

# Expanding Growth and Opportunity

## Findings from the Brookings-Rockefeller Project on State and Metropolitan Innovation

Pete Carlson, Regional Growth Strategies

### Executive Summary

In 2011, Brookings and the Rockefeller Foundation launched the Project on State and Metropolitan Innovation (PSMI), a five-year initiative to expand economic growth and opportunity in metropolitan regions. Over the last four years, the project has worked with 22 metropolitan regions and seven states to create and deploy economic development strategies designed to grow and retain high-quality jobs in innovative, productive industries in ways that expand opportunity for all.

At the regional level, Brookings has organized cross-sector partnerships of leaders to rigorously assess the unique assets and dynamics of their economies and develop strategies to leverage those assets to drive sustainable growth and expanded opportunity. At the state level, Brookings has worked with governors and state officials to rethink and revamp economic development policies. In addition, Brookings has communicated the urgency, rationale, and emerging outcomes of those strategies to spur others to adopt this new approach.

As part of its commitment to learning, Brookings funded ongoing monitoring of five regions and one state involved in the PSMI, including Louisville-Lexington, Minneapolis-St. Paul, Northeast Ohio, Portland, and Upstate New York (Syracuse), and the state of Nevada. A dashboard summarizing developments in 2014 in those sites follows this section.

Last December, Brookings convened leaders from these sites for a daylong conversation assessing the PSMI work overall, its impact thus far, and lessons for future work. A similar session engaged Brookings staff and leaders in a debriefing of the full portfolio of PSMI projects. In preparation for this report, additional interviews also were conducted with 13 leaders in those sites and four others, including Chicago, Memphis, Phoenix, and Puget Sound.

The findings from those assessments and interviews show that the PSMI has been an effective catalyst in changing thinking and practice related to economic development. The project has strengthened, deepened, and expanded efforts in participating sites to develop and deploy new approaches for expanding economic growth and opportunity.

The Brookings frameworks and analyses developed through the PSMI have provided focus and direction to those efforts, driving new insights and uncovering new opportunities for growth and development. And partnerships created or strengthened in the course of the project have built collaborative capacity at the metro and state levels to carry out and sustain this critically important work, in some cases bringing together public- and private-sector leaders who had never before worked together or focused on regional issues.

The work has not always proceeded smoothly, as regional organizations undertaking the PSMI work took on greater responsibility, reinvented their roles in the regions, managed layers of collaboration, and implemented far-reaching strategies to bring about the change envisioned. In some cases and

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in some sites, implementation has proceeded with stops and starts or required a change in course to overcome barriers. In other cases, initiatives put forward in the original strategies never gained traction or were surpassed by other priorities. Yet, where obstacles have arisen, leaders have devised new approaches or revamped the plans and moved forward on implementation of the new model.

In addition, work carried out as part of the PSMI is exerting important ripple effects within the regions that go beyond the direct intervention made under the project. Other organizations in participating regions are incorporating the model and agenda into their own work. And relationships developed through the PSMI efforts are being leveraged to generate new initiatives and build new capacity as work proceeds across multiple fronts.

Given that the focus of the PSMI is on long-term transformation of systems, its full impact will not begin to emerge for several years, as the theory of change predicts. However, the PSMI has laid important groundwork and shaped ongoing efforts to expand growth and opportunity, and sites are building momentum in this direction.

That momentum bodes well for the long-term adoption of the model, although several issues will present challenges to regional leaders as they work to sustain and expand these efforts. It is another positive outcome of the efforts so far that these issues have been identified and can be anticipated and addressed going forward. Some of the key considerations identified:

- ▶ Leaders need to be able to work across programmatic and jurisdictional boundaries to implement the new model, both strategically and organizationally, but such “galvanizing” leaders are in short supply.
- ▶ The work is long term and systemic, but funding is short term and programmatic, requiring regional leaders to cobble together programmatic grants on a long-term basis.
- ▶ Dedicated staff is essential to the core team guiding the work, but sites are challenged to secure sustained funding for “backbone” organizations or intermediaries.
- ▶ Systems change requires a holistic approach, but moving on too many fronts can overwhelm the effort. Focusing on single projects is more feasible but reduces the potential for broader impact and transformation of systems.
- ▶ Entrenched interests and systems resist change, and many public resources are constrained by established programs.
- ▶ A natural process of entropy arises from inevitable changes in leadership, the economic and political landscape, and priorities in organizations and funders, increasing the challenge of sustaining long-term efforts.

Lessons such as these, learned over the four years of the Project on State and Metropolitan Innovation, have refined and sharpened the strategy, even as the work continues to unfold. These lessons are also laying the groundwork for a next generation of research into the forces and conditions that drive healthy economic growth in metros and how best to leverage them. Brookings knows now more clearly where it can add the most value—and how it can join with metro and state partners to drive the creation of more equitable and inclusive growth.

## Project on State and Metropolitan Innovation: Selected developments and initiatives in 2014

### Louisville-Lexington Metropolitan Business Plan (2013) and Export Plan (2013)

Through relationships formed around **BEAM, the Bluegrass Economic Advancement Movement**, major manufacturers are scaling and replicating the paid apprenticeship program developed by Toyota Motor Manufacturing through networks of employers organized under the **Kentucky Federation of Advanced Manufacturing Education (KY FAME)**. The Greater Louisville chapter is recruiting manufacturing apprentices for fall 2015; the inaugural Central Kentucky program expanded and is now centered around a new \$24 million state training center. Toyota is also expanding the program to seven other states where it has plants.

GE Appliance and Lighting, the University of Louisville, and Local Motors created **First Build**, a “micro-factory” and advanced manufacturing hub at the university’s new Product Research and Innovation Center.

BEAM, the Kentucky Association of Manufacturers, and the Kentucky Chamber of Commerce hosted the inaugural **Kentucky Manufacturing Innovation Conference** in October, with participants from the National Center for Manufacturing Sciences, Edison Welding Institute, GE, and other national and regional groups.

The **Kentucky Manufacturing Career Center** in Louisville also emerged from the region’s focus on manufacturing under BEAM.

With support from the JPMorgan Chase Foundation, the **BEAM-Kentucky Export Promotion Program** awarded \$4500 grants to 34 BEAM companies for export development resources.

### Minneapolis-St. Paul Metropolitan Business Plan (2011) and Export Plan (2012)

The region’s economic development organization, Greater MSP, adopted the PSMI paradigm and is pursuing components of the strategy through a series of new projects designed to boost regional investment **in economic assets** for innovation, trade, and talent. The original business plan’s lead initiative to boost the entrepreneurial ecosystem has been slower to gain traction.

The Minnesota Trade Office and export partners are refining “**Exports-in-a-Box**” training and expanding its reach.

Partners held three “mainstreaming exports” events in 2014.

Minneapolis-St. Paul participated in the **pilot foreign direct investment planning** cohort of the Global Cities Initiative: A Joint Project of Brookings and JPMorgan Chase.

### Nevada State Strategy (2011)

Brookings worked with state leaders to develop a **new STEM-focused skills strategy** building on the 2011 state plan. A STEM challenge grant program is included in Governor Brian Sandoval's FY2016-17 budget.

Nevada also created **Battle Born Venture**, a state-backed venture capital program for Nevada startups.

A \$10 million **Knowledge Fund** invests in research, innovation, and technology commercialization.

The state created the **Water Center for Excellence** to become a global leader in water development research and commercialization of water technology.

Nevada also **targets state resources** to clusters identified in the 2011 plan: aerospace and defense, agriculture, information technology, energy, health care, logistics and operations, manufacturing, mining, and tourism/gaming and hospitality.

