



ALLIANCE *for*
REGIONAL
STEWARDSHIP

Regional Business Civic Organizations

Creating New Agendas
for Metropolitan
Competitiveness

MONOGRAPH SERIES
OCTOBER 2004



Monograph distributed by:

Alliance for Regional Stewardship
1009 Grant Street, Suite 2003
Denver, Colorado 80203
303-377-9443
Email: info@regionalstewardship.org
URL: www.regionalstewardship.org

Prepared by:

David Lampe
John Parr
Scott Woodard

Table of Contents

Foreword	4
Introduction: The Emergence of Regional Business Civic Organizations	5
Chapter 1 – Regions Matter, Stewardship Matters	8
Chapter 2 – Current Status of RBCOs	12
Chapter 3 – Creating New Regional Agendas through Partnership and Innovation	14
Detroit Renaissance	14
InternetCoast	16
Fresno Business Council	17
Birmingham Regional Chamber of Commerce	18
Long Island Business Association	19
The Right Place, Inc.	20
Bay Area Council	22
Hampton Roads Partnership	23
Toronto City Summit Alliance	24
Summary and Conclusion	27
Appendix A: A Diagnostic Tool for Assessing Readiness for Regional Action	29
Appendix B: Principles of Regional Stewardship	32

Foreword

THIS monograph is based on research completed with the support of the Ford Foundation and the Metropolitan Leadership Network, a nonprofit organization supporting business organizations operating at the metropolitan regional level. Much of the research was conducted by FutureWorks, a Massachusetts-based public policy consulting firm, and this publication draws in part from the FutureWorks report *Minding Their Own Civic Business: A Look at the New Ways Business Civic Organizations Are Making a Difference in North America*, by Steve Michon and Malo Hutson. It also incorporates follow-up research conducted by the Alliance for Regional Stewardship.

Throughout this project one of our aims has been to gauge the extent to which business-led civic organizations are embracing both social and economic development issues to promote overall regional economic competitiveness, in effect forging a new metropolitan agenda that acknowledges key equity, workforce and community-development challenges. In advancing their agenda, this new breed of business organizations is enlisting unconventional partners in an exciting climate of collaboration. To help stimulate more partnerships of this type, this monograph includes a diagnostic tool to assist regions in assessing their readiness for cross-sector, regional action (Appendix A).

Introduction

The Emergence of Regional Business Civic Organizations

REGIONAL business civic organizations (RBCOs) often are the private sector partners in multi-sector regional collaboration. Their primary work is to promote the competitiveness of the metropolitan areas in which they are located by integrating and addressing the issues that undermine regional economies, such as housing affordability, workforce preparation, mobility, socio-economic equity, public safety, and the status of cultural amenities. Consequently, they are *regional stewards*, in that they work at the creative intersection of the inter-related issues of economic development, social equity, community livability, and participatory governance by leading initiatives and building partnerships with other sectors and organizations. (See Appendix B, “Principles of Regional Stewardship.”)

RBCOs take many forms, and include regional chambers of commerce, boards of trade, business councils, councils of business executives, and a range of special-purpose business committees, such as those concerned with the arts or the affairs of a specific industrial sector. What they have in common is a holistic vision of regional economic competitiveness and a commitment to place. Increasingly, they are considering the importance of expanding the scope of their activities in order to become more effective. They are recognizing the need to cross boundaries of jurisdiction, sector and discipline to address complex regional issues. They see the linkages among economic competitiveness, education, equity, and environmental quality. They are part of the critical nexus of organizations and institutions working to create opportunities for their regions.

Until very recently, the chief activities of most business organizations focused on networking among members and discussions of issues related to their bottom lines. Agendas were limited to tax reduction, moderating regulatory policy and member services. Chambers of commerce and councils of chief executives focused on issues in their own backyard, rarely looking over municipal and county boundaries. But RBCOs are beginning to embrace an emerging agenda. As the old

economy based on industrialization and manufacturing has evolved to emphasize information and knowledge, tax and regulatory issues have given way to interest in skilled workers, technical innovation, high-performing educational systems, and modern infrastructure. With the increasing complexity of these issues – and the sophistication required to confront them – peer networking has been replaced by enhancing regional competitiveness as the principal preoccupation of RBCOs. The health of metropolitan regions is seen by the new generation of business civic leaders as the key to global economic competitiveness.

Traditional Business Organizations	Regional Business Civic Organizations
Business-to-business networking.	Collaborative, multi-sector partnerships; Investments in the region’s social and economic fabric.
State and local tax breaks; ease regulatory policy.	Skilled workforce; high performance Pre-K-12 and higher education; modern infrastructure; vital downtowns.
Scope limited to municipal, county and state issues.	Regional economic competitiveness key to global competitiveness.

RBCO members appreciate the relationship between the competitiveness of their firms in global markets and their region’s ability to promote sustainable growth and economic opportunity. The new generation of regional business civic leaders sees the added value of collaborative partnerships with other interests, advocating for greater investments in their regions’ downtowns, environmental efforts for cleaner air and water, and transit projects—all in the name of increasing the economic competitiveness of the region.

In response, the organizations to which this new generation of business civic leaders belong – the chambers of commerce and chief executive councils – also boost regional competitiveness. RBCOs place their top priorities in a regional context. They advocate for regional cooperation and regional solutions to issues that historically have been viewed as local problems. When members of a RBCO meet for breakfast today, the agenda is markedly different from just a few years ago.

Chapter 1—Regions Matter, Stewardship Matters

THE members of regional business civic organizations clearly see the link between the well-being of the region and the well-being of businesses in the region. They understand that regions are “real places” – functional organic systems – where people live and work. RBCOs acutely feel the pressures for increased efficiency, enhanced cohesion and competitive excellence. In order to compete globally, businesses must attract and retain skilled and knowledgeable workers that embrace innovation. Innovative people want to live in innovative places – places with a good quality of life and great social, cultural and natural assets.

