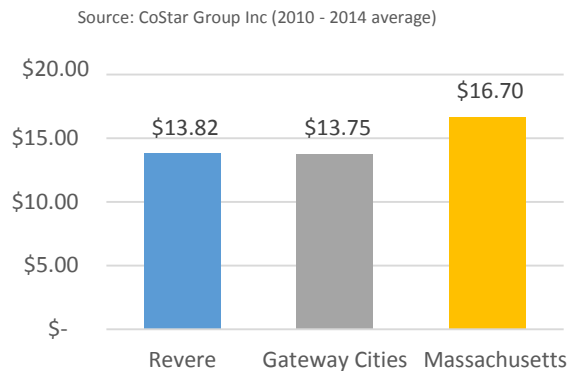
Source: 2013 ACS 5-year estimates



The median home value is below the state's level, but markedly higher than the median for Gateway Cities, due, in part, to proximity to Boston.

Retail Rents (Asking Rent per SF)

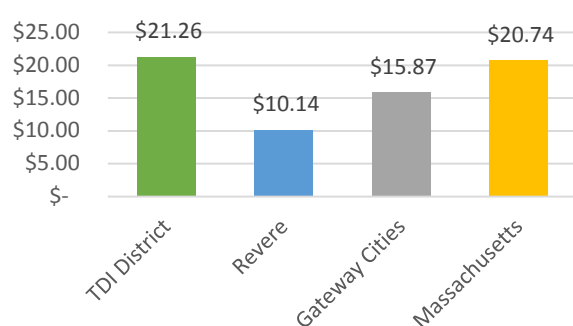
*no estimate available for the TDI District due to a lack of observations.
Source: CoStar Group Inc (2010 - 2014 average)



The asking rents for retail space in Revere are similar to Gateway Cities overall.

Office Rents (Asking Rent per SF)

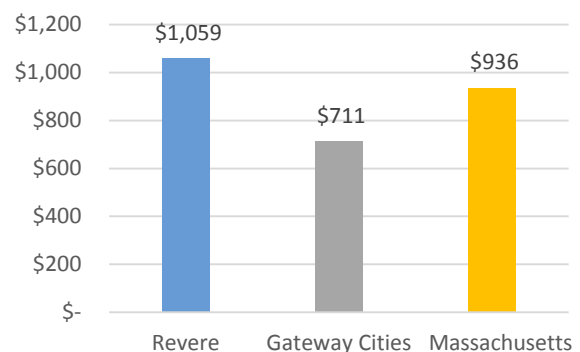
Source: CoStar Group Inc (2010 - 2014 average)



Asking rents for office space in the TDI District are significantly higher than the city overall. This difference is surprising given the high office vacancy rate in the district.

Median Contract Rent

Source: 2013 ACS 5-year estimates



Revere has slightly higher median contract rent than the state and much higher than the Gateway Cities.

SPRINGFIELD: Innovation District



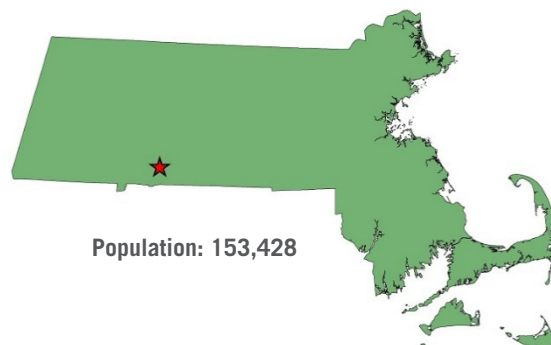
SPRINGFIELD: Innovation District

VISION

The Springfield Innovation District will be known as a mixed use, vibrant, urban center that is a place for education, innovative thinking, entrepreneurship as well as arts, entertainment and dining.

DATA SUMMARY

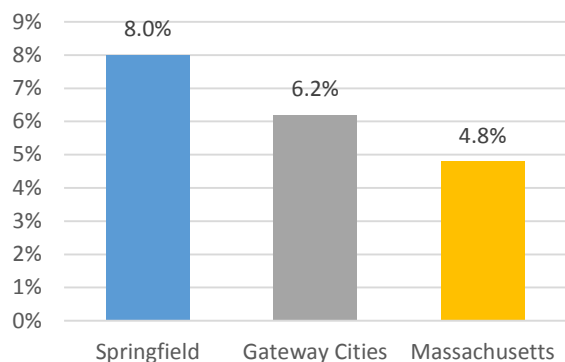
- Springfield has a prominent healthcare and education sector, even for Gateway Cities, largely due to the presence of institutions such as Baystate Medical Center.
- Socioeconomic conditions in Springfield are less favorable than many of other Gateway Cities. Poverty and unemployment are high in Springfield. Median household income and labor force participation rates are low.
- Educational attainment is low in Springfield. Only 17% of adults 25 or older have a college degree. Twenty-four percent have less than a high school education.
- Sixty-five percent of Springfield is non-white; the city has a large Hispanic population and a significant Puerto Rican population.
- The TDI District has just over 2,000 residents.



