

City / State Economic Development Cooperation

Report Context

This report considers intergovernmental relationships between states and their major cities, and how organizational and funding structures may contribute to or impede local economic development efforts. Research includes a focus on the current relationship between Philadelphia and Pennsylvania as well as a review of case studies and best practices from other city – state relationships in similar situated locations. The goal of this review is to surface practices and models of cooperation that can be applied to increase effectiveness.

This draft report is divided into four sections:

- 1 Recommendations to strengthen and improve economic development relationships between Philadelphia and Pennsylvania.
- 2 An assessment of the economic development relationship between the City of Philadelphia and the Commonwealth of Pennsylvania, based on research and interviews with local and state stakeholders.
- 3 A synthesis of key takeaways from review of peer city / state cooperation models, with an emphasis on best practices that address challenges identified in the Pennsylvania – Philadelphia relationship.
- 4 Case studies based on research and interviews of the city / state relationships in several states:
 - New Jersey - Newark
 - Maryland – Baltimore
 - Ohio – Columbus
 - Michigan – Detroit

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1 - The Path Forward for Improved Cooperation

Recommendations

Despite the many challenges to successful cooperation identified during interviews, several opportunities for better integration for the Philadelphia-Pennsylvania relationship were identified.

Identify a convener of all Philadelphia economic development stakeholders that is able to coordinate amongst all stakeholders to create a set of strategic priorities around which Philadelphia can speak with one voice.

Having a single convener allows for the local entities to come together and begin practicing proactive and strategic planning to form key priorities. As a long term outcome, the same muscle used to coordinate priorities on the city level can be leveraged to strengthen relationships with the state by making it apparent when the city and state should partner through clear alignment of priorities. Clear owners for bodies of work also increases willingness to collaborate as fear around “stepping on toes” by reaching out to the wrong organization is avoided.

Utilize the success of large-scale regional collaboration opportunities/priorities to create positive momentum.

Collaboration during large scale bids, such as Amazon HQ2 or the recent regional Good Jobs Challenge award, represent the true potential for collaboration in the Philadelphia-Pennsylvania relationship. Taking special care to continue stewarding the relationship at the end of a large scale project presents an opportunity to maintain and build on existing momentum. Ongoing implementation activities related to Intel’s investment in Ohio are a notable example. Working in concert with regional partners also strengthens the chances for success when working with the state because of the opportunity to conduct strategic planning, build trust and understanding among partners, leverage resources, foster consensus, and demonstrate broad-based support for priorities, which has been the experience in Detroit and Southeast Michigan. Based on the research conducted, states tend to prefer partnering on strategic priorities at the regional or metro level whenever possible than with a city alone.

Create an ecosystem that enables information-sharing and a measure of policy and program consistency across election cycles and personnel changes.

Cyclic changes of administrations and personal relationships are impossible to fully eliminate in the economic development landscape. There are, however, communication and procedural steps that can be taken to insulate against these anticipated challenges. Regional partnership organizations, overlapping board and committee participation among ecosystem members, designated representatives to the state or local counterpart organizations, state or regional economic development association events, and webinars or in-person events that keep everyone abreast of economic development news, are examples of ways to disseminate information and build relationships outside the typical avenues. These mechanisms also provide a framework for new administrations to make connections with local economic development stakeholders. Maryland will be a test case for sustaining and building on these connections as Governor Moore takes office.

Consolidate incentive programs around strategic objectives and provide flexibility for local entities to tailor participation to their needs and conditions.

Stakeholders felt that Pennsylvania has lacked a clear strategy to achieve economic growth, and that programmatic spending is disbursed without focus, reducing its impact. In addition, statewide initiatives are sometimes poorly suited to application in Philadelphia, which may have distinct needs from other parts of the Commonwealth given its unique scale and attributes. Consolidation of incentive programs could help to refocus state funding towards a targeted investment strategy. At the same time, program design should be sensitive to local needs, providing sufficient flexibility for different locations to participate in ways that align with their local economies and conditions.

Increase engagement from the Governor’s office as a welcoming face for Pennsylvania and messaging the “non-financial” incentives of locating in Philadelphia.

Pennsylvania is not able to compete with many other states from a financial incentive perspective. Peer research found that many of the highest priority issues and concerns transcend strict ‘economic development’ activities and focus on broader areas such as education, tax policy, talent, etc. Greater engagement from the Governor’s office presents an opportunity to present a core set of (non-incentive) selling points to convey to the Governor’s office to incorporate into state outreach and messaging. This approach would be consistent with marketing messages from other state and city economic development organizations, which promote incentives as one component of a competitive and attractive business environment. This practice further insulates against the impacts of administrative changes and fluctuations in available incentive funding.

2 - Pennsylvania - Philadelphia Cooperation Assessment

Key Takeaways

Based on interviews and research, the key findings below regarding the Philadelphia – Pennsylvania economic development relationship have been identified. Notably, interviews with both local and state stakeholders took place in late 2022, prior to the inauguration of the current Governorial Administration.

The Philadelphia – Pennsylvania relationship is largely transactional rather than strategic

- Personal relationships are relied upon to respond to business attraction opportunities
- Proactive planning and strategic coordination between institutions is lacking

Stakeholders consistently described the relationship between statewide and local economic development entities in transactional terms. Local actors have working relationships with their relevant counterparts at the state, most notably the Department of Community and Economic Development (DCED) for ongoing programs, the Department of Labor & Industry (L&I) for workforce issues, and the Governor’s Action Team around specific business attraction and retention efforts. While people at both the local and state level “know who to call,” the effectiveness of these relationships wax and wane based on the individuals involved, and conversations are typically reactive to specific opportunities or funding cycles. The Governor’s Action Team is perceived to have been deprioritized in the prior administration, and as ineffective in positioning the Governor as a ‘welcoming face’ of business attraction for Pennsylvania. More broadly, few proactive mechanisms for collaborative planning or strategic alignment were identified in the processes of either local or state entities.

Pennsylvania is lacking an articulated ‘theory of change’ on economic growth and workforce development

- Stakeholders do not see a clear vision (with supporting financial commitments) for Pennsylvania’s economic development priorities
- Programmatic spending is perceived to be disbursed widely and without a clear strategy, making the value derived “less than the sum of its parts”

Pennsylvania’s demographic trends and industrial history have contributed to its status as a “slow growth” state in recent decades. Local stakeholders do not perceive a clear and compelling ‘theory of change’ and strategic approach to economic growth articulated by the state. Programmatic efforts and financial tools are not believed to be used in reinforcing ways, with outlays ‘sprinkled’ throughout the state, diminishing the collective effectiveness. Some stakeholders contrast this approach to earlier eras, when the state’s strategic efforts and investment were concentrated in certain ‘anchor’ economic development priorities, including place-based investments in Philadelphia (Navy Yard, Independence Mall, Avenue of the Arts, sports stadiums) and Pittsburgh. This lack of articulated theory of change also creates an environment that tolerates continually shifting strategies. As a result, it is easier for strategies to be discontinued or replaced before their full potential impact has been realized.

