

CC update

FRESNO STATE
Community and Economic Development



California Partnership for the
San Joaquin Valley

SAN JOAQUIN VALLEY

REGIONAL INDUSTRY CLUSTER ANALYSIS AND ACTION PLAN

SEPTEMBER 2012

Prepared for:

Office of Community and
Economic Development
California State University, Fresno

On Behalf of

California Partnership
for the San Joaquin Valley

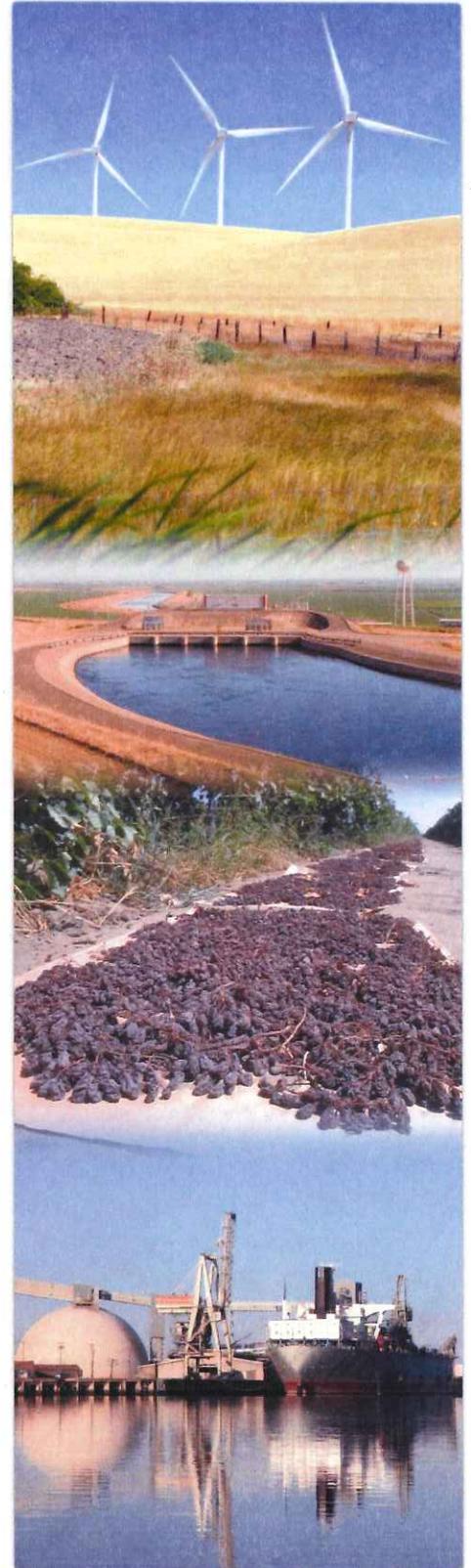
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(UCAM)
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Water, Energy and Technology (WET) Center
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Workforce Investment Board of Tulare County*

EXECUTIVE SUMMARY

“CHARTING THE COURSE FOR THE SAN JOAQUIN VALLEY’S ECONOMIC FUTURE”

PROJECT OVERVIEW

In August 2011, the Office of Community and Economic Development (OCED), California State University, Fresno received an Economic Adjustment grant from the Economic Development Administration (EDA), U.S. Department of Commerce, to prepare a valley-wide industry cluster analysis and a regional strategy – Action Plan – to catalyze the growth of priority clusters. They have been prepared for OCED on behalf of the California Partnership for the San Joaquin Valley (Partnership). The Project’s goal is to support improved regional economic performance, sustainability, and shared opportunity for Valley residents, businesses and communities.

The Partnership is an unprecedented public-private sector partnership between the Valley and the state of California. It was created in 2005 to address the Valley’s persistent economic, environmental and social challenges and disparities compared to other regions in the state and nationally, while acknowledging the statewide and national significance of the Valley, and changing the pathway for its economic future and overall well-being.