Recognizing that they operate in a global economy, RBCOs also recognize the role of regions as the arena in which many competitiveness challenges – workforce recruitment and retention, affordable housing, efficient mobility, and high-performing educational systems – are best addressed. Moreover, RBCOs feel that they are often the most appropriate organizations to address these challenges. Job creation, the attraction and retention of quality workers and transportation issues are the “bread and butter” of regional work for many RBCOs.

FutureWorks, a public policy consulting firm, surveyed 45 RBCOs in North America. They found that transportation, workforce recruitment and retention, and high-wage job creation were among the most critical issues RBCOs engaged in and saw themselves as best suited to address. Of the 45 RBCOs surveyed, most (69 percent) addressed regional transportation issues. Mobility between urban and suburban areas and the efficient transport of goods were high priorities for these organizations. These RBCOs were involved in strategies to promote regional taxes to subsidize highway construction and public investment in rail and alternative modes.

RBCOs are also engaged in workforce-development initiatives. FutureWorks’ survey found that 58 percent of the organizations were significantly involved in these issues. Workforce issues are increasingly shifting from welfare-to-work and systems reform to strategies that build and retain the skills and talents of the region’s workers. Such strategies

include efforts to stem the “brain drain” of talented workers from a region and a focus on K-12 school improvement. RBCOs are explicit about placing these issues in the context of the metropolitan region, understanding that they are vital to its economic competitiveness. They see their roles as educators, conveners and promoters of regional cooperation and regional solutions.

As RBCOs move into new areas of policy, they find the need to develop collaborative relationships with other organizations in the region. RBCOs become regional stewards in their pursuit of economic competitiveness by crossing boundaries of jurisdiction, sector and discipline to address issues critical to the region’s well-being. To this end, RBCOs have had to establish new relationships and trust among regional advocates and interests.

Birmingham Regional Chamber Commerce (Birmingham, Alabama)—A key leader in a three-way partnership called the Regional Growth Alliance (RGA), which includes Region 2020 – a citizen-based regional civic organization – and the Regional Planning Commission of Greater Birmingham, a metropolitan planning organization. Leadership and participation in RGA consists of equal numbers of citizens, business people and government officials. RGA develops policy on key regional issues such as sprawling growth and attendant mobility and environmental consequences, uneven performance of public education, disparities in central city/suburban/rural economic opportunity, affordable housing and neighborhood stability, and competitiveness of emerging high-tech businesses.

Fresno Business Council (Fresno, California)—An alliance of business leaders dedicated to improving the long-term social and economic climate of the region, which is multi-ethnic with strong Latino and Asian cohorts. The Fresno Business Council, in partnership with California State University, recruited local leaders with a commitment to the region’s future to work together on five priority issues: promoting a culture of innovation, human investment, land use and transportation, preparation of knowledge workers, and investment in high-tech infrastructure. A Collaborative Regional Initiative (CRI) was launched to implement specific projects to achieve these objectives.

Often, the RBCO’s entry into a new issue area brings resources previously unavailable to the advocates. Such policy areas as affordable housing, metropolitan transit, downtown revitalization and socio-economic disparity have seen the resources of the region’s business community applied in areas such as Chicago, Kansas City, Detroit, Toronto, and Austin, among others. In each of these metropolitan areas, RBCOs have forged new relationships with the primary issue advocates, and helped fund, either directly or through the creation of new investment mechanisms, specific projects and programs.

Issues of Top Importance to RBCOs (Based on FutureWorks Survey)	
Regional Priority	Rate of Incidence (%)
Regional Transportation	69
Workforce Development and Retention	58
Technology-Based Economic Development	56
Social Equity Issues	27

RBCOs recognize that the regional challenges in which they are engaged are too complex to be effectively addressed by a single organization or group. Business leaders increasingly understand that regional challenges cut across political jurisdictions and across sectors, adding to the complexity facing business and civic leaders.

FutureWorks found that RBCOs and their partners coordinate their roles on regional issues in three ways:

“Written rules” involve a formal delineation of roles and responsibilities among RBCOs in the same region. These written agreements define who takes on which responsibilities. Often the result is an organizing structure for their efforts. The intent is to coordinate and leverage institutional resources across the region to achieve specific economic, political and social goals, as well as to eliminate organizational inefficiencies and duplication of effort.

“Good will” uses informal mechanisms to encourage collaboration in the region. Organizations come together in regular meetings of RBCO executives, interlocking boards of directors, or “bridge” committees to promote coordination. While the RBCOs come together with the intent to improve regional economic competitiveness and quality of life, there are no written agreements or organizing structures to define the delineation of responsibilities.

“Wild west” is a decentralized and unstructured approach among business-civic organizations within a region. It is a less mature level of regional collaboration where RBCOs work independently. This model may work well in regions with strong regional government entities that have authority to implement regional initiatives. However, in other regions it is characterized by inefficiency and competition.

Mechanisms for RBCO Coordination on Regional Issues	
Mechanism	Characteristics
Written Rules	Formal, structured and ongoing
Good Will	Informal and ad hoc, but structured
Wild West	Informal, unstructured, decentralized

Chapter 2—Current Status of RBCOs

AS regional business civic organizations become more regional and collaborative, they face significant challenges relating to their operational practices. The shift to a regional perspective tends to alter membership structure, with RBCOs placing greater emphasis on large corporate employers for whom a long-term, regionally focused agenda is more aligned. This new emphasis comes at the expense of smaller, locally owned business members, and may create tension within a RBCO.

Adding to the tension is the inclusion of non-business members in RBCOs. Universities, research organizations and charitable foundations often are enthusiastically embraced as new members. Many RBCOs have realized that innovation and commercialization, essential to economic growth in the region, will come from such organizations. Additionally, RBCOs are likely to include elected officials, labor unions and nonprofits in their membership.