### Northeast Ohio Business Plan (2011)

As part of its 10-year anniversary in December, the Fund for Our Economic Future released a "**Call to Action on Growth and Opportunity**," building on PSMI work. Through the Growth & Opportunity Initiative, the Fund has expanded its collaboration with the Federal Reserve Banks of Cleveland and Philadelphia, and Fund leaders have become spokespersons for the new model of economic development, delivering speeches at the Philanthropy Ohio Summer Institute last summer and the Economic Development Council of Colorado conference in the fall.

Firms participating in the **PRISM** (Partnership for Regional Innovation Services to Manufacturing) initiative for innovation in small and medium-sized manufacturers have created over 200 jobs. PRISM has also formed partnerships with regional groups including BioEnterprise and Cuyahoga Community College. PRISM is developing long-term sustainability through a program-related investments model (\$1.2m/three years from several regional philanthropies) and a pilot approach to pay-for-performance.

The Fund for Our Economic Future awarded a \$550,000 grant to **WorkAdvance**, a program designed to help low-income adults prepare for, enter, and succeed in quality jobs in high-demand fields with opportunities for career growth. Now in its fourth year, the program has prepared over 500 low-skilled workers for middle-skill jobs in the manufacturing and health care sectors in Northeast Ohio.

### Portland Export Plan (2012)

Partners expanded the “**We Build Green Cities**” global sustainability brand; trade missions led to the first signed contract for work on a Japanese smart city project. Other activities included a **peer-to-peer exporting mentoring program**, led by the Technology Association of Oregon and Atlantric; **export training for economic development practitioners** with funds from Business Oregon and SBA/STEP; a **regional study on computer and electronics industry**; and completion of a **freight and logistics study and receipt of a \$10.1 million U.S. Department of Transportation TIGER grant** for related work.

Portland participated in the **pilot foreign direct investment planning cohort** of the Global Cities Initiative: A Joint Project of Brookings and JPMorgan Chase.

Portland launched **Greater Portland 2020**, a seven-county, two-state economic development partnership, expanding on the Comprehensive Economic Development Strategy.

### Syracuse/Central New York Metropolitan Business Plan (2013) and Export Plan (2012)

CenterState Corporation for Economic Opportunity, the region’s lead economic development entity, launched **Armory Square Ventures**, a regional venture capital fund, raising \$15 million to date (with plans to more than double that in the future), and completing its first investment, in Agronomic Technology Corporation.

Although implementation of the **Data to Decisions (D2D)** cluster initiative focused on the region’s strengths in sensing and data technologies is proceeding more slowly than planned, it took steps to launch a new nonprofit, the One Institute for the Internet of Everything, to manage the initiative.

With almost \$1 million in philanthropic support, CenterState CEO and its partners expanded **Work Train**, a skills-training program focused on linking low-income residents to job opportunities with career pathways. Sixty individuals moved into new health care positions in 2014, and there are plans to expand to the manufacturing sector.

**Implementation of the export plan** doubled the number of firms seeking assistance from trade specialists and recruited over 50 new members into the region’s International Business Alliance. The region conducted trade missions to China, Singapore, and other ASEAN nations, resulting in new potential contracts and cooperative agreements with the China Association for the Promotion of Private Science and Technology Enterprise and a pending agreement to replicate the region’s Sandbox entrepreneurship program in China.

A **Consensus Commission** is studying local government in Onondaga County to reduce fragmentation and duplication of services and improve cost efficiency and service delivery.

CenterState CEO has taken a leadership role in **the state’s Regional Economic Development Councils**, securing \$344 million in state investments over the past four years. New York’s Global NY export program was influenced by the region’s model for increasing exports, and it is applying for new investments from Governor Andrew Cuomo’s \$1.5 billion Upstate Revitalization Fund.

## Introduction

The Brookings-Rockefeller Project on State and Metropolitan Innovation (PSMI) is rooted in research that shows that technology, innovation, and globalization are changing the dynamics of economic growth and limiting the effectiveness of traditional approaches to economic development.

Those traditional approaches focused on economic development based on consumption and consumer debt, real estate development, and competition to attract new firms based on costs alone—strategies that have generated low-wage jobs, unsustainable growth, and limited opportunities for people and communities in many regions.

The PSMI is designed to persuade metropolitan regions and states to adopt a new strategy. Projects undertaken through the PSMI have guided regions to develop strategies focused on growing and retaining higher-quality jobs in more innovative, productive industries; expanding opportunities for workers at all levels; and increasing incomes, economic resilience, and inclusion. The success of these efforts required redirecting the primary focus of economic development away from business attraction to investing in regional assets for more productive and inclusive growth. It also required building new institutional capacity to work across the public, private, and civic sectors and across political boundaries.

The PSMI engendered that change through four mutually reinforcing outcomes that make up its theory of change:

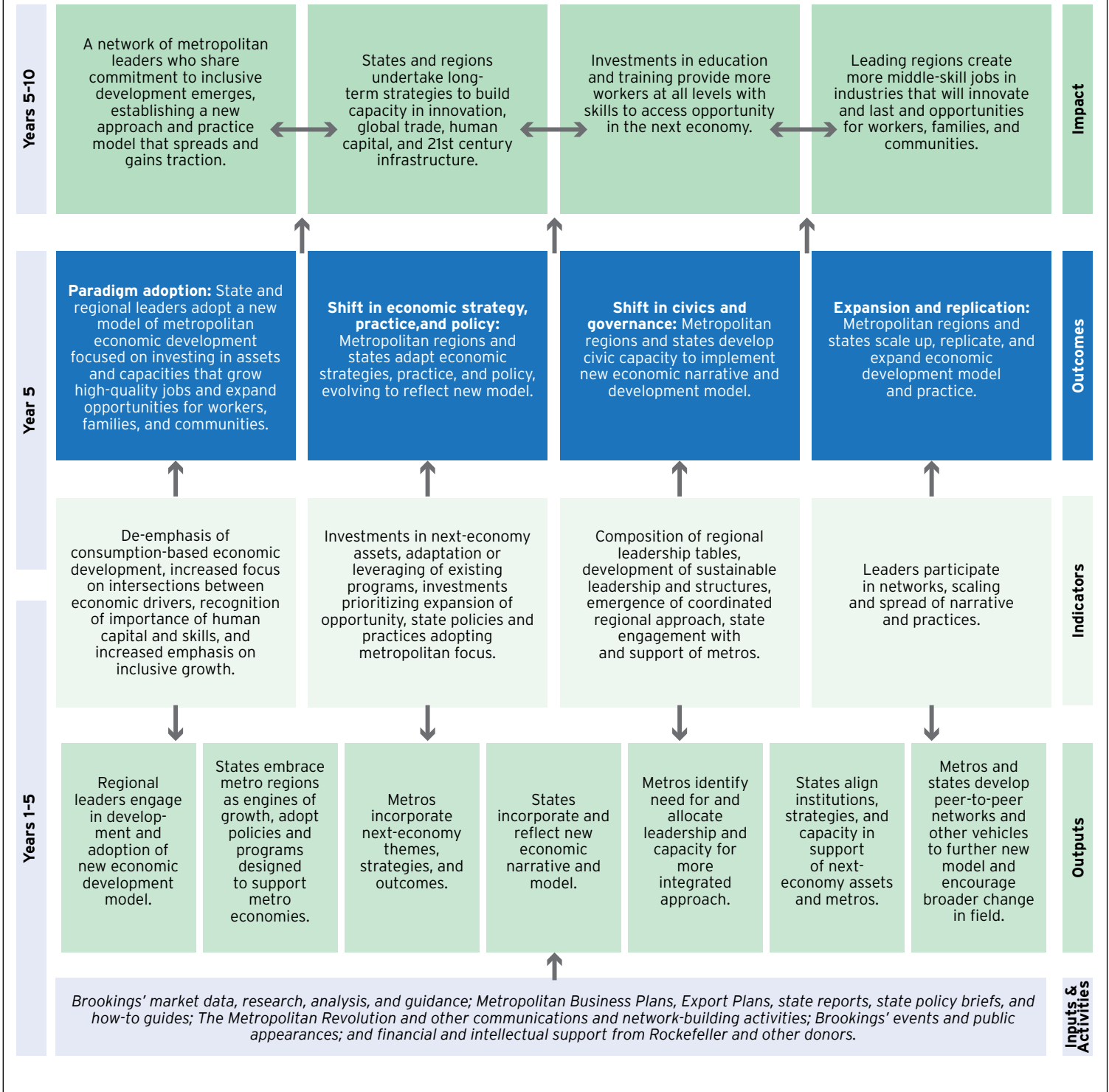
- ▶ Leading metropolitan and state leaders to **adopt a new paradigm and model** of economic growth and development
- ▶ **Changing policies and practices** at the metro level and policies at the state level in line with this new model
- ▶ **Developing civic capacity and governance** structures to implement and sustain the new model
- ▶ **Scaling up, replicating, and expanding** the new model and practice.

