



REGIONAL INNOVATIONS

Promising Practices from the
California Stewardship Network

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About the California Stewardship Network

The California Stewardship Network unites California's regions to address the state's economic, environmental, and social challenges and opportunities.

www.castewardship.org

INTRODUCTION

In regions throughout California, steward leaders are working across boundaries to create stronger, more prosperous communities. This report highlights key innovations from regions across the state, demonstrating how a stewardship approach can address a wide range of economic, environmental, and social challenges.

The regions highlighted in this report are members of the California Stewardship Network, a coalition of regional leaders committed to finding collaborative solutions to complex issues facing California's diverse regions. This year's Regional Innovations report is the second in a series of promising practices from regions within the California Stewardship Network (www.castewardship.org).

While the regional innovations profiled in this report address unique challenges and opportunities, there are several important commonalities:

A stewardship approach. The California Stewardship Network identifies stewardship as the responsible overseeing and protection of something considered worth caring for and preserving. For regional stewards, stewardship means caring responsibly for our diverse regional assets and working together to achieve the greatest, long-term benefit for California. Each regional innovation demonstrates the stewardship approach, applied to a range of challenges and opportunities.

Investing in strategies with high returns. Recognizing the interconnection between economic, social, and environmental outcomes, regional stewards have developed innovations that increase the long-term returns on investment to the region's economy, people, and environment.

Using analysis to guide priorities. Integrating data and analysis into stewardship initiatives—whether they are economic development strategies, regional collaborations, or educational initiatives—helps target resources to create the greatest impact.

Preparing youth for success. Several regions spearheaded initiatives aimed at improving educational outcomes for youth. By working across institutional boundaries, steward leaders have built a civic infrastructure around school systems, supporting and more effectively preparing young people for success.

Latino advancement. Latinos represent the fastest-growing demographic group in California, yet lag behind the general population in educational attainment. Regional stewards have recognized the imperative of closing this achievement gap while effectively preparing Latino leaders.

Developing industry clusters. Several regions developed and implemented regional economic strategies using a cluster approach, identifying and mobilizing key industry clusters to advance the regional economy.

Each regional profile describes how collaboration across sectors, jurisdictions, and geographic boundaries has led to greater economic, environmental, and social impact. Regional stewards often work through 'backbone organizations,' convening, building and sustaining momentum, and driving towards integrated solutions.¹

The innovations described in this report only begin to scratch the surface. Regional stewards across California are continually developing effective, collaborative, and sustainable solutions to persistent economic, social and environmental challenges. This report highlights key innovations from 2012.

We welcome your comments, questions and feedback.

¹ Turner, Shiloh, Kathy Merchant, John Kania, and Ellen Martin. "Understanding the Value of Backbone Organizations in Collective Impact." July 17, 2012. Stanford Social Innovation Review Blog. (www.ssireview.org) Web.

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BUTTE REGION

Motivating a Community Toward a Stewardship Approach

In Butte County, low achievement in public schools motivated the development of a sustainable stewardship effort to strategically align community resources with community challenges. This approach engages citizens as volunteers in schools, while cultivating a culture of stewardship in the region. The stewardship governance model is now being applied to other community issues, where community alliances of citizens and institutions are working to address regional problems.

Using Stewardship to Help Chico Students Succeed

In Butte County, 40 percent of students cannot read at grade level. Under-achievement is compounded with age, as students who are underperforming in early elementary school tend to fall further behind as they move into middle and high school.

This challenge motivated a stewardship effort to engage citizens of Chico to work together, in partnership with the school system, to address the achievement gap. Instead of adversarial relationships between public institutions and the public at large, a stewardship approach encourages productive collaboration to meaningfully address community challenges.

Taking Volunteerism to the Next Level

The Chico Stewardship Network, in collaboration with regional partners, has developed a comprehensive volunteer program to engage citizens as volunteers in schools. The effort began when the Stewardship Network hired a staff member to facilitate the effective introduction of volunteers into schools. Volunteers are matched with teachers who prepare curriculum for one-on-one tutoring sessions with students. The program had an overwhelming response from both the schools and volunteers who saw value in the organized, strategic system for helping students succeed.

However, since the system required significant time and energy from teachers, and a high-touch approach from the volunteer coordinator, it was difficult to scale the model to reach all the students who needed support. Through a partnership with Reading Partners,

“ Excellent education, safe streets, good jobs, and the opportunity for successful families are responsibilities of citizens, acting in partnership with established institutions. We hold this form of stewardship as the key to thriving communities.

- Chico Stewardship Network ”

a national nonprofit organization that runs in-school volunteer programs, Chico is now able to serve more students and engage more local volunteers. Reading Partners works in schools to provide training and curriculum to volunteers. They are working to engage 200 volunteers at two schools in the region, each volunteering at least one hour per week.

Developing a Cohesive Leadership Structure

Beyond engaging volunteers to help students one-on-one, the Chico Stewardship Network is working to build a more engaged, cohesive leadership structure for the educational system as a whole. By bringing together and surfacing common goals among representatives from the school board, the school district, teachers' union, principals' association, and community members, the region is building a collaborative, effective team that can serve as a leader in moving the educational system forward.

Applying the Stewardship Approach to Other Community Issues

The stewardship model of governance that developed around the educational system is now being applied to other community issues, starting with the rising crime rate. The Chico Stewardship Network is in its second year of working with the leadership structure of Chico (Citizen Representatives, Mayor, Vice Mayor, City Manager, Assistant City Manager, Chief of Police, President of Chico Police Officers' Association, CSU Chico President, CSU Chico Student Affairs Director) to benchmark the expanding crime problem in the City. These benchmarks will be used to establish a common understanding of challenges from which can spring collaborative solutions that will be implemented by Community Alliance Action Teams.

The Chico Stewardship Network has also sponsored the development of the Chico Police Department Business Support Team (CPDBST). This group works to connect citizens and the Officer Corps to address public safety in the community. Current initiatives include a monthly officer-citizen luncheon that provides an opportunity to build relationships and create common understanding as well as a community fundraising campaign to purchase an Automatic License Plate Reader, supporting police department efforts to be more efficient in light of reduced staff and budgets. Currently, leaders of the CPD and the CPDBST are meeting to establish a set of initiatives that will be implemented by Community Alliance Action Teams.

“ When you take an informed, engaged citizen and you partner them with an institution, there is natural accountability that occurs.

- Rory Rottschalk
Founder and Board Chairman
Chico Stewardship Network ”

“ There’s a pace to stewardship governance that is not consistent with modern politics. It’s about investing in relational infrastructure over time.

- Rory Rottschalk
Founder and Board Chairman
Chico Stewardship Network ”

Key Strategies and Lessons Learned

Cultivate Community Champions

Sustaining the momentum of community initiatives depends on having community champions who will take ownership of the initiatives. The Chico Stewardship Network actively cultivates and encourages community champions, providing them support and connections while encouraging them to take leadership in moving initiatives forward.

Value of a Neutral Convener

Elevating shared interests and goals over personal opinions and agendas is key to effective stewardship. By providing a neutral forum where regional leaders and stakeholders can come together to work toward a common purpose, the Chico Stewardship Network encourages all players involved to leave their agendas at the door and focus on productive conversation.

Invest in Relationship-Building

The stewardship approach is all about relationships. Investing in relationships over time, building respect and trust, is critical to creating the kind of environment that can support constructive collaboration.

Regional Lead
Rory Rottschalk
Founder and Board Chairman
Chico Stewardship Network
rrottschalk@culpandtanner.com

The Chico Stewardship Network exists to foster a form of governance where citizen stewards take responsibility for the success of their communities, creating the context for the development of community alliances. The development of Community Alliance Action Teams and Community Alliance Leadership Teams is designed to bring the hands and hearts of Chico’s citizens into partnership with our cultural institutions to address social, economic and infrastructure issues.

FRESNO REGION

Transforming Fresno's Mental Health System

The Fresno Stewardship Initiative has engaged stakeholders from multiple organizations to create a more coordinated, comprehensive, and cost-effective system to serve chronically mentally ill and substance-abusing populations in the Fresno region.

The Problem: Strained Infrastructure and Siloed Institutions

When the problems associated with mental health and addiction hit a crisis point in the emergency rooms and jails, the Hospital Council, Business Council and a Superior Court judge aligned efforts to explore solutions. What began with a series of conversations has grown into a community-wide effort to comprehensively change the mental health system in Fresno as a complete ecosystem—from acute to prevention.

Regional hospitals, experiencing strain from an increased number of mentally ill adults in the emergency room, convened a stakeholder group to address a short list of problems associated with the influx of mentally ill patients. The group quickly realized that there were systemic problems that needed to be addressed in order to find a viable, long-term solution to the challenges they were facing. Mental illness and chronic homelessness had been straining Fresno infrastructure for some time, but the issue came to a crisis point after the County's Crisis Center was closed due to budget cuts. Mentally ill adults in crisis had nowhere to go other than to the emergency room or local jails. While the issue was affecting the community overall, no single entity had responsibility for addressing the problem. Institutions were operating in silos, with few incentives to collaborate.

