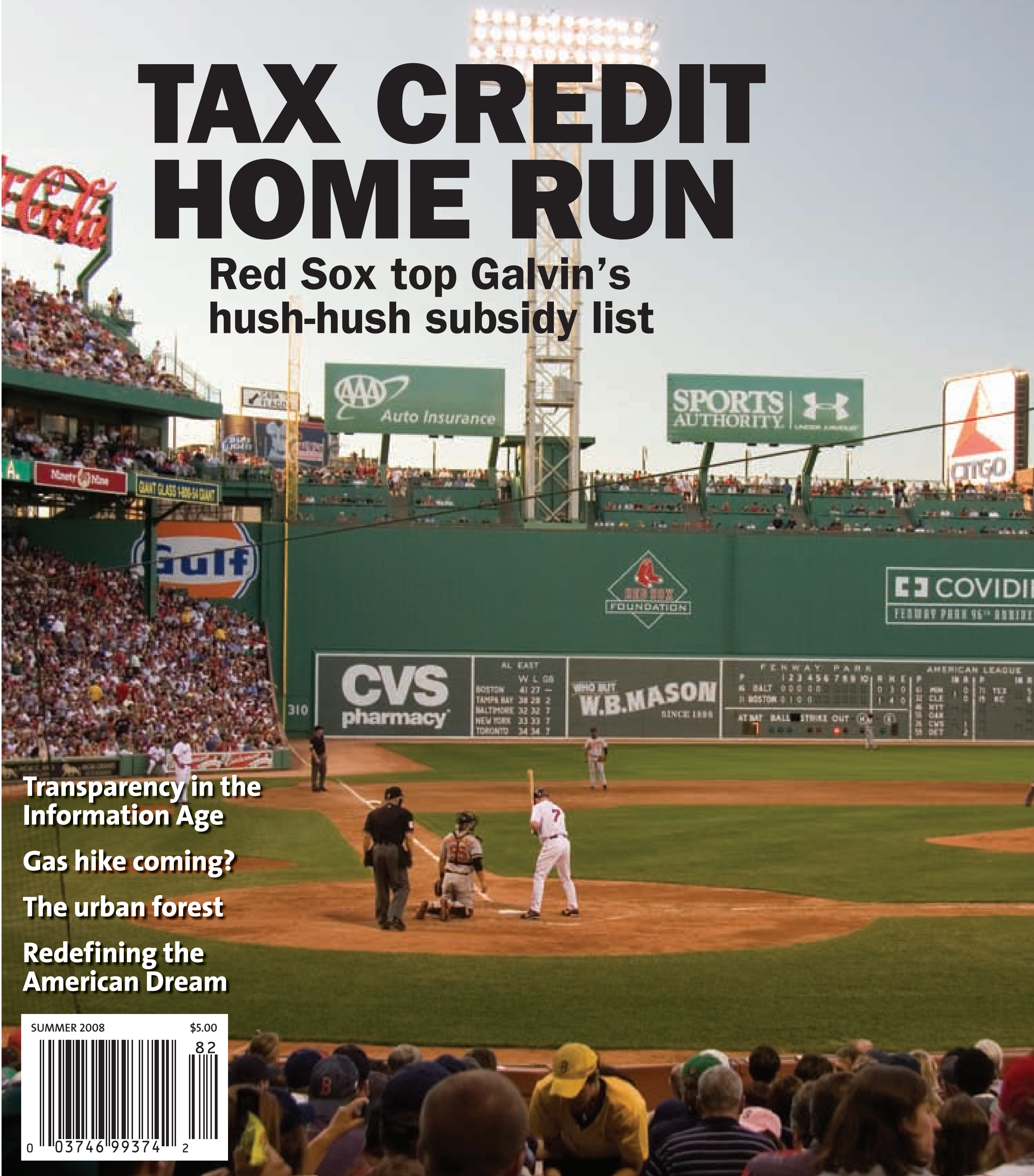
CommonWealth

POLITICS, IDEAS & CIVIC LIFE IN MASSACHUSETTS



TAX CREDIT HOME RUN

Red Sox top Galvin's hush-hush subsidy list

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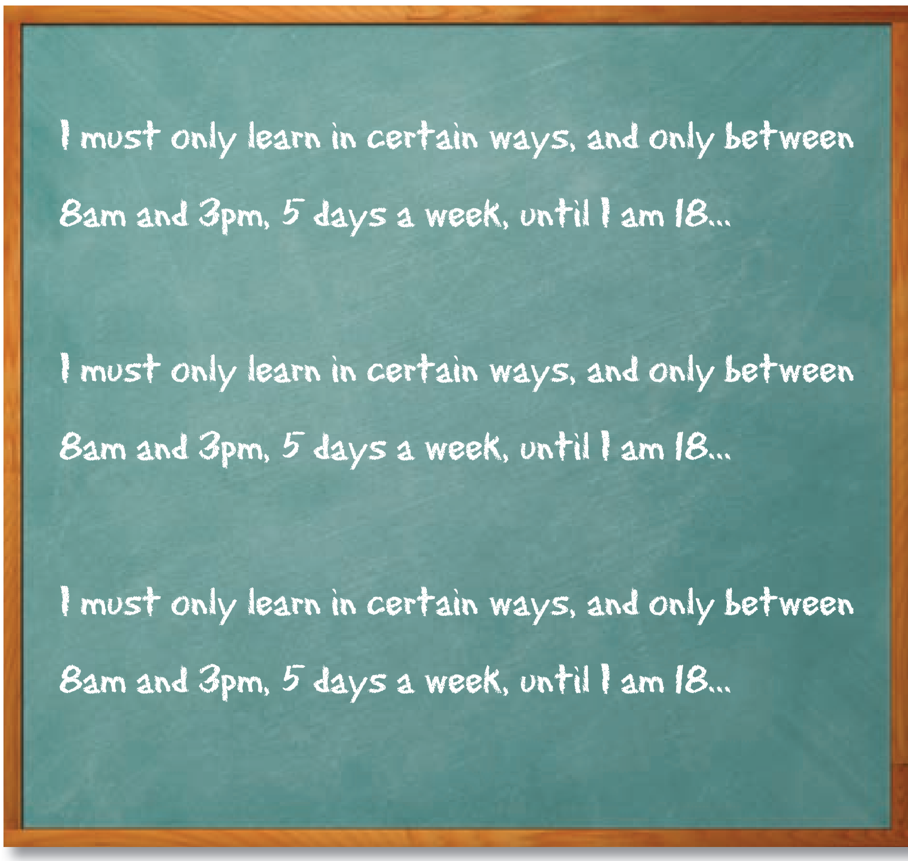

...so why does it still feel like 1908?

CommonWealth

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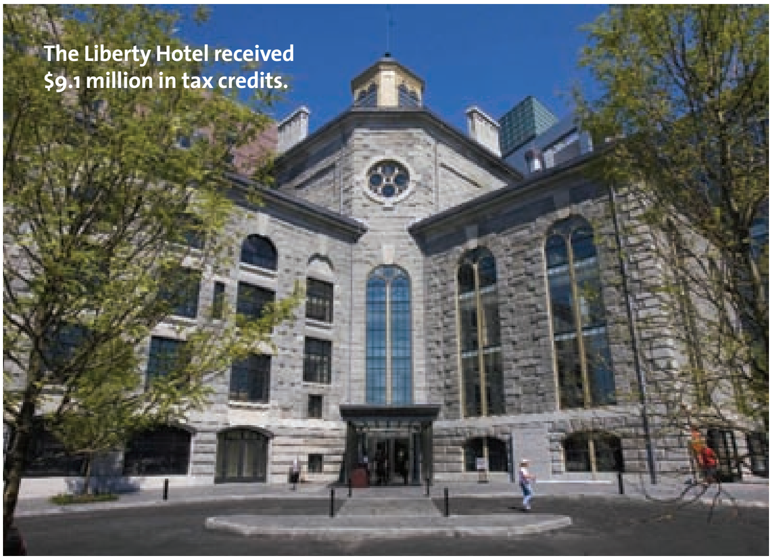
ARTICLES



DISCUSSION

DEPARTMENTS

COVER PHOTOGRAPH BY MARK OSTOW

Hidden tax credit

TAX CREDITS ARE exploding in popularity in Massachusetts. Over the last several years, state lawmakers have approved tax credits to lure movies and movie stars to the state, to redevelop historic buildings, and most recently to give a boost to life science companies.

The tax credits are having an impact. At least 88 movie productions filed applications for film tax credits through the end of February, according to the state Revenue Department. Numerous historic buildings that otherwise wouldn't be redeveloped are being returned to the tax rolls. And the new $1 billion life science law is creating a lot of favorable buzz in the industry.

What's unclear is whether these tax credits represent the best use of state dollars. Supporters usually point to the investments triggered by the tax credits, run these investments through the wash cycle of economic multipliers, and hang the resulting magnificent sum out to dry as a shining economic success story.

But what's needed is an analysis that compares the benefits of one type of tax credit to another or to a regular state appropriation. Is a $20 million tax credit for movie productions a better use of state money than a $20 million tax credit for the restoration of historic buildings or $20 million spent improving the state's education system?

These are not easy questions to answer, yet right now we're not even asking them. As Ben Forman and John Schneider of MassINC write in this issue, many tax incentives lose their focus over time. Forman and Schneider say Massachusetts invests more than half a billion dollars each year in business incentives, but less than 5 percent goes to economically distressed areas.

What are our tax credit priorities? Right now, Massachusetts values movie productions a whole lot more than historic rehabilitation projects or life science companies.

Massachusetts is offering a 25 percent tax credit to movie productions that film here, with no cap on the number of credits that can be issued. So whatever the producers of the science-fiction film *The Surrogates* pay star Bruce Willis, they get 25 percent back from the state.

By contrast, developers trying to put abandoned or rundown historic buildings back on the tax rolls can receive up to 20 percent of qualified rehabilitation expenditures as tax credits. But they must compete against each other for the $50 million in historic rehabilitation tax credits issued each year. Toss an elephant into the room, like the Boston Red Sox rehab of Fenway Park, and suddenly there are not a lot of tax credits left over for economic redevelopment projects in struggling cities like New Bedford and Lawrence.

Despite its $100 million-a-year price tag, the new life science law contains nine tax incentives that are unlikely to stretch very far. The Revenue Department has estimated just seven of the incentives could have an annual revenue impact of more than $100 million, yet the law allows the Massachusetts Life Sciences Center to hand out only a quarter of that amount.

Should the state be putting more money into life science or historic rehabilitation tax credits? Should less be going to films? More transparency in the way tax credits are issued could help answer some of these questions.

The Revenue Department occasionally releases some aggregate numbers on how many film tax credits the state has handed out, but nowhere can you find out how much the state is paying *Ashecliffe* to film in town.

The historic rehabilitation tax credit program has been around nearly five years, but Secretary of State William Galvin, who administers the program, is tight-lipped about how he makes the awards and to whom he is awarding them. As our cover story reports, it took *CommonWealth* nearly two months to pry loose some of this information, and then only after filing a public records request.

In Maryland, anyone wanting to know who's receiving historic rehabilitation tax credits can find it on the website of the Maryland Historical Trust. It's right there, along with how the staff of the trust rated each project.

Perhaps the Massachusetts Legislature should require an audit of the state's tax incentive programs periodically to see where the money is going and what the return on investment is. As author Archon Fung says in this issue's Conversation, transparency done right can yield tremendous benefits.

Bruce Mohl

BRUCE MOHL

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Dr. Stephen Zinner *Chair, Department of Medicine, Mount Auburn Hospital*

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MASSACHUSETTS

inquiries

Child care centers get Web scrutiny

Massachusetts is taking steps toward giving parents online access to information about licensing and state inspections of child care centers.

Matt Veno, a spokesman for the state Department of Early Education and Care, says that by the end of July parents should be able to check the license status of a center, obtain basic information about its services, and find out whether it is accepting new children.

Later in the year, state officials plan to begin offering more information online, including the results of inspections. Inspection reports provide a broad range of information on subjects from abuse issues to whether the center is operating at overcapacity. Currently, parents can request inspection information directly from a child-care center or order it through the mail from the state, a process that can take several weeks.

With parents clamoring for easier access to the information, 20 states, including New Hampshire, New York, and Florida, already post data about child care centers online.

Tom De Santes of Scituate just went through the process of selecting a child care center for his two children. He says it would have been a lot easier if he could have checked them out online from home.

Many child care centers were not aware the state was preparing to post information about them online, but some were supportive. "Anything that gives parents more information is important," says Judith Conway, the director of the Wesley Child Care Center in Dorchester.

► BETH RILEY

Liberal business group aims for impact on public policy

► BY MICHAEL JONAS

CAN A SEMI-ANNUAL gathering of liberal-leaning business bigwigs provide a fresh jolt of private-sector energy into civic doings and public policy in Massachusetts? That's the thinking behind a year-old organization that is looking to connect CEOs and other top corporate officials with initiatives that will let them play a role in shaping policy on such matters as education, health care, and the environment.

The Progressive Business Leaders Network grew out of a gathering in the fall of 2006 of an informal "kitchen cabinet" of business leaders supporting then-Democratic gubernatorial nominee Deval Patrick. The group was officially launched in June of last year. "Our goal was 100 members, and we've done that pretty quickly," says organization president Thomas Dretler, the chief executive of Eduventures, a Boston–based research and consulting firm.

The group's meetings, which alternate between Boston and Washington, feature presentations by business thinkers and political leaders. An April gathering in Washington included a panel discussion led by Andy Savitz, author of *The Triple Bottom Line,* which suggests that profit-making doesn't have to conflict with socially responsible and environmentally "green" business practices.

MANY HAVE STRONG TIES TO DEVAL PATRICK.

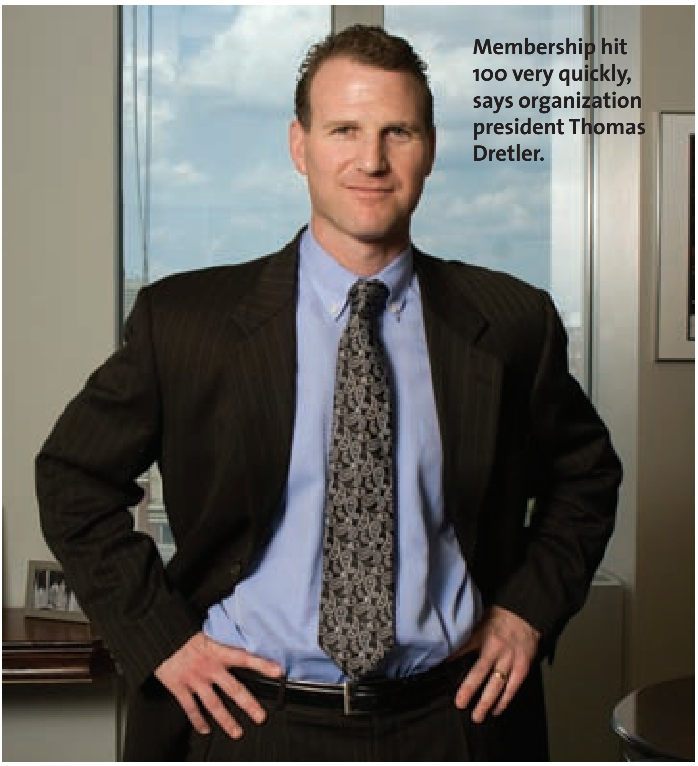
Many of those drawn to the organization have already committed their business to various forms of "triple bottom line" thinking. The goal of the business leaders' network is to help them stake a broader role in politics and policy. "We are committed to finding ways to help business leaders make a positive impact beyond business," says Dretler.

"What it grows out of for me and for some of the other folks who were involved in the formation of the group is that business leaders weren't being asked to do any more than write checks for campaigns," says Jim Boyle, the 41-year-old executive director of the group, who runs a Cambridge consulting firm.

The leadership of the group includes some of the usual suspects from the region's Democratic-leaning business crowd: Jim Roosevelt, Steve Grossman, Chris Gabrieli, (ex-Republican) Gloria Larson. But the organization is making a big play to draw in a new generation of younger business leaders, says Dretler, who is 39.

Membership in the group cuts a wide swath across business sectors, including venture capital firms, biotech, health care, and high tech. The organization operates at this point without paid staff on a modest budget that Dretler puts at "five figures and not even close to six."

The group bills itself as a "peer-to-peer" education organization, and started out saying it wouldn't take public stands on issues or engage in direct advocacy work. The goal was to help its members, especially those without lots of background in the political arena, plug into ongoing policy efforts. Several members served on committees of the Readiness Project, the year-long effort Gov. Patrick initiated to craft a long-term plan for new education reforms. One of the group's co-chairs, Jeff Bussgang, a Boston venture capital executive, was appointed to a finance commission that Patrick named to develop recommendations for funding new educational initiatives.



Membership hit 100 very quickly, says organization president Thomas Dretler.

But the pull of a direct role in policy seems to have been irresistible to the organization. In June, the group's board voted to take up one or two public issues each year. No issues—or positions on them—have yet been identified, but Boyle suggests state corporate tax policy, federal health care legislation, and "cap and auction" bills on environmental releases could be on the radar.

Though direct involvement in public issues will not be the mainstay of the Progressive Business Leaders Network, Bussgang suggests it was a natural move for a group whose members are interested being more than just "an ATM machine" for left-leaning candidates and causes. "That's not what we want to do," he says. "We want to have an impact by being involved on the policy level."

Override forces turn to the pros in the art of winning elections

▶ BY SHANE O'NEILL

VOTER APATHY MAY have hit a new low in Holliston in May. Even with a Proposition 2½ override of $992,000 on the ballot, only 29 percent of the town's 9,602 registered voters bothered to turn out. The proposal, meant to forestall cuts in the public school system, lost by 415 votes.

"We did all we could to publicize the vote," says Town Clerk Jacqueline Dellicker, referring to cable TV commercials, ads in the local newspapers, and banners in front of Town Hall. "But maybe we need to do a better job getting people to the polls."

With override fatigue gripping communities (unofficially, there have been 41 override campaigns across Massachusetts this year, with 20 of them passing), many local advocates are starting to recognize that they need outside help getting out the vote. Some are seeking out training from experts on how to run a campaign themselves. Others are bringing in hired guns to run campaigns for them.

"There are communities that have hired campaign consultants," says Geoff Beckwith, executive director of the Massachusetts Municipal Association. "But, if it's a trend, it's in places more likely to have disposable income and higher campaign budgets. Successful campaigns are usually homegrown."

Homegrown campaigns often work if a lightening-rod issue is on the ballot, but when the issues are more mundane, it isn't so easy, particularly when voters are working long hours or are newcomers to politics. An alternative, at least on one end of the ideological spectrum, is One Massachusetts, which provides free training sessions for groups organizing Proposition 2½ override campaigns. The year-old, Boston–based nonprofit was spun off from the Public Policy Institute, a liberal group that promotes community activism.

Colleen Corona, a member of the leadership team at One Massachusetts and chairman of the board of selectmen in Easton, remembers the "Eureka!" moment she had in 2006, when receiving invaluable tips from a campaign manager working for an elected official. At the time, Corona was organizing a Proposition 2½ override campaign in her hometown.

"The information got us going, and without it we could

PHOTOGRAPH BY MEGHAN MOORE

not have run our campaign," she says. "I realized that I wanted to help other struggling campaigns in any way I could."

Corona now heads up training sessions with other One Massachusetts members and speaks on panels about how to run grass-roots campaigns. "Overrides can be exhausting and divisive, but they are important," she says.

ACTIVISTS CAN LEARN HOW TO TARGET VOTERS.

At the training sessions, which are open to anyone trying to run an override campaign, strategists and state budget experts offer practical information on where a town's money comes from, how to craft an effective message, how to work with a database of registered voters, and how to target town precincts and organize teams.

Natick activists took part in the One Massachusetts campaign training, and they ultimately prevailed at the polls when voters approved a $3.9 million Proposition 2½ override in March.

"We went from a group of energetic people who didn't really know what we were doing to an efficient, well-run campaign. And we could not have done it without the training," says David Margil, co-chairman of the Yes for Natick committee.

But some citizen groups have skipped the do-it-yourself approach and instead brought in experts. For example, after several failed override attempts in Winchester, a group of residents decided in 2002 to bring in outside help.

Ed Delaney, a technology executive and Winchester resident, says there was a solid cross section of residents who supported a $4.5 million override to preserve town and school services, but they lacked a focused plan of action.

"What we really needed was professional outside help to form a clear strategy," he says. "There had been too many rejected overrides, and we had to try something new."

The group raised private money to pay the "low six-figure" fee of Rasky Baerlein Strategic Communications, a public relations firm in Boston that has long had success waging statewide referendum campaigns. In order not to incite the Winchester residents on the "no" side of the override vote, Rasky Baerlein ran a stealth campaign, which meant no media publicity and no volunteers walking the streets holding signs. The firm identified precincts in Winchester that had voted for overrides in the past and organized volunteers into teams that used phone banks and direct mail to spread the advantages of passing the override. Rasky Baerlein also provided transportation to the polls for voters. The result was a more motivated voter base for passing the override, which prevailed with 57 percent of the vote.

Joseph Baerlein, president of Rasky Baerlein, says municipal ballot campaigns have become a growing segment of the firm's business. Last year, it worked on behalf of a real estate development project in Sharon, helping to win a two-thirds majority vote at town meeting for an article relating to a zoning change for a senior citizen living complex.

In May, the firm was hired by the Westwood Board of Selectman and paid with grant money from Cabot, Cabot & Forbes, the developer of Westwood Station, a mile-long development of stores and homes. The firm's job was to do the opposite of what it did in a 2006 ballot initiative, when it was hired by Massachusetts retail package stores to defeat a ballot question that would have allowed more supermarkets to sell wine. This time, it was charged with winning approval of a liquor license to help lure a supermarket tenant to the Westwood project.

Town meeting approved the community's first carry-out alcohol license by a 410-to-372 vote. The board of selectmen and the developer are now negotiating with Wegmans, the New York–based grocery store chain, to open a store with the liquor license as part of the project.

Baerlein predicts that as fiscal and zoning fights in towns increasingly become political issues, more activist groups will look to third parties to help motivate voters.

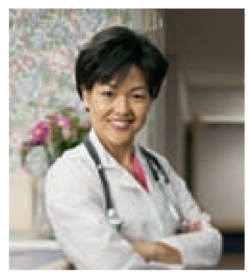
"That often equates to a private entity in the town who says, 'We need to raise some dollars to get this done,'" he says. "Civic activity can only go so far in getting votes."

Shane O'Neill is a freelance writer living in South Boston.

Patrick reveals a big appetite for education reform

► BY GABRIELLE GURLEY

THE UNVEILING OF the Readiness Project should dispel any doubt that Gov. Deval Patrick sees himself as the master builder of the next epoch of education reform.



"Our goal is to reinvent and re-engineer an entire system and all of its components," said Patrick during his address at the John F. Kennedy Presidential Library in June. "We are not tinkering."

Incoming Secretary of Education Paul Reville couldn't resist an architecture reference of his own. Paraphrasing Bob the Builder, the construction crew chief of children's television fame, he asked the audience, "Can we do it?" and got a resounding "Yes, we can" back.

Crowd-pleasing rhetoric aside, has the process of constructing a new public education framework actually overwhelmed the policy? The lineup of Readiness Project goals is dizzying. They include the elimination of persistent achievement gaps among poor and minority children; a push to attract, train, and retain highly qualified teachers; and the preparation of all students for success in their families, their communities, and the 21st-century global economy.