An interesting and counter-intuitive challenge for RBCOs is their apparent disconnect with technology-based companies. While recognizing the regional economic benefits of technological innovation, RBCOs have not learned how to approach their region's high-tech entrepreneurs. Leaders in these firms tend to sidestep the established RBCOs in favor of local industry associations, or set up their own business civic organizations. Examples include the Austin Idea Network and South Florida's InternetCoast, both of which are new, technology-based business civic organizations heavily involved in regional problem solving. RBCO leaders acknowledge their deficiency in attracting technology entrepreneurs, and see their inability to do so as serious flaw. However, technology entrepreneurs - who typically are younger and less formal in their business and social interactions - tend not to be interested in a perceived "old boy network" or respond well to the hierarchy of established RBCOs.

Finally, RBCOs are challenged to re-engage "big-CEO types." The competition for corporate CEOs' time and resources has increased during the recent economic downturn. Many leaders have less time for

civic work as they pay more attention to corporate profitability. Thus, one of the jobs of RBCO executives is to educate new CEO leaders and bring them up to speed on the regional challenges and their roles as regional leaders. In spite of this challenge, CEOs are still very engaged. The FutureWorks study found that for the most part, the collaboration, influence and attention of CEOs has risen or remained the same over the past five years. The explanation is twofold: First, a new generation of younger, more energetic business leaders has boosted civic activity. Second, while the economic downturn has squeezed time and resources, it has also been a wake-up call for business leaders to pay more attention to the region's well-being.

A by-product of these structural and membership challenges is that the operating budgets of RBCOs have not been adversely affected. FutureWorks found that many (69 percent) of the organizations profiled reported increases of 10 percent in their budgets between 1998 and 2003. About 31 percent of the organizations' budgets stayed the same; none reported decreases of more than 10 percent during the time period. FutureWorks found that budget increases were the result of revamped missions and deeper membership commitments. An emphasis on regional visioning has prompted higher levels of engagement among RBCO members in many communities. Moreover, as RBCOs enhance their relevance to the region, they find it easier to request additional or supplementary funding for specific projects. Many RBCOs seek grants and political contributions for their projects and advocacy.

Chapter 3—Creating New Regional Agendas through Partnership and Innovation

THE following profiles demonstrate how regional business-led civic organizations are leading a wave of innovation in economic development and social change by linking metro-wide prosperity to issues that manifest themselves at the community and neighborhood levels. The emerging agendas of these organizations recognize that such problems begin locally, but are broadly dispersed and interdependent, and thus require regional solutions. While guided by business interests, these organizations actively seek partnerships and alliances with other influential sectors, thus mobilizing a wider array of resources, talents and perspectives. Those described here are addressing challenges in housing, infrastructure, education, workforce, employment, industrial innovation, and central city redevelopment, among others, by serving as conveners and coordinators of diverse interests capable of contributing uniquely to the projects undertaken.

Detroit Renaissance—comprehensive approaches to physical and social development. Formed in 1970 by business leaders alarmed by Detroit’s dwindling population, increased socio-economic and racial segregation and general decline, Detroit Renaissance is a private, nonprofit organization that unites the city’s business, foundation and social service leaders in a partnership to encourage and facilitate the physical and economic revitalization of Detroit and Southeast Michigan.

Initially, the organization focused its efforts on major physical investments including the Renaissance Center – a major, privately funded multi-purpose development in downtown Detroit – as well as numerous construction and renovation projects.

Beginning in the late 1970s, in an effort to attract more people to the city, Detroit Renaissance began to plan and manage major events that would showcase Detroit’s assets and bolster its image. These included the International Freedom Festival, the Montreux Detroit Jazz Festival and the Detroit Grand Prix.

Since 1991, the organization has de-emphasized the presentation of events and focused its attention and resources on economic and physical development of strategic importance. (Responsibility for the events was spun-off to other organizations, and they continue to this day.) Additionally, Detroit Renaissance studies key public policy issues and maintains a legislative advocacy agenda.

Detroit Renaissance administers several funds aimed at development and redevelopment throughout the region. These include the Detroit Investment Fund, initially capitalized with \$52 million contributed by Detroit Renaissance members, and operated as a for-profit venture capital agency specifically for investments within the City of Detroit. First established with a foundation grant, the Woodward Corridor Development Fund promotes mixed-income housing in the region's Woodward Corridor, having used over \$1.0 million in loans to leverage more than \$35 million in development. The Michigan State Housing Development Authority Neighborhood Development Fund is a \$1.0 million land-acquisition and pre-development loan fund that focuses on neighborhood projects administered by community-based organizations that otherwise might face difficulty in obtaining initial financing (the site acquisition and preparation generates needed equity). Finally, the Real Estate Assistance Fund is used to gain control of strategically located parcels in Detroit that are deemed critical to the city's development. It has resulted in the development of the city's Harmonie Park neighborhood, the Detroit Opera House, and the renovation of Detroit Symphony Hall.

Other activities. The organization supports the Cultural Coalition, consisting of 17 major arts institutions in Wayne and Oakland Counties, and has led efforts to enact a regional, voter-approved arts and cultural tax and administrative vehicle for the proceeds. In the arena of environmental policy, Detroit Renaissance has pushed for legislation to speed the cleanup and redevelopment of urban brownfields. Detroit Renaissance also facilitates corporate involvement in results-oriented public education projects, such as curriculum changes that promote entrepreneurship and student interest in careers demanded by area employers, as well as charter academies, school district governance and

management reforms, and university involvement in public schools. Additionally, Detroit Renaissance works with the Metropolitan Affairs Coalition, the Detroit Regional Chamber of Commerce and the Southeast Michigan Council of Governments to advocate for a regional transit authority to plan and coordinate all transit in the metropolitan area, which currently lacks an integrated mass transit system.

www.detroitrenaissance.com

InternetCoast—bridging the digital divide. InternetCoast is an industry-supported organization that seeks to enhance South Florida’s competitiveness in high-tech and especially information technology industries. South Florida (Palm Beach, Broward and Miami-Dade Counties) has lagged Central Florida (centered around Orlando) in the development of a critical mass of Internet businesses and traditional businesses engaging in significant activity over the Internet. One solution promoted by the organization is the construction of a Network Access Point, or NAP (a primary backbone for the Internet) in order to bring the region into a truly competitive position.

