



PLAN: Newmarket

Defining 21st Century Industry Update

MEETING RECORDING

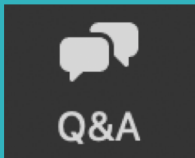
At the request of community members, this event will be recorded posted on the PLAN: Newmarket project webpage at <http://bostonplans.org/PlanNewmarket> for those who are unable to attend the Zoom event live.

Also, it is possible that participants may be recording the meeting with their phone cameras or other devices. If you do not wish to be recorded during the meeting, please turn off your microphone and camera.

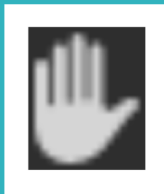
If your camera and microphone are off, you can still participate through the text chat feature at the end of the presentation.

MEETING FORMAT

- Presentation followed by Q & A and comments.
- During the presentation, all microphones will be muted.
- Once the presentation is over, we will take questions and comments in two ways:



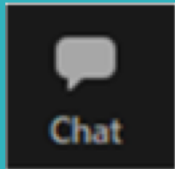
Through the **Q&A tab** at the bottom of your screen; or



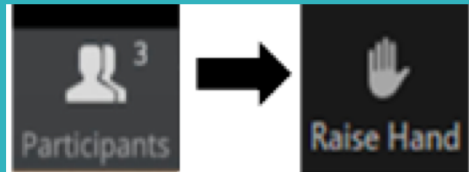
You can **raise your hand** and we will take your questions in the order that hands were raised.

ZOOM TIPS

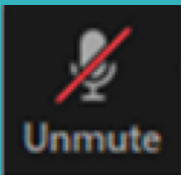
Here are some tips on using Zoom for first-time users.
Your controls are at the bottom of the screen



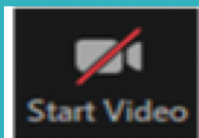
Use the chat to type a comment or ask a question at any time –
Members of the PLAN: Newmarket team will enable the chat at the end.



To raise your hand, click on “Participants” at the bottom of your
screen, and then choose the “Raise Hand” option in the participant box



Mute/unmute – Participants will be muted during the presentation –
the host will unmute you during discussion if you raise your hand and
it is your turn to talk



Turns your video on/off

ZOOM ETIQUETTE

- Please remain muted until called on. If you'd like to speak during this time please use the "Raise Hand" function in Zoom.
- The chat function will be enabled during the discussion agenda item. (In keeping with convention from in-person meetings.)
- Please be respectful of each other's time.
- We ask that participants limit their questions so that others may participate in the discussion. If you have more questions, please wait until all others attending have an opportunity to ask questions.
- If we are unable to get to your question at this meeting please put them in the Chat at the end or email Arreen.I.Andrew@boston.gov

AGENDA

9:00–9:15	Welcome and Introductions
9:15-9:20	Where we are
9:20-9:45	Presentation What we've heard-- Stakeholder Interviews Defining 21st Century Industry
9:45-10:20	Discussion
10:20-10:25	Next Steps & Timeline
10:25-10:30	Final Questions

Please reach out to Arreen Andrew (Arreen.I.Andrew@boston.gov) for follow-questions

An aerial photograph of a city skyline, likely New York City, viewed from a high angle. The image is heavily overlaid with a semi-transparent teal color. The text "Where we are" is centered in the middle of the image in a white, sans-serif font. The city features a dense collection of buildings, including several prominent skyscrapers in the background. The foreground shows a mix of lower-rise buildings and open spaces. The overall composition is clean and modern, with a strong color palette of teal and white.

Where we are

TIMELINE

WE ARE HERE

Inquiry &
Analysis

Planning
Topics

Planning & Policy
Recommendations

Implementation

2019-2020

2021

Early 2022

Mid 2022

PROCESS

Tasks

Economic Policy

- Define 21st century industry
- Preserve arts-related uses
- Implementation plan

Land Use

- Land use compatibility
- Integrate addiction/recovery services
- Last-mile distribution impacts

Climate Resilience

- Climate resilience recommendations
- Newmarket specific strategies

Mobility

- Define study area
- Hierarchy of streets
- Improve multimodal transit

Public Realm & Urban Design

- Mixed-use prototypes
- Define sub-areas & character
- Development options
- Street typologies
- Public Realm Improvements
- Newmarket specific strategies

An aerial photograph of a city skyline, likely New York City, with a teal overlay. The text "What we've heard" is centered in white.

What we've heard

PLAN:NEWMARKET GOALS

PLAN: Newmarket seeks to define a vision for the future trajectory of 21st Century Industry that achieves economic development and policy goals.

What combination of industrial sectors in Newmarket is most likely to achieve BPDA's economic development and equity goals?

- **Economic development**
 - **Stable, well-paying jobs with strong career pathways**
- **Equitable job access**
 - **Access to quality jobs for nearby communities of color and low-income communities, including along the Fairmount Line**

PRINCIPLES FOR NEWMARKET'S FUTURE

Core PLAN:Newmarket Considerations

- **Maintain traditional industrial jobs**
- **Attract industries of tomorrow**
- **Promote job equity and access**
- **Support growth of arts, creative economy, and makerspace**
- **Prevent displacement of addiction and recovery service providers**

Additional Considerations

- Retain essential distribution services in Boston
- Support urban resilience by reinforcing local manufacturing and supply chains
- Increase job density and total jobs
- Generate positive fiscal impacts – given business tax generation and policy interventions needed

DEFINING 21ST CENTURY INDUSTRY: PURPOSE

The goal of defining “21st Century Industry” is to identify the remaining **viable “legacy” industrial uses** and **emerging industrial uses** that are projected to grow in urban areas and Newmarket that achieve policy goals.

21st Century
Industry

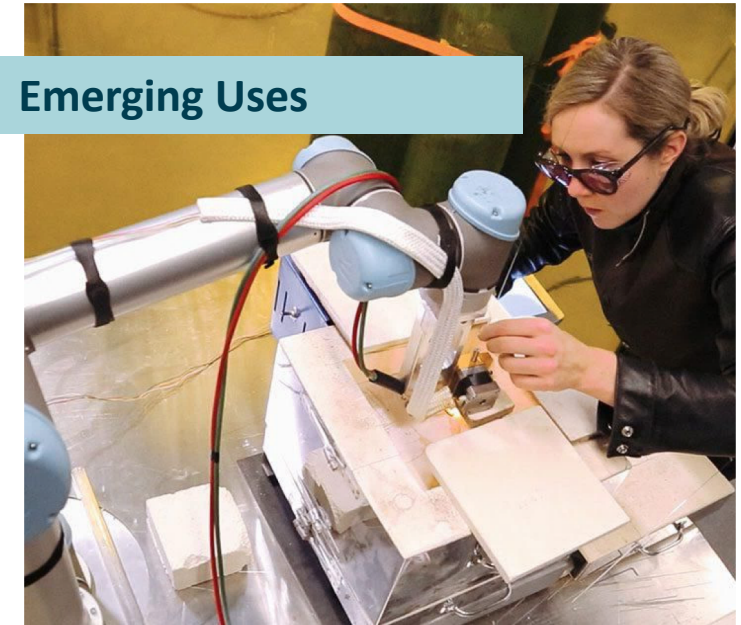
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Viable Legacy Uses



+

Emerging Uses



Images: Fortune, Forbes

DEFINING 21ST CENTURY INDUSTRY: PROCESS

Develop a **taxonomy of urban industry**



Synthesize **precedent definitions** from peer cities



Research **national trends** in industrial subsectors

Analyze local and regional **employment and real estate data**



Identify **strong and growing subsectors** within urban industry in the Boston region



Understand trends in **industrial real estate** in Newmarket and Boston

Conduct **interviews** with local businesses and stakeholders



Find key **strengths and challenges** that businesses identify with Newmarket



Understand other **opportunities and threats** for industrial business viability

Develop **trajectories** for Newmarket's future



Create **trajectories** based on local, regional, and national trends and findings



Identify **tradeoffs and needed actions** associated with each trajectory

The combination of trajectories chosen will **define 21st Century Industry for Newmarket.**

21ST CENTURY INDUSTRY: INTERVIEWS COMPLETED TO DATE

Building on the BPDA's extensive outreach to date, HR&A and Utile – with the BPDA - have interviewed representatives of 15 businesses and organizations to date.