Program design of statewide initiatives are sometimes poorly suited to application in Philadelphia

- The design of statewide programs often does not accommodate Philadelphia’s unique scale or attributes
- Advance communication and planning around program specifics is lacking
- Philadelphia stakeholders perceive a lack of urgency or interest in providing flexibility for the city to implement programs in differential ways
- Philadelphia’s legislative relationships and influence in Harrisburg are diminished

State policies and program design are by nature broadly proscribed to function across the Commonwealth. However, Philadelphia is uniquely situated among Pennsylvania communities on several dimensions, including its size and scale, its city / county structure, its local revenue mix, and its economic strengths and challenges. State program design is often mismatched to Philadelphia’s needs, due to insufficient resource levels not meeting Philadelphia’s needs, or provisions that do not align well with Philadelphia’s economic challenges and tax mix. Philadelphia stakeholders expressed that their efforts to seek flexibility in implementation or program design from the executive branch have generally been ineffective. In the legislature, the Philadelphia delegation is perceived to have lacked influence in recent sessions, and the lack of a sustained proactive outreach strategy from local stakeholders leaves Philadelphia in a reactive position when legislation is not well-tailored to the concerns or attributes of the city. Additionally, local stakeholders perceive a lack of advance communication and planning around the implementation of policy changes, with particular concern that the city’s workforce development community is underprepared for the coming impacts of state-dictated changes to high school graduation requirements.

Workforce development efforts engage a range of partners and involve state / local coordination

- Regional collaboration on workforce issues is regular and ongoing
- Pennsylvania’s workforce command center sought to integrate regional and departmental perspectives related to workforce
- Developing policy approaches that are reflective of situational needs remains a challenge

Pennsylvania and the Philadelphia region have a variety of entities in the workforce development space, and lines of communication between local and state and within the region are generally open, with regional workforce boards meeting regularly. At the state level, the workforce command center was stood up under the prior administration in an effort to elevate the issue and to better integrate the many state departments that touch components related to workforce. This group engaged in an extensive process and outreach to understand the needs of different regions, and produced a [January 2020 report](#) with 42 cross-cutting recommendations on workforce issues. However, the perception is that tailoring approaches regionally and in “real-time” response to emerging private sector needs remains a challenge.

State resources are often directed through non-profit rather than government partners

- Matching funding for local government initiatives is not typically available through the state
- Non-profit entities manage access to major funding streams

- The broad ecosystem approach involves many entities, but can contribute to fragmentation of efforts and scarcity of resources

Philadelphia stakeholders observed that limited state funding was available to match or support local government initiatives, with resources instead directed to or accessible through non-profit or quasi-government organizations such as Philadelphia Works. This broad ‘ecosystem’ approach leads to the involvement of many stakeholders, and can tap into subject specific expertise in implementation. However, in this environment prioritization can be muddled, and fragmentation can contribute to government entities perceived as understaffed and lacking resources and capacity to carry out major objectives.

Recent regional opportunities show potential for successful collaboration on large-scale priorities

- Coordination regarded as successful on Amazon HQ2 bid and EDA Good Jobs Challenge
- Philadelphia stakeholders expressed a desire for more dedicated funding streams that can be reliably accessed to implement key priorities

While reactive in their origin, collaboration around recent large-scale opportunities has strengthened ties and given participants optimism about the potential for the region and state to advance common priorities. Regional and state efforts to develop a package to attract the Amazon ‘HQ2’ offices were regarded as productive, as was the recent successful application for the federal Economic Development Administration’s Good Jobs Challenge. Relationships between regional partners in the southeast are generally considered strong, and stakeholders perceive the potential for a more unified ‘ask’ to Harrisburg. Stakeholders specifically addressed a desire for state programs and funding streams dedicated to regional priorities, which could then be deployed flexibly and opportunistically within the strategic objectives set.

Interviews conducted

- Pat Clancy, Philadelphia Works
- Karen Fegely, Philadelphia Department of Commerce
- Aliyah Furman Stanger, Former Southeast Regional Director Pennsylvania Department of Community & Economic Development
- Sheila Ireland, Former Deputy Secretary, Workforce Development, Department of Labor and Industry
- Allison Jones and Zac Reber, Office of Pennsylvania Governor
- Anne Bovaird Nevins and Sam Rhoads, Philadelphia Industrial Development Corporation
- Dawn Summerville, Philadelphia Department of Commerce

3 - State-City Bilateral Partnership Models for Economic Development

Key Takeaways

Interviewees in the locations examined for this project (MI, OH, NJ, MD) expressed the opinion that states and cities collaborate well on economic development. They tend to agree that project cooperation is strong, but strategic collaboration can always be improved. There is no single partnership structure or communication mechanism that works best. Ongoing communication and personal relationships are critical everywhere. Changes in administration provide an opportunity to bolster or adapt communication strategies and individual working relationships to advance state and local priorities.

BEST PRACTICES & FINDINGS RE EFFECTIVE COLLABORATION

- **The state economic development agencies interviewed for this project typically define their role as supporting local priorities rather than imposing state priorities.**
- **States and cities report that they have good procedures in place for economic development projects but struggle more with longer-term strategic planning.**
 - Project-based cooperation does not occur overnight. Most professional state and city economic development agencies have been working at this for years and have developed basic procedures and protocols for project collaboration (examples include informing the other of opportunities, how and when to share information, and communicating with the client).
 - Strategic planning is harder and involves a much broader set of players outside of economic development organizations. Successful planning takes time and commitment.
 - “There is strength in numbers, and if you have a collective voice and a collective vision you can get a lot of things accomplished A constant level of cooperation is needed, however.... People need to keep in mind that these economic development groups take time to develop.” (2009 Columbus Business First)
- **It is easiest for the state to support local priorities that are tied to a strategy and for which there is clear and broad-based support – not one-off or controversial projects.**
- **Formal regional partnerships are a common but not ubiquitous intermediary between state and city economic developers.**
 - Cities need to be active participants within their regional partnerships.
 - States and regional groups are often in a better position than cities or municipalities to think strategically. Cities “tend to work with what’s right in front of them.”
- **Catalytic events can spur collaboration across a broad set of stakeholders to drive strategic thinking in a city or region.**
 - Super Bowl bid in MI; HQ2 bid in NJ; Build Back Better grants in PA; Intel in OH
- **Good two-way communication is paramount for economic development projects, programs and strategy.** Mechanisms vary by state:
 - State-defined regions with designated lead regional partners
 - Formal or informal regional networks

- Economic developer associations
- Designated regional or city representatives
- Personal relationships and 1:1 meetings
- Webinars -- surprisingly effective
- **Individual skills, personal relationships and politics will always play a role;** without the right people in place, it will be difficult to be effective.
- **Many of the highest profile state-city challenge areas transcend the economic development function.**
 - Tax policy, education, crime, transportation, etc.
- **Anchor institutions do not appear to have a major effect on state-city collaboration,** but more research is needed on this topic, as these institutions (universities, major companies, leading philanthropies, and community not-for-profits) play an important role in city-level economic and workforce development.