As part of its charge, in 2006 Partnership leaders prepared a Strategic Action Proposal (SAP), *The San Joaquin Valley, California’s 21st Century Opportunity*. OCED serves as the Secretariat for the Partnership and manages the SAP through the “New Valley” program, through which ten Work Groups were created to develop and implement the New Valley’s first five year action plans (2006-2011). Most of the Work Groups are led by OCED partner organizations at the regional level. OCED also manages or supports many other synergistic programs, aligning university resources with Valley initiatives and leveraging state, federal, philanthropic and other resources on behalf of regional and local initiatives.

The Cluster Action Plan provides recommendations for the New Valley’s next stage. According to Corwin Harper, Partnership Deputy Chair, Senior Vice President, Kaiser Permanente Central Valley, and co-convenor for one of the project’s Health and Wellness Cluster meetings, “This is an opportunity to achieve big outcomes for the Valley, focusing on the key few “big things” the Partnership can do, where the Valley has a regional competitive advantage.”

THE NEED FOR A REGIONAL CLUSTER UPDATE

Clusters are geographic concentrations of firms and industries that do business with each other and have common needs for talent, technology, and infrastructure. According to EDA, Regional Innovation Clusters (RIC) are a proven way to create jobs and grow the economy. They benefit from a well-developed regional strategy that leverages core regional strengths.¹

The Valley has been a leader in cluster-based strategies, starting with *The Economic Future of the San Joaquin Valley* report in 2000 and the Fresno Regional Jobs Initiative (RJI) in 2003. The RJI resulted in the creation of 12 clusters. Building upon these efforts, the SAP identified five regional clusters of opportunity for focused action: agribusiness, health and medical, manufacturing, renewable energy, and supply chain management and logistics. These clusters reflected shared priorities across the Valley and sectors where the region's comparative advantage was considered to be strong or emerging.

The clusters have been a touchstone for the work of the New Valley, in particular for the economic development, education and workforce development partners who serve as champions for several of the New Valley Work Groups. Much progress has been made in terms of regional collaboration around demand-driven cluster and sector strategies. However, a valley-wide regional cluster analysis had not been prepared since 2004, and updated "market intelligence" was needed to help guide the next stage of the New Valley cluster implementation.

This Project addresses a number of concerns and issues:

- The Valley has been more severely impacted by the "Great Recession" than most other California regions and needs to reposition itself for economic recovery.
- The global economy is experiencing structural changes and new opportunities are emerging which demand new responses at the regional level.
- Local budget challenges constrain the ability of many jurisdictions, partners and business champions to manage, implement and support county and regional cluster initiatives.
- There are emerging areas of opportunity that can best be leveraged through collaboration at the regional level, bringing efforts to scale for increased competitiveness. These areas include renewable energy and water technology innovations, and regional food systems.

The planning process involved economic analysis; research; documentation of cluster-related initiatives and resources; cluster stakeholder meetings which were co-convened with many partners throughout the Valley; meetings and ongoing consultation with partners, cluster leaders, subject area experts, state and federal agencies, and Partnership Board members; and review of cluster innovation models.

