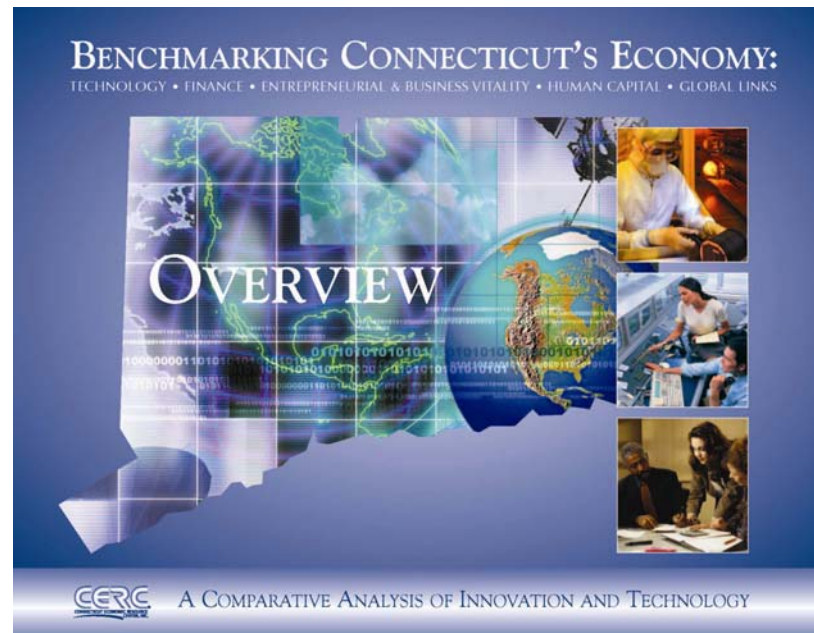


Benchmarking Connecticut's Economy: A Comparative Analysis of Technology and Innovation



Summary Comments and Results
from Facilitated Discussions
October 27, 2005

Background

- Some 75 participants from state and local government, economic development organizations, business and education were briefed on the CERC Benchmarks report and discussed potential strategies based on two questions:
 1. What should we as stakeholders of the Connecticut economy be doing in response to this report?
 2. What should we do to address these issues in the Northeast?

Q1 Summary: What should we as stakeholders of the CT economy be doing in response to this report?

- Get the Facts – Perform situational analyses that are routinely updated and applied
- Take Charge – Empower a private-public partnership with a champion
- Construct a Plan – Formulate a comprehensive, statewide, long-term, strategic economic development plan
- Build the Basics – Include transportation, housing, energy, regulatory environment
- Work Together – Consolidate and coordinate economic development efforts, establish networks and enhance university-industry linkages
- Gather Resources – Review and create incentives; prioritize budget targets
- Prepare the Workforce – Employ new education strategies and address disparities
- Build a Worker Pipeline – Create and retain talent
- Stay Energized – Build an innovation culture; keep efforts going
- Keep People Informed – Provide public access to research, centralize communications and outreach

Q2 Summary: What should we do to address these issues in the Northeast?

- Get the Facts – Define the “region” and place Connecticut in context; identify issues and explore best practices
- Take Charge – Establish private-public coordination; identify a regional champion
- Build the Basics – Improve infrastructure and address regulatory climate
- Work Together – Build regional networks and coordinate among stakeholders
- Promote the Region – Collaborate on regional marketing
- Gather Resources – Explore funding mechanisms
- Build Competencies through Education – Establish areas of specialization; enable regional connections between universities
- Strengthen the Workforce – Encourage graduates to stay and work in the area

What should we as stakeholders of the
Connecticut economy be doing in
response to this report?

