



Uniting in Pursuit of Growth and Opportunity

FINAL REPORT OF THE NEW BEDFORD REGENERATION COMMITTEE | SEPTEMBER 2014

Final Draft

Letter from the Chair

September 4, 2014

Dear Mayor Mitchell:

On behalf of members of the New Bedford Regeneration Committee, I offer this final report outlining strategies to increase the growth and prosperity of our city and region. It has been a privilege to serve alongside other members of the committee and engage in productive dialogue.

The Committee was tasked with identifying activities that can be pursued in the near term to keep Greater New Bedford on a path toward long-term growth and renewal. In calling for the formation of this committee, you stressed three core principles:

- First, that we think about the City of New Bedford as the hub of a culturally, economically, and physically distinct metropolitan area and push the community to be bold as the leader in the region's redevelopment efforts.
- Second, that we recognize that an effective redevelopment strategy must be grounded in Greater New Bedford's competitive advantages; chief among them are a deepwater port, a culturally rich and walkable downtown, higher education institutions, a regional airport, and proximity to major population centers in the Northeast.
- And third, that we recognize that the work of regeneration will require the courage to resist short-term fixes.

With this farsighted guidance and after much discussion, we settled on a set of actionable strategies. Our report describes Greater New Bedford's economic context and encourages aggressive pursuit of these strategies. While they range in terms of degree of difficulty—some simply require that the city complete work it has already set out to accomplish while others call for new and different approaches—we believe that each of these strategies is imminently achievable, if civic leaders commit to working in unison.

The most important takeaway from our process has been a greater appreciation of how important it is that civic leaders spanning the community's public, private, and nonprofit sectors have a common vision to rally around. After hearing from the diverse cross-section of committee members gathered at the table these past few months, I can report that the collaborative spirit is alive and well and leaders are eager to unite to advance a clearly defined strategy.

I hope that this spirit comes through in our report, and as mayor, you tap into it to take our community on to greater heights.

Sincerely,

Gerry Kavanaugh
Senior Vice-Chancellor for Strategic Planning and Management
University of Massachusetts at Dartmouth

Overview

Historic industrial cities like New Bedford are positioned for regeneration like perhaps never before. More Americans, particularly the young and educated and a growing flock of empty nesters, are choosing to live in authentic urban centers. At the same time, entrepreneurs and investors are rediscovering the value of integrated advanced manufacturing economies where companies develop, produce, and export actual goods. With a saturated market in Boston and other first-tier cities, attention is turning now to unlocking the growth potential of these emerging opportunities in well positioned cities like New Bedford.

Over a number of years, New Bedford has come together as a community to strategically pursue its economic development potential. This work has been impactful. Half a century of population loss has been reversed and over the past decade, the city has far outpaced its peers in the growth of businesses and private employment.

Recent and planned investments made by the Commonwealth speak well to both the city's fitness as a responsible partner and its bright economic future. The Massachusetts Clean Energy Center committed \$100 million to the New Bedford Marine Commerce Terminal, the nation's first purpose-built facility for offshore wind development. Tens of millions of dollars have been devoted to the planning and infrastructure development required to construct South Coast Rail. Other major public investments include \$12 million reconfiguring Route 18 to improve the connection between downtown and the waterfront and \$4.5 million to transform the Acushnet Avenue commercial corridor into the vibrant International Marketplace.

Recognizing these accomplishments in his March 2014 State of the City Address, Mayor Mitchell urged the community to sustain momentum in pursuit of greater prosperity for the city and its region. Toward that end, he announced the formation of an independent, cross-sector Regeneration Committee tasked with developing an actionable regional strategy to cement opportunities on the horizon that will increase Greater New Bedford's competitiveness.

Mayor Mitchell's charge for the Regeneration Committee was drawn from *Regenerating America's Legacy Cities*, a report from the Lincoln Institute of Land Policy that suggests regional cities like New Bedford succeed when cross-sector leaders develop, adopt, and steadfastly pursue a shared vision.¹ The 22 members of the Regeneration Committee convened as both a full body and in smaller working groups throughout the spring and summer. During this four-month process facilitated by MassINC and the Urban Initiative at UMass Dartmouth, the committee's deliberations were informed by presentations from subject-area experts and interviews with local leaders.

The Final Report of the Committee presents concrete strategies divided into four sections: 1) organizing and sustaining New Bedford economic development activities; 2) furthering the regeneration of downtown New Bedford; 3) growing the Port of New Bedford; and 4) growing advanced manufacturing industries.

Members of the Regeneration Committee are unified around this plan of action and have committed to working together in support of efforts to advance these strategies in pursuit of growth and opportunity for Greater New Bedford.

