



MEMORANDUM

To: Economic Development Committee

From: Annie Byrne, Associate Regional Planner

Date: June 21, 2011

Re: Implementation Table Exercise Part Two: Outcomes and Next Steps

The Economic Development Committee was asked once again to complete the Implementation Table to help determine what actions the committee should focus its discussions on, how the committee can help support and advance implementation, and who on the committee can lead the discussion on particular topics. The committee examined two implementation action areas last month and has now completed this exercise for the remaining four implementation actions. This information will be used to inform discussion topics and ensure the committees' discussions are strategic and focused on specific outcomes. This document summarizes the information gathered through this exercise.

Improve Delivery of Workforce Development Services

Summary

There are several efforts underway that align with the implementation actions to improve the delivery of workforce development services. Several committee members are closely involved with these efforts and are therefore well suited to lead a discussion or give a presentation. Overall, most of these actions require identifying examples and best practices, but in some cases "best practices" needs to be further defined.

- **Increase the flexibility and federal funding for workforce development and increase the flexibility of State discretionary workforce funds**

The lead implementers of this action are the federal government, the entities that receive funding, and advocates. This requires a change to federal and possibly state policy. The committee should stay informed of relevant changes and discuss the importance of CMAP developing a stance on this for its policy agenda. In June, the U. S. Senate's HELP committee released its WIA Reauthorization proposal, which includes increased flexibility in some areas. CJC has prepared comments.

- **Investigate the use of other funding sources for workforce development**

The details associated with this action recommend region wide documentation of existing funding streams for workforce development; this is currently underway for public funding for workforce development. This inventory and analysis will help reveal what changes could be made. Once the research is complete, the committee should help distribute the report and discuss whether additional involvement from the committee will be useful. Investigating how to use non-traditional and competitive sources of funding for workforce development is also a priority of many; existing initiatives and examples of non-traditional funding for workforce development should be shared.

Related Current Initiatives and Examples:

- CJC is conducting an analysis of public funding for workforce development in the region for the Workforce Boards of Metropolitan Chicago.
- CJC continually seeks to identify funding sources for workforce development
- Several entities, including the Northern Illinois Workforce Coalition, seek and have secured federal competitive grants for workforce development, including the new TAA grants, NEG grants, and the H1-B1 program.
- Chicago evaluates funding opportunities annually.
- Some WIB's have formed 501 (c) (6) organizations to allow for other funding sources to be used in their local programs.

- **Monitor Impact of more flexible funding and communicate outcomes**

Everyone agrees it's important to monitor and communicate outcomes, however, there may not be good examples of more flexible funding policies to monitor yet. In addition, an understanding of "more flexible funding" is needed to know what types of programs this is referring to. Some programs and localities do include an evaluation and may serve as good examples. Committee discussions on models and resources to complete these types of evaluations, as well as how to communicate outcomes, would help advance this action.

- **Strengthen community-focused provision of workforce services**

There are best practices that should be expanded, although there are different definitions of success. In some cases, local efforts are successful, but greater coordination with partners would increase success. Evaluation of existing programs is needed in order to promote further use of the most effective programs. A possible starting point for this action is for

committee members to identify best practices in their communities and provide CMAP with information for our case study database.

Implementation Action Area: Nurture the Region's Industry Clusters

Summary

This implementation action is of high interest to several committee members. There are several industry cluster-like initiatives and coalitions in existence, and developing strategies to strengthen these, expand to additional clusters, and move them forward is important. Many federal funding opportunities focus on regional clusters and require specific strategies and coordinated efforts between diverse stakeholders. There is also a need for greater coordination between initiatives led by the State and the city of Chicago and a way to incorporate into greater regional projects. The committee can potentially make a significant impact in this area but additional strategizing is necessary to determine how the committee can be of greatest assistance.

- **Form coalitions around the region's vital industry clusters to organize regional strategies and obtain public and/or private funding**

There are numerous coalitions and industry groups that do this or could do this; Metropolis Strategies has created a thorough inventory of the potential cluster intermediaries. The Illinois Innovation Network may be a platform for cluster coalitions. The committee should hear presentations on these efforts as well as from industry coalitions, and brainstorm ideas of how the committee could assist in strengthening coalitions.

- **Perform a "drill down" analysis into specific established industry clusters, including freight/logistics, advanced manufacturing, and biotech/biomed, as well as emerging clusters such as green technology and energy**

CMAP has partnered with CWIC to conduct this research. The committee will advise this research and determine additional roles upon its completion.

Implementation Action Area: Increase the Commercialization of Research, Target Investment Decisions, and Pursue New Financing Opportunities

Summary

Overall, committee members suggest the need to explore program evaluation metrics and analyze outcomes to determine which programs would be strengthened and which should be modified. However, lack of data and metrics challenge the feasibility of such an analysis. The

State of Illinois is leading several initiatives related to innovation and may have the resources to conduct this kind of evaluation. Committee members should be kept informed of developments from the state and help disseminate relevant updates to businesses and other relevant partners and stakeholders. There was not a lot of information given on each of the specific actions in this area; a first step is to learn more about the state-led initiatives.

- **Bolster or reinstitute successful State programs which assist entrepreneurs and create linkages between researchers and the private sector**

The Illinois Innovation Council may be looking at which programs should be expanded or created. Beyond state programs, several universities and industry coalitions also focus on connecting researchers and the private sector. Northwestern, the University of Chicago and UIC have recently launched a mentor program called Chicago Innovation Mentors that focuses on life science opportunities. Metropolis Strategies created an inventory of organization in the region's innovation ecosystem.

- **Re-institute the Illinois Innovation Challenge Matching Grant program**

This would likely be one of the programs the Illinois Innovation Council evaluates.

- **Explore the creation of a major new venture capital fund, at the regional or mega-regional level**

The Illinois Innovation Network may include a focus on options for a new venture capital fund

Implementation Action Area: Create a Culture of Innovation

Summary

The implementation actions appear to be underway, considering the newly established Illinois Innovation Council, the Illinois Innovation Network, and the state's involvement with Startup America. Communicating news and developments on these efforts is important and the committee can help with this as well as serve as a resource and provide guidance as needed.

- **Research, compile, and publicize examples of successful innovation**

The Illinois Innovation Network will include examples of innovative companies across the states.

- **Expand and link innovation related training**

There are existing efforts to do this led by coalitions such as iBio and Global Midwest Alliance; these efforts should be promoted and replicated where appropriate.

- **Reorient philanthropic giving toward innovation**

Foundations are becoming more aware of the impact of innovation and economic development and are developing new policies accordingly. The Chicago Community Trust is developing new guidelines around economic development.

- **Identify opportunities for state and local regulatory reform and modernize local ordinances**

The Cluster Drill-Down reports completed by CMAP and CWIC will include an analysis of the policy and regulatory barriers that have adverse effects on regional industry clusters. The report will also include recommendations on how to reform or modify these policies and ordinances to promote innovation and growth in the cluster. The committee will discuss its role with these recommendations once the reports are complete.

Next Steps

Staff asks the committee to review and discuss these outcomes at its June meeting. Again, the purpose of this exercise was to determine how to focus the work of the committee based on priorities, existing efforts, and where there is a role for the committee to play. At the June meeting, staff will present a proposed approach to organize discussions and schedule of topics which will include external presentations and discussions led by committee members focused on specific implementation areas. Areas where there is greatest need for regional coordination, information sharing, and expansion of best practices should be prioritized.

ACTION REQUESTED: Discussion

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