The theory of change stipulates that outcomes can be expected to emerge approximately five years into implementation of the new model, with full impact emerging over a full decade. With the planning phase of work completed at various points over the last four years, no sites involved in the PSMI have reached that stage yet.

In addition, sites have found that the transition from planning often requires a full year of organizational and leadership development and fundraising before implementation begins, and it moves forward along different trajectories; in some cases, implementation appeared to be stalled but then regained momentum when major funding was secured.

This report lays out the evidence of emerging—or promising potential for—impact in each outcome area, followed by lessons and challenges related to that area.

**Brookings-Rockefeller Project on State and Metropolitan Innovation (PSMI) Theory of Change**



## Structure of the work

At the regional level, the PSMI brought together public- and private-sector leaders in selected metropolitan areas to develop and implement holistic, asset-based strategies for economic growth. Cross-sector partnerships engaged in rigorous analysis of the unique assets and dynamics of their region and developed strategies to drive more sustainable growth and expanded opportunity. That work took the form of:

- ▶ Comprehensive, broad-based regional economic growth strategies, or “metropolitan business plans,” in seven regions with implementation focused either on one lead initiative or a portfolio of initiatives to implement multiple strategies. In these sites, Brookings partnered with RW Ventures of Chicago to co-manage direct work with sites on data collection and analysis, plan development, strategy, and initiative design. Sites that undertook that approach included Central Upstate New York (Syracuse). Louisville/Lexington, Ky.; Northeast Ohio; Memphis, Tenn.; Minneapolis/St. Paul; Phoenix; and Puget Sound, Wash.
- ▶ More specifically defined engagements in seven additional regions utilizing various configurations of analysis, planning, and engagement with Brookings. Sites included Atlanta; Baltimore; Buffalo, N.Y.; Chicago; Kansas City, Mo.; Newark, N.J.; and New York.
- ▶ More narrowly targeted work focused on strategies for expanding trade and exports as a vehicle for economic growth (“metropolitan export plans”) in 12 regions, including Central Upstate New York (Syracuse); Charleston, S.C.; Chicago; Columbus, Ohio; Des Moines, Iowa; Los Angeles; Louisville/Lexington; Minneapolis/St. Paul; Portland, Ore.; San Antonio; San Diego; and Tampa Bay, Fla.

At the state level, Brookings partnered with officials in seven states to revamp economic development policies to reflect PSMI-related themes, including supporting metropolitan economies, diversifying sources of state economic growth, and making key investments in advanced industries. (Advanced industries are those responsible for the largest investments in research and development and employing large numbers of STEM workers, including middle-skill workers.) States involved included California (in a limited engagement), Colorado, Tennessee, Michigan, Minnesota, Nevada, and New York.

Brookings published a framing paper that laid out the theory, approach, and rationale for the comprehensive approach behind what was called “metropolitan business planning” and a guide to export planning. It also published a series of policy papers aimed at state leaders and federal officials. (See Appendix 2 for a complete list of publications and state policy briefs.)

At the national level, *The Metropolitan Revolution* by Bruce Katz and Jennifer Bradley sounded a call to action and created a sense of urgency around the power of metropolitan areas to advance productive, inclusive growth in the absence of federal leadership. Brookings has also made the regional and state strategies developed under the PSMI widely available through publications and presentations, and highlighted this work through events, blogs, articles, speeches, social media, and dedicated space on the Brookings website.

This report represents a milestone in the PSMI as it enters its final year. With plan development now concluded, the five regions and one state reported on by local researchers over the last four years stand at various stages of execution, with some three or more years into implementation of their strategies and initiatives and others still in early stages. This report assesses the outputs and outcomes thus far, with particular attention to challenges and lessons learned.

As the work continues to unfold, the experience of these sites will inform next phases of work in the states and regions, and at Brookings, and will be codified with the goal of building this emerging field of practice.



## Findings from the sites

### Outcome #1: Paradigm adoption

***State and regional leaders adopt a new model of metropolitan economic development focused on building the next economy by investing in assets and capacities that grow high-quality jobs and expand opportunities for workers, families, and communities.***

The first outcome focuses on the adoption and dissemination of the new model of economic growth and development, which has evolved as economic conditions have changed from the initial focus on recovery from the Great Recession to a more urgent and intensive focus on ensuring that growth leads to rising incomes, expanded opportunity, and inclusion.

The new model guided the work in all of the PSMI sites. However, in the metro sites that developed strategies for expanding exports, there was a particular focus on trade, while in metro sites that developed more comprehensive and holistic “business plans,” the focus was on five mutually reinforcing drivers of economic growth:

- ▶ Competitiveness and performance of the region’s economic “clusters,” or concentrations of related firms and industrial specializations
- ▶ Development and deployment of human capital and skills
- ▶ Capacity for innovation and the environment for entrepreneurs
- ▶ Spatial efficiency of the region, its infrastructure and built environment
- ▶ Effectiveness and efficiency of government institutions and networks of civic leadership.

Through either the comprehensive or the more targeted approach, strong evidence indicates that participation in the PSMI has changed the way metro and state leaders think about economic development. All of the site leaders interviewed report that the rigorous analysis required as a starting point for their work, along with data and insights provided by Brookings and its partners, dispelled myths and shed new light on how the economy in their regions actually works and what really matters for stimulating growth and opportunity.

In all of the sites, the planning process covered new ground and deepened understanding and insight among metro and state leaders, enabling them to uncover new opportunities for growth and development. For example, many of the sites that undertook export planning had never previously considered a focus on trade as a means to strengthen sectors that exert multiplier effects on the economy. The emphasis on trade prompted the regions to develop concrete plans for connecting firms to relevant expertise and for opening up new markets as a vehicle for shoring up jobs. In several cases, those moves prompted broader analysis and provided a pathway to developing more comprehensive strategies.

The sites that developed comprehensive growth plans had never considered all five key drivers of the economy as a holistic and dynamic system or attempted to design strategies that, working together, would build synergy and accelerate impact. “The Brookings project came along at a time when the city was looking at why it wasn’t getting more out of its economic development efforts and was starting to realize that it needed to take a more regional approach—the process really pushed us along,” one site leader said.

In sites where planning overlapped with earlier efforts, the PSMI is generally seen as having prompted deeper and more comprehensive analysis than previous efforts, building local capacity for understanding the economy. The Puget Sound Regional Council had just completed a regional growth strategy, but its closer examination of regional assets through the PSMI turned up a new opportunity in the clean energy sector, which became the lead initiative. The Greater Phoenix Economic Council had determined that the region needed to boost its capacity for science and technology, but the PSMI provided the framework, engaged broader regional leadership, and led to a sharper focus for its ambitious initiative to build innovation capacity in industries critical to middle- and higher-skilled jobs.