The multiyear program covers a vast range of initiatives, such as reducing class sizes in early elementary grades in high-needs school districts; establishing free tuition to community colleges; consolidating some of the state's 391 school districts; and creating "Readiness Passports," a statewide academic and social progress tracking system.

This second phase of education reform is unfolding in a very different climate from the first one. Fifteen years ago, it was the Supreme Judicial Court, not the governor's Corner Office, that mobilized action on public education. In *McDuffy v. Secretary of the Executive Office of Education*, the justices ruled that Massachusetts had shirked its constitutional duty to provide every child with an adequate education by failing to provide equitable funding for public education across state school districts.

Signed into law shortly after that decision, the Education Reform Act was a grand bargain between a highly motivated Legislature and a business community that united behind the view that revamping state aid to schools, together with demanding higher achievement standards and greater accountability, was necessary for jumpstarting the state's education system.

Although a sense of urgency is palpable in the Patrick administration and among the stakeholders who participated in the year-long Readiness Project, no external actor, such as the court system, is poised to compel results if progress doesn't materialize.

This is the right time for assessing education reform since significant work remains to be done, particularly in urban schools, says former Fall River mayor Ed Lambert, a co-author of the 1993 legislation. Fifteen years ago, however, there was a consensus that something big needed to happen, he says, adding, "I'm not sure that exists right now."

The depth and breadth of the vision also presents challenges. That a project incorporating the designs of more than 200 stakeholders took a year to come to fruition is not surprising, especially given the sweeping transformations that Patrick wants to achieve. Even so, some observers say that the Readiness Project puts too much on the table. They argue that the design phase has taken too long and has been detached from a legislative program or the means to pay for one.

"If you don't have that focus to say, 'I need this,' it's not going to get done," says Jim Stergios, executive director of the Pioneer Institute, a strong proponent of charter schools.

The range of goals makes prioritization difficult for the Legislature, according to Rep. Patricia Haddad of Somerset, co-chair of the Joint Committee on Education and a member of the project's leadership council. She compares the plan to a jigsaw puzzle. "You pick up a piece and look at it; if it doesn't fit, you put it down," the Democratic legislator says. "[The priorities] are going to be very deliberative around what we can afford right now."

What Massachusetts can afford is the biggest unknown. The financial issues have been delegated to another new group, a Readiness Finance Commission headed by John Fish, president and CEO of Suffolk Construction Co., and Gloria Larson, president of Bentley College. The commission is scheduled to deliver a report on project costs and savings, reforms, and possible new revenues in mid-November—the week after an election featuring a ballot question that poses a repeal of the state income tax.

THE READINESS PROJECT GOALS ARE DIZZYING.

Patrick says that revenue-wise, everything is on the table. But the sums required may be gargantuan. The Massachusetts Budget and Policy Center, which has already crunched some estimates, found that free community colleges alone could set the state back \$125 million to \$540 million.

The finance commission's deliberations will add more notches to an already protracted timeline. And once lawmakers have findings in hand, the conversations about where education reform goes will start over again.

If the first half year of an important initiative makes or breaks it, then the Readiness Project has entered a period of uncertainty that its architects can ill-afford.

"We are going to sit for the next six months trying to figure out what can be done, what can't be done, what goes first, and what goes second," says Stergios. "[But] we can't know that until we see what the funding looks like." CW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it probably took a ride on our rails.
How tomorrow moves
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BY ROBERT DAVID SULLIVAN

FORECLOSURE CRISIS FLOODS DOUBLE-DECKERS

The current foreclosure wave in Massachusetts has knocked down a disproportionate number of multifamily homes, at least compared with the housing market crash of the early 1990s. That's one finding in *Subprime Facts: What (We Think) We Know About the Subprime Crisis and What We Don't*, a recent report from the Federal Reserve Bank of Boston. The four authors note that 28 percent of foreclosures in the Bay State in 2006-07 were on multifamily residences (which account for only 10 percent of all home purchases), up from 20 percent in 1991-92. And what the authors call "default hazards" are rising for purchasers of double- and triple-deckers: "In the current foreclosure wave, multi-family homes are defaulting more than three times more quickly than single-families and condos purchased at the same time."

One reason is that the current foreclosure wave, tied as it is to the prevalence of subprime loans, is crashing over low-income and minority neighborhoods (where multifamily buildings are more common) to a greater extent than was true in the 1990s crisis. The Fed report also speculates that many "underwater" mortgagers had bought multifamily homes as investments, hoping that rental income from second and third housing units would cover mortgage payments, but market-rate rents have not risen as fast as they expected. And they can't count on an influx of new tenants who have lost their homes in the more fashionable areas of the city: Condominiums accounted for only 13 percent of foreclosures in 2006-2007, down from 34 percent in 1991-92.

HOTEL REVENUE IS VERY GOOD TO CERTAIN SUBURBS

Boston is in the middle of a hotel boom, and the state Department of Revenue recently estimated that the city raised $35.5 million last year from its local tax of 4 percent on room occupancies (separate from the 5.7 percent state tax). Cambridge was far behind, at $6.4 million, and from there the list of top hotel towns gets a bit unpredictable: Waltham at $2.0 million, Barnstable at $1.6 million, Yarmouth at $1.4 million, and Burlington at $1.3 million, with the Boston suburbs of Marlborough, Newton, and Woburn also topping the million-dollar mark. (Almost every community with a significant hotel or motel presence has enacted a 4 percent tax, the maximum allowed by the state.)

However, revenue for the state's second-tier cities was not as impressive. Worcester realized $860,000; Springfield took in $940,000; and Lowell raised a lowly $260,000.

IT TAKES A LOT OF PRACTICE TO GET THROUGH SHAMPOO U

As reported by Governing.com, South Carolina Gov. Mark Sanford recently vetoed a bill requiring 1,500 hours of training for hair-salon shampooers before they're licensed to rinse. "What we want to do is avoid laws on the books that don't pass the Comedy Central litmus test," he said, referring to the cable home of *The Daily Show* and *The Colbert Report*.

But does Massachusetts pass the test? According to the state's Division of Professional Licensure, a "hairdresser/cosmetologist" must log 1,000 hours of training in order to be licensed—but then can only work under the supervision of a veteran stylist. It takes another two years on the job before you can legally make someone blonde in your own shop, a requirement that might not seem funny to young entrepreneurs.

ILLUSTRATIONS BY TRAVIS FOSTER

HIGH-COST HYBRIDS

The town of Amherst recently—and reluctantly—abandoned the idea of using green cars for its police fleet, reports the *Amherst Bulletin*. It turns out that Chevy hybrids would have cost $51,000 each, or more than twice as much as the $20,000 Crown Victorias that the department customarily buys.

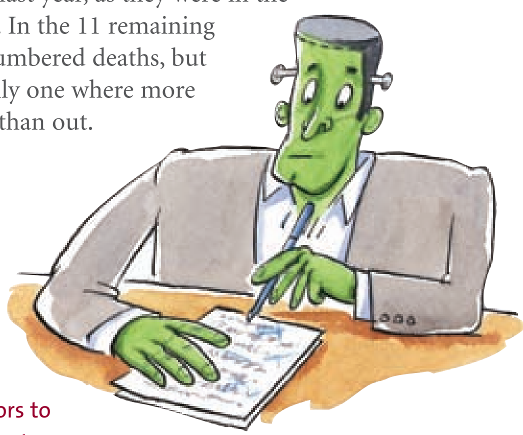
COYOTE COUNT

The state's Division of Fisheries and Wildlife notes that a record 442 coyotes were "taken" by licensed hunters during the 2007-08 season, up from 222 the previous year. The next season runs from October 18 through March 9, 2009.

FRANKLIN COUNTY ENJOYS A (SLIGHT) REBIRTH

According to Census estimates released this spring, Franklin County achieved a turnaround, of a sort, last year. It recorded 702 births and only 632 deaths in the period between July 2006 and May 2007, making for a "natural increase" of 70 people. During the previous year, deaths outnumbered births by 667 to 645. Nevertheless, the county's total population still declined by 104 last year, thanks to residents moving elsewhere.

The two counties at either end of the Bay State—Barnstable and Berkshire—were on the losing end of the "natural" scale last year, as they were in the previous year's count. In the 11 remaining counties, births outnumbered deaths, but Nantucket was the only one where more Americans moved in than out.



WISCONSIN TAKES A TORCH TO THE 'FRANKENSTEIN VETO'

In Wisconsin, voters finally changed their Constitution this spring to eliminate the "Frankenstein veto," which allowed governors to cross out words and numbers in order to create new sentences, thus completely changing the meaning of legislation before signing it. According to an Associated Press report, the push to change the Constitution came after the current governor, Jim Doyle, "crossed out more than 700 words and stitched together others to create one new sentence allowing his administration to transfer $427 million out of the transportation fund."

The change to the state Constitution passed by a margin of nearly 3-to-1. According to the AP report, Wisconsin governors will still be able to cross out individual digits in legislation in order to create new, lower numbers. But they can't cross out letters within words; the "Vanna White veto" was abolished by voters in 1990.

The price of prisons

BY ROBERT DAVID SULLIVAN

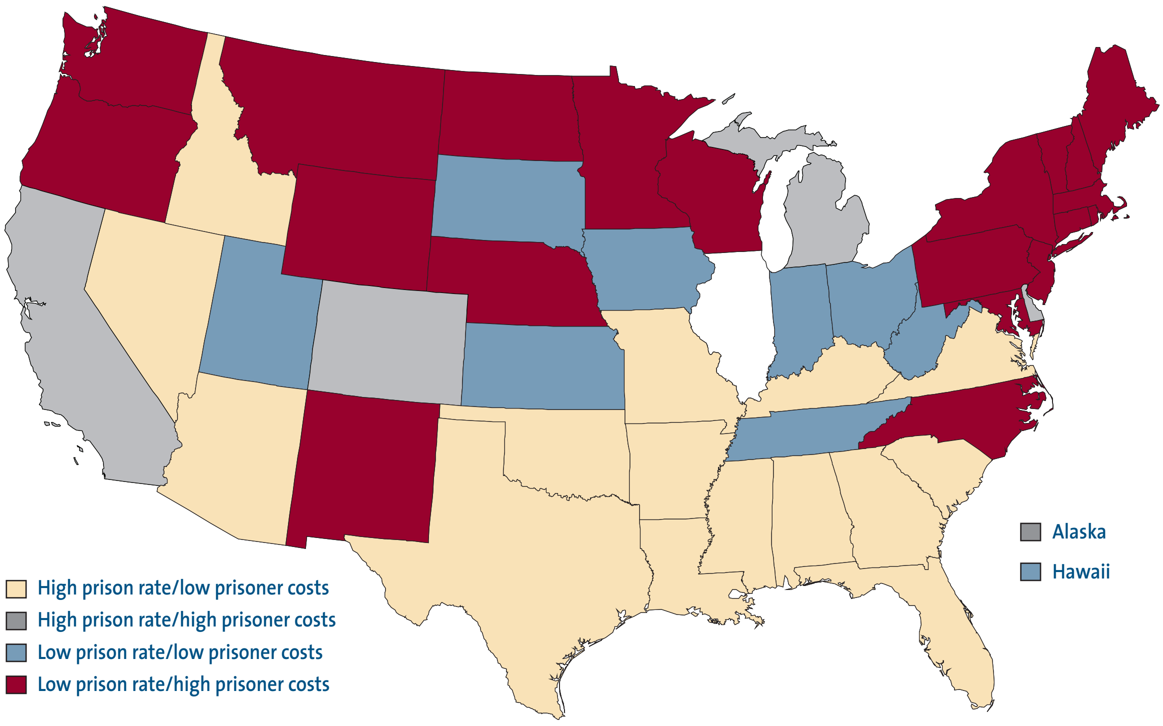
WHAT PART OF state government is growing faster than education or Medicaid? Nationwide, spending on correctional facilities jumped by 9.2 percent in fiscal 2006, second only to transportation, according to *One in 100: Behind Bars in America 2008*. The report from the Pew Charitable Trusts' Public Safety Performance Project warns that "prison costs are blowing holes in state budgets." This is true even in Massachusetts, which has a relatively low incarceration rate. We rank 42nd, with 356 prisoners per 100,000 residents—far below the national rate of 750 but comparable to the Ukraine's 345. But we devoted 5.1 percent of total general fund expenditures to corrections in fiscal year 2007, up from 3.2 percent in 1987. (Nationally, the figure is 6.8 percent, up from 5.0 percent.) Last year Massachusetts spent $1.1 billion on a corrections system that included approximately 11,400 inmates.

"Tough on crime" policies aren't the only reason for increasing costs. The Pew report also points to medical care, which now accounts for one-tenth of all corrections costs: "The rise in medical outlays largely stems from mushrooming costs associated with special needs populations, including HIV-positive prisoners and geriatric inmates."

As the map below shows, there seems to be an inverse relationship between the number of prisoners in a state and how much it costs to keep someone locked up for a year. In 2005, Massachusetts spent $43,026 in operating costs per inmate, second only to Rhode Island's $44,860. Almost the entire Northeast fell into the high-cost, low-imprisonment category. At the other end of the spectrum, Louisiana spent the least per prisoner ($13,099 annually) and also posts the highest incarceration rate in the US (857 per 100,000 residents).

Among Southern states, North Carolina has the lowest incarceration rate, largely thanks to reforms in the early 1990s that increased sentences for violent offenders but steered nonviolent criminals (many of them drug users) away from hard time. But the state's costs per prisoner are now the highest in the region—not really surprising, given the economy of scale in running prisons, as well as the probability that fewer young, nonviolent inmates means a disproportionate number of individuals who need close supervision or medical services. CW

PRISON RATES VS. PRISONER COSTS



Sources: 2007 prison rates from the Bureau of Justice Statistics, US Department of Justice (www.ojp.usdoj.gov/bjs); 2005 spending per prisoner from the Public Safety Performance Project, Pew Charitable Trusts (www.pewpublicsafety.org). "High" and "low" are relative to the national average. Data not available for Illinois.

Play money

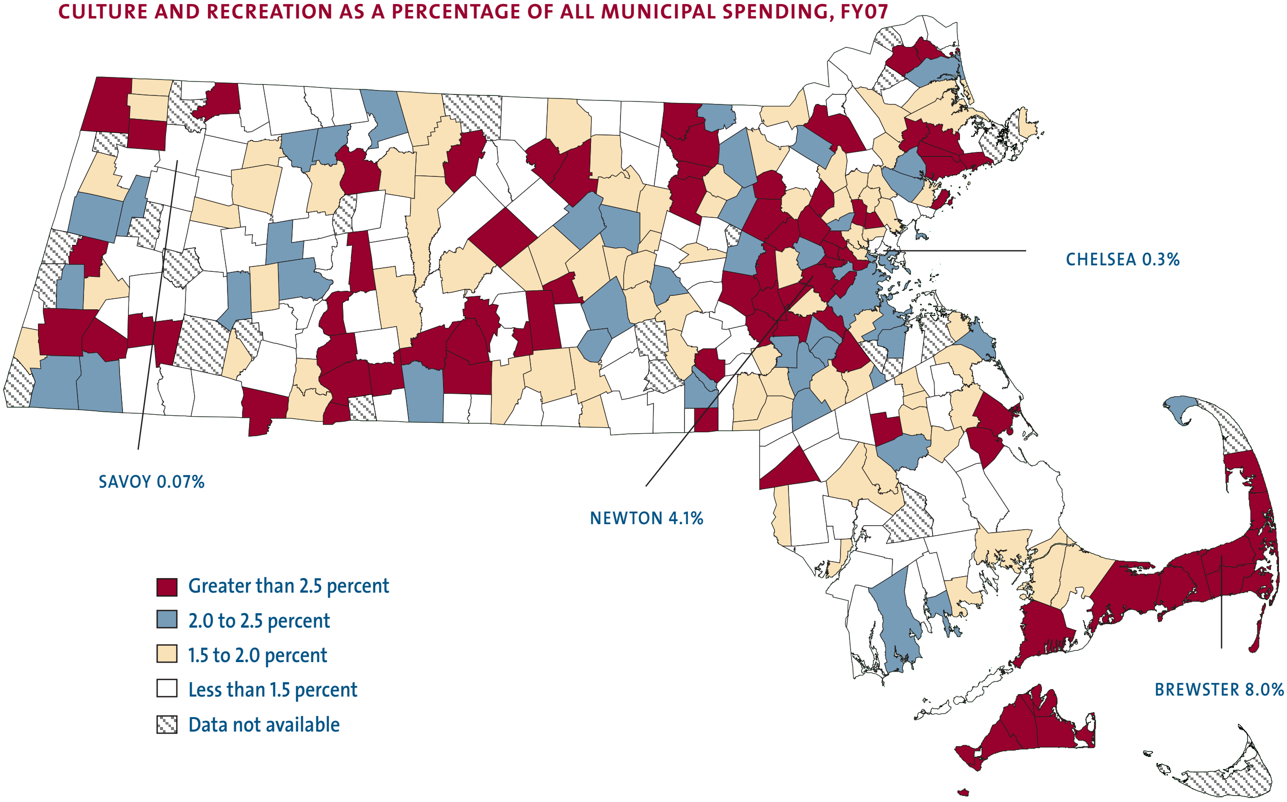
BY ROBERT DAVID SULLIVAN

DURING TOUGH FISCAL times, arts and sports programs are often the first to get cut from municipal budgets. So it's not a big surprise that the "culture and recreation" category, which accounted for 2.68 percent of all spending in the average Bay State community in fiscal 2000, had dwindled down to 2.08 percent in fiscal 2007. But, as the map below indicates, not all cities and towns have downgraded parks and libraries to the same degree. Spending is generally highest in affluent, retirement-heavy communities, and it's lowest in poorer cities and towns with relatively youthful populations. One might think that the need for diversionary activities might be greatest in the latter category, but in the zero-sum game of budgeting, these programs don't have much room to grow in places that spend far above the state average on police (as in the beach town of Salisbury), public works (snowy North Adams), and schools (Lawrence).

Some towns have unique recreation expenses—Brewster spent $1.1 million on its Golf Department in 2007—but "culture" money mostly goes toward libraries, which have been downscaled across the state. According to the Massachusetts Board of Library Commissioners, eight of the 10 towns that spent the most per capita on libraries in 2007—led by Chilmark, on Martha's Vineyard, at $206—were on the Cape and Islands. All 10 of the towns that claimed the most library visits per capita were in this same region. At the same time, Lynn's libraries reported the most "visits per hour open" (160), with Worcester and Springfield not far behind, suggesting that those lower-income cities have the most pent-up demand for library services.

Looking at actual dollars spent, rather than the share of all spending, Chilmark spent the most per capita on culture and recreation in fiscal 2007, with $507 per resident. Among communities of at least 30,000, the top spenders were Andover ($136), Cambridge ($130), and Newton ($106). Larger municipalities near the bottom of the list included Chelsea ($10), Revere ($14), and Lynn ($17). CW

CULTURE AND RECREATION AS A PERCENTAGE OF ALL MUNICIPAL SPENDING, FY07



Source: Massachusetts Department of Revenue, Division of Local Services (www.mass.gov/dls)

Money man

John Olver's low profile doesn't stop him from bringing home the bacon from the Appropriations Committee BY SHAWN ZELLER

ASKED WHAT ROLE US Rep. John Olver plays in the 10-member Massachusetts congressional delegation, Rep. Michael Capuano of Somerville puts it very simply: "Money."

Ask Olver about his role and the answer is a little less succinct. OK, make that a lot less succinct. In fact, prepare for a long lecture about how the congressional appropriations process works, how it integrates with congressional authorizing committees, and how it's not maybe quite as powerful as some say it is to have a seat on the House Appropriations Committee.

But Olver seems to relish his role as the Bay State's money man—that is, our representative on "Approps," as the committee that oversees $1 trillion in discretionary federal spending is called in Washington. He's even a cardinal, to use the nickname given to chairs of the 12 subcommittees of Appropriations, and his subcommittee is a biggie, covering both transportation and housing.

The former University of Massachusetts chemistry professor is a major power broker in Washington, albeit one with a very low profile. He rarely sponsors legislation or mounts a soapbox to address big national issues.

"There's a substantial amount of responsibility," he says of his position. "What one does in the Appropriations Committee is try to serve the whole caucus," referring to all Democrats in the House.

For Olver, that's a pointed remark, given that some of his Bay State colleagues once accused him of not looking out for anyone but himself. In 1999, the now-deceased former dean of the delegation, Joseph Moakley of South Boston, derided Olver for failing to help out the rest of the state. "Some people are born salesmen, others are born librarians," he told the *Boston Herald* at the time.

But according to interviews with his colleagues, and a review of Olver's priorities on the Appropriations Committee, it seems Olver has learned his lesson.

He's certainly kept his eye on the money. According to the nonpartisan Citizens Against Government Waste, he was one of the most prolific sponsors of local projects in the federal budget last year, earmarking some $71.3 million for 63 projects across Massachusetts. That placed him 37th among the House's 435 members but first among Bay State representatives. Although many of those earmarks were directed to his district, Olver did collaborate with five of the other nine Bay State representatives on specific projects, and his focus on Amtrak and public housing has played to the benefit of the more populated eastern sections of the state.

Now the fiercest criticism he's receiving is from fiscal conservatives. His tally of earmarks, for example, isn't a recognition Citizens Against Government Waste considers an honor. The group ranks representatives for their proclivity for earmarking funding in its annual "pig book," which alludes to the derogatory term often given to such projects: pork barrel funding. The group argues that local projects should be funded at the local level, not with federal tax dollars.

Olver brushes off the criticism, pointing out that earmarks—which came to $17 billion this fiscal year—are a tiny part of the overall budget and have their place in the process, especially in helping rural and less well-to-do regions.

"We have a clear idea of where the needs are in our districts," he says of congressmen.

Olver says Washington agencies don't know what's happening on the ground in individual districts and, as a result, communities often garner money not because they are deserving but because

ILLUSTRATION BY ALISON SEIFFER

they have better grant writers. Of course, the same argument could easily be turned on its head: Those districts represented by powerful lawmakers attract more federal money not because they are more deserving but because they have better political connections.

But in their successful bid for control of the House in 2006, Democrats ran, at least partially, by stressing how much their GOP colleagues had abused the earmarking process. After assuming power, the Democrats imposed new disclosure rules—one of the reasons analysts can say with certainty how prolific an earmarker Olver has been. The value of earmarks has also fallen considerably from the peak of $52 billion in 2005.

OLVER'S PROFICIENCY IN bringing home the bacon hasn't lost him any friends in western Massachusetts. "He's been given the moniker as the biggest pork barreler from Massachusetts, which we're very thankful for," says Michael Sullivan, the mayor of Holyoke, with a laugh. "We're happy we have a congressman who goes to Washington and understands our community and does what he needs to do to help us."

Sullivan specifically cites Olver's work in bringing housing grants to Holyoke, as well as his efforts to expand train service in the region. That's just the tip of the iceberg. In recent years, Olver has found money in the federal budget for bike paths, open space preservation, and countless transportation projects. He's also directed millions back to his former employer, the University of Massachusetts at Amherst.

