

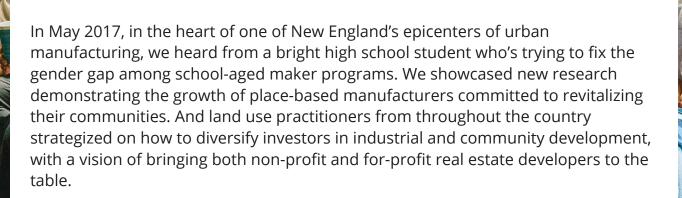
SOMERVILLE GATHERING REPORT OUT

June 26, 2017

URBAN MANUFACTURING ALLIANCE

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Our Spring Gathering in Somerville, Massachusetts was held from May 17th to May 19th beneath the title "Making, Scaling and Inclusion." It was our first Gathering of 2017 and our fifth Gathering since 2015. If there's any way to gauge the success of a convening like this, it's the volume of interaction between sessions. Our more than 120 attendees - ranging from architects to community organizers to makers - filled our host Aeronaut Brewing Company's hall with conversation during session breaks, as they built connections and shared intel while drinking locally manufactured beer from a company that targets its hires from the nearby community.

Attendees also spent time at Autodesk's Boston-based Building, Innovation, Learning and Design (BUILD) space, discussing how academic institutions are supporting inclusive growth within maker ecosystems. And nearly 70 economic development officers from the region participated in a manufacturing workshop with Massachusetts economic development and finance agency MassDevelopment, where UMA exchanged a range of land use, workforce and equity strategies.

This Gathering program wouldn't have been possible without support from our title sponsor Goldman Sachs 10,000 Small Businesses, our lead sponsors the Surdna Foundation, MassDevelopment and Aeronaut Brewing Company and our supporting sponsors Bank of America Merrill Lynch, the Boston chapter of the Local Initiatives Support Corporation and the Boston Foundation, along with so many other local partners.



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KEY TAKEAWAYS FROM BREAKOUT SESSIONS

Manufacturing practitioners spent the day working with thought-leaders in a handful of breakout sessions: Land Use & Real Estate Development; Workforce; and Tools for Scaling.

LAND USE AND REAL ESTATE DEVELOPMENT

Facilitated by Mary Thompson, Senior Vice President at Bank of America Merrill Lynch, and Leah Archibald, Executive Director at Evergreen Exchange and UMA Land Use Policy & Real Estate Development Community of Practice Co-Chair

Land use experts and advocates came together to see what peer organizations are accomplishing in their efforts to secure more light industrial space within city limits. The discussions focused on building coalitions to elevate the importance of manufacturing zoned-land and affordable space. Some strategies that came up include:



- Joining Forces with Affordable Housing Movement: Practitioners noted that when it comes to influencing policy and community, there exists a strong base of affordable housing advocates. These groups can be a force for industrial advocacy as well. One model that came up was New York City's Association for Neighborhood Housing and Development's (https://anhd.org/) active role in the creation of a \$150M non-profit industrial space development fund.
- Linking Business Services and Real Estate Development:
 Dorchester Bay Economic Development Corporation highlighted their partnership with the Newmarket Business Association around their_
 Indigo Block Project. This will ensure that neighborhood businesses are connected to a range of business services, and that information on new light manufacturing space coming on line is shared widely.
- Manufacturing as a Cultural Activity: Riley Area Development
 Corporation, based in Indianapolis, highlighted their work on the
 Massachusetts Avenue Industrial Corridor and its proximity to a
 cultural walking and biking trail. This has helped connect a broad
 cross-section of the population to manufacturing activity, and the
 public is now learning about the existence and importance of light
 industrial spaces.
- Education on Financing Tools: Advocates also discussed financing for light industrial and mixed-use types of development, highlighting that government assistance like the federal New Markets Tax Credit program is great help but limited in its reach, and just one option. The importance of technical assistance was underscored, particularly for incubators and accelerators that may not know how to quantifiably represent the job creation that is happening through multiple tenants in their spaces. One thought was that experienced developers from Ports to private developers could offer mentorships to newer non-profit developers.

