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For Immediate Release

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MASSACHUSETTS’ GATEWAY CITIES CELEBRATE KEY PROVISIONS IN THE STATE’S RECENTLY PASSED ECONOMIC DEVELOPMENT BILL

A coalition of leaders from Massachusetts’ Gateway Cities is celebrating the recent passage of an economic development bill that contains provisions that create new opportunities for state and private investments in business growth and job creation, market-rate housing, and public infrastructure in the state’s older, urban areas. The bill, passed by the legislature this past weekend was signed on Thursday morning by Governor Patrick.

Pittsfield’s mayor, James M. Ruberto, who serves as co-chair of the Gateway Cities Coalition, said: “Since the formation of our Coalition, our cities have worked hand-in-hand and shoulder-to-shoulder to advocate for the kind of policy reforms that this bill provides. In the City of Pittsfield, we applaud the Commonwealth's recognition of the importance of market rate housing to creating the diversity of housing opportunities needed to achieve our visio for the revitalization of our urban center and neighborhoods. This program will spur private investment in the City's neighborhoods; increase the diversity of housing available to our residents, as well as providing a critical incentive for private developers to build new market rate housing in our urban center. This program has the potential to help us tremendously as we work to revitalize our urban neighborhoods.”

Mayor Scott Lang, who also serves as the co-chair of the Gateway Cities Coalition, said: “This legislation demonstrates that the state understands the necessity of having policy specific to the Gateway Cities to promote economic development and infrastructure improvement. We are extremely enthusiastic about our ability to use these tools to move our cities forward.”

The legislation contains the following provisions, which addressing issues specific to the Gateway Cities:

- The creation of a novel Housing Development Incentive Program, which provides state support for market-rate housing developments that spur private investment in targeted Gateway City neighborhoods;
- The expansion and enhancement of a state tax credit for manufacturing and research and development companies creating or retaining jobs located in Gateway Cities; and
- The recapitalization of the Governor’s Growth District Initiative with $50 million for development-related infrastructure improvements in the state’s twenty designated Growth Districts, fourteen of which are located in Gateway Cities.
These actions, in addition to the extension of the state’s Historic Tax Credit, another integral part of the policy agenda promoted by the Gateway Cities and previously approved by the legislature in the Fiscal 2011 budget, are being hailed by mayors, city managers, and economic development officials in the Gateway Cities across the Commonwealth as creating important tools for them in their revitalization efforts.

The Gateway Cities were first identified in a 2007 report by MassINC. The eleven cities - including Brockton, Fall River, Fitchburg, Haverhill, Holyoke, Lawrence, Lowell, New Bedford, Pittsfield, Springfield, and Worcester - were facing serious economic challenges in the Commonwealth’s transition from a manufacturing-based economy to a knowledge-based economy. Informed by MassINC’s research and the efforts of the Urban Initiative at the University of Massachusetts Dartmouth, Gateway City leaders signed a compact in the spring of 2008 to work collaboratively across a range of key policy areas, beginning with state incentives for job creation and market-rate housing.

"The Gateway Cities report called for a new partnership between the cities and the state," said John Schneider, Executive Vice-President of MassINC and co-author of the Gateway Cities report. "The economic development bill signed by the Governor is a terrific step forward."

Ed Lambert, the former Mayor of Fall River who is now the Executive Director of the Urban Initiative at UMass Dartmouth said, "None of these cities is looking for a handout; they simply seek a recognition of the challenges they face on behalf of the entire Commonwealth. By keeping them strong, every resident of Massachusetts will benefit."

Lambert stated that the market-rate housing pilot program, inserted in the bill at an estimated cost of $5 million, is especially welcome and represents something that could be a model for the nation. "Each of these cities has great urban neighborhoods and attractive housing stock. With state support for the right projects, Gateway Cities can build greater confidence in their real estate markets and draw more private investment."