Another factor contributing to competitiveness in IT is widespread Internet literacy, which tends to lag among racial and language minorities as well as the elderly – large segments of the South Florida population. To address this deficiency, often referred to as the “Digital Divide,” InternetCoast has launched an initiative to provide education in and access to technology in underserved communities, both to strengthen them economically by cultivating high-demand employment skills and attract more high-tech firms and IT-literate professionals to the region. To move the Digital Divide to “Digital Provide,” the InternetCoast Economic Development Advisory Council sought and received two grants from the Agency for Workforce Innovation totaling \$1.6 million to develop and pilot programs in South Florida.

Through “Career Paths for Youth,” InternetCoast formed partnerships with several community groups to provide career preparation activities, job shadowing and internship opportunities for 900 disadvantaged 14- to 21-year-olds. The employer-outreach dimension of the project involved community and business leaders and nonprofit organizations in providing opportunities for professional development.

During its first six months, the program has served over 1,000 youths. An assessment tool administered before and after participation in the program revealed measurable gains in 11 critical employment competencies demanded of jobseekers by employers.

www.internetcoast.org

Fresno Business Council—human capital approach to economic development. The Fresno Business Council is an alliance of business leaders in the Fresno area dedicated to improving the long-term social and economic climate of the region, which is multi-ethnic with a strong migrant/Spanish-speaking cohort.

In 2000, prodded by a report titled “The Economic Future of the San Joaquin Valley” the presidents of the Fresno Business Council and California State University at Fresno recruited a dozen individuals who had the capacity for CEO-level thinking and a commitment to the future of the region. As a team, these individuals met weekly for four months to explore the issues and ideas presented in the report, which highlighted a number of alarming deficiencies. They identified five priority areas of activity, including (1) the promotion of a culture of innovation, (2) human investment through more effective public and nonprofit human services, (3) land use and transportation, (4) preparation of “knowledge workers,” and (5) investment in high-tech infrastructure.

A Collaborative Regional Initiative (CRI) was launched with support from the James Irvine Foundation to implement specific initiatives to achieve these objectives by developing a framework for action and recruiting appropriate people to lead the initiatives. During an inaugural retreat, a sense of community was formed, and the participants developed the Community Values of the Fresno Region. These Values have provided operating guidelines for the CRI, and are being adopted by an increasing number of organizations and agencies in the region.

To date, accomplishments of the Fresno Business Council and the CRI include the following:

- A new institute has been launched at Fresno State to lead a Primary Literacy initiative.

- 15 business/school partnerships have been formed.
- At Fresno State, an executive MBA program has been launched, and funding received to complete planning for expansion of a joint doctoral program in education.
- The Community Values of the Fresno Region have been incorporated and adopted by 30 nonprofits, community initiatives, and public agencies as the “code of conduct” for doing community business.
- The Regional Jobs Initiative has been launched—a short- and long-term comprehensive strategy aimed at generating 25,000 to 30,000 new jobs within five years with average salary of \$29,500.

It should be noted that the Fresno community was formerly very divided, with a weak culture of participation in public or community institutions and processes. An important consequence of the CRI has been a palpable increase in Fresno residents’ sense of empowerment, as they are beginning, for the first time, to understand that their opinions matter, that what they say and do are important, and that they can direct the future of their region.

www.fresnobl.org

Birmingham Regional Chamber of Commerce—partnering for low-income homeownership. The Birmingham Regional Chamber of Commerce is a key leader in a three-way partnership to comprehensively re-direct the future of the 12-county Birmingham region. This initiative has its origins in a 1996 meeting of 60 regional leaders who committed themselves to listening and responding to the needs and aspirations of citizens and addressing problems regionally. Principal concerns included (1) sprawling growth with attendant mobility and environmental consequences, (2) uneven performance of public education, (3) disparity in central city/suburban/rural economic opportunity, (4) affordable housing and neighborhood stability, and (5) competitiveness in emerging high-tech industries.

In 1997, with support from the Chamber, Region 2020, a citizen-based regional civic organization, was founded to coordinate a large-scale vi-

sioning and planning process that ultimately would involve thousands of citizens in the 12-county region. The centerpiece of the region's strategy is the Regional Growth Association (RGA), an ongoing collaboration among Region 2020, The Birmingham Regional Chamber of Commerce and the Regional Planning Commission of Greater Birmingham (an MPO). With its leadership and participation consisting of equal numbers of citizens, businesspeople and government officials, the RGA houses planning and action committees that study and develop policy on key regional objectives; many of these committees have spawned free-standing organizations with independent governance structures to carry RGA policies forward.

One such organization is Housing Enterprise of Central Alabama (HECA), which was founded in 2003 to help achieve the region's affordable homeownership and other housing objectives. With an initial capitalization of \$64 million from four Birmingham banking institutions, HECA serves as a vehicle for the accountable reinvestment of charitable housing funds. To date, HECA has established a "Homeownership" outreach center, helped rehabilitate owner-occupied homes in a distressed Birmingham neighborhood, and broken ground on 470 affordable, owner-occupied homes to be priced at \$109,000 and targeted to families earning \$18,000. Additionally, HECA has provided financing and technical development assistance for a 40-unit rental complex for individuals formerly in transitional housing.

www.region2020.org

Long Island Business Association—promoting tolerance and appreciation of diversity. A civic association of business leaders on New York's Long Island, the Long Island Business Association is interested in reversing an alarming exodus of 18- to 35-year-olds. While high property taxes, highway congestion and expensive housing contribute mightily to this trend, opinion surveys of younger Long Islanders suggest that the social climate of the region is excessively geared toward traditional families, suburban conformity and child rearing. Reasoning that members of the creative class, in addition to craving unconventional amenities and social spaces, want tolerant regions, the Long Island Business Association has been a leader in promoting these values.