Detailed Responses

Get the Facts

- Situational Analysis
 - Who are we? What are we? What do we want to become?
 - Understand our context
 - Identify key success factors, especially in light of state competencies and assets
 - Scorecard framework
 - Identify Connecticut's unique features, strengths, weaknesses
 - Research best practices nationally and globally
- Periodic Updates
 - Regularly measure economic performance and trends locally, regionally and statewide and post online for general public
 - Keep measurement going to see where we are and where we are going
- Apply the Analysis
 - Consider economic impact of state legislation

Take Charge

- Create Private-Public Partnership
- Establish Accountability and Roles
 - Involve all stakeholders in planning and execution
 - Identify roles and accountability
 - Coordinate between stakeholders - state, regional and municipal levels
 - Consolidate and rationalize the economic development voice
 - Provide structure to move forward and take charge
- Champion
 - Recruit a business spokesperson for strategic planning process
 - Enlist a charismatic “Mayor Giuliani” type to be economic development czar
 - Bring in fresh blood with expertise to drive initiative

Construct a Plan

- Formulate a Statewide Strategic Plan
 - Articulate overall vision inclusive of all stakeholders
 - Shape a consolidated, comprehensive and clear statewide, long-term economic development plan
 - Formalize a structure that local entities can easily tap into
 - Whittle down problem into multiple parallel parts
 - Include issues such as transportation, environment, land use, taxes
 - Feed regional strategies and individual projects into overall plan
 - Take into account existing resources
 - Establish needs, goals and accountabilities
 - Create a plan with clear communication and follow through
 - Estimate goals, more time on action plan, change direction
 - Engage experts

Build the Basics

- **Transportation**
 - Improve interstate transportation to facilitate live/work activities between Boston & New York
 - Resuscitate the rail system
 - Link transportation improvements to economic development
 - Commit to mass transit to urban areas
 - Travel from Springfield to New York City in one hour
 - Build comprehensive commuter rail across state
- **Housing**
 - Provide affordable housing and town zoning regulations to support
- **Regulations**
 - Reform property tax
 - Be careful about restricting eminent domain
 - Change zoning laws to favor development
 - Prepare shovel-ready sites for multiple types of companies, including in inner city
 - Revamp planning and zoning tools at state level
- **Healthcare**
 - Offer basic health insurance without mandates through private sector
 - Control health care costs

Work Together

- **Consolidation & Coordination of Economic Development Efforts**
 - Consolidate economic development programs
 - Coordinate public efforts
 - Facilitate collaboration of municipal resources through regions
 - Regionalize municipal services
 - Build collaborative economic development culture, reduce territorial behaviors
- **Establish Forums/Networks**
 - Encourage cross-pollination of ideas to exploit Connecticut's considerable knowledge base
 - Build urban research/innovation network
 - Connect cities
 - Connect K-12 teachers and students
 - Hold economic development summit (GE-based process improvement model)
 - Facilitate business-to-business networking
 - Mentor entrepreneurs
 - Work to get venture capital invested locally
- **Education-Industry**
 - Develop technology-oriented university system that encourages spin-offs
 - Support business formation programs such as patents

Gather Resources

- Incentives
 - Create incentives to settle in Connecticut
 - Offer incentives for urban jobs
 - Establish incentives to keep startup companies
- Change Budget Priorities
 - Address inefficient education funding
 - Redirect state budget to support economic development
 - Reform municipal spending

Prepare the Workforce

- **Education**
 - Develop Curriculum
 - Emphasize technology of K-12 pipeline, collaboration between vocational education and industry
 - Strengthen relationship and coordination between higher education and business community
 - Define credibility and competency to build curriculum
 - Improve math and science achievement levels
 - Ensure qualified subject matter teacher in every class
 - Create value chain back to kindergarten
 - Improve community college system
- **Potential New Strategies**
 - Establish "Hope" program
 - Institute mandatory pre-K across state
 - Expand on magnet schools
 - Regionalize school system
 - Offer merit pay for teaching
 - Increase/encourage mentorship programs from kindergarten through university
 - Lower tuition at state schools
- **Address Disparities**
 - Improve the quality of education across the state
 - Equalize funding

Build Worker Pipeline

- Build the Workforce
 - Look to the universities in Massachusetts and New York to gain talent for Connecticut
 - Access New York City for younger cohort
 - Retain student graduates and young population
 - Create opportunities for young people
- Build pyramid structure with jobs and salaries so there are more jobs in the middle
- Keep high-end capital and talent