Interviews

Maryland Department of Commerce

University of Maryland Baltimore County

Mayor's Office of Employment Development, Baltimore

Michigan Economic Development Corporation

Detroit Future City

Detroit Economic Growth Corporation

New Jersey Economic Development Authority

Invest Newark

Ohio Department of Development

John Glenn College of Public Affairs, Ohio State University

4 - City-State Case Studies

New Jersey-Newark

COLLABORATION TAKEAWAYS

- Multiple state and local players are involved in all aspects of economic development activities.
- Collaboration relies heavily on personal ties and political relationships.
- Elected officials at both the state and local levels are deeply engaged.
- Sharing information in this environment is a critical function. Key mechanisms include NJEDA webinars and statewide conferences.

PRIMARY ECONOMIC DEVELOPMENT ENTITIES

Economic development in New Jersey is led by the New Jersey Economic Development Authority (NJEDA) and in Newark by Invest Newark. Other primary entities include Choose New Jersey, New Jersey Redevelopment Authority, New Jersey Department of Community Affairs, the Newark Alliance, and the City of Newark's Department of Economic & Housing Development.

ECONOMIC DEVELOPMENT PLANS OR ROADMAPS

- NJEDA, [The State of Innovation](#), 2018
- [Newark Forward](#) 2018

COMMENTARY ON COLLABORATION

Economic development collaboration between states and municipalities is largely bespoke and relies heavily on 1:1 meetings and relationships -- a function of the local government structure and politics in the state.

- 565 municipalities with elected local governments
- Home rule state
- State economic development tends to support local priorities rather than determining local priorities (with exceptions)
- Can be frustrating when local elected leaders do not want to collaborate or interests are not aligned
- Interviews indicated a Governor's office of intergovernmental affairs manages a lot of these relationships
- NJEDA will coordinate with Governor's office when starting new initiatives or programs
- Many state and local economic developers have been in place for years or have moved across organizations, so maintaining relationships is critical
- It appears a premium is placed on the ability to manage politics and personalities across state and local levels

NJEDA runs a much bigger portfolio of funds and programs than it has in the past, necessitating greater communication with municipalities in order to increase its reach to potential applicants. Much of this communication occurs via local elected leaders.

For specific projects or real estate activities:

- Will inform the municipality if selling or developing an NJEDA property in the municipality
- Will encourage developers responding to NJEDA real estate RFPs to communicate with the municipality and submit a proposal consistent with local zoning rules
- Try not to overrule local land use decisions (except when affordable housing is at stake)
- Municipalities are not necessarily involved in state funding programs for businesses
- Good personal relationships and “somewhat regular meetings” between NJEDA and key Newark players in the city, Invest Newark, and Newark Alliance.

The working relationship between the city and state is currently strong. For example, passage of 2019 state legislation enabling creation of land banks was a major accomplishment for the city. At the city level it was made possible by a combination of a progressive mayor with a strong voice in the state, a research report from Rutgers University addressing sources and solutions for the state’s wealth gap that provided backing for the initiative, and a strong network of advocates for the program. Newark now has the state’s first Land Bank (see below for details). That said, changes in elected leadership can affect the level of attention and available funding to the city, but urban issues “will never be off the table” in New Jersey.

Anchor institutions are also important to the region’s economic development work. Major players include the Prudential Financial, Panasonic Corporation of North America and Audible companies plus Rutgers University and the Victoria Foundation. Rutgers University appears to be a good local partner that provides expertise and in-kind services as well as economic research. Interviews suggested that these entities are interested and willing to be at the table, but they are selective about their participation. Keys to successful engagement are demonstrating a clear need (often through a research-based report), showing fit with their mission, creating a mechanism for their participation, and creating appropriate metrics so they can be confident their contributions are worthwhile.

NEW JERSEY-NEWARK		
Elected Leaders	Population Size (2021)	Poverty Rate
Gov. Phil Murphy (D) Mayor Ras Baraka, Newark (D)	NJ – 9,288,994 Newark – 311,549	NJ – 10.2% Newark – 25.2%
Median Household Income	NJ Demographic Make-Up	Newark City Demographic Make-Up
NJ – \$89,296 Newark – \$43,242	55% White 13% Black 22% Hispanic 10% Asian	4% White 39% Black 53% Hispanic 2% Asian

Organization: New Jersey Economic Development Authority

Description: The New Jersey Economic Development Authority (NJEDA) is an instrumentality of the state with a board consisting of state agency leaders and public members appointed by the Governor. It aims to strengthen the economy by retaining and growing businesses through financial assistance, renewing communities, and

promoting the State’s strategic advantages. “The New Jersey Economic Development Authority (NJEDA) issues taxable and tax-exempt bonds and provides financing (direct loans/guarantees) for businesses and nonprofit organizations to purchase/construct real estate, buy equipment, provide working capital and other investments that will create and retain jobs in New Jersey and add to the local communities’ economies and tax bases. Additionally, the NJEDA administers job and real estate incentive programs to encourage job growth/retention and capital investment in New Jersey.”¹

Mission: The mission of NJEDA is to grow the state’s economy and increase “equitable access to opportunity by supporting high-quality job creation, catalyzing investment, and fostering vibrant, inclusive community development. NJEDA works in partnership with a diverse range of stakeholders to implement programs and initiatives that improve quality of life, enhance economic vitality, and strengthen New Jersey’s long-term economic competitiveness.”²

Activities: (source: [NJEDA website \(leadership titles and activities\) and annual report](#))

- Business Support
- Economic Security
- Community Development
- Economic Transformation
- Real Estate Development
- Portfolio Operations
- Diversity, Equity and Inclusion
- Financing and Incentives
- Strategic Industry Support

NJEDA’s four strategic priorities as outlined in the (Governor’s economic plan - 2018) are:

1. Investing in people to help all New Jersey residents prepare for and find work that supports and sustains families and investments in our future
2. Investing in communities to build world-class cities, towns, and infrastructure statewide
3. Making New Jersey the State of Innovation to harness the power of innovation to create more and better jobs across the state
4. Making government work better to improve New Jersey’s competitiveness and business climate

Budget: \$39.8 million (Total Revenue FY21, NJEDA 2022 Fiscal Plan) OR \$284.8 million (likely reflecting program payments, http://www.stateexpenditures.org/downloads/reference/NJ_Proposed_FY23.pdf)

Staff: 300 (from interview)

Organization: Invest Newark

Description: Invest Newark is a 501(c)(3) corporation that serves as the city’s economic development corporation. “Invest Newark supports small, women and minority-owned businesses, invests in world-class internet service, spurs real estate development, and executes economic development activities to produce and sustain economic growth, generate jobs and create wealth for the citizens of Newark.”³

¹ [FY2023BudgetDetail-FullPDF.pdf \(nj.gov\)](https://www.njeda.gov/about/)

² <https://www.njeda.gov/about/>

³ <https://investnewark.org/how-we-can-help/>

Mission: “Invest Newark propels the city’s strong and diverse economy, builds vibrant communities, and creates opportunities for all Newarkers.”⁴

Activities:

- Business Development
- Financial Support
- Real Estate
- Land Bank
- Newark Fiber (broadband)

Budget: \$4,740,585 (2020 total revenue per annual report)

Staff: 12 (from website)

Invest Newark received an Excellence in Economic Development Award from the International Economic Development Council (IEDC) in 2022, recognizing its work on equitable economic development in the city. “Invest Newark leverages its position as a governmental partner and anchor of the economic development network to invest in the community in order to eliminate the racial wealth gap and create a city that allows all to prosper.” (<https://essexnewsdaily.com/news/newark/invest-newark-receives-award-for-excellence-in-economic-development>)

The [Land Bank](#) is a division of Invest Newark established in 2019. The Land Bank “strategically acquires, maintains, and repurposes vacant, abandoned, and foreclosed properties, and efficiently returns them to productive use.” The Land Bank was created to “boost homeownership, reduce blight, create affordable and market-rate housing, increase M/W/DBE developer or subcontractor capacity, expand neighborhood business opportunities, increase property values, support community goals and priorities of the City, and improve the quality of life for Newark residents.” Land Bank programs include the Section 8 Homeownership conversion program and Move In Ready program for first time homebuyers.