Since the late 1990s, between 10,000 to 15,000 Mexicans have settled on Long Island, principally to work as day laborers. In one East-End Long Island community, Farmingville, this trend was particularly visible – characterized by Mexican immigrant men standing daily on conspicuous street corners until hired by a contractor – causing great annoyance until it culminated in a modern-day “lynching.” Two Mexican day laborers were abducted and brutally beaten with shovels. Fortunately, neither was killed, but the savage nature of the attack made a media splash and shocked the public.

Nonetheless, after two days, not a single elected official on Long Island – let alone from Farmingville – had publicly condemned the beatings. After waiting two days for the community’s public leadership to speak out, the Long Island Association denounced the incident and demanded a scrupulous investigation. While the Long Island community is no longer inflamed by the incident, Farmingville continues to labor under the reputation of being a place of intolerance—a brand that no community wants to have.

The Long Island Association continues to promote tolerance of diversity, which is particularly important on Long Island because all of its population growth during the 1990s was due to immigration. The island has learned first-hand the importance of cultivating tolerance and incorporating diversity, even though the two-county region is, in essence, a mature suburb. By the late 1970s, Long Island’s population was as big as it is now. Yet, Long Island is accustomed to rapid transition. During the 1950s alone, the island added one million residents, and its population today is 2.8 million, and increasingly diverse, with a major influx of new residents from the Indian sub-continent and Central Asia, as well as Latin America.

www.longislandassociation.org

The Right Place, Inc.—economic prosperity through meaningful jobs, productivity and technology. The Right Place is a regional, nonprofit economic development organization led by a board of business and community leaders. Founded in 1985, the organization seeks to promote economic growth and stability in the Grand Rapids, Michigan region through high-quality employment, productivity and

technology. Its programs emphasize retention of existing jobs, supporting business growth, and recruitment of new employers in niche high-tech industries. A recent initiative involves expansion of the region's manufacturing base, capitalizing on its unique technological resources and attributes that support manufacturing growth, even as that sector declines elsewhere.

The Right Place – the organization's name is meant to reinforce that greater Grand Rapids is the "right place" for cutting edge business and industry – also engages in workforce-development activities and has played a role in promoting such emerging industries as health services. To support the manufacturing sector, the organization formed a Manufacturers' Council in 1989, which offers regional manufacturing firms a forum for networking and sharing innovative practices and processes that contribute to maintaining a competitive edge.

To enhance the desirability of the region, the Right Place also supports central cities through its Urban Redevelopment Council, whose mission is "promote retention, expansion and attraction activities in the City of Grand Rapids through the productive reuse of the city's land and buildings, while strengthening collaboration between the city and other units of government in the region." The "reuse" element of the Urban Redevelopment Council's work focuses on brownfield redevelopment and sprawl containment, which is encouraged by the State of Michigan's Renaissance Zones tax-abatement program. In July of 2004, a \$30 million, mixed-use brownfield-redevelopment project called Mid Towne Village was begun in Grand Rapids with assistance from the Right Place. Projected to open in 2005, Mid Towne Village will bring needed commercial and office space, as well as housing and private parking, to a part of the city's downtown near two growing medical research facilities. The project is the result of a partnership among the developer (Mid Town Village Associates, LLC), the Michigan Economic Development Corporation, the City of Grand Rapids, and the Right Place.

Finally, the Right Place has taken a leadership role in fostering cross-sector, regional collaboration by convening and nourishing a coalition of area business, community-based and political leaders, called the West Michigan Strategic Alliance. The principal role of the Alliance is to re-

verse the region's self-image as a collection of isolated small towns as opposed to an integrated metropolis that is globally competitive. Current activities in this regional identity-building effort include the development of a regional economic development website.

<http://rightplace.org>

Bay Area Council—commitment to public education for a competitive workforce. Founded in 1945, the Bay Area Council represents over 275 major employers of the greater San Francisco region in promoting progressive policy reform and equitable economic and community development. The CEO-led organization addresses a variety of issues, including transportation, housing and land use, energy policy, environmental quality, sustainable economic development, education and workforce preparation, telecommunications and information technology, and water policy. The Council's region of interest includes the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma. To maximize the beneficial effect of business investment in the region, the Bay Area Council works collaboratively with community-based organizations, economic development agencies, and government officials to solve community problems. The Council's vision for the region is five-fold. In the 21st century, the Bay Area will continue to be:

- A region distinguished by economic vitality and a rich social fabric;
- A region where economic prosperity is shared and a high quality of life may be enjoyed by all residents;
- A region that is a world-class leader in corporate citizenship;
- A region where governance is efficient and public policy is effective; and
- A region where people are engaged in civic life.

One of the Bay Area Council's priority efforts is in the area of public education and workforce readiness. While the region continues to en-

joy exceptional economic prosperity, unsatisfactory educational performance threatens to diminish its future competitiveness. The Council's education/workforce program seeks in part to complement recently initiated statewide efforts to measure and evaluate the performance of students and schools. One prong of the Council's approach involves an annual *Bay Area Education Performance Profile*, which has been completed for each year since 2001 in cooperation with GreatSchools.net. The *Profile*, consisting of separate reports prepared for each of the counties in the Bay Area Council's region, serves as a snapshot and longitudinal tracking tool to evaluate the effectiveness of educational improvement and reform programs. The Council addresses issues of workforce readiness in cooperation with the School-to-Career Action Network, which helps prepare students for college and the job market by integrating academic studies with real-world applications and workplace-based learning experiences. This partnership with the Network seeks to enhance motivation and enthusiasm by reinforcing the practical connection between classroom performance and employee effectiveness and success.

www.bayareacouncil.org

Hampton Roads Partnership—stewarding regional vision.

Founded in 1996, the Hampton Roads Partnership unites representatives from major private sector employers, educational institutions, local governments, and other organizations in Virginia's Tidewater region. The organization was formed to guide implementation of a strategic plan that resulted from a three-year process initiated in 1992 by the Hampton Roads Chamber of Commerce. That visioning effort involved more than 400 business, university and public leaders and resulted in a 15-year program for regional growth called Plan 2007.

