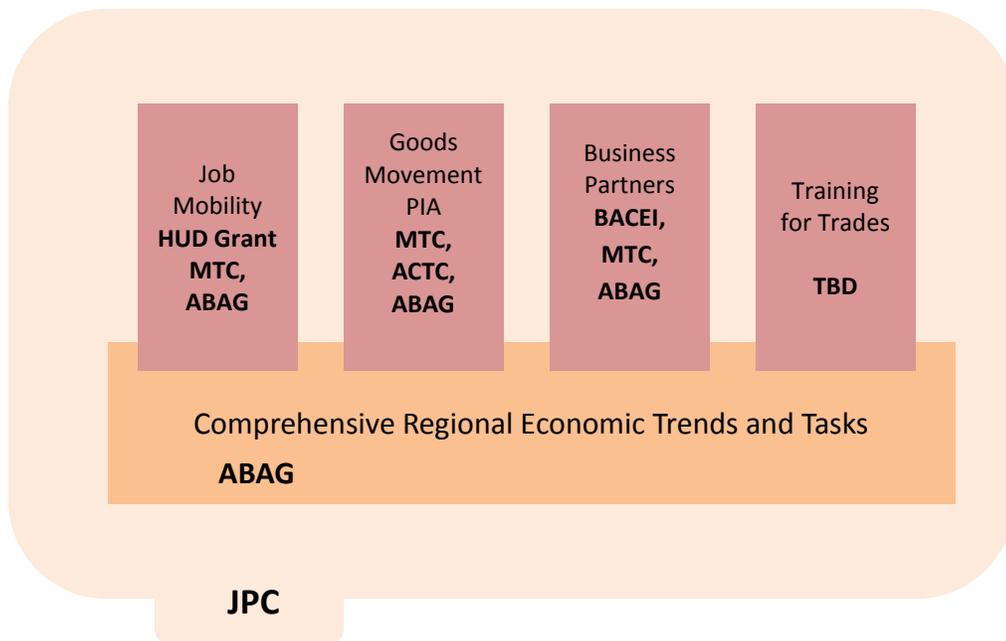


Framework for Coordination of Regional Economic Projects
ABAG Staff, January 2014

The economic health of the SF Bay Area is an identified priority of the Joint Policy Committee (JPC). Given the recent economic recovery and the implementation of *Plan Bay Area*, an understanding of economic strengths, challenges and strategies is an essential element of regional policy. In addition to background material prepared for *Plan Bay Area* several projects are being developed at the regional scale which are closely related to our regional agencies. Because economic analytic capability and land use planning functions related to economic activity are housed at ABAG, we propose that ABAG develop a comprehensive framework to provide context and coordinate current and future economic development projects. Cynthia Kroll, ABAG’s chief economist, would lead this effort. This framework will help us maximize our resources, understand the specific complementary roles of each project and facilitate collaboration across projects and across agencies. This memo provides a preliminary framework for organizing our various regional economic development projects.

The JPC is involved in four projects related to economic development, shown in the diagram below, in order of their current stage of progress. Each effort has distinct purposes, is at a different stage of development, and engages different players, as described in the chart following the diagram. These varied qualities provide a rich platform of economic assessment and together can facilitate solid strategies to support employment growth, regional and local economic vitality, and quality job opportunities for the future work force.



Under the HUD Grant, the Economic Prosperity Working Group has focused its efforts on identifying means of supporting middle income jobs and of providing career ladders from low wage entry level employment into occupations with better earning potential. The Goods Movement study directed by

MTC but also involving the Alameda County Transportation Commission and ABAG, addresses the role of goods movement in the employment base (both directly and in support of key economic functions), in the ease of transportation and congestion issues (both within and beyond the borders of the region), and in its interaction with land use functions. The BACEI economic strategy will recognize the role of private business as the foundation of employment in the region and develop a process for engaging strategic thinking business and community leaders in developing strategies for overcoming barriers and enhancing business and employment growth. A fourth initiative at early stages of discussion would address the shortfall in skilled trades workers in the region and identify means of developing opportunities in the trades as one path to middle-wage employment and industry retention.