Organization	Sector
Abbott Investments	Real Estate
Action4Equity	Community Advocates
Boston Cab Dispatch	Transportation
CityFresh Foods	Food Manufacturing/Distribution
Cloud Kitchen	Food Manufacturing/Distribution
Eversource	Utilities
The Greater Boston Food Bank	Food Distribution
Industry Lab	Makerspace (Somerville)
Metro Credit Union	Banking
National Development	Real Estate
New England Culinary Arts Training	Culinary Job Training and Placement
Newmarket Business Association	Business Association
The Record Co.	Arts Non-Profit
Reenergy	Renewable Energy
Waldwin Group	Food Manufacturing/Distribution

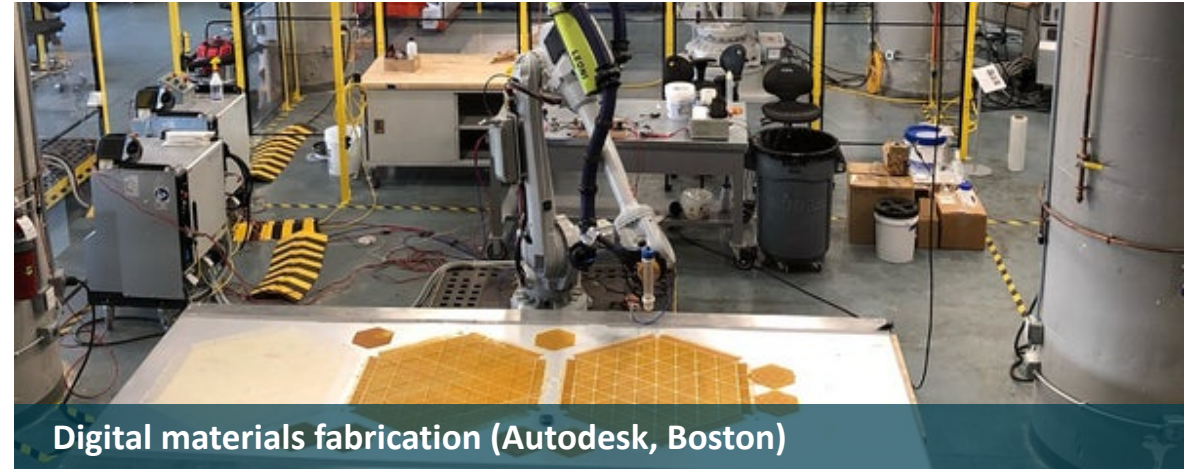
An aerial photograph of a city skyline, likely New York City, viewed from a high angle. The image is overlaid with a semi-transparent teal color. The text "Defining 21st Century Industry" is centered in white, bold, sans-serif font. The bottom of the image transitions into a solid dark teal background.

Defining 21st Century Industry

WHY DEFINE 21st CENTURY INDUSTRY?

Existing industrial classifications are outdated and do not reflect the extensive structural shifts in the economy over the past several decades – especially in the urban economy.

- The **North American Industry Classification System** (NAICS) was established in 1997 as the successor to the Standard Industrial Classification (SIC) system that had been in place since 1937.
- However, NAICS does not reflect the **nuances of 21st century urban industrial activities**.
- **Technology, urban development, and globalization** have dramatically reshaped urban industry, and the line between industry and other sectors is increasingly blurred.



Digital materials fabrication (Autodesk, Boston)



Manufacturing & retail hybrids (Trillium Brewing, Boston)

Images: Foursquare, Boston Seaport

DEFINING INDUSTRY

Industrial businesses can generally be defined by their **preference for space in industrial zones**, typically with **lower rents, larger floorplates**, and **separation from residential uses**.

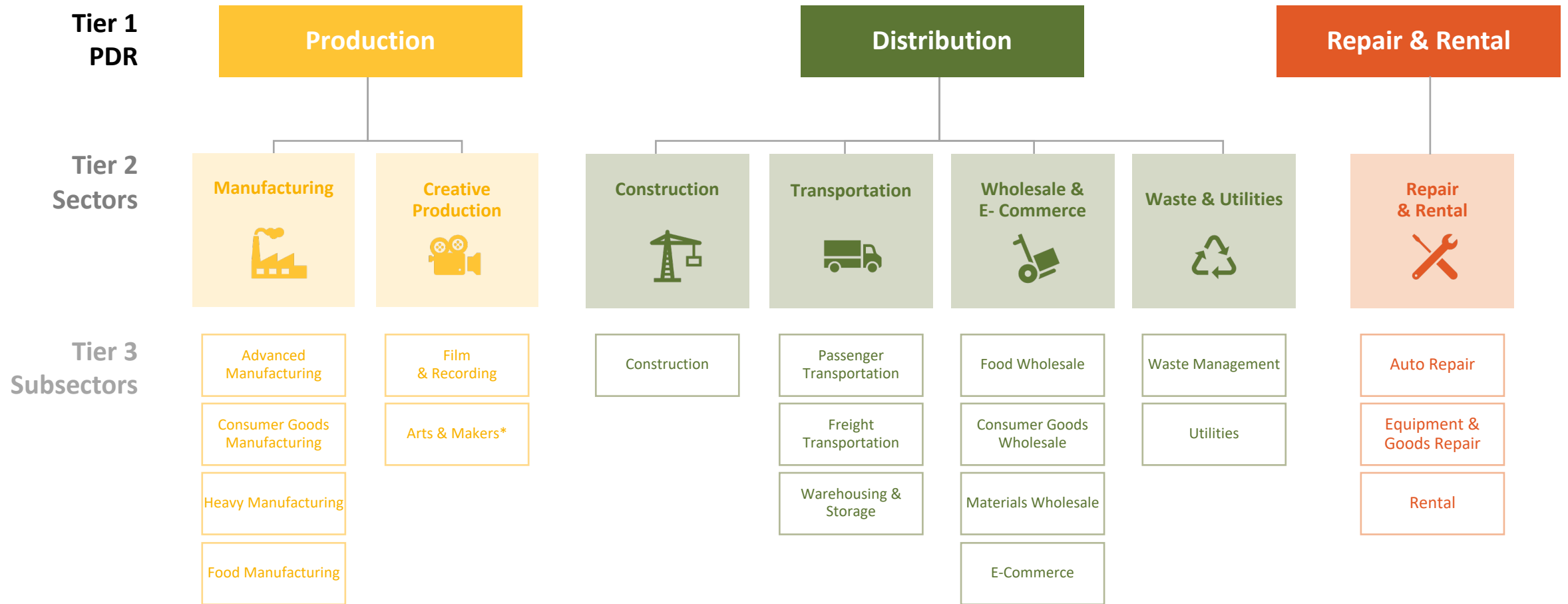
Industrial sectors can be broken down into **three high-level categories**:



Images: Forbes, Nick Saltmarsh, CarGurus

TAXONOMY OF PRODUCTION, DISTRIBUTION, AND REPAIR/RENTAL (PDR)

PDR can be broken down into 7 sectors and 19 subsectors.



Mining and oil/gas operations are excluded.

**Arts & Makers jobs are not included in subsequent data and figures due to classification issues, but are included here conceptually*

URBAN INDUSTRY: LOCATIONAL DRIVERS

Given the **costs and inefficiencies** of locating in urban areas, industry chooses to locate in cities only when the **advantages of proximity** outweigh the disadvantages.

Proximities



Costs & Inefficiencies



URBAN INDUSTRY: EMERGING USES

In cities across the country, a number of emerging uses has begun to appear in industrial districts that benefit from urban industry's key locational drivers, including:

Niche/creative manufacturing

Manufacturing businesses continue to leave cities, but some remain that are driven by **creativity and consumer demand for niche products**. These tend to be in **specialized, high-end, low-impact, and/or small-scale sectors** like food and consumer goods, and often include **accessory retail**.



Urban apparel production,
Raleigh Denim, Raleigh

Tech/R&D-driven production

Some urban manufacturing is driven by **technology and proximity to R&D in urban areas**. This includes industries like **advanced manufacturing and prototyping** which support the start-up phase of production and **urban agriculture** that benefits from proximity to consumers and life sciences R&D.



Textile manufacturing robot,
ARM Institute, Pittsburgh

E-commerce

COVID-19 has **accelerated the growth of e-commerce** and its impact on urban industry. The sector is reshaping the industrial market, with **last-mile distribution centers** driving rents and land costs higher. These distribution hubs seek proximity to urban populations and transportation infrastructure.



E-commerce distribution hub, Amazon

Images: Raleigh Denim Workshop/Jenny Love, Apparel Resources, ROI Revolution

URBAN INDUSTRY: NATIONAL TRENDS IN RESILIENCY PLANNING

COVID-19 has shown the importance of urban manufacturing to resiliency.

Resilient supply chains

COVID-19 has highlighted the importance of being able to **manufacture critical supplies in cities** (ranging from PPE to ventilators) during major supply chain disruptions – whether due to a pandemic, climate change, or other emergencies.

Thanks to the access to talent and proximity to research operations, urban manufacturing is particularly suited to **rapidly developing new technologies** in a crisis.

However, suburban manufacturing can **execute at scale** in an emergency. Linkages between urban and suburban manufacturing can make cities and regions more resilient.