A huge ally of Amtrak—he will gladly regale audiences with lengthy arguments about the virtue of expanded rail service—Olver has used his spot on Approps to beat back efforts by President George W. Bush to cut funding for the perennially money-losing passenger rail system. Instead, he helped to boost its federal allotment this year to $1.3 billion. (Bush had pushed for just $800 million.)

"Better roads, bridges, airports, commuter rail systems, and other public transit options are needed to connect people to educational centers, health and social services, and, perhaps most importantly, good jobs," he said in a January 2007 statement after being named an Appropriations cardinal.

Olver also used his seat to protect subsidized housing funding last year, boosting funds for Section 8 housing vouchers by $616 million more than Bush had requested and maintaining funds for the HOPE VI program, which helps communities build new mixed-income housing projects.

"Some members look at things from a national perspective. Olver really seems comfortable engaging in communities like Pittsfield and understanding how he can make the lives of people better," says Pittsfield Mayor James Ruberto. "He puts tremendous emphasis on being our representative in Washington. He's more interested in helping us than enlarging his profile."

That would seem to be an understatement. During 17 years in Congress, Olver has sponsored about 40 bills and only two of them, both minor initiatives in his home district, have gone on to become laws. His voice is rarely heard on issues of national import.

His website, unlike those of higher profile colleagues, such as Rep. Ed Markey of Malden or Rep. Barney Frank of Newton, is almost completely lacking any commentary

Olver was arrested outside the Sudanese Embassy in 2006 for protesting that country's civil rights abuses.

on big national issues in favor of the strictly parochial. Recent offerings, for example, tout a House bill he's introduced recognizing Pittsfield as the birthplace of college baseball, and passage of another bill he sponsored to designate the Monadnock, Metacoment, and Mattabesett Trail System in central Massachusetts a "National Scenic

PHOTO COURTESY OF JOHN OLVER

Trail," thereby winning National Park Service funding for its maintenance.

That lack of flashiness would square with Olver's personality. His office space is colorless by congressional standards, with a few framed newspaper clippings from back in the district, an award from a rail passenger group, and some posters of the national parks.

"He's not an exciting, dynamic guy," says Sullivan. "He just gets the job done. He's a professor. He has that professorial look and feel to him, and when he moves up to the podium to give an address, we know we're in for a lesson."

Fit and trim at 71, the six-foot-four-inch Olver freely admits that he prefers to hit the trails or go rock climbing rather than hobnob at Washington soirees. (He once called one such event a "foolish show.") Olver cultivates so well the image of the rural New England professor that some are surprised to learn he's not actually a native of the area, having grown up on a farm in the Poconos area of Pennsylvania.

Always a cerebral type, Olver recalls sitting for hours during elementary school flipping through an encyclopedia. He graduated from high school at 15, got his bachelor's degree from Rensselaer Polytechnic Institute in upstate New York when he was 18, and got his doctorate from MIT at 24. He was a chemistry professor at UMass–Amherst before winning a seat in the Massachusetts House at age 32.

He says his interest in politics began during a sabbatical from teaching when he found himself spending more time perusing *The New York Times* than the scientific journals he was supposed to be reading for work. His first foray into politics came in 1968 when he won the state House race. In 1972, he beat an incumbent Republican to join the state Senate, where he remained until 1991. That year, he won a 10-person Democratic primary to run in a special election to replace longtime Republican Rep. Silvio Conte, who had died in office that February. Olver's victory in the general election marked the first time since 1892 that the district elected a Democrat.

Olver's politics are down-the-line liberal. He has said that global climate change is the issue of the century—it's one of the very few big issues where he's an outspoken advocate—and has pushed unsuccessfully for legislation to cap carbon dioxide emissions from the burning of fossil fuels. He opposed the Iraq war from the start and, with Rep. Jim McGovern of Worcester, sponsored a measure last year mandating the withdrawal of US troops within six months. And he feels strongly about human rights issues. In 2006, he was arrested at a rally outside the Sudanese Embassy in Washington, organized by McGovern, to protest that nation's civil rights abuses.

"Civil disobedience is a tough enough thing to do for people who are not elected," says McGovern. "But John came without hesitation. He realizes that some things are so awful and so outrageous they demand we take action."

At times, his passions can get the better of him. Last year, Olver reportedly told liberal activists—when challenged about his refusal to endorse an impeachment resolution against Vice President Dick Cheney—that he believed the Bush administration might attack Iran and then use criticism of the attack as a pretext for canceling this fall's presidential election. Olver later clarified, through a spokesman, that he didn't mean his comments as a prediction.

Olver can also be something of a puzzle to liberals in his district, who note that he owned oil company stocks at the same time that he chaired the House Climate Change Caucus and has been more reliant than many of his colleagues, both in Massachusetts and in the House, on donations from corporate and union political action committees.

In February, Stockbridge lawyer Robert Feuer launched a Democratic primary challenge to Olver to protest his refusal to support the impeachment resolution. "I think the type of political analysis that he made on that resolution shows how he's failed in his duty to the voters," says Feuer, who filed in June more than 2,500 signatures to get on the September primary ballot.

Olver can be something of a puzzle to liberals.

But Olver's refusal to go along with the far left indicates that he can be a practical politician, too. In a reflective moment, he explained that his opposition to the impeachment resolution wasn't out of any sympathy for Cheney, but rather out of concern that it would play poorly in this year's presidential race and hurt Democratic efforts to defund the Iraq war by alienating congressional Republicans.

Olver may need all the political acumen he can muster if, as seems inevitable, Massachusetts loses one of its 10 House seats after the 2010 Census. As the eldest of the Bay State House members, with a district whose growth has been slower than its eastern counterparts, rumor has it that Olver will be the one to go. Olver, who was reelected to an 8th full term two years ago (getting 76 percent of the vote against an independent candidate but unopposed by Republicans), won't speculate on what the future will bring. For the time being, he promises to remain Massachusetts's money man in Washington. CW

BY B.J. ROCHE

COMING TOGETHER IN WESTERN MASS

To municipal administrators these days, the word "regionalization" is what "plastics" was to *The Graduate*'s Benjamin Braddock: an easy, but just a little distasteful, buzzword that sums up the promise of the future. Like it or not, regionalization of services among the state's 351 cities and towns now seems as inevitable as that wonder substance was in the 1960s.

The Patrick administration is urging municipalities to regionalize school and other services. The state's 2009 budget proposal includes an amendment that would make it easier for cities and towns to negotiate regional agreements, and the Massachusetts School Building Authority is increasing its support for districts that take regional approaches.

Local leaders get the message: About 200 of them attended a Massachusetts Municipal Association forum on regionalization in May. They know regionalization can save money and avoid duplication of services, but they also are not known for playing well with others.

One place regionalization is working is rural Franklin County. It's working partly because of the old agricultural tradition of cooperation, but also because the economy in the western part of the state has been so sluggish for so long that small towns have been forced to collaborate out of necessity.

The main conduit for cooperation is the Franklin Regional Council of Governments, which provides a range of services to its 26 member towns. The council oversees regional economic development, has created a county-wide emergency dispatch system, and is now working with the group Pioneer Valley Connect to bring broadband Internet access to underserved towns.

At the municipal level, the council offers "floating regionalization," providing services like accounting, planning, and building and restaurant inspections to towns that request them. The council's two building inspectors serve 15 towns, while its three accountants keep the books for nine.

The Regional Council opened for business July 1, 1997, one day after the official demise of the old Franklin County charter. In the past decade, it has redefined county government—from a mandated entity funded by a state assessment to a leaner, voluntary organization accountable in ways county government wasn't.

The council responds to local needs because it must: Its $3.5 million annual budget comes from membership fees based on town property values and population, and towns decide each year whether to remain as members. Membership pays for county-wide special projects, such a regional school study and the broadband effort. Towns then pay individually for the services they use.

"We always have to prove ourselves to the towns, and we have to earn our membership," says the council's executive director, Linda Dunlavy, who also worked under the old county system. "We monitor ourselves much more, and our towns monitor us."

The council develops programs in response to community needs—for instance, it's currently looking into providing property assessment and animal control services to towns. This summer, it is launching a program to arrange energy audits of municipal buildings in 16 towns and three regional school districts. Most energy services companies won't even look at projects with less than $1 million in potential savings, says Dunlavy, but by taking a regional approach, the council was able to attract three interested companies.

It's not easy to quantify the cost savings to towns, Dunlavy says, but the accounting program offers one example. Individually, each town would have to pay $25,000 to $30,000 for the license for the municipal accounting software being used. But as a result of buying regionally, each town pays $1,000. The council also saves towns time and money by arranging bids and contracts for supplies like road salt and sand.

SMALL TOWNS HAVE BEEN FORCED TO COLLABORATE.

Equally important, says Gill town administrative assistant Tracy Rogers, regionalization offers towns the expertise they wouldn't have working alone. For example, with the council's guidance, Gill applied for a state grant to help develop and market a town-owned parcel, a move that the town hopes will generate jobs.

"We're a town of 1,300 people, run mostly by volunteers, and we just don't have the staff to do something like this on our own," Rogers says.

Regionalization sounds good, but, to paraphrase a question Dunlavy entertained at the recent Massachusetts

LOGO COURTESY OF THE FRANKLIN REGIONAL COUNCIL OF GOVERNMENTS

Municipal Association conference: Will it work in Chelsea? What about places where the tradition of local control may be stronger than it is in Franklin County?

Dunlavy says cooperative purchasing would be a good start. "That one doesn't require giving up anything," she says. "A lot of other things require that some town or someone give something up. We're a home rule state. The question is: How do we give up and not surrender, but say, 'maybe I don't have to control this one?'" She adds that cities and towns first need to analyze all their costs to see whether any significant savings could be realized through collaboration.

"I totally believe in regionalism," Dunlavy says. "On the other hand, I don't think it can solve the entire financial crisis the towns are in. The situation is too grim. But can it improve things and make it easier? You bet."

LIBRARIES ON THE SAME PAGE

Home rule is hardly an issue in one of the state's best models of regionalization, the Massachusetts Regional Library System, which is rooted in regional cooperatives that grew up in the 1940s and 1950s and was officially established by the Legislature in 1960. Today, six regional library systems—all nonprofit corporations—serve 1,789 municipal, academic, and specialty libraries across the state, providing centralized purchasing, interlibrary loans, training, and information technology support. Public libraries can benefit from the regional system's group buying power but keep their own identities.

"It started by asking, 'How can we get more bang for the buck?'," says John Ramsay, regional administrator of the Western Massachusetts Regional Library System.

"How can we save local municipalities money so it stretches what they can do with limited funding? Libraries don't have to do exactly the same thing and have the same materials. As long as you can get at them, you don't have to own them."

The western regional system delivers books and DVDs to 80 towns of fewer than 10,000 residents. Library users can also tap into the stacks of libraries across the state, arranging online to have a book delivered free of charge to the user's home library. Five trucks deliver more than a million items each year.

Similar services are offered throughout the state in the other regional library systems: Central, Northeast, Metro West, Boston, and Southeastern Massachusetts. The regional library system runs a statewide purchasing cooperative that saves libraries money on books and office supplies. It provides training and workshops for librarians on information technology and other topics, as well as access to online databases and downloadable books.

A study by the Board of Library Commissioners, which runs the state system, found that, in fiscal 2007, a $1.5 million expenditure by the western Massachusetts region yielded services worth nearly $15 million. The services included book delivery, online databases, and the sharing of books and materials.

But that kind of efficiency isn't always rewarded. Ramsay says the state's regional library system, which has an annual budget of $10 million, is still recovering from a 24 percent funding cut in fiscal 2003. Just as worrisome, libraries are also often at the top of the hit list at the municipal level when there's a budget crunch.

We encourage readers to submit ideas for programs that work in one community, state, or nation and could be replicated in Massachusetts. Send ideas to editor@massinc.org.

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Point of entry

New England Ethnic News unites the region's immigrant and ethnic communities BY DAN KENNEDY

WE LIVE IN a time of demographic upheaval. We are becoming foreign-born, non-English-speaking, black, brown, yellow, and white.

That's as true in Massachusetts as it is nationally. In 2004, a MassINC study found that one in every seven state residents was from another country. Earlier this year, according to *The Boston Globe*, the state Department of Public Health reported that one in every four babies born here is the child of an immigrant mother.

Who speaks for these immigrants? Themselves, to an extent not appreciated by those of us who get most of our news and information from the mainstream media. About 100 ethnic media outlets—weekly newspapers, radio stations, websites, and more—serve the state's large and growing communities of immigrants from such places as Brazil, Spanish-speaking Latin America, Asia, Haiti, Ireland, and Poland. African-Americans, too, are part of this media mix, though they are mainly English-speaking and born in the United States.

Until recently, however, there was no point of entry for folks who wanted to know what was going on across the broad spectrum of local ethnic media.

Meeting that need is the goal of New England Ethnic News. Launched in 2004, the organization —a project of UMass–Boston's Center for Media and Society—unveiled a website, the New England Ethnic Newswire (www.ethnicnewz.org), in 2006. It features the best of the region's ethnic-media journalism along with its own content. Now the Newz (or NEWz, as it is called on its website) is ramping up.

If you were perusing the site in early June, you would have found a wide range of stories to which the mainstream media either gave scant attention or didn't cover at all: A story from the *Boston Haitian Reporter* on Jean Claude Sanon, a community organizer who's running for City Council. An article in the *Bay State Banner* on an unusual connection between Boston and the Nubia Museum of Aswan, Egypt. A report from the *Korean American Press* on Ji Young-sun, who was wrapping up her two-year term as South Korea's consul general in Boston. And a Newz exclusive on how Latino families in Greater Boston are living with diabetes.

"We're not living in walled communities. We're living around and next to each other. There are so many issues that don't have ethnic boundaries," says Ellen Hume, a former *Wall Street Journal* and *Los Angeles Times* reporter who founded the site when she was director of the Center for Media and Society. She has since moved to MIT, where she is now research director of the Center for Future Civic Media, but she continues to serve as publisher of the Newz.

Richard Chacón, director of the state's Office for Refugees and Immigrants, says he sees the Newz as a resource for both policymakers and service providers.

"The Boston market—unlike other major US markets with larger immigrant and foreign-born populations—doesn't yet have as robust an ethnic media structure," said Chacón, reached by e-mail while traveling in the Brazilian state of Minas Gerais, home to many Massachusetts immigrants. "A project like Ethnic News is a great way to help circulate information about our diverse ethnic communities much more quickly."

Among those advising the project is Robert Turner, former deputy editorial-page editor for the *Globe* and now the *Boston Globe* Fellow at UMass – Boston's McCormack Graduate School of Policy Studies, home base for the Center for Media and Society.

"The thing that I think is really intriguing about it is this idea of connecting different communities," says Turner, who's also director of the Commonwealth Compact, an initiative aimed at making Greater Boston a destination for people of color, women, and immigrants.

"You see over and over again various communities building their own strength as their numbers increase," Turner says. "But how much of an effort around town is there to make cross-connections among them?"

EDUARDO DE OLIVEIRA is sitting in a Cambridge Starbucks, thinking about his next assignment. The following morning he is scheduled to observe a patient undergo robotically assisted open-heart surgery at Boston Medical Center.

"I don't think I have a problem with blood," says Oliveira, 34, who studied clinical pathology when he was attending high school in Rio de Janeiro. "But live and with an open body, I'm not sure."

Oliveira represents the Newz's most significant step forward. After volunteering and working part-time for several months, this summer he became the website's first full-time staff reporter, covering health issues as they relate to immigrant communities. As it turned out, his visit to the operating room was postponed. But he's got plenty of other story ideas. Already he's covered such stories as a campaign against cigarette billboards aimed at minority teenagers, racial and ethnic disparities in HIV/AIDS rates, and social and medical challenges facing Burundian refugees in Nashua, New Hampshire, where Oliveira lives.

The child of a middle-class family who wrote advertising copy in Brazil, he moved to the United States in 2000 in order to become a journalist, working as a janitor, a gas-station attendant, and, until recently, a security guard at Harvard University's museums. "I wanted to write about people, not products," he explains.

Oliveira is ambitious, and when he sees an opportunity he takes it. While working at a Texaco station in Nashua, a customer handed him a Harvard University credit card. Oliveira engaged him in conversation, and that led to the museum job and a slot at Harvard Extension School, where he earned a graduate certificate in publishing and communications.

One of his journalism instructors at Harvard was David Beard, then the regional editor for the *Globe*, now editor of the paper's Boston.com site. That connection, in turn, led to a position as a part-time correspondent for the *Globe*, where Oliveira helped break a major story: the death of a liposuction patient at an illegal clinic run by Brazilian immigrants in Framingham.

"With his hustle, openness to broad topics, and reporting abilities, I think Eduardo will be in the next generation of great Boston journalists, if he stays here," says Beard.

Oliveira, who worked as the editor of one Brazilian newspaper and helped launch another, continues to write an every-other-week column on immigration issues for the Nashua *Telegraph*. It was Oliveira's question to US Sen. Hillary Clinton at a *Telegraph* editorial-board interview that led NBC's Tim Russert to ask Clinton about driver's licenses for illegal immigrants at a Democratic debate last fall. Her fumbling answer is widely seen as the first major setback of her campaign.

"I really believe if you work hard you can find what you're

Eduardo de Oliveira, center, a health reporter with New England Ethnic News, learns about robotically assisted coronary bypass surgery at Boston Medical Center from nurse Lance Maggiacomo.

looking for in this country," says Oliveira of his success.

The health beat represents a considerable broadening of the Newz's mission. Rather than simply gathering stories that have already appeared in the ethnic media, Oliveira's job is to develop original stories that can be published in member newspapers.

"It's through the Newswire that we're going to reach readers whose first language isn't English with information on health and health care. That is our mission," says Jarrett Barrios, president of the Blue Cross Blue Shield of Massachusetts Foundation, one of several organizations funding the health beat. (The others are the Boston Foundation, Partners HealthCare, and the MetroWest Community Health Care Foundation.)

The Newz is broadening its mission with health issues.

Author Larry Tye, a former *Globe* medical journalist, runs an annual fellowship program on health reporting that Oliveira attended this past spring. The state's uninsured population was cut in half during the first two years of health care reform, Tye notes, but he adds that reaching those who still lack insurance will be considerably more difficult—and more likely to be reached through ethnic media than through the mainstream.

"I think a lot of the people who have no health insurance are people who conventional media don't reach well because they're in various immigrant communities," says Tye.

To be sure, there are some bugs to be worked out. One of those bugs involves language. The Newz's original content—mainly Oliveira's stories and Q&As with local newsmakers by part-time editor Mary Thang—is in English, which is an obstacle for the editors of foreign-language papers who may want to reprint them. UMass–Boston's Frank Herron, editor-in-chief of the Newz and a former editor and reporter for *The Post-Standard* of Syracuse, New York, says he hopes to offer Newz content in Portuguese, Spanish, Chinese, and Haitian Creole. For now, though, the resources aren't there.

Which means that when Marcela García, managing editor of the Spanish-language weekly *El Planeta*, wants to run one of Oliveira's stories, she often has to translate it herself—a task that can take her as much as half a day, though she says the effort is worth it.

"I do invest the extra time or the extra resources because I find the value in his stories," says García, who was a classmate of Oliveira's at Harvard Extension. "His particular beat, minorities and health, is a beat that we, for lack of resources, haven't covered as much or as good as Eduardo has been doing."

Taking a rather different view is Melvin Miller, editor and publisher of the *Bay State Banner*, which serves the African-American community. Material from the *Banner* is in heavy rotation on the Newz. Yet Miller himself takes a somewhat skeptical view of the site's value.

For one thing, he says, the *Banner* devotes considerable resources of its own to health coverage, including the publication of a monthly supplement called *Be Healthy*. For another, he perceives the Newz as being oriented toward immigrants who speak a foreign language, whereas the African-American community—which he describes as "still the largest ethnic group in Boston"—fits neither of those categories.

"We participate with them because we think it's important to have an awareness of ethnic diversity in the Boston area," Miller says. But as for whether he plans to run Newz content in the *Banner*, he adds, it's too soon to say.

PHOTOGRAPH BY FRANK CURRAN

IF THERE IS a family that embodies Boston's increasing diversity, it is surely the Forrys of Dorchester. Bill Forry, an Irish-American, is managing editor of four family-owned newspapers—two weeklies, the *Dorchester Reporter* and the *Mattapan Reporter*, and two monthlies, the *Boston Irish Reporter* and the *Boston Haitian Reporter*. His wife, Linda Dorcena Forry, the daughter of Haitian immigrants, is a Democratic state representative.

Bill Forry has been involved in the Newz from the start, and he often runs Oliveira's reports in his Haitian paper. (Since it's an English-language publication, translation isn't an issue.) He sees the website as a way to reduce the "siloing" that takes place among the different ethnic publishers in Massachusetts, providing a place where everyone can see each other's work.

"Overall, the verdict's still out on the usefulness," he says. "I think the concept is strong. If it can work as a sustainable model, I don't know yet. But I find it useful to see what other folks are doing."

And at a time when the mainstream media are struggling, the ethnic media are becoming increasingly important players.

The Project for Excellence in Journalism, in Washington, has, since 2004, been tracking the rise of the ethnic media through its annual *State of the News Media* report. "They fulfill a function that is often not done by the mainstream media," says Mark Jurkowitz, the project's associate director. He offers the illegal-immigration debate as an example. Whereas the mainstream media covered it mainly as a struggle between competing political forces, Jurkowitz says the ethnic media did a better job of "humanizing" it.

"For these folks to see their lives much more directly reflected in their own press is a very important thing," Jurkowitz says.

According to New America Media, a San Francisco–based organization that serves as both an umbrella group and a model for the New England project, some 51 million adults use ethnic media of one sort or another. Yet Sandy Close, New America Media's executive editor and director, says such news outlets have "largely been ignored as kind of a stepchild of American journalism."

It's through projects like New America Media—and the Newz—that ethnic media may finally shed that status.

IN A SECOND-FLOOR conference room at MIT, the New England Ethnic Newswire staff has gathered for its weekly meeting. Frank Herron brings up an ongoing problem:

photos on the site are tiny, and no one seems to know what to do about it.

"Is this a Drupal problem?" asks Ellen Hume, referring to the software platform on which the Newz runs. "This has been bedeviling us for five months."

At the far end of the table is Mary Thang, who selects the stories that will be uploaded every week. Herron praises Thang for selecting an editorial from the *Jewish Advocate* on the language of terrorism, noting that *The New York Times* had run a similar commentary that day.

Next up is Eduardo de Oliveira's story on Latinos and diabetes. Hume is concerned that there's a reference to a Newz funder high up in the piece (with a disclosure). Oliveira assures her it was a coincidence.

"They've been pretty good about not pressuring me," Oliveira says.

"They'd better not pressure you," Hume responds.

Such is the day-to-day chatter at a news organization that's very much a work in progress. It's doing some interesting things, but it's not where it needs to be. Not yet. The design, by Herron's own admission, has "some rough edges." There's plenty of text, but sections promising photos and videos yield little.

As this article went to press, the Newz was attracting about 100 visitors a day. In an interview, Hume said she wasn't troubled by that as long as the site was reaching the right people—policymakers, service providers, people who live in Brookline or work on Beacon Hill and who never see how people live in Mattapan, Roxbury, or Framingham. "We're not in the process of creating eyeballs for advertisers," she said. Indeed, the Newz runs no ads at all, as Hume doesn't want to compete with the media outlets that are providing the site with their content.