EQUITY

Unemployment Rate

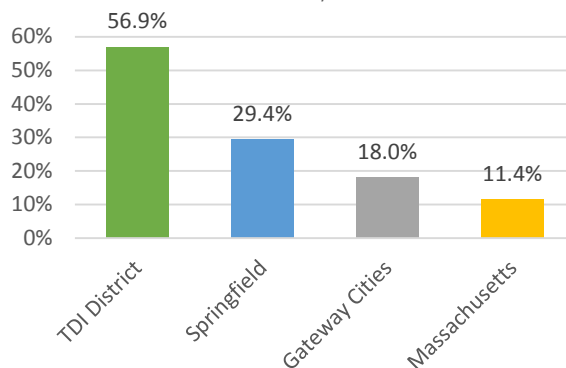
Source: MA Department of Workforce Development (2014)



The unemployment rate in Springfield is much higher than the state and other Gateway Cities.

Poverty Rate

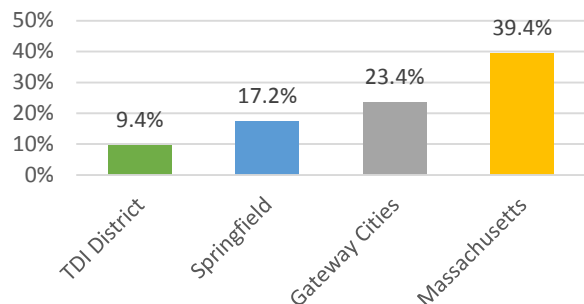
Source: 2013 ACS 5-year estimates



Springfield has a high poverty rate and a significant concentration of poverty in the TDI District.

Percent 25 and Older with at Least a Bachelor's Degree

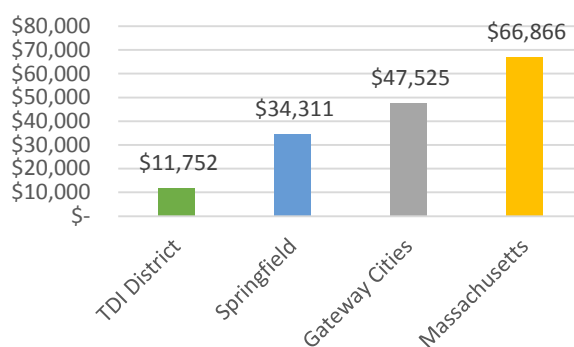
Source: 2013 ACS 5-year estimates



Springfield's educational attainment is low for a Gateway City and significantly lower in the TDI District.

Median Household Income

Source: 2013 ACS 5-year estimates



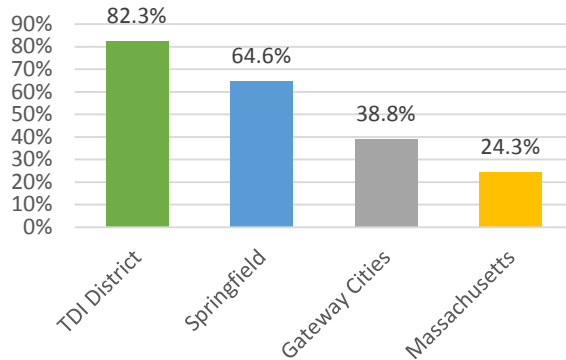
The median household income is \$13,000 lower than the Gateway Cities median and is also just more than half the median of the state figure.

SPRINGFIELD: Innovation District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

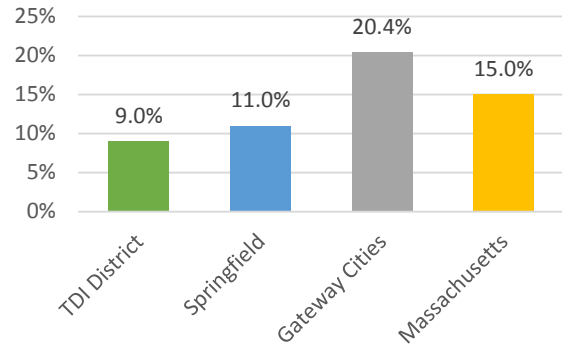
Source: 2013 ACS 5-year estimates



Springfield has a high concentration of non-white residents with a large Hispanic, most notably Puerto Rican, population.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

