

By Trish Kelly, Applied Development Economics:

Moving from Regional Economic Vision to Implementation Valley Vision and The Next Economy Project (September 2012)

BACKGROUND

At the April 2012 the Nevada Stronger Economies Together (SET) meeting in Lovelock, a presentation on Valley Vision – a Sacramento-based regional collaborative – was given to the regional team. The SET meeting resulted in the development of a common regional economic vision. As follow up to this process, the SET Regional Team requested an overview of the regional strategic economic planning process that Valley Vision is facilitating with a network of leadership partners for the next five years – the Next Economy – the **Capital Region Prosperity Plan**. This document provides a description of the Next Economy project and Valley Vision’s role in moving the region from vision to implementation.

This regional collaborative effort incorporates and addresses all of the issues that the SET Regional Team identified as key to successful regional development:

- Competitive Advantage
- Workforce Investments
- Worker Skills
- Cross Jurisdictional Collaboration
- Global View
- Assessment of Current Strengths
- Flexibility/Adaptability
- Comprehensive Approaches

OVERVIEW OF VALLEY VISION

As presented at the April SET meeting, Valley Vision is a 501 (c)(3) serving the six county Sacramento region (El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba). This is a very diverse region with rural, suburban and urban areas. The west slopes of El Dorado and Placer counties have been among the fastest growing in the state. Sacramento is the state’s capitol. The impacts of the Great Recession and the ongoing state budget crisis have deeply affected the Capitol region economy. Unemployment rates are high in the rural counties and the metropolitan region has been among the worst off nationally, with a slow recovery underway. In response, region’s leaders are collaborating on the Next Economy project, to result in the **Capital Region Prosperity Plan**.

Valley Vision’s mission is to shape regional solutions through civic engagement. It is an “Action Tank” that works with and mobilizes a vast network of people and organizations working to secure the social, environmental and economic health of the region. Among its key roles are to serve as a neutral convener and connector, helping people and groups create proactive solutions. Valley Vision serves as

the “bridge” in the region, conducting collaborative planning and objective problem solving, and providing impartial research and information for sound decision-making.

As an example of these roles, Valley Vision manages the Capital Region Broadband Consortium; the Sacramento Region Food System Collaborative; and Green Capital Alliance to develop the region’s clean tech sector, including the development of workforce skills; the Cleaner Air Partnership; and the Sustainable Communities/Smart Growth initiatives in partnership with the Sacramento Area Council of Governments (SACOG). This latter includes the Rural Urban Connections Strategy (RUCS), a nationally recognized innovative effort to plan for the region’s growth in ways that revitalize the region’s rural communities and accelerate the growth of the food and agriculture cluster, leveraging the assets of U.C. Davis.

All of these efforts are contributing to the foundations for creating economic prosperity in the future. Some of the region’s successes, achieved through the Green Capital Alliance, were a result of collaboration economic planning initiated several years earlier as part of the region’s first economic strategy – the Partnership for Prosperity. Valley Vision led this process and manages the Alliance. To address the region’s economic status, and the state’s economic prospects, the region’s leaders are taking action to foster job and business growth from the bottom up through the Next Economy.

THE NEXT ECONOMY PROJECT

The region’s four economic leadership organizations sparked the Next Economy project, building on their collaboration from the Partnership for Prosperity. They are listed as follows with their key role:

- Sacramento Metro Chamber of Commerce – business retention and expansion
- SACTO (regional EDC – Sacramento Area Commerce and Trade Organization) – marketing and business recruitment
- SARTA (State innovation hub – iHub – Sacramento Area Regional Technology Agency) – high business tech support and entrepreneurship
- Valley Vision – economic strategy and Next Economy project manager.

Key partners include all of the region’s institutions of higher education; Workforce Investment Boards; utilities; businesses; local governments; labor; non-profits and residents.

The Project’s Call to Action is to: *Accelerate Job Creation and New Investment in California’s Capital Region*. The initiative “uncovers competitive strengths and maps out a set of interlocking strategies that can accelerate job and wealth creation and boost new investment across the Capital Region. It is a business-led, volunteer driven regional initiative, designed to align regional economic activities and focus them for maximum impact through the development of the **Capital Regional Prosperity Plan**.