Within journalism circles, Hume is considered something of an idealist and a visionary, a frequent panelist and speaker on the future of media. She sees the Newz as part of that future—a way of combining professional and citizen journalism, of raising standards, of encouraging the small mom-and-pop operations that comprise much of the ethnic media to take part in a larger conversation.

"I see a remarkable lack of political power in these [New England] ethnic communities compared to California and New York," she says. "This is literally about how do we invent the next generation of positive leadership in our region. It's not going to come from the same old places and the same old families." CW

For links associated with this article, see the online version at www.massinc.org. Dan Kennedy is an assistant professor of journalism at Northeastern University. His blog, Media Nation, is at medianation.blogspot.com, and he can be reached at da.kennedy@neu.edu.

Secretary of State William Galvin acts as if millions of dollars in state tax credits are no one's business but his own.

Preserving power

Secretary of State Galvin keeps a lid on the state's tax credits for historic rehabilitation

BY BRUCE MOHL

SECRETARY OF STATE William Galvin is running a $50 million-a-year state tax credit program like a personal fiefdom. He decides which developers receive historic rehabilitation tax credits from the state and how much they get, using a selection process that creates uncertainty for developers and maximizes his political clout.

What's most startling is that Galvin, whose office oversees the state public records law and is supposed to promote transparency in government, has resisted attempts by lawmakers and developers to find out who is getting the tax credits. In other states with similar programs, the information is readily available. But here in Massachusetts, Galvin acts as if millions of dollars in state tax credits are no one's business but his own.

James Igoe, president of Preservation Massachusetts, a nonprofit Boston organization that spearheaded legislative approval of the historic tax credit program in 2003, says infor-

PHOTOGRAPH BOSTON GLOBE/JOHN TLUMACKI/LANDOV mation on who was receiving the tax credits dried up after the first round of awards. Frustrated, Igoe two years ago sent Galvin a letter asking for a breakdown of the awards, saying the information was needed for his organization to effectively lobby on behalf of the program.

"Is there a specific issue surrounding these allocations that does not make them public record?" Igoe asked.

Galvin never responded, but Igoe subsequently bumped into one of the secretary's top lieutenants and was told the information would not be forthcoming. "There was no explanation why," Igoe says.

CommonWealth encountered the same resistance from Galvin's office. In April, Galvin indicated he would quickly provide data on the tax credit program and have Brona Simon, executive director of the Massachusetts Historical Commission, sit down for an interview. But weeks later Galvin's spokesman was still having difficulty coming up with a full accounting of the tax credit awards and said Simon does not do interviews.

It took nearly two months to obtain a complete list of the tax credit awards, and then only after filing a public records request for the information. Although Galvin's office urges government officials to waive any fees associated with providing access to public records, Galvin's staff charged *CommonWealth* close to $300 just to look at four tax credit applications.

Rep. David Torrisi of North Andover, a big supporter of historic tax credits, says it shouldn't take a public records request to obtain the information from Galvin. "He has a reputation as being a controlling individual, but this is all public information," Torrisi says. "Myself and many of my colleagues are getting frustrated with the program and the way it's being administered."

The program is structured in a way that gives Galvin tremendous political leverage. He controls $50 million a year in tax credits that can mean the difference between a development deal working or not. It's the type of power that gives him a high profile at ribbon cuttings across the state and explains why his $2 million campaign account is sprinkled with contributions from developers and construction officials.

The records obtained by *CommonWealth* indicate Galvin has steered $13.6 million in tax credits, or nearly 8 percent of the $178 million awarded through March, to the Boston Red Sox for renovation work at Fenway Park and adjacent buildings owned by the club. The Red Sox, who sell out Fenway every night, plan to seek $26 million more in tax credits.

The second-biggest recipient of the historic rehabilitation tax credits is the Liberty Hotel, a luxury inn fashioned out of the abandoned Charles Street Jail in Boston. Developer Richard Friedman, a big donor to Galvin's campaign committee, received $9.1 million in tax credits.

Perhaps the biggest winner under the state tax credit program is Winn Companies of Boston, which has received tax credits worth more than $28 million for eight different projects in Boston, Lowell, Lawrence, and Springfield, including the Baker Chocolate Factory in Dorchester and Malden Mills in Lawrence. Arthur Winn, the head of the company, is a big donor to Galvin, as are several members of his family and many of his employees.

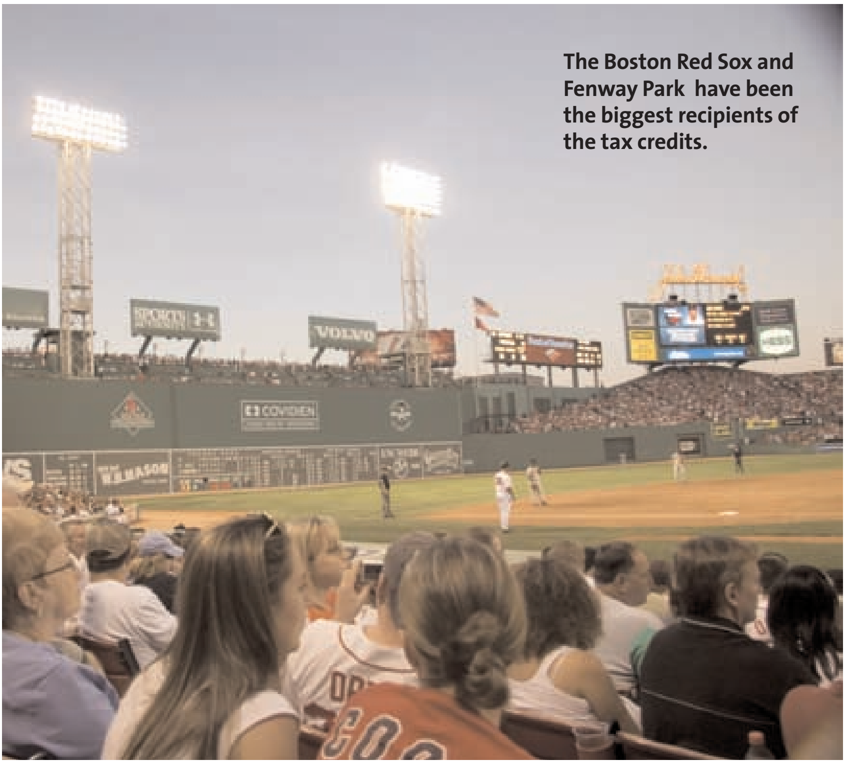
Overall, Galvin has awarded tax credits to just under 100 projects. A third of the money has gone to Boston projects, and another third has been split among projects in Lowell, Lawrence, Haverhill, and New Bedford. The average total award per project is $1.8 million, but many receive far less. The Red Lion Inn in Stockbridge received $500,000, a restaurant in Montague received $49,000, and one New Bedford project received $4,600.

As *CommonWealth* went to press, Galvin was approximately two weeks overdue in releasing his most recent round of tax credit awards, identified as "Round 13." Several developers, nervous about the financial viability of their projects, said they were hearing rumors that Galvin was simply not going to issue the awards. Galvin's spokesman, Brian McNiff, told *CommonWealth* that he does not comment on rumors. Asked directly if Round 13 was going to be issued, McNiff cryptically responded: "What comes after 12?" McNiff declined to provide additional information.

A BLACK BOX PROCESS

Massachusetts lawmakers approved historic rehabilitation tax credits as part of a general economic stimulus bill in 2003. Patterned after similar programs in states like Rhode Island, North Carolina, and Maryland, the goal was to spur economic development by promoting the rehabilitation of historic mills, theaters, and other buildings.

Lawmakers initially capped the amount of tax credits that could be handed out in a year at $10 million, but after rave reports from mayors began pouring in, the cap was raised to $15 million in 2004 and bumped up to $50 million in 2006. Former Gov. Mitt Romney vetoed the increase to $50 million, calling it "pork," but the Legislature overrode his veto with only one dissenting vote.



The Boston Red Sox and Fenway Park have been the biggest recipients of the tax credits.

Business tax incentives are on the rise in Massachusetts. According to the liberal-leaning Massachusetts Budget and Policy Center, the total cost of the state's economic development tax expenditures—the revenue either paid out or foregone by offering tax breaks to companies—is expected to hit $1.5 billion this year, an all-time high.

Tax credits are the most lucrative type of incentive. They can be used to reduce dollar for dollar the amount of state tax owed. But some credits, including the historic rehabilitation tax credit, the film tax credit, and new credits just approved for life science companies, have an added advantage: They can be sold to other taxpayers to generate cash. (See "Subsidizing the Stars," *CW*, Spring '08.)

Tax credits have the same fiscal effect as an appropriation, but they don't show up in the state budget and as a result get surprisingly little scrutiny on Beacon Hill. Galvin has never attempted a financial analysis of the historic tax credits, or provided tax credit information to someone else so they could do one.

The Massachusetts program piggybacks on and works in tandem with federal tax incentives administered by the National Park Service. The two programs use similar criteria to determine if a project qualifies. According to a Galvin handout, eligible projects must produce income, must be owned at least partly by a for-profit entity subject to Massachusetts taxation, and must be listed in or eligible for listing in the National Register of Historic Places, the nation's official list of cultural resources worthy of preservation.

The state and federal programs differ in two key respects. The total amount of credits available in any one year under the Massachusetts program is $50 million, while there is no cap on the amount of credits available under the federal program. The federal program also guarantees a credit equal to 20 percent of qualifying rehabilitation expenses, while the Massachusetts program merely states that a project can receive credits of up to 20 percent of qualifying rehabilitation expenditures.

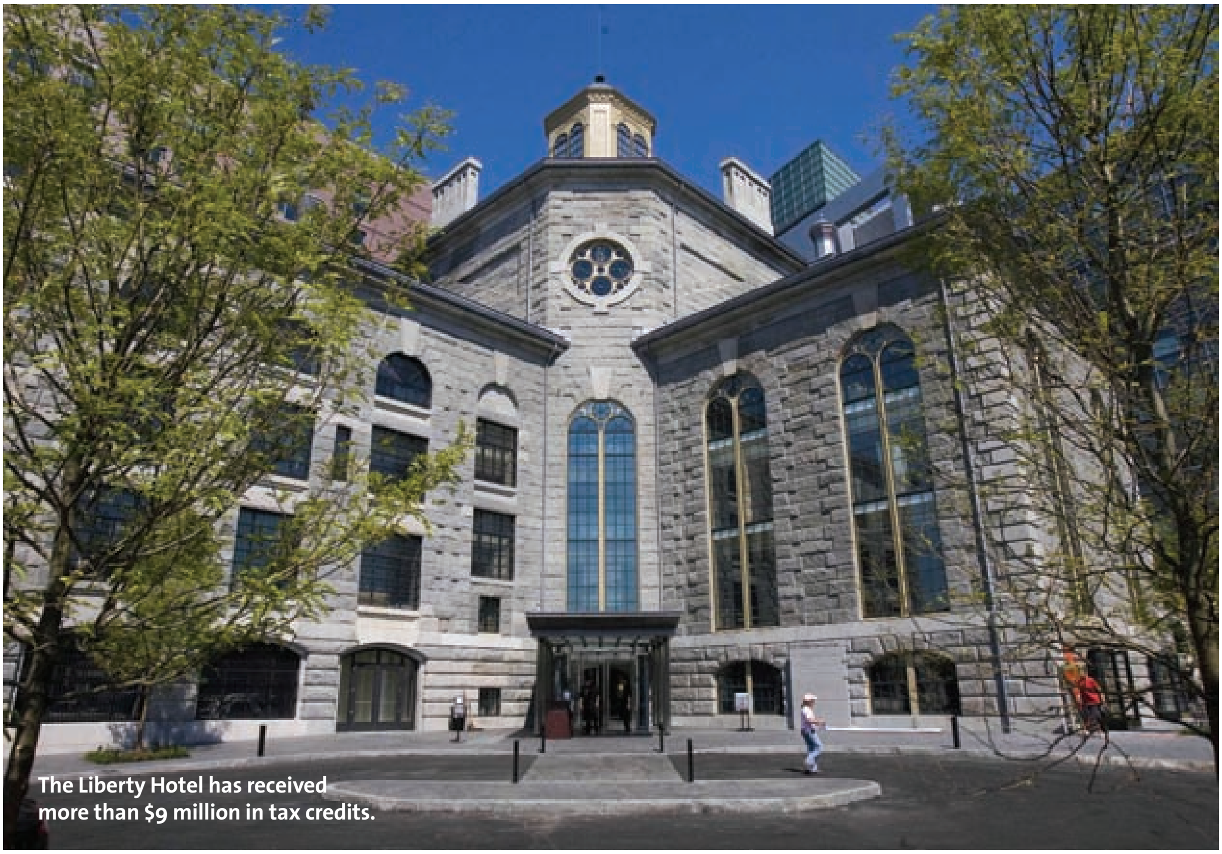
The structure of the Massachusetts program means developers have to compete for a limited amount of tax credits with no guarantee about what they will receive. The uncertainty is the No. 1 complaint of developers participating in the program.

"The federal credit is automatic; the state credit is not automatic," says David Levey, executive vice president of Forest City Residential of Cleveland, which is rehabbing the Hamel Leather Co. building in Haverhill. "There's a different level of risk with the state because you don't really know if you're going to get it."

The legislation creating the historic tax credit program gave responsibility for awarding the credits to the 15-member Massachusetts Historical Commission. But Galvin, the chairman of the commission, makes the awards personally. Several members of the commission say they play no role in the award process, and a public records request for commission deliberations on tax credit awards turned up nothing.

What's puzzling to many developers is how Galvin decides which projects receive tax credits and how much. State regulations set out nine criteria for awarding the tax

PHOTOGRAPHS BY MARK OSTOW



The Liberty Hotel has received more than $9 million in tax credits.

ARAM BOGHOSIAN/BOSTON GLOBE/LANDOV

credits—including geographic diversity, economic impact, financial need, the potential for loss of the building, and whether the project creates affordable housing. But just as Galvin doesn't announce his selections, he also doesn't explain how he makes them.

"It's a black box process," says one developer who asked not to be identified because he was concerned Galvin might retaliate against him. "No one knows what Galvin is looking for. A bit of transparency would help."

Another developer who has gone through the tax credit application process says no one should be surprised at the way Galvin hands out the tax credits. "He administers the program like a politician," the developer says. "Nobody can really begrudge him that. He is a politician."

The competition for tax credits means developers and local politicians try to curry favor with Galvin.

PLAYING SANTA CLAUS

The historic rehabilitation tax credit program literally fell into Galvin's lap. Aides to then-Senate President Robert Travaglini inserted the program into a 2003 bill and located the program at the Massachusetts Historical Commission, which was already working with the National Park Service in administering the federal tax incentives. The fact that the historical commission was overseen by Galvin, a Democrat, was seen as a plus, since lawmakers didn't want to give control of it to Romney, a Republican.

Developers say Galvin did not appear overly enthusiastic about the tax credit program initially, but that changed once he began to see its political potential. The program lets him play the role of Santa Claus, delivering tax credits for projects around the state. He was front and center at the opening of the Liberty Hotel and has also appeared at ribbon cuttings in Fitchburg and New Bedford.

The competition for a limited supply of tax credits means local politicians and developers are constantly trying to curry favor with Galvin, boosting his political power and his campaign war chest. Galvin has magnified that power by handing out the tax credits in relatively small increments, an approach that spreads the aid around and keeps the developers constantly reapplying for more.

"This has been a bonanza both financially and politically for the secretary's office," says one Beacon Hill political operative familiar with the program.

Winn Companies, which has received the most tax credits overall from Galvin, is a big political supporter of the secretary. Arthur Winn, his son Gilbert, his two daughters, and one of his sons-in-law have given a total of $9,000 to Galvin's campaign committee. The donations have been well coordinated, with checks coming in each year on the same day. Galvin has received $16,300 from other officials at the Winn Companies and employees at architectural and construction firms working on Winn projects.

TOP 10 RECIPIENTS OF HISTORIC REHABILITATION TAX CREDITS

RECIPIENT	COMMUNITY	AMOUNT	PERCENT OF TOTAL AWARDED
Fenway Park	Boston	$13,600,000	7.6
Liberty Hotel	Boston	$9,100,000	5.1
Hamel Leather Co.	Haverhill	$7,500,000	4.2
Washington Mills	Lawrence	$6,400,000	3.6
Wamsutta Mills	New Bedford	$6,300,000	3.5
Mallory Pathology Lab	Boston	$6,050,000	3.4
Baker Square	Boston	$5,500,000	3.1
Lawrence Mfg. Co.	Lowell	$5,500,000	3.1
Poli Palace	Worcester	$5,150,000	2.8

Friedman, the well-connected developer of the Liberty Hotel, has donated the maximum $500 to Galvin every year since 2004, when the hotel received its first award of $3.6 million in tax credits. Other employees at Friedman's firm, Carpenter & Co. of Cambridge, have donated a total of $8,000 since 2004, and another $4,500 has come in from employees of other firms working on the project, including the architect and the construction company.

When the Liberty encountered cost overruns last year and Friedman asked for more tax credits, Galvin responded with an extra $1 million, bringing the hotel's total to $9.1 million. In a letter to the Massachusetts Historical Commission, Friedman predicted that the state would be amply compensated. He said the hotel, where rooms start at $550 a night, would generate $39 million in state income, sales, and hotel taxes during its first 12 years of operation.

DISTRIBUTION OF HISTORIC REHABILITATION TAX CREDITS BY LOCATION

COMMUNITY	AMOUNT	PERCENT OF TOTAL AWARDED
Boston	$58,797,000	33.0%
Lowell	$20,630,000	11.6%
Lawrence	$15,330,000	8.6%
Haverhill	$14,350,000	8.0%
New Bedford	$10,459,600	5.9%
Worcester	$9,610,000	5.4%
Fitchburg	$5,500,000	3.0%
Springfield	$4,736,000	2.7%
Amesbury	$3,800,000	2.1%
North Adams	$2,991,000	1.7%

Galvin also benefited politically when he awarded $5.1 million in tax credits to the developers of the Poli Palace in Worcester, which has been renamed the Hanover Theatre for the Performing Arts. The theater sold its tax credits to utility giant National Grid, netting the theatre roughly $4.5 million in cash that could be plowed back into the project.

Troy Siebels, executive director of the Hanover Theatre, says he was frustrated with the uncertainty of not knowing whether the project would receive the tax credits it needed. But he says the tax credits were a great economic development tool. "We have brought 50,000 people through the doors in a downtown that hasn't seen that kind of traffic in 30 years," Siebels says. The renovated theatre has also spurred development of restaurants and shops in nearby buildings, he says.

Siebels says Galvin didn't come to the opening of the theater in March, but he says many people in Worcester went to see the secretary when Galvin held fund-raisers in town. "We actively called all the members of our board to support him," Siebels says. At one event on Oct. 27, 2005, Galvin received $7,200 from Worcester residents and people with direct ties to the theater.

SAVING FENWAY

Fenway Park was at a crossroads when an ownership group led by John Henry and Tom Werner bought the Red Sox in 2002. The previous owners had decided the park was so small and rundown that it needed to be replaced. Henry and Werner weren't convinced. They commissioned a

GETTING TAX CREDIT INFORMATION WASN'T EASY

EARLY APRIL Secretary of State William Galvin's office is contacted by *CommonWealth* for information on the historic rehabilitation tax credit. Galvin staffers act as if they had never been asked about the program before. Information not readily available.

APRIL 22 Galvin calls to say the information being sought would be forthcoming in a couple of days and also says an interview could be arranged with Brona Simon, executive director of the Massachusetts Historical Commission.

EARLY MAY Repeated calls to Galvin's office produce a document showing the most recent round of tax credit awards and a list of all tax credit recipients, but nothing else. Galvin's spokesman is vague about providing additional information. He adds: Simon doesn't do interviews.

MAY 13 *CommonWealth* files a public records request with Galvin seeking a breakdown of tax credit awards and copies of 36 tax credit applications.

MAY 22 Simon's letter says *CommonWealth* has asked for 11,211 pages of records. She estimates cost to provide them at $7,962, not including postage.

MAY 28 *CommonWealth* narrows its request to a handful of documents and asks to review in person applications filed by the Boston Red Sox and the developers of the Liberty and Ames hotels. *CommonWealth* also asks Simon in writing why she doesn't publicize the tax credit awards and why it takes a public records request to obtain the information.

JUNE 5 Simon's letter says cost of producing a handful of documents will be $29.40. She says it will take 13 hours at a cost of $25.45 an hour to search for the tax credit applications, redact taxpayer identification numbers, and refile the records. Total cost just to look at the files: $331. As for the written questions posed to Simon, she writes: "There is no obligation to respond to questions or to create a record in response to a public records request."

JUNE 12 After paying $297, *CommonWealth* picks up some records and reviews the Red Sox and Liberty Hotel tax credit applications at the State Archives. Most of the application documents were refilings of previous applications and of little use.

Secretary of State Galvin's guide to the public records law says: "In the interest of open government, all records custodians are strongly urged to waive the fees associated with access to public records, but are not required to do so under the law."

study of Fenway that found the ballpark was structurally sound but in need of significant repairs. Bathrooms were antiquated. The park was not up to modern safety codes and didn't comply with the Americans with Disabilities Act. Water had penetrated many areas of Fenway, and the steel supports for the exterior wall of the left field Green Monster were "substantially deteriorated due to standing water at the column bases," according to the Red Sox application for tax credits.

Henry and Werner ultimately decided to save Fenway and expand it. They set in motion a multiyear, $267 million renovation of the ballpark and two attached buildings the club owns. The club said the only outside funding for the project would come from federal and state tax credits. Janet Marie Smith, senior vice president for planning and development for the Red Sox, said the state tax credits came along at a convenient time. "It was very fortuitous for us," she says.

The team applied to the National Park Service in 2005 to have Fenway and the two adjacent buildings placed on the National Register of Historic Places. Preliminary approval came in early 2006. Fenway, completed in 1912, is the oldest of all current Major League Baseball stadiums, followed by the Chicago Cubs' Wrigley Field, which opened two years later.

Dan Wilson, a founding member of the group Save Fenway Park!, says Fenway and Wrigley are the last of a dying breed. "They don't build ballparks anything like this anymore," he says. "They build stadiums today, not ballparks."

The Red Sox application for state tax credits includes many glowing testimonials, including one from Sen. Edward Kennedy in which he notes his grandfather, then-Boston mayor John Fitzgerald, threw out the first pitch on April 20, 1912, the park's first opening day.

"He often regaled us about the occasion," Kennedy wrote. "Millions of fans throughout Red Sox Nation have similar feelings and memories about Fenway Park—its importance in the history of baseball, and its cultural, social, and architectural significance for the city of Boston and our Commonwealth."

What qualifies as historic rehabilitation at Fenway Park can be complicated. Smith says putting seats atop the Green Monster did not qualify because the seats weren't part of the original park design. But work to shore up the 1934 left field wall so that seats could be added did qualify, she said. Of the $6.8 million cost of the Green Monster renovation, $1 million qualified as historic rehabilitation for tax credit purposes, Smith says.

Of the $267 million total renovation cost, Red Sox documents indicate roughly $200 million will qualify as historic rehabilitation once work is completed over the next few years. That means the club will qualify for roughly $40 million in federal tax credits and be eligible for up to $40 million in state tax credits. Galvin has awarded the club half of the tax credits for which it is currently eligible.