In the older industrial region of central upstate New York, earlier economic development planning had identified few sectors robust enough to anchor the region’s recovery from deindustrialization. The

extensive analysis conducted for the PSMI identified technology expertise that overlapped multiple sectors, prompting an initiative around a crosscutting industry cluster. The region's earlier work to develop a robust entrepreneurial ecosystem had built momentum but was stymied by the lack of venture capital; the long-recognized problem of local government fragmentation had not led to change. Strategies developed in the "CenterState New York Agenda for Economic Opportunity" address all of those areas, in addition to a new approach to skill development for lower-skilled workers.

In all sites, PSMI projects prompted increased emphasis on the potential for existing firms and industries to drive new growth and opportunity for more workers, shifting away from the traditional focus on business attraction as the primary goal of economic development. Leaders interviewed in Minneapolis/St. Paul, Chicago, Portland, Phoenix, and Northeast Ohio all explicitly cited that change.

As sites have conducted successive rounds of planning, they have incorporated key elements of the model, building on it as the original strategies progress and mid-course corrections occur. "The new effort is drawing on the Brookings project both in process and in content, and the relationships and networks built through it have helped accelerate and lend focus to the new effort," one site leader said. In another example, the subsequent Regional Economic Competitiveness Strategy in Northeast Ohio added a more explicit focus on connecting economically distressed neighborhoods to the regional economy.

In most regions, the new model has also taken root beyond the original partners, as new organizations have become involved in implementation. As one site leader observed, "Implementation is most effective when partnering organizations incorporate it into their own work plans and metrics."

All of the states involved in PSMI incorporated aspects of the model, such as substantially increasing their focus on innovation, trade, and human capital development around advanced industries. Nevada totally revamped its economic development system, creating the Governor's Office of Economic Development, new Regional Development Authorities for each region, a Catalyst Fund, and a Knowledge Fund that supports research and commercialization. These new initiatives, which arose from the Brookings strategy, are having a profound impact on economic development practice in the state. The new system puts greater emphasis on human capital and STEM skills, expanding the state's innovation economy, and growing from within.

### Evidence of paradigm adoption

Metro leaders who have been part of the planning process have cited the new model in public statements and used it to shape their agendas, providing evidence that the model is taking root.

- ▶ In an op-ed in the *Star Tribune*, St. Paul Mayor Chris Coleman observed, "It may have taken us a while to realize, but Minneapolis is no longer St. Paul's competition (or vice versa). In a 21st century economy, coordination, shared vision, and a comprehensive regional approach to economic development that transcends municipal boundaries is what will set us apart from Dallas, Denver, or even Sao Paulo."
- ▶ In a State of the City Address, Phoenix Mayor Greg Stanton declared, "We can build an innovation-based, export economy that works for everyone: large companies, small businesses, entrepreneurs, the middle class, and those working their way into the middle class. Innovative companies spur higher wages across the board, lifting every part of the economy. And international trade brings in new dollars to our region as we sell our goods, our services—and our ideas—around the globe."
- ▶ In a speech to the Made in Rural America Regional Forum in Syracuse, CenterState CEO President Rob Simpson observed, "Current approaches to economic development don't work. The traditional idea that economic development is about attracting new businesses to the region is as outdated as the floppy disk. Recent data shows that attraction strategies are responsible for less than 2 percent of annual job growth in the average U.S. metro. Meanwhile, 83 percent of global economic growth is expected to occur outside the U.S. over the next four years."

## Outcome #1's lessons & challenges

The biggest challenges reported by the sites arose from the complexity of the change required—and the numbers of institutions and leaders that must be engaged—to shift the trajectory of economic growth and build strategies to expand opportunity and inclusion. Many of these challenges are treated under Outcome #3 which speaks to changes in civics and governance, as well as here.

Organizing the right partnerships and engaging the right leaders across multiple fronts requires implementing specific projects and initiatives while simultaneously keeping the work aligned around a longer-term agenda to bring about the paradigm shift envisioned by PSMI. As one site leader put it, “Collaboration moves forward at the speed of trust, and it’s easier to build trust with one issue than with six and with six people than with sixty.”

Sites that lacked a clear champion well positioned to drive the effort—a “galvanizing leader” in the words of one site leader—or the right institutional owners faced challenges gaining traction.

Sites in which local elected officials served as the original champions confronted the need to build cross-sector ownership with private-sector leaders, particularly in economic development entities, for example. In short, problems organizing the “civics” and leadership often were the root cause in sites where implementation has proceeded unevenly.

An important lesson from the work across all of the sites surveyed for this report is the need for flexibility and responsiveness to changing conditions. For instance, over the past four years, changes in the economic landscape have required refinements in the framework and approach. Originally, with regions primarily focused on recovery from the Great Recession, the imperative to expand opportunity was treated as integral to the model, woven through all of the work, and addressed in the context of each dimension of the framework and analysis. More recently, with unemployment dropping and job growth occurring without wage and income growth—leaving many workers and communities behind—a more explicit focus on equity has risen to the top of the agenda.

Participants in the comprehensive business planning reported that while the framework structured around five key drivers was useful for understanding regional assets and growth, tackling all five areas at once for strategy and initiative development was daunting. Two of the five economic drivers—governance and spatial efficiency—were often seen as outside the purview of economic development, or tangential to the core issues. As one site leader observed, “Fully understanding each of the drivers could require years of study, and understanding the complex interactions among them could take even longer.”

The experience in states and metros that focused on export growth has brought the importance of traded sectors and advanced industries (work more fully developed by Brookings over the last two years) to the foreground.

As a result, Brookings’ presentation of the essential drivers of economic growth and opportunity has evolved. More recently, governance and spatial efficiency have been recast as underlying conditions or enablers for economic growth, and trade is given more prominence in the framework. In the latest iteration of the model, three drivers are positioned as key: innovation, trade, and talent.



## Outcome #2: Shift in economic strategy

### ***Metropolitan regions and states adapt economic strategies, practice, and policy, evolving to reflect the new model.***

The second outcome envisioned by the PSMI focuses on actual changes in policy and practice as a result of paradigm adoption. Evidence gathered from all of the sites indicated that leaders are making meaningful changes in how they organize and conduct economic development, with initiatives that reflect the new model in implementation. These changes require long-term, sustained efforts, however, and the theory of change does not anticipate measurable impact for several more years.

In all of the sites where implementation has begun, there are initiatives underway that reflect the new model and that are changing the face of economic development in the region.

### ***Innovation***

In their analysis, all the comprehensive or “business plan” sites identified industries with the greatest potential for growth and focused cluster strategies on them to expand existing firms and support growth of new businesses. In Northeast Ohio, this step took the form of support for small and mid-sized manufacturers to retool for new markets and products in order to protect and grow middle-skill jobs. In Nevada, new state programs support innovation in nine key sectors. In Syracuse, the region has built out the entrepreneurial ecosystem with the establishment of a private venture capital fund and expansion of incubation space.

#### **Innovation and entrepreneurship initiatives**

- ▶ In Northeast Ohio, the PRISM initiative provides technical expertise to small and medium-sized manufacturers. To date, it has worked with over 20 companies that have created over 200 jobs. Building on that success, the Regional Competitiveness Council commissioned the Gazelle Project to provide the same kinds of services to a wider range of firms and sectors in the region.
- ▶ In Seattle, the Smart Buildings Center provides entrepreneurs and firms in the clean energy sector with lab space and a real-world testing site to verify and integrate promising technologies for energy efficiency.
- ▶ In Syracuse, the Tech Garden offers mentoring, business planning, and work space as well as funding through Grants for Growth, a seed program for applied research through university partnerships. To date, the program has invested \$3.1 million in small and emerging companies. Armory Square Ventures is raising private venture capital for promising early-stage and small to medium-sized firms. The first round of investment secured \$15 million, and initial deals are in the works.
- ▶ In Chicago, the Digital Manufacturing and Design Innovation Institute brings together more than 40 industries, 500 companies, and 30 academic, government, and community partners to improve manufacturing cost efficiency and strengthen supply chains through new technologies.
- ▶ In Nevada, the \$10 million Knowledge Fund spurs research and technology commercialization with four projects underway. The Water Center of Excellence promotes research and commercialization of water development technology.