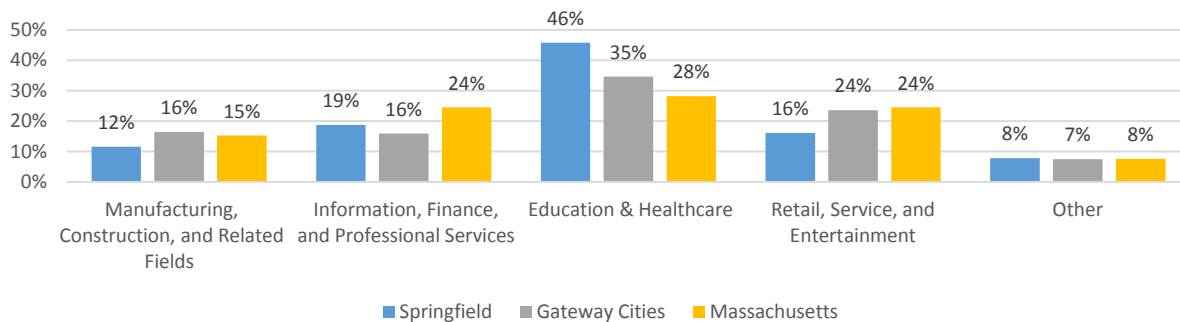


Despite the large Hispanic population, Springfield does not have a large concentration of foreign-born residents.

ENTERPRISE & JOBS

Employment by Industry

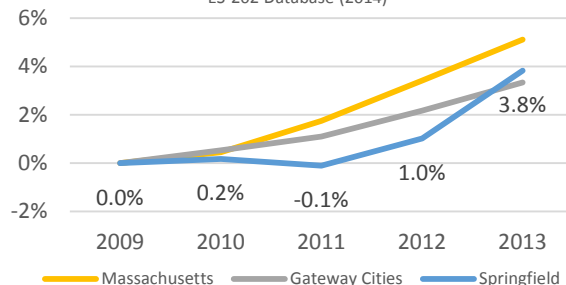
Source: Source: MA Department of Workforce Development, ES-202 Database (2014)



Springfield has a prominent healthcare sector, even for a Gateway City, largely due to the presence of institutions such as the Baystate Medical Center.

% Change in Total Employment from 2009

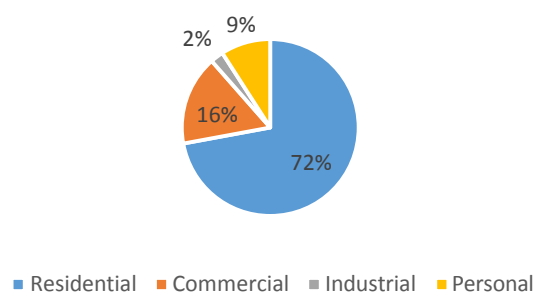
Source: Source: MA Department of Workforce Development, ES-202 Database (2014)



Job growth has been modest over the last five years. Springfield's economy has grown by about 4%, compared to 5% for the state.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



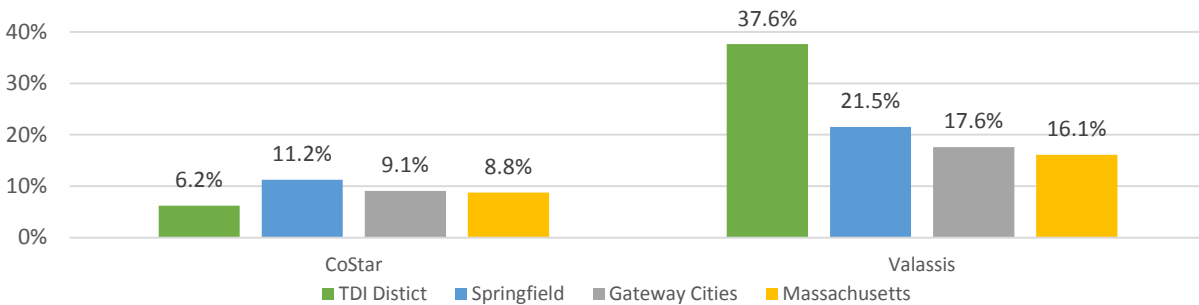
Springfield is the only Gateway City with a sizable portion of total assessed value from personal property likely due to the expensive equipment associated with the healthcare industry.

SPRINGFIELD: Innovation District

MARKET CONDITIONS

Commercial Vacancy Rates

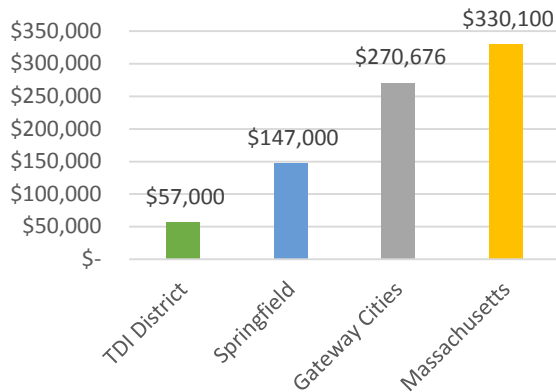
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



The TDI District in Springfield has low advertised available vacancy rates. However, more than 37% of the commercial properties in the District are unoccupied, indicating high levels of urban decay in the District.

