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2021 MENINO SURVEY OF MAYORS

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INTRODUCTION

COVID-19 has posed unprecedented and long-lasting economic, political, and social challenges to American cities. It has crippled small businesses, heightened an already escalating housing crisis, laid bare massive racial inequality, and created pressing intergovernmental coordination challenges. In response to these mounting national challenges, mayors have spent the last year promulgating innovative social and economic policies. Their efforts have been potentially bolstered in recent months by a massive infusion of federal government financial support through the American Rescue Plan, a new infrastructure package, and other efforts including an increased federal government focus on racial equity.¹

Much of this aid is explicitly focused on supporting cities. The American Rescue Plan set aside \$350 billion in state and local fiscal recovery funds. These funds support COVID-19 response efforts, replace lost revenue, and support economic stabilization and broader efforts to address systemic inequalities.² To date, the federal government has allocated \$45.6 billion to metropolitan cities.³ Massive infusions of aid have also focused on pressing urban policy areas like small business recovery and housing.⁴ What's more, local governments have been responsible for administering this aid.

Similarly, in the wake of the racially disparate health and economic consequences of the COVID-19 pandemic, President Biden has emphasized racial equity as central to his administration's programs. His Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government⁵ requires each federal department to center race, and ameliorate racial inequalities, as part of their policy implementation.

America's mayors are thus faced with a series of pressing problems (and accompanying burnout⁶) — many of which they have had to tackle without intergovernmental support and coordination. They are supported, in part, however, by the most generous federal aid local governments have seen in over a generation. This report explores the challenges mayors are facing in light of the ongoing pandemic — and the extent to which massive support from the federal government has helped to fill the gap. In addition to broadly exploring mayors' interactions with federal government programs, we dig deeper into mayors' views on two salient areas shaped by these federal policies and the COVID-19 pandemic: housing and small business.

1 The White House. "The Build Back Better Agenda." Accessed October 7, 2021: <https://www.whitehouse.gov/build-back-better/>

2 U.S. Department of the Treasury. "Coronavirus State and Local Fiscal Recovery Funds." Accessed October 7, 2021: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

3 U.S. Department of the Treasury. "Coronavirus State and Local Fiscal Recovery Funds." Accessed October 7, 2021: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

4 The White House. "FACT SHEET: Biden-Harris Administration Increases Lending to Small Businesses in Need, Announces Changes to PPP to Further Promote Equitable Access to Relief." Briefing Room: Statements and Releases (February 22, 2021): <https://www.whitehouse.gov/briefing-room/statements-releases/2021/02/22/fact-sheet-biden-harris-administration-increases-lending-to-small-businesses-in-need-announces-changes-to-ppp-to-further-promote-equitable-access-to-relief/>. <https://www.whitehouse.gov/briefing-room/statements-releases/2021/08/25/fact-sheet-biden-administration-takes-additional-steps-to-prevent-evictions-as-the-delivery-of-emergency-rental-assistance-continues-to-increase/>

5 The White House. "Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government." Briefing Room: Presidential Actions (January 20, 2021): <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/>.

6 Barry, Ellen. "Drained by a Year of Covid, Many Mayors Head for the Exit." *The New York Times* (April 11, 2021): <https://www.nytimes.com/2021/04/11/us/covid-burnout-mayors.html>

METHODOLOGY

The 2021 Menino Survey of Mayors uses a combination of open- and closed-ended questions to explore salient local issues including COVID-19 recovery, equity and small business, closing the racial wealth gap, and housing and homelessness. Within these areas it assesses, among other things, mayors' beliefs and priorities. This year, the data comprises responses from 126 mayors. [For related and forthcoming reports from the 2021 Menino Survey findings, please visit surveyofmayors.com.]

The Menino Survey relies on a systematic sample in which all US mayors who lead cities with at least 75,000 residents are invited to participate. Each received an email invitation from the Boston University Menino Survey of Mayors team at their official email account, and follow-up phone calls. The vast majority of interviews were conducted over the phone. Mayors' responses and participation remain anonymous, in order to ensure they are able to speak freely about a wide range of issues. In 2021, this sampling and recruitment effort yielded a sample that was representative of the full set of US cities with at least 75,000 residents. As Table 1 shows, the sample of participating cities closely mirrors the broader population on traits including size, racial demographics, housing prices, and geographic distribution.

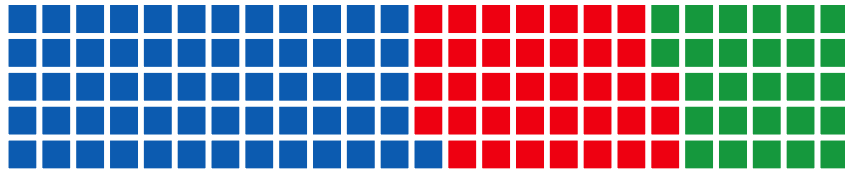
Table 1. Demographic Comparison of Sample Cities to All US Cities with Populations >75,000

	Surveyed Cities	All Cities
Number of Cities	126	494
Average Population	222,446	223,766
Average Percent White	53%	48%
Average Percent Black	17%	15%
Average Percent Hispanic	19%	26%
Average Percent Asian	7%	8%
Average Median Housing Price	\$294,587	\$314,417
Region	% of Sample	% of Cities
Midwest	21%	16%
Northeast	12%	9%
South	34%	35%
West	33%	40%

Source: 2019 American Community Survey (ACS), published by the US Census Bureau.

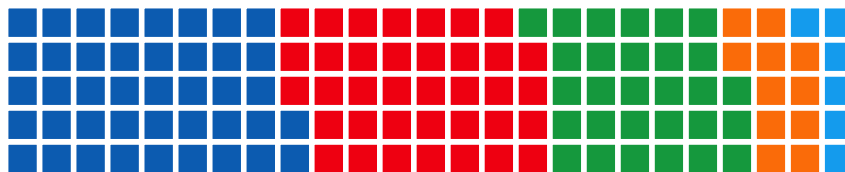
Figure 1. Demographics of Surveyed Mayors

Professional Background



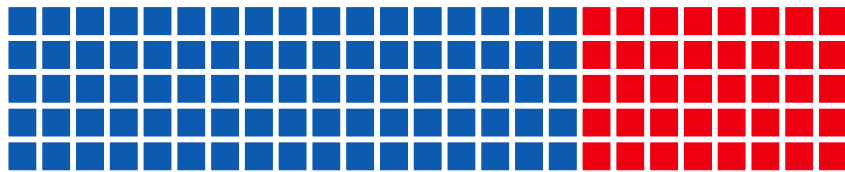
Other 48% ■
 Law 30% ■
 Business 22% ■

Highest Degree



JD 33% ■
 Other 29% ■
 BA 23% ■
 MBA 10% ■
 PhD 5% ■

Gender



Male 67% ■
 Female 33% ■

Party



Democrat 66% ■
 Republican 18% ■
 Other 16% ■

Race



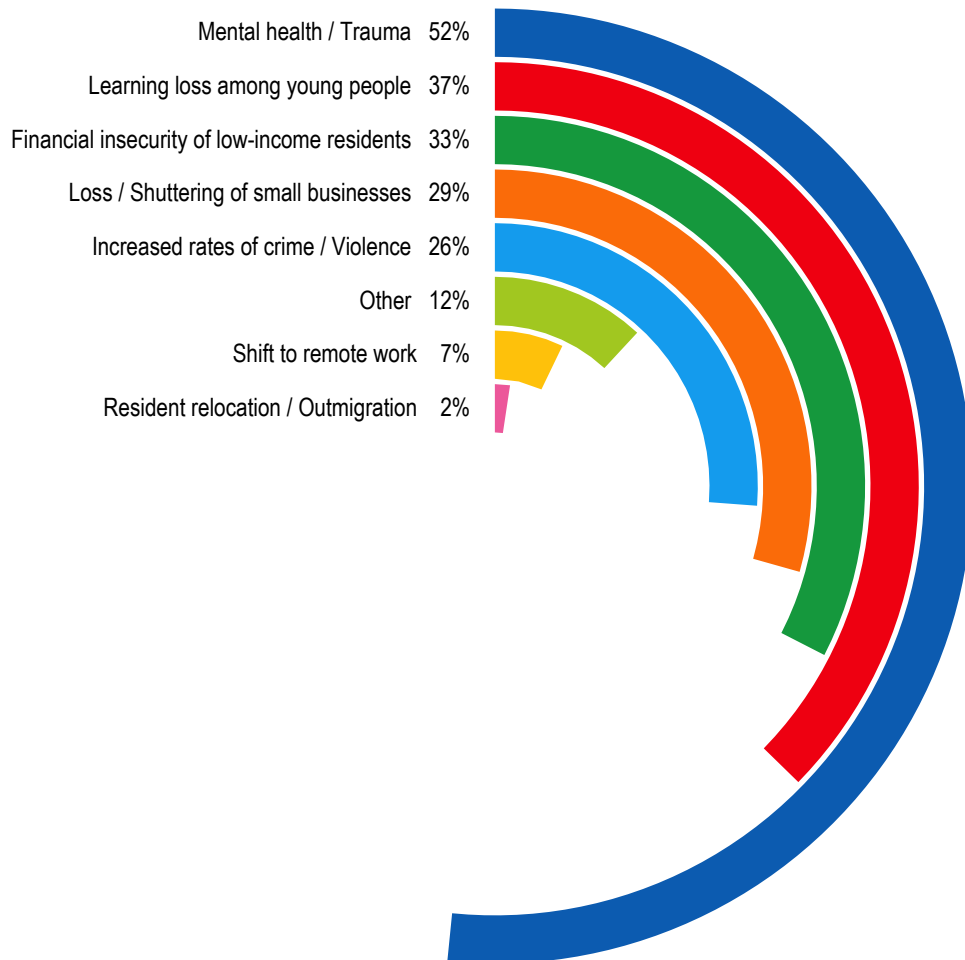
White 79% ■
 Black 12% ■
 Latino 6% ■
 Other 2% ■
 Asian 1% ■