## *Global trade and investment*

Significant progress has occurred in almost all of the metros that developed plans for expanding exports. In some sites, export strategies are being used to jumpstart growth in targeted clusters. In others, export strategies led to more comprehensive and integrated approaches. That is particularly true in sites that developed both comprehensive strategies and export plans.

Export planning initiated with pilots under the PSMI later scaled up to encompass a total of 28 sites (including some regions also involved in other PSMI activities) as a result of a subsequent initiative, the Global Cities Initiative: A Joint Project of Brookings and JPMorgan Chase.

### **Global trade and investment initiatives**

- ▶ Syracuse has secured over \$1 million in grants from the state of New York, the federal government, and private sources to hire an export consultant and scale export assistance through the Central New York International Business Alliance, which has helped over 120 businesses.
- ▶ With funds from the JPMorgan Chase Foundation, in Louisville/Lexington 40 small businesses received awards of \$4,500 to help increase their export capacity and activity.
- ▶ Greater Portland Inc. partnered with Business Oregon, the state of Oregon, and the Small Business Administration to provide export training to economic development professionals who work with companies with export potential. In addition, the Portland Development Commission piloted a case management program to provide tailored market research reports to small businesses with export potential.
- ▶ Portland also created a “We Build Green Cities” global brand, based on the region’s assets in sustainability and green building expertise, leading to work on a “smart city” project in Japan.
- ▶ In Minneapolis/St. Paul, the MSP Export Initiative developed an export resource map and training guide. It also secured a local Export-Import Bank representative in the region.
- ▶ Chicago and seven surrounding counties formed an unprecedented alliance to provide small and mid-size companies with export assistance.
- ▶ New York State launched Global NY in 2014, which challenges regions to identify global market opportunities and export strategies; its design was based in part on the plan developed by CenterState CEO through its PSMI project.

## *Skills and workforce development*

Many of the sites that developed comprehensive regional development plans have launched new and more robust workforce development initiatives to build skills and connect lower-skilled workers with middle-skill opportunities. All focus on better linking worker training with economic development and aligning more closely with employers to create a more effective system for moving lower-skilled workers to higher-paying jobs. A number have created new partnerships and intermediaries to lead these efforts, reducing fragmentation and improving on the public system with more engaged private-sector leadership and private resources. In virtually all of the sites, workforce development and skill initiatives are considered critical planks in the region’s economic growth agenda and, in several cases, are a primary focus.

### Skills and workforce development initiatives

- ▶ As a result of the BEAM focus on manufacturing in Louisville and Lexington, major employers are creating paid apprenticeships, adopting a model pioneered by Toyota Motor Manufacturing in Central Kentucky, where the state is investing in a \$24 million manufacturing training center.
- ▶ In Louisville, the Kentucky Manufacturing Career Center offers nationally recognized certifications for entry-level workers.
- ▶ WorkTrain in Syracuse attracted substantial private resources for skill development with over \$1 million from local foundations to prepare residents for in-demand jobs with opportunities for career advancement.
- ▶ The Greater Memphis Alliance for a Competitive Workforce has secured over \$10 million in public and private funding, recruited a highly credible leader, and organized civic unanimity and commitment to the initiative.
- ▶ The Greater Memphis Alliance benefited from education and skills initiatives at the state level that also grew out of Brookings' work on advanced industries there; initiatives have included funding to improve alignment with employers and qualification of lower-skilled workers for middle-skill jobs.
- ▶ Skills for Chicagoland's Future has developed partnerships with over 30 employers and has placed over 1,200 people in jobs. Chicago also has initiatives underway to link "A Thousand Jobs for a Thousand Chicagoans" in manufacturing, with plans to replicate the model in other sectors.
- ▶ WorkAdvance in Northeast Ohio, now in its fourth year, has prepared over 500 lower-skilled workers for middle-skill jobs in manufacturing and health care sectors.
- ▶ In Nevada, Governor Brian Sandoval's proposed budget includes \$3 million for challenge grants to regional development authorities to prepare workers for STEM occupations.

### Outcome #2's lessons & challenges

As sites moved from planning to implementation of strategies and initiatives, changing conditions and the challenges of organizing leadership and resources have prompted changes in course and dictated the pace of implementation.

By necessity, plans have not always proceeded as originally envisioned. In some cases, initiatives put forward in the original plan did not gain traction or were surpassed by other priorities, causing a change in direction or revisions to overcome barriers. In Minneapolis-St. Paul, for example, the original initiative to stimulate the ecosystem for new firms and startups did not materialize as outlined. In Syracuse, the potentially important new cluster around "Data to Decisions" technologies has ramped up more slowly because of competing priorities.

On the other hand, Louisville-Lexington's PSMI, focused on manufacturing through the Bluegrass Economic Advancement Movement (BEAM), led to the creation of a network of manufacturers who are developing paid apprenticeships—a more ambitious initiative than proposed in the plan itself, although the one led to the other. In some sites, the work has expanded through additional initiatives. World Business Chicago has launched 15 initiatives since its "Plan for Economic Growth and Jobs" was completed in 2011 and has 20 more in the pipeline. Syracuse has launched seven initiatives beyond the four

outlined for its first phase of implementation.

Sites in the first cohort of metropolitan business planning reported that their initial focus on a single lead initiative limited the scope of the work and reduced its potential for broader impact. At the same time, a number of sites that started with a more targeted focus on exports found that their regions needed a more multipronged approach and are pursuing that now.

There is a growing consensus across sites that the right approach to undertaking complex change initiatives across multiple fronts is to focus on a portfolio of mutually reinforcing initiatives guided by overarching strategies and metrics. That is the approach a number of regions have taken in subsequent planning, such as Greater Portland 2020 now under development, the Regional Economic Competitiveness Strategy in Northeast Ohio, and the Greater MSP Regional Economic Development Strategy in Minneapolis-St. Paul.

In most cases, the transition from planning to implementation required new organizational structures and institutional owners. In most sites, an ad hoc steering committee led the original planning project but an established “backbone organization” is overseeing implementation. Most sites have organized task forces to implement particular initiatives and have recruited new partners to that work. As new leaders and organizations have become involved, however, the challenge to sustain the focus and keep partners moving in the same direction increases.

Some sites’ dependence on staff loaned from other organizations led to the realization that the complexity and long-term nature of the work requires dedicated institutional capacity and staff: “Somebody who wakes up every morning focused on these issues, rather than somebody trying to do this work on the side or in their spare time,” as one site leader put it. However, in most sites, securing adequate funding to support staff capacity on that scale has proved to be a daunting challenge.

All the site leaders interviewed reported that even when they are successful, they continue to wrestle with entrenched systems and traditional thinking about economic growth and development. That has resulted in initiatives designed under the new growth model working around or proceeding in parallel with more traditional approaches. As a site leader observed, “Business attraction is so hardwired that it still dwarfs our work on exports. Our increased focus on exports hasn’t diminished the focus on attraction—it’s just added to the overall portfolio.”

### **Outcome #3: Shift in civics and governance**

#### ***Metropolitan regions and states develop civic capacity to implement the new economic growth and development model.***

Because it is broader and more comprehensive, the new model of economic development requires new civic infrastructure and leadership that cut across traditional sectors and program boundaries. Because it is regional in scope, it requires structures that cut across political boundaries. And because it is focused on long-term systems change, it requires structures that can be sustained with leaders who can work effectively with only informal authority when needed and have the capacity to hold the pieces together and keep the work moving forward.