¹ <http://www.eda.gov/AboutEDA/RIC/>

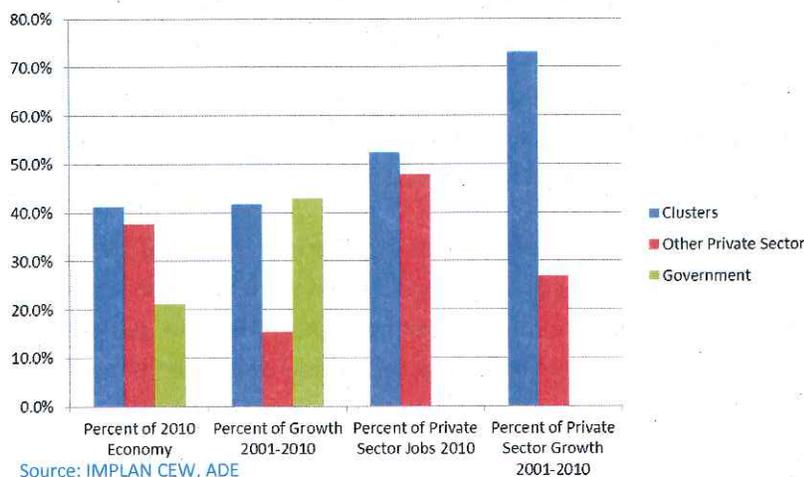
IMPORTANCE OF THE CLUSTERS

The San Joaquin Valley is an economic powerhouse. Recent estimates place the Gross Domestic Product (GDP) of the Valley at \$140 billion, and total industry production including intermediate and final goods at \$228.6 billion in 2010.²

ADE analyzed the Valley's major economic sectors and validated that the five original New Valley clusters continue to be the shared priorities across the region, although they have been adapted or expanded upon through the value chain concept. Each cluster contains several "components," each with sets of industries that comprise the value chain. For example, the Agriculture Cluster includes production, processing and packaging, distribution and diverse support activities. The Health Cluster now incorporates dimensions of wellness. Two clusters have been added – water technology and public sector infrastructure, based on their current and emerging importance and potential for the Valley. The 2012 Action Plan priority clusters are:

- Agriculture
- Energy
- Health and Wellness
- Logistics
- Manufacturing (which is connected to all of the clusters)
- Water Technology
- Public Sector Infrastructure (Construction)

The analysis indicates that as of 2010, these clusters (with the exception of public sector infrastructure, for which information was provided in a separate analysis sponsored by the Central California Workforce Collaborative) represent about 41 percent of total employment in the region, but during the 2001-2010 period were responsible for 73 percent of private sector job growth, as shown below.



² GDP obtained from Center for Continuing Study of the California Economy, *Numbers in the News*, September 2012. Industry output calculated by ADE from the IMPLAN3 input-output model used for the cluster analysis.

CAPTURING THE “VALUE CHAIN”

Even in clusters where the Valley has comparative advantage, such as agriculture and logistics, the Valley is not capturing the “value chain” – where value is added along the continuum of economic activity within the components of a cluster. Instead, goods flow out of the Valley where value is added later, and businesses and industries that buy goods and services from other businesses are buying a significant share of those goods and services outside the Valley, representing a leakage of economic potential.

This report documents other kinds of leakage that occur as well, including skilled workers who commute to jobs located outside of the Valley; jobs within the Valley going to workers who live outside of the Valley; and loss of innovation. This loss of innovation is related to intellectual capital (inventions, patents, etc.) leaving the Valley in pursuit of investment capital or a more supportive entrepreneurial environment, including for specialized research and development, legal and business services.

CAPTURING THE “VALUE CHAIN” FOR THE SAN JOAQUIN VALLEY ECONOMY



Source: ADE

The cluster analysis identified areas of potential growth across the Valley and for the eight counties based on trends in size of the clusters; rates of employment growth, especially in specific cluster “components” or industry groupings; concentration in the Valley compared to the state; and rate of growth compared to the state’s rate. This information provides insight into the region’s areas of comparative advantage. The analysis also identified trade flows indicators – output of goods and services produced by each cluster, and leakage outside of the Valley based on business-to-business supplier inputs of goods and services in 2010. Regional demand for each cluster’s goods and services by non-cluster-related consumers (households, institutions and other businesses) also was estimated.

The leakage analysis was conducted for individual clusters, resulting in a potential list of economic development targets for business expansion, start-ups and attraction to meet these gaps. The findings were reviewed at several industry cluster meetings convened by OCED and ADE along with partners across the Valley, and have been validated as a high priority for implementation action. ADE also aggregated these estimates of leakage by commodity type across the clusters to identify those with high levels of leakage, further screening them for business types that realistically could be developed in the region. The table below summarizes the potential economic development targets by type of commodity supplied from outside the region and the estimated level of “leakage” – and therefore market support – for new or expanded businesses. The gaps are very large in some commodity areas.