Initially undertaken to address concern over a regional recession due to defense downsizing and intense competition from other East Coast seaports, Plan 2007 has been updated twice since its adoption, most recently in 2003-2004. Current priorities include correcting regional transportation inefficiencies, promoting technology-based economic development, supporting early childhood development and workforce readiness, and advocating for enhanced regional cooperation.

The Partnership's collaborative structure and regional approach to competitiveness became the model for Virginia's Regional Competitiveness Act, which was adopted in 1996 to support regional collaboratives working on workforce issues. The Hampton Roads Partnership has leveraged grants received under the Act (which currently is not funded) through its "Square One" initiative, to promote parental reading to children, training sessions for local government staff in implementing parent education and support programs, and establish a website (www.SqOne.org) to enhance access to early childhood programs and services. These activities were undertaken in response to research reporting that nearly one-quarter of the region's children enter kindergarten unprepared for basic schoolwork—a potential threat to economic competitiveness.

Prompted by Partnership-led research finding that 65 percent of all economic activity in the region is related to technology, the Partnership helped form the Hampton Roads Research Partnership (HRRP), a consortium of eight academic institutions and two federal research and development laboratories. Consisting in part of Old Dominion University, Norfolk State University, NASA's Langley Research Center, and the Thomas Jefferson National Accelerator lab, HRRP is coordinating research in the areas of sensors, modeling and simulation, and bioinformatics.

A five-mile-wide estuary that separates the Hampton Roads peninsula from Norfolk hampers mobility in the region. A narrow bridge-tunnel on Interstate 64 constitutes the only road connection, which can take as long as 45 minutes. To expand transportation options, the Partnership, in cooperation with 25 organizations including the Hampton Roads Chamber of Commerce and the Virginia Peninsula Chamber has led a campaign to secure dedicated funding for six infrastructure projects, including a second bridge-tunnel crossing. Following defeat of a sales-tax referendum in 2003, the Partnership currently is working with other groups to fund the project through an increase in the gasoline tax.

www.hamptonroadsrp.org

Toronto City Summit Alliance—leadership for economic prosperity and quality of life. Founded in 2002, the Toronto City

Summit Alliance (TCSA) is a coalition of over 50 leaders from business, labor and the public and nonprofit sectors in the Greater Toronto Area (GTA), which consists of 25 municipalities and four distinct regions with a combined population of 5.2 million people. Boasting some 100,000 companies and a workforce of 2.9 million, the GTA accounts for one-fifth of Canada's gross domestic product. The GTA is also a magnet for immigration, with 44 percent of its population foreign born. Despite its economic prosperity, the region faces political, social and economic challenges that threaten its future prosperity, including decreases in federal aid for social programs, public works and local services. Other problems include transportation congestion and pollution due to urban sprawl. TCSA serves as a convener and unified voice for civic leaders seeking to address these and other problems.

With a small budget funded entirely by ad hoc donations and a single paid staff member, TCSA relies heavily on five volunteer working groups addressing Economy, Infrastructure, Finance, Education, and Immigration. The first product of these working groups was a report entitled *Enough Talk: An Action Plan for the Toronto Region*, which summarized problems facing Toronto and the GTA and recommended a variety of solutions, including a restructuring of Toronto's fiscal relationship with the provincial and federal governments, the establishment of a regional transportation authority, better incorporating immigrants in the region's workforce, and promoting research-based industry.

Given its limited organizational capacity, TCSA seeks to implement its solutions and recommendations through special-purpose spin-off partnerships. An example is the Toronto Area Immigrant Employment Council, launched in 2003 to enhance immigrants' access to employment that appropriately utilizes their skills, education and experience. The Council consists of representatives from institutions of higher education, industry, community organizations, foundations, and government at the local, regional and provincial levels.

To expand the region's economic activity in the areas of research and innovation, TCSA collaborated to form the Toronto Region Research Alliance (TRRA), whose mission is to make Toronto a leading center for research and its practical commercialization. TRRA's membership con-

sists of representatives from higher education, finance, medicine, industry, and municipal, provincial and federal government. Its first accomplishment has been to complete a study of the region's research capacity, which found that it does not fully utilize its significant resources. Recommendations included better leveraging of federal research dollars, more efficient commercialization of research, increases in venture capital financing of research and development, and more effective international marketing of the region's capabilities.

Toronto City Summit Alliance also addresses socio-economic equity through a Strong Neighborhoods Task Force, a partnership of the United Way of Greater Toronto and the City of Toronto focused on issues of poverty, income inequality, demographic change and diversity, and social service deficits. Among TCSAs' newest initiatives, the Strong Neighborhoods Task Force will study statistics on the region's neediest neighborhoods, set priorities for investment in services and recommend implementation strategies.

www.torontocitysummit.ca/

Summary and Conclusion

INCREASINGLY, regional business civic organizations are evolving from traditional business associations, such as chambers of commerce, boards of trade and councils of chief executives. Qualifying characteristics of the RBCO typology include a regional focus and emphasis on competitiveness-promoting problem solving that includes attention to both traditional and untraditional economic development issues, such as social disparity and community appeal. Another distinguishing characteristic is their embrace of non-business partners as members, such as educational institutions, research agencies, foundations, unions, and public officials, among others.

Given their historical roots in conventional business networking and advocacy, RBCOs have a weak record of attracting high-tech entrepreneurs as members. In some regions, however, technology-based firms have formed their own RBCOs, focusing on regional problem solving that is uniquely suited to the content of their industry, such as computer literacy.

Other observations include the following:

- RBCOs cast their role as key regional proponents of transportation improvements, workforce development and retention, and technology-based economic development.
- RBCOs bring a can-do, pragmatic orientation to the regional collaborations in which they participate—a strong bias in favor of action.
- While RBCOs recognize the importance of social equity issues, not all of them choose to involve themselves directly in such matters, and of those who do, about 40 percent believe they are effective at it.
- Despite a protracted period of economic softness, support for RBCOs (as measured by budget and staffing) has remained stable or increased, indicating a high degree of member commitment and the availability of diverse revenue streams through cross-sector partnerships.