In a brief interview before he stopped talking to *CommonWealth*, Galvin indicated that the Red Sox had not received all the funding they were seeking. "As a commercial enterprise, they're pretty flush," he said.

Tax credits 'should be used in areas that are blighted,' says Koczera, as opposed to shoring up the Green Monster.

Red Sox officials, who have not donated any money to Galvin's political committee, say they will continue to file applications for state tax credits. Smith is not troubled by the image of wealthy team owners applying for the credits. "It would be foolhardy not to use the incentives they give us," she says.

Wilson of Save Fenway Park! says the tax credits are a great deal for the state. He says state and local officials were considering investing hundreds of millions of taxpayer dollars in a new ballpark, but Henry and Werner are fixing up Fenway at significantly less public cost.

The problem, says Wilson, is that the existing tax credit program forces the Red Sox and developers of other historic sites to compete against each other for a limited number of tax credits, a process that yields winners and losers. He says if the tax credit cap were raised or eliminated, the competition would subside.

Rep. Robert Koczera of New Bedford, who filed an unsuccessful amendment during the recent budget debate to increase the tax credit cap to $100 million, says the historic rehabilitation tax credits should be used primarily for economic development in mill cities like his. Told that the Red Sox and the Liberty Hotel have received the most tax credits so far, Koczera said he didn't think shoring up the Green Monster was the best use of state tax credits.

"The salaries they pay players at Fenway Park and the success of the team is great, but I think historic tax credits should be focused on greater benefits to the public good," he says. "The tax credits should be used in areas that are blighted."

Mayor Scott Lang of New Bedford says Galvin has been good to his city, but Lang says there are four mills that could be redeveloped if the $50 million cap on the historic rehabilitation tax credit program were eliminated or significantly raised. "The ceiling is working against us," he says. "There's only so much money so everyone only gets a tiny piece."

Roughly half of all states offer historic tax credits. Like Massachusetts, many states cap the amount of credits that can be issued each year. Others, including Connecticut, Maryland, and Maine, cap how much each project can receive. There are also many states like Missouri, North Carolina, Virginia, and, until recently, Rhode Island, that place no cap on the amount of credits that can be issued.

Edward Sanderson, executive director of the Rhode Island Historical Preservation and Heritage Commission, says he issued $4 million worth of historic tax credits in 2002, a number that rose to $66 million last year. He estimates the total cost of the program will rise to $468 million by 2012, leveraging $2 billion in private investment.

"The problem is that it is too successful," says Sanderson. "The whole program got bigger than anyone anticipated."

Grappling with a budget deficit, Rhode Island officials put their historic tax credit program on hold in April, agreeing to fund projects already in the pipeline but refusing to accept new ones. Sanderson says research indicates a fifth of the cost of the credits is recouped during the construction phase in the form of new payroll and other taxes. The remainder of the cost is recovered over time, often in the form of local property taxes, as buildings are returned to productive use. Overall, new tax revenues equal 110 percent to 120 percent of the cost of the tax credits, but the payoff comes over a 20-year period, he says.

Torrisi, the state representative from North Andover, filed an amendment during the recent budget debate to eliminate the cap on the historic tax credit program. The amendment was defeated, and Torrisi says he learned that Galvin was working behind the scenes to oppose the measure. Torrisi said he thinks Galvin's opposition was driven by self-interest, since a program with no cap would reduce his influence.

"He's in a position of power where he gets to distribute the funds," Torrisi says. "When there's a smaller pool of funds out there, it makes him more powerful." CW

PUMP IT UP

The Bay State's debt-ridden transportation agencies preside over networks that are literally falling apart. New gas tax revenues may be the only way out.

BY GABRIELLE GURLEY | PHOTOS BY JOSHI RADIN

For a picture-perfect view of the Boston skyline on a bright, cloudless day, looking from the Longfellow Bridge to the other side of the Charles River is as good as it gets. For scenery of a different sort, amble down the stairway near Storrow Drive and walk underneath the span that links Beacon Hill to Kendall Square. Take a look at the severely corroded steel supports

ILLUSTRATION BY JAMES YANG


GAS
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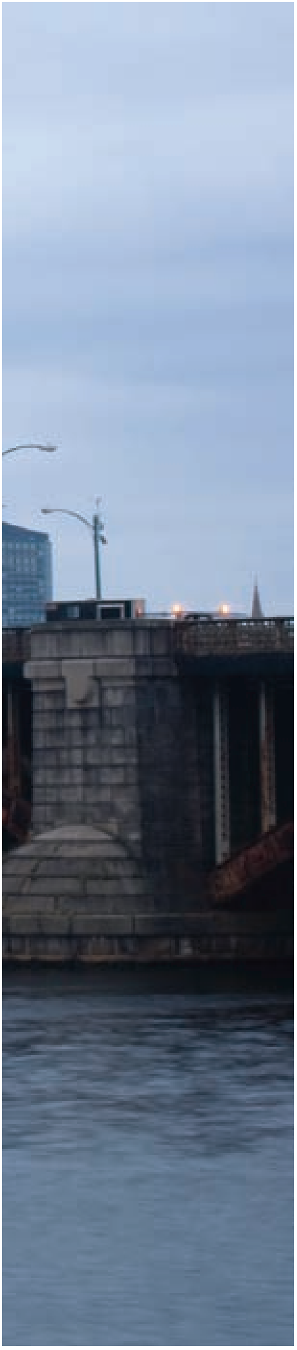
The structural problems of the century-old Longfellow Bridge threaten both auto traffic and the MBTA's Red Line.

and the black netting affixed to catch pieces of crumbling sidewalk. Not exactly Kodak moments.

The century-old Longfellow is one of 585 structurally deficient bridges in Massachusetts. According to a *Boston Globe* report, private engineers recently found the bridge support structure to be in serious condition, worse than anyone thought, though their findings were later disputed by state officials. If that wasn't enough, follow-up investigations of the structural integrity of the sidewalks forced the Department of Recreation and Conservation, which oversees the bridge, to close the west side to pedestrians and to prohibit Fourth of July fireworks spectators from both sides. You don't need a Ph.D in engineering from MIT to know that there is a problem.

Along with the usual parade of cars, trucks, and trolley tour buses, the MBTA's Red Line trains rumble across the Longfellow hundreds of times every day. Racked by massive debt, the authority has its own headaches. At the height of the evening rush hour the day after a fatal Green Line trolley crash, a Red Line operator announced delays in service due to westbound speed restrictions. The reason? Deteriorating railroad ties on the Longfellow requiring immediate repairs.

The Longfellow Bridge and the MBTA are two very visible symbols of what a vicious cycle of debt and resistance to new taxes gets you: a deteriorating bridge and a transit



agency unable to keep up with regular maintenance.

State officials are rushing to fill the cracks in the Longfellow and other pieces of the state's transportation infrastructure, but they're doing it by going into hock, coming up with a $3 billion financing plan to speed up repairs on 250 to 300 defective bridges. It's a familiar pattern in Massachusetts: Deal with the crisis now and pay for it in the future. But like a shopaholic maxed out on credit cards, the state is finding it harder and harder to keep up. It's also running out of quick-fix options; an increase in the state gasoline seems unavoidable.

Just how far the state's financial credibility has sunk came into stark relief late last year. In a little noticed move, the Federal Highway Administration and the Federal Transit Administration took the rare step of not approving the Massachusetts statewide transportation improvement program for fiscal 2008-2011. Millions of dollars in federal matching funds are at risk if the state cannot devise, and follow through on, solutions to satisfy Washington.

One of the problems, as federal officials saw it, was that Massachusetts failed to demonstrate that there were "available or committed" monies for certain highway and transit projects described in the first two years of the plan. Moreover, Bay State officials had not proposed enough funding to reduce the number of structurally deficient bridges in its bridge program. "We expect this effort to be given the highest priority," federal officials said in a letter to the state.

In essence, the feds wanted Massachusetts to come up with more money for badly needed projects, either by selling bonds or by using some "other funding mechanism." Bonding is commonly used to fund large infrastructure projects. Few bridges, roads, or transit lines would get built otherwise. But a bond-dependent pattern of decision making has contributed to the Bay State's current shortage of funds for transportation projects. A large chunk of the state's $18 billion in outstanding debt, an estimated 40 percent, is transportation-related. It's a big reason why the state's per-capita debt burden is $4,500, the highest in the nation and more than five times greater than the median of all 50 states, according to one credit rating agency's estimate.

"Massachusetts has run up all its credit cards in the transportation area," says Stephanie Pollack, a partner with the environmental consulting firm BlueWave Strategies, who researches transportation issues at Northeastern University's Center for Urban and Regional Policy.

On Beacon Hill, there's talk about "reform before revenue," a euphemism for putting in place cost-saving measures before talking about tax hikes. But none of the reform initiatives proposed thus far significantly staunches the flow of red ink or steers new money into roads, bridges, and mass transit.

So there's a growing chorus of support for an increase in the gas tax. Last year, the state's Transportation Finance Commission recommended an 11.5-cent hike in the gas tax, which would then be indexed to inflation. In May, MetroFuture, a new Metropolitan Area Planning Council initiative, recommended a 15-cent spike. Marc Draisen, the organization's executive director and a former Boston state representative, believes the state is out of options. "The gas tax needs to go up or our elected officials need to suggest an alternative," he says.

BRIDGING THE GAP

This dire situation isn't lost on Washington. Going forward, federal authorities have advised lining up short-term priorities with limited highway and transit money. But they want bridge repairs fast-tracked. The administration of Gov. Deval Patrick has responded on two fronts. First, Patrick signed a $3.5 billion transportation bond bill in April that includes money for shoring up roads and bridges, as well as for expansion projects like the Green Line extension to Somerville and Medford. Second, officials came up with an accelerated bridge-repair program to cover those MassHighway and DCR bridges in particularly rough shape.

That emergency plan relies on $1.1 billion in grant anticipation notes (known as GANS), which allow states to borrow against future federal aid, and another $1.9 billion in gas tax bonds, to be paid from a portion of existing gas tax revenues over eight years. These transportation-specific financing mechanisms have an advantage over general obligation bonds, since the repayments don't come out of the state's general fund. Consequently, other areas of the state budget, such as education, aren't directly compromised. Tackling bridges now, rather than later, also allows the repairs to be done more cheaply by avoiding construction inflation.

But the plan has a major drawback. The bridge repair program will sap money from future road projects needed between 2013 and 2030, according to a Massachusetts

Taxpayers Foundation analysis. For some, that's déjà vu. Beginning in the late 1990s, GANS were used to pay for Big Dig cost overruns, but that left less money available for today's bridge repair projects. Up to a third of the state's federal highway funds are still going to repay the Big Dig notes, a situation that won't end until 2015. The administration's plan is like "pouring salt in that wound," said state Sen. Mark Montigny, co-chair of the Joint Bonding, Capital Expenditures, and State Assets Committee.

"Debt is the path of political least resistance in Massachusetts," Pollack says. "If we were a state like Rhode Island, where you had to go to the voters for every debt, we probably wouldn't be doing it, right?"

But what to do? State Treasurer Timothy Cahill, who worked with the administration to reduce the cost of the bridge program by $800 million, told Montigny's committee that decrepit bridges can't wait. "If a bridge goes down while we wait for the money, there will be no place to hide for any of us," he says.

A MESS OF OUR OWN

Bridges aren't the only problem. Several major transportation agencies are mired in debt. The Massachusetts Highway Department, which is trying to cope with $8 billion in red ink, is notorious for using bonds to pay for operating expenses like grass cutting.

The Massachusetts Turnpike Authority and the MBTA certainly aren't any better off. The Turnpike Authority's debt is about $2.4 billion, in large part because of the decision to shift Big Dig borrowing to that agency. The failure to refinance nearly $130 million in bond agreements earlier this year will accentuate the problem, triggering interest payments of nearly $1.2 million a month beginning in January 2009.

Tolls have nowhere to go but up in the near future in order for the agency to meet its financial obligations. A more pressing question is what happens to the Turnpike Authority when toll increases no longer do the job. Toll transactions already dipped this past Memorial Day weekend, as drivers facing gasoline prices topping $4 a gallon cut back their trips.

At the MBTA, revenues don't line up with operating or debt service expenses. The agency's triple-A credit rating is among the best in the state, thanks to "forward funding," or the allocation of one penny of the state's five-cent sales tax as a dedicated revenue stream for the agency. But sluggish performance of the sales tax has bruised the authority's finances. The T carries $8 billion in debt, a large portion of which it inherited when forward funding was instituted in 2000; the agency incurred the remainder for recent capital projects, such as the Greenbush Line, the Silver Line, and the automated fare card collection pro-

"Debt is the path of political least resistance," says Stephanie Pollack, of Northeastern's Center for Urban and Regional Policy.

gram. Regular fare increases barely keep pace with debt service payments.

To help erase a $75 million deficit on the fiscal 2009 books, the MBTA restructured its debt to capture savings, but that move only pushes debt service payments into future years, adding to the agency's long-term costs. Rising fuel prices have only made matters worse, creating another $21 million deficit even before the ink on the new budget dried.

Of course, the rising gasoline prices have also spurred a jump in ridership, but MBTA General Manager Dan Grabauskas says that he hasn't seen any analysis that indicates that the increase will offset the rise in fuel prices. The preview of coming attractions for fiscal 2010? There is open talk of fare increases and service cuts to stave off "probably the most difficult financial year in the T's history," according to Grabauskas.

Fare hikes and service cuts may be the only way out of 'the most difficult financial year in the T's history.'

CUTTING THE FAT

State officials are trying to squeeze costs out of the overall transportation system, but it's not easy. MassTrans is the moniker for the Massachusetts Transportation Authority, the Patrick administration's ambitious idea to consolidate all the Executive Office of Transportation agencies, as well as the MBTA and the Turnpike Authority, into a single overarching transportation entity. The goal is to create more efficiencies—and savings—by bringing down the fiefdoms that muck up statewide transportation planning and policy. But progress has been slow.

At a May legislative hearing, Transportation Secretary Bernard Cohen was asked about MassTrans by Rep. David Flynn. "We haven't heard much about that of late," the Bridgewater Democrat said. Cohen admitted that the reorganization plan is still under development. There is still no schedule for a completion of the plan, and Patrick says only that it will be "ready when it's ready."

One goal of MassTrans is to tackle debt. According to a presentation given by Transportation Undersecretary Wendy Stern to a Boston Metropolitan Area Planning Organization committee last year, the new super entity could be "authorized to assume the current debt and liabilities of the transportation authorities, subject to all of the obligations related to the debt, and issuing replacement debt as soon as possible. This debt would be backed by a more efficient credit structure."

In theory, Massachusetts could see more favorable payment terms for existing transportation debt similar to the way a homeowner would seek out a mortgage with a lower interest rate. Consolidating debt raises some serious questions, however. It could hurt the credit ratings of component agencies like the T, which, despite shaky operations, has good credit (unlike the Turnpike Authority).

Paul Regan, executive director of the MBTA Advisory Board and a Transportation Finance Commission member, says debt restructuring and moving debt from one set of balance sheets to another can provide short-term relief but often does nothing to address the underlying problem that there's too much debt in the first place. "In the absence of a really great revenue stream, restructuring all this debt will give you some savings this year or in the next couple of years," he says. "But none of that debt goes away. You still owe it."

If debt restructuring is so much rearranging of the deck chairs on the *Titanic*, cutting costs is another option.

Restructuring 'will give you some savings this year. But none of that debt goes away. You still owe it.'

The Transportation Finance Commission identified more than $2.4 billion in savings from specific reforms, about half coming from trimming MBTA fringe benefits. As part of a larger package of reforms, Senate President Therese Murray wants to restructure health insurance options for MBTA and Turnpike Authority retirees. But even if all these initiatives were approved—a big if, considering the resistance of unions at the MBTA—they wouldn't put a major dent in outstanding debt or come up with the nearly $20 billion many believe is needed over the next two decades to get the state's transportation system up to a higher caliber.

MassTrans could yield some savings, but pulling off a massive transportation merger is a major challenge. In 2004, Gov. Mitt Romney failed to merge the Turnpike Authority and MassHighway, and there are early warning signs that don't bode well for Patrick's much more ambitious initiative. The MBTA and the Turnpike, the two authorities that don't have the best debt track records, were finally excluded from the bridge repair bond bill to bring down its total cost. A management structure for the MassHighway and DCR bridge repair program is still being negotiated.

Joseph Giglio, a professor of strategic management at Northeastern University's College of Business Administration, says agency consolidations and other reforms just won't do the job. "Tell me where your cost-efficiencies are going to be achieved. By attacking the twin gods of economy and efficiency? By saying, 'I'm eliminating 10 jobs at the Turnpike?'" he argues, his voice ringing with disbelief. "How credible are any of these proposals when you are not focusing on revenue sources?"

THE "G" WORD

"Most people would applaud the idea of a [higher] gas tax," state Rep. Denise Provost tells an audience at a recent MetroFuture conference session on transportation finance. Yet when the Somerville Democrat broached the issue with the governor, she says, Patrick cryptically replied that he didn't want to raise the gas tax right now. Then Provost asks for a show of support from the nearly 70 people in the room. Only six people raise their hands.

The 23.5-cent Massachusetts gasoline tax, the 26th highest in the country, is one of the state's primary sources of transportation funds. But it's a source that has been slowly shriveling. The tax hasn't gone up in nearly 20 years. In fiscal 2008, about $100 million of the nearly $700 million in overall motor fuel revenues went into the general fund to support other non-transportation areas of the budget, such as a fund to clean up underground fuel storage tanks and an Inland Fisheries and Game Fund.

"It's messy," says Administration and Finance Undersecretary Jay Gonzalez. The Patrick administration's attempt to clean up the gas tax statute in its fiscal 2009 budget by directing all transportation-related revenues to a new transportation fund did not make it into the House or Senate versions of the spending plan.

Its unpopularity aside, the gas tax gets high marks as a revenue generator. It's a broad-based user tax, meaning those who use the state's roads pay the tax. The collection mechanism for the gas tax is also simple and already in place.

An 11.5-cent increase in the tax to 35 cents a gallon works out to $1.25 per week for an average vehicle in Massachusetts that consumed 576 gallons of gasoline in 2005, according to the Transportation Finance Commission. An 11.5-cent increase would bring in an additional $345 million a year, which would help repair bridges and highways and possibly provide some MBTA debt relief.

But there isn't much appetite for a gas tax increase on Beacon Hill, particularly with residents telling their legislators they are choosing between food and fuel. A gas tax increase is a case of diminishing returns, says Sen. Steven Baddour, co-chair of the Joint Committee on Transportation. "To say, let's just increase it to maximize what we can in the short term ignores the fact that people are struggling today," says the Methuen Democrat, who recently traded in his SUV for a Honda Accord.

Senate President Murray, House Speaker Sal DiMasi, and Gov. Patrick haven't shown any interest in going down the gas tax road. Nevertheless, the penalty for procrastination is clear. No other viable, short-term alternatives are on the horizon. Higher MBTA fares and Turnpike toll increases provide limited relief to those agencies, while disproportionately burdening T and Turnpike users. Other options are years away. An expanded system of user fees targeting travel on major interstates would require sophisticated technology and buy-in from lawmakers and the public. Congestion pricing designed to reduce peak-period traffic into major cities like Boston draws kudos for its financial and environmental benefits, but raises concerns about effects on downtown businesses.

That leaves the gas tax. "You are going to have to raise taxes and fees somewhere," says Treasurer Cahill. "Maybe gas is going to have to come down before we get to that point."

A few states have already passed their tipping points. Since March 2007, the states of Connecticut, Florida, Maine, North Carolina, Virginia, and Washington have increased their gas tax rates, according to data supplied by the American Petroleum Institute. (Also, Minnesota lawmakers recently ended their 2008 session by passing an 8.5-cent gas tax hike.)

As the Red Line chugs across the Longfellow Bridge, the sight of pedestrians, joggers, and cyclists forced off the sidewalk into a narrow bicycle lane on the span is quite the spectacle. With no end in sight to decay and red ink, what happens if the state continues to resist a gas tax hike? "You are going to have a transportation system—not the one you need but the one you deserve," Northeastern's Giglio says. "The one that you deserve is the best transportation system that the Commonwealth has to offer you from the 1960s." CW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Moving the goal posts

Designed to create open space and affordable housing, the CPA is now being used to pay for sidewalks and artificial turf

BY BRUCE MOHL | PHOTOS BY MEGHAN MOORE

Sudbury officials say this small stretch of sidewalk along Dakin Street qualified under the Community Preservation Act for partial state funding because the pathway is a recreational facility for walkers, joggers, bikers, skateboarders, and rollerbladers.

The Community Preservation Act arose from the noble desire to give municipalities more tools to fight urban sprawl and to make housing affordable so residents could continue to live where they grew up. But over the last several years the focus in many communities has begun to shift to more parochial concerns. Cities and towns, many of them among the wealthiest in the state, are building sidewalks, sprucing up parks, and installing synthetic turf athletic fields—and using the Community Preservation Act to stick the state with half the tab.

The eight-year-old Community Preservation Act provides matching funds to municipalities that vote to add a surcharge to their property taxes of up to 3 percent, with the new revenue earmarked for historic preservation initiatives or projects that create or preserve affordable housing, open space, or recreational areas. Supporters say the CPA has saved more than 8,000 acres of open space, created more than 1,000 units of affordable housing, and financed hundreds of historic preservation projects statewide.

But recreation, which garnered almost no attention when the Community Preservation Act was debated and approved by the Legislature in 2000, is now the fastest-growing category of spending under the law. It's also the most controversial. With municipalities hungry for cash and no one regulating what they do with their CPA funds, many communities have become quite imaginative in defining what it means to create or preserve recreational space.

Wayland and Acton, for example, concluded that replacing a grass football field with a synthetic turf field created new recreational space. Falmouth felt that the installation of bike racks and benches around town qualified. Weston says it is preserving playing fields at its high school by using CPA funds to install a drainage and irrigation system. Newton believes rehabbing existing rundown parks creates new recreation space.

In Sudbury, a wealthy town west of Boston, local officials say the sidewalks that run alongside certain residential streets are actually new recreational facilities serving pedestrians, joggers, bikers, skateboarders, and rollerbladers. Town officials say the residential sidewalks, paid for with $400,000 in CPA funds, are no different from bike trails or park walkways.

"Why isn't walking considered a recreational opportunity?" asks Jody Kablack, Sudbury's town planner and community preservation specialist. "We firmly believe these are recreational."

There is no referee making calls on whether individual CPA expenditures are out of bounds. The law authorized the state Department of Revenue to issue rules and regulations covering CPA expenditures, but agency officials never followed through, in part because they felt the statute didn't give them any enforcement powers.

The Revenue Department has answered a few spending queries from confused towns, but those opinion letters don't carry the force of law, and many towns have ignored them. The only real pushback to CPA spending decisions has come from local taxpayers who have filed lawsuits claiming their towns are spending CPA money illegally.

"Towns are strapped for money. They see this pot of money. They know what they are doing is wrong, but there's tremendous pressure to satisfy these soccer moms," says Jeffrey Seideman, one of several Newton residents who successfully challenged in court his city's plan to use $766,000 in CPA funds to fix up two neighborhood parks.

Newton has appealed that case to the state Supreme Judicial Court, and Newton's state senator is leading the charge on Beacon Hill for legislation that would widen the political base of the Community Preservation Act, toss more state money into the pot, and give cities and towns the flexibility to use CPA money for virtually any type of recreation project.