In every site, the planning process brought together public- and private-sector leaders at the regional level, including many who hadn’t previously worked together or focused on regional growth issues. Leaders who were interviewed reported that the collective process of analysis and strategy development focused on regional assets aligned their thinking and work. Relationships forged through these projects strengthened collaboration and partnerships, laying the groundwork for long-term efforts.

For example, in a number of sites, ad hoc groups of leaders involved in the Brookings projects have come together in other settings to work on related projects. Most of the sites now have strong institutional owners to sustain the work. For the most part, those organizations are regional in scope, have responsibility for economic development, and bring strong business representation to the table. This development is particularly noteworthy given that in a number of sites the initial champions for the Brookings projects were mayors who may have moved on or who could not, alone, have secured broader regional adoption of the plans. One site leader reported that “no previous planning efforts had required us to own and manage so much of the planning work ourselves, which ended up building

momentum and capacity for implementation.” In addition to this new capacity and expertise, sites are also experimenting with the development of metrics and data sets that will promote more holistic and sophisticated understanding of regional economic dynamics, patterns of growth, and disparities as well as key indicators of income growth, wealth generation, and productivity key to ensuring equitable growth and expansion of opportunity.

### **Regional civic organizations leading the work**

- ▶ In Portland, Ore., Greater Portland Inc., a new regional partnership of government and business leaders, formed to shape the economic future of the seven-county region.
- ▶ In Northeast Ohio, the recently restructured Team NEO, an alliance of Chambers of Commerce, business, and philanthropic leaders, along with JobsOhio (a statewide public-private economic development partnership), focused on improving the economic competitiveness of the 18-county region.
- ▶ In the Central Upstate New York region anchored by Syracuse, CenterState CEO, an economic development and strategy organization that brings together top elected officials, higher education, and business leaders, is the primary catalyst in this 12-county region.
- ▶ In Louisville and Lexington, the Bluegrass Economic Advancement Movement (BEAM), a strategic partnership formed by the mayors of the state’s two largest metropolitan areas, provides leadership on the agenda to “seize the manufacturing moment” across 22 counties.
- ▶ In Minneapolis-St. Paul, Greater MSP, a new public-private economic development partnership, guides the work across a 16-county region.
- ▶ In Chicago, World Business Chicago, a public-private partnership of prominent business and community leaders chaired by the mayor, expanded its original mission to guide the “Plan for Economic Growth and Jobs.”
- ▶ In Memphis, oversight for implementation is moving from the city-county economic development agency to a new position under the umbrella of Memphis Fast Forward, a civic and business leadership alliance to accelerate economic growth and improve quality of life in the region.
- ▶ In Phoenix, the Greater Phoenix Economic Council, a public-private economic development organization, guided development of Velocity, which is reorganizing its leadership structure for long-term implementation.
- ▶ In the Seattle area, the Puget Sound Regional Council of governments oversees transportation and economic development planning.

Leaders uniformly talked about the ongoing need for new forms of data, information, and research, and particularly the need to continue Brookings’ contribution to the evolving understanding of regional growth dynamics and other key areas.

Civic leadership also grew stronger as a result, interviews indicated. New leaders came from many organizations, including economic development groups, government agencies, business leadership groups, metropolitan planning organizations, and philanthropic foundations. The sites reported finding that the key to effective leadership in this context was whether it secured what one leader termed “galvanizing leaders,” those who are able to work across boundaries and systems both strategically



and organizationally and sustain focus for the long term to deliver impact.

More specifically related to local governance, the CenterState New York plan called for the region to address the long-standing issue of fragmentation and duplication of services in local government. A high-level commission is studying the issue in Onondaga County as a pilot for the region.

A number of states revamped their approach to anchor economic development in regional leadership. Several challenged regions to develop comprehensive plans and reworked state funding to free resources for regional plans, sometimes awarding funds through a competitive process. Nevada and New York are the prime examples, although versions have occurred in Tennessee and Colorado, and Minnesota is considering such an approach.

### **Outcome #3's lessons & challenges**

The greatest challenge reported by the sites is that the change envisioned by the PSMI proceeds iteratively, with expanding circles of leadership and collaboration necessary; it is long term and systemic, but funding is usually short term and programmatic.

One site leader described the path of implementation as being “like a fugue, with a refrain that keeps going, but is modified and iterated, and continues with new groups and collaborative efforts retaining some alignment to the original theme.”

In all sites, federal and philanthropic grants are the primary sources of funding for initiatives and to sustain the overall approach. Grant funding tends to require multiple funders providing grants of limited duration, and usually restricted to specific programs. Few funders are focused on long-term change efforts with multiple dimensions, creating challenges for sustaining long-term objectives and collaborative structures.

Ironically, site leaders who came together at Brookings last December reported that sustaining the collaborations guiding implementation has become more challenging as the economy improves and the sense of crisis during the Great Recession abates.

Another major challenge is that the supply of business leaders falls short of what is needed. Globalization has shifted the focus of corporate executives beyond their home regions, while mergers and acquisitions have thinned their ranks and shortened tenure in any one place. The pool of strong leaders available to regional partnerships is shallower, more transient, and less influential than in the past.

In addition, sites recognized the need for new infusions of leadership at regular intervals. Active participation among volunteer leaders often waned, for example, as the work shifted from planning to implementation, requiring the recruitment of new leaders. Transitions in leadership and organization and initial implementation fundraising often took up to a year or longer.

Turnover within organizations also presented challenges. One site reported that 40 percent of participants involved in developing its export plan were no longer in the same organization a year later.

As leaders change roles and partner organizations evolve, projects that require longer-term investment can get lost among competing priorities. One site leader said, “Conditions have changed since the Brookings plan was written. Meanwhile new people have gotten involved in the implementation process. We will need to go through the planning process again before long—a booster shot—to keep everyone on the same page and moving in the same direction.”

### **Outcome #4: Expansion and replication**

#### ***Metropolitan regions and states scale up, replicate, and expand adoption of the new economic development model and practices.***

The goal of the PSMI is to change economic development thinking and practice on a large scale, and this requires a critical mass of leaders to adopt the new approach and change policies and practices. There are some signs that momentum is building in that direction.

On the export planning side, the partnership between Brookings and JPMorgan Chase expanded and replicated work initiated under the PSMI with the Global Cities Initiative, a \$10 million, five-year project launched in 2012. A year later, the Global Cities Exchange came on line, expanding the number of sites

engaged in export strategies from 12 to 28 and expanding the agenda to a broader global trade and investment strategy.

Beyond exports, most of the sites have garnered financial support from within their regions to expand the scope and scale of their work, with much of the funding for implementation coming from local sources. Local funding secured as a result of the PSMI initiatives includes investments in areas—such as workforce development in Memphis and CenterState/Syracuse, and manufacturing apprenticeships in Kentucky—that had not previously attracted philanthropic and corporate support.

### Expansion and replication by states

States involved in the PSMI have put new policies and programs in place that scale up the new model:

- ▶ In New York, Gov. Andrew Cuomo recently proposed a \$1.5 billion “Upstate Revitalization Fund” in the area that includes the Syracuse region, drawing on lessons from the earlier “Buffalo Billion” initiative and the state’s Regional Economic Development Council network, both of which were influenced by Brookings and the PSMI.
- ▶ In Tennessee, the governor launched a series of initiatives to upgrade workforce skills based on recommendations that emerged from the Brookings report related to advanced industries in that state; the new initiatives are supporting the skill development initiative underway in Memphis.
- ▶ Colorado approved the Advanced Industries Accelerator Act and Advanced Industries Export Accelerator legislation.
- ▶ In Minnesota, the state awarded \$1.5 million to the state trade office to replicate the approach to regional export planning developed under the PSMI work in the Minneapolis-St. Paul PSMI and is weighing other changes to make state economic development more regionally driven.