Median Home Value

Source: 2013 ACS 5-year estimates



The median home value in Springfield is low, less than one-half the state level.

Retail Rents (Asking Rent per SF)

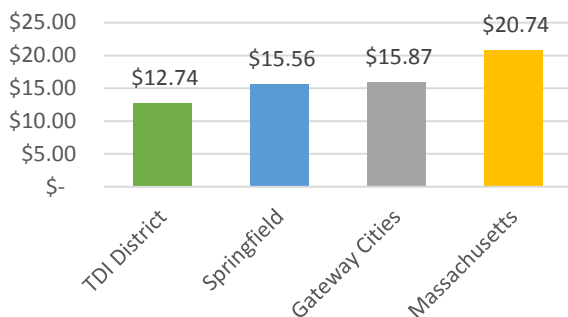
Source: CoStar Group Inc (2010 - 2014 average)



The cost of retail space overall is comparable to the Gateway City average. Asking rents for retail space in the TDI District are less expensive, indicating weak demand.

Office Rents (Asking Rent per SF)

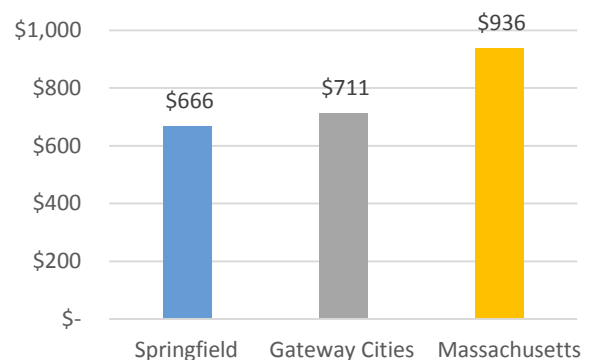
Source: CoStar Group Inc (2010 - 2014 average)



Office rents in Springfield are equal to the average for Gateway Cities.