COVID-19 AND THE AMERICAN RESCUE PLAN

Mayors are deeply concerned about a variety of devastating long-term economic and social consequences of the COVID-19 pandemic. Over half of mayors (52 percent) are worried about lingering mental health challenges and trauma.⁷ Over one-quarter of mayors highlight learning loss among young people (37 percent), financial insecurity of low-income residents (33 percent), loss and shuttering of small businesses (29 percent), and increased rates of crime/violence (26 percent.) Strikingly, despite extensive media coverage of outmigration and the supposed “death of cities,”⁸ only seven percent of mayors cite a shift to remote work as a significant worry — and a mere two percent are concerned about outmigration.⁹

Figure 2. Long-Term Implications of the Pandemic

What long-term implications of the pandemic are you most worried about, if any?¹⁰



7 Note: The Federal Government is directing American Rescue Plan money to the states to address mental health and addiction consequences: <https://www.hhs.gov/about/news/2021/05/18/hhs-announces-3-billion-in-american-rescue-plan-funding-for-samhsa-block-grants.html>

8 E.g., Heather Kelly and Richard Lerman, “The pandemic is making people reconsider city living, trading traffic for chickens,” *The Washington Post* (June 1, 2020): <https://www.washingtonpost.com/technology/2020/06/01/city-relocate-pandemic/>

9 This generally aligns with the finding in the 2020 Menino Survey (conducted only months after the pandemic began) that few mayors agreed that “many residents who can move out of cities will,” https://www.surveyofmayors.com/files/2020/12/Final_2020-Menino-Survey_COVID-Report.pdf (pp 21), as well as with contemporaneous research challenging the narrative of widespread Covid induced outmigration – e.g., William Frey, “Even before coronavirus, census shows U.S. cities’ growth was stagnating,” *The Brookings Institution* (April 20, 2020): <https://www.brookings.edu/research/even-before-coronavirus-census-shows-u-s-cities-growth-was-stagnating/>

10 Note that mayors could select up to two issues and the responses sum to well over 100.

Indeed, in response to an open-ended question asking how their cities had changed during the pandemic, a striking 40 percent highlight changes in mental health and world views. Some note that the pandemic has adversely affected their residents' psyches: *"Our community and businesses are still very fearful, cautious, emotionally drained, and on edge,"* or explicitly emphasize a rise in mental health challenges. In the context of an open-ended question, mayors were able to be more expansive in outlining changes in views: as one mayor said, indicative of some others, these changes include increased polarization and dealing with *"anti-maskers and anti-vaxxers,"* which *"has created factions that weren't there before."* Intriguingly, some mayors underscore positive changes in their community. One mayor observed, *"we are closer in many ways, a crisis does that depending on how it is handled,"* and others indicated that their cities are emerging *"emotionally hopeful."*

We encourage caution in interpreting these results due to the timing of the survey, especially some of the more positive responses: many interviews were conducted in summer 2021, prior to the Delta wave in most American cities. Mayors might be considerably less optimistic in worsening pandemic conditions, and, indeed, some mayors rejected the premise of a question predicated on *"emerging"* from the pandemic. Overall, when we coded these responses, 27 percent of mayors highlight positive changes, 27 percent pinpoint negative changes, and 28 percent underscore both positive and negative shifts.

Mayors' open-ended responses also confirm the powerful impact of COVID-19 on their cities' economies. Twenty percent discuss economic changes and 10 percent highlight shifts in the workforce and labor markets when asked about pandemic-related changes to their cities. Some are pessimistic about lost businesses, while others see their communities as entering a strong recovery period. Other frequently cited areas of change include city operations (20 percent) — featuring streamlining, *"being able to pivot and try new things,"* and moving some functions online — and appreciation of broader structural inequalities (11 percent.)

AMERICAN RESCUE PLAN

In response to the stark economic, social, and political effects of the ongoing pandemic, the Biden Administration's American Rescue Plan included substantial aid to local governments of all sizes. Overall, \$65 billion in ARPA funding was provided to cities, including smaller communities, with allocations varying based on population. Bigger cities also were awarded more funds based on factors like poverty rate. For example, Birmingham AL (approximately 210,000 people) was scheduled to receive \$141 million dollars while Boulder, CO (approximately 110,000 people) would get \$20 million.¹¹ These funds are extraordinary in both scale and the relative flexibility cities have in allocating them.

A striking 78 percent of mayors believe that these resources will allow them to accomplish transformative aims; another 18 percent anticipate using these federal resources to fill gaps in normal expenditures. Only one percent of mayors saw little fiscal benefit to the stimulus. These views in 2021 contrast with mayors' concerns on last year's Menino Survey (2020) when substantial numbers of them worried about dramatic budget cuts across an array of areas led by education, parks, and transportation.¹²

Indeed, mayors saw ample opportunities to remake their cities using federal rescue funding. One southern mayor described the stimulus spending as a *"windfall,"* while a midwestern mayor described *"substantial"* investments into affordable housing that are *"really exciting for us, that [are] really transformative."* A southern mayor noted, *"the rescue plan money has allowed us to take on projects that were before not funded."* A western mayor said, *"we are going to get some big one-time dollars."*

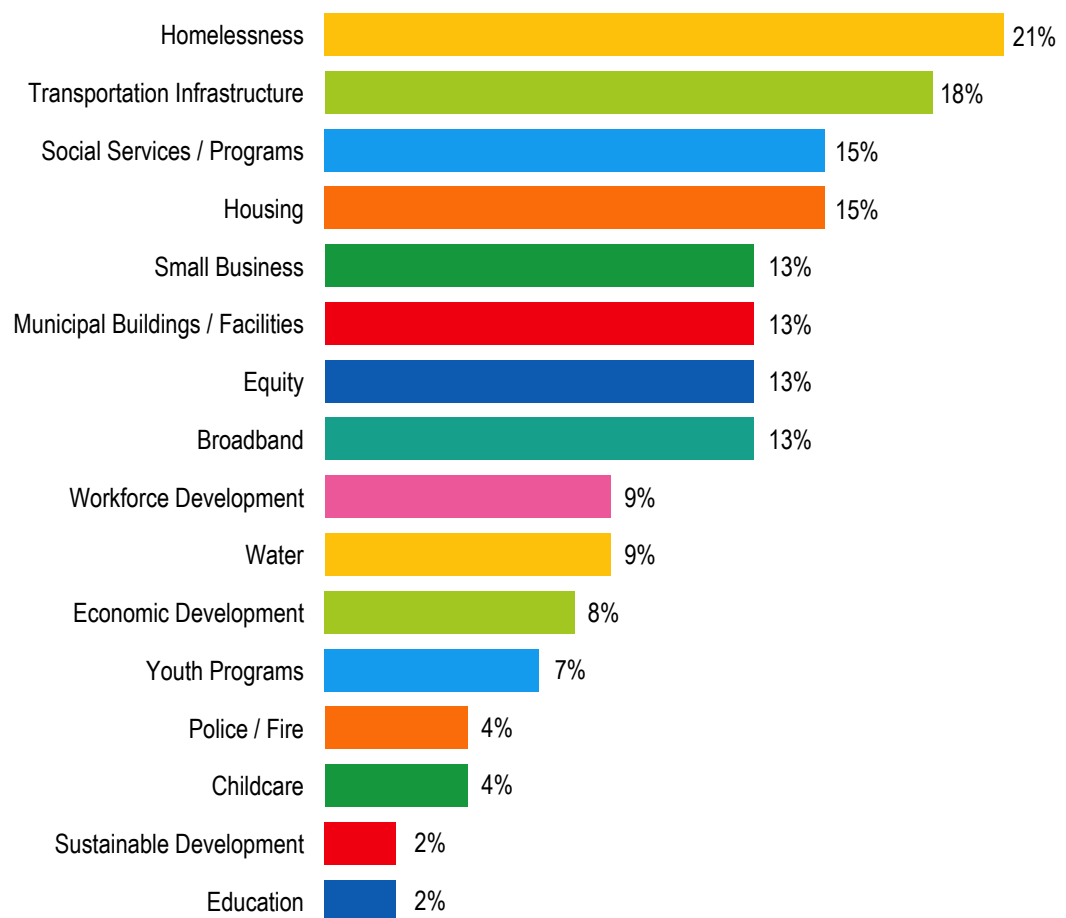
11 U.S. Department of the Treasury. "Fiscal Recovery Funds: Allocation for Metropolitan Cities." Accessed October 7, 2021: <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf>.