[Newark Fiber](#) is an initiative to bring high-speed, low cost internet service to all parts of Newark. Mayor Baraka announced the initiative in 2016. Newark Fiber links customers (primarily via building owners who sign up) to large fiber optic facilities in the city at capped rates. Newark Fiber is a public-private partnership between Newark and Gigxero. Interviews indicated that the city wanted to take advantage of and gain ownership of existing but unused fiber assets in the city to provide an affordable internet option to more residents.

STATE-CITY ECONOMIC DEVELOPMENT COORDINATION

There are few formal structures for coordination. The organizations reviewed here may list dozens of “community partners” on their websites and in their reports, but there does not appear to be a lead organization focused on state-local coordination.

Board memberships:

There are two local government representatives on the NJEDA board (currently from Essex (Newark) and Hudson counties). Ex officio members are from NJ Department of Banking & Insurance, NJ Department of Labor & Workforce Development, NJ Department of Environmental Protection, NJ Department of the Treasury. Aisha

⁴ <https://investnewark.org/mission-and-vision/>

Glover, now with Audible but formerly with both Newark Alliance and Newark Community Economic Development Corporation (now Invest Newark), is also an NJEDA Board member active on Newark issues.

Webinars and outreach:

Webinars have been a very important mechanism for communicating with local partners, starting with the rollout of COVID-19 relief programs. NJEDA offered webinars to help businesses prepare to access funding for which they were eligible. This worked so well, NJEDA continues to use webinars to share information about the many new programs the organization is managing. To spread the word, they typically work with the offices of local elected leaders, who are often eager to inform their constituents about new funding opportunities from the state. NJEDA webinars have been a low cost and effective way for the state to make partners aware of new program developments

Events and gatherings:

Since personal relationships are critical, so are in-person events that facilitate both networking and information sharing. Two important statewide conferences are the New Jersey State League of Municipalities annual conference (all aspects of government) and the Governor’s Conference on Housing and Economic Development (broad attendance but with more of an economic development focus), which “every department attends.”

WORKFORCE DEVELOPMENT

- NJEDA workforce development (or Investing in People) activities include:
 - NJ Apprenticeship Network
 - Computer Science for All initiative
 - NJ Career Network
 - ‘Future of Work’ Task Force
 - Look within sector activities
- Newark Alliance “will intensify our efforts on economic and workforce development” per website
 - Hire Newark 2020
 - CareerWorks/Greater Newark Workforce Funders Collaborative – not clear how active this initiative remains
- Newark Workforce Development Board
- The State Employment and Training Commission is the state Workforce Development Board (WDB) for New Jersey - <https://www.nj.gov/njsetc/localwdb/>

OTHER

- Newark Citywide Master Plan, September 2022
- City of Newark Department of Economic & Housing Development
 - Division of Housing and Finance
 - Office of Affordability and Sustainable Housing
 - Office of Planning and Zoning
 - Office of Tenant Legal Services
 - Property Management

- Rent Control
- Newark Alliance – a nonprofit organization dedicated to the ongoing economic revitalization of Newark; members are primarily business, education and healthcare organizations. Created OpportunityNewark Strategic Action Plan in 2005 and Newark 2020 in 2017. Appears to be less active beginning in 2020.
- Newark Regional Business Partnership – NRBP “is a voice for member businesses, focusing on issues that impact economic growth and vitality in the Newark business community” and the region.⁵
- Choose New Jersey – a privately funded non-profit economic development organization that markets New Jersey domestically and internationally.
- Governor’s Office, Deputy Chief of Staff for Economic Growth
- Community Collaborative Initiative (CCI) – a place-based partnership that promotes quality of life in New Jersey’s distressed communities. Housed within the NJ Department of Environmental Protection and stemmed from the NJDEP’s Office of Brownfield Reuse. CCI is a collaboration with NJEDA whose primary role appears to be funding. CCI is active in 12 cities, including Newark. Each city has a dedicated CCI NJDEP liaison.

⁵ https://s2.q4cdn.com/390454341/files/doc_financials/2019/ar/QuestDiagnosticsESG2019.pdf

Maryland-Baltimore

COLLABORATION TAKEAWAYS

- Day-to-day economic development collaboration appears stronger than headlines about the Maryland-Baltimore relationship would suggest.
- It is likely that both the city-state relationship and prioritization of Baltimore City economic development needs will change with the new Governor.
- The non-profit Maryland Economic Development Association (a membership organization) and an interagency network convened at the state level are two important entities that facilitate communication and coordination among state and local economic development players.

PRIMARY ECONOMIC DEVELOPMENT ENTITIES

Economic development in Maryland is led by the Maryland Department of Commerce (DOC) and in Baltimore by the Baltimore Development Corporation (BDC). Other leading entities include the Mayor's Office of Employment Development and the Greater Baltimore Committee.

ECONOMIC DEVELOPMENT PLANS OR ROADMAPS

- [Maryland Economic Development Commission Strategic Plan, 2016](#)
- [Baltimore Together, 2021](#)
- [Building a Better Baltimore, Mayor's Action Plan, 2021](#)
- [Work, Wages, and Wealth: Building a Growing and Thriving Economy that Lifts up Every Maryland Family, Governor-elect Moore's plan for the economy, 2022](#)

COMMENTARY ON COLLABORATION

Governor Hogan's administration was not considered friendly or supportive toward Baltimore. His removal of state support for the proposed Red Line light rail system in Baltimore, which "had been in planning for years and would have connected residents of some of the city's poorest neighborhoods to downtown" was a leading example of the poor working relationship, but not the only one. Delegate Stephanie Smith (D-Baltimore) recently said, "Many of us have felt that our governor has held our city with contempt and has not always seen us as a part of the whole picture of Maryland."⁶

Expectations appear high for a much better working relationship with incoming Governor Moore. He lives in Baltimore, and the plans on his candidate website call out Baltimore and Baltimore institutions in several instances. For example, "He will also work to reestablish Baltimore City as one of the greatest cities in America, focusing on retaining existing residents and attracting families, businesses and talent to relocate there."⁷ He also has a plan, building on Speaker Adrienne Jones's Racial and Economic Justice Agenda, to "unlock economic opportunities for [Maryland's] black families" by increasing access to work, wages, and wealth.⁸

Nevertheless, it appears that the city and state have worked well together on specific projects and at the agency level. One article cited redevelopment of Pimlico and Project C.O.R.E. as positive examples.⁹ Maryland'

⁶ "After battles with Hogan, Baltimore welcomes fresh start with Moore," The Washington Post, 11/10/22.