Summary of Strategies

I. Organizing for Success

1. Increase the capacity of New Bedford's planning and economic development agencies
2. Create a cross-sector leadership organization

II. Furthering the Regeneration of Downtown New Bedford

3. Modernize zoning to support the city's vision for downtown
4. Promote the creation of a Community Benefit District as a way to enhance services, support businesses, and improve quality of life downtown for residents and visitors
5. Support institutional investment that improves downtown's vibrancy, productivity, and economic diversity

III. Growing the Port of New Bedford

6. Champion the EDA planning process as a strategy for building a dynamic working waterfront
7. Advocate for strategic investments in port infrastructure and dredging
8. Gain local operational management of State Pier, and in the long term, develop the pier for public and retail uses that are integrated with the downtown

IV. Growing Advanced Manufacturing Industries

9. Develop a unified workforce development plan
10. Grow industry clusters through collaborative projects
11. Market the promise of Greater New Bedford's advanced manufacturing future

I. Organizing for Success

A powerful theme in the Lincoln Institute’s report is that successful regeneration is the cumulative result of many successful initiatives over a number of years. This requires communities to pursue quality strategies with consistency.

New Bedford has done exceptionally well in this regard in recent years. In deliberating strategies to pursue for the near term, the Committee had much to consider because considerable attention has been paid to developing a pipeline of new plans and projects. However, there are real questions about whether New Bedford has the appropriate capacities and governance structures in place to fashion and execute an economic development strategy equal to the opportunities and challenges that lie on the horizon.

Across the country, cities are looking hard at how they govern economic development efforts and building new structures that will give them competitive advantage. For midsize regions, where public resources are modest and corporate consolidations have been particularly detrimental to the local business community, creatively designing efficient and effective economic development structures has taken on particular urgency.

In devising a plan for regeneration, New Bedford’s leaders must follow suit, looking carefully at new strategies to organize for future success.

Sector	Organization	Budget/revenue	Employees
Public	New Bedford Department of Planning, Housing, & Community Development	\$228,176	6
	New Bedford Office of Tourism and Marketing	\$426,296	2
Quasi-public	Harbor Development Commission	\$1,840,796	32
	New Bedford Economic Development Council	\$1,241,766	7
	New Bedford Wind Energy Center		1
	Greater New Bedford Workforce Investment Board	\$3,599,472	7
Private	New Bedford Industrial Foundation	\$118,980	1
	Downtown New Bedford Inc.	\$100,658	1
	New Bedford Area Chamber of Commerce	\$541,030	8
Regional	Southeastern Regional Planning and Economic Development District	\$2,348,563	24
	SouthCoast Development Partnership	\$90,000	1
	CONNECT Partnership		1

Strategy 1:

Increase the capacity of New Bedford’s planning and economic development agencies.

Managing, marketing, and developing the city’s assets while promoting the growth of its industries requires considerable effort. From the Economic Development Council to the Harbor Development Commission, New Bedford’s economic development agencies lack the staff to fully perform their functions. While the fiscal realities of municipal government make it exceptionally difficult to free up additional resources for these agencies, these organizations are fundamental to building the city’s tax base.

City leaders can first explore opportunities to create efficiencies by bringing organizations together under one roof. One important step in this direction has already been taken, with the New Bedford Economic Development Council assuming management responsibilities for the New Bedford Industrial Foundation and consolidating operations into a single office. In addition to creating economies of scale, bringing together agencies in this way can lead to tangible improvements in coordination and service delivery.

Beyond the modest gains that can be found through efficiency, New Bedford can look to follow the path of other cities and develop dedicated revenue streams to increase economic development capacity. Particularly critical is finding additional resources for the Harbor Development Commission, which must continue its evolution from a traditional harbormaster to a maritime business development agency, responsible for marketing, planning and business investment for the Port.

Action Items

- Increase efficiencies and collaboration by merging or co-locating agencies (e.g., co-locate the Greater New Bedford Workforce Investment Board and its Career Center with the New Bedford Economic Development Council).
- Develop dedicated revenue streams (e.g., long-term leases, linkage fees, municipal investment) to increase funding and staffing capacity for economic development agencies.
- Increase capacity of the city planning functions to accommodate a more robust development agenda.

Strategy 2:

Create a cross-sector leadership organization.

Following on successful models like the Allegheny Conference, Cleveland Tomorrow, and the Lowell Plan, cities across the nation are increasing developing new models to marshal civic leadership from various quarters.

Particularly in a city that elects its mayor every two years, effective implementation of a regeneration strategy requires

a stable governance structure that can sustain the pursuit of a shared vision. In New Bedford, several groups of leaders convene to address local issues and opportunities. However, the city lacks an independent, broad-based cross-sector leadership organization with the ability and mandate to focus civic energy on achieving long-term goals. Beyond what has been the focus of this committee’s scope, the city has other strategic assets such as the Regional Airport, and industries such as fishing and the creative economy, that a cross-sector leadership organization could also bring focus in years to come.

