

The New Collaborative Region: Suburbs and Cities Working on the Future

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Panel Presentation:

Transportation, Land Use and Regional Collaboration:

California Experiences

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What I want to do in really picking up on Ed's theme is take us back to the future. And that's really going to be the theme of my talk. I think we are coming back to something that we, as a state, have been doing for quite some time. And I think it is in our DNA. When you think about what Robert Grow said, that communities have DNA. He had talked about the DNA of Utah. I think, as Ed just suggested, there's some DNA in California that goes back to the turn of the century, the development of the water projects, the development of the higher education system, the evolution of what we remember about Pat Brown. It seems like the distant past.

But maybe, just maybe, we are getting back to those fundamental issues. Regions will play a fundamental role, but I think it will be slightly different this time. As Ed suggested, maybe it will be bottom-up, not just top-down.

So my theme is public/private partnerships and the evolution of public/private partnerships.

The 1960s was the era of infrastructure investment and regional planning. But then something happened in the 1970s, and that was the era of limits and Prop 13. So our memory gets confused. We remember the 1960s, but then in the 1970s things began to change.

In the 1980s, we were told that really there wasn't much role for government. I will characterize it as the era of privatization; government is the problem, not the solution. And we began to search for solutions without government.

But something happened in the 1990s which is absolutely fundamental. It started to happen here in California. And I will call it the era of regional collaboration. Some people call it civic regionalism. Some people call it grass regionalism. It began to grow across the state. And I will show you examples of that and why.

And, finally, back to the future. We are having fundamental discussions today about how the state and regional partnerships can support infrastructure development. We are talking about a fundamental growth plan for this state that could be in the multi-billions of dollars. We haven't had that discussion since Pat Brown.

The 1960s were a very exciting time. The federal government was finishing up the interstate highway system. Pat Brown and others had put incredible amounts of money into highways and the water systems. We had new federal agencies. The Federal Department of Transportation came together, the Department of Housing and Urban Development, the Department of Commerce, and Economic Development Administration. Money came into the state. The Councils of Governments were created in the 1960s.

SCAG, which you will hear about from Mark Pisano. SACTO, the Sacramento Council, which you will hear about from Mike. The Association of Bay Area Governments, SABAG. These all came into existence.

And the purpose of these regional councils of governments were to figure out how to plan for the infrastructure, the transportation/highway infrastructure, and how could we make it all work. And that was the 1960s.

Well, face the 1970s. We had the energy crisis. We had the slowdown in the economy. The era of limits. People began to say, you know, "We maybe just can't do that anymore."

You will remember Prop 13. That was the taxpayer revolt. But it also was bigger than that. It was an attitude that said, "Maybe we just can't afford these things anymore."

I think we've really stepped back from regional planning. Regional planning really became a dirty word. But there was one great exception. In 1972, the voters of this state passed an initiative that created the Coastal Zone Management Act, because we cared about our coast and we cared about the environment and we actually implemented that. It still exists. It's a great exception. And I think it's very important, because this is a state that cares about the environment and it keeps showing up over and over again and it's going to be important for the future.

So what happened next? Well, in the 1980s, we talked about privatization. That was the theme of the 1980s; re-inventing government. We have to re-invent government. And the concept of public/private partnerships really became the language.

I remember working with the California Supervisors Association and Sunne McPeak -- who was the County Supervisor from Contra Costa County, now the Secretary of Business, Transportation & Housing -- was the Chair of the County Supervisors Association, and her theme was public/private partnerships. We have to do things by working with the public sector.

And when they built the BART stations out there in Contra Costa County, it was all about using the public sector and leveraging private dollars. But that top-down approach that you heard about -- which was so popular in the 1970s -- of consolidating government, was tried. And a good friend of mine, State Senator Becky Morgan, introduced legislation to try to connect the ABAG, the Association of Bay Area Governments, the Regional Water Quality District, the Air Quality District, and create essentially a regional government in the Bay Area. It failed. It was not approved. It was not accepted. The voters didn't want it. The legislature didn't want it. That did not succeed.