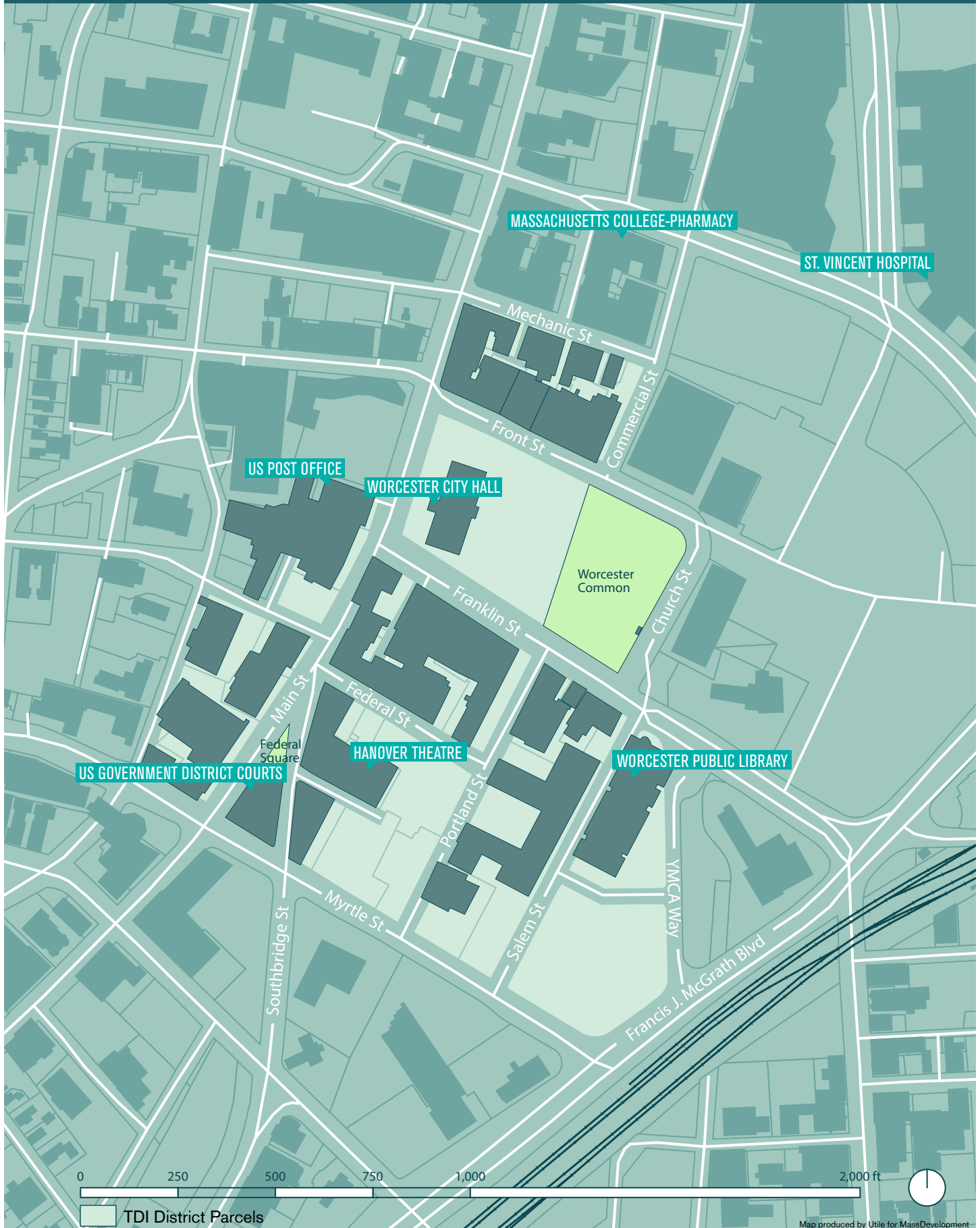
Median Contract Rent

Source: 2013 ACS 5-year estimates



Springfield's median contract rent is less than the state's median.

WORCESTER: Theatre District



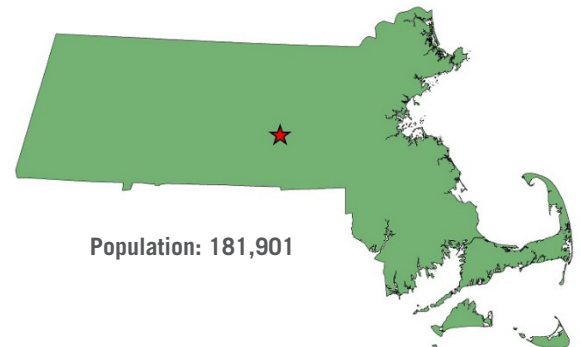
WORCESTER: Theatre District

VISION

The Theatre District will be known as a bustling hub of cultural activity and entertainment within the downtown that will leverage additional anchors in institutional, residential, and commercial growth to create a mixed-use neighborhood for residents and visitors alike to live, work, and play.

DATA SUMMARY

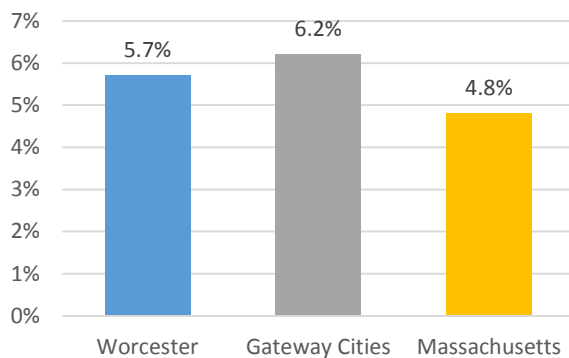
- Worcester has higher levels of education than most Gateway Cities
- Worcester has a below average median income and high poverty rates when compared to Gateway City averages.
- Worcester has a prominent healthcare and education sector, accounting for nearly half of all employment.
- The TDI District has nearly 2,200 residents.



EQUITY

Unemployment Rate

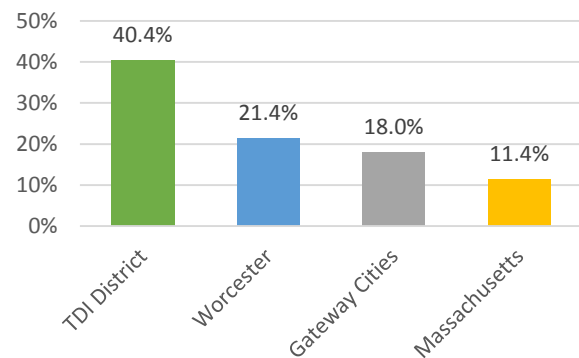
Source: MA Department of Workforce Development (2014)



Worcester's unemployment rate is lower than the average for Gateway Cities, but higher than the state average.

Poverty Rate

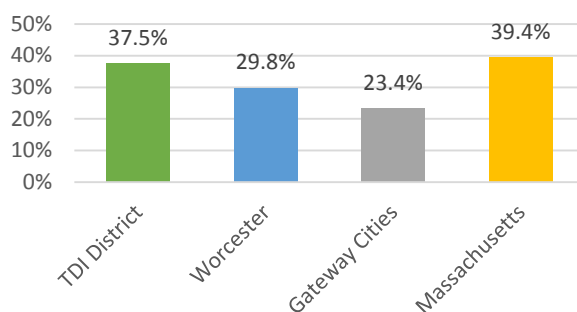
Source: 2013 ACS 5-year estimates



The poverty rate in Worcester is above the average for Gateway Cities. There is a significant concentration of poverty in the TDI District.

