



Council President John A. Michitson

GREETINGS!

Good morning and Happy New Year!

Senator Markey, Members of the State delegation; Honorable Mayor Fiorentini, colleagues of the City Council and School Committee; and city employees Honored Guests, Friends, Family, and fellow residents of Haverhill.

I want to welcome our two new City Councilors, Councilor's Andy Vargas and Joseph Bevilacqua!

It is an honor to stand here today as the President of the Haverhill City Council.

Thank you for your support.

I am grateful for the opportunity that you have given me and I intend to have a major impact this term on your behalf.

INTRODUCTION

Two years ago at the 2014 inauguration, I recommended that Haverhill formulate a comprehensive economic development plan and begin to implement it. It is now underway.

RECENT ACCOMPLISHMENTS

Haverhill's business outlook has come a long way in the last two years.

- In summary:
- We have started construction of Harbor Place on Merrimack Street that will house a UMASS/Lowell satellite campus thanks to State funding achieved by House Ways and Means Chairman Brian Dempsey and private funding from the Greater Haverhill Foundation and its partners. Mayor Fiorentini and Economic Development Director Bill Pillsbury, with support from the City Council, have played a major role in implementing the transformation of this site.

- We have temporarily increased our economic development capacity in two ways, again, with the help of Chairman Dempsey:
- MassDevelopment is providing a full-time advocate and planner for three years, Noah Koretz, to ensure that we succeed with Harbor Place and leverage it to revamp downtown;
- The Massachusetts Technology Collaborative in partnership with the Greater Haverhill Foundation, is undergoing an economic development plan for the whole city.

I want to give you my take on the preliminary findings from the economic development study thus far:

- Haverhill's economy is small relative to its size. When compared to other Massachusetts cities of similar size, Haverhill has relatively fewer jobs. However, Haverhill's economy has grown by 13.2% as measured by jobs since 2005, an increase of more than 2,000 jobs. By comparison, the statewide employment growth was 7.8% in the same period;
- Haverhill has approximately 20,000 commuters' daily, many of which commute to Boston/Cambridge and Route 128 which have world class high tech and life science economies;
- Retaining existing businesses and fostering early stage businesses are the most effective ways to grow a local economy;
- Grow and recruit entrepreneurs;
- Build upon Haverhill's existing Food Manufacturing cluster and better leverage Greater Boston's high tech and life science engines;
- Catalog and develop Haverhill's available commercial and industrial properties;
- Market Haverhill's strong attributes beyond our borders;
- Increase Haverhill's economic development capacity with additional resources.

THE NEED

- The need to ramp up economic development hasn't changed:
- Provide good jobs at all levels for Haverhill citizens – it's the most basic enabler of a fulfilling life and the most effective social program;
- We need \$millions of dollars by expanding the commercial tax base to:
- Reduce crime and drugs especially the opiate epidemic.
- Continue to improve public education.

- Properly maintain our public buildings – Whittier Middle School and Tilton School are on my watch list.
- Finally complete capping of the old landfill.
- Fulfill Traffic and Safety improvements across the City. Sidewalks are a major need.
- Additionally – we have three major challenges that could raise wastewater rates by 50% or more:
 - Combined sewer overflow;
 - Stormwater runoff;
 - And let's finally tackle the odor problem in the Bradford neighborhood surrounding Haverhill's wastewater treatment plant.

It is clear that we need additional revenue from economic development to help fund these needs and to truly stabilize residential taxes over the long run.

NEW IDEAS

There are several new ideas emerging in various circles in Haverhill that are consistent with the preliminary findings of the ongoing economic development plan. Here are a few of those ideas:

- A ScaleUp contest for startups is in the very early stages of planning following Haverhill's recent success in its initial startup competition. There are many startup competitions to contend with. Haverhill's unique approach will focus on startups that have matured and are now seeking help to scale up as a business. Winners will need to move their businesses to Haverhill to reap the benefits. Can Haverhill become a ScaleUp hub?
- To attract forward-looking companies, Haverhill will need to make an investment in its workforce. Training adults and students with hands-on Science, Technology, Engineering and Math (STEM) is an investment in Haverhill's social capital that matches the strengths of the region. This will require capabilities beyond what is currently available in Haverhill schools. This should be piloted in the Mt. Washington and Acre neighborhoods as a measure to boost those neighborhoods;
- Finally, we should all be thinking out of the box and not be afraid of failure. One trend that is emerging world-wide is co-working space. Co-working spaces are community workspaces populated by freelancers, small businesses and corporate telecommuters that form networks. What if we captured a small fraction of Haverhill's 20,000 daily commuters heading to corporate offices in Boston/Cambridge, Route 128 and elsewhere, at co-

working space in Haverhill? Corporations are seeking ways to infuse a startup culture in their currently static office environment. What better way for non-competing corporations to adopt a startup culture, than co-working with startups? Corporations are also having trouble retaining and attracting millennials. Improving the quality of life with less commuting time is attractive. Couple that with Haverhill's cool downtown versus boring office space in a business park and we may have a winning value proposition for millennials.

RECOMMENDATION:

Economic development is very competitive and complex in an ever-changing global economy. It's obvious that one person cannot do it alone. Mr. Pillsbury knows his business. Let's work together and ask him what he needs for support and begin to fulfill those needs in 2016.

CONCLUSION

I hope this brief overview of what could be in Haverhill's future is as exciting to you as it is to me; that it imparts energy and excitement and makes clear my commitment to work towards achieving these goals. Now is the moment. Let's get on with it...together. Thank you all very much