The Fresno Mental Health Initiative emerged as a collaboration between the Hospital Council of Northern and Central California, the Fresno Business Council, and a diverse group of community stakeholders. The goal of the initiative was to engage leaders from all sectors and facilitate meaningful collaboration on the issue of mental health and addiction in the Fresno area.

The Solution: An Integrated Mental Health System

The Fresno Mental Health Initiative is informed by the model of San Antonio, Texas, where an integrated mental health, substance abuse, and criminal justice system has saved the city, county and hospital district \$25 million over three years. Fresno is planning to adapt San Antonio's approach. The intention is to create the Fresno Restoration Center, a campus that will offer a continuum of services for mentally ill and substance-abusing clients and connect them to community resources as appropriate. Components will include:

Public Sobriety Unit - The public sobriety unit (PSU) will provide a cost-effective alternative to jail or emergency room as a place for public inebriants to sleep off their intoxication. Since the PSU will be co-located with other services within the Restoration Center, clients will have an opportunity to build relationships with social workers and other staff who can refer them to more comprehensive services.

Injured Prisoner Unit - Currently, if a prisoner is injured during arrest, police officers take him or her to the emergency room in order to get a medical clearance. This process can take hours, with a high cost burden on both the police department and the hospital. As an alternative, the Restoration Center will have an EMT on staff that can provide a medical clearance in less than an hour, referring prisoners to further treatment when necessary.



Fresno County hospitals had dealt with mentally ill patients in their ERs for years...but never at the levels of patient volume, scope and severity of illness that we began to experience. Our focus evolved from solving a specific problem to realizing work needed to be done to address system-level disconnects."

- Lynne Ashback
Regional Vice President
Hospital Council of
Northern and Central California



Transitional Residential Housing - The Restoration Center will also host a longer-term transitional residential-housing program for people with mental illness and substance abuse. The program will provide supportive services including individual and group therapy and job training. After four to fourteen weeks, clients transition to permanent supportive housing or independent living.

The Restoration Center aims for consistency across all of its programs, though they will be staffed by separate agencies. By sharing data and using the same language, the Center will provide a uniform, integrated environment that allows clients to build relationships and more readily access services.

Building a Civic Infrastructure

Years of experience with large-scale collaboratives led to the creation of the Fresno Stewardship Initiative. Led by the Fresno Business Council and guided by major institutional leaders, this apparatus provides an ideal platform to support the Mental Health Initiative and other intractable issues. Relationships built through earlier efforts resulted in a growing network of diverse people committed to community transformation. The Fresno Stewardship Initiative is developing a curriculum to teach the stewardship approach to problem-solving and decision-making. Ongoing workshops are available to organizations and the public. The movement is accelerating.

“ Rather than creating several of these efforts and then asking top leaders to participate, we are building a civic infrastructure that can be applied to issues big and small.

- Deb Nankivell
Chief Executive Officer
Fresno Business Council ”

Key Strategies and Lessons Learned

Engage High-Level Leaders from all Sectors

The Fresno Mental Health Initiative includes senior leaders from the university, police and probation departments, local nonprofits, the business community, as well as community activists and mental health professionals. At each meeting, everyone was asked to attend as a representative of his/her institution with full decision-making authority. This helped drive action and reinforce commitment within the coalition.

“ We made a call to action by saying if we can't solve this problem today with the political capital we have in this room, we should call it off for a generation.

- Lynne Ashback
Regional Vice President
Hospital Council of
Northern and Central California ”

Engage a Steward Champion and an Impartial Leader

A steward champion, a highly respected convener and connector, plays a critical role in building a coalition and driving action. Lynne Ashbeck, the Regional Vice President of Hospital Council of Northern and Central California, played this role in Fresno. Convening high-level leaders lends legitimacy to the process and keeps the focus on results. In addition, the Fresno Stewardship Initiative engaged an impartial facilitator to build trust, encourage collaboration, and maintain momentum within the coalition.

Build a Coalition with Shared Interests

By communicating the shared interests of the multiple, diverse systems involved in the initiative, the silos that were inhibiting collaboration began to break down. Everyone involved understood that giving up their single interests to address the systemic disconnects would lead to better outcomes in the long term.

“ The solution is both about resources and social justice. It’s about being smart—investing where there is a solid return in alleviating human suffering and the best use of taxpayer dollars.

- Deb Nankivell
CEO
Fresno Business Council ”

Learn from Best Practices

San Antonio’s experience energized the coalition by providing a concrete model to replicate and demonstrating that more effective integration of systems can achieve tangible results.

Assemble a Coalition of the Willing

All members of the initiative participated on a purely voluntary basis and were encouraged to participate for only as long as the process was relevant and useful to them. Some key leaders were not interested in participating, but the coalition insisted that their absence would not derail the process.

Demonstrate an Early Win

Showing progress is critical to keeping institutional leaders engaged through a lengthy process. The coalition successfully organized to re-open the County Crisis Center, which had been closed due to budget cuts. This ‘win’ energized the group while also seeding a conversation about the frequent users of the program that needed more comprehensive services.

Regional Lead
Deborah Nankivell
Chief Executive Officer
Fresno Business Council
dnankivell@fresnobc.org

The Fresno Business Council plays a number of roles as needed to address critical issues. They include catalyst, convener, talent scout, research and strategy development, training and financial support. In addition, the Business Council has created the Fresno Stewardship Initiative, a partnership with major institutional leaders to address the intractable, chronic issues no one can resolve in isolation. This apparatus allows for linking, alignment and leveraging of resources that would not be available without steward leadership of the whole.

INLAND EMPIRE

Embracing Latino Advancement as a Stewardship Priority

In the coming years, Latinos will be a majority population in the Inland Empire. However, educational attainment among Latinos lags behind the general population. The Inland Empire cannot have a competitive workforce in the future without a plan to increase Latino college completion. The Inland Empire Economic Partnership has developed and is leading the implementation of a new initiative – the Inland Empire Latino Leadership and Policy Institute (IELLAPI) – to close the achievement gap and promote leadership within the Latino community.

A Growing Latino Population and Persistent Achievement Gap

Of the 4.3 million residents of the Inland Empire, just over two million are Latino. The Latino population is projected to continue growing, with Latinos soon becoming a majority in the region.

This demographic shift has major economic implications for the region. Latinos will need to replace retiring baby boomers in the workforce and need to be prepared to fill higher-skilled jobs in the region. Today, however, Latinos have substantially lower rates of educational attainment. Only 7.8% of the Latino population have attained a bachelor's degree or higher and 5.5% of Latino students have attained an associate's degree in the region. In addition, Latinos are noticeably under-represented in public and private sector leadership. As the region works to achieve long-term economic sustainability, the Inland Empire Economic Partnership has started a new initiative to promote achievement and cultivate leadership within the Latino community.

Promoting Achievement and Developing Leaders in the Latino Community

While the Inland Empire has the fourth largest Latino population in the U.S., after Los Angeles, New York, and Houston, it is the only one of these regions without a leadership group dedicated to the Latino community. IEEP is helping to fill that gap with its newly established Inland Empire Latino Leadership and Policy Institute (IELLAPI). This division of IEEP is dedicated to supporting leadership and professional achievement in the Latino community while promoting dialogue around the growing Latino population in the region. Through regional convenings and seminars targeting the business community and leadership programs for Latino professionals, the division cultivates Latino leadership in the public and private sectors. In addition, the division acts as an umbrella organization for smaller initiatives that promote academic achievement and leadership among Latino youth in the region.

“ IELLAPI is about economic sustainability. Latinos are the fastest growing demographic in the IE with the lowest educational attainment rates in the region. We cannot have a sustainable workforce without focusing on Latino student success.

- Paul Granillo
President and CEO
Inland Empire Economic Partnership ”

Building Understanding in the Business Community

IELLAPI is sponsoring seminars aimed at educating business leaders on the economic impact and cultural nuances of working with the Latino community. As a growing consumer market and an increasingly important part of the workforce, Inland Empire businesses need to develop strategies for working effectively with this community. By seeding a dialogue about Latino issues within the business community, IELLAPI aims to more effectively engage business leaders in promoting Latino inclusion in the region.

Preparing Latino Leaders

Using the Los Angeles Chamber of Commerce Leadership Development program as a model, IELLAPI is piloting a new leadership-training program for Latino employees in public- and private-sector organizations. The six-month program provides an opportunity for future leaders to gain an in-depth understanding of key issues facing the region and the state while also developing leadership skills that will make them more competitive professionally.