AGGREGATED ECONOMIC DEVELOPMENT LEAKAGE TARGETS	
Description	Market Support
Lessors of nonfinancial intangible assets	\$712,685,000
Scientific research and development services	\$699,203,000
Paper mills	\$611,657,000
Oilseed farming	\$457,940,000
Other basic organic chemical manufacturing	\$395,251,000
Petrochemical manufacturing	\$388,308,000
Artificial and synthetic fibers and filaments manufacturing	\$385,175,000
Software publishers	\$375,381,000
Plastics material and resin manufacturing	\$363,584,000
Automotive equipment rental and leasing	\$336,797,000
Plastics bottle manufacturing	\$336,107,000
Management, scientific, and technical consulting services	\$323,597,000
Aluminum product manufacturing from purchased aluminum	\$303,463,000
Advertising and related services	\$284,775,000
Paperboard Mills	\$257,934,000
Other plastics product manufacturing	\$244,702,000
Semiconductor and related device manufacturing	\$241,775,000
Metal can, box, and other metal container (light gauge) manufacturing	\$222,663,000
Plastics packaging materials and unlaminated film and sheet manufacturing	\$220,031,000
Motor vehicle parts manufacturing	\$212,772,000
All other chemical product and preparation manufacturing	\$169,215,000
All other basic inorganic chemical manufacturing	\$166,139,000
Architectural, engineering, and related services	\$165,780,000

Source: IMPLAN 3 I-O Model, ADE

“Lessors of nonfinancial intangible assets” was the largest category shown. Activities in this industry include brand name licensing; franchising agreements, leasing, selling or licensing; oil royalty companies; oil royalty leasing; industrial design licensing; patent buying and licensing; patent leasing; and trademark licensing. This industry represents specialization of business services, including legal expertise, which is sought outside of the Valley.

“Scientific research and development services” was the next largest market gap. Combined with management, scientific and consulting services, these industries provide another professional services target for developing specialized expertise within the Valley. Research and scientific consulting services are a growth opportunity in both the Energy and Health and Wellness Clusters. Oilseed farming was the fourth largest gap and relates to the Agriculture and Energy Clusters, including as an input for biofuels. Most of the other potential targets are in manufacturing industries. The architectural, engineering, and related services industry is another potential growth area, especially with opportunities related to planned public sector infrastructure construction (estimated at more than \$36 billion from 2010-2020 across several infrastructure categories).

CLUSTER ACTION PLAN PRIORITIES

The economic and cluster analyses and partner/stakeholder engagement process provide: 1) a platform for the evolution of the Valley’s cluster initiatives; 2) a framework to align initiatives and resources to capture value chain opportunities; and 3) articulation of the role for the Partnership and OCED for the next phase of the New Valley, including the organization of the Work Groups to lead or support the clusters.

The Valley has significant assets. There are an almost overwhelming number of initiatives underway across the Valley and related to the clusters, as well as efforts that are increasingly a convergence across the clusters, such as with Agriculture, Energy and Water Technology. A great deal of leadership and expertise resides with the partners involved in these initiatives, but they are dealing with diminished resources, the very large scale of the Valley, a diversity of issues facing the clusters, and the inherent challenges of collaboration such as capacity and dedication of time. However, partners increasingly are developing the capacity to regionalize their networks and ways to engage in specific initiatives on behalf of their networks. This network-to-network process is proving to be very beneficial. The Partnership and OCED’s goal should be to connect, support and optimize these assets and initiatives.

The Project planning process led to the identification of many cluster-related issues, opportunities and recommendations. The highlights are discussed in Chapter 5 and are summarized on the following page. They constitute the basis for development or refinement of cluster-specific implementation plans by the New Valley Work Groups and associated cluster leaders and partners. They are a starting point for focusing on a “few big things” in 2013 – a core set of tangible initiatives with targeted outcomes and metrics that are the platform for engagement. There is an especially strong emphasis on education and workforce initiatives, around which the Valley has been mobilizing for several years to meet critical skills gaps and provide a pathway from poverty to prosperity for workers.