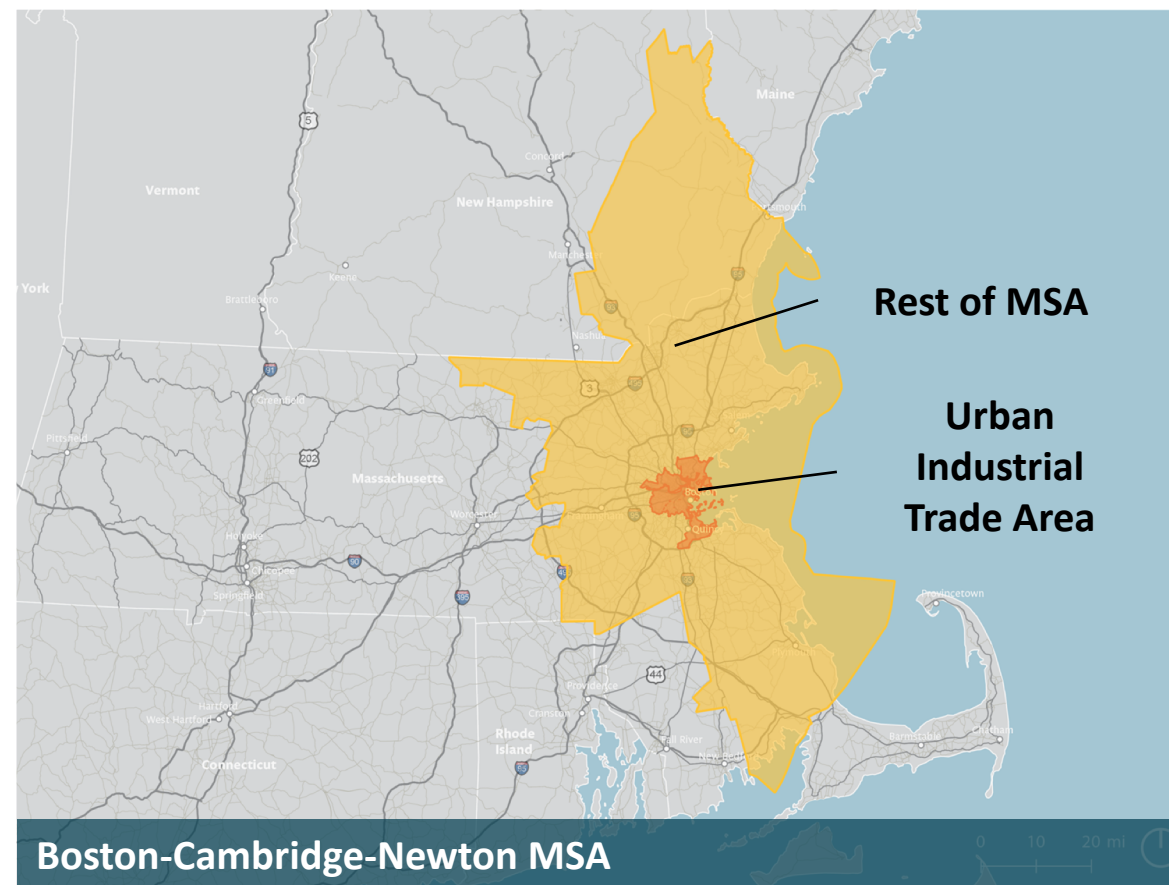
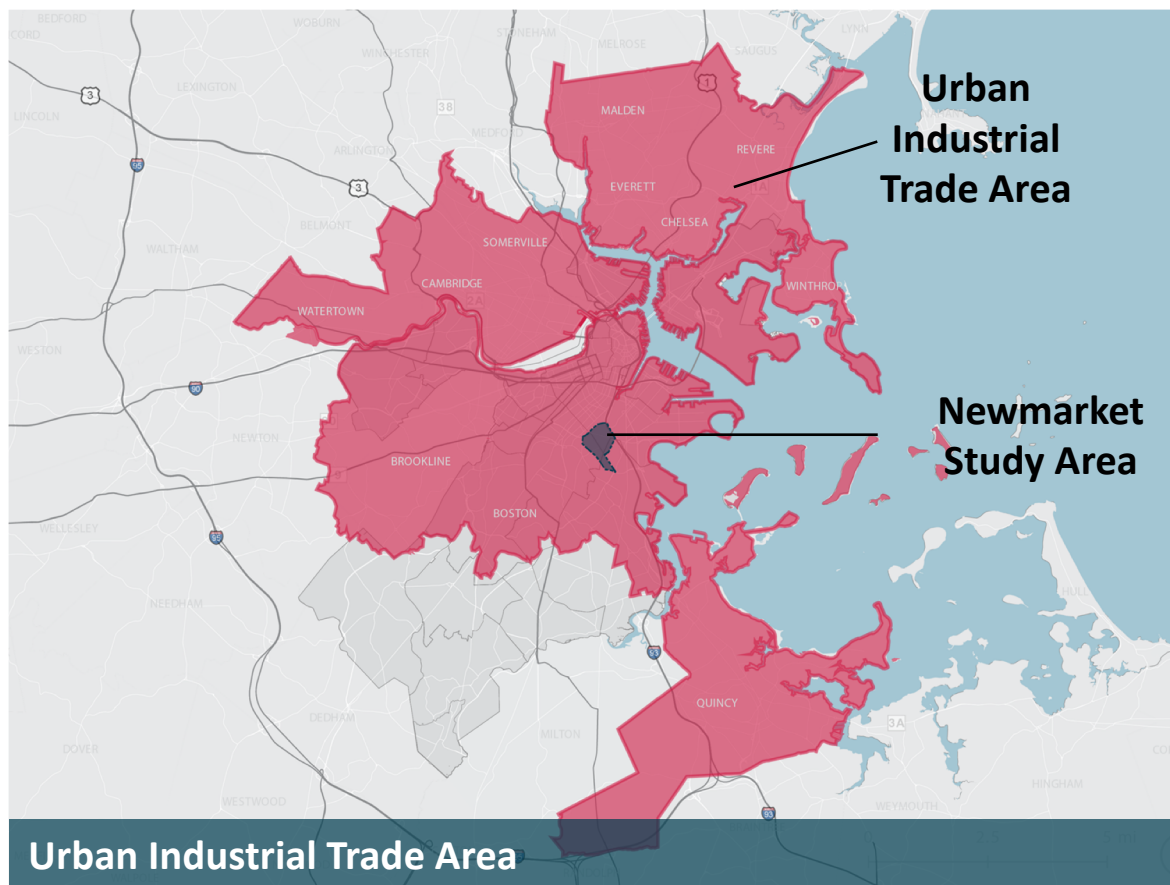
Emergency ventilator production, 10XBeta/New Lab/Boyce, New York

In the early months of COVID-19, the product design company 10XBeta partnered with New Lab, a technology center in the Brooklyn Navy Yard, to rapidly design affordable ventilators and produce them at a Boyce Technologies fabrication facility in Queens. The design was based on one created by an M.I.T. class in 2010, refined in early 2020 through extensive collaboration between M.I.T. faculty, students, and alumni and the other project partners.

Image: The New York Times

DEFINING BOSTON'S URBAN INDUSTRIAL TRADE AREA AND THE REGION

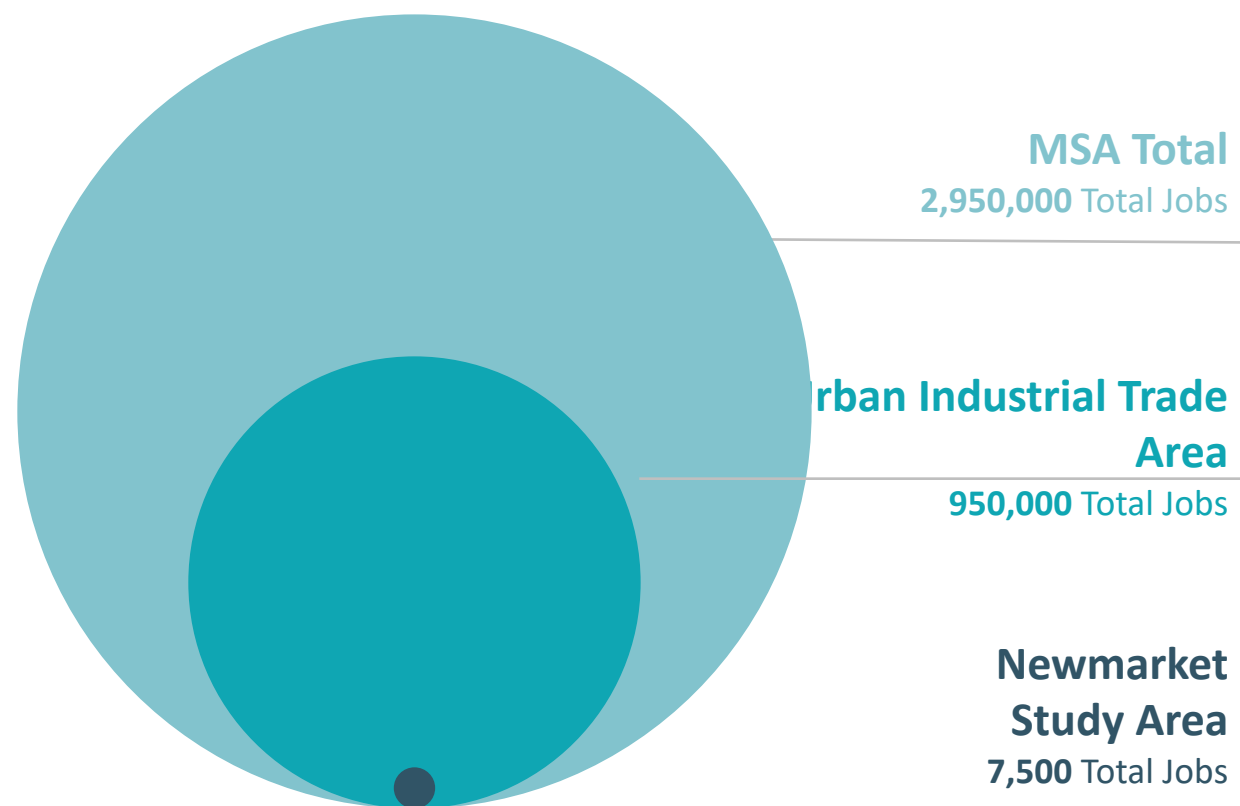
To better understand urban industry in the Boston area, we developed a custom boundary for Boston's **urban industrial trade area** – areas where urban industry is likely to seek to locate – to compare to **Newmarket** and the **non-urban MSA**.