⁷ Work, Wages, and Wealth: Building a Growing and Thriving Economy that Lifts up Every Maryland Family, Moore Miller for Maryland.

⁸ A Bold Plan to Unlock Economic Opportunity for Maryland's Black Families, Moore Miller for Maryland.

⁹ Ibid. The Washington Post.

Department of Commerce (DOC) annual reports in 2020 and 2021 mention projects in Baltimore City and Baltimore-based “Maryland Business Champions” that provide resources to help the DOC marketing team promote Maryland.

Interviewees noted that collaboration works best when state and local agendas are aligned across economic development entities (even if not the case among political leaders). It takes time to do this and, while mechanisms exist to facilitate collaboration, 1:1 meetings and trust among participants still matter. Election cycles and personnel changes necessitate rebuilding relationships and shared knowledge. The Maryland Economic Development Association (MEDA) plays an important role in this process through its gatherings, committees, and education programs. The DOC often uses MEDA panels and webinars to share new program information and raises strategic issues through the MEDA Directors.

A cross-agency network at the state cabinet and sub-cabinet levels was established three years ago to facilitate collaboration and communication. Approximately 10 state agencies (such as Commerce, Housing, Transportation, etc.) are involved and meet quarterly. Local agency leaders in each of these disciplines also participate at the sub-cabinet level by region. This has been an effective and low-cost (except for time) initiative, but it remains to be seen whether the new Governor will continue this practice. There appears to be a similar statewide network within Maryland’s Labor Department that meets regularly and is focused specifically on ARPA and workforce development issues.

Maryland DOC strives to enhance local efforts and not tell the city what to do. The DOC has a regional representative in the city who works with the mayor’s office and BDC and meets with them regularly. The regional representatives help share information and communicate about projects. A significant topic for the city and state is rethinking placemaking efforts, connecting workforce and investment initiatives, and identifying alternatives to the outdated Inner Harbor model of development.

There are several Baltimore-based economic development organizations, including the Baltimore Development Corporation (BDC), Greater Baltimore Committee, and Mayor’s Office of Employment Development. Interviewees suggested there are good relationships between the city and BDC and GBC. According to one interviewee, BDC is not likely to stray far from the city’s strategic interests on economic development, but both parties find that the differentiation between the two entities provides some extra latitude in decision-making, which is helpful to both.

The BDC recently completed a roadmap called Baltimore Together. BDC is also housed in the same building and is a key partner for the Mayor’s Office of Employment Development.

Some interviewees indicated that staff turnover and budget challenges at the city level affect consistency in working relationships with the state.

Elected Leaders	Population Size (2021)	Poverty Rate
Gov. Larry Hogan (R) Gov-elect Wes Moore (D) Mayor Brandon Scott, Baltimore (D)	MD – 6,177,224 Baltimore – 585,708	MD – 10.3% Baltimore – 23%
Median Household Income	MD Demographic Make-Up	Baltimore City Demographic Make-Up
MD – \$90,203 Baltimore – \$54,652	49% White 29% Black 12% Hispanic 7% Asian	27% White 57% Black 8% Hispanic 4% Asian

Organization: Maryland Department of Commerce

Description: The Maryland Department of Commerce (DOC) is a state agency that serves as the state's primary economic development organization. Formerly the Department of Business and Economic Development, DOC was created in 2015. DOC has three main divisions: Administration and Technology, Business and Industry Sector Development, and Marketing, Communications, Tourism, Film & the Arts. The Department is located in Baltimore and has a business development representative assigned to Baltimore City.

Mission: “As the state's primary economic development agency, [the Department of Commerce] stimulate private investment and create jobs by attracting new businesses, encouraging the expansion and retention of existing companies, and providing workforce training and financial assistance to Maryland companies. The Department also promotes the state's many economic advantages and markets local products and services at home and abroad to spur economic development and international investment, trade and tourism.”¹⁰

Activities: (source: DOC website)

- Building and site location assistance
- Finance programs, tax credits and job training grants
- Business advocacy and consulting
- Technology transfer
- Foreign direct investment
- Export consulting and marketing
- Tradeshow and conference partnership

Budget: \$464.4 million (source: 2021 Annual Report; FY21 expenditures – includes \$306 million for business relief)

Staff: approximately 120 (source: staff directory on DOC website)

Organization: Baltimore Development Corporation

Description: BDC is the economic development organization for the City of Baltimore. Its reputation is strongly associated with developers of business and commercial properties and major redevelopment projects, but its current focus appears to be shifting to address disparities and underinvested neighborhoods. BDC recently led the creation of a “common vision of inclusive economic growth in our city” called Baltimore Together.

¹⁰ <https://commerce.maryland.gov/commerce>

Mission: “To grow the city’s economy in an inclusive manner by retaining, expanding and attracting businesses and promoting investment, thereby increasing career opportunities for residents.”¹¹

Activities: (source: BDC website)

- Incentives & Assistance Programs
- Real Estate Development Assistance
- Disposition of city-owned properties
- Made In Baltimore
- Emerging Technology Center

Budget: \$9.2 million (2020 revenue; source: *propublica.org*)

Staff: 52 (source: 2021 annual report)

STATE-CITY ECONOMIC DEVELOPMENT COORDINATION

Regional structure:

- Maryland is divided into five economic development regions, per the Department of Commerce. Baltimore City plus five counties make up the Central Maryland region.
- There is not a regional entity for each region; it is more of an administrative category to facilitate policy approaches to different areas of the state.
- A designated DOC regional representative in Baltimore is a lead player in communicating and working with city economic development actors.

Board memberships:

- The membership of most of the DOC’s public boards and commissions are business leaders along with representatives from higher education and a few other partners, with limited elected official or local economic development representation.
- Similarly, the BDC board does not appear to have any state government members. Regional partner members include the Deputy Mayor, Community & Economic Development, Mayor’s Office of Small, Minority & Women Business Development, Baltimore City Department of Housing and Community Development, and University of Maryland Medical System.