12 Glick, D. et al. "2020 Menino Survey of Mayors: COVID-19 Recovery and the Future of Cities," Boston University Initiative on Cities (December 3, 2020): https://www.surveyofmayors.com/files/2020/12/Final_2020-Menino-Survey_COVID-Report.pdf

Their plans for this investment were, in their eyes, transformative, and would have been politically impossible in the absence of this federal investment: *"I want to take these one-time dollars...and we want to do something very un-sexy [and] pay it forward to our kids and grandkids, in terms of really shoring up our infrastructure, in terms of transportation, transit investment, trails, those things, and then also the water infrastructure. Which is usually a politically tougher thing to do because elected officials like to do something shiny and say, 'I did that,' so fixing a water treatment plant isn't exactly the sexiest thing, but that's exactly what I think these one-time dollars are for."* Another mayor said *"the rescue plan money has allowed us to take on projects that were before not funded. For example, we've expanded our homeless outreach to remove encampments and find temporary supportive housing for the homeless population."* Overall, mayors plan on making a wide array of meaningful investments with the federal money. Figure 3 highlights the range of areas in which mayors plan transformational programs, including infrastructure, equity, youth programs, and small business initiatives. The categories they cite most often include homelessness, housing, and infrastructure, but the breadth of issues that multiple mayors say they will take on stands out.

Figure 3. Transformative Uses of American Rescue Plan Funds

What transformative things (up to two of them) will it [ARPA money] allow your city to do?



Note: Only includes responses from mayors who answered that they would do transformative things. Bars correspond to percent of mayors who named [category] as one of their top two transformative planned investments.

FEDERAL DATA ADMINISTRATION AND RACIAL EQUITY

Federal government aid proved an enormous boon to mayors, allowing them to fill budget gaps and realize more transformative public policies. Recent changes to federal government policies surrounding data administration may similarly help to address mounting data challenges that mayors face across a variety of critical policy areas.

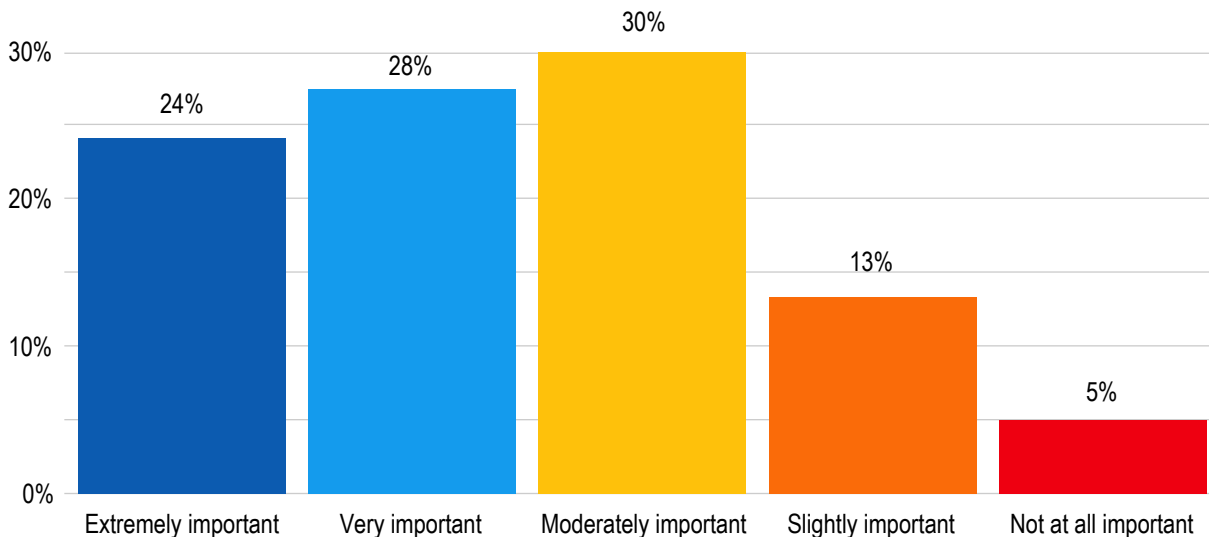
“During the pandemic, we found that we didn’t have basic data on small businesses [when trying to distribute small business relief funds] ... It got to the point that I said, ‘for the next iteration, I’ll drive around the city throwing money out the window.’ We had no good data.”

One central component of President Biden’s Executive Order on Advancing Racial Equity is the creation of an Equitable Data Working Group. The order describes the group’s objective: “Many Federal datasets are not disaggregated by race, ethnicity, gender, disability, income, veteran status, or other key demographic variables. This lack of data has cascading effects and impedes efforts to measure and advance equity. A first step to promoting equity in Government action is to gather the data necessary to inform that effort.”¹³

The federal government plays a critical role in setting data collection standards — especially those related to race and ethnicity. When we asked mayors about the importance of federal reporting requirements in driving the racial and ethnic data they collect, an overwhelming majority (82 percent) describe them as at least moderately important. As one western mayor put it, “we would only collect [racial data] if mandated.” Only five percent of mayors indicate that federal reporting requirements are “not at all important” in dictating their collection of racial and ethnic data.

Figure 4. Influence of Federal Requirements on Racial/Ethnic Data Collection

In general, how important are federal reporting requirements in driving the racial/ethnic data you collect?



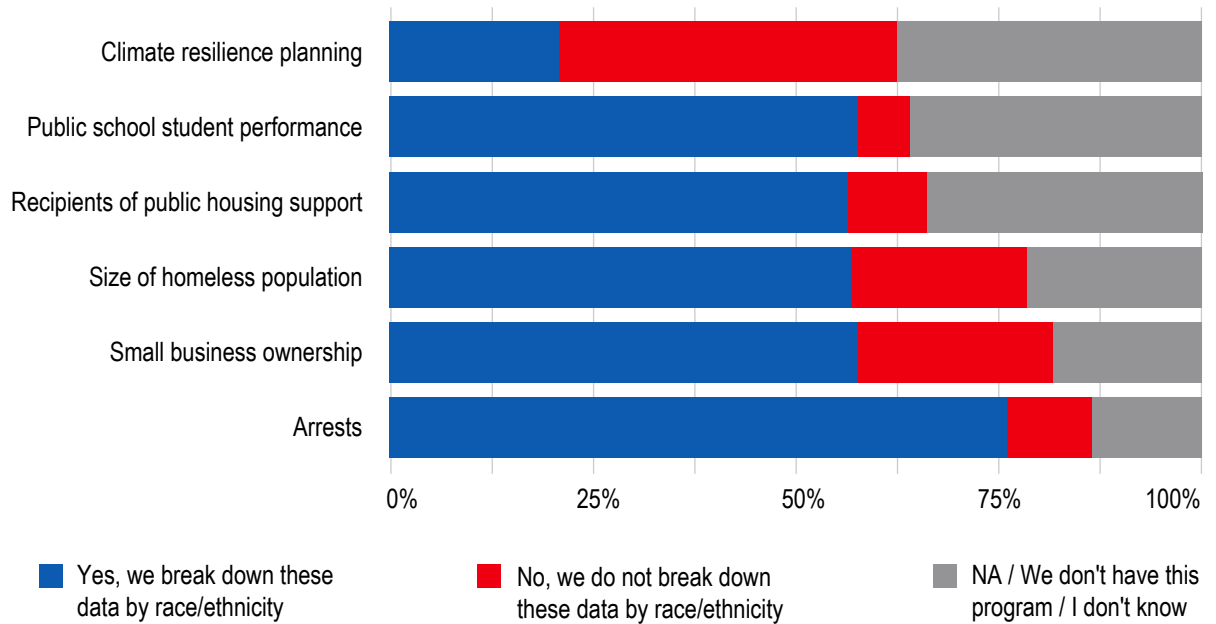
The availability of racial and ethnic data also varies widely by policy area. Over 75 percent of mayors, for example, say that they collect data on arrests by race and ethnicity. For all of the other areas we studied, however, the share of mayors collecting and analyzing data by race and ethnicity was far smaller. What’s more, only a tiny minority of mayors

¹³ The White House. “Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.” Briefing Room: Presidential Actions (January 20, 2021): <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/>

— fewer than 25 percent — collected data by race and ethnicity when conducting climate resilience planning. This is striking given stark racial inequalities in the groups most likely to experience the negative effects of climate change.¹⁴

Figure 5. Local Racial/Ethnic Data Collection

Does your city collect data by race/ethnicity for each of the following areas?