But something happened. In 1991, through a series of compromises, the transportation act was passed by the federal government, and out of that came the Metropolitan Planning Organization, which allowed for regions to come together to plan for their own transportation. I call that a coming attraction, because that's where the future began.

So what happened in the 1990s? Well, a very interesting thing happened. In fact, I mentioned Becky Morgan, state senator. She left the senate. She decided, "I don't want to be at the state level anymore." And she became the first president of a new civic organization called the Joint Venture Silicon Valley. I will tell you a little more about that.

Joint Venture Silicon Valley was made up of business leaders, government leaders and educators in 29 cities and four counties to try to come together to plan for the future of that region.

There were others that came together. The Sierra Business Council. All the cities and counties up and down the foothills. The San Diego Dialog, which came out of the university. Valley Vision, which is a private sector group in the Sacramento Valley. They all began to emerge. The Irvine Foundation began to support some of these initiatives, and they began to bring these groups together in what they call Civic Entrepreneur Summits. The first one was at Santa Barbara. The most recent one was in Long Beach. And they began to ask the question, "How do we begin to network what's happening at the regional level? How do we get businesses and citizens involved?" We call these people civic entrepreneurs, because they take the same energy of entrepreneurship and they apply it to the community.

Well, what happened? Well, there were some success stories. Let me tell you about Joint Venture Silicon Valley. I am based in Silicon Valley, and I had the opportunity to work with Becky Morgan on this.

In 1993, the business leaders, government leaders, and civic leaders came together. Why did they come together? Well, we were facing a recession. If you lived in Southern California, you remember the recession. When the defense budget was cut, we lost jobs. You lost 200,000 jobs. We lost 90,000 jobs. Our number one employer was Lockheed-Martin. People were running around saying, "What do we do? What do we do?"

Well, people came together and they actually asked some fundamental questions. "How do we plan for the future? What type of a community do we want to be? Maybe we need a platform for regional stewardship."

What is regional stewardship? It's a very simple concept: taking responsibility for the long-term well-being of your community. That's what stewardship is. You don't have to be an elected official, you don't have to be a businessperson, but it's something you do because you care about your community.

So when they came together, they focused on some critical issues. Education reform. They created a program called the 21st Century Education Initiative, raised some money from corporations, went out and worked with the schools to try to improve third grade reading, math, science; tried to get kids involved. Test scores went up. Why? Because businesses were concerned that the K-through-12 system wasn't

performing. It was both a quality of life and an economic issue. The leader of that was the president of Hewlett Packard. They saw the need for streamlining the regulatory system. Why is that so important? Why would you worry about that? Well, time is money.

Why do you think cost makes it so difficult to do business in California? It's not just the land. It's the time. So Joint Venture Silicon Valley created a smart permitting system that allowed people to get their permits over the Internet. Why not? We have the information technology to do that.

Then they created something called Smart Valley, where they essentially used the Internet to connect schools, government, and others to improve efficiency.

Now, why did they do that? Well, we have the technology, why not use it? And it not only made the region more attractive to business, but also improved the quality of life for schools and other facilities.

So in 1998, Silicon Valley brought together 2,000 people, similar to what was done in Utah, to create Silicon Valley 2010 and establish goals for the region. Then they created an indicator program called the Index of Silicon Valley. For the last 10 years, they have measured those goals every year and reported them back; how well you are doing economically, socially, and environmentally. And we just had the latest report last week. A thousand people came to the convention center to hear it. It was reported in the newspaper, and was reported actually internationally.

That's how you do it. If you get everybody involved, figure out your goals, and go for it. That's what Joint Venture Silicon Valley did, and they keep doing it.

Now it's happening around the state. And there is an organization called the California Center for Regional Leadership that connects these regional groups. There are about 20 of these across the state.

These groups come together on a fairly regular basis. I mentioned they just had a meeting in Long Beach. They share best practices and they learn from each other, and there are actually about 20 indicator projects around the state.