Percent 25 and Older with at Least a Bachelor's Degree

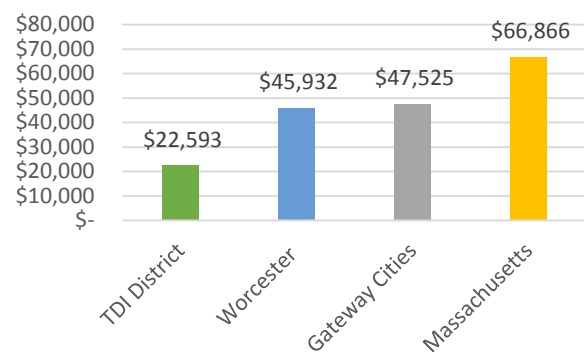
Source: 2013 ACS 5-year estimates



The proportion of residents with a college education is high for a Gateway City. The TDI District has a high concentration of college degrees as well.

Median Household Income

Source: 2013 ACS 5-year estimates



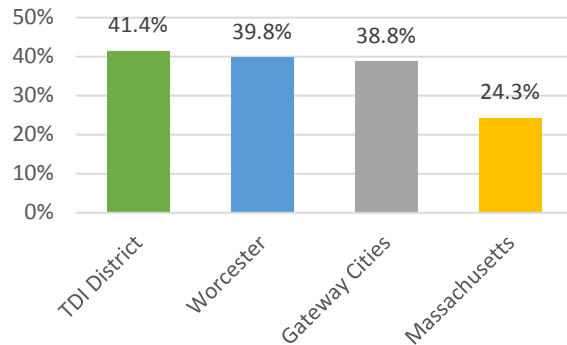
Median household income is low in Worcester compared to the averages for Gateway Cities and the state. The TDI District has a high concentration of low-income households.

WORCESTER: Theatre District

IDENTITY AND SOCIAL CAPITAL

Percent Non-White

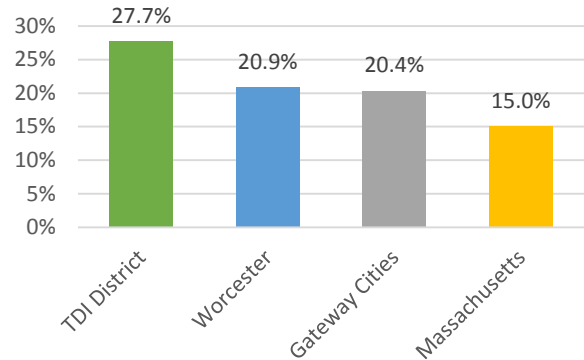
Source: 2013 ACS 5-year estimates



The concentration of non-white residents is comparable to the average Gateway City.

Percent Foreign-Born

Source: 2013 ACS 5-year estimates

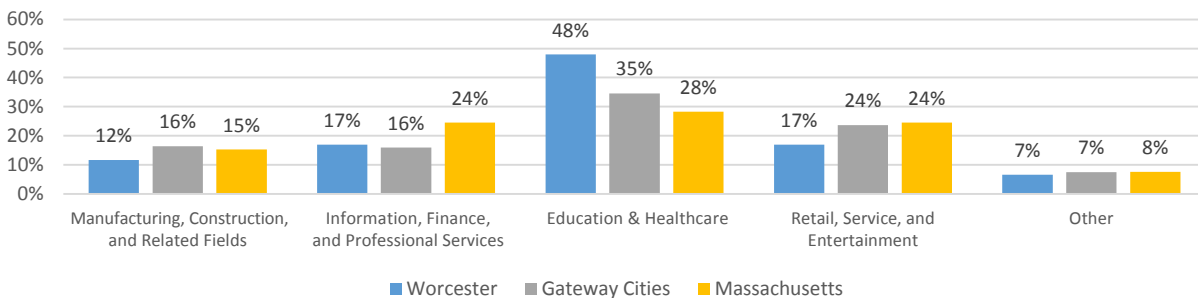


The proportion of foreign-born residents is typical for a Gateway City. The TDI District has a significant concentration of foreign-born residents.

ENTERPRISE & JOBS

Employment by Industry

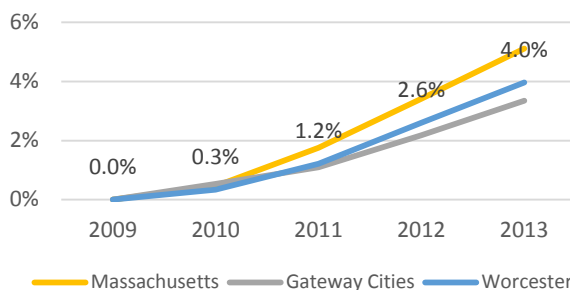
Source: MA Department of Workforce Development, ES-202 Database (2014)



Worcester has prominent healthcare and education sectors, accounting for nearly half of all employment. Education represents 16% of the city's workforce.