MSA is Metropolitan Statistical Area, as defined by the U.S. Office of Management and Budget

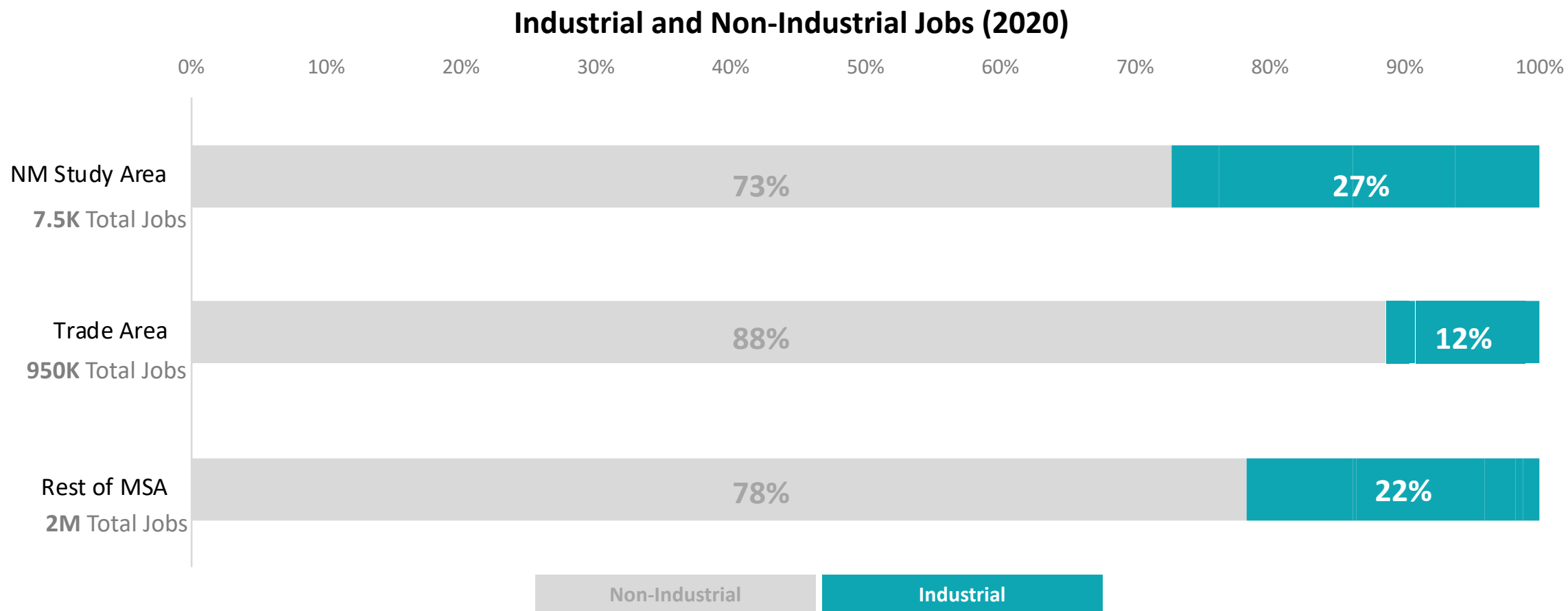
TOTAL JOBS IN NEWMARKET, URBAN INDUSTRIAL TRADE AREA, AND REGION

The Boston MSA is the 11th-largest in the country by employment, with almost 3 million total jobs. Around 1/3 of these jobs are within the **urban industrial trade area**, and about 1 in every 125 jobs in the trade area is in **Newmarket**.



SECTOR DISTRIBUTION IN NEWMARKET, THE TRADE AREA, AND THE REGION

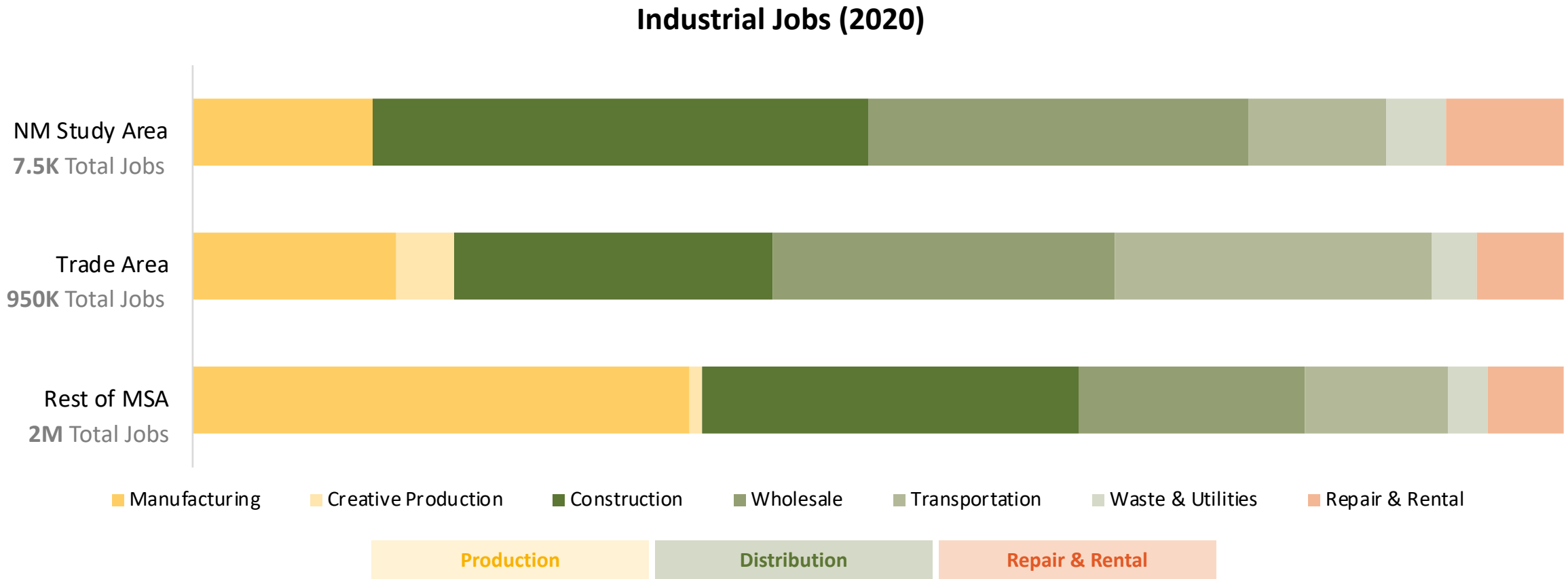
Newmarket's share of industrial jobs is higher than that of the other geographies.



Source: InfoUSA, EMSI. Notes: Wholesale category includes e-commerce; 500 of the 735 construction jobs in Newmarket are Suffolk Construction employees, most of which are likely to be office workers at the company's headquarters.

INDUSTRY IN NEWMARKET, THE TRADE AREA, AND THE REGION

Distribution, which seeks to be near urban population centers, constitutes a higher share of industrial jobs in the trade area and Newmarket than in the rest of the MSA, which has a greater share of **Production** jobs.



Source: InfoUSA, EMSI. Notes: Wholesale category includes e-commerce; 500 of the 735 construction jobs in Newmarket are Suffolk Construction employees, most of which are likely to be office workers at the company's headquarters.