Many mayors see high-quality data in general as critical to promulgating good public policy. In response to a series of questions about homelessness, one southern mayor emphasized the primacy of data in evaluating policy success: “I could easily look outside my window and see a homeless person, but if we’re not tracking the data and maintaining a hub of information about the homeless individuals themselves, then we won’t achieve success. Data is the key to moving people from homelessness to housing.” Quality, over-time data allows local leaders to effectively implement and target policies and to learn whether they are achieving their desired effects. Capturing this sentiment, one mayor said “during the pandemic, we found that we didn’t have basic data on small businesses [when trying to distribute small business relief funds] ... It got to the point that I said, ‘for the next iteration, I’ll drive around the city throwing money out the window.’ We had no good data.” Data that are disaggregated across different racial, ethnic, gender, and economic groups similarly allow public officials to learn whether policies are equally serving all community members or effectively targeting priority populations.

At present, mayors are stymied by limited, and, at times, counterproductive federal government policies around data collection. Federal government standards are critical to determining what data — particularly racial data — cities do (and do not) collect. The Office of Management and Budget (OMB), for example, guides what racial and ethnic data categories should be used in federally reported data. Because of constitutional restrictions, the federal government cannot, in most cases, directly mandate data collection; instead, local data reporting is often strongly incentivized by providing federal funds/access to grants for those jurisdictions that comply with federal government standards, meaning that the provision of a wide swath of critical data is technically voluntary.

14 US Environmental Protection Agency. 2021. *Climate Change and Social Vulnerability in the United States: A Focus on Six Impacts*. Accessed October 28, 2021: <https://www.epa.gov/cira/social-vulnerability-report>

Unfortunately, this strict adherence to federal standards has meant that important data on issues like public health, crime, and housing are incomplete and inconsistent. For example, recent research has illuminated stark deficiencies in the collection of COVID-19 racial data: these critical public health data were plagued by inconsistent standards across jurisdictions, insufficient geographic disaggregation, and, most of all, inadequate and unresponsive federal standards.¹⁵

Mayors are deeply worried about inadequate health data. Because public health data collection is tasked to counties in many parts of the country,¹⁶ mayors were frequently left with limited city-level data with which to make important public health decisions. One mayor observed that because their county was tasked with vaccine distribution, they had no city-level data on racial disparities in vaccination rates: *“I know that [52 percent¹⁷] of people are vaccinated, but not the people of color [who] are vaccinated. We did not have any ability to collect because it was done at the county level. We were not given vaccines as the city; vaccines went to the county. We worked closely, but were not able to collect the data.”* Another mayor similarly lamented county-level health data precluding city-level analyses: *“The challenge is that the county collects [health data] by county. I want to be able to drill down, and sometimes you can’t do that, even with zip codes, because it can include an unincorporated county.”*

Data sharing between city and county public health workers proved difficult in some places, even when disaggregated data were available. One mayor described these challenging intergovernmental communications: *“In dealing with the pandemic, we asked the county for health data broken down by race, gender, age, census tract, etc. We had difficulty getting the county to provide, but, when we pushed, we got it.”*

Another mayor more broadly worried about siloed and insufficiently disaggregated health care data: *“It would be beneficial to access more comprehensive health care data that cuts across different geographic areas with race/ethnicity. One challenge is that the sectors are siloed. If we could begin to work together on this, it would help address systemic inequities. But, we’re not in that space yet.”*

These data woes are by no means limited to health care. Mayors expressed concerns about the quality of their housing, policing, education, and small business data among others. After health care, worries about police data were expressed most frequently. One mayor, for example, wanted *“better data on hate crimes,”* especially in light of a perceived *“uptick in Asian hate crimes.”* Two mayors highlighted the need for disaggregated racial data on traffic stops.

A few mayors explicitly highlighted the limitations of the OMB racial and ethnic categories, especially when understanding the full diversity of their communities. One northeastern mayor wished they had *“more disaggregated data across race/ethnic groups (e.g., Black-Caribbean; Southeast Asian.)”* Many mayors were dissatisfied with how Hispanic/Latino people were recorded in their city data. One southern mayor observed, *“[we need] more information about Latino population. The South still lags behind much of the country in meeting the needs of the Latino population and if we had more data that would be better.”* Another southern mayor similarly believed that their city had *“pretty well documented for white and Black residents, but [we] could use better data for Latinos.”*

Many mayors felt limited by staff capacity from collecting more useable data. A southern mayor noted, *“[it’s] difficult to collect in that it requires a good bit of staff time and money to make it happen. It has taken us three years to get data on police and traffic stops. [We’re just] starting to get some meaningful data from that for the first time in 2021.”* Other mayors lamented their *“lack of dedicated staff”* and the absence of *“tools or staff capacity.”*

15 The Atlantic. The COVID Racial Data Tracker. Accessed Nov. 8, 2021: <https://covidtracking.com/race>

16 Only 20 percent of health authorities exist at the municipal level; see Boston University report on *Mayors and the Health of Cities*: <https://www.bu.edu/ioc/2019/06/04/just-released-mayors-and-the-health-of-cities/>

17 To preserve mayors’ anonymity, we have slightly adjusted the exact numbers presented in this quote. The substantive meaning remains the same.

Cities' efforts to support and rebuild their small business communities illuminate the sizable data gaps that cities face — as well as the potential for better data in the future. Data and information are key inputs into helping small businesses through a pandemic, rebuilding after it, and deciding how to spend relief money. While there is no clear consensus about the key data mayors would like to have about their small business communities, a few themes emerged in response to an open-ended question. As with the health and crime data challenges described above, a number of mayors want basic, systematic, city-level information about the challenges facing their small businesses. Indeed, mayors often lack basic factual information about their cities': (1) labor force (e.g., employees, wages, benefits); (2) financial information (e.g., sales, profits, size); and (3) demographic information about business owners and their businesses. Other mayors focused more on things like financing data and needs, profitability or lack thereof, and performance relative to pre-pandemic levels. There are wide data gaps that preclude mayors from fully evaluating the performance of their small businesses — and the policies designed to support them.

In short, many mayors see data collection — especially racial data collection — as an important part of policy evaluation. They also see an important role for careful, federal standardization and additional resources for quality data collection.

HOUSING

The pandemic has created a stark housing crisis across American cities, featuring dramatically increased housing costs and a looming eviction crisis. Federal, state, and local governments have responded to the recent crisis created by extensive pandemic-driven job/income loss with massive infusions of rent and mortgage relief, eviction protections, and zoning changes, among other policies.¹⁸ Indeed, state and local governments initially led the charge in 2020 in creating a variety of relief programs and eviction protections before being bolstered by the federal government, which standardized eviction protections and augmented housing support.¹⁹

There was no agreement among mayors about the best pathway forward towards addressing America's housing crisis and the looming risk of mass displacement — reflecting perhaps the complexity of the challenge. We asked mayors whether they agreed or disagreed with a variety of policy priorities that have been implemented across all levels of government (see Figure 6.)

A majority of mayors agree with each of the statements though no statement garnered more than 60 percent agreement. At least half of mayors believe that housing programs should emphasize homeownership rather than renting; that strong protections for tenants are important, even if it is costly for landlords; that new market-rate housing improves housing affordability; and that cities should encourage housing density in popular, established neighborhoods. Mayors are nuanced in their views. For example, some mayors value homeownership programs, but believe that they should not come at the expense of programs supporting renters: *"I love promoting homeownership to build wealth, but we need both."* One mayor agreed that new market-rate housing will reduce the cost of housing for residents, but with an important caveat: *"Don't see it reducing cost of housing, but it may reduce the speed of an increase of housing."*

Interestingly, the least popular is eviction protections, which only garners support from 56 percent of mayors. One mayor exemplified this division: *"When the pandemic hit, I was a strong believer in this, but now I believe the process could have been better. They could have scaled up how much rent tenants needed to pay (e.g., start at 25%, go to 50%, etc.)"*