Action Items

- Develop a cross-sector leadership organization with staff capacity by establishing a new entity, adding a new arm to an existing organization such as the New Bedford Economic Development Council, or developing a partnership across several existing organizations that currently provide collective leadership.
- Form a committee or hire an outside evaluator to both conduct an in-depth review of the Strategy 1 resource and staffing action items and determine the best course of action for establishing a new cross-sector leadership organization and its potential areas of focus.

Model Cross-Sector Civic Leadership Organizations

Allegheny Conference: Founded in 1944, the Allegheny Conference was featured prominently in the Lincoln Institute report as a decisive factor in Pittsburgh’s against-all-odds comeback. The organization remains a nationally respected leader in community and economic development with a strategic focus on creating a more competitive business climate and marketing the Pittsburgh region for investment, job creation, and talent.

The Greater Cleveland Partnership: The Greater Cleveland Partnership is the result of a merger that occurred a decade ago joining three local organizations: Cleveland Tomorrow, a CEOs group with a track record of success, the Greater Cleveland Growth Association, a regional chamber of commerce, and the Greater Cleveland Roundtable, a group designed to complement Cleveland Tomorrow by increasing the participation of leaders from underrepresented groups. The high profile merger, which has been thoughtfully chronicled, was designed to present a more formidable and unified leadership voice for the region.²

The Lowell Plan & Salem Partnership: These two well-known Massachusetts models have existed for decades and have a proven track record of success. Both organizations bring together public and private sector leaders with a focus on executing large, long-term economic development projects. Their record of accomplishment has led other Massachusetts cities to seek to replicate the model. Lawrence is the most recent to join the group with the formal founding of the Lawrence Partnership this past summer.

II. Furthering the Regeneration of Downtown New Bedford

Revitalizing downtown New Bedford is key to increasing the region's ability to attract and retain an educated workforce. No matter how well local educational institutions perform, if the city is not an appealing option for those who want to live and work in a vibrant urban setting, Greater New Bedford will struggle to hold on to talent, particularly younger residents developing their careers and laying down roots. As the Lincoln Institute's report asserts, strong downtowns are a powerful symbol of a city's role as the social and economic center for the wider region. This marketing factor can provide a strong pull, drawing regional businesses into the core. It is vitally important that downtown New Bedford be regarded by residents and outsiders as the gravitational center of the region.

Building upon exceptional assets, including a rich architectural heritage, strong institutional partners, a lively cultural scene, and close proximity to a bustling working waterfront, New Bedford has already made considerable progress toward regenerating downtown. Over the last decade alone, renovation and new construction in the downtown attracted nearly \$100 million. The impact of this reinvestment is reflected in retail vacancy rates, which plummeted from 38 percent in 2008 to 9 percent in 2013.³

While the recent transformation of surface parking into the inviting Custom House Park and the New Bedford Whaling Museum's \$7.5 million expansion further the momentum, there is still considerable progress to be made. Vacancies in downtown upper-floor commercial space remain high and market rents are still too low to support redevelopment costs. A multidimensional strategy to rehab and draw tenants to these spaces would increase daytime foot traffic downtown and add to restaurant and retail demand, increasing the variety of these amenities and making the area and surrounding neighborhoods more attractive for residential development.

This virtuous cycle would add to downtown's dense walkable environment and diverse offerings, making the area a more powerful draw for creative innovators who increasingly seek to cluster in cities with a nurturing environment for the exchange of energy and ideas. In such an environment, there would be far greater opportunity for local start-ups looking to tap into the region's universities, hospitals, manufacturing, and maritime industries to thrive.

Strategy 3:

Modernize zoning to support the city's vision for downtown.

Zoning that upholds the city's vision for a vibrant, walkable, and authentic downtown makes for a more predictable, streamlined, and friendly climate for doing business. From a developer's perspective, consistent zoning lowers costs and reduces the need for public subsidies to make desirable projects economically viable.

The New Bedford 2010 Master Plan outlined zoning changes required to create alignment with the city's vision for downtown. Adopting these zoning changes is a meaningful action to stimulate private investment that would require limited upfront spending.

Action Item

- Bring an updated zoning code before the City Council for approval. As prescribed in the 2010 Master Plan, these updates should include key elements of form-based code and a reconsideration of minimum parking requirements that impede development in downtown.

Strategy 4:

Promote the creation of a Community Benefit District as a way to enhance services, support businesses, and improve quality of life downtown for residents and visitors.

While New Bedford has significantly improved the appearance of its downtown in the last few years, sustained progress in attracting people and investment downtown will require resources and maintenance that go beyond the scope of municipal services. Beautifying streets and sidewalks, enhancing public safety, marketing, and hosting events are all activities within the purview of a Community Benefit District (CBD), an entity that translates special assessments on property in the neighborhood into improvements for residents, visitors, and businesses alike.