KEY CLUSTER ACTION PLAN PRIORITIES

Cluster	Issues/Opportunities	Recommended Actions
Agriculture	<ul style="list-style-type: none"> All 5 issue areas addressed in Regional Economic Summit 	<ul style="list-style-type: none"> All actions have designated champions and recommended actions; Partnership & OCED are tracking progress. See www.sjvpartnership.org
Energy	<ul style="list-style-type: none"> Regional focus on cluster development & coordination needed; opportunity to develop biofuels; better define cluster components Conditional Use permits vary by county – frustrating for international companies willing to invest in the Valley; results in project delays or cancellations Increase entrepreneurial climate; need to create culture of early stage investment, create dialogue with entrepreneurs, & encourage students to create the next generation of solar technology Leakage of energy use 	<ul style="list-style-type: none"> SJV Clean Energy Organization should be lead for cluster development action plan; expand networking to connect more stakeholders Advocate for funding for SJV Regional Energy Plan Roadmap Coordinate with County Planners (CSAC) working on simpler expedited solar permitting process throughout the state; coordinate locally Coordinate with UC Solar Research Institute, CVBI, Lyles Center for Innovation and Entrepreneurship, Central Valley Fund, Business and Entrepreneurship Center, UC Merced SBDC Regional Network, CalFOR & others to accelerate technology commercialization & entrepreneurship Provide input to PUC on energy facilities sitings See Regional Economic Summit Strategy recommendations
Health and Wellness	<ul style="list-style-type: none"> Difficult to coordinate with so many initiatives across the Valley Need for consistent and regionalized standards and curriculum for same occupations/certificates, & for transferability of credits from Community Colleges to CSUs Need to standardize residency requirements for nurses Address gaps in workforce skills – need for better information, programs to increase skill levels Need to prepare for health information technologies; expand broadband infrastructure Need improved access to jobs and health care services in rural areas Wellness/prevention focus will increase demand for services and workers 	<ul style="list-style-type: none"> Partnership health leaders should convene high level cluster meetings Advocate for transfers within regional network of accredited courses (C6 project is opportunity to standardize curriculum), including for nursing Collaborate with hospitals to unify employee competencies, translate to college curriculum Expand nursing residencies across the Valley; coordinate with hospitals, community colleges, universities Advocate for Regional Industry Clusters of Opportunity (RICO) funding Expand mentoring programs Coordinate with SJV Regional Broadband Consortium, employer networks like Central Valley Health Network, WIBs, etc. for e-health Collaborate with Councils of Government, employers, transit agencies to develop more regional, coordinated transportation systems Expand Patient Navigator, Promotora and other model programs Coordinate with UC Merced Health Sciences Research Institute, CVBI, and entrepreneurship centers
Logistics	<ul style="list-style-type: none"> Additional options for goods movement needed (non-truck) Foreign Trade Zones underutilized Emissions impact air quality and health Issues identified at Regional Economic Summit 	<ul style="list-style-type: none"> Ensure coordination between Regional Policy Council/COGs (stakeholder planning process underway), SJV Air Pollution Control District, CCVEDC, Caltrans, Partnership Sustainable Communities Work Group, railroad companies on planning/projects See Regional Economic Summit Strategy recommendations
Manufacturing	<ul style="list-style-type: none"> Main issue for employers is workforce development Lack of high-level engineering jobs in the Valley, so many students leave the region Need cross-pollination of engineering workplace skills with existing workforce Need appropriate infrastructure to create new products out of recycled products; waste commodities being shipped overseas 	<ul style="list-style-type: none"> Identify lead cluster partners Coordinate with C6 and California Center for Applied Competitive Technologies for increased training; including in skilled trades Match resources of the universities to the manufacturers; connect internships with employers; support UCAM Develop a strategy to close supplier gaps Do policy advocacy (coordinated by REACON) on increase markets for recycling in California (Recycling BIN – Build Infrastructure Now)
Water Technology	<ul style="list-style-type: none"> Demand for clean water, sustainable water resources & infrastructure is creating new business opportunities beyond agriculture Issues identified at Regional Economic Summit 	<ul style="list-style-type: none"> Broaden focus of R&D to address diverse water supply and quality issues across an increased range of industries; coordinate with WET Center, Lyles College of Engineering, CVBI & other partners Focus on growth of specific technologies (BlueTech Valley) See Regional Economic Summit Strategy recommendations
Public Sector Infrastructure - (CCWC Project)	<ul style="list-style-type: none"> RJI Construction Cluster not active Lack of awareness regarding aggregated impact of public sector investments Updated inventory of projects & schedules needed on ongoing basis Coordination needed with economic development and planning to secure project funding 	<ul style="list-style-type: none"> Implement CCWC Regional Plan as Cluster Strategy for workforce Coordinate with Partnership to advocate for public sector investment/local hiring Identify lead to update project inventory and schedule Coordinate with Regional Policy Council and SJV Economic Development District to link project priorities with possible funding sources