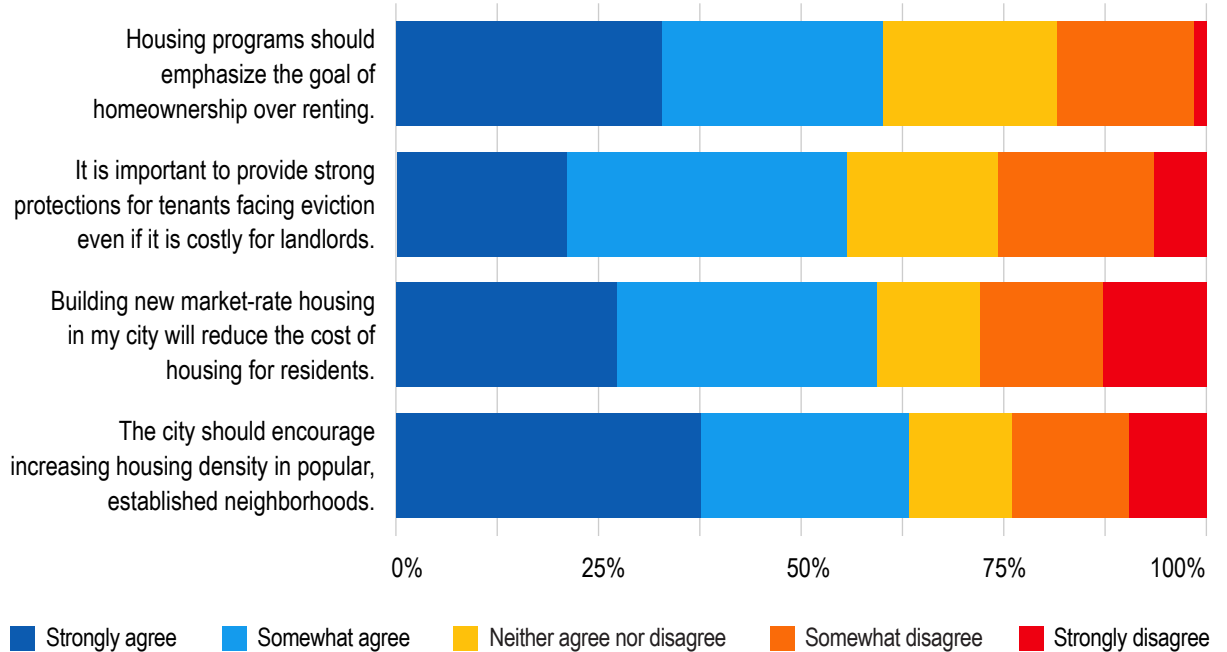
18 Einstein, K.L. et al. "COVID-19 Housing Policy Report." Boston University Initiative on Cities (October 13, 2020): https://www.bu.edu/ioc/files/2020/10/BU-COVID19-Housing-Policy-Report_Final-Oct-2020.pdf

19 Einstein, K.L. et al. "COVID-19 Housing Policy Report." Boston University Initiative on Cities (October 13, 2020): https://www.bu.edu/ioc/files/2020/10/BU-COVID19-Housing-Policy-Report_Final-Oct-2020.pdf.

Now people are used to not paying rent.” Another observed: “It’s important to address this need, but [I am] not supportive of allowing people not to pay rent.” One mayor declined to answer the tradeoff: “Even if it’s costly for landlords. That pits classes against people. What good does it do if you make him lose his building? I [would endorse] strong support for tenants facing eviction if it was a grant program, but it’s not fair to choose one party over another.”

Figure 6. Housing Policy Priorities

How strongly do you agree/disagree with the following statement(s)?



These even splits belie strong differences along party lines. Sixty-nine percent of Democratic mayors support strong eviction protections for tenants, compared with only 36 percent of Republicans. This finding is consistent with a 40-plus point gap on a question about federal and state eviction moratoriums on the 2020 Menino Survey.²⁰ Sixty-five percent of Democratic mayors believe that building new market-rate housing will reduce housing costs in their city, compared with 41 percent of Republicans. Despite widespread agreement from economists that greater housing supply reduces costs,²¹ sizable proportions of mayors from both political parties — but, especially Republicans — do not believe that building new market-rate housing makes housing costs lower. Seventy-two percent of Democratic mayors support building new housing in popular, established neighborhoods; only 41 percent of their Republican counterparts agree. When we asked the same question in 2018, 68 percent of Democrats and 32 percent of Republicans agreed with encouraging “housing density in popular established neighborhoods.”²² Notably, one area of relative bipartisan agreement is in support for homeownership over renting in housing support programs: majorities of mayors in both political parties endorsed homeownership over renting as a policy goal (73 percent of Republicans and 55 percent of Democrats.)

20 Glick, D. et al. “2020 Menino Survey of Mayors: COVID-19 Recovery and the Future of Cities,” Boston University Initiative on Cities (December 3, 2020): https://www.surveymayors.com/files/2020/12/Final_2020-Menino-Survey_COVID-Report.pdf, pp. 10

21 Glaeser, E. and J. Gyourko. “The Economic Implications of Housing Supply.” *Journal of Economic Perspectives*, Vol. 32, No. 1, Pgs. 3-30 (Winter 2018): <https://pubs.aeaweb.org/doi/pdf/10.1257/jep.32.1.3>.

22 Einstein, K.L. et al. “2018 Menino Survey of Mayors,” Boston University Initiative on Cities (January 22, 2019): <https://www.surveymayors.com/files/2020/12/Menino-Survey-of-Mayors-2018-Final-Report.pdf>, pp 31

Figure 7. Housing Policy Priorities, by Party

Percent of mayors who agree with the statement.

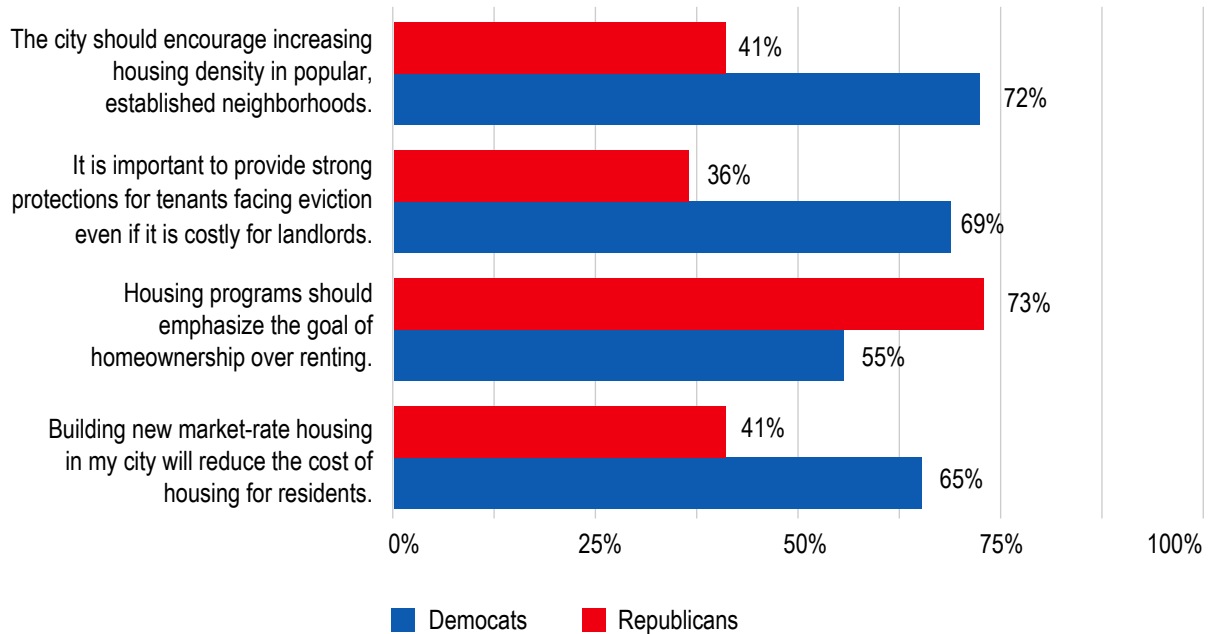
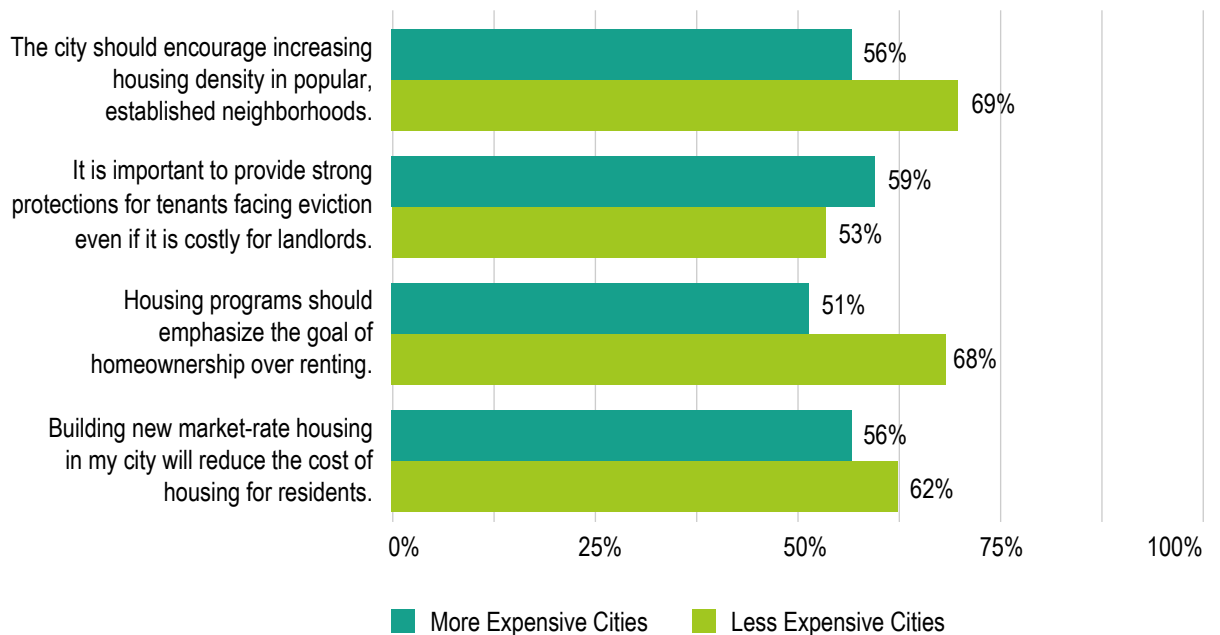


Figure 8. Housing Policy Priorities, by Housing Costs

Percent of mayors who agree with the statement.