Maryland Economic Development Association (MEDA):

- MEDA is a nonprofit organization of economic development professionals. It is a forum in which state and local economic developers meet and share information and an important facilitator of strategic collaboration and development of working relationships in Maryland.
- “MEDA enhances the knowledge and skills of its members, encourages partnerships and networking among people committed to bringing jobs and capital to Maryland, and promotes economic development as an investment in Maryland.”¹²
 - The Maryland DOC and Department of Housing and Community Development are premier MEDA sponsors
 - The Governor and Commerce Secretary prepare letters for the MEDA Year In Review
 - The Baltimore Development Corporation is a bronze sponsor

¹¹ https://ulidigitalmarketing.blob.core.windows.net/ulidcnc/sites/19/2020/11/ULI-Presentation_BDC-11-4-2020-1.pdf

¹² <https://www.medamd.com/about-medam/>

- The MEDA Foundation offers “educational workshops, courses, seminars, and conferences that increase the effectiveness of Maryland economic and community development practitioners as well as their counterparts in the state who work in partnerships to create jobs for Maryland’s citizens.”¹³
 - Education programs and events help highlight initiatives, new topics, and policy issues
 - Can be a place where challenges, such as lack of alignment on priorities, and pitfalls become visible

WORKFORCE DEVELOPMENT

- Mayor’s Office of Employment Development - In partnership with local employers, MOED is developing avenues to increase employment and retention of Baltimore City resident workers. MOED provides occupational training, accompanying support services, and subsidized work, all with an emphasis on career goals, earnings, and economic justice for residents.
- Maryland Workforce Expressway – an interagency collaboration to offer “education, training, employment and regulatory services to connect businesses with a skilled workforce”
- Maryland Business Works – incumbent worker training, a collaboration between DOC and the Department of Labor (?)
- Maryland Department of Labor, Division of Workforce Development and Adult Learning
- Baltimore City One-Stop Career Centers

OTHER

- Maryland Department of Housing and Community Development – Community Development, Neighborhood Revitalization, Maryland Housing Fund, Maryland Affordable Housing Trust, Finance Division
- Greater Baltimore Committee – Since 1955, GBC has been the region’s premier organization of business and civic leaders and a leading voice for the business community on issues relating to economic growth, job creation, workforce development, transportation and quality of life. ¹⁴ (Note 2022 merger with Economic Alliance of Greater Baltimore)
- Interviewees who were asked agreed that philanthropies, not-for-profits and universities play an active role in economic and workforce development in Baltimore.
 - Johns Hopkins University is a leader, participant, employer, and beneficiary of economic development efforts in Baltimore.
 - 21st Century Cities Initiative at Johns Hopkins and <https://21cc.jhu.edu/team/mary-miller/>
 - East Baltimore Development Initiative, Science + Technology Park at Johns Hopkins, Social Innovation Lab
 - Greater Baltimore Committee board member
 - Chair of the Baltimore Workforce Development Board is from Johns Hopkins Medicine
 - Annie E. Casey Foundation – “focuses on strengthening families, building stronger communities and ensuring access to opportunity,”¹⁵ a Baltimore Workforce Development Board member and

¹³ <https://www.medamd.com/about-meda/the-meda-foundation/>

¹⁴ <https://greaterbaltimore.gbc.org/>

¹⁵ <https://www.aecf.org/about>

- founding member of the Baltimore Workforce Funders Collaborative within the Maryland Philanthropy Network
- Abell Foundation – “committed to improving health, economic, and educational outcomes in Baltimore City so that all people can thrive.”¹⁶ Abell is also a founding member of the Baltimore Workforce Funders Collaborative, a member of the Baltimore Workforce Development Board, and Greater Baltimore Committee.
 - Harry and Jeanette Weinberg Foundation – “dedicated to meeting the basic needs of people experiencing poverty;”¹⁷ provides grants for housing, health, jobs, education, and community services. The Foundation is a member of the Baltimore Workforce Development Board and a founding member of the Baltimore Workforce Funders Collaborative.
 - BUILD – Baltimoreans United in Leadership Development (BUILD) builds “power to effect change by developing leaders in congregations, public schools, and neighborhood associations to act together on issues that matter to their communities.”

¹⁶ https://abell.org/wp-content/uploads/2022/07/2021_Abell-Foundation_Annual-Report_Digital-final.pdf

¹⁷ <https://hjweinbergfoundation.org/who-we-are/>

Ohio-Columbus

COLLABORATION TAKEAWAYS

- State-local economic development collaboration occurs primarily via defined regional partnership organizations working with JobsOhio.
- One Columbus (the state’s regional partner organization) and the Columbus Partnership (the region’s primary business leaders organization) serve the Columbus region. They are closely connected and currently share a chief executive, though they have not done so in the past.
- There appears to be good collaboration within the Columbus region, including with the city of Columbus. The JobsOhio regional structure seems effective at fostering state-local collaboration, but rural areas within the region may not be as well-connected.

PRIMARY ECONOMIC DEVELOPMENT ENTITIES

Economic development in Ohio is led by JobsOhio along with the Ohio Department of Development and in Columbus by One Columbus and the Columbus Department of Development. The Columbus Partnership is also an important player.

ECONOMIC DEVELOPMENT PLANS OR ROADMAPS

- JobsOhio [2021 Annual Report & 2022 Strategic Plan](#)
- One Columbus, [Strategic Plan](#)
- [Mayor’s Equity Agenda](#) (see PDF download)
- Franklin County [Economic Development Strategic Plan](#), 2019

COMMENTARY ON COLLABORATION

Columbus Partnership CEO Kenny McDonald sees the ability to think strategically and long term as “an incredible competitive advantage” for the region, with a high level of engagement, strong networks, and good working relationships between businesses and local leaders. As the region strives to be able to address health and wealth inequalities (note the county’s and city’s focus on equity) the Partnership will address housing, education, labor force, and transportation topics.¹⁸

The state legislature cares about reducing taxes and making the state business friendly, which often means considering changes affecting municipal income taxes. However, since these taxes are an important source of city revenue, there could be long-term negative effects on city economic development prospects even though it might be more business friendly in the short-term. It is not clear that the state (or lead economic development organizations) are considering the potential ramifications of this type of policy change.

The Partnership and One Columbus structures are not the only entities focused on regional cooperation. For example, the 2019 Franklin County (where Columbus is located) Economic Development Strategic Plan (EDSP) established a resident-centric framework for economic development. Department leaders placed a premium on collaboration during the EDSP’s creation, with a requirement that the Plan complement other regional planning and economic development efforts. Further, “Partnership, Leadership, Collaboration” was specified as a

¹⁸ “Columbus Partnership’s new CEO Kenny McDonald challenges community to dream bigger.” ColumbusCEO, May 24, 2022.

strategic focus within the EDSP, noting that the Department will take a collaborative approach to all aspects of its work and be actively engaged in partnerships across the county and throughout the region. Little is said about the relationship with the state on economic development, except as implied through the working relationship with One Columbus (then Columbus 2020).¹⁹

Intel's commitment to invest \$20 billion for semiconductor manufacturing in central Ohio represents a tremendous, collaborative economic development win for the region. Per an Intel spokesman, "Ohio won largely because of a 'compelling case' built by a united, collaborative team of state, local and private persuaders."²⁰ Partners included JobsOhio, One Columbus, the Dayton Development Coalition, New Albany Company, Licking County, "local communities in the central Ohio region, the DeWine/Husted Administration, and Ohio's bipartisan Congressional Delegation."²¹

The project was not won solely on incentives, but the incentives participation also indicates the project commitment from both the state and local levels. State level incentives will come from JobsOhio and the Department of Development, while local incentives will be provided by the City of New Albany and via a newly designated Oak Grove Community Reinvestment Area and Technology Manufacturing District. The state legislature passed a bill creating various tax benefits for megaprojects, like Intel's, in the state. Workforce development partners will include JobsOhio, Central Ohio Technical College, Columbus State Community College, Ohio State University, and Franklin County. Licking County is working with several local and regional partners on planning, land use, transportation, and housing issues associated with the Intel project.²²

Columbus may be different from the other cities considered in this analysis because its region includes many rural communities that do not define themselves by their proximity to Columbus, whereas economic development regions around Philadelphia, Baltimore and Detroit would be more likely to define themselves as part of a metropolitan area. In fact, the mindset in rural Ohio might be to distance or distinguish themselves from the city and state government, rather than looking to either the city or state for economic development leadership or resources. This perspective combined with less staff capacity and fewer economic development connections means that rural communities can be a disadvantage for engaging with state economic and community development programs compared to cities.