Given the outsized role downtown New Bedford plays in the city's large and growing cultural tourism industry, a CBD would provide an especially powerful tool for promoting this sector alongside the Cultural District Steering Committee.

As the Regeneration Committee was meeting, so too was a steering committee of downtown and city stakeholders undertaking a feasibility study of the CBD model as an opportunity for downtown New Bedford. A survey of downtown property owners suggests that there is sufficient support to move forward with the initial phases of implementation.

Action Item

- Further efforts to establish a Community Benefit District for downtown New Bedford, drawing attention to the interim steps required as well as the organizations leading the effort to accomplish them.

The Power of Downtown Form-Based Zoning

In 2003, the City of Lowell completed a master plan. To encourage the kind of growth the plan envisioned, the city adopted a new zoning map and zoning ordinance that included a form-based code. This code was designed to encourage infill development that reflected the character of existing neighborhoods, while expanding housing opportunities and stimulating economic development downtown.

A form-based code is a powerful alternative to conventional zoning regulation because it delivers predictable results and high-quality development without a long, drawn-out process. Rather than focusing primarily on regulating use, the code aims to impact physical form.

After instituting a form-based code, Lowell saw 2.6 million square feet of formerly vacant downtown buildings rehabilitated and reoccupied with new uses, including over 1,600 new housing units. A growing number of cities are now following this model. For example, Somerville recently released a form-based zoning code in an attempt to stimulate investment along the new Green Line corridor.

The Power of Community Benefit Districts

Community Benefit Districts (CBD) are designated zones where property owners opt to pay a special assessment to fund enhanced services that run the gamut, from marketing and hosting events to planting greenery and installing special lighting. These districts have been a critical factor in the rebirth of downtowns throughout America. They stimulate the outdoor activity that allows apartment dwellers to call the city their living room and backyard. They market downtown retail districts to help them compete against malls as a regional shopping destination. And they enliven downtowns during business hours, making them an environment where employees want to be, drawing employers back into the city.

While nationally CBDs have been a powerful device in the urban economic development toolbox, Massachusetts did not have adequate enabling legislation until very recently. Now that they are an option, property owners in cities from Boston to Springfield are choosing to adopt them.

Strategy 5:

Support institutional investment that improves downtown's vibrancy, productivity, and economic diversity.

The success of modern cities depends more than ever on the vitality of downtown anchor institutions. Universities, medical centers, and state facilities such as courthouses in particular reliably draw people into the downtown, create housing and mixed-use development opportunities, and perform research that spawns new businesses. They also bolster a downtown's status as the economic core of the region. Although downtown New Bedford has benefited from the presence of UMass Dartmouth and Bristol Community College, expanding the downtown presence of these two institutions will be crucial to the future of the district. At the same time, having a presence in a vibrant urban community will help these institutions attract high-quality students, faculty, and staff who are key to their own success.

Action Items

- Advocate for the release of the \$20 million allocation for a full service downtown Bristol Community College campus, included in the 2008 Higher Education Bond Bill and reauthorized in the 2014 General Government Bond Bill.
- Prepare a district development plan that examines underutilized sites and buildings to take advantage of the Transformative Development Initiative administered by MassDevelopment to help drive new residential construction projects.
- Advocate for the investment in new county court facilities—perhaps consolidation of court functions in other areas of the city—as a means to drive additional activity.
- Work with area universities and hospitals to make future downtown expansion a priority and to engage with the community to ensure that these projects realize their catalytic potential.
- Partner with UMass Dartmouth to cultivate opportunities for technology business start-ups that link to the university's strong engineering program.
- Develop employer-assisted homeownership programs to strengthen the local housing market working with universities and hospitals.

III. Growing the Port of New Bedford

New Bedford is foremost a port city. For centuries, the region's peoples and traditions have been tied to the sea and the city remains the top commercial fishing port in the nation—a distinction that offers global recognition.

While its industrial uses have changed dramatically over time, the port remains a vital asset in the economy as a center for commercial fishing, a hub for maritime commerce, a recreational amenity, and a visible symbol of a dynamic economy. Each generation of New Bedford citizens is challenged with working together to reap as much benefit as possible from the natural advantage that the port provides.

The emergence of offshore wind is the latest opportunity. In northern Europe, cities with working waterfronts have transformed themselves into leaders in the offshore wind industry. These successful transformations illustrate the Port of New Bedford's potential to energy entrepreneurs seeking to develop the region's plentiful offshore wind resources.

While wind holds exceptional promise, it is certainly not the only emerging opportunity worth pursuing aggressively. As rising energy costs and road congestion alter the economics of freight transportation, the port could draw a larger volume of break bulk and project cargo. Meanwhile, the growth of a city where residents actively seek out authentic, mixed-use urban environments could combine with South Coast Rail to increase demand on the port for recreational boating and passenger ferry service. As the city works to pursue each of these opportunities, it must not lose sight of its traditional strength in commercial fishing amidst rapid growth in global demand for seafood products.