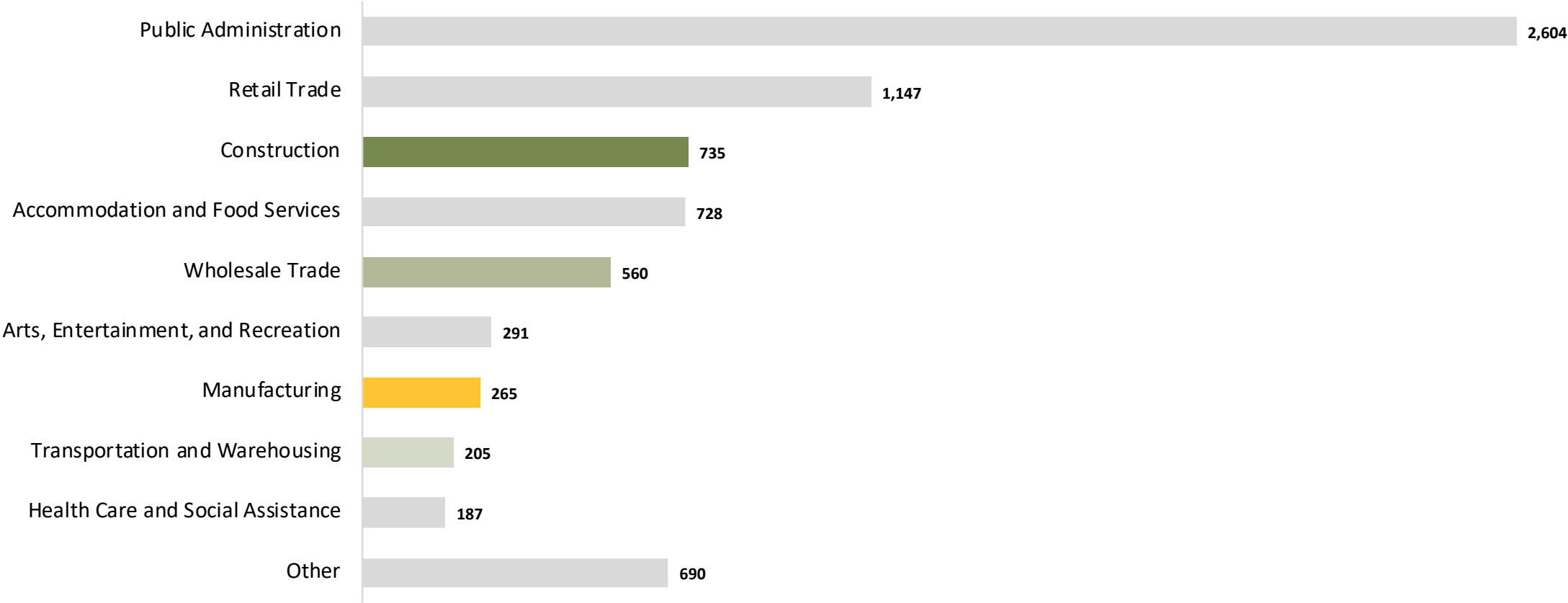
An aerial photograph of a city skyline, likely New York City, viewed from a high angle. The image is heavily overlaid with a semi-transparent teal color. The text "Newmarket Today" is centered in the middle of the image in a white, sans-serif font. The bottom of the image features a dark teal gradient that tapers off into the main teal overlay.

Newmarket Today

EMPLOYMENT IN NEWMARKET

Public administration is the largest jobs sector in Newmarket today. The largest industrial sectors are construction, wholesale trade, and manufacturing.

Newmarket Jobs by Sector (2020)

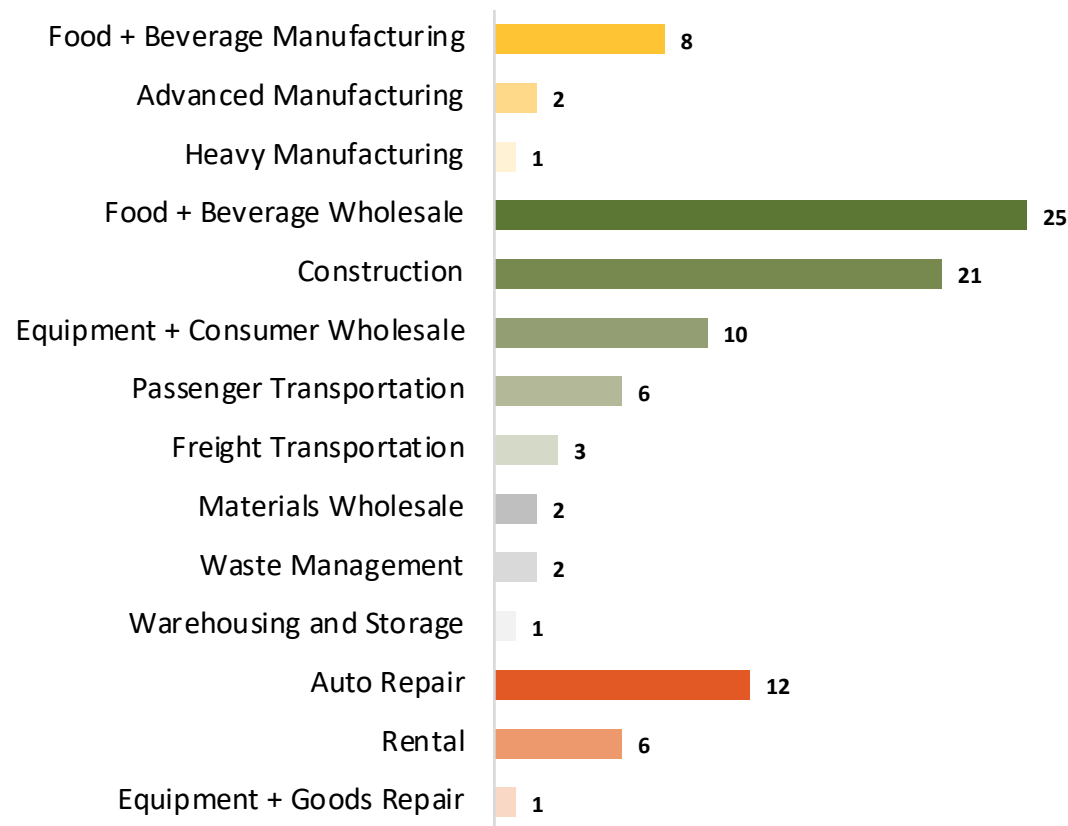


Source: InfoUSA. Note: 500 of the 735 construction jobs in Newmarket are Suffolk Construction employees, most of which are likely to be office workers at the company’s headquarters.

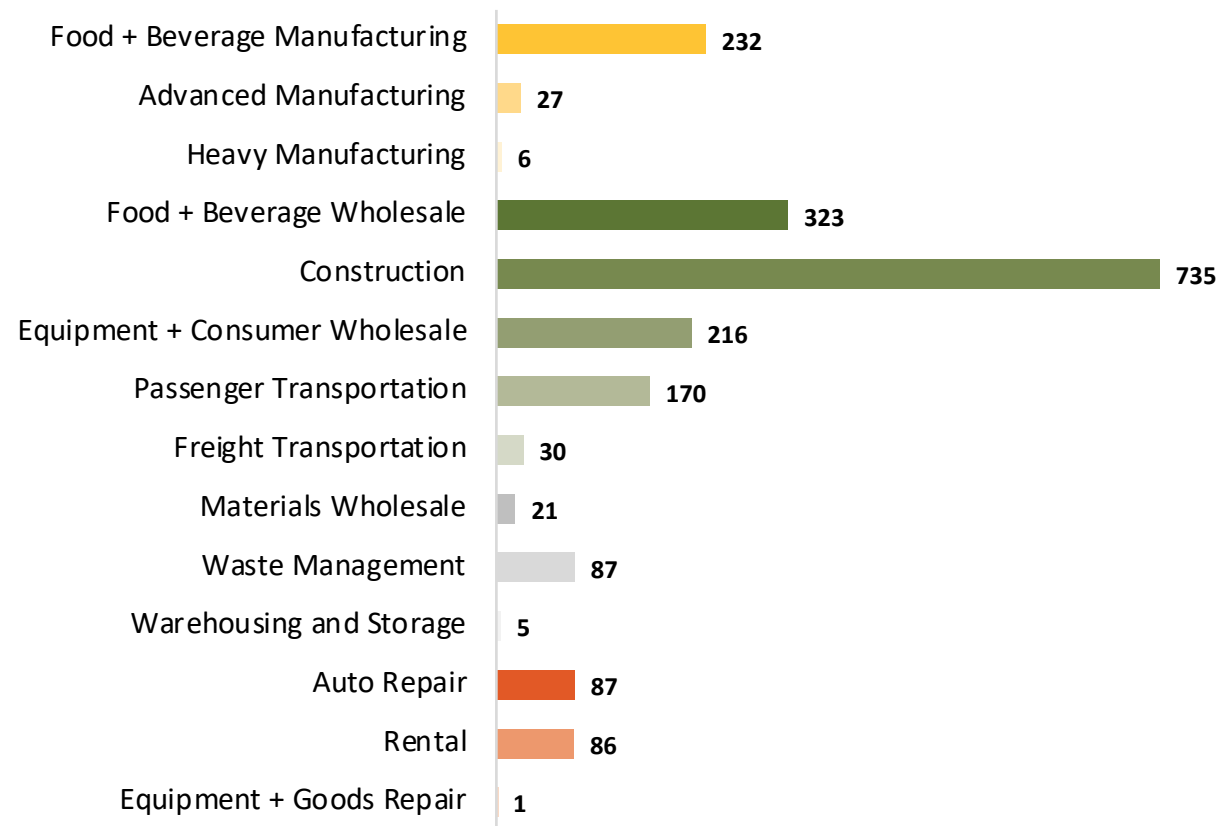
INDUSTRY IN NEWMARKET

Reflecting its strategic advantages and history, industry in Newmarket is dominated by Distribution, particularly food distribution, though it also has significant food manufacturing.