Something else happened. In 1993, the legislature during that crisis period came together on a bipartisan basis. Governor Wilson and Senator John Vasconcellos -- Assemblyman John Vasconcellos at the time -- introduced legislation to create the California Economic Strategy Panel. Ed mentioned the development of regions. The basic concept was that California is an economy of regions. It cannot be seen as anything other than an economy of regions.

The Bay Area is different than Southern California. The Central Valley -- it has to be looked at that way. California is a political jurisdiction.

You have to look at California as an economy of regions, and within those regions are industry clusters.

You go to San Diego and you see the bio industry and the telecommunications industry. You go here, you see the logistics and the goods movement industry, and you see the entertainment industry. You go to the Bay Area and you see information technology.

You go to the Central Valley, you see agriculture and distribution and health care. Sacramento has its clusters.

So what that did was it began to develop strategies for the state based on industry clusters, and it created what's known as the California Regional Economy Project which connects information from the labor market division of the Economic Development Administration to help promote regional strategies.

What is one example of this? Well, what came out of this in the last round of the Strategy Panel was what is maybe obvious to you but maybe wasn't obvious to people in Sacramento. The fastest growing industry in the state right now is health care. We have demographic forces and other forces that are driving the health care industry, and we have a tremendous shortage of nurses.

We are not training enough nurses to fill the need. So we now have developed a special nurses program to spend more money through our community colleges to train nurses, which is a good thing for people, it's a good thing for the economy. That is what we can do when we put our resources together and connect ourselves by state and by region.

What happened in the next period was regional visioning. The same sorts of things that you heard about from New York and Utah and Portland have been done here. In fact, some of the same people that have done those processes have come to California. We have the Southern California Compass Program, which you will probably hear more about from Mark Pisano because it was done through the Southern California Association of Governments.

You have the Sacramento Regional Blueprint. You're probably going to hear more about that from Mike.

That's what's happening here. We are doing it here, too. And it's all about vision. It's all about values. It's all about setting priorities. It's about engaging the public to figure out how to move forward at the regional level.

So where does all this go? Well, here's what's fascinating. We're not talking about state regional partnerships. The governor just established by executive order the first state regional partnership in the San Joaquin Valley. The San Joaquin Valley partnership was established by executive order, involved eight cabinet members, eight local officials, eight private members, and they are developing a strategic plan for the San Joaquin Valley in areas such as land use, transportation, economic development, quality of life, you name it. They're working on it.

But they are doing it in an integrated way with everybody at the table. Great Valley Center is involved.

Doesn't this make sense? Is this too logical or am I missing something? We are getting all the parties around the table to figure out what a vision for a region is bottom-up, and then have the State involved to figure out how the State can help provide it.

Let me give you an example. At their last meeting, they came together and said, "Highway 99" -- which is a backbone highway in that region -- "is very important for

the development of the region. We need to focus on it as a regional initiative." Caltrans is looking at improving that.

One of the recommendations that is already coming out of this partnership is a \$6 billion bond to improve Highway 99. It seems like a lot of money, but if you listen to the Governor's State of the State address, you will understand that it's only part of what we're talking about when we talk about infrastructure improvements in this state. We need to look at it on a regional basis. Those numbers at the state level don't make any sense unless you break it down to what's needed at the regional level, and we are going to need more regional public/private partnerships.

So back to the future. As California debates how it's going to invest in infrastructure -- and it's on the table -- what role will public/private partnerships and state regional partnerships play? Is the San Joaquin Valley partnership a model for the state? And will a proposed state growth plan that is now on the table and being debated in the legislature be implemented through regional public/private partnerships? My guess is the answer will be yes.

The answer will be that it has to be done this way. It has to be done bottom-up. It has to involve the citizens in the area when top-down planning is over. And in the process we are going to have better regions, we are going to have a better quality of life.

But it's going to have to involve collaboration. It's going to have to involve leadership from regional stewards. And I think we are going to have a decade of pretty exciting activity in this state, and every one of you can be part of that process.