With so much promise, the guiding principle behind the region's port development strategy must be nurturing a complementary mix of uses. This approach will maximize the port's value as an economic asset to Greater New Bedford and provide an important hedge against the risk of relying too heavily on any one industry.

Strategy 6:

Champion the EDA planning process as a strategy for building a dynamic working waterfront.

In April 2014, the New Bedford Economic Development Council received a \$200,000 federal grant from the US Economic Development Administration (EDA). This competitive award funds the creation of an urban renewal plan, a roadmap to help the port integrate offshore wind, commercial fishing, and recreational uses.

The plan will provide design principles and inform redevelopment plans over a 10- to 15-year time horizon for key parcels along the outer harbor, including the New Bedford Marine Commerce Terminal (central to growth of cargo), State Pier (central to growth of tourism and recreational boating), and the NStar site (central to the growth of maritime industry). The study will also explore synergies with the master plan for Hicks-Logan and other areas within the inner harbor.

Action Items

- Draw visibility to EDA process and increase the engagement of both the public and the private sector in the development of the plan.
- Upon completion of a successful planning process, work to win support for the adoption of the urban renewal plan.

Strategy 7:

Advocate for strategic investments in port infrastructure and dredging

Massachusetts has two general purpose industrial ports—Boston and New Bedford. Like Boston, the Port of New Bedford requires continual investment to function effectively as a growth engine for the Commonwealth's economy. While improvements have been made in recent years, most notably in the New Bedford Marine Commerce Terminal, additional investment in modern infrastructure will be required to compete successfully across all maritime industries.

Some of the port's capital needs stand out above the rest. The New Bedford-Fairhaven Bridge's narrow opening impedes the development of the northern harbor. Improvement to the city's wharves and piers are needed to relieve congestion and enhance access to vessels.

Like any modern port, the Port of New Bedford also requires regular investment in dredging to remove built-up silt. Unfortunately, the harbor has not undergone comprehensive navigational and berth dredging in over 40 years and has silted over to the point that freighters are required to wait for high tide to enter the port. These delays cannot be allowed to continue if the port is to compete effectively for international shipping business. The state should match the funds made available by the Army Corps of Engineers to begin dredging as soon as possible.

Action Item:

- Develop a strategy to advocate effectively for state matching funds for dredging and state capital funds for the replacement of the New Bedford-Fairhaven Bridge.

Strategy 8:

Gain local operational management of State Pier, and in the long term, develop the pier for public and retail uses that are integrated with the downtown.

Situated in the central harbor directly across from downtown, State Pier is one of the most valuable pieces of real estate in the region. The pier facility is designed to support cargo ships, but it is also well situated to receive visitors to the working waterfront—whether they are boarding a ferry or a harbor cruise, attending a cultural event, or dining out.

In the near term, the State Pier should continue to support break-bulk cargo handling, a business which has grown in recent years. In the long run, however, the highest and best uses of the State Pier are not industrial. While the vast majority of industrial ports offer some public access to the waterfront, the public is almost completely shut out from New Bedford Harbor. The State Pier represents a singular opportunity to transform New Bedford's land-locked downtown into a water-side public retail and dining destination akin to those in other industrial ports, such as Baltimore, Boston, and Portland.

Retail, dining, and other waterfront public activities have generated millions in tourist dollars for these cities, strengthened their brands, and raised the quality of life of local residents. Developing the State Pier with these goals in mind would not compromise the Port's cargo business, which can be better supported in the more industrial areas of the harbor, nor the commercial fishing industry, which does not land fish on the pier.

Unfortunately, the pier's current condition and current state management have made it difficult to serve its current purposes, much less develop the pier for its highest and best uses. The pier is owned by the state Department of Conservation and Recreation, which has under-invested in maintenance of the structure. This has resulted in unpredictable conditions for users of the pier. The New Bedford Harbor Development Commission (HDC) oversees day-to-day operations of the pier, but it does so with limited powers that negatively affect its ability to manage the property. A draft state port strategy calls for transferring State Pier's owner-

ship to the Massachusetts Department of Transportation and entering into a Memorandum of Understanding with HDC that empowers the agency to effectively manage the pier.⁸

Action Items

- Press for a timely transfer of State Pier to MassDOT and the execution of an MOU with MassDOT providing HDC day-to-day management of the pier.
- Begin planning for the long-term redevelopment of State Pier to also include non-industrial uses.

The Outlook for Port Industries

Offshore wind: As construction begins on the nation's first offshore wind farms, the industry is entering the critical demonstration of commercial viability phase. Costs for offshore wind will naturally fall as the sector matures, but producers will continue to need supportive public policy for some years to come. These policies include power purchase agreements, production and investment tax credits, and renewable energy portfolio standards.