Newmarket Industrial Businesses (2020)



Newmarket Industrial Jobs (2020)

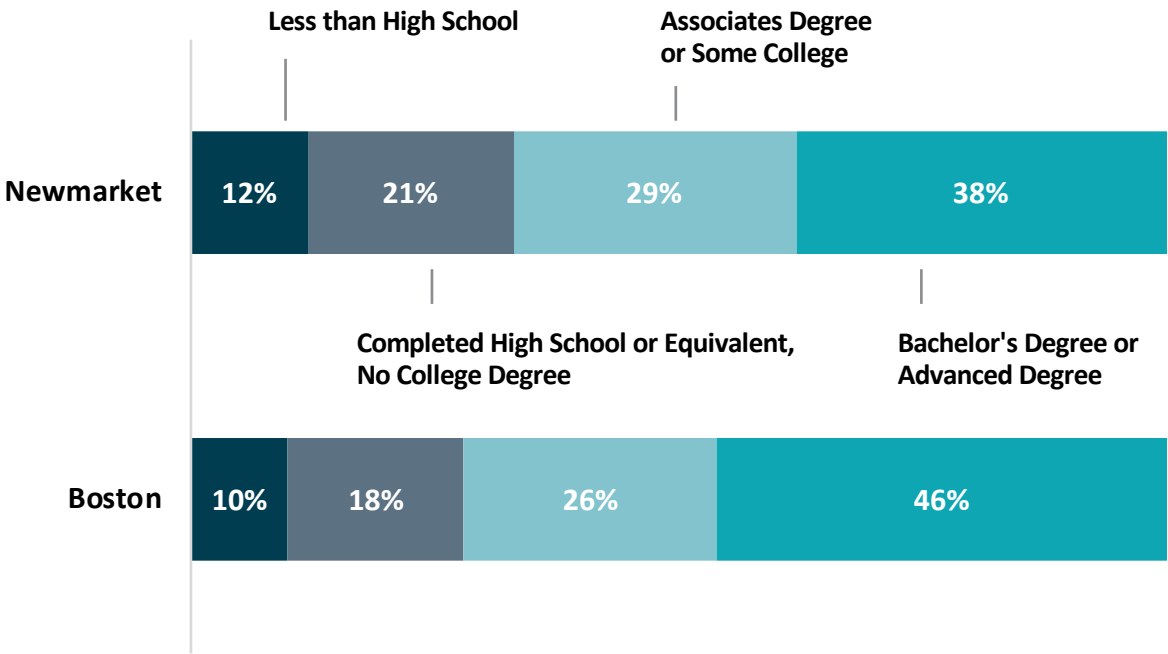


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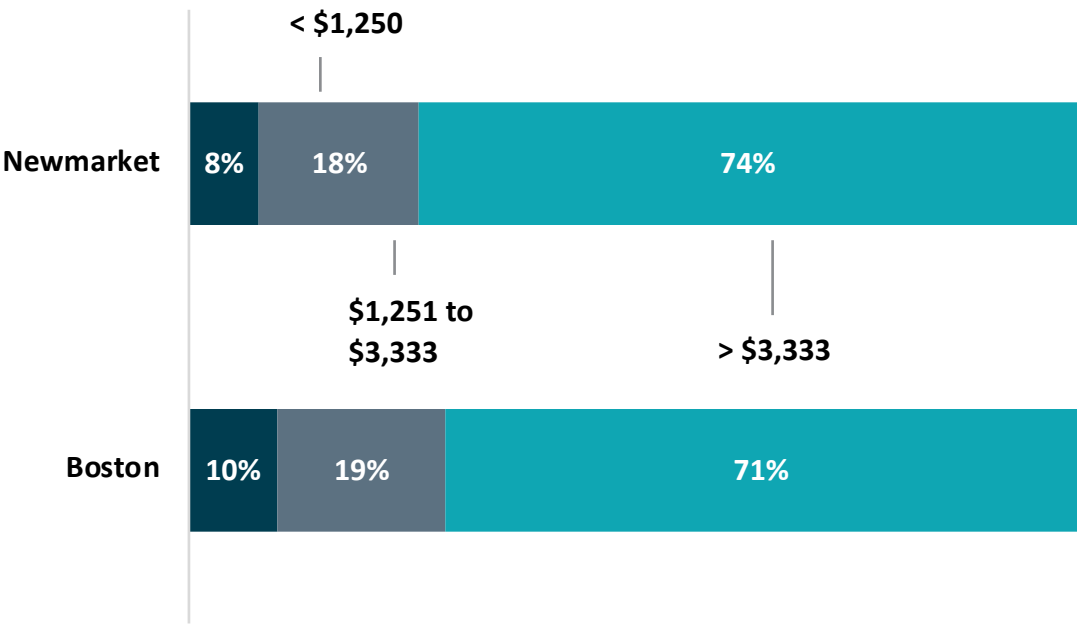
WORKERS IN NEWMARKET

While fewer workers in Newmarket have 4-year degrees than in Boston as a whole, Newmarket jobs pay slightly more.

Workers by Educational Attainment



Workers by Monthly Earnings

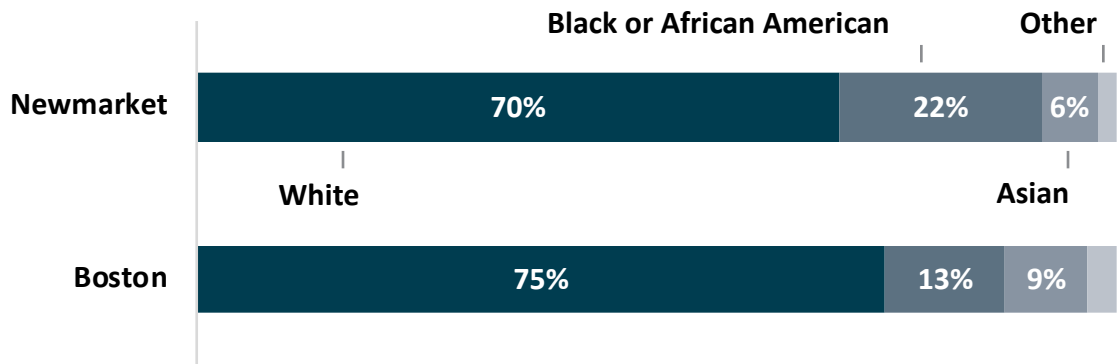


Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarte Employment, 2nd Quarter of 2011-2017) and BPDA Research Division Analysis.

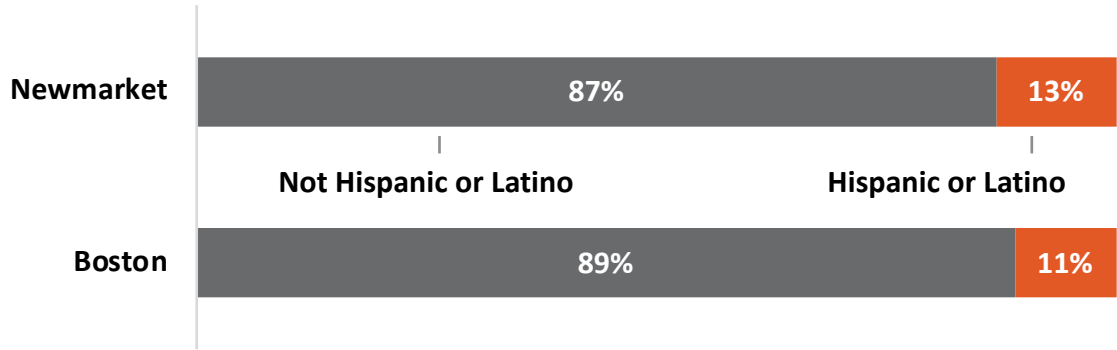
WORKERS IN NEWMARKET

The workforce that works in Newmarket is more racially and ethnically diverse than in Boston as a whole, and the majority live within 10 miles.

