



MEMORANDUM

To: Economic Development Committee

From: Matt Maloney, Deputy Chief of Staff

Date: April 22, 2013

Re: Upcoming CMAP Human Capital-Related Tasks

In the spring of every year, CMAP develops its annual work plan, which describes the products and key dates associated with a range of different projects across all agency departments. CMAP operates on the state fiscal year (July-June) and the full agency budget and work plan are brought to the CMAP Board for approval in June. The following describes some of the anticipated near term work to be performed by CMAP's human capital staff before the end this current fiscal year (FY 13), as well as the anticipated staff priorities for fiscal year 2014. CMAP currently has roughly 3 full-time equivalent staff dedicated to conducting research and policy analysis in this area. Staff presents this memo to the Committee for their information, and invites any discussion or questions.

Near-Term (April-June 2013)

Issue Brief on "Freight/Manufacturing Nexus" in Metropolitan Chicago

Over the last year, CMAP has completed two major drill-down reports on freight and manufacturing, and we view this short report as an opportunity to reflect on the connections between the two clusters and how they can propel the sustained economic vitality of our region. While manufacturing is currently a prominent policy issue at all levels of government, metropolitan Chicago's competitive advantages in the freight cluster also remain hugely significant, and staff believes that further exploration of the opportunities within this "freight/manufacturing nexus" can help further the regional dialogue. This product will take the form of a short (15-20 page) issue brief and will contain updated data analysis and more specific policy considerations. Staff is currently working to scope this project.

Fiscal Year 2014 (July 2013-June 2014)

Industry Cluster Sub-regional Analyses

CMAP's two cluster reports on freight and manufacturing include a number of recommendations on workforce, innovation, and infrastructure. Many of these recommendations are best implemented on the local or sub-regional level through targeted technical assistance. This project will conduct two analyses on sub-regions within the 7-county area to assess specific economic development and workforce challenges and opportunities

related to freight and manufacturing. After this initial assessment, the goal is to transition toward an actionable projects or set of projects that can be undertaken at a later date via CMAP's Local Technical Assistance (LTA) program. Staff plan to conduct two of these reports in FY 14- one in the second half of 2013, and one in the first half of 2014.

State and Regional Economic Development Policy— Best Practices, Challenges, and Opportunities

CMAP's two industry cluster drill down reports include a number of recommendations encouraging the reorientation of economic development policies and practices both regionally and statewide. This project will focus on the role of state and regional governments in planning for economic development opportunities and providing direct funding to businesses in the form of financial incentives. This project will have two distinct phases. Phase 1 (complete in November 2013) will focus on analyzing best practices in state and regional economic development from the U.S. and around the world. With these best practices in hand, Phase 2 (complete in April 2014) will focus on the State of Illinois and metropolitan Chicago's economic development policies and procedures and analyze what lessons can be learned from other places.

Industry Cluster Drill Down- 3rd Report

GO TO 2040's chapter on supporting economic innovation includes an implementation action to perform 'drill down' analyses into specific industry clusters. The purpose of these reports is to identify specific opportunities to support economic innovation within a strategic cluster. A thorough, comprehensive evaluation highlights opportunities to develop partnerships, strengthen programs, advocate for policy changes, align workforce training programs, and bolster other resources that will help the cluster thrive. In FY 13, staff completed two drill-down reports- one on freight, and one on manufacturing. In FY 14, staff will complete the third in this ongoing series. A full project scope and timeline for a third drill down report will be prepared by September 2013, and a final report is scheduled for June 2014.

Regional Economic Indicator Development

Over the last two years, CMAP has worked to improve data and information systems related to human capital, a key recommendation of GO TO 2040. Last year CMAP released *MetroPulse Jobs*, a new web portal illustrating data on workforce needs and gaps in key industry clusters of specialization (the first two portals have focused on freight and manufacturing.) CMAP has also contributed to the Illinois Innovation Index, a partnership with other entities which analyzes varying sets of metrics on economic innovation in northeastern Illinois and the State. Moving forward, CMAP intends to play a greater role in collecting and analyzing this data to keep our partners and the general public attuned to the region's economic trends, especially as they relate to our major industry clusters and the workforce and innovation recommendations of GO TO 2040. This data and information will be housed at CMAP and disseminated via the CMAP Web site. Staff will work before the start of the next fiscal year on a strategic plan and scope for this work, and starting in July, staff will work to implement this plan.

Exploration of a Regional Freight Authority- Task Force

This is a major effort that will involve some of the human capital staff's time, as well as several other staff from around the agency. Since it directly implements a key recommendation of the

freight cluster drill-down report, it is relevant to mention here. GO TO 2040, as well as the recent freight cluster report, support increased investment in the region's freight system to improve the economic competitiveness of metropolitan Chicago, and emphasize organization and public policy as a specific area of focus for achieving this goal. Metropolitan Chicago has not traditionally had a champion to look out for the public interest regarding freight. To address the institutional and funding barriers of all freight modes, a self-financed Regional Freight Authority should be explored to establish a balance of interests and a mandate to address these needs and lower freight operating costs by upgrading regional infrastructure. Following Board approval of a Task Force to analyze these issues in June 2013, this group will meet monthly beginning in August 2013 and produce a report to the CMAP Board in June 2014.

ACTION REQUESTED: Information