Several sites have won major federal grants for specific initiatives. For example, the Puget Sound region won an i6 Challenge grant from the Department of Commerce for its lead initiative. Six sites won Jobs and Innovation Accelerator Challenge grants to carry out cluster-based and innovation initiatives. Four metros have become National Fund for Workforce Solutions sites, and the Fund for Our Economic Future in Northeast Ohio estimates the expanding economic competitiveness agenda in that region has attracted more than \$19 million in federal grants and \$117 million in state funding over its full history.

The federal government has adopted an asset-based economic development model and cross-sector planning approach in its interagency grant programs related to innovation. Over the past several years, federal departments have pooled funds to support regional innovation strategies using a series of interagency grant programs. Those programs, which include the Jobs and Innovation Accelerator Challenge grants and the Trade Adjustment Assistance Community College and Career Training grants, promote the same model and approach that is at the heart of the PSMI theory of change. They also build collaborative capacity at the regional level.

Similarly, new federal guidelines for Comprehensive Economic Development Strategies that metros must submit for funding from the Economic Development Administration mirror the PSMI model and promote the cross-sector planning it advocated. The new guidelines are designed to put more emphasis on industry clusters, capacity for innovation, and investments in infrastructure to support entrepreneurial activity. In addition, the guidelines shift the focus from discrete public works projects to broader economic development strategies based on in-depth analysis of the region’s economy.

Over the course of the PSMI, Brookings has worked closely with the International Trade Administration applying lessons from the export work to strengthen and expand the National Export Initiative. And Brookings' leadership supported and partnered with the new Commerce Secretary in 2013 to help shape the department's agenda, which embraces the PSMI model and its focus on innovation, trade, and skill development.

### **Outcome #4's lessons & challenges**

The biggest challenge site leaders report in expanding and scaling up the work is the tension between demonstrating measurable, short-term progress to sustain funding and civic will and the longer-term sustainability needed to transform systems. Managing that tension requires what one site leader described as "bifocal planning"—finding ways to satisfy the short-term objectives of funders and elected officials without losing sight of longer-term goals.

It also requires defining success factors that go beyond the narrow focus on business attraction as the dominant metric for traditional economic development, and many sites expressed interest in and the need for ongoing development of a rich research agenda to drive insight into the factors affecting growth and opportunity.

Another challenge is the need to tailor this work to fit the unique dynamics, challenges, expertise, and civic capacity of each region. Sites reported that they often needed more coaching, support, and access to peer networks than the available resources allowed. Peer learning exchanges offered a more economical alternative, although that approach has been implemented primarily with the sites that focused on trade and exports.

Ultimately, scaling the work undertaken through the PSMI will require new forms of mass customization for low-cost approaches to address common needs across sites, with adequate flexibility to tailor assistance to the unique needs of individual sites. It will also require tapping into existing streams of funding, which will require changing public policies and priorities.

## Lessons for Brookings

**T**here is widespread agreement across all the sites that Brookings played a key role in providing leadership and a galvanizing framework to guide state and regional planning, strategy development, and implementation around the new growth model.

Its involvement had significant impact and was indispensable to providing the vision and framing, driving insight through research, mobilizing stakeholders, and sustaining engagement. It also supplied the regions with high-quality data and analysis, which went well beyond what the sites could have produced on their own, identifying high-leverage opportunities that have informed and shaped sites' strategic agendas.

In addition, the site leaders reported that Brookings' national research and communications provided supportive scaffolding and a compelling vision for their efforts, lending visibility and credibility and generating demand for change. They noted that it has been particularly helpful—and even critical to sustaining commitment—to have Brookings leadership participate in regional forums making the case for the new model and validating the work underway.

Site leaders also place significant value on the opportunities Brookings has provided for regional leaders to come together. They report that they have found no other forum in which they can talk candidly about the challenges they face and share hard-won lessons with peers. Site meetings at Brookings allowed them to see their work from a broader perspective, these leaders said, and identify shortcomings or overlooked opportunities. The peer networks established through the Global Cities Initiative for export sites reportedly have been particularly effective.

At the same time, several interviewees identified flaws in the design of the regional projects that made certain aspects challenging. Several reported that they needed more on-the-ground support than was anticipated once the planning concluded and implementation began. That gap led to some frustration and disappointment, both on the ground and at Brookings, as sites confronted the need to carry on with more limited guidance and support from Brookings.

Metro leaders also specifically argued that additional support from Brookings could have focused on changing state policies and approaches that frequently did not align with regional plans. For the most part, engagements with state leaders under the PSMI arose independently from the regions with little overlap. Only in New York and Tennessee did Brookings' state policy work overlap with regional work.

Finally, site leaders reported that they would have appreciated greater access to the information gathered by the site researchers for the monitoring and evaluation work that informed this report.

## Conclusion

**W**hen Brookings and the Rockefeller Foundation launched the Project on State and Metropolitan Innovation, their leaders shared a compelling vision of a next economy led by metropolitan regions and driven by export trade, fueled by innovation, and rich with opportunity. The findings outlined in this report suggest that there has been important progress in moving that vision toward reality.

The project has strengthened efforts to expand growth and opportunity in over two dozen sites, building new capacity to sustain this critically important work. And its ripple effects have extended beyond the sites directly involved. The PSMI has produced valuable lessons to guide the work of other leaders, regions, and states and has helped build new approaches expand opportunity and inclusion as regions develop.

However, much remains to be done to realize the full potential of the vision, as national and regional economic trends related to employment, wages and incomes, and widening demographic disparities clearly demonstrate. Leaders across the country committed to this agenda and the values it embodies face many challenges in sustaining the effort to prove its impact and effectiveness and make a lasting difference. Continued investment and transformative work at the metro, state, and national levels is necessary to change the trajectory of metropolitan regions toward more equitable, sustainable, and inclusive growth.

## Appendix 1. Monitoring report interviewees and roundtable participants

### Participants in December 2014 Brookings roundtable of site leaders

#### LOUISVILLE-LEXINGTON

##### Jeanine Dunccliffe

Director of International  
Economic Development  
Louisville Forward  
Louisville Metro Government

##### Scott Shapiro

Senior Advisor  
Office of the Mayor  
City of Lexington

##### Mary Ellen Wiederwohl

Chief  
Louisville Forward  
Louisville Metro Government

#### MINNEAPOLIS-ST. PAUL

##### Cecile Bedor

Executive Vice President  
Greater MSP

##### Peter Frosch

Director of Strategic  
Partnerships  
Greater MSP

##### Kristin Guild

Business Development Manager  
City of Minneapolis

##### Ryan Kanne

Director, Minneapolis Office  
U.S. Commercial Service

#### NORTHEAST OHIO

##### Ethan Karp

Vice President, Client Services  
MAGNET

##### Chris Thompson

Director of Regional  
Engagement  
Fund for Our Economic Future

#### PORTLAND

##### Chris Harder

Economic Development Director  
Portland Development  
Commission

##### Derrick Olsen

Vice President, Regional  
Coordination and Strategy  
Greater Portland, Inc.