% Change in Total Employment from 2009

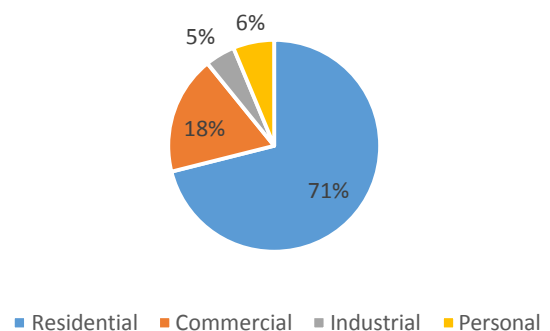
Source: MA Department of Workforce Development, ES-202 Database (2014)



Employment has increased by nearly 4,000 jobs, or 4%, slightly under the state's growth rate of 5%.

Assessed Value by Property Type

Source: MassGIS / MA Department of Revenue (2015)



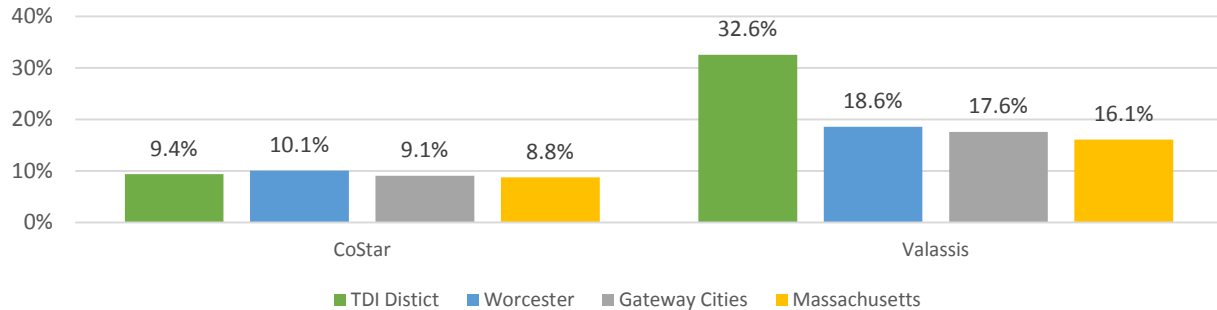
Worcester has a large percentage of total assessed value from commercial properties.

WORCESTER: Theatre District

MARKET CONDITIONS

Commercial Vacancy Rates

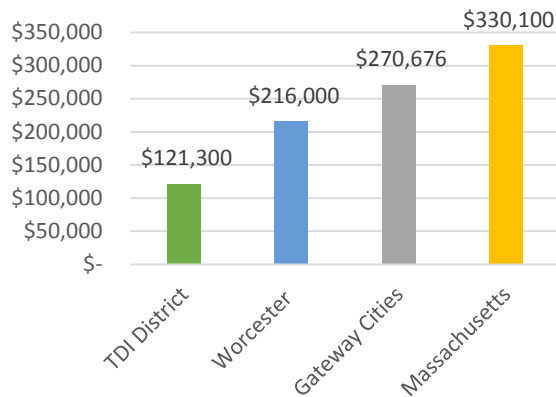
Source: CoStar Group Inc (2010 - 2014 average), Valassis Lists (Q4 2014)



The TDI District in Worcester has somewhat typical advertised available vacancy rates. However, nearly one-third of all commercial properties in the District are unoccupied, indicating high levels of urban decay in the District.

Median Home Value

Source: 2013 ACS 5-year estimates



The median home value in Worcester is slightly lower than the typical Gateway City, and the TDI District is markedly lower than the state and the typical Gateway City.

Retail Rents (Asking Rent per SF)

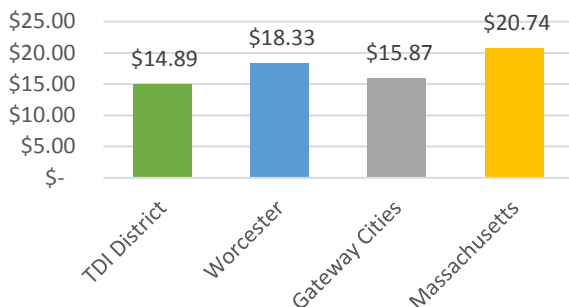
Source: CoStar Group Inc (2010 - 2014 average)



Retail rents in Worcester are typical for a Gateway City.