The Future Physician Leaders Program, led by Dr. Raul Ruiz in partnership with U.C. Riverside Medical School, mentors Latino students interested in becoming physicians and working in medically under-served regions. The program includes a community service component where students work in groups to address

a community health issue. Partnerships have been developed with hospitals and clinics around the Inland Empire to host students and sponsor volunteer projects.

Since 1986, the Inland Empire Future Leaders Program has run a week-long camp for Latino middle schools students, instilling self-esteem and developing cultural awareness and leadership skills. The program is run by an all-volunteer staff, many of whom are former campers. The program includes workshops on academic preparation, applying for college and financial aid, and getting involved in extra-curricular activities such as student government. To date, over 95 percent of participating students go on to graduate from high school.

Supporting Latino Youth

In partnership with Cal State San Bernardino and local school districts, the Praxis initiative uses a collaborative, research-based approach to address the dropout crisis among Inland Empire youth. The initiative started in Colton High School where truancy rates were on the rise. Through community focus groups and interviews, the Praxis team discovered that most students who were chronically late or absent from school were responsible for taking their younger brothers and sisters to school, making them late for high school. By uncovering this core problem, the school was able to work more effectively with families to identify solutions that met their needs.

Dr. David Chavez, a Clinical Psychologist at Cal State San Bernardino is running a parent support group for Latino families with LGBT high school students. By working to combat stigma, the group is creating a more supportive environment for LGBT youth in the Latino community.

Key Strategies and Lessons Learned

Make the Economic and Demographic Case

IEEP has enlisted support for its Latino advancement initiatives by emphasizing the economic imperative of closing the achievement gap. Since the young and growing Latino population will play a critical role in replacing aging workforce in the job market, investing in Latino advancement is critical to economic success in the long term. While Latino advancement is also aligned with social-justice goals, emphasizing the

economic rationale is a less divisive way to make the case. IELLAPI is working with its partners in local universities to develop a set of indicators describing the Latino community in the Inland Empire and identifying key issues related to Latino advancement.

Avoid the Immigration Debate

The contention surrounding the immigration issue was a challenge to building broad-based support for the initiative. However, by demonstrating that the vast majority of Latino residents in the Inland Empire are native-born or naturalized citizens, the issue of Latino advancement could be disentangled from the political debate about undocumented immigrants.

Align Initiatives with Similar Goals to Achieve Greater Impact

By encouraging coordination among established Latino advancement initiatives in the region, IELLAPI is leveraging existing community resources to achieve greater impact. While each initiative operates with slightly different goals, they share a common objective of supporting Latino achievement and advancement and are now working together to scale up.

Regional Lead
Paul Granillo
President and CEO
Inland Empire Economic Partnership
pcgranillo@ieep.com

The Inland Empire Economic Partnership exists to help create the two-county region's voice for business and quality of life. IEEP's membership, a collection of important organizations in the private and public sector, gives the organization the knowledge and perspective needed to advocate and provide a vibrant business and living environment.

LOS ANGELES COUNTY

Data-Driven Priority-Setting and Implementation in Economic Development

The Los Angeles County's Economic Development Corporation (LAEDC) uses objective data and balanced analysis to guide the implementation of its Strategic Plan for Economic Development. LAEDC has aligned its programmatic and policy-based decisions with its economic research and applied-analysis departments to enable data-driven decision-making. This alignment has allowed LAEDC to quickly respond to political, fiscal, or economic changes in the region and accelerate the achievement of the objectives laid out in its strategic plan.

Development of a Consensus-based, Data-Driven Economic Strategy

The first-ever Los Angeles County Strategic Plan for Economic Development (the "Plan") was based on economic data and analysis and developed with input from over 1,000 regional stakeholders. The Plan laid out high-level objectives and strategies, from which implementation actions have been developed. Objective analysis has been used as an ongoing driver of the implementation of the Plan, ensuring that economic development initiatives are responsive to changes in the economic climate.

Analyzing Regional Clusters

To refine, hone and guide the Plan's implementation, the LAEDC developed a report titled "Industry Clusters in Los Angeles County." This report describes Los Angeles County's 14 largest trade industry clusters and the five largest locally serving industry clusters. This report has been used to not only highlight the region's strengths and weaknesses, but also to guide sector-based efforts at the local, state and federal levels. The importance of each cluster was assessed using the following indicators:

Size of the cluster in terms of employment - This indicator sheds light on the importance of each component industry within a cluster.

Average wages - While varying widely across industries, average wages can serve as a measure of productivity and can highlight potential workforce challenges, such as areas where up-skilling is required and where there may be skill gaps in segments of the workforce.

Performance over the last decade - The report measures how each cluster has performed over the last ten years to shed light on which clusters are emerging, mature, or in decline.

Location quotient - This is a measure of employment concentration in Los Angeles County relative to the country overall. A higher location quotient indicates a regional specialization.

“ As a practice, we believe that it's critical for analytics to guide and reinforce policy and programmatic efforts, not vice versa.

- David Flaks
Chief Operating Officer
LAEDC ”

Using Analysis to Inform Strategy

The regional cluster analysis has allowed the LAEDC to benchmark progress, refine and track the measurements of success, and adjust performance timelines. In addition, the cluster study has directly enabled LAEDC's state and local efforts to grow the Los Angeles regional economy.

Entertainment

Efforts to support the entertainment industry have been grounded in analysis of the industry's contributions to the regional economy. According to the cluster report, the entertainment cluster supports almost 160,000 jobs in L.A. County (2010), with an average annual wage of more than \$110,000, twice the county's average. As a critical cluster to the region's economic vitality, LAEDC has prioritized policy initiatives and programs affecting the industry.

Creating Uniform Policies to Guide On-Location Production - At the local level, the LAEDC - working through its State & Local Policy Working Group - joined together with a number of film production stakeholders and the California Film Commission to revise the statewide Model Filming Ordinance (MFO) and urge the California Film Commission Board to adopt a revised ordinance. The group also created a Best Practices (BPs) document that provides the entertainment industry with a uniform set of policies and procedures to secure on-location production. To date, three Southern California cities have adopted a version of the revised MFO/BPs: Carson, Duarte and Simi Valley. The Southern California

Association of Governments also unanimously moved to encourage its 191 member-cities and six counties to adopt some version of the MFO/BPs, including the County of L.A., which moved to incorporate the MFO/BPs into County policy.

Making the Case for the Film and Television Tax Credit - The film and television tax credit has been a valuable program that protects the industry and promotes production in the region. To assess the fiscal and economic impact of the tax credit, the LAEDC issued a 2011 study: "California Film and Television Tax Credit Program: An Economic Impact Study." The study showed that for every \$1 in film tax credit appropriated under the California film and television tax credit program, \$1.13 is returned in state and local tax revenue. This study reinforced LAEDC's statewide efforts and provided political cover for legislators to pass and for the Governor to sign legislation to extend the California film tax credit for two years, despite significant opposition from certain powerful public employee unions.

Aerospace

The aerospace industry is another example of LAEDC's data analysis in action. Southern California's aerospace industry is comprised of companies that manufacture aircraft (civil and military), missiles, satellites and other space vehicles, as well as the companies that manufacture and distribute parts and components. According to an August 2012 study issued by the LAEDC, this industry supports 276,000 direct, indirect and induced annual jobs, with \$20.6 billion in labor income, and contributes about \$2.4 billion in state and local taxes.

Averting sequestration cuts in aerospace - The analysis conducted by the LAEDC has proved to be a critical tool in the region-wide effort to avert \$1.2 trillion in automatic, across-the-board federal defense and non-defense discretionary program sequestration cuts established under the Budget Compromise Act of 2011 (BCA).

State Services Critical to Economic Development

The LAEDC has also formed the L.A. Jobs Defense Council with public sector, business, labor, and education partners to protect leading aerospace and defense-related industries as well as critical education, community development, health and social services programs that will be gutted under the federal sequestration. The Council is working to urge members of Congress, especially the L.A.-based Congressional delegation, to pass legislation to avert the fiscal year 2013 sequestration cuts and to find a balanced, bipartisan, long-term budget compromise that protects L.A. County, California, and the nation going forward. To this end, the analysis is critical in providing the data and impetus to make the case.

Key Strategies and Lessons Learned

Using Analysis as a Feedback Loop

While the Strategic Plan serves as a guide with clear goals and objectives, implementation actions are informed by ongoing analysis. This has allowed the LAEDC to benchmark progress and adjust course when economic conditions change.

Leveraging Two Departments Dedicated to Research and Analysis

The LAEDC operates both the Kyser Center for Economic Research, a source for analysis of economic trends in the Southern California region as a whole, as well as the Economic and Policy Analysis Group, a consulting group that provides objective research and analysis to public and private entities. Research from both groups has informed implementation of the strategic plan. The Economic and Policy Analysis Group conducted the Film Tax Credit study, for example, while the Kyser Center produces regular reports and studies that analyze trends in the regional economy overall.