- The entry of business-led civic organizations into new issue areas – education, workforce development, housing – adds significant new resources and energy to these areas of endeavor and advocacy.
- RBCOs have actively recruited non-business partners as members (universities, nonprofits, foundations, unions, etc.), occasionally at the expense of causing tension among traditional small business members for whom the conventional functions of networking and business-climate advocacy may be more important.

The emergence of RBCOs during the past decade and their explicit, enthusiastic embrace of metro-wide social, educational and competitiveness issues marks the appearance of a major new coordinating force for constructive regional problem solving. They bring a pragmatic, action-oriented sensibility to the issue areas they have entered, and constitute a strong complement to their public and nonprofit sector partners.

Appendix A

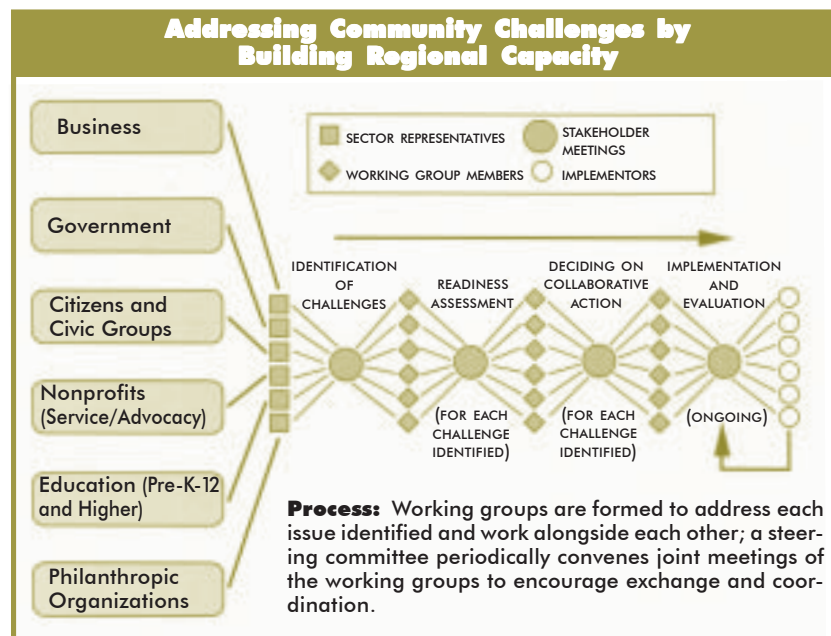
Assessing Capacity to Engage in Collaborative Regional Action

THE experiences of the RBCOs profiled in Chapter 3 demonstrate that people and organizations come together collaboratively to address *specific community challenges and issues*. In so doing they often discover that effective action on these issues requires regional strategies. When and how the shift from local to regional action occurs is critical to effective problem solving. When do leaders realize that their issues are regional in scope and how do they mobilize to address them? This appendix presents a diagnostic tool to assist leaders in assessing their regional capacity for solving community challenges. This tool helps leaders understand the nature of the challenges they face, their scope, and the resources required to address them. The diagnostic checklist provides a method for devising effective strategies for mobilizing appropriate organizations and resources for collaborative action, as well as evaluating the success of that action.

Successful multi-sector, regional collaboration requires the involvement of key sectors, institutions and organizations. These include:

- Philanthropic – Community and family foundations
- Business leadership – Chambers of commerce and economic development organizations
- Citizens – Civic leagues and organizations, neighborhood coalitions
- Government – State, local, regional
- Nonprofits – Issue-oriented organizations...environmentalists, transit, housing, social service and ethnic advocates, etc.
- Education – Universities and colleges, Pre-K-12 leaders and advocates

Understanding the unique role of each organization is important in diagnosing community readiness for collaboration and designing appropriate action strategies. A series of questions can help a region and its leading organizations determine (1) the critical challenges to address, (2) the motivations for and barriers to effectively addressing the challenges, and (3) the practical strategies that need to be in place.



Diagnostic Checklist

1. Problem Definition

- What are the critical challenges facing the community?
 - How are these challenges identified/defined by the key community organizations?
- Do these challenges provide compelling reasons to think and act regionally?
 - Do they cut across jurisdictional boundaries?
 - Can they be effectively resolved by any one entity – organization or government?
 - Can they be more effectively addressed by multi-sector action?

- Is there a constituency for change regarding these challenges?
 - How do these challenges affect each sector?
 - Which organizations need to be brought together to address these challenges?

2. Analysis for Each Challenge

a. Readiness Assessment

- What actions have occurred to address this challenge?
 - Which organization/s have attempted to address the challenge?
 - What was the organization/s' motivation in addressing the challenge?
- What are the motivations for multi-sector collaborative action?
 - What are the key interests of each party?
 - Which interests coincide, collide, complement and co-exist?
- What are the major barriers to multi-sector collaboration?
 - Do all parties agree on the nature of the challenge?
 - Does any party/ies feel “ownership” of the challenge that would preclude collaborative action?
- Is there adequate capacity for multi-sector collaboration?
 - What assets does each party bring to collaborative action?
 - Are these resources sufficient?
 - What resources are missing? How can they be obtained?

b. Deciding on Collaborative Action

- How do the challenges identified above relate to each other?
- What are the elements of an effective strategy for collaborative action?
- What are the key resources that each party brings to collaborative action – funding, expertise, influence, etc.?
- Given the resources of each party, what is the role each can play in an integrated plan of action?
- What are the explicit commitments each party will make to the collaborative action?
- How will you know if you've been successful?
 - What metrics will be used to determine effectiveness?
 - What corrective actions will be taken to adjust the strategy?