The following sections describe each project in more detail. This note ends with a brief overview of the role ABAG could play in framing the projects within this related area of work.

	Job Mobility	Goods Movement, PIA	Business Partnerships	Training for Trades
Home	HUD Grant	MTC, ACTC, ABAG	BACEI	TBD
Engagement	Cities, worker and business organizations, schools	Transportation agencies, cities, businesses	Businesses leaders and key players	Workforce boards, schools
Status	Preliminary reports completed	Convening participants	Scoping and coordination with JPC	Defining goals
Schedule	Fall 2014	2015	2014	TBD
Purpose	Retain and expand access to middle income jobs	Meet increasing demands for goods movement, address environmental and community impacts	Identify key opportunities and actions for healthy business climate and job growth	Strengthen the match between business needs and school programs for essential trades

Job Mobility – ECONOMIC PROSPERITY STRATEGY

Under the HUD Prosperity Grant the Economic Prosperity Working Group (EPWG) is charged with the development of a targeted Regional Economic Prosperity Strategy aimed at expanding economic opportunities for low- and moderate-income residents in the San Francisco Bay Area, to be achieved by collaborating with local and regional stakeholders, underserved communities and program partners, as well as the HUD project’s Housing Working Group and the Equity Collaborative. The prosperity strategy identifies “industries of opportunity” and “places of opportunity” that can provide quality jobs to target populations. Industries of opportunity have significant projected job growth accessible to low-income communities and include middle-wage occupations on clearly defined career pathways for low- and moderate-income workers. Places of opportunity are neighborhoods or districts that are well-positioned to benefit from the location of new businesses, support for existing businesses, and expanded job opportunities for low and moderate income residents.

Key objectives include a *coordinated regional approach* to expanding economic opportunities for low- and moderate-income residents in both transit-served job centers and in communities with high concentrations of unemployment and poverty; *engage* local and regional partners, public and private sector stakeholders, low- and moderate-income communities, and the three project working groups in the process; a *strategy framework and action plan* to inform local and regional economic development activities, workforce training and job placement programs, small business development initiatives, as well as regional transportation infrastructure investments; underlying *quantitative and qualitative research and analysis*; identify *potential partnerships and collaborations* that can support expanded economic opportunities for low- and moderate-income residents; identify and prioritize the types of *potential pilot projects*; identify opportunities to *integrate Plan Bay Area in the regional strategy*; and develop recommendations for *implementation beyond spring 2015*. The project is entering its third year with the selection of pilot projects.

Goods Movement

The movement of freight, and the protection of production and distribution businesses, have important environmental, economic and equity implications for the region. The region is home to the fifth-busiest maritime port in the nation, the Port of Oakland, which serves not only Bay Area residents and industries but also provides a critical link to national and international markets for North Bay and Central Valley agriculture. Furthermore, the nine-county Bay Area is closely connected with its adjacent counties and metropolitan areas. Alameda, Solano, Contra Costa and Santa Clara counties are especially affected by decisions in neighboring counties outside of the nine-county Bay Area related to inter-

regional commuting, shipping and land use patterns, housing needs and job access. ABAG and MTC recognize the need for coordinated planning of local, regional and state investment strategies to ensure that the Bay Area’s growth opportunities and inter-regional challenges are adequately addressed.

Current efforts on goods movement within the regional agencies involve updating the *regional and subregional analysis of goods movement* in terms of the role of the transportation system, land use requirements, and air quality implications; identifying *best practices for economic development* as this relates to goods movement, *coordination with subregional and local jurisdictions* on the sometimes competing demands of truck flows, freight rail, and passenger travel, and collaboration with the *Alameda Countywide Goods Movement* planning process to identify needs and short and long term priorities for freight and goods movement.