This dynamic is currently playing out with the Intel project. While existing regional structures are considered very good at enabling state-local collaboration, a project of this magnitude revealed a significant gap. In response, the Ohio Department of Development created an entirely new Community Engagement position to support the rural communities in the Columbus region that will be home to the new Intel facility. The objectives have been to build relationships and gain trust with local leaders, reduce anxiety about the project and its impacts, organize conversations so that local communities are in a position to understand and access state programs that can help them, make in-person connections, and bring local perspectives back to state government. Interviewees also suggested that tone in these conversations is just as important as content. State or regional approaches that incorporate time to listen and understand local concerns and aspirations are more

¹⁹ Economic Development Strategic Plan, Prepared for Economic Development and Planning, Franklin County, Ohio. May 2019. Business Development Advisors.

²⁰ "Here's why Intel picked Ohio for its new \$20B chip fabs," Silicon Valley Business Journal, September 9, 2022.

²¹ Statement from JobsOhio President and CEO J.P. Nauseef Regarding JobsOhio's Planned Incentives for Intel," January 28, 2022.

²² "Licking County at a Crossroads," Columbus Business First, November 3, 2022.

effective than an attitude of “we know how to fix your problem with our program” or, worse, that local leaders are an obstacle to overcome in order to advance the project. As one interviewee put it, “The more people can put themselves in the other person’s shoes and *focus on community impact over program implementation*, the better things go.”

Elected Leaders	Population Size (2021)	Poverty Rate
Gov. Mike DeWine (R) Mayor Andrew Ginther (D)	OH – 11,799,448 Columbus – 905,748	OH – 13.4% Columbus – 17.7%
Median Household Income	OH Demographic Make-Up	Columbus Demographic Make-Up
OH – \$62,262 Columbus – \$58,202	77% White 13% Black 4% Hispanic 3% Asian	53% White 29% Black 8% Hispanic 6% Asian

Organization: JobsOhio

Description: Founded in 2011, JobsOhio is a state-authorized, nonprofit, private economic development corporation. It is funded from the profits from liquor sales, which it receives through its long-term lease of the state’s liquor franchise. It is contracted by the state to carry out certain economic development functions. The contract with the Ohio Department of Development (DEV) “prescribes the manner by which JobsOhio may assist DEV with carrying out its functions or duties, including the operation and management of DEV programs, offices, divisions, or boards.”²³ The contract may be renewed at the end of each fiscal biennium.

Mission: JobsOhio “acts as a catalyst for high-growth business investments and job creation that are helping propel the state’s ingenuity and ambitions forward. JobsOhio’s programs and development-ready sites empower world-class corporations, entrepreneurs, and talented individuals to build their businesses and careers in Ohio. ... JobsOhio collaborates with Ohio’s regional economic development organizations, academic institutions, federal installations, business sector organizations, and the State of Ohio to deliver comprehensive programs and investment initiatives that incubate innovations, enable sustainable economic growth, and enhance the quality of life for Ohioans through the power and dignity of work.”²⁴

Activities: (source: <https://www.jobsohio.com/about-us/>)

- Sites – prepare job-ready sites
- Innovation – support technology initiatives, create innovation districts, and provide grants and growth capital
- Talent – attract, retain, upskill and reskill Ohio’s workforce and attract talent
- Inclusion – invest in underrepresented populations and geographies and connect people to career building resources; programs include an Inclusion Grant for businesses owned by underrepresented populations, the Vibrant Community Program for small and midsize cities for investment attraction and

²³ <https://www.lsc.ohio.gov/assets/organizations/legislative-service-commission/files/jobsohio-faqs.pdf>

²⁴ <https://www.jobsohio.com/about-us>

development projects, and the Inclusive Project Planning Program to provide project technical assistance to distressed cities.

The 2021 annual report and 2022 strategic plan confirms commitment to the four strategic areas listed above. More detail on the Talent initiatives is provided below.

Budget: \$356 million (FY21 expenses)

Staff: 106 (2021)²⁵

Organization: One Columbus

Description: Columbus 2020 was incorporated in 2010 to respond to a decade of stagnant growth. It implemented its Regional Growth Strategy, with an emphasis on marketing the region and focusing on new economic activity and job growth. While the region grew, economic divisions also expanded. The latest strategy focuses on improving the economic and social well-being of people in the region. The organization rebranded as One Columbus (in 2020).

Mission: “The One Columbus mission is to lead a comprehensive regional growth strategy that develops and attracts the world’s most competitive companies, grows a highly adaptive workforce, prepares our communities for the future, and inspires corporate, academic and public innovation throughout the 11-county Columbus Region.”

Activities:

- Serve existing businesses
- Attract new businesses
- Site selection assistance
 - Incentives, loans and grants
 - Real estate, site development, site certification and revitalization
- Support entrepreneurship and accelerate high-growth firms
- Prepare communities for the future
- Increase global trade and investment
- Market and promote the Columbus region globally
- Workforce strategies

Budget: \$9.4 million operating budget 2020-21

Staff: 20 (per website)

STATE-CITY ECONOMIC DEVELOPMENT COORDINATION

Regional structure:

JobsOhio is built around a regional network of six economic development partners to assist it in carrying out its contractual functions. Columbus is represented by **One Columbus**. The other partners in Ohio are OhioSE, Dayton Development Coalition, REDI Cincinnati, Regional Growth Partnership, and Team NEO.

- State partners of One Columbus include JobsOhio and the Ohio Department of Development.
- Regional partners include the Columbus Chamber of Commerce, Columbus Partnership, SMRT Columbus, Mid-Ohio Regional Planning Commission (MORPC), and Rev1 ventures.

²⁵ <https://ohiocapitaljournal.com/2022/05/31/how-does-jobsohio-stack-up-dont-ask-them/>

- Local partners include Delaware, Fairfield, Franklin, Knox, Licking, Logan, Madison, Marion, Morrow, Pickaway and Union counties.

Board memberships:

- Columbus Mayor Andrew Ginther is a member of the One Columbus Board, as are representatives from JobsOhio, Franklin County, and The Ohio State University.
- JobsOhio and One Columbus/The Columbus Partnership are represented on the Columbus Chamber board.
- The Columbus College of Art & Design, Columbus State Community College, The Ohio State University, and OSU Wexner Medical Center are educational institutions participate in the Columbus Partnership, along with private sector members.
- The City of Columbus, Columbus Partnership, The Ohio State University, Franklin County and MORPC are SMRT Columbus partners.
- MORPC has many committees. The City of Columbus and Franklin County are represented on both the Executive Committee and Board of Commissioners.
- The City of Columbus, Columbus Partnership, Columbus State Community College, Franklin County, One Columbus, and The Ohio State University are all funding partners of Rev1 ventures.