The Plan is developing a “common playbook for action” which will enable organizations to select certain “plays” that suit their strengths and capabilities, and put them to action in ways that fit the needs of those they serve. The Next Economy process is to ensure that “strategies and actions are deeply

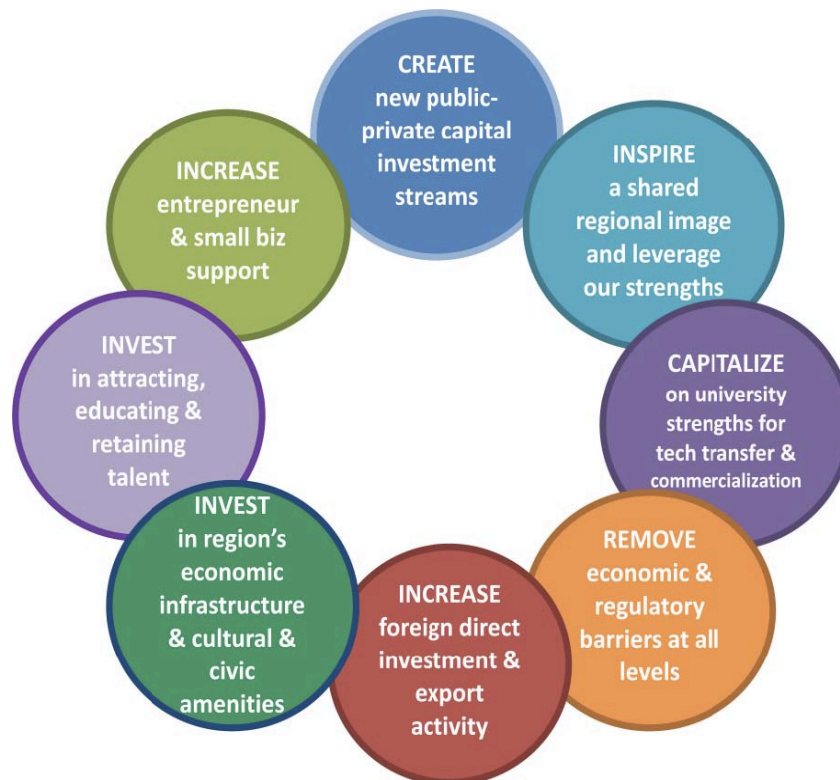
integrated into organizations' work plans with strong accountability mechanisms and champions across all segments of the Capital Region's leadership."

The project started with economic research on the region's competitive advantage clusters and many meetings through the region with key stakeholders, community leaders and topic experts, to provide guidance on the clusters that will be the subject of the strategy. This process has been facilitated by Valley Vision, which is preparing the draft strategy. The Capital Region's Core Business Clusters are:

- Advanced Manufacturing
- Agriculture and Food
- Clean Energy Technology
- Education and Knowledge Creation
- Information and Communications Technology
- Life Sciences and Health Services

Through this analytic and engagement process, Valley Vision identified the Next Economy's Eight Pillars which are the foundations for the regional economy across all the clusters:

EIGHT PILLARS OF THE NEXT ECONOMY



Currently, the Next Economy team led by Valley Vision is in the process of writing the central elements of the regional action plan. The strategic economic agenda includes five overarching goals, with

associated long range objectives and action-oriented strategies. The objectives and strategies will be activated through a set of high-priority tactics and performance measures, to be developed in coordination with regional stakeholders and organizations. Plan implementation is scheduled to begin in January 2013. These include specific strategies for the core business clusters that are being generated by cluster planning teams. These teams are meeting on a regular basis in a process facilitated by Valley Vision, engaging critical stakeholders and leadership organizations across the region. This process includes a fundraising strategy to support cluster strategy implementation.

The Next Economy’s five overarching goals and objectives are summarized below. Additional information is available which summarizes the strategies.