Regional Lead
Bill Allen, President and CEO
Los Angeles County Economic Development Corporation (LAEDC)
Colin Maynard, Public Relations Director
colin.maynard@laedc.org

The LAEDC's mission is to attract, retain and grow businesses and jobs for the regions of Los Angeles County. The LAEDC serves the 88 cities and more than 100 unincorporated communities of L.A. County through its free business assistance and attraction programs, economic research, fee-supported economic and policy analysis, and public policy leadership.

REDWOOD COAST

Regionalizing Economic Development

The Redwood Coast region is comprised of four counties: Humboldt, Del Norte, Trinity, and Mendocino. While these counties form a well-defined regional boundary that shares similar geography and economies, they also have distinct priorities and economic development strategies. Redwood Coast Rural Action (RCRA) is a network of community leaders who are working together to find opportunities to develop industry clusters at a regional level to more effectively leverage resources, share ideas, and grow the regional economy.

Recognizing the Benefits of Working as a Region

The Redwood Coast is a large region that includes four counties covering hundreds of miles and mountainous terrain. This geographic dispersion has historically led to county-based economic development strategies, where counties developed local plans without formal coordination with neighboring counties. With the help of RCRA, however, community leaders across the region are recognizing the value of collaborating as a region to better compete in the state and national economies. RCRA stakeholders are using lessons learned from the Humboldt County economic development strategy to create a regional industry cluster action plan. This regional plan will focus on common industries and identify issues in the region and actions to enhance regional economic development.

Using Lessons Learned at the County-Level

Humboldt County is in the process of finishing a comprehensive effort to update their industry cluster strategy. The key focus in their updating process was to engage as many community stakeholders as possible to encourage broad-based acceptance of the plan. They started this process by conducting 100 interviews with community leaders, asking questions about issues such as barriers to economic development, competing regions, and economic indicators.

“ By engaging Community Action Teams in Humboldt County, we now have people who are focused on the economic strategy and being a part of the solution. We have several teams that will stay together and work to implement their action team’s plan.

- Kathy Moxon
Director
Redwood Coast Rural Action ”

The County also formed an Industry Cluster Leadership Council to evaluate stakeholder feedback and create the actual strategy. In addition, 17 Community Action Teams were created around the ideas that the interviewees identified. These teams engaged in learning circles to study the ideas or challenges and create action plans to present to the Council. The Council is currently working with the teams to identify a prioritized list of actions that can be implemented over the next five years. The teams also identified community champions who will lead the implementation of the project plans.

Identifying Common Strategies for the Region

The RCRA region is already linked through the region’s industry cluster study called North Coast Targets of Opportunity, which identified six target industries significant to the future of the region. Stakeholders throughout the region are working together to identify common interests, strategic leverage points and common policy issues. Regional leaders are sharing best practices including the process utilized in Humboldt County’s industry cluster strategy development. Humboldt County has found that the people who participate and contribute to the strategy are more likely to participate in future implementation. Therefore, one of the first and most important steps in this planning process was to build relationships among community leaders across the region. RCRA visits each county to talk through issues, understand county priorities, and build trust among the counties to facilitate working together as a region.

In talking to stakeholders in each county, RCRA is working to identify which issues the region should be working on together. Where there is overlap on county-level economic strategies and priorities, regional stakeholders are working together to identify over-arching regional opportunities. For example:

RCRA discovered that several counties were focusing on growing their meat processing industries. However, given the scale of that industry, the region could better compete

nationally by collaborating rather than working separately. For example, creating regional processing facilities could create economies of scale, lowering costs for businesses.

RCRA also identified community colleges as a potential area for collaboration. Humboldt County, for example, is working with its County community colleges to train its workforce. Given that each county has a community college, there could be opportunities to share curriculum and training the local workforce to meet regional market needs across counties.

Humboldt County has implemented a local ordinance that gives local vendors preferential points in response to a request for proposals. This preference supports local businesses and keeps money in the County. RCRA recognized this policy as one that could work across all regions or that other counties could implement to support local or regional companies.

Mendocino and Humboldt Counties are learning together about mobilizing local capital for local needs and are ready to engage in policy improvement efforts identified by the Smart Capital Action Team at the first California Economic Summit.

The outreach has helped identify regional clusters of opportunity and lessons learned in one county that could be helpful to another. This information-sharing is another key benefit of working regionally. RCRA has a regional economic development summit planned for 2013 and will continue to develop regional strategies.

Key Strategies and Lessons Learned

The Value of Face Time

Given the distance between counties, it is a challenge to build relationships and meaningfully engage stakeholders across the region. By having at least one representative from RCRA travel to various counties for face-to-face meetings on a regular basis, and by having longer regional meetings a few times a year, RCRA has been able to foster productive relationships across counties.

Making the Case for Working Together

Rural areas frequently feel isolated and so develop a strong sense of independence—going at it alone. Funding contributes to the tendency to work alone as jurisdictions often compete for funding. Working together as a region can be less efficient and

cumbersome, so convincing dispersed areas that there is value in working together is challenging. It is critical to identify those few opportunities where working together adds value and makes sense—identifying and work at the state level on policies important to rural economies is one of those opportunities.

Linking for Accelerated Learning

By identifying common interests and activities, leaders from throughout the region more frequently utilize each other for expertise and information and are more likely to extend the invitation to learn together when outside experts are coming in from out of town. Learning together builds personal relationships and can divide implementation activities across a larger group of people.

Increasing Community Involvement in Economic Development Planning

RCRA is utilizing Humboldt County's strategy of involving a wide range of community stakeholders in the formation of a regional economic strategy. This broad-based community involvement helps identify shared issues, build support for the plan, engage champions and build relationships and trust in the

“ It is important to get as many people involved and help them understand the process. They will then be more apt to participate in the solution rather than impeding progress.

- Kathy Moxon
Director
Redwood Coast Rural Action ”

Regional Lead
Kathy Moxon, Director
Redwood Coast Rural Action
kathleen.moxon@gmail.com

Redwood Coast Rural Action (RCRA) is a dynamic network of diverse regional leaders who have identified areas of focus and developed an agenda for local, regional and statewide action. RCRA was founded in 2002 and spans Del Norte, Humboldt, Trinity, & Mendocino Counties in Northern California. Originally convened by Humboldt State University, College of the Redwoods and Humboldt Area Foundation, RCRA is emerging as an effective vehicle for all community leaders to join together to create the future of our choosing.

SACRAMENTO REGION

Hospitals Collaborating as Stewards to Improve Regional Health

Sacramento-region hospitals are working together to assess community health needs and align initiatives to benefit the community. By facilitating a collaborative process, Valley Vision has helped align community health efforts to achieve greater impact in improving the health of the region.

A Need for Coordination among Hospitals

In order to maintain their tax-exempt status, not-for-profit hospitals actively engage in a number of “community-benefit” practices that aim to improve the health of the community. These practices include providing healthcare services without compensation, providing financial and other support to community organizations and programs, offering education programs within the community, conducting research, and more. In addition, state and federal mandates require not-for-profit hospitals to conduct community needs assessments every three years to measure the health status of the region and ensure that community benefit efforts are targeted to those with the greatest need. The mandates, however, do not require that hospitals collaborate to assess needs or align community benefit practices. Without coordination, hospitals may duplicate efforts in some areas while service gaps persist in others.

Encouraging Coordination and Complementarity

Since 2007, Valley Vision has coordinated with Sacramento-region hospitals to conduct a collaborative community needs assessment and develop a community benefit plan based on a complementary approach. While hospitals are competitors in their day-to-day operations, Valley Vision has helped develop trust and a space to work collaboratively in identifying community health needs. Working together to identify key issues in the community has naturally led to a shared vision of what can be accomplished.

“

If everyone sees the same data, sees the same issues, sees the same problems, then that alone catalyzes collective action.

- Dale Ainsworth
Managing Partner
Valley Vision

”

Valley Vision is working with regional hospitals to develop the third collaborative community-needs assessment, which will be released in 2013. Having developed a collaborative culture through the process so far, the group of hospitals is considering expanding the collaboration into other areas of health care. For example, hospital partners are working with Sierra Health Foundation to conduct a gap analysis to determine the current and needed capacity of the region’s health services safety net. In addition, the collaborative has created an interactive website to report on community health data compiled through the assessment process. This interactive, dynamic website is designed to engage community-health stakeholders throughout the region to facilitate further collaboration.