Appendix B

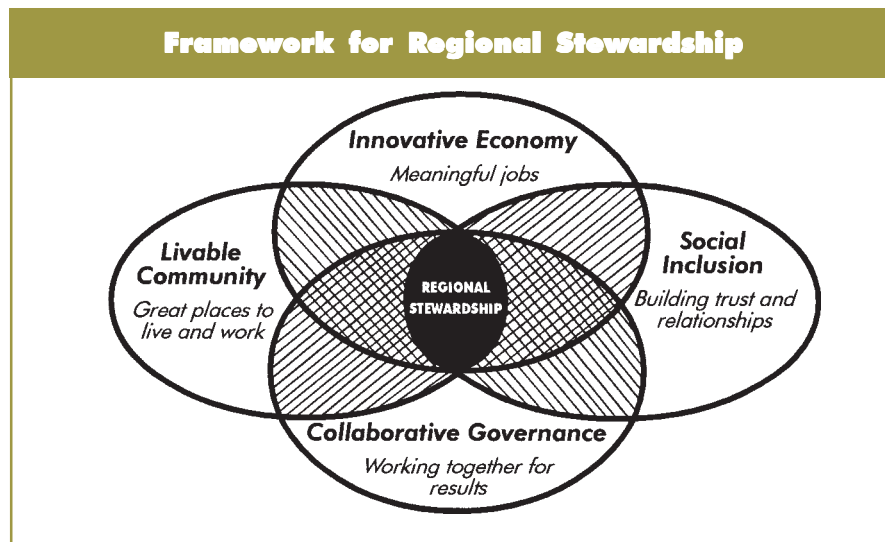
Principles of Regional Stewardship

REGIONAL stewards—leaders committed to the long-term well-being of place—are integrators who cross boundaries of jurisdiction, sector and discipline to address such complex regional issues as sprawl, equity, education and economic development. They see the connection between economic, environmental and social concerns and understand that the intersection of crosscutting issues offers significant opportunity for partnership, collaboration and problem solving—*stewardship*.

Regional stewards share basic values of creating broad prosperity: a healthy, attractive environment, and inclusive communities for ourselves and subsequent generations. They take responsibility to ensure that we pass on a better place to our children.

Regional stewards apply the same entrepreneurial spirit and persistence to solving regional challenges that business entrepreneurs apply in building a business; they are *civic entrepreneurs*. They see the need for more connected regional approaches to addressing economic, environmental and social issues; they are *integrators*. They build support from leaders, citizens, interest groups, and policy professionals toward a shared regional vision; they are *coalition builders*. Regional stewards hold themselves and each other accountable to achieve tangible results and sustained outcomes.

Regional stewards include local elected or appointed officials, university or college leaders, business and foundation executives, nonprofit leaders, and community activists. What they all have in common is the realization that to accomplish their goals they need to work collaboratively with people in other jurisdictions and sectors by embracing the principles diagrammed and introduced below.



Innovative Economy: *Preparing people and places to succeed.*

- People work more with their brains instead of their hands. It is an economy in which rapid change is constant; an economy at least as different from what came before as the industrial age was from the agricultural age.
- Competitiveness is based on speed, quality, flexibility, knowledge, and networks.
- Emphasizes skills and knowledge as the keys to economic progress. Skilled and knowledgeable people tend to locate in communities that provide a good quality of life and excellent social, cultural, and natural assets.
- Provide jobs that enable all citizens to enjoy a good quality of life; to produce meaningful jobs that sustain families all along the economic spectrum and provide opportunities for advancement.

Livable Community: *Preserving and creating great places to live and work.*

- Ensures the public safety and the well-being of their citizens.
- Ensures housing and public education opportunities for all members of the community.
- Uses new visions of design—including compact development, transit-oriented housing, walkable neighborhoods, safe and secure communities, and protected open space.
- Changes traditional land use practices that result in sprawl and traffic congestion.
- Promotes arts and cultural opportunities that build on the attributes of regions.


Social Inclusion: *Ensuring that everyone participates and shares responsibility.*

- Social Inclusion recognizes that the interests of neighborhoods are connected to the future health of the region and vice versa.
- Long-term regional prosperity is linked to reducing poverty and inequality in metropolitan areas. Thus, equity must become a part of regional strategy, not just an afterthought.
- Everyone is included in the development of regional strategies through decision-making structures and systems support broad inclusion.
- Increasingly diverse populations and perspectives must be engaged and participate as contributing members of a “regional society.”

- Complexity and interdependence of issues means that problem-solving can only be effectively accomplished through regional strategies and community engagement.
- Building trust and relationships requires safe civic spaces for public dialogue and conversations and the appropriate tools to support collaborative public decision-making and civic engagement.

Collaborative Governance: *Finding creative ways to govern.*

- Government alone cannot deal effectively with many community problems. Governance – how people come together to address common problems – is more than government. At the regional level citizens, business, labor, nonprofits, educators, and government must work together to set directions, solve problems and take action.
- Today’s regions are a complex system of overlapping, interrelating jurisdictions – much like a network. Collaborative Governance requires coordination of resources, and sharing of information, ideas, and power.
- Social capital has to be created in regions. Social capital is the networks and norms of trust and reciprocity required to advance civic cooperation.
- Information has to be shared among all the participants
- Success requires process and structural changes that emphasize coalitions and actions across jurisdictions *and* across sectors.



The Alliance for Regional Stewardship (ARS) is a national, peer-to-peer network of regional stewards who benefit by sharing experiences and working collaboratively on innovative approaches to shared regional challenges.

ARS is for proven leaders who recognize the interdependencies of their regions' economy, environment, and society—and are seeking practical ways to effect change as regional stewards.

These stewards can come from the business, government, education, nonprofit or community sectors, but share a common commitment to collaborative action and regional stewardship.

ARS activities include:

- Semi-annual National Forums on Regional Stewardship
- John W. Gardner Academy for Regional Stewardship
- Ongoing affinity groups on topics of specific interest
- Comprehensive website and monthly e-newsletter
- Monograph series on key regional topics
- Innovation scans of regional best practices
- Regional Stewardship Award program

For more information on the Alliance for Regional Stewardship, please visit our website at www.regionalstewardship.org



1009 Grant Street, Suite 203
Denver, CO 80203
303-477-9443

Copyright © 2004 Alliance for Regional Stewardship. All rights reserved.