Mayors of more and less expensive cities,²³ in contrast, hold fairly similar views. Across all of the housing questions, partisan differences were significantly larger than gaps by city housing cost. For example, 59 percent of mayors of more expensive cities support strong tenant protections — even in the face of costs to landlords; 53 percent of their counterparts governing less expensive cities feel similarly. When we asked mayors their views about building more market-rate housing, there was, once again, a six-percentage point gap between mayors of high- and low-cost cities: 62 percent of mayors of less expensive cities believe that building new market-rate housing in their city will reduce housing costs, compared with 56 percent of mayors of more expensive cities. On the remaining two questions, there is a somewhat larger gap between the views of mayors of more and less expensive cities; it still pales, though, in contrast with partisan differences. Sixty-nine percent of mayors of less expensive cities support building new housing in popular, established neighborhoods, compared with 56 percent of officials leading more expensive cities. Sixty-eight percent of mayors of less expensive cities agree that housing programs should emphasize homeownership over renting; only 51 percent of mayors of more expensive cities feel the same. Mayors from northeastern cities tend to support more building and density than mayors from other parts of the country.

SMALL BUSINESS

The pandemic threatened, challenged, and, at times, sadly shuttered small businesses. It transformed businesses and customers across many sectors. It also led to unprecedented action at the federal, state, and local levels. Government interventions ranged from providing billions of dollars' worth of grants and tax relief to relaxing liquor rules. This section summarizes mayors' views on their influence on small business, their priorities and challenges, and the ways that the pandemic has changed local small business policy.

LEADERSHIP AND PRIORITIES

A large majority of mayors believe they are held responsible for the state of local small businesses, while wielding relatively little influence over their fate. Sixty percent say that their residents hold them accountable for the state of small businesses in their cities. In contrast, only nine percent believe they have little public accountability. While not all mayors would go so far, one said “*small business is all I hear about.*” Another who took a more moderate position said that “*small business owners hold us very accountable,*” which he differentiated from the public at large. Mayors of larger cities are especially likely to say they are held very accountable compared to those who lead midsize cities (34 vs. 19 percent.)²⁴

Despite being held responsible by their constituents for the state of small business, only 23 percent of mayors think they have strong influence over the fate of their community's small businesses.²⁵ Nearly one-third of mayors say they have only “a little” influence. Mayors of large and midsize cities generally report having limited influence over the state of small business; only 23 percent of large city mayors and 21 percent of midsize city mayors say that they have “a great deal” or “a lot” of influence. Among those mayors who did perceive themselves as having some influence, one noted that the city has “more influence in the long term than the short term,” and others pointed to policies like regulations and zoning as their primary sources of influence.

23 We split cities into two categories using the median housing price for all cities over 75,000 from the 2019 American Community Survey.

24 We split cities into two categories using the median population for all cities over 75,000 from the 2019 American Community Survey.

25 Small business joins issues such as crime and education as ones in which mayors perceive considerable gaps between the high degree to which they are held accountable and their limited actual influence; see 2015 Menino Survey of Mayors findings report: <https://www.surveyofmayors.com/files/2020/12/Menino-Survey-of-Mayors-2015-Final-Report.pdf>, pp. 29

Figure 9. Accountability for Small Businesses

How much do your residents hold you accountable for the state of small businesses in your city?

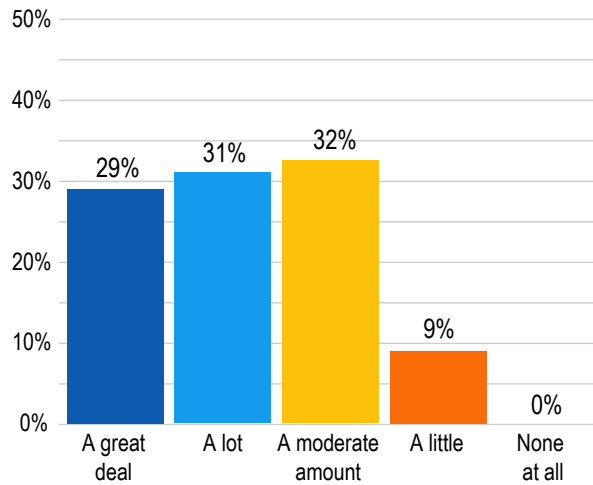
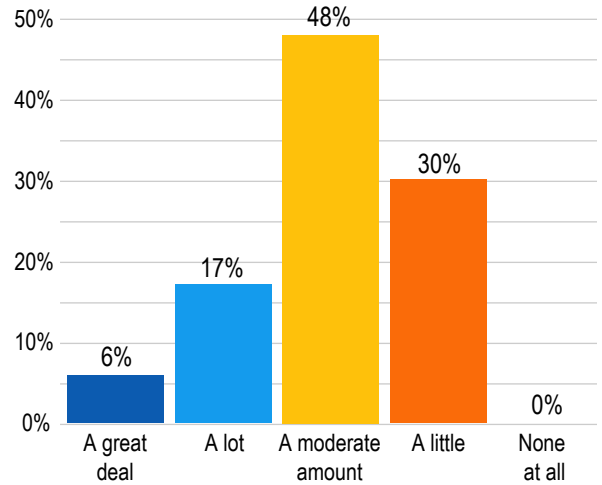


Figure 10. Influence on Small Businesses

How much influence does your government have over the state of small businesses in your city?



There is no clear consensus among mayors regarding their top small business priority. A clear plurality, 37 percent, say that “helping fragile businesses survive” is their top small business priority. Twenty-three percent focus on helping new businesses get started, and 22 percent focus on helping thriving businesses grow. Seventeen percent

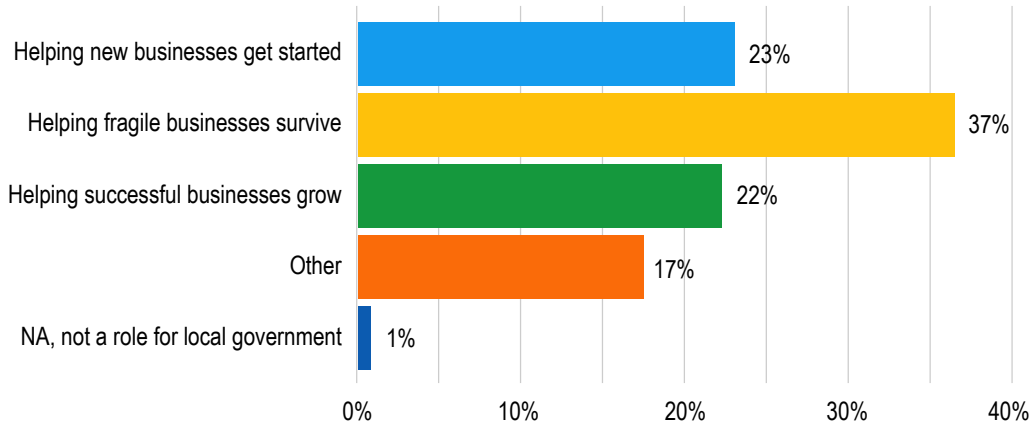
“Through the pandemic, it has been helping fragile businesses survive. Cities thrive when the business community thrives. This priority will continue post-pandemic.”

refuse to identify one of these three options as their top priority. Many of these mayors say they have multiple equal priorities from this list. A few say that supporting small businesses owned by women and minorities is their current top priority. It is less clear how permanent these top priorities are as some mayors elaborated to say that their focus on helping businesses survive is a product of COVID-19. Indicative of this uncertainty, one mayor suggested that a focus on fragile business was not the top priority before COVID-19, but that it now would be: “Through the pandemic, it has been

helping fragile businesses survive. Cities thrive when the business community thrives. This priority will continue post-pandemic.” Another said that it’s “helping businesses survive” because of the pandemic, and that, in general “you’re more likely to help businesses expand, than bringing in lots [of new ones].”