Aligned Community Benefit Efforts

The collaborative needs-assessment process has led to greater alignment in community benefit efforts among the Sacramento region’s hospitals. For example:

[The Community Health Referral Network offers a promising new model of care coordination to help uninsured and underinsured residents access adequate and affordable care.](#) This was a major issue identified in the 2010 Community Needs Assessment. The new Community Health Referral Network is a region-wide collaborative between the hospitals and nonprofit community clinics. By using shared case management services and health information exchange technology, underserved patients are connected to permanent health care homes in the community.

[Cover the Kids \(CTK\) is a collaborative initiative that works to ensure all children and their families have access to health care services.](#) The partnership includes key representatives from hospitals, county health service agencies, community clinics, and other community organizations. By providing accurate and unbiased information on insurance choices and assisting in the enrollment process, CTK helps to increase access to health care.

Key Strategies and Lessons Learned

Use a Neutral Facilitator

Since hospitals generally see each other as competitors, building a collaborative space requires a neutral, impartial facilitator. The facilitator can't have a strong point of view; instead, the facilitator needs to follow the momentum of the group to surface and elevate shared priorities without favoring certain stakeholders over others.

Build Trust among all Parties

Each individual player involved has to trust the facilitator in order to maintain the effectiveness of the collaborative. This allows each group to trust that their priorities and interests will be considered and included, making space to find common ground.

Surface and Work Through Conflicts

Inevitably, conflicts arise when one organization feels they are being put at a competitive disadvantage. However, as a neutral facilitator, Valley Vision has helped the group focus on its shared goals, thereby staying committed to building consensus on the best way to reach those goals. Working through conflicts, while staying committed to the collaborative process, has helped build a foundation of trust among all those involved.

“ Collaboration is slow, hard work and can often take more resources. But when you're dealing with large-scale problems, it's the only way to meaningfully address them.

- Dale Ainsworth
Managing Partner
Valley Vision ”

Regional Lead
Bill Mueller
CEO and Managing Partner
Valley Vision
bill.mueller@valleyvision.org

Valley Vision is a nonprofit association of people and organizations working to secure the social, environmental and economic health of the Sacramento Region. Founded in 1994, Valley Vision is an objective, nonpartisan “action tank” committed to regional problem-solving as well as impartial research for sound decision-making. The organization acts as a bridge, uniting neighbors and organizations that together can make a real difference in communities.

SAN DIEGO REGION

Stronger Together: Bridging the Urban/Rural Divide

San Diego County and Imperial County, neighbors that both share an international border with Mexico, are two diverse counties, but they also have important complimentary assets. The San Diego Regional Economic Development Corporation, Imperial Valley EDC, and economic development entities in Tijuana, Mexicali, Tecate and Ensenada have developed a collaborative partnership as part of the Cali Baja Bi-National Mega-Region Initiative launched in April 2008. The Mega-Region brings together three neighboring areas, San Diego County, Imperial County, and Baja California, to focus on expanding four target industry sectors throughout the region. While the Mega-Region is a three-way collaborative partnership, this profile focuses on the partnership between Imperial and San Diego Counties which demonstrates the value of rural-urban regional partnerships in contributing to the economic growth of both regions.

Finding Common Ground for Partnership

California is a diverse state that ranges from dense, technology-focused urban areas to expansive agricultural-based rural areas. These rural-urban differences create an economically rich state as a whole, but can present a challenge for collaborating across urban and rural regions. Through the Mega-Region, urban San Diego County and rural Imperial County have forged a new kind of partnership to bridge this divide and embrace their differences to create a stronger regional economy.

Identifying economic gaps

San Diego County, with San Diego the second largest city in California, has a vibrant economy and rich intellectual capital supported by world-class research institutions and universities. However, San Diego is also running into land and natural resource limitations that constrict economic growth. By contrast, San Diego's inland neighbor, Imperial County, is sparsely populated with an economy largely dependent on agriculture and rich natural resources. Imperial County is poised to be a global leader in renewable energy generation, but currently suffers from chronically high unemployment and a dearth of economic diversification.

Each county conducted a gap analysis of its assets to target industries for shared economic growth and identified resource needs to achieve growth. A diverse group of players from each county, including economic

development leaders, public officials, academic and private-sector business leaders, then met to identify specific ways to collaborate. They found that, through their gap analyses, they identified important synergies in specific industries and common needs, which provided the basis to start the partnership.

Leveraging Strengths to Collectively Fill Economic Gaps

With San Diego's leadership in biotechnology and clean tech, the San Diego region decided to work with Imperial County on growth in the bio-agriculture and alternative energy sectors. Instead of competing against each other in these industries, they marketed the strengths of both counties to create a better recruitment package for companies. For example, Imperial County could offer large tracts of cheaper land, and San Diego County could offer abundant intellectual capital with a talented workforce and university and research centers.

“ Each side is genuine and realizes that both San Diego and Imperial County gain from this relationship; there are shared interests and they benefit more by working together than alone.

- Lauree Sahba
Chief Operating Officer
San Diego EDC



Partnership in Practice

The San Diego and Imperial Counties partnership, now five years in, is a strong relationship that has demonstrated success. Some regional stakeholders were concerned that this partnership was risky and could create more competition for resources. For example, urban and rural areas in California have a history of struggles over water rights. But the San Diego and Imperial Counties are finding ways to work together to meet each region's needs.

Both counties realize each gains equally from the partnership and that working toward their shared interests benefits them more when working together. The partnership has achieved some key wins in recent years that exemplify the advantage of working together:

Solar manufacturing and installation sites recruited in the region

Soitec, an international company that manufactures semiconductor materials, announced in December 2011 that it was opening a \$150 million concentrator photovoltaic module manufacturing facility in San Diego County. Soitec also received a contract with San Diego Gas & Electric to produce a 150 megawatt solar power plant on a 1,057-acre site in Imperial County.

These Soitec operations will benefit both counties and will create hundreds of new jobs for area residents. The counties are also working together on a plan to train residents as solar technicians and other careers to be ready for these new jobs.

Joint workforce development strategy to build a trained regional workforce

The two counties have created a longer-term plan to train the region's workforce and align resources to have a more fluid workforce throughout the region. The counties' Workforce Investment Boards received a grant from the Walmart Foundation to develop strategies for more effectively aligning workforce strategies, sharing resources, and training workers. They have since conducted an inventory of the education and training linkages between San Diego and Imperial County to better align training programs.

The partnership has started a pilot training program to test their plan. Through this pilot program, they trained workers at Imperial Valley Regional Occupational Program, a regional training organization, and secured commitment from Solar Turbines, Inc. to hire these workers at their San Diego manufacturing facility. Solar Turbines has struggled to find San Diego-based

machinists, so it offered to shuttle the Imperial County workers to the San Diego facility daily. While this commute may not be ideal, the partnership is designed to fill workforce gaps for both counties and develop a skilled workforce in Imperial Valley that will ultimately attract future investment locally.

Planning a future home for the algae biofuels sector

The algae biofuels sector in the San Diego region is growing and gaining traction internationally. Imperial Valley has the ideal climate and tracts of land for growing algae, while San Diego has researchers and startup companies testing new algae biofuels. The University of California San Diego and other companies have plans to build testing facilities in Imperial County and hope the region will be "ground zero" for the algae biofuel industry.

Key Strategies and Lessons Learned

Find Gaps that the Other Side can Fill

A partnership must be a mutually beneficial endeavor to be successful. The San Diego and Imperial County partnership was founded on the economic gap analysis conducted by each of the counties. By identifying opportunities for complementary economic activities, the counties created realized that they were better off working together. Each county is able to leverage the strengths of the other, creating a stronger regional economy.

Ensure that Everyone has an Equal Stake in the Game

Through their partnership and Cali Baja Mega-Region Initiative, San Diego and Imperial Counties found they were most successful when all players have an equal stake in the game. For example when Cali Baja first began, San Diego paid for the majority of the initiative including the cost of its director. However, over time representative organizations in the three areas have recognized that they should share the costs equally. In 2013, they are contributing to fund the director position and programmatic costs.

As it happened, when the initiative began, the San Diego-based director was new to San Diego, which alleviated any concerns that she had predisposed loyalties.

Understand Your Partners and Build Trust

One of the first major steps in the partnership process was building trust among the stakeholders. This is an ongoing process that started on day one and must be continued, especially as new stakeholders join. One way that San Diego and Imperial County have learned to trust each other is by spending time in each other's counties to understand and see the county's situation first hand. Each stakeholder had to check their egos at the door and recognize this partnership was for the benefit of the region, not an individual. The director also invests in building trust and relationships among the partners, spending time in each county and becoming a fixture in the communities. Sharing the time, money, and leadership on the regional projects also builds confidence in the partnership.

Demonstrate an Early Win

As with any long-term planning effort, it is easy to get caught up in the details and lengthy lists of action items. Throughout the years, it is important to demonstrate and recognize wins along the way. The wins can keep momentum going with the partners and give motivation to strive for more wins. The San Diego-Imperial partnership has already demonstrated a number of tangible results, such as the Soitec investment in both research and manufacturing jobs for San Diego and Imperial County, and are optimistic about business attraction initiatives in the future.