As the US offshore wind industry grows, there are several scenarios for how the equipment will be produced. The US could rely heavily on imports, the US could be served by a dispersed supply chain with some components produced domestically, or the US could build a large offshore wind manufacturing sector concentrated in regions like Greater New Bedford, importing only very specialized pieces of equipment.⁴

With close proximity to both Cape Wind in Nantucket Sound and Deepwater Wind off Block Island, the only two projects in the US to have completed the full siting process, and both the port facilities and the skilled maritime workforce to serve the industry, New Bedford is extremely well positioned to become a regional offshore wind energy center.

Seafood: As the global population grows and incomes rise, projections show both the consumption and price of fish increasing dramatically.⁵ Given the New Bedford's status as the seafood capital of America, this trend signals enormous opportunity for the region. In the years ahead, Greater New Bedford's elected officials must continue to advocate for the industry's interests before Congress and the New England Fisheries Management Council. In addition, New Bedford should seize the branding opportunity the industry offers the region by marketing itself as the seafood capital of the nation.

Cargo: Forecasts suggest that maritime cargo in the US will grow dramatically in the coming years. Most of this increase will come from containerized freight loaded at the nation's largest ports, but there is potential that surging demand will lead to the development of hub-and-spoke short sea shipping lanes along the East Coast that could benefit the Port of New Bedford.⁶

The New Bedford Marine Commerce Terminal provides the port with another asset to serve this demand. The facility includes new mobile cranes capable of handling high-volume bulk, break bulk, and container shipping, as well as large project cargo.

Recreational boating: Leisure industries like recreational boating were hit particularly hard during the recession, but the recovery is starting to reach these sectors. The National Marine Manufacturers Association reported healthy growth in 2013 and anticipates sales to increase by 5 to 7 percent in 2014. The cruise industry, which also suffered painful losses during the recession, reports a return to traditional annual growth trends.⁷

As the gateway to the Cape and Islands, the Port of New Bedford is exceptionally well positioned to capture growing demand for recreational boating. Increasing market share will not require major capital investments and it will pay dividends above and beyond direct economic activity by contributing positively to the city's brand identity.

IV. Growing Advanced Manufacturing Industries

Manufacturers represent nearly one-fifth of all private sector employment in New Bedford and the jobs they offer pay 45 percent more than the average wage. Manufacturing companies are especially critical to the local economy because their products are typically sold to customers beyond the region's borders. These exports draw new dollars into circulation, growing the pie for everyone.

In line with trends throughout the US, Greater New Bedford's manufacturers have endured a tumultuous decade. Lower-cost overseas competition and weak consumer demand have forced many to close their doors. If a silver lining can be found, it is that difficult times have revealed manufacturing strengths in Massachusetts, and in New Bedford in particular, demonstrating that a true foundation exists upon which the sector can be rebuilt.

These strengths lie in so-called *advanced manufacturing*—industrial processes that make use of computer and information technologies and skilled workers to respond rapidly to changing demand for high precision products.⁹ A recent profile of advanced manufacturing in Southeastern Massachusetts found that while employment at the region's traditional manufacturing companies has fallen by more than 50 percent since 2001, the region's advanced manufacturers weathered the difficult economic times in a better position, shedding workers at about half that rate.¹⁰

Growth in advanced manufacturing in New Bedford helped the city's manufacturers hold up better than those in Southeastern Massachusetts overall. In 2001, for example, New Bedford's medical device manufacturing cluster was too small to appear in the data; by 2013, the cluster had grown to five firms employing more than 800 workers. This rapidly growing niche is emblematic of the blueprint for the future of manufacturing in Greater New Bedford.

Massachusetts is home to one of the most R&D intensive economies in the world. As this activity leads to new products, companies are finding that keeping manufacturing in state quickens the pace of product development and creates a continuous learning process that enhances competitiveness. Greater New Bedford can support this worthy trend by working together with industry to solve problems that pose a challenge to the regeneration of manufacturing.

Strategy 9:

Develop a unified workforce development plan.

Future growth in advanced manufacturing industries will depend heavily on the region's ability to prepare qualified workers. An aging workforce means all sectors will face this challenge in the future, but the crunch is particularly severe in manufacturing. With more than a quarter of the workforce over age 55, manufacturers in Greater New Bedford must attract younger workers with the necessary skills into the industry.

Yet while the region's educational institutions and workforce development agency have strategic plans, no unifying strategy exists to align and manage these efforts across organizations in the city and region. Together, the region's public institutions spend more than \$400 million annually; the argument for pursuing a strategic, data-driven, outcome to maximize the return on this investment is compelling.