Stay Energized

- Create an innovative culture
- Keep level of attention to this process high

Keep People Informed

- **Public Access to Statewide Research**
 - Establish delivery system for frank, direct assessment of economy status
 - Create web site with analysis results
- **Centralized Communications**
 - Create centralized communication vehicle between economic development organizations
 - Enhance communication between regional institutions, towns and the state
- **Outreach**
 - Engage elected officials
 - Market economic development services to business
 - Increase outreach and communication of programs and resources
 - Resurrect international interactions
- **Positively Influence Perceptions**
 - Shift attitude of all stakeholders: economy is the issue
 - Address complacency in economic development
 - Inform and convince public/legislature
 - Create demand for a strategic plan
 - Change the CT public's perception: job and population growth are not a bad thing
 - Look at public education as an investment rather than a cost
 - Market demographics as strengths

What should we do to address these issues
in the Northeast (New England plus New
York, New Jersey and Pennsylvania)?

Detailed Responses

Get the Facts

- Define Region
 - Decide whether the region is the Northeast or problems are unique to New England
 - Study Connecticut minus Fairfield County
 - Consider New York City our large city
- Identify Issues
 - Assess core issues, develop and implement plan
 - Understand why some Northeastern economies are doing better than Connecticut's
 - Compare Connecticut to those states in housing, education, etc.
 - Focus on what benefits Connecticut
 - Look at commonalities
 - Analyze the region as a whole to understand the market forces and common challenges
 - Explore regional clustering of industries in Northeast
- Explore Best Practices
 - Examine what other states do that we could somehow adopt
 - Attempt to cross-correlate the metrics for leading cities or regions to identify major success factors
- Replicate Benchmarks Report for the Region (e.g., Northeast, New England, Southern New England)

Take Charge

- Improve private-public coordination
- Find regional champions
- Gather buy-in from all stakeholders

Build the Basics

- **Transportation**
 - Improve regional transportation connectivity, especially light rail, highway
 - Make transportation the first priority in Northeast
 - Strengthen connection to New York City
 - Improve regional to international links
- **Regulations**
 - Explore possibility of uniform tax policy, land use regulations, etc. on a regional basis
 - Institute competitive tax structures and regulatory environments
 - Eliminate income tax in Northeast
 - Coordinate tax structures
- **Utilities**
 - Increase utility infrastructure - subsidized, regions to apply for funds
 - Enhance electric and telecommunications infrastructure
 - Establish regional energy approach
- **Housing**
 - Build regional plan for affordable housing
- **Employ smart growth planning**

Work Together

- **Regional Networks**
 - Encourage regional research alliances
 - Fund a think tank at the New England Governors' Council level and/or expand to Northeast
 - Utilize Governors' forum
 - Explore an effort similar to European Union
 - Create a coalition of regional congressional, senatorial, gubernatorial and state government
 - Get ideas from other states on planning, economic development and share them
 - Connect Connecticut entrepreneurs to Northeastern technology transfer; e.g. MIT
 - Form organizations similar to Southern States Growth Policy Board
 - Follow up on New England Futures project
 - Strengthen CT's participation with regional planning associations in tri-state area
 - Actively participate in multi-state institutions
 - Connect Connecticut regions to their proximate interstate neighbors; e.g. southeastern Connecticut to Rhode Island and Fairfield to New York City
- **International Links**
 - Open up international conduit for collaboration; be pro-active
- **Coordination among stakeholders**

Promote the Region

- Regional marketing
 - Collaborate with the Northeast for marketing instead of trying to do it by ourselves
 - Assemble one big voice for marketing
 - Invest in a regional effort
 - Capitalize on New England brand name and coordinate marketing
 - Collaborate for critical mass
- Change Perceptions
 - Address resistance to change
 - Build regional awareness - what are other states doing, do they see a problem and is there a regional response
- New Tactics
 - Promote a regional conference, tri-state regional planning commission
 - Increase lobbying efforts for new and emerging industries
 - Redo study for Northeast and go on the road

Gather Resources

- Build regional funding mechanism
- Equalize regional disbursement of federal funds

Build Competencies through Education

- Standardize tuition or credit exchange for all Northeast residents at public universities
- Establish areas of specialization
- Establish centers of excellence
- Strengthen relationships with engineering and technology schools in region
- Make regional connections between universities
- Coordinate with public and private sectors

Strengthen the Workforce

- Hold job fairs, invite students from Northeast
- Encourage educated immigration
- Leverage the university and educational structure; keep the talent here