GOAL	OBJECTIVES
1. Foster a Strong Innovation Environment	<ol style="list-style-type: none"> 1. Bolster University Technology Transfer and Commercialization 2. Expand Access to Capital for High Growth Companies and Small and Medium Enterprises 3. Build a Robust Network of Business Incubator and Accelerator Services
2. Amplify the Region’s Global Market Transactions	<ol style="list-style-type: none"> 1. Grow International Trade and Export Activity 2. Increase the Level of Direct Foreign Assistance
3. Diversify the Economy through the Growth and Support of Core Business Clusters	<ol style="list-style-type: none"> 1. Form Functional Business Networks and Establish Specific Cluster Initiatives 2. Create and Align Targeted Programs and Services to Support Clusters 3. Build Strong Economic Foundations for Sustained Cluster Growth
4. Grow and Maintain a World-Class Talent Base	<ol style="list-style-type: none"> 1. Create Mechanisms to Attract New Talent and Retain Existing Talent 2. Align Training and Education Pathways to Increase Economic Prosperity for Businesses and Workers
5. Improve the Regional Business Climate for Economic Growth	<ol style="list-style-type: none"> 1. Remove Economic and Regulatory Barriers to Stimulate Growth 2. Amplify the Region’s Reputation and Visibility Among Key Audiences 3. Boost Investment in Economic Development Activities that Drive Growth and Investment 4. Develop a Next Economy Governance Structure that Ensures Implementation and Accountability

NEXT ECONOMY LEADERSHIP STRUCTURE

In addition to the four core partners, Valley Vision formed a Leadership Group that serves as Next Economy’s Executive Committee. The six members include business representatives (including bio-information, agriculture, architecture/planning and law), higher education (the Chancellor of the Community College District), and a county elected official. They work with a forty-member Steering

Committee, comprised of multi-sector representatives who bring broad and diverse expertise, which serves as key advisors and will help drive regional execution.

BENEFITS OF REGIONAL COLLABORATION

The six-county Sacramento region has reaped the benefit of collaboration over the past several years. This is the result of leadership which has cultivated a culture of collaboration, while acknowledging and working on the challenges of collaboration and celebrating and promoting the benefits of this collaboration. This leadership also strives to ensure that local needs and variation are respected and supported.

Valley Vision has been the glue that helps to bind the region together in those areas where collaboration can advance shared needs and opportunities, leverage resources and bring strategies to scale for benefit across the region. It is the regional “container” or hub for those issues which need a champion and home but for there one does not exist. Valley Vision’s work is very focused on its value-added role. It also is a mechanism to organize the region’s leadership for collaboration on issues key to the region’s long term sustainability and prosperity, helping to region to speak as a unified voice. This approach has resulted in success for the region in terms of leveraging state, federal, philanthropic, private sector and other investments, either directly through Valley Vision or through its partners.

Most recently, regional collaboration for the economy resulted in the announcement of funding by the U.S. Economic Development Administration of an i6 grant, one of six in the country, to promote regional innovation and job creation through development of agricultural technology and sustainability practices. This project will leverage the world-class assets of the University of California, Davis, in partnership with the region’s public and private sectors, aligned with the Next Economy Agriculture and Food Cluster.

A SHARED AGENDA ACROSS THE REGIONS

Valley Vision works with a statewide network of regional initiatives to advance California’s regional economies through an emphasis on economic or business clusters and collaboration on shared issues such as aligning education and workforce investments with the needs of these key regional clusters. Each region conducted an economic summit process to identify priorities and recommended actions for state and regional action in five areas: Workforce, Infrastructure (water, energy, broadband, transportation, etc.), Regulatory Environment and Sustainable Growth, Access to Capital, and Fostering of Innovation and Entrepreneurship. This led to a statewide economic summit held in May, 2012, resulting in the California Policy Play Book for Action, which is a pathway for regional-state collaboration on the economy. This process underscores the importance of engaging the state to partner with the regions on a shared agenda for investment, innovation and collaboration.

For further information see the following websites:

Valley Vision – www.valleyvision.org

Next Economy – www.nexteconomycapitalregion.org

California

Stewardship Network/California Economic Summit - <http://www.castewardship.org/casummit.html>

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