A JUMP IN RECREATION SPENDING

No one tracks how the state's 133 CPA communities spend their money. State officials plan to start gathering more information on expenditures later this year, but until then the best information comes from the Community Preservation Coalition, a Massachusetts organization funded by two California–based environmental groups, the Conservation Campaign and the Trust for Public Land.

Stuart Saginor, executive director of the coalition, says recreation is the smallest but fastest-growing spending category within the CPA. The law requires participating communities to split 30 percent of their CPA funds equally between open space, affordable housing, and historic preservation projects. The remaining 70 percent can be spent in any of the three categories, plus recreation.

The use of CPA funds for recreation jumped from $800,000 to almost $8 million in only four years.

According to the Community Preservation Coalition's website, recreation spending jumped from $800,000 in fiscal 2002 to nearly $8 million in fiscal 2006. Total recreation spending from fiscal 2002 through fiscal 2006, the most recent year available, was $15.5 million. During that same period, spending on open space ($87.5 million), affordable housing ($68.1 million), and historic preservation ($41.0 million) was much higher, but all three categories grew more slowly. Affordable-housing spending actually declined 17 percent between fiscal 2005 and fiscal 2006.

Spending priorities vary among municipalities. Cambridge, for example, spends 80 percent of its money on affordable housing and nothing on recreation. (More than half of all CPA-created affordable housing is in Cambridge.) But most communities have been steering increasing amounts of their CPA money to recreation, in part because demand from residents is so high and funding for ballparks and parks is scarce. "There are so many existing facilities in need of rehabilitation," says Jessica Erickson, assistant town planner in Falmouth.

Newton's attempt to fix up Pellegrini Park prompted a lawsuit by city residents. Newton lost in Middlesex Superior Court, and the case is now on appeal to the Supreme Judicial Court.

CPA communities must vote to impose a surcharge on their property tax bills ranging from 1 percent to 3 percent. Matching state money is drawn from the state's Community Preservation Trust, which is funded by surcharges of $10 to $20 on real estate transactions at Registry of Deeds offices across the state.

The state has matched local money dollar for dollar so far—a total of $68 million in fiscal 2008 and roughly $250 million since the CPA was passed—but the state's match is expected to decline this year to as low as 65 percent, as the number of CPA communities slowly rises and income from registry surcharges drops off with the real estate slowdown.

A report issued last year by the Rappaport Institute for Greater Boston at Harvard University indicated that CPA money flows predominantly to wealthier cities and towns because they can afford the property tax surcharge and their high property values tend to generate a higher state match. (See "Study Says CPA Steers Money to Wealthy Towns," Inquiries, *CW*, Summer '07).

The top 10 recipients of state CPA money include Cambridge, which has received nearly $34 million to date, and Newton, which has received $11 million. The others in the top 10 are Barnstable, Weston, Nantucket, Westford, North Andover, Sudbury, Duxbury, and Plymouth. Weston is the state's wealthiest community and Sudbury is the fifth-wealthiest. The average median household income of the top 10 CPA communities is $83,166—or 65 percent higher than the statewide average.

Communities with more moderate incomes, including Quincy, Waltham, and Bridgewater, have passed CPA referendums in recent years, but noticeably absent are most of the state's medium-to-large cities, including Worcester, Springfield, Pittsfield, Lynn, New Bedford, Fall River, Lawrence, Lowell, Brockton, and Gloucester. Boston voters rejected the CPA by a lopsided margin of 56 percent to 43 percent in 2001.

OPEN TO INTERPRETATION

The Community Preservation Act allows communities to use matching funds for the acquisition, creation, and preservation of land for open space, affordable housing, and recreation. CPA funds can also be used to rehabilitate or restore land in each category, but only if the land was originally purchased with CPA funds. (CPA money can also be used to acquire, preserve, and rehabilitate or restore historic properties.)

The law does a good job of defining nouns—open space, affordable housing, historic preservation, and recreation—but it's not as precise with the verbs. Creation isn't defined at all. Preservation is defined as "the protection of personal or real property from injury, harm, or destruction, but not including maintenance."

In June 2002, the town of Norfolk sought guidance from the Revenue Department on whether it could use CPA funds for 11 recreation projects. Daniel Murphy, chief of the agency's property tax bureau, did not address the specific Norfolk projects but instead provided broad guidance. He wrote that CPA funds could be used to buy a new recreational site, develop a new recreational site on town-owned land that's not currently being used for recreation, or preserve an existing town-owned recreation site.

Murphy's letter said preservation "might include such projects as repair or replacement of a roof to protect a structure from damage from the elements or installation of a sprinkler system to protect it from fire damage. It does not include ordinary maintenance or upkeep of the property, nor improvements intended to enhance or extend its use or life."

He also said a community could not restore or rehabilitate any recreational property unless it was originally purchased with CPA funds. Murphy added, "Community preservation fund monies cannot ordinarily be used to simply replace equipment, or install additional equipment, amenities or improvements, on an existing recreational property."

Norfolk officials took the advice to heart and canceled many of their projects. But many other towns have stretched the law to fit their needs.

Acton spent $250,000 to help finance the replacement of a grass field at Acton-Boxborough Regional High School with a synthetic turf field. Town officials say the project created new recreation space since the new field would be available for use 250 days a year, more than three times longer than the existing grass field.

"The vastly extended usage times without the need for rest periods makes the new Leary Field project equivalent to the creation of new play fields elsewhere in town," Acton's Community Preservation Committee wrote in its budget request to town meeting.

Acton also spent $175,000 on lights for another athletic field at the high school. The Community Preservation Committee said the lights effectively created new recreational space by allowing residents to play sports at night and not just during the day.

Following the same logic, Wayland contributed $300,000 in CPA money to a $1 million artificial turf field at its high school. The project was approved by the town's Community Preservation Committee and by town meeting. Two legal opinions sought by town officials indicated the expenditure was legal, even though a Revenue Department official consulted on the expenditure indicated it wasn't. A group of town residents is now suing the town in Middlesex Superior Court, alleging that the project neither created nor preserved recreation space.

"Synthetic turf was not what was intended by the CPA law, at least in our minds," says Gene Cosloy, one of the plaintiffs.

"The whole thing comes down to interpretation of the law's language," says Jerome Heller, the chairman of Wayland's Community Preservation Committee. "The law is obviously vague, or else you wouldn't be having a dispute."

In a similar case, Sudbury kicked in $960,000 of CPA funds to tear up the grass football field at Lincoln-Sudbury Regional High School and replace it with a synthetic turf field, plus a new track, bleachers, lights, and sound system. Town officials say the CPA investment created new recreational space by giving Sudbury an ownership stake and access rights to a facility that was technically owned by the regional high school. Sudbury residents now use the field for youth soccer and lacrosse games.

Newton has been particularly aggressive in using CPA funds for recreation projects. In 2006, the city proposed spending more than $2 million to finance the installation of synthetic turf fields at Newton South High School. Officials later withdrew the CPA funding after town residents voiced concerns about its legality.

But the city has used CPA funds for a number of park restoration and rehabilitation projects even though the parks were not originally purchased with CPA money. In 2006, a group of Newton residents challenged the legality of a plan to use $766,000 in CPA money to make a series of improvements to two rundown neighborhood parks.

The residents say the city was merely fixing up the parks, not creating or preserving recreational space. Newton argues in its court brief that the word creation in the CPA law should be interpreted more broadly, "to include the creation of new recreational uses within existing parks that make the areas open and accessible to new groups of users."

Last September, Middlesex Superior Court Judge Brian Henry ruled against Newton. "I do not adopt the interpretation which the city seeks to place on the word 'creation,'" Henry wrote. "The projects do not 'create' land for recreational use and I do not accept the meaning which the city attempts to place on that word."

But Jeremy Solomon, a spokesman for Newton Mayor David Cohen, says the city is appealing to the state's Supreme Judicial Court because it believes its interpretation of the law is the correct one. Solomon says the case highlights the vagueness of the CPA. "Towns are confused," he says.

CLARIFYING THE LAW

In the wake of the Newton decision, dozens of communities have canceled recreation projects in order to steer clear of controversy. For example, Longmeadow's Community Preservation Committee turned down six recreation projects, including one for a synthetic turf field. "We wanted to be very conservative," says William Hoff, chairman of the committee. Similarly, Joanne Gibson, head of Concord's CPA committee, says she saw no need to flirt with the edge of the law. "It's ambiguous and I don't think ambiguity is good," she says.

Erickson, the assistant town planner in Falmouth, says she consulted the town's legal counsel when she took her post last year and subsequently put a number of recreation projects on hold. She called a number of the town's past projects "highly questionable" in light of the court ruling.

Weston appropriated $1.25 million in CPA funds for a series of recreational projects at the high school and other parks, but town officials eventually decided that using some of the money for landscaping and for new playground equipment was not appropriate. They are still pushing ahead with plans to "preserve" six rundown tennis courts and a basketball court, and to perform irrigation and drainage work at two grass fields and a baseball diamond.

"What's difficult for us is the lack of clarity," says Weston Town Manager Donna VanderClock. "It would be nice if the legislation were clearer."

But CPA supporters are pushing for more than just clarity. The legislation they are pushing on Beacon Hill would pump more state money into the CPA fund, broaden political support for the law by making it easier for the state's cities to join, and give towns the ability to spend recreation money pretty much as they see fit.

'What's difficult for us is the lack of clarity,' says Donna VanderClock, the town manager for Weston.

The bill, filed by state Sen. Cynthia Creem of Newton, seeks to soften the coming downturn in state aid by guaranteeing CPA towns at least a 75 percent match. The guarantee would be funded by sharply higher Registry of Deeds surcharges. The bill says the surcharges, which currently range from $10 to $20, could go no higher than $70. Some municipal officials say a doubling of the existing surcharges is probably needed to keep the match at 75 percent next year.

To make the CPA more enticing to cities, Creem's bill would also make it possible to obtain state matching funds beyond what would be warranted by the community's property tax surcharge. The bill would allow a municipality to vote for a 1 percent property tax surcharge but qualify for participation at the 3 percent level by incorporating other existing municipal revenues, including funds from a hotel-motel tax, linkage fees, zoning payments, and property sales.

Marc Draisen, executive director of the Metropolitan Area Planning Council, says cities are enthusiastic about the proposed change. "The Community Preservation Act is one of the most popular local option programs in recent Massachusetts history," he says.

Creem's bill would also do away with nearly all CPA recreation spending restrictions, permitting "the replacement of playground equipment and other capital improvements to the land or the facilities thereon which make the land or the related facilities more functional for the related recreational use."

Originally, Creem's bill would have given communities a green light to use CPA money for synthetic turf fields.

But after opponents cried foul—Sen. Brian Joyce of Milton, co-chairman of the legislature's Community Development and Small Business Committee, says turf fields became a lightening rod because "they aren't natural"—the pro-turf provision was replaced with one that explicitly bars the use of CPA funds to purchase turf fields. (Towns could still use CPA money to prepare a field for synthetic turf installation, just not use the funds to buy the turf itself.)

In a sense, supporters of the Community Preservation Act are doing now what they've done from the start, cobbling together a political coalition that can deliver state funding for their causes. Former state Sen. Robert Durand, the father of the CPA, spent much of the 1980s in the Legislature bringing together supporters of open space, housing, and historic preservation. He now lobbies on CPA issues for the Community Preservation Coalition and says recreation has become a legitimate quality of life issue.

"There has been some misinterpretation of the law," Durand acknowledges. "Why not tighten up the language and try to get more communities involved?"

Saginor of the Community Preservation Coalition says the proposed changes are consistent with the original intent of the law, which was to give communities help in funding projects that benefit both individual municipalities and the state as a whole. He says the law encourages preservation of existing assets and notes it had to be amended so towns could restore and rehabilitate historic buildings that weren't purchased originally with CPA funds. He says the Legislature now needs to give towns the ability to restore and rehabilitate recreational properties not originally purchased with CPA funds. "It's the same fix," he says.

But Guive Mirfendereski, the Newton lawyer who is representing residents in their lawsuit over CPA recreational spending, says Creem's bill is no technical amendment. He says the bill turns the Community Preservation Act into just another form of local aid. He says the bill changes the existing law so dramatically that, if it were to pass, communities should be required to seek voter approval for the CPA again.

"Knowing what I know today, I would not have voted for the adoption of the act back in November 2001," Mirfendereski told lawmakers.

Barbara Anderson, executive director of Citizens for Limited Taxation, says she also feels hoodwinked by the metamorphosis of the Community Preservation Act. "What started out as a way to preserve open space has become 'What can we give every town?'" she says. "It's gotten silly." CW

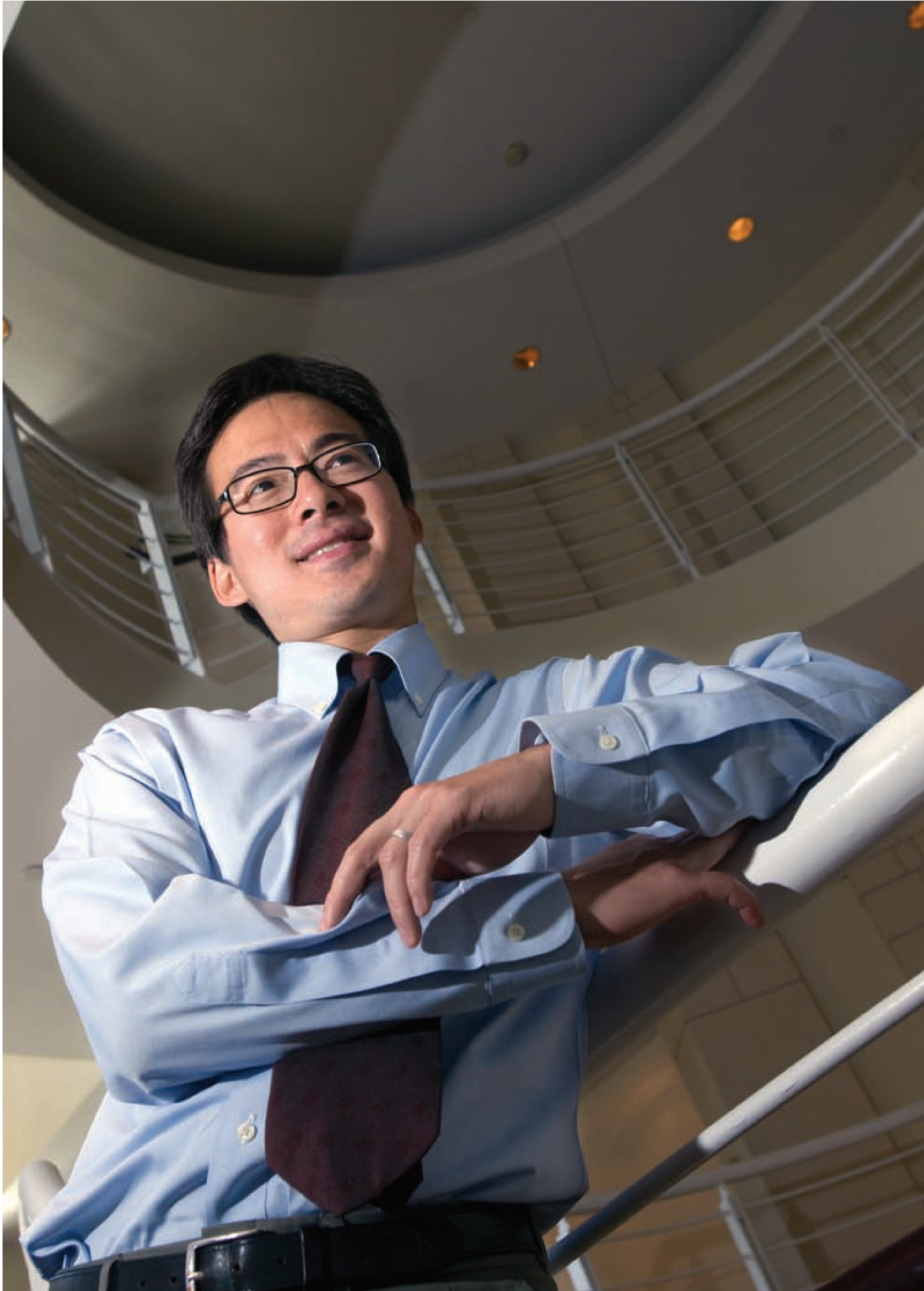
Mr. Cellophane

Archon Fung and his co-authors say transparency policies can be powerful tools for 21st-century democracy. But only if we get the right kind of information—and know what to do with it.

Whether we're checking the test scores of local schools or looking for the fat content of a brand of yogurt, we are all players in a new way of life. We're awash in information, and the decisions and choices demanded of us come from an increasing transparency in almost every aspect of society.

It was nearly a century ago that Louis Brandeis wrote that sunlight is "the best of disinfectants." That vision of expanded public access to information—whether it's about the

PHOTOS BY FRANK CURRAN



workings of government or the practices of corporations—has become a powerful force in American public policy. In recent years, transparency has given rise to more deliberately crafted systems, such as those reporting health care outcomes, which organize information in ways aimed at making it useful for individual decision making.

But does all this information make our lives better or just more complicated? That's the question three Boston–area researchers explore in *Full Disclosure: The Perils and Promise of Transparency*, published last year. Earlier in the decade, Harvard political scientist Archon Fung, attorney Mary Graham (a research fellow at Harvard's Kennedy School of Government), and David Weil (a Boston University economist) were all doing research at the Kennedy School's Taubman Center for State and Local Government. They started meeting to discuss a phenomenon each of them had independently been observing: the proliferation of government policies that were not necessarily setting fixed standards that must be met, but instead requiring the disclosure of information that could form the basis for people to make decisions and choices on their own. "This trend raised a fundamental question that no one seemed to be asking," they write in *Full Disclosure*. "Does transparency work?"

Their answer: in fits and starts. The Enron and WorldCom debacles exposed huge deficiencies in disclosure laws governing corporate and financial systems. And the authors say the color-coded terrorism warning system put in place following the 9/11 attacks "degenerated into fodder for late-night comedians." Ineffective transparency policies all fail at some level to deliver the right information in a form that lets citizens make reasonable choices.

Well-constructed transparency policies, on the other hand, can set in motion a virtuous chain of events that can improve market forces, empower citizens, and improve lives. Perhaps the most elegant example the trio offer is also the simplest, a system that provides highly visible grades on the cleanliness of Los Angeles restaurants. Patrons are more inclined to visit establishments that don't feature flies in their soup, and low-scoring restaurants are motivated to improve their hygiene practices in order to improve their cleanliness grade. "The ingeniousness of targeted transparency lies in its mobilization of individual choice, market forces, and participatory democracy through relatively light-handed government action," the authors argue. Things get considerably more complicated when trying to apply these principles to highly complex systems such as health care. But the rewards could be significant, if transparency is done the right way, say the three researchers, who co-direct the Transparency Policy Project at the Kennedy School (www.transparencypolicy.net).

After first insisting on full disclosure of the equal role

of his two co-authors, Archon Fung, 40, spoke with me about the perils and promise of transparency policies in his office at Harvard. What follows is an edited transcript of our conversation.

—MICHAEL JONAS

COMMONWEALTH: Your book offers some cautionary tales about potential pitfalls of transparency policies, but the overall message is that the right information provided the right way can empower and improve society. What are the roots of the thinking behind transparency policies?

FUNG: You can date it to the decline, over the last couple of decades, of public confidence in government, as well as in private corporations, and what that decline signals—an attitude on the part of people not to take the advice of experts for granted. So whereas maybe my father, your father, if they faced an important decision like a medical procedure, might have just gone to their family doctor and taken their advice and followed it, you or I are much more likely to ask for a second opinion, to ask our friends and family what their experiences have been. That general social trend sets the scene for a new role for government and nonprofit organizations to provide information so that people can make their own decisions wisely. Whereas in the past, the more traditional role for government or for regulators has been to ensure that people are protected in the right ways, without their ever having to make the right decision, by assuring minimum wage or enforcing certain kind of environmental regulations or product regulations. Now, for better or for worse, there's much more of a premium on people being able to make decisions and choices for themselves.

'There's more of a premium on people making decisions and choices for themselves.'

CW: You write that "targeted transparency," the term that you and your co-authors use for these systems that provide standardized information on everything from the nutritional content of food to the addresses of sex offenders, has come about through crises of one kind or another that are really unconnected. But there has to be a common context, or something that's going on, that's made recent years such fertile ground for such policies. You say it's a decline in confidence in government or in authority figures, yet we're relying on the political process to fashion these policies.

FUNG: Yes, that's right. One way to think about transparency and disclosure policies is maybe as regulation with a lighter touch or a lighter hand, so whenever there's some public crisis like lead in the paint on Chinese toys, or SUVs rolling over because of defective tires, or a pension fund crisis, or, most recently, the mortgage meltdown, there's often a public cry for government to do something about it. More often now than in the past, the response takes the form of disclosure—requiring whoever was responsible for that bad action or got blamed for the crisis to become more transparent, more public about how they do business, whether it's politicians' campaign finance contributions or mortgage lending terms.

CW: When you look at the subprime meltdown, do you think this crisis is primarily a problem of a lack of regulation or a lack of transparency or some of both?

FUNG: I think it's a lot of both. I think that the best transparency system in the world probably wouldn't have prevented fully the mortgage meltdown. But what you're after in that case is, in part, for people who are taking mortgages to be able to envision the full consequences of the contract they're signing. And that's a hard thing to do because people want a better rate now and want to worry about tomorrow when tomorrow comes. Part of the job of an effective disclosure and transparency system is to make people really understand what the reality is going to be like several years down the road. That would have taken care of some of the problem. But on the other side of it, I think that other kinds of more traditional regulation are required as well, because part of it has to do with activities and transactions that are occurring well upstream of the consumer who's actually taking the mortgage.

'Information disclosure is, for better or for worse, kind of a fad now.'

CW: One of the hallmarks of a good transparency system is that it provides information that is easily comprehended by the population it is intended for, and that these information users really do alter their choices or decisions based on this added information. What is a good

We could go on the Web and look it up but—

CW: Then what?

FUNG: We'd know what the color was, but it's very unclear what steps one is supposed to take in response to that notification. That's exactly the opposite of the restaurant case, in which the step is very clear: Eat there or don't eat there. The designers of the terrorism warning system didn't do what we strongly urge in the book, which is to take the point of view of the audience that you expect to use this information. What is a citizen supposed to do once they know that it's a yellow status or an orange status or a red status? We urge policymakers to think through all of the steps of whether information is going to be received or known by the potential user at all—and how they're going to figure out what it means to them and their lives and their values and how, if at all, they're supposed to act on that information. Unless as a policymaker you can tell yourself a pretty good story about that whole sequence of events, it's probably not a very well-conceived transparency policy.

CW: Is there a broader concern that if there's a proliferation of what are essentially ineffective transparency policies, it damages or harms the ability to get others adopted that might actually provide some real value?

example of this in action?

FUNG: One of the examples of transparency that works that we really like is the Los Angeles restaurant disclosure system. If you go out to eat anywhere in Los Angeles County, when you walk through the front door of the restaurant, you'll see a letter grade from A to C, which represents how clean their kitchen is. It's the result of their last hygiene inspection. It's a really good system, because everybody who's going to a restaurant wants to eat in a clean restaurant, and the way that the information is provided is very accessible.