“ To build trust in each other, every stakeholder needs to check their ego at the door and recognize the initiative is for the benefit of the region, not the individual.

- Lauree Sahba
Chief Operating Officer
San Diego EDC

”

Regional Lead
Lauree Sahba
Chief Operating Officer
San Diego Regional Economic
Development Corporation
ls@sandiegobusiness.org

Dr. Christina Luhn
Director
Mega Region Initiative
cl@sandiegobusiness.org

The San Diego Regional Economic Development Corporation is supported by over 135 companies in the region. The mission is to advance the region's economic prosperity and global competitiveness.

SAN LUIS OBISPO REGION

Creating a New Model for Stewardship of the Regional Economy

The Economic Strategy Project for San Luis Obispo County is the first-ever public-private partnership to perform an in-depth economic assessment and industry engagement process, producing a strategic plan for the San Luis Obispo County economy. By engaging local government and the business community at every stage of the project, the region has encouraged a high level of collaboration in promoting a vibrant regional economy. County officials work closely with cluster industries as they develop policies, streamline permitting processes, and advance projects that will create positive economic impacts in the region – all driven by the business community.

Unprecedented Engagement of Industry Cluster and County Leaders

The initial phase of the San Luis Obispo Economic Strategy Project was completed in 2010 after more than 12 months and multiple strategy sessions involving more than 125 business leaders throughout the region. The implementation phase began in 2011 and has yielded a broad set of ‘early wins.’ In particular, close collaboration with local government has resulted in greater alignment and coordination among regional leaders to remove barriers and promote growth of a vibrant regional economy.

While the Economic Strategy was developed based upon industry stakeholder input and engagement, the project was championed by the entire County of San Luis Obispo’s Board of Supervisors. The project was not undertaken in response to the economic recession, but as a long-term approach to creating a vital and balanced community. Through the Economic Vitality Corporation, a countywide non-profit economic development organization, the Board of Supervisors continues to support the Economic Strategy through engaging volunteer business leaders in the local legislative process. The County has endorsed the strategy, setting the stage for more future economic successes.

Early Wins

Integrating Economic Strategy with the County General Plan

Through multiple stakeholder sessions with cluster industry leaders, stakeholder organizations, community benefit organizations and local government representation, the Economic Element of the County’s General Plan was revised. Previously a long list of economic initiatives, the Economic Element was revised to serve as an over-arching guiding document that facilitates and supports the endorsed Economic Strategy project being implemented. By modifying the Economic Element in this way, the

Economic Strategy is able to remain a fluid and living plan, while the Economic Element provides the necessary legislative support for County actions.

Economic Analysis Program for Discretionary Permits

A high-priority initiative identified by all of the industry clusters was the consideration of economic impacts in evaluating new land uses or development projects. Rather than simply evaluating the impacts to the environment or public services, beneficial economic and community impacts needed to be considered in the decision-making process. Working with County Planning and Building Department staff, the Economic Vitality Corporation has developed a pilot project for project applicants to complete a voluntary online assessment that helps determine economic or community benefits by the proposed project.

As a second tier of this program, the applicant may work with the Economic Vitality Corporation to complete an economic modeling scenario which estimates impacts to jobs, sales and earnings, increases to sales and property tax revenues, and other relative metrics. This modeling report becomes a part of the project application, and therefore a part of the public discussion of the project’s potential merit or beneficial impacts.

This initial pilot effort will evaluate several projects in diverse geographical and land use categories, and through a peer review process will establish beneficial outcomes of such projects.

Process Improvement Committee for Permit Streamlining

Championed by County Supervisor Frank Mecham with representatives from the Building Design and Construction Cluster, the County of San Luis Obispo evaluated opportunities to streamline the Building and Land Use Permit process. As a result of these efforts, an implementation plan was brought forward by County Planning and Building Department staff,

and was approved for implementation by the Board of Supervisors. These modifications achieved the goals and objectives identified by the cluster in the Economic Strategy document. Stakeholder groups that reconvened to evaluate this effort determined that additional progress was required on the Land Use Permitting focus and work in this area is currently ongoing.

Business Assistance Team Addressing Business Challenges

As a result of discussions by both the Building Design and Construction and Green Energy clusters, stakeholders have been working with the County to explore the potential of establishing an expedited permit process, or “Red Team,” for discretionary projects that achieve regional priorities.

The Business Assistance Team pilot project was launched in collaboration with County staff. Projects that are located within the urban reserve line and that provide high-quality jobs exceeding the County’s self-sufficiency standard may apply for Business Assistance Team participation.

To ensure the program is sustainable, County staff took the extra step of reaching out to relevant agencies to gain consensus on efforts to shepherd such projects through the process. A number of projects have succeeded in achieving shorter approval time periods as a result of participating in the program, and a number of future projects are now in the pipeline. A recent approval of a project through this process resulted in the retention of a large employer, in expediting its expansion approval and enabling the company to not only retain but grow jobs in the area in the near term.

Looking forward

The Economic Vitality Corporation and its regional partners continue to engage in new and innovative ways to interact with local governments. The Economic Strategy project is a county-wide project which focuses on the clusters of opportunity responsible for the majority of the job growth since 1995. It is a true public-private partnership, financially supported by all cluster companies. The project stakeholders anticipate that as the project evolves, direct implementation may occur at the City level.

Key Strategies and Lessons Learned

Engage Local Government Leaders Early

By engaging local business leaders early in the development of the region’s economic strategy, there was a higher level of collaboration and alignment as the strategy moved into implementation.

Focus and Impetus should be Derived from the Business Community

The business community drove the process of establishing strategies and priority outcomes. This helped encourage focused action around economic and workforce development needs. In addition, it helped ensure that business owners were vested in the initiatives.

Designate Staff to Assist with Implementation

Providing adequate administrative and project management support is a critical component to achieving outcomes and retaining volunteer engagement. The process should be seamless with the primary contribution from volunteers being their knowledge and resource base.

Cross-cluster Engagement Yields Innovative and Distinct Opportunities

By establishing new modes of communication and collaboration across clusters, stakeholders were able to identify opportunities for cross-cluster benefit and mutual support.

Regional Lead
Michael Manchak
President & CEO
San Luis Obispo Economic
Vitality Corporation
mmanchak@sloevc.org

Established in 1994, the Economic Vitality Corporation (EVC) is the provider of economic development services and business resources throughout San Luis Obispo County. A 501(c)(3) non-profit, EVC is funded by private and public sector sponsors which support its mission to help start and grow businesses on the Central Coast and create a more vital economy.

SIERRA NEVADA REGION

Building Support for Sustainable Drivers of Economic Prosperity

The Sierra Business Council engaged a wide range of stakeholders to develop an industry cluster action plan detailing past, current and projected economic drivers, or clusters, in the Inyo-Mono region of California.

Finding Opportunity in Economic Crisis

California's Inyo and Mono Counties are rural regions of the eastern Sierra that have consistently faced unique challenges to economic sustainability. In Inyo County, more than 97 percent of the land area is owned by public agencies, with only 1.3 percent of the county's land held privately. Mono County's public-private land holdings are similar, with 94 percent owned by public agencies, leaving little room for development potential. Much of the region's employment is seasonal and low wage. The median household income in Inyo County is \$15,495 lower than the median household income in California. In Mono County the disparity is not as great: Mono's median income is \$3,104 less than that of the state. Inyo County boasts two residents per square mile while Mono County has four residents per square mile.

Low density and low wages have been long-standing challenges for the region, but the economic crisis lent a sense of urgency to developing a regional economic development strategy. In addition, the American Recovery and Reinvestment Act resulted in a \$195 million grant to the region to expand broadband internet access, creating an opportunity to drive a new economy.

Developing an Economic Strategy

Given the challenges facing Inyo and Mono Counties, members of the Sierra Business Council recognized the need for a comprehensive strategic plan that would guide the region's economic development. Since the region is relatively small, with a total population of 50,000, community leaders are used to working together. However, the leadership of the Sierra Business Council helped encourage and frame that collaboration to produce an actionable, data-driven strategy for economic growth.

“ The Sierra Business Council members realized that opportunity can come out of economic crisis. We decided to use this event to get people on disparate sides to come together to frame the next decade of economic development.

- Steve Frisch
President
Sierra Business Council ”

Over a two-year process, the Business Council worked with community leaders to produce, “Eastern Sierra Innovation and Prosperity: An Industry Cluster Approach to Economic Sustainability in California's Inyo and Mono Counties.” This report provides a vision for the future of the region's economy, as well as detailing past, current and projected economic drivers, or clusters, in the region.