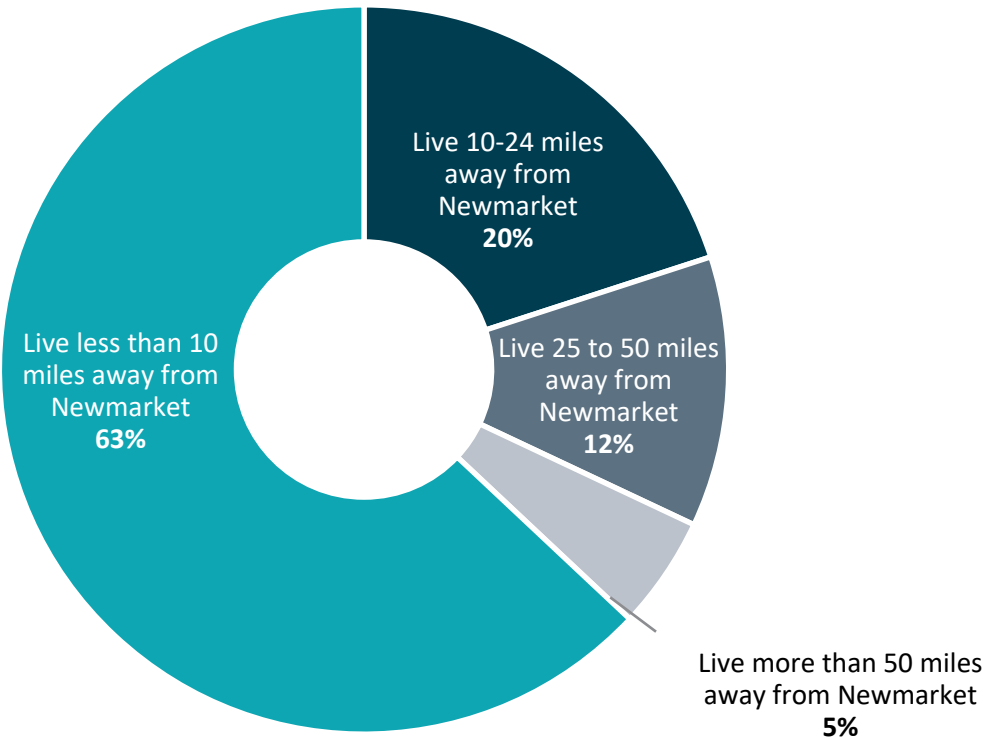
Race of Workers



Ethnicity of Workers



Proximity of Newmarket Workers' Residences

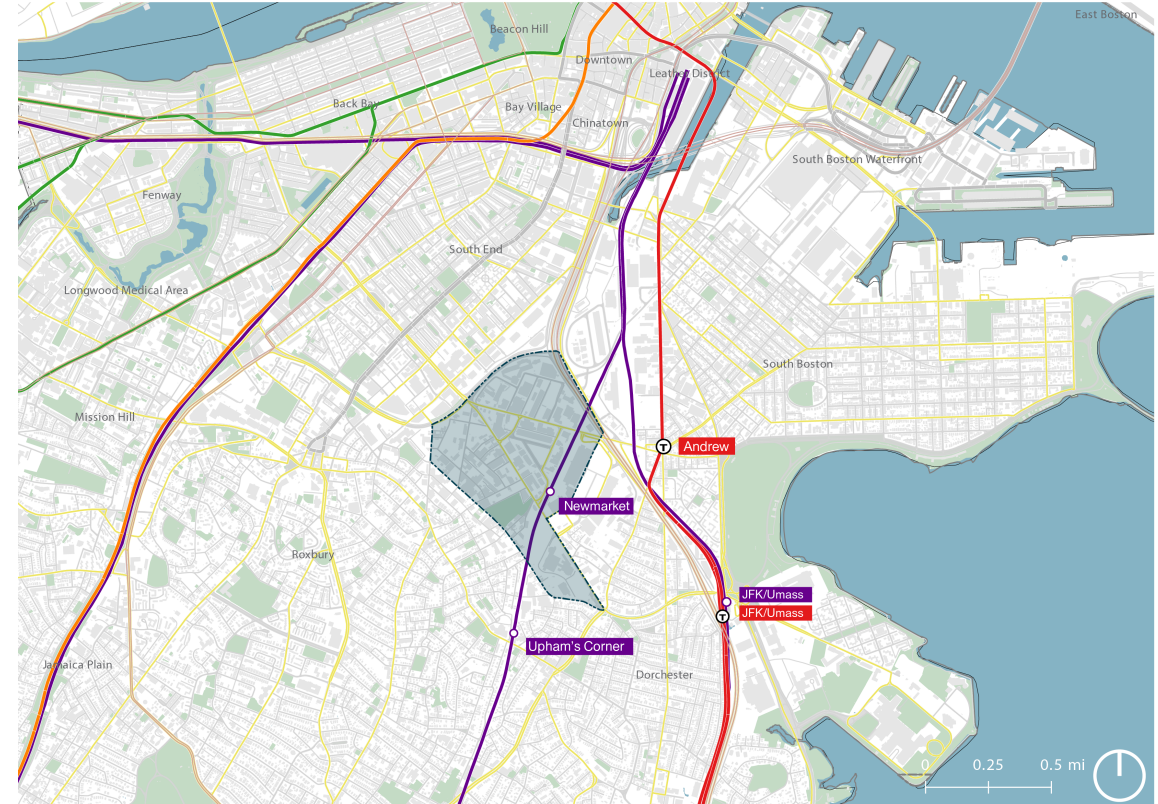


Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarte Employment, 2nd Quarter of 2011-2017) and BPDA Research Division Analysis.

WHAT WE HEARD: TRADITIONAL INDUSTRY IN NEWMARKET

Newmarket is uniquely positioned for Distribution and food-related sectors.

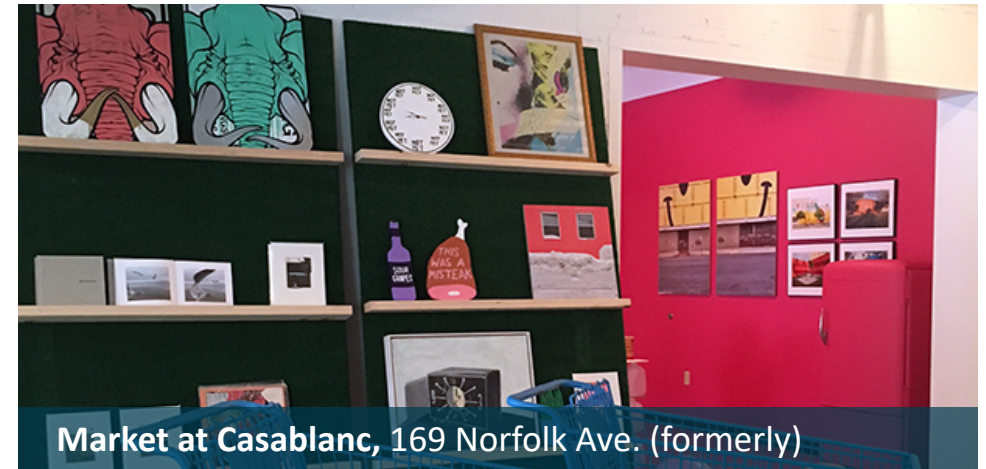
- **Unique central location.** Newmarket's central location within Boston and access to major transportation routes provide access to customers throughout Boston and Eastern Mass.
- **Industrial character.** Businesses have located here due to industrial building stock – affordable until recently – and industrial zoning.
- **Workforce access.** Newmarket offers proximity and transit connections to a workforce in Roxbury and Dorchester.
- **Food history.** Newmarket's decades-long history as a food production and distribution hub is a defining feature, with a concentration of both legacy and new food-related businesses.



WHAT WE HEARD: ARTS AND CREATIVE MAKERS IN NEWMARKET

Newmarket began to attract painters, sculptors, and cabinetmakers in the 1980's. However, many arts uses have been lost over time.

- **Flexible, historically affordable industrial space.**
 - When Fort Point was rezoned, many creatives located there began to move to Newmarket, which offered affordable industrial space in a central location.
 - However, in more recent years, many arts uses have been squeezed out due to market pressures.
 - The Record Co., a not-for-profit recording studio, has been able to stay only by negotiating a below-market lease as an anchor tenant when its building was repositioned.



Images: The Record Co., WBUR

WHAT WE HEARD: SOCIAL SERVICES IN NEWMARKET

Newmarket has become a hub for critical addiction and recovery services that serve some of Boston's most vulnerable residents.

- **Location separate from other uses.** Addiction and recovery have few places to locate given zoning regulations and residents' opposition to having these facilities located in their neighborhoods.
- **Co-locating to better provide support.** Locating service providers close to shelters and sober homes improves access to these services.