Figure 11. Prioritizing Small Businesses

Which small business goal is your highest priority?



SMALL BUSINESS AND THE PANDEMIC

A large majority of mayors, over 70 percent, agree the pandemic “reveals the need for significant changes” in the ways that their cities support small businesses. Twenty-eight percent strongly agree. While substantial majorities of Democratic and Republican mayors agree, Democrats are more likely to strongly agree — 33 vs. 17 percent, respectively.

While the sense that the pandemic points to the need for changes going forward is interesting, exactly what types of changes it reveals the need for may be more important. Some mayors talked about changing everything or focusing more on small business in general. One said “we’re using this opportunity to re-look at everything — zoning ordinance, special land uses, parking...”

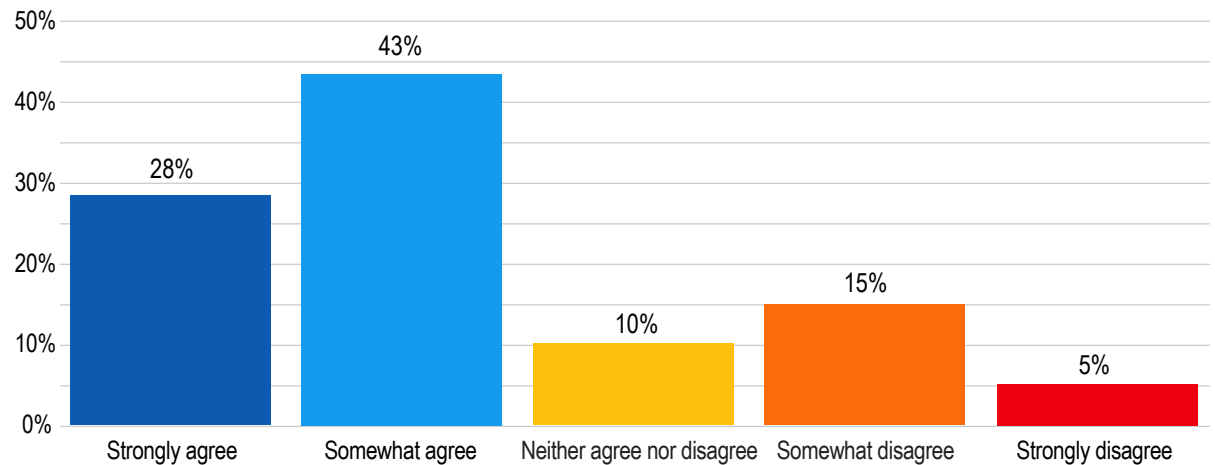
Reducing barriers, such as those in the permitting process, is one of the most common potential changes mayors discuss. For example, one mayor said, “it shouldn’t take a year to get a permit.” Another common potential change is encouraging or structuring more ongoing communication between the city and small businesses and related organizations.

Some mayors saw this as a way to be more proactive. One mayor said they “would like more contact and communication so that business needs do not become emergencies.” Other areas where mayors see changes in the future include collecting more data about small businesses, land use changes especially around outdoor space, focusing more on equity and minority-owned businesses, and providing more support for small — and especially struggling — businesses in general. Mayors in the latter category are split evenly between providing more technical assistance and more financial resources.

“We’re using this opportunity to re-look at everything — zoning ordinance, special land uses, parking...”

Figure 12. Supporting Small Businesses After Pandemic

The COVID-19 pandemic reveals the need for significant changes in how my city supports small businesses going forward.



SUPPORTING SMALL BUSINESS

One specific area in which the pandemic may inspire changes in the future concerns the distribution of government resources to support small businesses (and others.) The pandemic provided a clear example of these challenges as small businesses' access to, for example, the Paycheck Protection Program (PPP), was unequal. Among others, scholars at the Brookings Institution noted these challenges, writing: "Access to PPP loans varied considerably based on neighborhood demographics, with small businesses in majority-white neighborhoods receiving PPP loans more quickly than small businesses in majority-Black and majority-Latino or Hispanic neighborhoods."²⁶ In the 2020 Menino Survey of Mayors, mayors generally were divided on whether there was enough federal money to match the need and a number commented that the issue was less the amount of money than inequity in who had access.²⁷

Whether or not there is another program like PPP in the future, there will likely be other occasions in which cities have to allocate potential scarce resources to small businesses (or others.) In general, mayors think a "points system" in which factors such as the neighborhood in which a business operates or its owner's traits (gender, veteran status, etc.) is the fairest way to distribute resources and that a "first come first serve" system is the least fair. Seventy-three percent of mayors rated a "points system" as the fairest and over half rated "first come first serve" as the least fair. As research from the federal Office of Evaluation Sciences suggests, these types of operational choices have important substantive consequences, and each type of system has its own advantages and disadvantages.²⁸

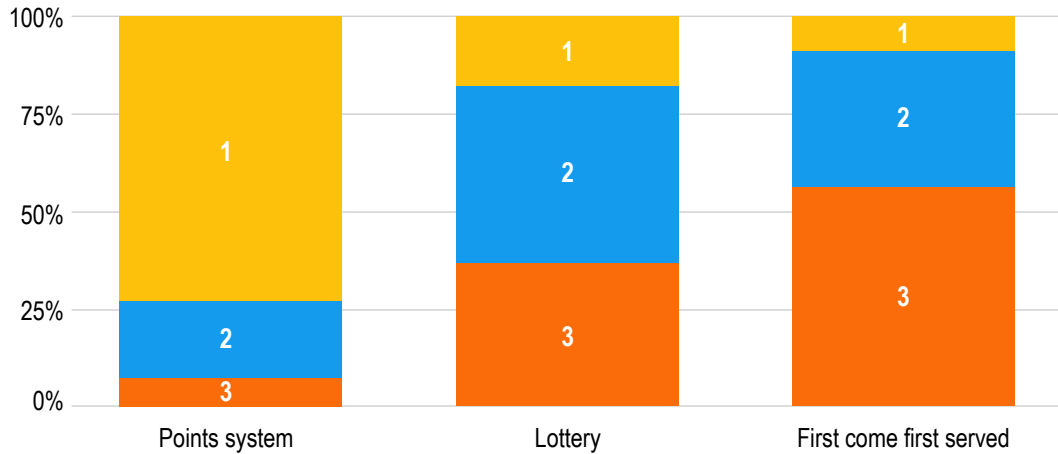
26 Liu, S. and J. Parilla. "New data shows small businesses in communities of color had unequal access to federal COVID-19," Brookings Institution Report (Sept. 17, 2020): <https://www.brookings.edu/research/new-data-shows-small-businesses-in-communities-of-color-had-unequal-access-to-federal-covid-19-relief/>

27 Glick, D. et al. "2020 Menino Survey of Mayors: COVID-19 Recovery and the Future of Cities," Boston University Initiative on Cities (December 3, 2020): https://www.surveyofmayors.com/files/2020/12/Final_2020-Menino-Survey_COVID-Report.pdf, pp 12

28 U.S. Office of Evaluation Sciences. "Increasing Access to Small Business Grant and Loan Programs for Historically Underserved Groups." November 2020: <https://oes.gsa.gov/collaborations/sba-grant-equity/>

Figure 13. Allocation of Resources

Please rank the following methods of allocating limited city resources to small businesses from most (1) to least (3) fair.