CW: Another example of a system that seems very easy for the public to understand, and also simple in its basic reporting, is the terrorism warning system that relies on color codes. But you and your co-authors say this system is riddled with deficiencies.

FUNG: The main problem that we see with that system is that it's not clear what the user is supposed to do with that information. I don't know what color the alert status is right now. It's probably yellow or something like that.

FUNG: I think that that's probably a danger down the road. Information disclosure is, for better or for worse, kind of a fad now. It's one of the first things policymakers and legislators reach for in response to some policy crisis, and maybe they reach too quickly for it or they don't think it all the way through. A second danger is that the information will be misused. One example that we talk about is Megan's Laws, which are the criminal sexual offender registries that are basically in every state now.

CW: There's some question about whether these laws have made communities safer and whether some perpetrators or offenders, as a result of the laws, have become victims themselves of attacks.

FUNG: We have several experiences where that's been the case, where people have kind of taken vigilante justice into their own hands. Megan's Law is also like the terrorist alert system in that's it's pretty unclear what a policymaker or someone looking at a criminal sexual offender registry is supposed to do with that information, what the range of actions is that the user of that information is supposed to take to protect a legitimate set of interests, such as the safety of their children. Again, it seems like the kind of policy in which policymakers stop at the thought that once the information is out there, that by itself is a good thing.

CW: There are points in the book where you talk about there being real differences among categories of users of information. You point out that older people, as well as those with lower levels of education, make much less use of information available through transparency policies or are less sure what to do with it. There seems to be a division in society of people who can tap into this wealth of information and make rational choices for themselves and their families versus others who don't. Is this division a real concern?

FUNG: I think that is a real danger, but I don't think we have to end up in a place of large informational inequalities. Different kinds of individuals have very different ways of searching out the information to make the decisions that they need in their lives. Whether or not you have to have a graduate degree in computer science to get information that's important to you is hugely dependent on what the public policy is. To take the LA restaurant example, I think anybody, regardless of their education level, can use that system. In contrast, mortgage disclosures that exist now require a fairly high level of numeracy to be able to really use that kind of information. But public policy could develop ways of providing information about fairly complex kinds of decisions that are much more broadly accessible.

CW: You and your colleagues write that we're drowning in information. Will we reach a point of information fatigue?

FUNG: We are drowning in information and so a huge part of the problem is developing an informational environment in which people can sort through what they really need to know and what they really need to spend energy on, versus what they can kind of go on autopilot with. Marketing people and psychologists have shown that people make decisions through one of two tracks, the central channel and the peripheral channel. The central channel is where you really invest energy into thinking something through. You're facing some complicated decision and you're really weighing the costs and benefits and pros and cons. In the peripheral channel none of that kicks in. You kind of go on autopilot. How do you drive to work? You don't think about it. You think about it the first time, but every time after that it's automatic, and so one of the challenges for us as individuals and us as a society is to try to get the right decisions in the central channel and the right decisions in the peripheral channel as a way to kind of economize and take care of the information overload problem that we face.

CW: One area that you would think ought to be in the central channel is health care. You write about the whole question of medical errors. It was almost a decade ago that the Institute of Medicine issued a report estimating that something approaching 100,000 deaths and a million injuries per year may be caused by hospital-based medical errors. Despite that, it's been very difficult to take what seems like a vital issue and provide the critical information that people would need to adjust their choices. Why has this proven to be such a thorny topic?

FUNG: There are some of the political problems that we talked about before. It's like the restaurateurs, who were not keen on the hygiene rating system, but with much more political power and organization. But even if that weren't a part of it, the subject itself is highly complex. What are the dimensions? What are the features of a good hospital or a good physician? There are many, and not everybody is going to look for the same things in a particular medical provider. Another dimension of it is that some rating systems build in pretty bad incentives, so if all you're measuring is how many people survive cardiac surgery or something like that, then that rating system may create an incentive on the part of the hospitals to take patients who aren't really that sick and reject the ones that are more sick to get their ratings up.

'Not everyone is going to look for the same things in a medical provider.'

CW: Hospitals certainly don't want to disclose stuff that could be used against them legally.

FUNG: Right, although some medical providers are taking the lead on this. One Massachusetts hospital CEO [Paul Levy at Beth Israel Deaconess Medical Center] has decided to voluntarily release their [hospital-acquired] infection rates, which is an extremely bold stroke of leadership, to kind of throw down the gauntlet to everybody else and say, "Why aren't you making this public as well? First of all, people should be able to know this and make some choices on that basis, and, second, it will get [all hospitals] in the right kind of race to the top."

CW: There is a real question when you get into health care about people's ability or interest in using the information to adjust their choices. Of all areas where transparency policies are being introduced, this is one that had been dominated by a very paternalistic model. In the past, most people had an attitude along the lines of: "I want to go to my doctor and feel like they know best how to take care of me."

FUNG: Well, there are some decisions, obviously, that people face maybe once in their lives—where to get a procedure done, or something like that. They're in a state of mind where it's very difficult to weigh the pros and cons of all these different options, and the main thing they're after is some comfort and security that things are going to be okay. I don't know if any transparency system is ever going to get people to choose sensibly or rationally or in a highly informed way between all of those choices when somebody's in that frame of mind. But for a whole range of other health care decisions, we do know that people do search very hard and expend a huge amount of effort trying to manage the conditions that they have. Already there are groups of people afflicted with a similar chronic disease, diabetes, HIV—or parents with kids who have cancer or something like that—who are forming groups to figure out who the best provider is, what the best facility is, and what the range of promising therapies are, both traditional and experimental. So there are a whole range of health care decisions that do occupy the central channel of information processing and decision making, and then others are hard to get there, and maybe they'll never be there because of the extreme stress that people are under.

One possible downside of the Internet is what Fung calls 'vigilante disclosure.'

CW: Patient groups that share information on treatments and providers is an example of a development that you write about, which has really been enabled by the Internet, in which users of information also become the disclosers of it. The kind of interest group that might like to keep a lid on the information is really kind of cut out of the process. They don't really have a choice or an ability to weigh in or dominate the political process, as you say often happens, in working through what kind of transparency system will be acceptable to all parties. It seems like a very powerful development.

FUNG: It is potentially powerful, and it also has some potential downsides. The most dramatic forms of this are what my colleagues and I—we didn't write about it in this book—call vigilante disclosure. The Internet, as you say, makes this possible, in which people make public what they feel is a pretty big injustice for everybody else to see. A few months ago one of the most popular YouTube videos was a video of rats crawling around in the dining area of a Kentucky Fried Chicken. I think it was in Greenwich Village, in Manhattan. Several public health officials in New York City were fired because of this. So it's becoming much harder for organizations to keep scandals like that quiet. One of the more serious examples of this comes from London, a project that's been developed by a nonprofit—with the collaboration, I think, of the Ministry of Justice—called fixmystreet.com, in which you take a picture of trash that hasn't been collected or potholes, a broken streetlight, an overflowing dumpster. It's like 311 [phone] systems, which many of your readers probably know are municipal-run systems in US cities for reporting non-emergency problems like these.

CW: The Internet is the ultimate form of democracy in terms of information dissemination, but it's also the most dangerous. You point this out by highlighting what is often the lack of transparency on the Internet in terms of where information is coming from.

FUNG: That's a huge danger, and I think we haven't yet developed the social norms to keep that in check, to mitigate against some of the possibilities that can flow from that fact. The systems that we'd like to see more of—that definitely have that potential—are user discussion groups, social networks around different kinds of public goods like hospitals, schools and child care, etc. One danger, of course, is that people will focus on the one bad teacher, or a principal who's otherwise a stellar person makes one mistake and that becomes the huge focus of all this attention. We actually don't know how much of a problem that is compared to the benefits that would be gained from that sort of discussion and accountability.

CW: Massachusetts has taken a lead in trying to provide more transparency on doctor and hospital performance, led by the state Group Insurance Commission, which insures state workers and retirees. And now some of the insurers in Massachusetts are adopting a similar kind of doctor and hospital rating system for subscribers who are outside of the state worker system. But in May the Massachusetts Medical Society filed a lawsuit, alleging the rating system distorts information, is unfair to providers and so forth. They say, for example, that one doctor was getting rated based on patients that he didn't actually care for, but for whom he might have read one test result. In such a case, you can understand why he or the medical society that represents doctors would feel like the system isn't working as it should and that it shouldn't really be operating until it is.

FUNG: I think that's right. It's oftentimes an industry group whose members are facing some sort of transparency regulation who would prefer not to have disclosure requirements at all. But if there are going to be disclosure requirements, most parties want them to be fair and accurate rather than random and capricious. So if you can move past the first question—yes, there is going to be a disclosure process—then the political dynamic can help to generate one that is more fair, and less subject to error.

CW: Can you see where this whole transparency policy movement is heading over the next 10 or 15 years?

FUNG: We distinguished in the book between two different ways of disclosing information and two different generations of transparency policy. One is the kind we've mostly been talking about, government compelling different kinds of organizations to disclose things to the public. There is quite a bit of that kind of regulation going on now, and we're likely to see even more of it in response to these crises. You saw it with Enron. You're seeing it with the subprime mortgage situation. More unclear is whether or not we'll see more activity in what we call third-generation transparency policies. These are the user-provided information systems like Amazon.com reviews or Trip Advisor or many other websites out there. It is pretty clear to us that we'll see much more of this in the private sector. An open question is whether the public sector will catch up and harness that kind of dynamic in order to advance the public good and the social objectives that we have like public health, public safety, clean streets, a good neighborhood, etc.

CW: Is all this potentially having an effect of further diminishing the stature of public figures or the political process itself?

FUNG: Yes. I think that that's a potential risk. In the '80s, government had a really tough time.

CW: You're talking about the Reagan era?

FUNG: Right. The Reagan Revolution.

Public policies should 'make it easier for people to make wise choices.'

CW: Government was the problem.

FUNG: It was the problem and there was no real role for the public official other than to get out of the way. The watchwords were choice and freedom, and [the idea was that] as government gets out of the way, things will be better off because it will be the realm of free choice. And now, I think, we're at a moment in which people do have more choice in all of these areas, and they realize choice is frightening and scary and they're often too busy to choose or they make the wrong choice. There are at least two ways to respond. One conventional way is to say, well, we have too much choice now and people should have less choice and the city councilor or the federal regulator, who knows what the right thing is, should be able to make that choice and then everybody will be better off. We're unlikely to pursue that path. The other path, the one that we urge in *Full Disclosure*, is for there to be more of a partnership between public officials on one hand and citizens and society on the other, in which the role of government is to develop a whole bunch of public policies that make it easier for people to make wise choices that advance their interests. We think citizens and society should recognize that it's just unrealistic and would be quite bad for a variety of reasons if they operated in the realm of completely free choice without those kinds of supports and help from public policy and regulators. The more appealing vision is to say that government does have a pretty strong regulatory role in the traditional sense, but that the new role, which is more challenging, is to create a real kind of freedom in which people can make the kind of choices where they protect themselves and the people that they care about. CW

Seeing the forest and the trees

Urban greenery can bring better health, more attractive neighborhoods, and even safer streets BY CHARLIE LORD

SEEN FROM A satellite high above, 29 percent of the city of Boston is hidden under the leafy canopy of trees during the summer months. That's more shade than exists in many other cities, but it's not enough. As scientists and social planners are discovering, trees are far more than mere ornaments to the urban landscape. The urban forest is a powerful force for social and environmental change. Trees reduce air and water pollution, save energy, increase property values, and improve the social networks that are the backbone of a healthy city.

Boston Mayor Thomas Menino and the Urban Forest Coalition announced last year that they intended to plant 100,000 new trees by 2020, increasing the city's tree canopy to 35 percent. The $15 million project, called Grow Boston Greener, depends largely on private contributions, with only 15 percent of the initiative funded by the city and the Commonwealth. The nonprofit organization that I direct, the Urban Ecology Institute at Boston College, is proud to chair the Urban Forest Coalition, which also includes the city, the state, and a host of nonprofit and community organizations such as Earthworks of Roxbury and the Franklin Park Coalition.

It's a bold attempt to begin managing Boston's urban forest, something that's never been done before. In the era before affordable satellite imaging and computer mapping systems, cities knew almost nothing about the trees in their midst, and maintenance rested chiefly in the hands of underfunded and understaffed municipal departments. No wonder that Boston until recently had 3,500 empty tree pits lining its streets, amounting to more than 10 percent of all tree pits in the city.

But the management of the urban forest is starting to come into the 21st century. Four years ago, a coalition of nonprofit organizations, universities, and city and state officials launched a state-of-the-art analysis of Boston's urban forest. Using handheld computers, more than 300 residents fanned out across Boston to identify and evaluate the location, condition, and species of every street tree in the city.

What these urban foresters discovered was that Boston had 34,487 street trees (those planted along sidewalks and maintained by the city), well below the 40,000 that had been forecast. These street trees, combined with backyard trees (maintained by individual landowners), institutional trees (maintained by colleges, hospitals, and churches), and park trees (maintained by the parks department), make up Boston's urban forest.

Satellite images indicated that Boston's 29 percent tree cover, which compared favorably with other Northeastern cities such as Baltimore (20 percent) and New York (25 percent), was not distributed equally around the city. Many of Boston's poorest neighborhoods suffered from reduced tree canopy, with the lowest tree canopy cover and the highest numbers of people per street tree in East Boston, South Boston, North Dorchester, Roxbury, and Allston/Brighton. West Roxbury and Roslindale enjoy the highest percentage of tree canopy in the city.

One of the goals of the tree-planting effort is to bring all neighborhoods up to 50 percent of potential tree cover—that is, having trees in 50 percent of the plantable spaces in each neighborhood. Plantable spaces are those areas on private or public land that are neither paved nor built on, and that could host a tree tomorrow.

Another key finding of the tree census was that 23 percent of the city's street trees are Norway Maples, which are messy and costly trees no longer recommended for urban areas. The city stopped

ILLUSTRATION BY ALISON SEIFFER

planting Norway Maples some time ago, and the Urban Ecology Institute's urban tree guide and the training that goes with it now steer residents toward tough and hardy trees that have a chance to adapt to a changing climate—including oaks, silver and paper bark maples, London planetrees, and certain specific flowering trees such as the Kousa dogwood and the flowering crabapple. Though these flowering trees have less tolerance for urban areas, they are good for urban wildlife and do well in small spaces.

Trees remove pollutants such as carbon dioxide.

The tree-planting initiative in Boston is not unique. New York and Denver each want to add 1 million trees, and Los Angeles set the same goal three years ago. Seattle is working to plant a new tree for every one of its 640,000 residents. On a per-capita basis, the Boston and New York plans are roughly similar in scope and ambition. Seattle, a city with a population similar to Boston's, has chosen for itself the most aggressive plan.

The reason so many cities are focusing on trees is because their environmental benefits are so well-established. The US Forest Service has found that a single mature urban tree, properly situated, reduces the heating and cooling costs (and attendant energy use and climate emissions) of an urban dwelling by 15 percent to 30 percent by blocking icy winds in the winter and providing shade in the summer.

Urban tree cover also provides a significant service in absorbing storm water and returning it to the local aquifer. According to an analysis by the Urban Forest Coalition, Boston's existing tree cover captures 42 million cubic feet of storm water per year that would otherwise run into the sewer system. It would cost the city and its taxpayers more than $142 million to build a system to manage that extra storm water.

Trees remove air pollution and, especially, particulate pollution that has been linked to respiratory ailments in cities. During photosynthesis (the process of transforming sunlight into energy), trees literally bring air in through their leaves and, in the process, absorb pollutants. Particulate pollutants also adhere to the leaves of most trees. According to the Natural Resources Institute at the University of Massachusetts at Amherst, 100 mature trees remove five tons of carbon dioxide and more than 1,000 pounds of other air pollutants each year.

Eric Seaborn of the Department of Conservation and Recreation with volunteers in Jamaica Plain.

With support from the US Forest Service, the Urban Forest Coalition has created a carbon calculator for Boston and provided scientific confirmation that each urban tree reduces the carbon footprint of an urban area by one ton over its lifetime. Using the calculator, residents and local companies can see their annual climate impacts and can learn how to reduce their carbon emissions.

TREES AS CRIME-FIGHTING MACHINES

Trees provide economic benefits for urban communities as well. A US Forest Service study suggests that a front yard tree can add 1 percent to the sale price of a home, and that large specimen trees can add 10 percent to the value of a home. Studies show that planting and maintaining 100 urban trees will cost $82,000 over the lifetimes of the trees while generating $225,000 in economic benefits, specifically storm water and air pollution control and increased real estate value.

Increasing the size of the urban forest can also transform the social landscape of a city. On a summer Saturday in 2007, I stood up to my waist in the soil of Boston in a vacant lot near Tremont Street. I was working with a neighbor who lived next door to the vacant lot, which had until recently been the site of drug deals among the overgrown weeds. He looked across the lot at young children planting flowers in flower pots and his neighbors planting trees in several other pits and said, "I wish the television cameras were here now. This is what our neighborhood is really about: People helping people."

PHOTO COURTESY OF URBAN ECOLOGY INSTITUTE

A recent study in Baltimore by Morgan Grove of the US Forest Service supports my tree-planting friend. The study found that neighborhoods with higher tree cover had stronger social connections, and residents had a significantly lower desire to move away, presumably because trees increase the attractiveness of the area.

A landmark Harvard University study of a dozen Chicago neighborhoods found only one variable that explained lower crime rates in otherwise virtually identical communities: the extent of social cohesion. The critical factor is "people's willingness to look out for each other and especially for each other's children," according to the study, which pointed to an urban garden as emblematic of the sort of neighborhood collective action that is at the core of increased public safety.

The data suggest that Grow Boston Greener and similar projects in cities across the country are a crucial component in building safe urban neighborhoods. The available evidence also suggests that social and environmental transformations in cities are inextricably linked.

In New York, 50 percent of the city's tree-planting project is being funded by the parks budget, and much of the work is being done by municipal workers. Municipal funding would seem to be a blessing, but there are some reasons why private and nonprofit plantings may be the best approach.

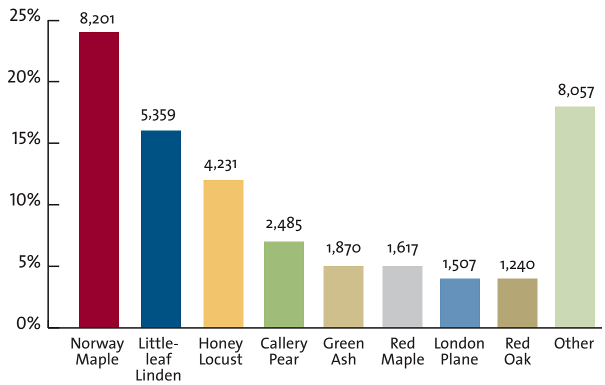
Urban tree projects that rely on neighbors for ongoing maintenance, such as watering and pruning, can arguably have the same effect on neighborhood cohesion as an urban garden. Also, "we feel that community-based planting programs, coordinated with neighborhood volunteers, provide protection against vandalism," says John Walkey, director of the Sustainable Cities Program of the Urban Ecology Institute in Boston, which is heading the Urban Forest Coalition.

Still, problems do crop up. Just one day after a large planting in a Boston park in April, 18 of the 50 new trees planted by the coalition and corporate volunteers were found ripped from the ground. The city and the Grow Boston Greener team were able to replant the trees immediately, and the new ones were thriving as the summer began.

A planting from the summer of 2007 illustrates the challenges of asking residents to become tree stewards. The coalition worked with two neighbors to plant trees along the sidewalk in their front yards. One resident has become a passionate tree lover, and waters her tree each week. Right next door, her neighbor received the training, planted his tree, and has not tended to it since. In adjacent lots, the living tree and its dying neighbor illustrate the challenges of asking community residents to take on the transformation of the urban forest.

Boston's Urban Forest Coalition has developed several program models for working with urban residents to plant and maintain the trees that will get the city to its goal,

BOSTON'S STREET TREE BREAKDOWN



including training and supporting neighborhood tree captains, working with large community organizations such as churches and community development corporations, and even setting up neighborhood workshops where each participant goes home with a tree.

In the Grove Hall section of Boston, where a Grow Boston Greener pilot project was launched last summer, youth leaders were hired as neighborhood tree captains to organize residents, identify planting opportunities, train residents in tree planting and maintenance, and plant the first of the city's 100,000 new trees. Some of the youth worked weekends into the fall after their summer stipends had disappeared.

Despite the costs and the challenges with maintenance and vandalism, the Urban Forest Coalition and the city made real progress during the first year of Grow Boston Greener. By the one year anniversary of the project, the partners had planted over 3,000 new trees in the city — 1,000 of them in April alone.

The implications of the project may run deeper than the number of trees planted over the next 12 years. To the extent that Grow Boston Greener is successful at connecting environmental and social transformation, it stands as evidence of the fabled "third wave" of environmentalism in this country that connects labor, community development, environmental justice, and sustainability projects. As a "third wave" project, Grow Boston Greener is working toward a globally sustainable economy, while at the same time addressing the related crises of our urban neighborhoods, such as unemployment, youth violence, and poor health. CW

Charlie Lord is the executive director of the Urban Ecology Institute, a nonprofit organization based at Boston College.

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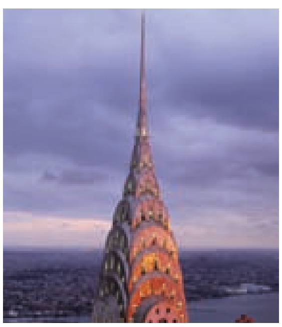

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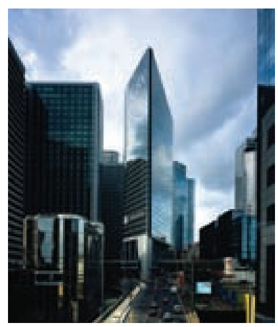

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Underfunded and overextended

New transit projects are only making it tougher for the MBTA to maintain basic service BY TERRY REGAN

MOVING PEOPLE OUT of cars and into mass transit makes sense economically and environmentally, but not if the MBTA doesn't have enough money to properly operate and maintain its existing system. Right now it doesn't.

In order to balance its upcoming 2009 budget, the MBTA has been forced to resort to a short-term fix of refinancing its outstanding debt and depleting its "rainy day" fund. These two actions were able to free up $75 million that allowed the transit agency to balance its operating budget. But both actions have long-term negative consequences. An agency can only refinance its debt so often before the refinancing simply pushes debt costs out into the future. And without any reserves in its rainy day fund, the MBTA is less able to respond to unforeseen future events. To quote its own budget document, "the fiscal year 2009 budget reflects a severe and continuing deterioration in the Authority's financial stability."

The MBTA will face much tougher choices in balancing future budgets. The two main options available to the agency in order to balance future budgets are to raise fares even higher than planned or to cut back on the service it provides. Neither measure is particularly palatable to the political establishment or transit riders.

A major reason for the deterioration in the MBTA's fiscal health is that the agency loses money on every customer it carries. It nevertheless keeps expanding its reach and adding more and more customers. It's like a business that is selling its widgets at a loss, but responds by selling more widgets.

Those who advocate for expansion projects believe they are helping enhance mass transit in Massachusetts. Their focus always seems to be on finding the capital to finance these projects. But without addressing how to pay for the costs associated with operating these new transit extensions, we are only contributing to a long-term fiscal crisis. Stated simply, we shouldn't just ask whether we can afford to build a mass transit expansion. We should also be asking whether we can afford to run it. The burden of operating recent expansions of the system is progressively bleeding the MBTA of its ability to properly operate and maintain its existing system.