Images: MATSDirectory.com, The Boston Globe

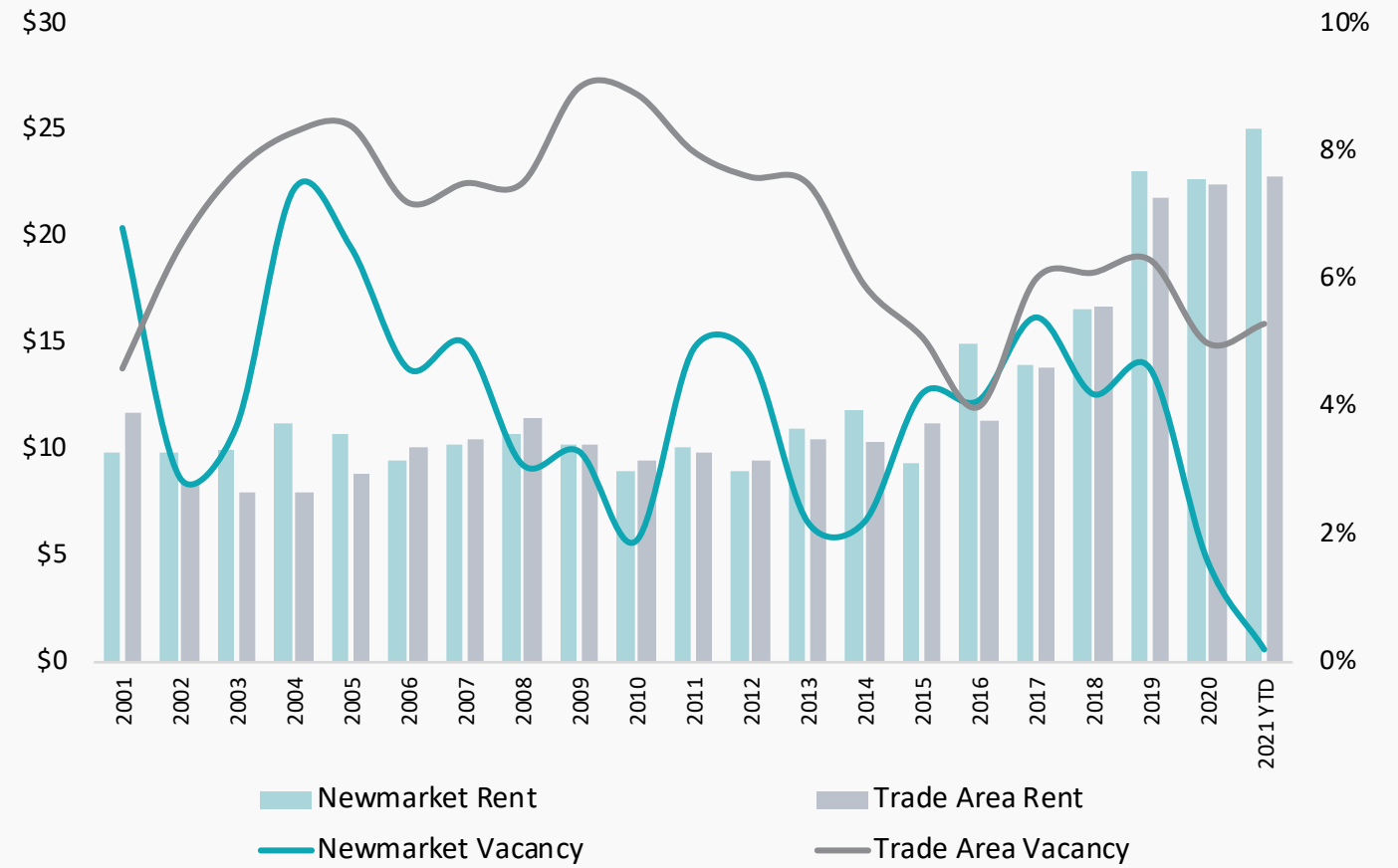
WHAT WE HEARD: NEWMARKET CHALLENGES

Increasingly costly, constrained space in Newmarket threatens to displace industry, arts, and social services.

- **Space and rents.** Rising rents, competition for space, speculation, and a small land area have combined to place intense financial pressure on Newmarket businesses – especially those who rent rather than own their space.

Since 2019, **industrial vacancy has plummeted to below 1%** in Newmarket, while **industrial rents have more than doubled** in both Newmarket and the trade area since 2015.

Industrial/Flex Rent and Vacancy in Newmarket and Boston's Urban Industry Trade Area, 2001-2021



Source: CoStar

WHAT WE HEARD: NEWMARKET CHALLENGES

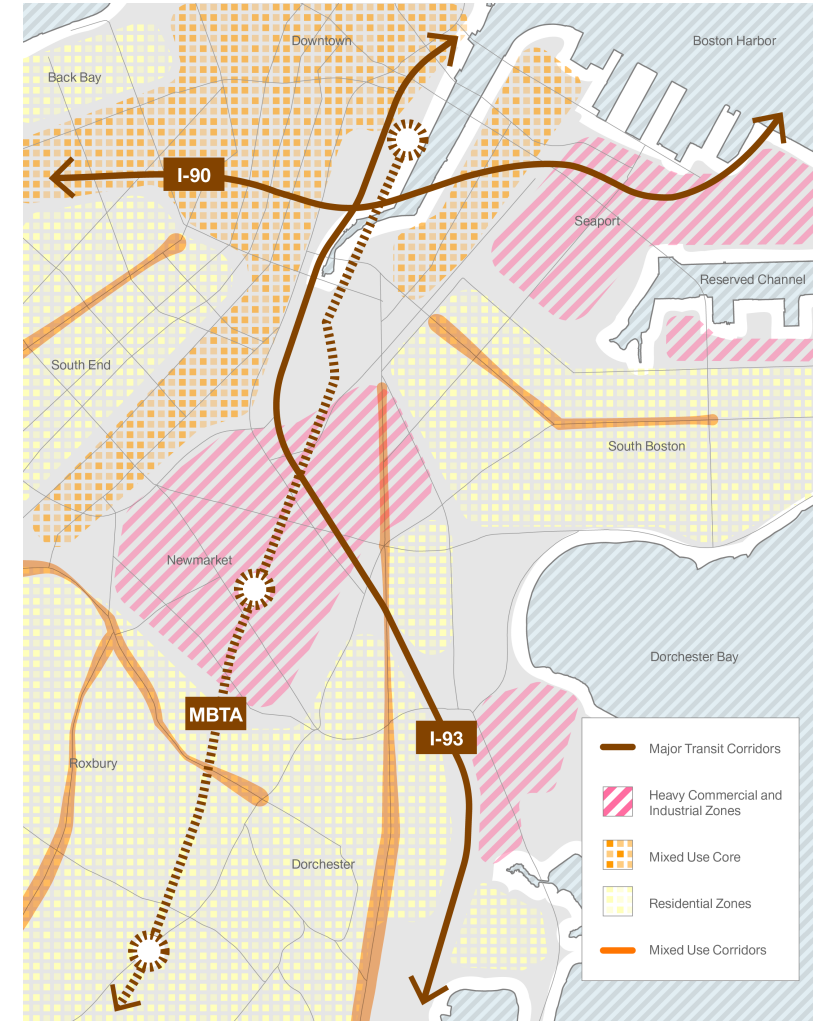
Outreach has identified a series of additional local and citywide challenges.

Local challenges

- **Safety.** Business' and workers' perceived lack of safety due to the concentration of social services and the creation of a new shelter on Southamptton Street in 2015.
- **Residential conflicts.** Nearby residential neighborhoods can also be sources of complaints about industrial operations.

Citywide challenges

- **Congestion.** Increasing traffic and congestion threatens business viability and efficiency, particularly for Distribution sectors.
- **Permitting and regulations.** Permitting processes were described as burdensome and confusing, including for heavier industrial business operations as well as new business models that do not fit traditional use categories (e.g., cloud kitchens).



An aerial photograph of a city skyline, likely New York City, viewed from a high angle. The image is overlaid with a semi-transparent teal color. The text "Next Steps" is centered in the middle of the image in a white, sans-serif font.

Next Steps

NEXT STEPS FOR 21ST CENTURY INDUSTRY DEFINITION

What combination of industrial sectors in Newmarket is most likely to achieve BPDA's economic development and equity goals?

Which policy tools are most effective and implementable to shape the trajectory of 21st Century Industry in Newmarket?

ADVISORY GROUP SCHEDULE

March 10, 2021	Introduction & Project Overview
April 21, 2021	Defining 21st Century Industries
May 19, 2021	Public Workshop
June 9, 2021	Character and Sub- Areas
July 21, 2021	Public Realm and Urban Design
September 8, 2021	Mobility
October 20, 2021	Climate Resiliency

Meeting dates and subjects are tentative and subject to change. Advisory Group members will be provided with schedule updates as the project progresses. Extra meetings may be required and will be discussed in advance with the Advisory Group.

An aerial photograph of a city skyline, likely Boston, with a teal overlay. The text "THANK YOU" is centered in white.

THANK YOU