The “Eastern Sierra Innovation and Prosperity” report identifies the value of the region's public lands and examines five clusters expected to experience and/or contribute to economic sustainability in the region: The report offers strategies for nurturing existing industry clusters in this rural region, provides suggested metrics for measuring success, and lists potential funding sources to assist in implementation.

Engaging Stakeholders

To create the economic development strategy, Sierra Business Council engaged in an inclusive community outreach process to solicit input and encourage buy-in from community leaders. The project was led by a blue ribbon committee of more than 40 community stakeholders interested in securing the

economic future of Inyo and Mono Counties. This committee was critical in providing leadership and direction throughout the development process. These volunteers met for more than 12 months and were informed by background research conducted by the Sonoran Institute of Tucson, Arizona on the state of the regional economy, existing economic development planning, and rural economic development trends and strategies adopted in other, similar communities.

The committee was further informed by more than 40 interviews with eastern Sierra business and industry sector leaders. Additional interviews were conducted with economic development professionals at multiple federal, state and regional agencies. Prior to final publication, a draft was circulated among stakeholders and the Sierra Business Council conducted more than a dozen small workshops to present, receive and incorporate comments on the report. This combination of outreach methods allowed for wide-reaching engagement and facilitated community buy-in.

Aligning Interests

By soliciting input from a wide range of stakeholders, the Sierra Business Council surfaced shared interests and identified areas where collaboration could be beneficial across the region. The Digital 395 Middle Mile Project, for example, which will build a new 583-mile fiber network in the region, was identified as a major economic development opportunity that could be fully leveraged through regional collaboration and coordination. The region is now working to implement a regional e-commerce strategy and is collaborating with the local community college to train small businesses on e-commerce.

Building Consensus

At the outset, the committee agreed on the criteria they would use to identify clusters. Later, these criteria were used to resolve any conflicts about which clusters should be prioritized. By discussing any conflicts in open debates, and adhering to the criteria they had established early on, the region achieved consensus about which clusters to include in the strategy.

“ People often underestimate the value of personal feedback. It’s the relationships that drive the process, so we invested in those relationships to broaden acceptance.

- Steve Frisch
President
Sierra Business Council ”

In addition, local government including the Inyo County Board of Supervisors, the Mono County Board of Supervisors, and the Mammoth Lakes Town Council have all expressed support for the strategy. In all instances, local decision-makers have commented on the report’s applicability and have demonstrated enthusiasm for applying the suggested strategies to promote economic success and prosperity in the region.

Key Strategies and Lessons Learned

Solicit Broad Stakeholder Feedback and Build Relationships

The Sierra Business Council made a concerted effort to develop this report with local community stakeholders. A steering committee guided the discussions and public feedback was received at multiple stages in the drafting process. They learned that personal feedback and relationships drive the process and the Council needed to invest in those relationships to broaden the acceptance of the resulting economic strategy. The Council received feedback through three main avenues:

Steering Committee - The development of the report was guided by a steering committee of 40 stakeholders from local community. The Sierra Business Council gathered the members through a call for participation and direct outreach to make sure the region’s major sectors were at the table. The committee met about five times for 3-4 hour-

long meetings to delve into discussions on core strategies, opportunities and barriers.

One-on-one Interviews - The Sierra Business Council also led a series of interviews with stakeholders to identify priorities and strategies. They conducted a total of 80-90 interviews of stakeholders such as industry partners, implementers (e.g. Chambers of Commerce), and economic development partners on federal and state levels (e.g. the U.S. Department of Agriculture and the Governor's Office of Business and Economic Development - Small Business representatives). These one-on-one interviews, while time consuming, were an important way to solicit candid, honest feedback from participants.

Public Reviews - The Sierra Business Council maintained an open and transparent process throughout the development of this report. They offered multiple opportunities for the steering committee, interviewees, city councils, and the public to review drafts and submit comments. This broad outreach allowed them to achieve consensus on issues, priorities, and strategies.

Looking Forward: Give Ownership of Strategies to Regional Stakeholders

The industry cluster action plan will be implemented by regional stakeholders. Each cluster will have an on-the-ground champion to take the lead in implementing those cluster actions. Though the plan was only recently released, some champions have already stepped forward. For example, the Eastern Sierra Broadband Collaborative is leading the actions to leverage the new broadband network being implemented across the region. The Collaborative was formed around the grant application for the project, and therefore are well positioned to have a continued role in determining how the region can utilize this new technology.

Regional Lead
Steve Frisch
President
Sierra Business Council
sfrisch@sbccouncil.org

The Sierra Business Council is a member-based organization of individuals and businesses committed to pioneering innovative solutions in the Sierra Nevada. The council works to foster community vitality, environmental quality, economic prosperity, and social fairness in the Sierra Nevada region.

SILICON VALLEY

Regional Collaboration to Spur New “Smart Energy” Sector

Through a regional demonstration project, the Climate Prosperity Initiative at Joint Venture Silicon Valley is transforming how energy is sourced, distributed, and utilized. The goal of the project is to create the country’s highest-performing power network, creating a cleaner and more efficient system. It is meant to be a replicable example that demonstrates the latest developments in efficiency, clean energy, grid performance and energy business models. The smart energy project has gained broad-based support from local public and private stakeholders.

Engaging Stakeholders Across Sectors

The development and implementation of a large-scale smart energy demonstration project in Silicon Valley is the result of collaboration among local governments, utilities, research institutions and businesses. Joint Venture Silicon Valley leads the region’s Climate Prosperity Project, part of a national effort to build new industry clusters and grow the economy in response to the climate crisis. The project is led by the Climate Prosperity Council, which has representation from business, government, and technology experts. The Council prioritized support for the growing “smart energy” industry as a means of cultivating a vibrant, cutting-edge sector in the region.

Creating a Smart Energy Demonstration Project

Silicon Valley is home to many of the nation’s leading technology companies that develop smart energy products. The Council decided to leverage this regional specialization to launch a large-scale demonstration project known as the Smart Energy Enterprise Development Zone (SEEDZ). SEEDZ focuses on creating a comprehensive smart energy system. This will be done by working on energy issues ranging from implementing programs to adjust energy demand and updating energy infrastructure, to installing renewable energy systems and revising financial structures to support smart energy. It is located in an 8.25-square-mile zone that encompasses the Moffett Federal Airfield, and parts of Mountain View and Sunnyvale. The Zone currently includes 300 energy customers, most of whom are high-tech companies, and billions of dollars of investment are planned for the further development of more than 8.5 million square feet of new office and lab space. SEEDZ will be a space for testing new technologies and solutions, revising energy policies and new standards and measures, adapting utility business models, and changing operations and use incentives.

Getting Ahead of Upcoming Development

The Silicon Valley region has billions of dollars in redevelopment underway. In 2011, the City of Sunnyvale had more commercial building activity than in any year in its history. Corporations and property

developers currently have plans to invest billions of dollars in the Zone to develop more than 8.5 million square feet of new facilities. A number of companies are also exploring future expansion of their corporate campuses and demolishing older, small structures to make way for new multistory office buildings. Given this upcoming spurt of development, the Council and stakeholders are leveraging SEEDZ as a way to learn how to build smarter, more energy-efficient buildings and neighborhoods and incorporate these strategies into new development and renovations.

“ We have found it incredibly useful to engage with stakeholders through the strategy development process. It wasn’t about coming up with the strategy and then handing it out, it was about developing the smart energy strategy together so that each stakeholders find value in the project.

- Rachel Massaro
Acting Director
Climate Initiative



Engaging Stakeholders to Find Mutual Value in the Project

As with any project, the challenge lies in the details. The energy ecosystem is especially complicated with many moving parts and a diverse set of stakeholders. Customer requirements vary widely and new solutions carry cost and risk. Energy quality and reliability are extremely important, as momentary interruptions bring down expensive equipment and processes. In addressing these challenges, collaboration serves as a “force multiplier.” Bringing stakeholders together is critical for defining common opportunities, developing integrated standards and solutions, leveraging time and investment, and realizing more rapid propagation of best practices. Therefore, effective collaboration

and integration are essential in building a smart energy future.

Under the direction of Joint Venture's Climate Prosperity Council, a working group of stakeholders engaged in a visioning and strategy effort to outline a smart energy collaboration based in Silicon Valley. In addition, Joint Venture conducted one-on-one interviews with each major stakeholder, including the two cities, PG&E, large companies, and advisors at the Electric Power Institute and Lawrence Berkeley National Laboratory to understand their issues, ideas, and priorities. Through the discussions and interviews, the group identified a handful of critical objectives—improving reliability and affordability of local power, advancing sustainability, expanding market opportunity, attracting investment and accelerating climate prosperity.