HARNESSING LOCAL TALENT Facilitated by Elizabeth Demetriou, National Director of Economic Development at Local Initiative Support Corporation and UMA Board Director, and Justin Collins, Director of Strategic Partnerships and Development at the Southwest Brooklyn Industrial Development Corporation and UMA Workforce Development Community of Practice Co-Chair. Participants in this session agreed that workforce development isn't just about adding jobs — it's about creating fulfilling opportunities for training

• **Learning by Doing:** Participants discussed the role of community-based organizations in supporting youth-based internships and apprenticeships. One model that came up was SFMade's "YouthMade" program, a highly successful youth internship initiative that has helped put low-income Bay Area youth in touch with local manufacturers. For information on how this program came together, take a look at this SFMade and Juma Ventures toolkit on youth apprenticeship programs.

and employment at all tiers of the community, regardless of education level. These opportunities are widespread in the manufacturing sector, but to some they still carry the stigma of being "dirty" or low-quality jobs.

• Data Collection to Track Hiring Outcomes: Participants discussed the importance of assessing equity outcomes as new jobs are created. Some members suggested a simple question to gauge whether new employment opportunities are yielding equitable results: does your workforce look like the community you're operating in? They also proposed incorporating local indicators to measure equity, like looking at the average commuting times of your employees, or the local living wage. UMA's State of Urban Manufacturing report, which is surveying makers and manufacturers of all sizes in six cities in order to more fully understand how the industrial ecosystem is growing at the urban level, was discussed as one potential data collection tool. For additional ideas on equity indicators, take a look at Prototyping Equity, produced by UMA, Pratt Center and PolicyLink.





- Supply Chain Management is Pivotal to Expansion Plans: Contract manufacturing was discussed as a way to support scaling in a flexible fashion, rather than small companies having to hire employees or buy equipment themselves. To identify businesses to collaborate with, both local and national ecosystems are needed so small enterprises can more easily navigate options and identify manufacturers that can support their production process.
- Micro-Manufacturing as a Dominant Trend: Manufacturing is
 happening in smaller physical spaces, with smaller production runs.
 Notions of scale are changing (i.e. bigger isn't always better). For more
 on these trends, see Nina Rappaport's <u>Vertical Urban Factory</u>, which
 highlights regions throughout the country that are home to local,
 vertical manufacturing systems.
- Educational Institutions as Key Scaling Partners: Educational
 anchors should engage small-scale makers and manufacturers.
 Through partnerships, these educational institutions can help build or
 refine youth training programs by understanding what skills workers
 need straight from the source.



Portland State University Professor Greg Schrock presented key findings from <u>The Urban Maker Economy</u>, which he authored with City University of New York professor Laura Wolf-Powers and Marc Doussard, a professor at the University of Illinois at Urbana-Champaign.

The 95 maker entrepreneurs Schrock and his co-authors interviewed in Chicago, New York City and Portland provide a snapshot of the maker movement at large - from the New York City fashion accessory designer who started outsourcing some of her printing needs to China, to the Portland, Oregon microphone maker who doesn't envision major growth and chooses to source his products from repurposed material. Based on his survey of entrepreneurs like these, Schrock was able to build a framework of today's most common maker types: Global Innovators, Emerging Place-Based Manufacturers, and Micro-makers.

Schrock highlighted many of the common needs of makers, ranging from supply chain connections and place-based marketing to workforce development assistance and affordable production space. He also noted that makers have thrived thus far on the ecosystems built to support



them, like "maker-enabling" institutions and other entrepreneurs. To expand their impact on the local economy, those institutions need more investment from the private sector and a platform that facilitates connections between emerging and incumbent manufacturers.

Schrock stressed that building out these future ecosystems is a win for both the local and the national economy. He also underscored the imperative of addressing racial inclusion as the maker movement accelerates. "This idea of inclusion is an imperative facing our country, our society and all of our communities, and the maker community isn't any different," he said.



RAPID SHARE PRESENTATION RECAP

We heard from UMA members regionally and nationally about the work they're doing in their own organizations. Here are a few examples:



LEAH WHITESIDE

of Dorchester Bay Economic Development Corporation and Sue Sullivan of Newmarket Business Association highlighted how their organizations are helping to revive industrial space in the Dorchester Bay area of Boston through the Indigo Block Project.



KARLEEN PORCENA

of the Local Initiatives Support Corporation's Boston office spoke about her organization's partnership with impact loan company Kiva and Northeastern University, highlighting how Kiva's zero-interest loans have spawned a number of successful businesses in food production.



Urban Manufacturing Alliance

BEN SOMMER

at the City of Somerville discussed a federally funded project, Form to Factory, which looks to build out supply chain networks between hardware startup clusters and manufacturers in Middlesex and Essex Counties of Massachusetts.