LEVERAGING COLLECTIVE IMPACT

The recent conference *Meeting of the Minds in Monterey*, sponsored by the California Workforce Association, was framed around the concept of “Collective Impact.” Research and practice have documented early successes based on this concept, finding “that large-scale social change comes from better cross-sector coordination rather than from isolated intervention of individual organizations.”³

The California Partnership for the San Joaquin Valley and many of the regional collaboration initiatives underway across the Valley are in and of themselves innovation models. They exemplify many of the characteristics of successful collective impact initiatives: a common agenda, shared measurement systems, mutually reinforcing activities, continuous communication, and backbone support organizations. They provide a strong foundation for advancing the Cluster Action Plan priorities and charting the pathway for the Valley’s future, especially if their knowledge and expertise can be leveraged and brought to scale. They are referenced throughout the report.

Concurrently, there are major new initiatives, especially at the state, federal and philanthropic levels, that are aligning with regional cluster-based economic strategies, including linking economic and workforce development from the ground up. These are catalytic initiatives and the Valley is well-positioned to contribute to and benefit from these initiatives. They also are referenced in the report and a few of the key ones are summarized as follows:

“Doing What Matters for Jobs and the Economy” – an initiative of the California Community Colleges, Division of Workforce and Economic Development. Goals are to supply in-demand skills for employers, create relevant career pathways and stackable credentials, promote student success and get Californians into open jobs. The focus is on spurring job creation and bridging skills gaps in priority/emergent sectors and clusters; taking effective practices to scale; integrating and leveraging programming between funding streams; promoting metrics for students success; and removing structural barriers. This initiative is a collaboration with the California Workforce Investment Board, which is preparing the State Strategic Workforce Plan; a priority is supporting regional economies and Regional Industry Clusters of Opportunity (RICO). The Central Region Consortium and the Central California Community Colleges Committed to Change Initiative (C6) include the Valley’s Community Colleges which are partners in the development of the Cluster Action Plan. The C6 Initiative is supported by a major federal grant, focused on systemic changes for academic success and skills building in the areas of agriculture, energy, health and manufacturing. The California Workforce Investment Board’s investment in the Valley’s RICO project is seen as a foundation for health-related cluster efforts.

California Financial Opportunities Roundtable (CalFOR) – is part of a statewide initiative supporting regional industry clusters to provide jobs, entrepreneurial opportunities, business growth, and public and private sector investment in value-chain infrastructure and sustainable communities. CalFOR has developed the “Access to Capital” guide to support innovation in capital markets and provide new

³ Kania, John and Mark Kramer, “Collective Impact,” *Stanford Social Innovation Review*, 48, Winter 2011, p. 3.

sources of investment; expansion of regional food systems; growth of biomass utilization, biofuels and renewable energies; and improved Rural-Urban collaboration. USDA Rural California is a core partner and one of the lead federal agencies in the Fresno area's Strong Cities Strong Communities Initiative as well in many other Valley initiatives, including the San Joaquin Valley Broadband Consortium managed by OCED, development of the Valley's "Ag Tech Cluster," and support for "buy local/invest local" efforts.