Regions around the country have developed unified strategies to increase the educational attainment of residents. These programs are grounded in the belief that the whole is more than the sum of its parts. Working together with a unified plan, regions can be more effective in boosting educational outcomes. This approach relies heavily on data. With a common set of metrics across the various silos of the education/workforce development system, leaders can gauge progress and steer community resources toward the most cost-effective strategies. In communities with purposeful long-term vision, this model has delivered tangible success.¹¹

To be successful, collective efforts require a backbone organization with resources dedicated to the task of bringing leaders together and keeping them focused. Without such a commitment to strong, coordinated decision-making, the approach is unlikely to succeed.

While a unified strategy is central to the future of manufacturing in the region and it fits most neatly into this section of the committee's report, this strategy should not be industry specific. Developing a skilled workforce is central to the growth of entire regional economy and a coordinated approach is required to ensure that learning systems are responding most effectively to the changing needs of both students and employers.

Action Item

- Bring education and workforce development leaders together to establish a new cross-sector effort to develop and implement a unified human capital strategy.

Strategy 10:

Grow industry clusters through collaborative projects.

The decline of manufacturing economies has taken a heavy toll on the network of suppliers that enhance the productivity and competitiveness of clusters of businesses in related industries. Ironically, the unraveling of these supply chains has occurred even as the pace of economic change has accelerated, making the flexibility and innovation these relationships afford even more valuable.

As new industry clusters emerge, regional economic development leaders can help them self-organize around common priorities across a range of shared needs, from infrastructure and workforce training to policy and regulation. Particularly at a local level, this cluster-based approach to economic development can efficiently deliver results on a cost-per-job basis.¹²

A \$75,000 grant from the Massachusetts Life Sciences Center awarded to the New Bedford Economic Development Council to study opportunities to meet the industry's shared needs in the region offers a near-term opportunity to pursue this approach. While there is a limit to the number of industries that fit this cluster-based economic development mold, the city should actively pursue opportunities to apply this model to other high-potential industries.

Action Items

- Make the execution of the Life Sciences Center-funded study a priority and a model for future cluster-based economic development efforts.
- Explore opportunities with regional partners to fund the replication of a similar, cluster-based economic development model with other emerging sectors, such as offshore wind, marine sciences and technology, and creative industries.

Strategy 11:

Market the promise of Greater New Bedford's advanced manufacturing future.

Increasing public understanding of advanced manufacturing is paramount for drawing both talent and investment to these industries.

Too few students enter manufacturing professions because they lack knowledge and awareness about the rewarding career opportunities in modern manufacturing. The information void in manufacturing goes deeper than just students approaching their career decisions. Negative stereotypes about the Massachusetts business environment continue to distort perceptions and detract investment. This seems especially true in manufacturing, where today's industry leaders often have deep roots to the region. This can make it difficult for them to appreciate and sell the advantages of operating in the area.

From proximity to large markets in the Northeast to lower costs and high quality of life, Greater New Bedford offers many advantages to companies looking to expand manufacturing operations in the US. Manufacturers that have relocated to Greater New Bedford have found a strong business climate and are particularly well positioned to help local leaders articulate the region's strengths.

Action Items

- Develop an ambassadors program that provides area manufacturing leaders with opportunities to communicate the strengths of the region.
- Build partnerships to help students and families appreciate the exciting new opportunities in manufacturing fields.

AMP it up! Berkshires

Working in partnership with the Berkshire Applied Technology Council, Berkshire Community College is conducting a public information campaign to promote the region's manufacturing industry and high-tech careers. Using outlets ranging from billboards and print advertisements to online videos and social media, the campaign seeks to reach students and career influencers in the region. The college is also holding events to connect counselors, parents, and students with local manufacturers.

The Tampa Bay Partnership

The Tampa Bay Partnership is a nonprofit organization devoted to marketing an eight-county region in Florida. The partnership conducts extensive national marketing research to develop a better understanding of how the area is perceived in key industries. This research helps inform efforts by Tampa Bay Ambassadors, volunteers ranging from local CEOs to successful students at area universities trained to tell the region's success story throughout the world.

New Bedford Regeneration Committee

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President, CEO and Owner, Sylvia Group of Insurance Agencies

Richard Canastra

Whaling City Seafood Display Auction

Nicholas Christ

President and CEO, Citizens Union Savings Bank

Robert Culver

Former President and CEO, MassDevelopment

Fernando Garcia

Chairman, BCC Board of Trustees

Dr. Divina Grossman

Chancellor, UMass Dartmouth

Keith Hovan

President & CEO, SouthCoast Health System

Helena Hughes

Executive Director, Immigrants' Assistance Center

Elizabeth Isherwood

Chairman, Greater New Bedford Industrial Foundation

Jim Lopes

Law Offices of James J. Lopes / New Bedford Historical Commission

Joseph Lopes

City Council President, New Bedford City Council

Michael Metzler

Executive Director Leadership SouthCoast

Patrick Murray

President & CEO, Bristol County Savings Bank

Roy Nascimento

President & CEO, New Bedford Area Chamber of Commerce

Christopher Rezendes

Founder and President, INEX Advisors

James Russell

President & CEO, The Whaling Museum

Anthony Sapienza

President and CEO JA Apparel Mfg.