KATHLEEN O'SHEA

of ICIC spoke about their research into why minority entrepreneurs aren't embracing incubator programs, revealing that demanding program schedules aren't welcoming to working class parents and most programs don't do enough community outreach to attract minority or disenfranchised communities.





CLAIR WATSON-MINSON

of Associated Black Charities talked about their research into manufacturing's positive economic impact on black workers in Baltimore, and how they're jumpstarting partnerships with local manufacturers to build new workforce development initiatives.

GRACE TEO

a garment manufacturer and founder of Open Style Lab, spoke about the prototyping and collaborative history of her innovative practice, which was launched out of MIT as a public service and fabricates clothing for people with disabilities. They're currently looking to scale so they can start creating more lines and types of clothing.





MADELYNN MARTINIERE

spoke about her work with prototyping service Fictiv. The company not only manufactures prototypes, but helps facilitate networks between clients and other local manufacturers to assist with prototyping requests that demand large amounts of materials. They also help build production capacity by hosting webinars and workshops.

BEN HOLMES

CEO of Aeronaut brewing, detailed his experience as an entrepreneur, and offered up two pieces of advice to small manufacture companies that want to scale: cultivate a trustworthy team and hone an "irrevocable commitment" to your brand.



We're just weeks after the event's end, but we're already hearing about new partnerships that came out of our Gathering in Somerville. Our goal is to bring manufacturing practitioners together to exchange stories, strengthen connections and discuss current practices so that successful strategies can spread from one community to the next. Below are a few examples of how communities are embracing what they learned.

- Real Estate Strategy: Immediately following the Gathering, advisory board members of Cincinnati Made planned a tour of the Brooklyn Navy Yard to inform their industrial real estate strategy. Cincinnati Made is currently exploring opportunities to create affordable, multitenant spaces.
- Workforce Connections: Associated Black Charities has begun discussions with Made In Baltimore, a new local brand platform housed within the City, to look into potential employer partnerships for their new workforce training initiatives.
- **Strengthening Regional Supply Chains:** A local incubator is now speaking with a Massachusetts municipality with dock space to look into ways to collaborate on marine technology startups.

- Scaling Apprenticeships: Pratt Center for Community Development is now in conversation with the State of Rhode Island around their work-based learning and career readiness programs. As Pratt Center works on a neighborhood-focused effort with local public schools and community based organizations to support career and technical education, they will be examining Rhode Island's model for work-learning opportunities in public high schools.
- Regional Planning for Manufacturing Growth: The Merrimack Valley
 Planning Commission (MVPC) is leveraging the equity indicators from
 Prototyping Equity as they develop a manufacturing strategy for their
 Economic Development District. MVPC is also closely coordinating with
 UMA as they bring local partners together to craft a regional approach
 to supporting the sector.
- Artisan Zoning Replication: We heard from many members that are now planning to meet with the City of Somerville around their proposed fabrication ordinance.
- Non-Profit Industrial Development Network: There were a number
 of non-profit industrial developers that attended the Gathering that
 are now collaborating around their respective projects to create
 affordable space for light manufacturing including San Franciscobased PlaceMade (SF Made's sister non-profit), Indianapolis-based
 Riley Area Development Corporation, Boston-based Dorchester Bay
 Economic Development Corporation, and New York-based Brooklyn
 Navy Yard Development Corporation.

As for UMA, we have a few research projects in the works that fall right in line with so many of the themes that emerged during the Gathering:

Supporting Communities with Data Collection: UMA is currently
working with six pilot cities to collect data from makers and
manufacturers and host conversations with service providers and
business-owners as part of its State of Urban Manufacturing report.
We encourage organizations that are looking to collect information

from their local business community to reach out about UMA's coalition-building process and survey tool.

- Spotlighting Community Development Corporations Pursuing Industrial Development: UMA will be interviewing a series of mission-driven industrial developers over the next several months to explore their light manufacturing projects, including their planning processes, financing and technical assistance partners.
- Building an Equitable Local Branding Platform: UMA is working in partnership with a Portland State University researcher on detailing how local branding organizations are embedding equity into their core work.

Our more than 600 members in 200 cities across the U.S. make gatherings like this possible. Many thanks to everyone who came out and expressed their ideas, challenges and goals, giving us a better understanding of what we need to do going forward to help these local manufacturers and thrive.

We'd also like to invite you to be a part of the next step after Somerville, which is our Fall Gathering from October 4th to 6th in Seattle, Washington. We're partnering with Seattle Made to put together an amazing program, "Localism as an Engine for Production Economies." You can read more about the program here, and we hope to see you there.



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