Stakeholder groups include energy customers, utility/energy providers, governmental entities, research and academic institutions, technology/solution providers, and property owners and developers. Stakeholders will contribute in a variety of ways, including taking leadership roles in selected initiatives, and providing expertise, staff resources and financial resources. In return, SEEDZ will work to provide results that benefit individual stakeholders, and contribute to the success and momentum of the effort as a whole.

Sharing Promising Energy Practices Among Business Leaders

Silicon Valley is already home to many individual examples of what the smart energy future holds. For example, energy customers such as Google have piloted the installation of new energy technologies while utilities such as PG&E have implemented energy grid upgrades. Given this wealth of knowledge in the region, Joint Venture conducted a Leading Practices Survey to identify promising practices to share with other stakeholders in the region. Many participants are interested in knowing what their neighbors are doing to implement smart energy solutions. Additionally, many participants track high-resolution energy-use data from their own building monitoring systems that can be useful in upgrading building and energy grid systems. By sharing these practices and data, stakeholders can identify common energy issues in the Zone and implement promising practices to further the smart energy initiative.

Key Strategies and Lessons Learned

Identify a Common Area of Opportunity

In order to bring together community stakeholders on a large scale, the Climate Prosperity Council first had to identify an area of opportunity that could benefit from working together. An initiative such as SEEDZ is difficult to create without focusing on a specific location; stakeholders need a driver for collaboration. The Council found that the economic activity, upcoming development, and access to local companies that are leaders in sustainability all created an impetus for SEEDZ.

Engage Stakeholders Early and Often

Stakeholder engagement is critical to any community initiative. The Council engaged stakeholders as a first step in the process to understand their priorities and needs, and to determine how those issues could be incorporated into the strategy. This engagement continued throughout the development and implementation of the strategy.

The working group laid out a matrix to describe “gives” and “gets” for SEEDZ stakeholders to help everyone understand the need for collaboration. In return for engaging in SEEDZ, stakeholders will see tangible benefits in the form of solving shared problems, improving performance and, ultimately, enhancing climate prosperity.

Start with Quick Wins to Build Momentum

In the roadmap that lays out the approach and main activities, quick-win initiatives are specifically identified to build momentum and knowledge about SEEDZ. These quick-wins are important as ways for stakeholders to see the benefit of involvement and to demonstrate the value of the project. These initiatives include power quality information sharing, an inventory of smart energy practices, and developing an integrated building energy management system specification.

Regional Lead
Russ Hancock
President and CEO
Joint Venture Silicon Valley
Hancock@jointventure.org

Established in 1993, Joint Venture Silicon Valley provides analysis and action on issues affecting our region's economy and quality of life. The organization brings together established and emerging leaders—from business, government, academia, labor and the broader community—to spotlight issues and work toward innovative solutions.

SONOMA REGION

Cradle to Career: Aligning Community Resources to Invest Comprehensively in Youth

Recognizing the interconnection among economic sustainability, healthy communities, and access to high-quality education, stakeholders in Sonoma County have come together in an historic partnership to align resources and improve education, health, and workforce outcomes for all Sonoma County youth.

Bringing the Community Together Around a Common Vision

The long-term viability of the Sonoma County economy depends on a well-trained workforce that is prepared to succeed in the global economy. However, persistent achievement gaps, particularly in the growing Latino community, present a major challenge to economic sustainability. Almost half (44 percent) of Latino students in Sonoma County do not graduate from high school. According to the 2009 Strategic Economic Plan for Sonoma County, narrowing this educational attainment gap among Latinos would result in between \$700 and \$800 million of increased economic output.

To achieve this level of impact, Sonoma County stakeholders have come together around a common strategy to comprehensively improve educational attainment from early childhood to career, preparing a future workforce to succeed. Cradle to Career is a region-wide collaboration that connects all segments of the educational continuum – early childhood, K-12, college/technical training, and workforce development – with broad-based community support to improve the educational, economic, and health outcomes for all Sonoma County youth. The initiative has engaged a wide range of institutions and organizations to build a shared agenda, align and leverage resources, and work toward a common vision.

The Cradle to Career initiative is managed by the Department of Health Services, which in 2007 was authorized by the County Board of Supervisors to convene a health action council (now called "Health Action"). While the main goal of Health Action is to improve health and health care for Sonoma County residents in order to reach their 2020 vision of being the healthiest county in the state, the integral connections between health, economic and

educational opportunities led Health Action to take a central role in the Cradle to Career initiative. As a neutral party, with the ability to convene institutions and organizations across the region, the Department of Health Services has played a critical role in building momentum, trust, and consensus around a common strategy.

Distributed Leadership with a Backbone Organization

Cradle to Career is based on the idea that complex social issues cannot be addressed by one organization or one sector. By aligning resources and building on the commitment of multidisciplinary community leaders, the region can achieve greater impact in the lives of Sonoma County youth.

The program involves many community leaders, ranging from school districts to local nonprofits, to grassroots neighborhood leaders. By giving institutions and community leaders ownership over the process, the initiative has developed broad-based support across the region. However, the Department of Health Services serves as a backbone organization, managing the initiative and maintaining momentum over the long term.

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If you're a leader that likes to be in charge of everything, this is not for you. You have to be willing to support others, step up, and lead when asked. You have to understand that the wisdom of the community is greater than the knowledge of the experts.

- Oscar Chavez
Executive Director,
Community Action Partnership
Sonoma County

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Alignment along the Educational Continuum

Cradle to Career is centered on five goals across the educational continuum:

Every child enters kindergarten ready to succeed - Cradle to Career aims to connect young children with health services and provide caregivers with the support they need to create positive learning environments for their children, particularly in low-income communities.

Every child succeeds academically - By supporting more relevant and engaging learning opportunities, giving students additional support during key transitions, and developing a mechanism to collect and share common data to help at-risk students, the Cradle to Career Initiative is helping all Sonoma Youth succeed academically.

Every child is supported in and out of school - By aligning and integrating support services with schools, students can access programs that help prepare them for successful transitions to adulthood, while families can also access the resources and support services they need.

Every young adult is prepared to achieve life and career goals - Cradle to Career aims to connect employers with school systems to better align curriculum with real-world opportunities.

Every young adult thrives and becomes a contributing member of the community - Creating pathways for young people to get involved with civic life and to develop leadership skills helps to ensure that young adults are contributing, civically-engaged members of the community.

Cradle to Career provides a framework and that will allow champions at the local level to align their own education and workforce-development efforts with a single vision and strategy at the regional level. For example, the Santa Rosa School District has worked in collaboration with community partners to target Southwest Santa Rosa, a region with a high rate of poverty and a concentration of Latino families. In this region, plans are underway to develop a 22-year educational continuum, connecting early-childhood education through to the local university, aligning and embedding supportive services throughout the educational pipeline.

Key Strategies and Lessons Learned

Think Long Term

The complex social issues that we are dealing with today did not take root overnight. A short-term yardstick cannot be used on a long-term journey.

Create Shared Metrics

Health Action is working with partners to compile and report consistent indicator data across organizations and institutions. These metrics track progress across the region and also help to identify what is working and share promising practices throughout the county.

Support Mutually Reinforcing Activities

While ownership is distributed throughout the region, Cradle to Career provides an over-arching framework that encourages organizations to align their work to achieve common goals. Continuous communication from all stakeholders involved helps support that alignment on an ongoing basis.

Align Resources

Cradle to Career provides an opportunity to align private and public investments with shared goals, indicators and priority strategies. Rather than duplicating efforts, stakeholders work in alignment, leveraging resources to achieve impact on a wider scale.

“ For too long we’ve been working in isolation and we’ve only had isolated impact. If we are serious about getting to root issues, we have to leverage our collective capacity in ways we have not done before.

- Oscar Chavez
Executive Director,
Community Action Partnership
Sonoma County ”

Regional Lead
Ben Stone
Director
Sonoma County Economic Development Board
ben.stone@sonoma-county.org

The Sonoma County Economic Development Board (EDB) supports the startup, retention and expansion of Sonoma County businesses; the creation of new jobs and employment opportunities; and diversification of economic activity in the County.

About The Morgan Family Foundation

The Morgan Family Foundation focuses its giving on youth programs outside the classroom, education enhancement, the environment and preservation of cultural heritage sites, and regional stewardship. The Foundation defines stewardship as people caring for that to which they are entrusted. Grants in this Program Area support efforts to strengthen communities and regions focused on forging collaborative, multi-sector models of stewardship for economic, environmental, social, and governance improvements.

www.morganfamilyfoundation.org

About Collaborative Economics

Collaborative Economics works with senior executives from business, foundations, government, education and community sectors - helping them create breakthroughs in how people think and act regarding their region. Collaborative Economics' clients have the passion, vision and commitment to blaze a new pathway for their community. They understand that a new kind of leadership is required to create great places, with thriving economies and world-class quality of life.

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