Business Partnerships – DEVELOPING A BAY AREA ECONOMIC STRATEGY ENGAGEMENT PROCESS

The Bay Area Council Economic Institute (BACEI) has requested funding for a “Process of Engagement to Action.” This would follow on the earlier 2012 BACEI detailed economic assessment of the region, carried out in collaboration with the JPC regulatory agency members (MTC, ABAG, BAAQMD and BCDC). *The Bay Area Regional Economic Assessment* comprehensively assesses what is driving the regional economy from the perspective of competitiveness, growth, and jobs, identifies impediments to stronger growth and job creation, and makes suggestions for establishing and addressing regional economic priorities. The assessment provides a shared foundation of facts and analysis on which both government and business can build a closer strategic partnership.

BACEI now proposes to initiate the development of a Bay Area Regional Economic Strategy engagement process as a true public-private partnership. The process would be conducted by the BACEI professional staff in cooperation with the business leadership organization of the Bay Area Council. The first stage involves meeting with local leaders and organizations that have developed their own economic development strategies, to learn from the experiences of the different organizations and identify linkages and commonalities across the region. Representatives of social equity, labor and environmental organizations will also be consulted in the research and outreach process. These initial subregional consultations will be a first step in engaging key partners and stakeholders and recognizing their priorities and shared interests.

The next stage of the process involves convening a diverse group of stakeholders from the business community (representing a wide spectrum of industries, firm sizes and leadership roles) and the public sector into a steering committee whose tasks will be to *explore the region’s best opportunities for*

economic success, frame an overall strategy, and define concrete actions. Participants will be strategic, open-minded thinkers. As the process identifies specific areas for action, the steering committee will create action teams that include diverse participants from additional perspectives and areas of expertise to develop concrete actions.

Training for Trades

This initiative, in the early conceptual discussion stage, would link training programs at a variety of education levels to the demand for skilled trades. The topic area overlaps each of the other initiatives under discussion. For example, training for trades could provide one avenue to move high school students directly into occupations with middle wage career paths or to transition lower wage workers into middle wage jobs or up the career ladder within middle income jobs. On the business side, labor availability in the trades may be a crucial element for some sectors, while training in skills required for transportation and distribution occupations could become one strategy among many for successful goods movement.

ABAG Coordination of Regional Economic Development Efforts

Each of these efforts is of importance to the region on its own, but each is also relevant to the other projects described here as well as to additional responsibilities of each of the regional agencies and beyond the regional agencies. Framing and coordination of these various economic development related activities by ABAG can enhance the value of the economic analysis, planning, strategies and programs that emerge from each project for each of the regional agencies and for the region as a whole.

ABAG is well positioned to provide this oversight. An overview of regional economic strategic efforts is a natural outgrowth of ABAG's forecasting and analytic responsibilities regarding the region's economy, population and income. ABAG has worked closely with the BACEI on economic analysis for Plan Bay Area, and ABAG's Chief Economist has long been on the BACEI economic advisory board.

Going forward, it will be important to integrate the results of these efforts into ABAG's State of the Region report in 2015 and economic analysis for the 2017 Sustainable Communities Strategy. This oversight function could add value to the JPC sponsored work in several ways:

- **Coordination:** Process or output of one project can inform the work in other projects. Goals of projects may overlap and if coordinated can enable both projects to reach more successful outcomes.

- Communication: An organization with an understanding of local and regional economic conditions and objectives can play a role in facilitating communication among projects and in establishing communications between stakeholders in different settings (for example, communicating the existence of policies related to business requirements to local PDA planners) and with complementary interests (for example, community organizations and trade organizations)
- Vision: As a disinterested organization representing elected officials, ABAG can communicate a regionwide vision of economic development goals that cross different stakeholder groups, as developed in partnership with stakeholders, other regional agencies, and other public agencies.
- Moving between scales of activity: As an organization that works at the regional and local levels, ABAG can assist with translating local concerns to projects taking on a regional overview and the implications of the regional overview back to the implementation level for local jurisdictions or individual businesses or households
- Analysis: ABAG has staff experienced in regional analysis to provide oversight of methodology, conceptual approaches, and interpretation of results for individual projects as well as insight into the applications of the project results.

This will be a framework for incorporating future work as well as the current projects.