

City of Newton

Economic Development Strategic Plan



Jim Damicis
Rachel Selsky
Tom Dworetsky



Presented on: March 22, 2018

Agenda



- I. Introductions
- II. Project Outline
- III. Economic Context and Early Themes
- IV. Group Work
- V. What's Next

Project Overview



Economic Context

- ▶ **Population:** Recent growth and projected to continue to see growth - nearly 90,000 in 2016. Growth driven by “Gen X” cohort and their young families
- ▶ **Demographics:** High education level with 50% of residents having graduate or professional degree. 21% of the population is foreign born, compared to 16% of Boston, and 13% in the US; High Income \$130K median income compared to \$79K Boston, \$56K US
- ▶ **Industry Base:** 10 largest industries in Newton include mix of education related, local services, health care, and professional and technical (IT). Growth driven by social assistance and IT. High concentrations in Education, Real Estate, Arts/Enter, Healthcare/Social Assistance, and Prof/Tech.
- ▶ **Occupations:** Concentrated in higher education, health, services, and IT
- ▶ **Tax base:** Residential accounts for over 82% of city’s assessed value. Compared to its 7 neighbors, Newton has second lowest share of commercial/industrial property.
- ▶ **Transportation** - A high percentage of Newtonians drive to work. City has the highest share of telecommuting compared to peers.

Market Opportunities

- ▶ **Residential:** Residential and mixed-use developments are driving development.
- ▶ **Office:** Overall vacancy rates have increased slightly to 15% as of Q4 2017. Office space concentrated in Newton Corner, Newton Centre, Wells Ave.
 - ▶ Demand driven by life science and tech priced out of urban market
 - ▶ Repositioning of aging properties. Mixed-use/TOD properties in demand
- ▶ **Lab Space:** No significant lab space in Newton (i.e. as tracked by commercial brokerages).
 - ▶ Greater Boston - largest concentration of life sciences researchers in US
 - ▶ Core suburbs becoming increasingly attractive as a “release valve”
- ▶ **Industrial:** Strong industrial space demand regionally. Limited land availability and high land values in Newton limit development opportunities
- ▶ **Retail:** Solid demand regionally due to high-wage job growth. Growth of ecommerce continues to impact dated, lower-quality space
- ▶ **National/Regional Trends:** High amenity developments, connectivity

Early Themes



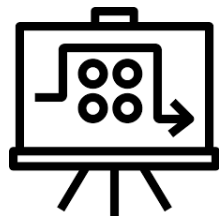
Business Development, Entrepreneur Ecosystem and Workforce Development

- Diversify the tax base
- Attract and retain existing business
- Support innovation and entrepreneurship
- Create a workforce that serves current and future businesses



Planning and Development Process and Role of the City

- Establish an efficient and predictable review process that respects the values of the community
- Consider the City's role in economic and community development
- Develop community consensus around the future of Newton



Neighborhoods, Corridors, and Transportation

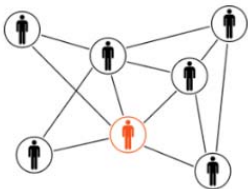
- Create vibrancy for all 13 villages through a diversity of uses
- Improve transportation options for residents, businesses, and the workforce
- Attract appropriate development of all kinds to serve wide variety of users



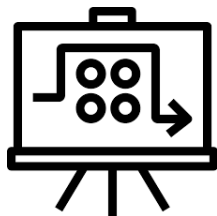
Group Activity 1-2-4



Business Development,
Entrepreneur Ecosystem and
Workforce Development



Planning and Development
Process and Role of the City

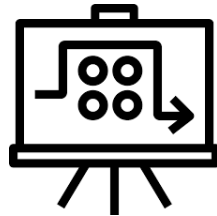
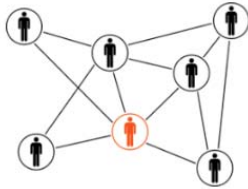


Neighborhoods, Corridors, and
Transportation



- Presentation of assets and background on each of the themes
- Following presentation, please:
 - (1) Briefly answer the questions on your paper
 - (2) Share with your neighbor and start to identify areas of similarities and differences
 - (4) Share with the two people in front of you and again identify areas of similarities and differences
- After 15 minutes we will open it up to the group to share insights and answers

Group Activity 1-2-4



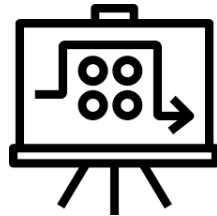
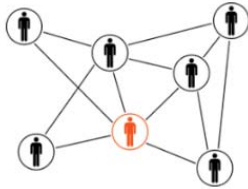
Business Development, Entrepreneur Ecosystem, and Workforce Development

- Residential makes up over 80% of the overall assessed value of the city
- High demand regionally for lab space with none available in Newton
- Newton has significant assets include location, access, and workforce
- Newton Innovation Center has been a hub of activity and created network of businesses
- Limited awareness of resources available to businesses
- Demand for coworking and other services
- Schiller Center development opportunities

Questions for Discussion:

- What would success look like in Newton/what would you like to achieve related to this theme?
- What are some goals around the theme?
 - *Example: Establish a second Innovation Center in Newton by 2020.*
- What should the City's role be?

Group Activity 1-2-4



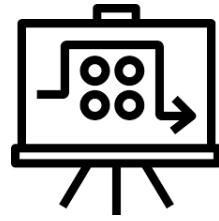
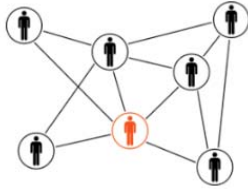
Planning and Development Process and the Role of the City

- Length of time, community pushback, and costs related to development process can be a deterrent
- Zoning regulations related to parking and other issues can make it difficult to comply
- Need to come to community consensus around the future of Newton

Questions for Discussion:

- What would success look like in Newton/what would you like to achieve related to this theme?
- What are some goals around the theme?
 - *Example: Conduct full review of the City's permitting process by 2019 and implement improvements.*
- What should the City's role be?

Group Activity 1-2-4



Neighborhoods, Corridors, and Transportation

- 13 unique villages with varying level of economic activity and needs
- Very high quality of life making it an attractive place to live and putting pressure on housing market
- Housing and mixed-use developments are driving demand
- 85% of residents commute out of Newton daily, the majority take a car
- Congestion, maintenance, and limited alternative options
- Large number of people telecommute from Newton

Questions for Discussion:

- What would success look like in Newton/what would you like to achieve related to this theme?
- What are some goals around the theme?
 - *Example: Identify and complete one safety project for each village by 2022.*
- What should the City's role be?

What else?

- Are we missing anything?
- Additional comments?

Stay tuned...

Wednesday May 2, 2018

- Review draft strategies and help with refinement

Thursday June 7, 2018

- Final public presentation

For more information:

- Visit http://www.newtonma.gov/gov/planning/lrplan/econdev/econ_strategy.asp
- Email: Kathryn Ellis, Director of Economic Development: KEllis@newtonma.gov or economicdevelopment@newtonma.gov