##### Noah Siegel

Policy Advisor  
Portland Metro Government

#### CENTRAL NEW YORK

##### Robert Simpson

President and CEO  
CenterState CEO

##### Benjamin Sio

Director of Public Policy  
CenterState CEO

### Participants in December 2014 Brookings staff roundtable on PSMI

##### Bruce Katz

Vice President and Director

##### Amy Liu

Senior Fellow and Co-Director

##### Alan Berube

Senior Fellow and Deputy  
Director

##### Rachel Barker

Impact Manager

##### Ryan Donahue

Senior Research/Policy  
Assistant

##### Jody Franklin

Chief of Staff to Bruce Katz

##### Carolyn Gatz

Director of Metro Engagement

##### Marek Gootman

Director of Strategic  
Partnerships

##### Jessica Lee

Senior Policy Analyst and  
Associate Fellow

##### Mariela Martinez

Senior Project Manager

##### Brad McDearman

Fellow and Director of Special  
Global Projects

##### Mark Muro

Senior Fellow and Policy  
Director

##### John Ng

Senior Research Assistant

##### Steven Pearson

Senior Director of  
Development

##### Robert Puentes

Senior Fellow and Director of  
Metropolitan Infrastructure  
Initiative

##### Chad Shearer

Senior Research Analyst and  
Senior Project Manager

##### Phoebe Silag

Associate Director of  
Communications

##### Owen Washburn

Senior Project Analyst

##### Terrance Woodbury

Program Coordinator

**Additional regional interviews****CHICAGO****Lindsay Broughel**

*Plan Associate, Plan for Economic Growth and Jobs*  
World Business Chicago

**Natasha Krol**

*Director of Implementation, Plan for Economic Growth and Jobs*  
World Business Chicago

**John Ramirez**

*Deputy Director, Plan for Economic Growth and Jobs*  
World Business Chicago

**MEMPHIS****Reid Dulberger**

*President and CEO*  
EDGE

**John Lawrence**

*Manager, Strategic Economic Development Planning*  
EDGE

**NEVADA****Steve Hill**

*Executive Director*  
Governor's Office of Economic Development

**NORTHEAST OHIO****Dan Berry**

*President and CEO*  
MAGNET

**Felix Brueck**

*Chair*  
MAGNET

**PHOENIX****Kathleen Lee**

*Senior Vice President - Strategy*  
Greater Phoenix Economic Council

**PUGET SOUND****Sarah Lee**

*Principal Economic Development Manager*  
Puget Sound Regional Council

## Appendix 2. Project on State and Metropolitan Innovation publications

### Framing papers and publications

- ▶ *The Metropolitan Revolution* by Bruce Katz and Jennifer Bradley (June 2013)
- ▶ *Ten Steps to Delivering a Successful Metro Export Plan* (August 2012)
- ▶ *Metropolitan Business Plans: A New Approach to Economic Growth* (April 2011)

### Metropolitan region reports

- ▶ *Velocity: A Blueprint for Transforming Greater Phoenix Into an Innovation Economy* (February 2015)
- ▶ *Focus: A Roadmap for Transforming the Metro Memphis Economy* (November 2014)
- ▶ *Prosperity at a Crossroads: Targeting Drivers of Economic Growth for Greater Kansas City* (June 2014)
- ▶ *Seizing the Manufacturing Moment: An Economic Growth Plan for the Bluegrass Economic Advancement Movement* (November 2013)
- ▶ *CenterState New York Agenda for Economic Opportunity* (November 2013)
- ▶ *Newark's Manufacturing Competitiveness: Findings and Strategies* (June 2013)
- ▶ *Building From Strength: Creating Opportunity in Greater Baltimore's Next Economy* (April 2012)
- ▶ *Greater Portland Export Plan* (March 2012)
- ▶ *Los Angeles Regional Export Plan* (March 2012)
- ▶ *Minneapolis-Saint Paul Export Plan* (March 2012)
- ▶ *CenterState New York Export Plan* (March 2012)
- ▶ *Chicago Plan for Economic Growth and Jobs* (February 2012)
- ▶ *Accelerate: A Minneapolis-Saint Paul Regional Prospectus for Stimulating the Entrepreneurial Ecosystem* (April 2011)
- ▶ *Investing in Transformation: A Prospectus for Growing Manufacturing in Northeast Ohio* (April 2011)
- ▶ *Innovation Meets Demonstration: A Prospectus for Catalyzing Growth in the Puget Sound Energy Efficiency Cluster* (April 2011)

\*The project's metropolitan partners in Charleston, Columbus, Des Moines, Louisville-Lexington, San Antonio, and San Diego also released metropolitan export plans in 2013-2014.

### State reports

- ▶ *Drive! Moving Tennessee's Automotive Sector Up the Value Chain* (October 2013)
- ▶ *Launch! Taking Colorado's Space Economy to the Next Level* (February 2013)
- ▶ *Michigan's Urban and Metropolitan Strategy* (February 2012)
- ▶ *Unify, Regionalize, Diversify: An Economic Development Agenda for Nevada* (November 2011)

## State policy briefs

- ▶ *Bridging Trade Finance Gaps: State-Led Innovations to Bolster Exporting by Small and Medium-Sized Firms* (January 2015)
- ▶ *Clean Energy Finance Through the Bond Market: A New Option for Progress* (April 2014)
- ▶ *Improving the EB-5 Investor Visa Program: International Financing for U.S. Regional Economic Development* (February 2014)
- ▶ *Banking on Infrastructure: Enhancing State Revolving Funds for Transportation* (September 2012)
- ▶ *State Clean Energy Finance Banks: New Investment Facilities for Clean Energy* (September 2012)
- ▶ *Leveraging State Clean Energy Funds for Economic Development* (January 2012)
- ▶ *Moving Forward on Public-Private Partnerships: U.S. and International Experience With PPP Units* (December 2011)
- ▶ *Beyond Bachelor's: The Case for Charter Colleges of Early Childhood Education* (August 2011)
- ▶ *Community Colleges and Regional Recovery: Strategies for State Action* (May 2011)
- ▶ *Recapturing Land for Economic and Fiscal Growth* (May 2011)
- ▶ *State Transportation Reform: Cut to Invest in Transportation to Deliver the Next Economy* (February 2011)
- ▶ *Accelerating Advanced Manufacturing With New Research Centers* (February 2011)
- ▶ *Boosting Exports, Delivering Jobs, and Economic Growth* (January 2011)
- ▶ *Job Creation on a Budget: How Regional Industry Clusters Can Add Jobs, Bolster Entrepreneurship, and Spark Innovation* (January 2011)
- ▶ *Delivering the Next Economy: The States Step Up* (November 2010)

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The findings in this report also draw from the diligent work of six site researchers who have tracked the evolution of work in the sites selected for ongoing monitoring. They are: Elisabeth Alkire in Louisville/Lexington, Daniel Cowen in Syracuse, Jennifer Hawkins in Minneapolis-St. Paul, Virginia Sampson in Portland, Molly Schnoke in Northeast Ohio, and David Snyder in Nevada.

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## About the Author

Pete Carlson is president of [Regional Growth Strategies](#). Over the past decade, he has done evaluations and strategic development work in over two dozen regions. For the past three years, he has co-managed the *Regional Prosperity Project*, an action-learning network for regional leaders piloting new approaches to creating jobs and expanding opportunity.

### For More Information

Carolyn Gatz  
Director of Metro Engagements  
Metropolitan Policy Program at Brookings  
[CGatz@brookings.edu](mailto:CGatz@brookings.edu)

### For General Information

Metropolitan Policy Program at Brookings  
202.797.6139  
[www.brookings.edu/metro](http://www.brookings.edu/metro)

1775 Massachusetts Avenue NW  
Washington D.C. 20036-2188  
telephone 202.797.6139  
fax 202.797.2965

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States and metropolitan areas will be the hubs of policy innovation in the United States, and the places that lay the groundwork for the next economy. The Brookings-Rockefeller Project on State and Metropolitan Innovation presents fiscally responsible ideas state leaders can use to create an economy that is driven by exports, powered by low carbon, fueled by innovation, rich with opportunity, and led by metropolitan areas.

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Created in 1996, the Brookings Institution's Metropolitan Policy Program provides decision makers with cutting-edge research and policy ideas for improving the health and prosperity of cities and metropolitan areas including their component cities, suburbs, and rural areas. To learn more visit: [www.brookings.edu/metro](http://www.brookings.edu/metro).

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