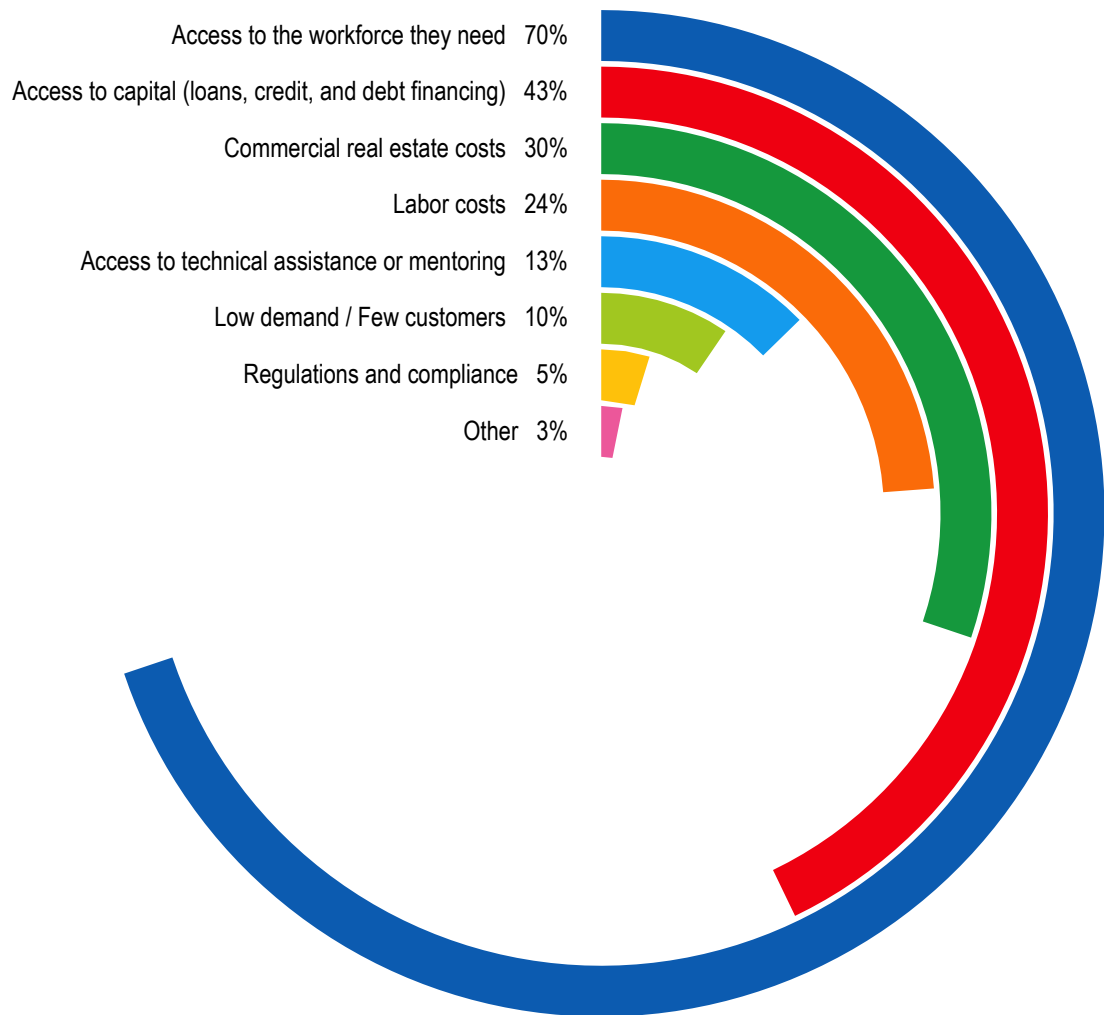


FUTURE SMALL BUSINESS CHALLENGES AND EQUITY

As they seek to rebuild from the pandemic, mayors largely agree on the challenges facing their small businesses. Seventy percent of mayors cite access to workforce as one of the two biggest challenges facing their small business community, indicating even small businesses are suffering from the widely reported talent shortages facing many sectors of the US economy. The second most commonly selected challenge is access to credit and capital; forty-three percent of mayors say this is one of the top two challenges facing their small businesses. Notably, mayors express much more concern about access to workers than they do about labor costs; only 24 percent cite labor costs. Of those who cited access to workforce as one of their two responses, 33 percent selected access to capital as their other response and 22 percent selected labor costs. The only other challenge a substantial fraction of mayors focus on is commercial real estate costs. At the other end of the spectrum, very few mayors believe that low demand (10 percent) and regulations (five percent) will be top small business challenges over the next couple of years.

Figure 14. Top Challenges for Small Businesses

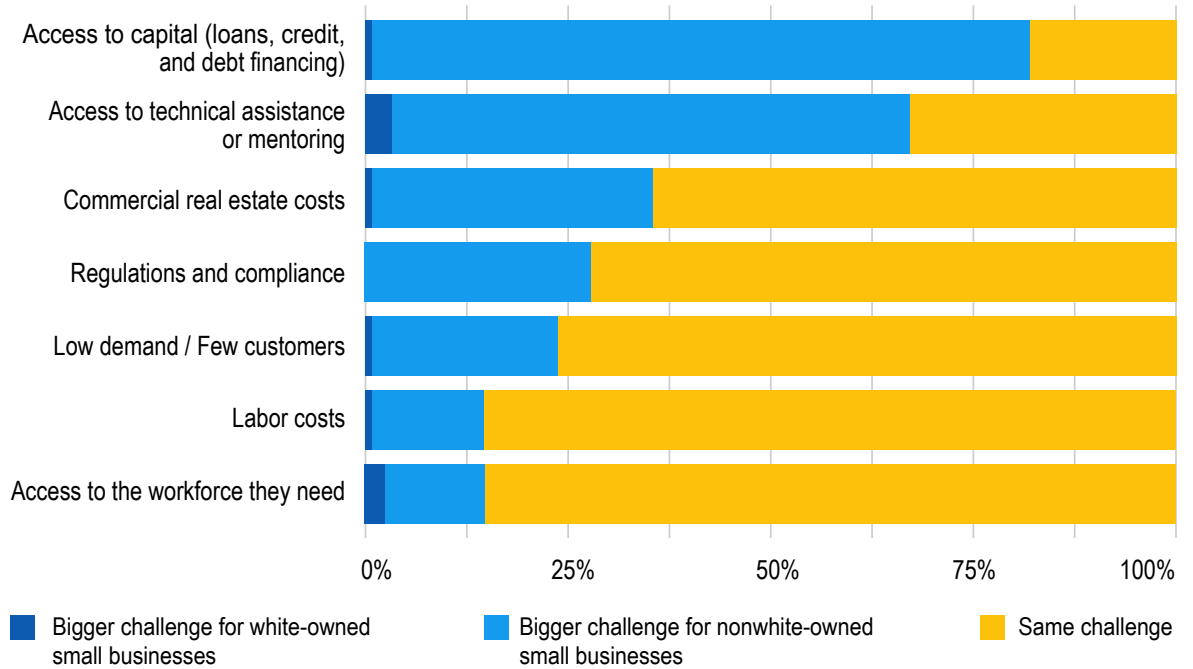
In general, which two of the following will pose the biggest challenge to small businesses in your city over the next couple of years?



Mayors believe that some, but far from all, of these challenges disproportionately affect minority-owned businesses. The most-cited challenge in general, access to workforce, is also one that mayors do not see falling disproportionately on different types of business owners. Roughly 85 percent of mayors believe that “access to the workforce they need” affects white and nonwhite-owned businesses equally. In contrast, mayors overwhelmingly believe that the second most-cited challenge overall, access to capital, disproportionately burdens nonwhite small business owners. Eighty-one percent of mayors believe access to credit and capital poses more of a burden for nonwhite-owned businesses than it does for white-owned ones. Mayors of large and small cities, mayors of diverse and less diverse cities, and mayors who lead cities with relatively high and relatively low housing prices consistently noted inequity in access to capital. However, 93 percent of Democratic mayors said access to capital disproportionately fell on minority-owned businesses compared to 59 percent of Republicans. Forty-one percent of Republican mayors and six percent of Democratic mayors said it was an equal burden. The other challenge that mayors believe poses a significantly disproportionate burden for nonwhite small business owners is access to technical assistance and mentoring. However, few mayors (13 percent) believe this is one of the two biggest challenges facing small businesses in general.

Figure 15. Equity and Small Business Challenges

In your city, will each of the following be a bigger challenge for 1) white-owned small businesses or 2) nonwhite-owned small businesses over the next two years? Or will the challenge be similar for both?



CONCLUSION

In addition to addressing a continuing global health crisis, mayors have spent the last year juggling pressing pandemic-related social, economic, and political challenges in their cities. They used innovative local programs — including novel data collection, streamlined permitting, eviction protections, rental support, and local land use — to aid their constituents and ameliorate adverse conditions in their communities, especially for small businesses and people experiencing housing instability. They have been bolstered by generous federal government support, which has allowed them to pursue transformative policy initiatives and to fill critical budget gaps. They have also, at times, been stymied by federal regulations and poorly administered programs.

With over 750,000 Americans dead,²⁹ the COVID-19 pandemic has profoundly reshaped many communities. In the coming year, local leaders will likely continue, in many places, to create innovative policies and programs to support their constituents struggling with the ongoing effects of the pandemic. While generous state and federal aid has been a boon to these local efforts, policymakers would do well to listen to the on-the-ground experience of mayors when designing programs to best serve the needs of those facing housing, economic, and health challenges.

29 Centers for Disease Control and Prevention (CDC). COVID Data Tracker. Accessed Nov. 8, 2021: <https://covid.cdc.gov/covid-data-tracker/#datatracker-home>

Boston University Initiative on Cities

The Boston University Initiative on Cities leads research in, on, and with cities in pursuit of sustainable, just, and inclusive urban transformation. We marshal the talents and resources of wide-ranging disciplines across Boston University spanning the social, natural, computational, and health sciences. The Menino Survey is named for the late Mayor Tom Menino, who co-founded the Initiative on Cities in 2014 following 20 years as mayor of Boston. bu.edu/ioc

To learn more about the Menino Survey of Mayors, visit surveyofmayors.com