California Stewardship Network – a network of regional collaboratives throughout the State, including the California Partnership for the San Joaquin Valley, participating in the development of the California Economic Action Plan, based on priorities identified through regional economic summits and the statewide Economic Summit held in May 2012. The Action Plan is moving forward.

With consideration of opportunities to leverage collective impact through the implementation of the Cluster Action Plan, the following section addresses the roles of the Partnership, OCED and the New Valley Work Groups in driving the progress and success of the Valley's Regional Innovation Clusters for the next five years of the New Valley initiative.

ROLE OF THE PARTNERSHIP

Given its mission and role, how and where can the Partnership best add value at the regional level for successful on-the-ground implementation and long-term impact on the Valley's key measures of economic, environmental and community progress? Participants in the Project planning process identified the following desired roles for the Partnership in advancing an agenda for regional prosperity:

Network – Help connect the many efforts across the region that are cluster-based or support the clusters (cluster foundations such as infrastructure – including broadband, sustainable communities, financing, environmental quality, and education and workforce).

Convene – Play a convening role for the bigger valley-wide issues that are not being addressed in other forums, to drive the agenda for the growth and vitality of the clusters.

Integrate – Provide synergy across the region, helping to knit together the clusters, the issues and the initiatives to pursue shared priorities.

Advocate – Promote and advocate regarding cluster priorities on behalf of the Valley, including the removal of barriers, elevation of regional issues and opportunities, resource needs, and networking with partners and investors outside of the region.

Catalyze – Be a catalyst for collaboration and the diffusion of innovation, including through the elevation of models.

The Partnership plays many of these roles already. The next step is for more intentional engagement around cluster-based economic strategy. Cluster processes are by their nature vehicles for engagement of champions, businesses, stakeholders and partners in regional strategies. During the course of the project, ADE found that awareness of the Partnership was varied. Proactive engagement of the Partnership in the implementation of the Action Plan will increase this awareness and expand its impact.

This process can be guided by the Executive Committee of the Partnership. At the Partnership's September 2012 Board meeting, Executive Committee members indicated they would convene specifically to discuss the next steps for Action Plan implementation, including the identification of a set of tangible strategic initiatives for 2013, and its role in overall implementation. Participation of individual Partnership Board members in the New Valley Work Groups, especially as OCED coordinates with the Work Groups to identify their priorities for 2013 implementation initiatives, will be most valuable, building on their expertise and leadership role provided during the Project planning process.

ROLE OF OCED/NEW VALLEY WORK GROUPS

One of the key elements for successful collective impact efforts is the presence of backbone support organizations. Successful collaboration requires a supporting infrastructure. This requirement is extremely important for effective cluster initiatives. As Secretariat for the Partnership, OCED plays a critical backbone role. Implementation of the Cluster Action Plan will require an increase in or realignment of existing OCED capacity to support or lead the New Valley Work Groups; continue OCED's outreach, networking, coordination and consultation process around the cluster opportunities; and engage new partners, stakeholders and leaders in Work Group and Action Plan initiatives.

The Work Groups are at varying levels of capacity and operational status; some need to be revitalized or refocused. Several of the Work Groups have updated their work plans within the past year, while others are in process of updating them. The Health and Human Services Work Group has not been active and is being reorganized by OCED as the Health and Wellness Work Group, to align with Action Plan recommendations. It will be managed by OCED during this process. OCED will continue as the lead for the San Joaquin Valley Regional Broadband Consortium (Advanced Communications Work Group) and the Housing Work Group, and will continue in its support of the other Work Groups.

OCED has been discussing with partner organizations, including those which currently lead or support the Work Groups, the role they can and would like to play in Action Plan implementation. Staff will be following up with the Work Group leads and key partners to discuss specific Action Plan findings and recommendations, to see how they fit with Work Group goals and activities, and determine how OCED can support the Work Groups to integrate Action Plan recommendations into their existing scopes of work. A key OCED role will be to help connect and coordinate partners and initiatives across the Work Groups and with other major initiatives, and to be a liaison with the Partnership Executive Committee. OCED will designate a lead staff for this role.