Dr. John Sbrega

President, Bristol Community College

David Slutz

President and CEO, Precix

Bob Unger

Editor in Chief, Standard Times

David Wechsler

President & CEO, Maritime International

Appendix B: Regeneration Committee Meetings

Inaugural meeting/Port of New Bedford

Date: April 2, 2014

Invited presenters: Jeff Stieb, Executive Director, New Bedford Harbor Development Commission; Mike Leone, retired Port Director, Massachusetts Port Authority; Matt Morrissey, Executive Director, New Bedford Wind Energy Center

Notes available at: <http://www.nbedc.org/wp/wp-content/uploads/2014/03/Regeneration-Committee-Port-recap.pdf>

Subgroup follow-up discussion on Port of New Bedford

Date: April 16, 2014

See [Port of New Bedford session notes](#).

Advanced manufacturing and growth industries

Date: April 23, 2014

Invited presenter: Bill Ennen, Director of Regional Programs, MassTech Collaborative

Notes available at: <http://www.nbedc.org/wp/wp-content/uploads/2014/03/Regeneration-Committee-Advanced-manufacturing-recap.pdf>

Subgroup follow-up discussion on biomanufacturing

Date: May 1, 2014

Invited presenter: Mark Trusheim, Co-Bio Consulting

See [advanced manufacturing session notes](#).

Subgroup follow-up discussion on workforce development

Date: May 8, 2014

Invited presenters: Brenda Francis, Director, Greater New Bedford Career Center; James Oliveira, Senior Director of Operations, Greater New Bedford Workforce Investment Board; Theresa Romanovitch, Associate Vice President of Workforce Development, Bristol Community College

See [advanced manufacturing session notes](#).

Subgroup follow-up discussion among committee members on workforce development

Date: May 15, 2014

See [advanced manufacturing session notes](#).

Downtown New Bedford

Date: May 21, 2014

Invited presenter: Adam Baacke, Director of Campus Planning and Development, UMass Lowell (previously: Assistant City Manager and City Planner, City of Lowell)

Notes available at: <http://www.nbedc.org/wp/wp-content/uploads/2014/03/Regeneration-Committee-downtown-recap.pdf>

Action planning session

Date: June 18, 2014

Notes

¹ Alan Mallach and Lavea Brachman. "Regenerating America's Legacy Cities" (Cambridge, MA: Lincoln Institute, 2013).

² For example, see Royce Hanson and others. "Finding a New Voice for Corporate Leaders in a Changed Urban World: The Greater Cleveland Partnership" (Washington, DC: Brookings Institution, 2006).

³ FXM Associates. "Downtown New Bedford Market Assessment" (Boston, MA: MassDevelopment, 2013).

⁴ Outlook for the offshore wind industry drawn from: Lisa Frantzis and others. "Offshore Wind Market and Economic Analysis: Annual Market Assessment" (Burlington, MA: Navigant Consulting, 2013).

⁵ Audum Lem and others. "Economic Analysis of Supply and Demand for Food up to 2030—Special Focus on Fish and Fishery Products" *FAO Fisheries and Aquaculture Circular No. 1089* (Rome: UN-FAO, 2014).

⁶ See "The Ports of Massachusetts Strategic Plan Technical Memorandum Number 3: Macro Maritime Transportation Trends that Impact the Compact Ports" (Boston, MA: Massachusetts Department of Transportation, 2013).

⁷ "The State of the Cruise Industry in 2013." Retrieved from http://www.cruising.org/vacation/news/press_releases/2014/01/state-cruise-industry-2014-global-growth-passenger-numbers-and-product-o

⁸ "Ports of Massachusetts Recommendation Summary Table." Retrieved from www.massdot.state.ma.us/Portals/17/docs/ports/REVRRecommendationsSummaryVer8.pdf.

⁹ "Report to the President on Ensuring American Leadership in Advanced Manufacturing" (Washington, DC: Executive Office of the President, 2011).

¹⁰ Henry Renski and Ryan Wallace. "A Profile of Advanced Manufacturing in the Southeast Region: Key Industry and Occupational Trends" (Amherst, MA: University of Massachusetts, 2014).

¹¹ Allen Grossman and others. "Strive Together: Reinventing the Local Education Ecosystem" *HBS Case Study 9-314-031* (Cambridge, MA: Harvard University, 2014).

¹² Phil Psilos and Dan Broun. *Cluster-Based Economic Development* (Washington, DC: International City/County Management Association, 2006).

Uniting in Pursuit of Growth and Opportunity

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