Office Rents (Asking Rent per SF)

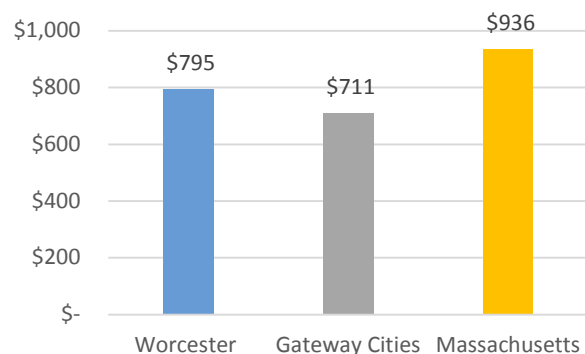
Source: CoStar Group Inc (2010 - 2014 average)



Office space in Worcester is slightly more expensive than the Gateway City average but still more affordable than the state overall.

Median Contract Rent

Source: 2013 ACS 5-year estimates



Worcester's median contract rent is lower than the state's median but higher than the median for Gateway Cities.

Appendix

DATA SOURCES

Socioeconomic and Quality of Life Indicators:

The equity indicators from the ACS include:

- Median income
- Educational attainment
- Homeownership rate
- Housing burden (i.e. households paying more than 30% of their income towards housing)
- Poverty status
- Labor force participation rate

The only equity variables that did not come from the ACS were the unemployment and violent-crime rates. The violent-crime rate came from the Massachusetts Executive Office of Labor and Workforce Development (for each of the Gateway Cities) and from the 2012 FBI Uniform Crime Reporting Statistics. These data are not available for geographies smaller than cities.

Demographic Indicators:

These indicators all came from the 2009-2013 ACS and include:

- Total population
- Age
- Race and ethnicity
- Nativity status
- Linguistic isolation (i.e. households where no one 14 or older speak English “well”)

Enterprise and Jobs Indicators:

These indicators came primarily from the Massachusetts Executive Office of Labor and Workforce Development’s Employment and Wages (ES-202) database. Our analysis focused on:

- 2013 employment by major industry sector
- 2013 establishments by major industry sector

Additionally, for each Gateway City we examined the breakdown of the total assessed value by property type using 2015 data from the Massachusetts Department of Revenue.

Market Conditions:

These data came from a number of different sources including the 2009-2013 ACS, CoStar Group Inc., Policy Map/Valassis Lists, and the Department of Housing and Community Development. The following are the Market Conditions variables organized by source:

- 2013 ACS 5-year estimates
 - Median contract residential rent
 - Median home value
 - Residential vacancy rate
- CoStar Group Inc. 5-year average (2010-2014)
 - Asking rent for retail properties (average cost per square foot)
 - Asking rent for office properties (average cost per square foot)
 - Vacancy rate for retail properties
 - Vacancy rate for office properties
 - Overall commercial vacancy rates
- 2014 4th Quarter Valassis Lists¹²
 - Overall commercial vacancy rates
- 2014 Department of Housing and Community Development: Subsidized Housing Inventory
 - Number of subsidized housing units (only available at the city level).

The data at the district level were approximated in a number of different ways depending on the source. As mentioned, the ACS variables were estimated using the closest fitting census tracts. For the data from CoStar and Policy Map/Valassis, we use the exact district as defined by MassDevelopment.

¹²Policy Map’s Valassis Lists data draw from a combination of USPS databases, providing no-stat counts and calculations based on the total number of active addresses. See more at: www.policymap.com/blog/2014/01/new-vacancy-data-valassis-lists/#sthash.vzBf8Myo.dpuf.

TABLE A1 - COMPARING GATEWAY CITIES TO THE STATE ON SELECTED VARIABLES

Group	Gateway Cities	Massachusetts
Unemployment Rate	6.2%	4.8%
Home Ownership Rate	50.2%	62.7%
Median Household Income	\$47,525.00	\$66,866.00
Percent Bachelor's or More	23.4%	39.4%
Renter Housing Burden Rate	57.9%	53.1%
Owner Housing Burden Rate	37.7%	33.1%
Total Housing Burden Rate	47.8%	40.6%
Percent Below Poverty Level	18.0%	11.4%
Labor Force Participation Rate	65.4%	67.7%
Percent Non-White	38.8%	24.3%
Percent Foreign-Born	20.4%	15.0%
Percent Linguistically-Isolated	10.8%	5.8%
Median Home Value	\$270,676	\$330,100
Percent Subsidized Housing Units	11.4%	9.3%
Commercial Vacancy Rate (CoStar)	9.1%	8.8%
Commercial Vacancy Rate (Valassis)	18.0%	16.0%
Average Retail Asking Rent per Square Foot	\$13.75	\$16.70
Average Office Asking Rent per Square Foot	\$15.87	\$20.74

Sources: 2013 ACS 5-year estimates; MA Department of Workforce Development; CoStar Group Inc. 5 Year Average (2010-2014); 2014 4th Quarter Valassis Lists; 2014 Department of Housing and Community Development: Subsidized Housing Inventory; and UMDI analysis.