NEXT STEPS

OCED has been working on implementation next steps since the summer of 2012, based on the emerging findings of the Cluster Analysis; the results of the Cluster stakeholder meetings; ongoing consultation and meetings with partners – especially economic and workforce development networks (CCVEDC, CCWC, Central Region Consortium, and C6); and connecting with new initiatives such as

“Doing What Matters for Jobs and the Economy.” As noted, the Partnership’s Executive Committee will play an important role in the Project’s implementation, along with individual Board members engaged with specific clusters. OCED is working with the Committee and the Board on this process. The following is a list of recommended next steps for the Partnership and OCED to carry forward the Action Plan.

1.	<p>Work Group Leads/Work Plans. OCED staff will meet with Work Group leads and partners to review Project findings and recommendations and alignment with existing work plans; confirm lead partners and expanded/refined roles; identify 2013 priority cluster initiatives; and support work plan updates and expanded engagement of stakeholders. OCED should convene the stakeholders from the June meeting of the Manufacturing/Energy/Logistics Clusters to identify cross-cluster priorities and actions. This process will be coordinated with the Partnership’s Executive Committee. OCED should coordinate with USDA Rural Development and other champions on the implementation of the Ag Value Chain Regional Economic Summit action priorities.</p>
2.	<p>Health and Wellness Cluster Work Group. OCED should work with Partnership board members to convene the Cluster stakeholders to identify priorities, develop the work plan around Action Plan recommendations, and drive the implementation of the work plan.</p>
3.	<p>Economic Development Targets. OCED is working with CCVEDC and other partners on the process to develop a strategy for the Economic Development Targets (aggregated and cluster-specific), and identify a lead for implementation of the strategy. Partners should coordinate with TeamCalifornia to enhance marketing and outreach opportunities on the Valley’s cluster priorities.</p>
4.	<p>Economic Development/Education/Workforce Coordination. OCED should develop a process for increased, systemic linkages between economic development, education, and workforce development partners (CCVEDC, CCWC, Central Region Consortium, C6, universities) around regionalized cluster-focused issues. The partners should collaborate to seek funding support for: research to identify priority workforce gaps and occupational demand; designated staff to facilitate the coordination process across the clusters and the systems; expanding the reach of innovative training programs. OCED should facilitate integrated connections with state partners such as the California Workforce Investment Board, California Labor and Workforce Development Agency, Chancellor’s Office, the Employment Training Panel, and the U.S. Dept. of Labor.</p>
5.	<p>Public Sector Infrastructure/Logistics. OCED should convene the CCWC, the SJV Regional Policy Council, CCVEDC, Caltrans, labor, and other partners to link the interregional goods movement planning process and CCWC’s Public Sector Infrastructure Workforce Plan, including for identification of project funding priorities, funding sources for construction projects, and workforce development needs. Leverage the new Economic Development District.</p>
6.	<p>Work Group Coordination. OCED should convene the leadership of the New Valley Work Groups quarterly for updates on their work plans, and facilitate coordination across Work Groups and initiatives on an ongoing basis.</p>
7.	<p>Regional/State Economic Summits. The Partnership and OCED will continue coordination with the statewide economic summit process, and align the annual outcomes of the Work Group work plans for the Valley’s next regional economic summit (fall of 2013) and state-wide summit (late 2013). OCED and the Work Groups should report on the progress of the 2013 cluster initiatives at the next Regional Economic Summit.</p>
8.	<p>Reporting Process. OCED should develop a process to report on Cluster Action Plan activities, metrics and progress to the Partnership’s Executive Committee on an ongoing basis. The growth of the clusters should be tracked as an annual metric.</p>
9.	<p>Communications. OCED should create a dedicated location on the Partnership’s website for the Cluster Action Plan and resource materials, building upon the Regional Economic Summit materials. It should use the Cluster Action Plan implementation as a vehicle for communications about the Partnership, and as a portal to partner initiatives and resources.</p>