The MBTA's finances are precarious. This year the agency will need $755 million from the state and $143 million from local governments to cover its costs. Given the tough fiscal situation in the Commonwealth, it's unlikely state and local governments will be able to increase their support significantly for mass transit anytime soon.

The outlook at the fare box is not much better. The MBTA expects to collect about $430 million in fares this year. Over the past decade, it has raised its fares by almost 100 percent, yet, according to the National Transit Database, the agency collects in fares less than 50 percent of what it costs to operate its service.

The MBTA loses money operating every part of its system. In 2006, it lost about $3.15, on average, for each commuter rail passenger trip it provided. It lost an average of 90 cents on each subway trip. If you are losing money on every trip you provide, is it a wise investment to expand into new markets?

MORE RIDERS MEANS MORE DEBT

Expansions often exacerbate the problem because the amount lost per trip with new transit projects is usually greater than it is for existing transit operations. New service tends to operate in areas that have not supported mass transit in the past (the South Shore, for example) or to provide a duplicative service (most riders on the planned Green Line extension are current riders of the bus system).

The cost of providing new service can be substantial. The T spent $500 million building the Greenbush commuter rail line, which opened last year. After subtracting the fare revenue from the cost to operate the line, it becomes apparent that the MBTA is losing $1.25 million a month, or $15 million a year, running the line. This is money that can't be used for other projects within the transit system, such as an upgrade to bus operations or needed maintenance of the existing rail infrastructure.

The Massachusetts Transportation Finance Commission recently reported that the MBTA is currently underfunding maintenance on its current system by at least $100 million a year. This underfunding results in more breakdowns, delays, and vehicles taken out of service, and this means worse service for the 1.2 million rides taken each workday on the T.

Yet several expansion projects are in the works, including the extension of commuter rail to Fall River and New Bedford, the Green Line extension through Somerville to Medford, the Urban Ring transportation system, and a third-phase Silver Line project connecting the two existing portions of this bus rapid transit line. Together, these four proposals carry a capital cost of over $5.5 billion.

As part of its focus on restructuring transportation planning in the Commonwealth, the Romney administration shifted the responsibility for planning transit expansions from the MBTA to the Executive Office of Transportation. A key component of this shift was the Commonwealth assuming the responsibility for paying the capital cost of new transit projects, but it still left the MBTA on the hook for the costs of running them. It's estimated the four projects under consideration would add almost $100 million in annual operating costs. While it may be desirable to expand the existing transit system, new service should not come at the expense of current riders.

It should be incumbent upon those political leaders who propose expansion projects to identify a new source of funds to help fund the cost to operate them. Any new funds must be above and beyond the already generous state contributions that come from sales tax revenue.

In addition, before any expansion occurs we need to look at what is the best way to spend our next available transit dollar. Before the Commonwealth borrows $1.6 billion to build the Fall River/New Bedford commuter rail line, it is crucial that we have a public discussion about what is the best use of the estimated $14 million a year in subsidies the MBTA will need to spend every year to operate this extension. We should think of these dollars as the focus of a competition between the new (an expansion of the existing system) and the old (improving and repairing what we have).

Before we expand service 50 miles from Boston, we should be sure that we can continue to serve, and serve well, those current riders who live in the metropolitan core. At the end of the day, we need to recognize that, without new funds, expansions threaten the long-term viability of the excellent transit system we have built over the past century. CW

Terry Regan is a project manager at Planner Collaborative in Boston and recently supervised research for the Massachusetts Transportation Finance Commission.

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Build to suit

Massachusetts needs to focus its economic development policies on our Gateway Cities

BY BEN FORMAN AND JOHN SCHNEIDER

EARLY LAST YEAR, MassINC released *Reconnecting Massachusetts Gateway Cities*, a report on how the state's historic mill communities have been struggling to make the shift to the New Economy. It acknowledged the challenges holding these communities back—challenges that we all recognize—but more importantly, it revealed enormous opportunities, some of them hiding in plain view, to address the state's most pressing problems.

"Gateway," the name we gave to the 11 industrial cities highlighted in the report, acknowledges the contributions these communities make to the Commonwealth. (The cities are: Brockton, Fall River, Fitchburg, Haverhill, Holyoke, Lawrence, Lowell, New Bedford, Pittsfield, Springfield, and Worcester.) They are Gateways to their regions, to the immigrants who are a vital segment of the state's workforce, and to the Massachusetts economy in general, which still relies heavily on their significant output.

Without a doubt, Gateway Cities could contribute even more to the Commonwealth than they do today. In a state where housing pressures, an aging workforce, and reliance on oil represent significant barriers to growth, Gateway Cities offer solutions to many of these problems. By helping Gateway Cities turn the corner, we can expand opportunities for authentic, attractive, and affordable urban living; bring large numbers of young and underemployed workers into the workforce; and make better use of compact walkable neighborhoods with established transit connections.

Public policy should be promoting Gateway City growth, but unfortunately just the opposite is happening. Over the last decade, the state has overlooked the 11 Gateway Cities in critical areas like economic development and housing.

Year after year, Massachusetts invests more than half a billion dollars in a variety of incentives to attract and retain businesses, but less than 5 percent of those dollars go to programs that draw companies to economically distressed areas like the Gateway Cities.

Three large bond bills approved or nearing approval this legislative session committed more than $3.5 billion for housing, the life sciences, and the environment, major investments that will shape the Commonwealth's growth for years to come. Yet not a single significant initiative aimed at Gateway City revitalization was included in the bills.

The lack of state support prompted the chief executive officers of each of the 11 cities, leaders who usually compete against each other for economic development, to enter into a historic compact in May pledging to work together on Beacon Hill for policies that can help the most distressed areas of the state. State legislators from those areas quickly formed a Gateway Cities caucus. The Patrick administration is also starting to take a leadership role on the issue, promoting economic growth districts in many of the Gateway Cities. But the hard work is yet to be done.

The Commonwealth's existing economic development tools aren't providing much help to the Gateway Cities. For example, the state sets aside a minuscule $28 million annually for tax credits intended to draw businesses to distressed "Economic Opportunity Areas," but only a fraction of those credits end up in the Gateway Cities. Instead, Economic Opportunity Areas have spread all over the map and now include communities that can hardly be described as being in distress.

At last count, 138 cities and towns have acquired EOA status, including affluent communities such as Andover, Bedford, and Lexington. These municipalities are causing an already-low-

ILLUSTRATION BY ALISON SEIFFER

dose economic development pill to be diluted to the point where it is no longer effective. Companies can now get the same tax advantages in Bedford as they can in New Bedford, which means they are unlikely to take a chance on a redeveloping area.

To make matters worse for Gateway Cities, the EOA credit is not well-suited to the goals of economic developers working in older urban areas. The tax incentive is most attractive to manufacturers who are making sizeable investments in machinery and require large parcels of land, plots that are hard to come by in crowded cities. And service-sector firms, which Gateway Cities really need to grow and diversify their economies, don't make the large investments in factories that would qualify them for significant EOA tax savings.

In order to award an EOA credit, cities must also commit to abating local property taxes, generally by completing a Tax Increment Financing (TIF) agreement, which forgives tax proceeds from the value created by new development for up to 20 years. This requirement puts additional pressure on the tax base of Gateway Cities, especially when the sprawling nature of EOA designation means they are competing against towns with more empty land and much greater bargaining power.

As the data suggest, cities with the least fiscal capacity fare poorly in the bidding. The 11 Gateway Cities account for 35 percent of all TIF projects, yet they attract less than 15 percent of the private investment generated by TIFs. Projects receiving tax breaks in the more affluent communities, those with median incomes above 120 percent of the statewide median, have averaged $36 million in total property value. For less wealthy communities, those with income below 80 percent of the statewide median, the average abatement has generated development valued at only $6 million.

Even more troubling, some suburban communities are using TIFs to attract big-box stores like Target, Kohl's, and Lowe's, drawing retail activity away from urban areas and placing greater pressure on Gateway Cities to grant similar tax abatements to local businesses. Tax abatements were never intended to benefit retailers, which tend to compete for fixed shares of regional wealth rather than contributing to it.

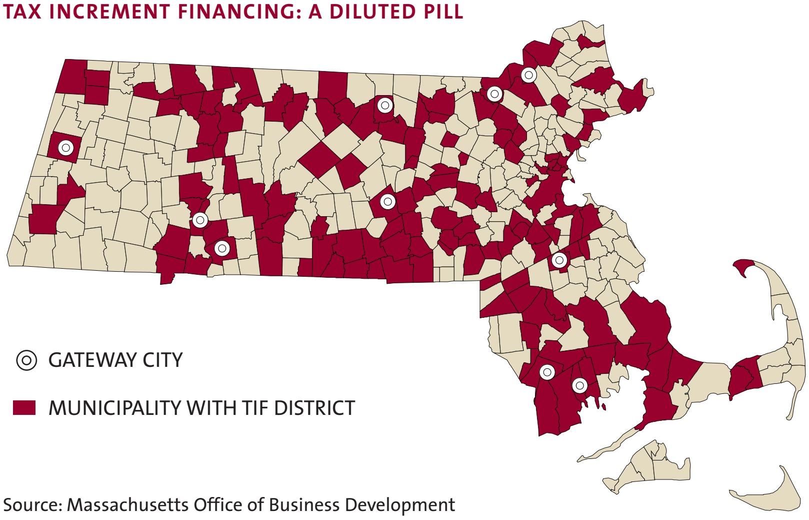
In the last few years, the Legislature has created new tools that use state and local taxes to finance infrastructure for new private investment. Over time these new instruments, which go by the names DIF, I-Cubed, and (if it is approved by the Legislature) Chapter 40T, will have a significant influence on the Commonwealth's economic geography and Gateway City redevelopment efforts in particular. But if these tools are used with the same indiscretion as TIFs, new projects could bleed additional commercial and retail activity away from urban areas, causing considerable harm for years to come.

Gateway Cities also urgently need comprehensive neighborhood revitalization programs that will help them rebuild healthy mixed-income communities. Yet the state's considerable housing investments are targeted primarily at the market's failure to produce a sufficient supply of affordable units in Greater Boston.

Developers can build residential projects that reduce blight and abandonment in Gateway Cities using state-funded programs, but they then need to sell their projects to low-income buyers with required deed restrictions that prevent these families from reselling their homes at market-rate prices. In Greater Boston, low-income families accept this trade-off in exchange for quality homes at prices well below the prohibitive market rates. Gateway Cities, however, already have a large supply of low-cost homes. Developers in the 11 communities can't invest in housing and earn a reasonable profit while competing against unsubsidized properties that don't carry these deed restrictions.

Of course, some developers are able to assemble projects that use state and federal housing funds profitably in Gateway Cities, usually by building rental projects. But in communities with cool real estate markets, new subsidized apartments add to an already large supply of low-rent

TAX INCREMENT FINANCING: A DILUTED PILL



Source: Massachusetts Office of Business Development stock, competing against privately held units for tenants.

Leaders in the housing community clearly recognize and sympathize with Gateway City challenges (see "Deeds That Keep Houses Affordable May Keep Neighborhoods Poor," *CW*, Spring '07). This year's $1.1 billion housing bond bill also seems to partially acknowledge these concerns, with language committing $10 million to projects with slightly less cumbersome deed restrictions in "weak market" neighborhoods. Yet this response is hardly adequate, given Gateway City challenges.

BUILDING A NEW AGENDA

When it comes to the search for the right tools to revitalize their communities, Gateway City leaders can feel like lonely desert travelers thirsting for rain. The state can't provide an oasis in the desert, but it can certainly help seed the clouds.

It begins with a plan. Right now Massachusetts has no explicit road map for long-term growth. Industry drives much of the debate by demanding more benefits, and this has led to major spending on business incentives with little scrutiny on whether the money is being spent effectively. The Commonwealth needs a long-term growth strategy that balances the interests of various industry and community stakeholders. Such a plan could set performance measures for incentive programs and require data collection to ensure that these initiatives hit their targets.

A growth strategy would also help the state remain true to its public priorities. Legislators find it inherently difficult to prioritize communities for economic growth, and this has been a problem not just in Massachusetts but also in California and New York. Both of those states tried to create enterprise zones in order to provide businesses with strong incentives to locate in distressed urban areas, but in both instances relatively well-off communities used politics and loopholes to exploit the geographically targeted incentives.

In terms of more specific suggestions, MassINC offers the following:

Offer meaningful incentives. Identify older urban areas where business incentives can create new clusters of economic activity. Set specific benchmarks that must be met to retain eligibility for these benefits, as well as benchmarks that sunset benefits as healthy private markets return. The incentives provided to companies that locate in these targeted areas must offer significantly more value than the incentives businesses could receive from other locations within the state. These subsidies should also more than compensate for the added upfront costs companies assume when they locate in older urban areas, such as the risks associated with undertaking environmental remediation, remodeling an older building, or moving to a redeveloping area without proven potential. Beyond simply offering tax credits to companies that invest in machinery, an upgraded credit that allows for deductions against job training, lease payments, and payroll for new hires will help economic developers site a diverse array of businesses.

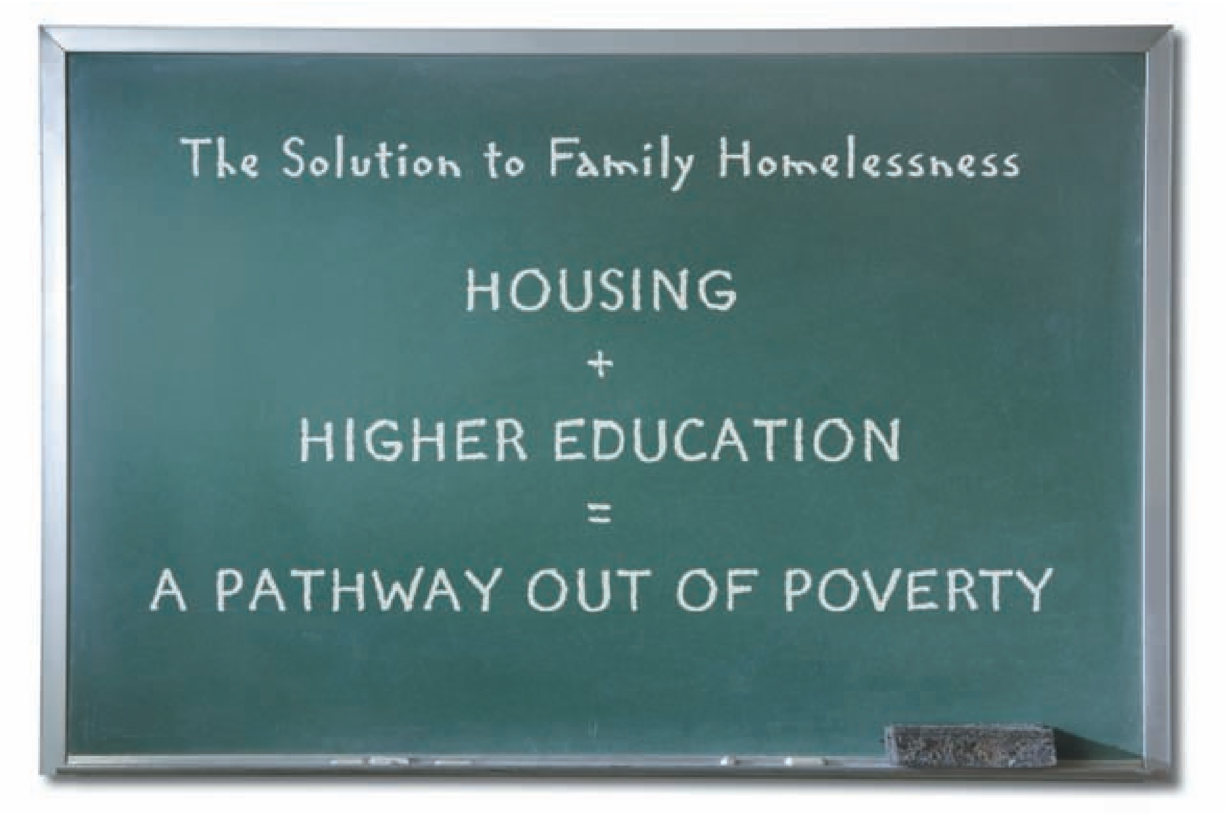
Provide stricter scrutiny. State officials responsible for overseeing public investment must have adequate staff to review business incentive agreements and must have the authority to deny bad deals. These officials should also regularly examine contracts and take action when companies are clearly underperforming on hiring, job creation, or other obligations. Tax abatements for predominately retail shopping centers should be restricted exclusively to urban areas.

Build quality of place. The state's historic rehabilitation tax credit can help make downtowns attractive again for businesses and visitors. The tax credit program is currently capped at $50 million, and many projects wait a long time to receive the funding they need. (See "Preserving Power," Page 36.) The credit, equal to up to 20 percent of qualified expenditures, should be expanded to help individuals restore their owner-occupied historic homes and immediately fund any commercial project ready to go in a distressed area.

Fund comprehensive neighborhood redevelopment. The state should run a competitive grant program that would fund major revitalization efforts in Gateway City areas that can demonstrate how these public resources would successfully restore neighborhoods. These funds should come with technical assistance to help cities manage the complex task of acquiring and assembling vacant parcels, abandoned buildings, and other problem properties.

Encourage higher-density residential development. The state has responded to sprawling housing patterns by purchasing development rights that permanently protect large swaths of undeveloped land. However, these resources need to be matched with investments that make higher-density development in urban areas more appealing. Without complementary action, investments in conservation will unwittingly drive up the cost of housing. The Seattle metropolitan area has found a way to do this by transferring development rights from suburban and rural property owners to urban areas more suitable for development. CW

Ben Forman is a researcher and John Schneider is executive vice president at MassINC, the publisher of CommonWealth. *A full brief on state policy and Gateway Cities is available at MassINC.org.*



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Redefining a 'better' life

In a world of limits, young people need to think differently about what constitutes success BY ALISON LOBRON

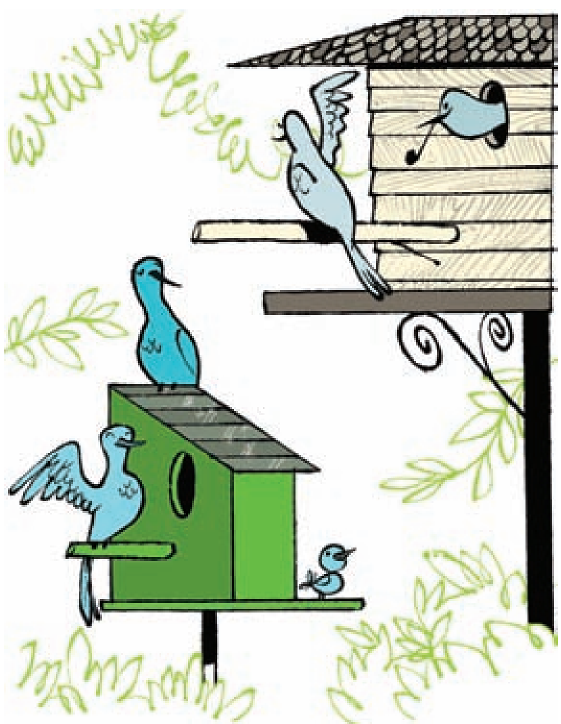
"IT'S CRAZY THAT none of us can afford to live in the town where we were kids," said a high school classmate at a recent mini-reunion. We'd grown up in Concord and Carlisle in the '80s and '90s (when, we all agreed, "normal" people could still buy homes there), and many of our parents had attained the American Dream, as it's often defined: earning more degrees, owning bigger houses, and generally leading more comfortable lives than their own parents had.

My family's story was fairly typical. My mother's parents fled Eastern Europe between the wars with nothing but a long-handled brass kettle. My mother grew up sleeping on the living-room sofa in a one-bedroom apartment, and then went on to earn a master's degree, a job with a company car, and a suburban house with a swimming pool. My older brother and I, on the other hand—well, let's just say we've got master's degrees. (It's possible that I have a kettle somewhere, too.)

My brother and I live in smaller spaces than our parents did at our age and pay a bigger percentage of our income toward housing. Census data show we're not alone. In 2006, 49 percent of the renters in Massachusetts—a group that includes a lot of young people—paid more than 30 percent of their income toward housing. Given the rapid rise in the cost of homes, energy, and education, the dream of "doing better" than our Baby Boomer parents may no longer be realistic for middle-class young people in this state. But rather than feel as if we're scrambling to keep up with the place where we started out—not a good recipe for happiness or optimism—it's time to redefine what it means to do better.

Don't worry: This won't be a lecture about how heated garages aren't necessary, 980 square feet is a perfectly livable amount of space, and success must come from within. Those are all true, of course. But the drive and insecurities that make us want to surpass our parents aren't likely to go away. Although we gripe about Baby Boomers sucking dry the nation's resources—goodbye, Social Security—our generation nonetheless seems to take a positive view of the future. We may be optimistic because we can't wrap our heads around the reality that we will someday need those vanishing retirement benefits. But perhaps we anticipate success in our futures because at least some in our generation are beginning to think about success *differently*. Here are two new gauges I've noticed: flexibility and sustainability.

Many of my friends place a high premium on job flexibility—and not just the ones who are raising kids. While my brother, a computer programmer with a 2-year-old and an infant, values his



ability to work from home occasionally, a friend without a family sublets his apartment for the month of January and goes to a warm-weather place with his laptop. Another pal with relatives in Asia goes back and forth several times a year, sometimes without her employer knowing which continent she's on. And I'm writing this column while sitting in a park.

ILLUSTRATION BY BILL BROWN

Flexibility has its trade-offs. When you can work from anywhere, it's easy to always be working. But the ability to control how and where we work may, increasingly, be a sign of having "made it."

Another sign of having made it—one that conveniently fits our reduced buying power—is living a more sustainable lifestyle than the Baby Boomers did. In some social circles, green living has become an important status symbol, much in the way the three-car garage once was. One canvas grocery bag is hipper than 8 million plastic ones. Growing your own tomatoes is cooler than buying a crate load of them from Costco. The new owners of hybrid vehicles call friends to crow over their mileage miracles much as they call pals in New York to gloat whenever the Red Sox beat the Yankees.

Yes, some products are labeled "green" as a marketing ploy, and yes, many seem to cost twice as much simply because the g-word is stamped on them somewhere. But beyond the greenwashed marketing, some of us really are redefining what it means to live well: living in a way that will give our own kids cleaner water and air than we had, and will free up money for things other than gas, car insurance, and heating bills.

Perhaps we will reach the point where, instead of smugly comparing the size of our homes to our parents', we'll smugly compare fuel efficiencies. Instead of telling our children stories about walking uphill both ways to school in our bare feet, we can tell them about the bad old days when grandma and grandpa didn't know any better than to leave the air-conditioning on even when nobody was home—and just how horrific the traffic on I-93 was once upon a time.

In some circles, green living has become a status symbol.

Given the limited size of our state, and the state of the planet, we can't keep defining success in terms of More, Bigger, Shinier, and Newer. We need to look toward categories like flexibility and sustainability. At high school reunions everywhere, we should encourage each other to think in these terms. CW

Alison Lobron is a writer in Cambridge. She can be reached directly at alobron@hotmail.com.

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