Events:

Economic Development 411 is a well-attended annual conference presented by the Mid-Ohio Development Exchange and One Columbus. It offers “informative dialogue on the value and impact of economic development in the Columbus region” for professional staff, elected officials, and civic and business leaders.

WORKFORCE DEVELOPMENT

- The JobsOhio strategic plan includes Building a Talent Supply. Efforts include investments, such as Innovation Districts, to build a talent pipeline for employers and three primary programs.
 - Talent Acquisition Services – an incentive designed to help companies meet their talent needs
 - Find Your Ohio – matches out-of-state candidates with openings at Ohio organizations via a recruiting platform
 - Ohio To Work – to help “displaced and at-risk Ohio workers find new employment or pursue reskilling opportunities”²⁶
 - It appears that JobsOhio often plays a convening and funding role for these initiatives, engaging multiple state and local partners along the way.
- The One Columbus workforce strategy emphasizes connecting companies to talent:
 - Help navigating ecosystem of professional workforce partners and resource connections
 - Consultation on talent needs
 - Workforce screening, training and recruitment resources
 - Customizable recruitment strategies
 - Marketing, communications and event support

²⁶ <https://cdn.bfldr.com/AHJE351Z/at/msh33fjnvsscpsfmkw7q9mz/JobsOhio-2022AnnualReport-web.pdf>

- City of Columbus workforce partners include:
 - Jewish Family Services
 - Goodwill Columbus
 - ETSS (Ethiopian Tewahedo Social Services)
 - Ohio Means Jobs
 - Ohio Manufacturing Extension Partnership

OTHER

- Ohio Department of Development – “provides oversight and coordination of economic development in the state. It promotes Ohio as a place to live, work, and play. It provides resources to help businesses grow, supports minority and disadvantaged businesses, supports community infrastructure development, conducts research, operates energy assistance programs for residents, and more.”²⁷
- Columbus Partnership –“ a non-profit, membership-based organization of CEOs from Columbus’ leading businesses and institutions. ... The Partnership strategically considers how to uphold the vision to be the most prosperous region in the US.”
- Columbus Department of Development - responsible for code enforcement, economic development, housing, land redevelopment, neighborhood services and planning. NOTE: provides \$700,000 in annual budget for One Columbus.
- Franklin County Economic Development & Planning – provides funding and technical assistance to support community development activities in Franklin County and is responsible for zoning, code enforcement and land-use planning activities in unincorporated areas of the county.

²⁷ <https://ohio.gov/government/state-agencies/development>

Michigan-Detroit

COLLABORATION TAKEAWAYS

- Good collaboration between state and local levels on core economic and workforce development activities
- State approach is generally to support local priorities, not override them
- Protocols and systems that have been developed over years facilitate effective project collaboration
- Regional partnership organizations are a linchpin in the system for coordination and strategy

PRIMARY ECONOMIC DEVELOPMENT ENTITIES

Economic development in Michigan is led by the Michigan Economic Development Corporation (MEDC) and in Detroit by the Detroit Economic Growth Corporation (DEGC). Other entities include but are not limited to the Michigan Department of Labor and Economic Opportunity, Michigan Works! Association, Detroit Regional Partnership, Detroit Regional Chamber, Detroit Employment Solutions Corporation, Detroit at Work, and Detroit Future City.

ECONOMIC DEVELOPMENT PLANS OR ROADMAPS

- MEDC [Five-Year Strategic Plan](#)
- DEGC, [Impact Report 2020](#)

COMMENTARY ON COLLABORATION

Economic Development

- State and local economic developers interviewed for this project agree that the state and city of Detroit work well together. Protocols that have been established for working on economic development projects and sharing opportunities facilitate effective collaboration.
 - “really good working relationship”
 - “always try to support one another”
 - “tend to row in the same direction”
 - “great synergy”
- The state model is to work with a lot of individual economic development organizations, but there are 1-2 lead organizations for each region of the state to facilitate coordination. The Detroit Regional Partnership is the lead regional partner in Southeast Michigan and appears to play a connecting rather than gatekeeper role between the state and local partners. The regional entities meet regularly and tend to be supported by the local economic development organizations in their regions, which maintain their own strategies. The regional entities are in a better position to be strategically focused; cities and local governments tend to be more transaction-focused. Creation of these regional entities were reportedly the result of a series of studies commissioned by [Business Leaders for Michigan](#).
- The city sets the vision through the Mayor’s office. DEGC considers itself an implementation partner for the city. In working with the state, local partners, like DEGC, take the lead on prioritizing projects, and MEDC provides support for local strategies. MEDC will fund city priorities if it is clear that it is a city priority.
- DEGC’s Strategy and Operations team focuses on making sure their work is aligned with strategic partners (city, state, regional partners).

Workforce Development

- Workforce issues have been a priority for a long time at both the state and local levels, so processes are in place to incorporate workforce development into business attraction activities. That said, efforts continue to evolve to be more strategic.
- One aspect of MEDC’s role in workforce development is to bring together a wide variety of stakeholders who might not otherwise communicate. The objective is not to fill gaps with new programs but to think strategically, augment others’ work, and plan for future needs.
- As an example, MEDC’s Talent Action Teams are not intended to replicate existing programs but bring together stakeholders “that did not talk to each other” and be more strategic – not just fill needs with individual programs or investments. The focus is on how to get people into relevant training and jobs for high-demand occupations (NOTE: this may be a model for life sciences in PA/Philadelphia)

Elected Leaders	Population Size (2021)	Poverty Rate
Gov. Gretchen Whitmer (D) Mayor Mike Duggan (D)	MI – 10,077,331 Detroit – 639,111	MI – 13.1% Detroit – 30.2%
Median Household Income	MI Demographic Make-Up	Detroit City Demographic Make-Up
MI - \$63,498 Detroit - \$36,140	74% White 14% Black 6% Hispanic 3% Asian	10% White 77% Black 8% Hispanic 2% Asian

Organization: Michigan Economic Development Corporation

Description: “The Michigan Economic Development Corporation (MEDC), in collaboration with more than 100 economic development partners, markets Michigan as the place to do business, assists businesses in their growth strategies and fosters the growth of vibrant communities across the state.”²⁸ MEDC is a public body created through an interlocal agreement with the Michigan Strategic Fund (MSF). The “MSF has granted authority to the Michigan Economic Development Corporation to provide administrative services to the MSF for a variety of programs.” MEDC governance resides in an Executive Committee appointed by the Governor.²⁹

Mission: “The mission of the MEDC is to achieve long-term economic prosperity for Michiganders by investing in communities, enabling the growth of good jobs and promoting Michigan’s strong image worldwide. MEDC’s strategic focus aims to position Michigan at the leading edge of economic development in the nation.”³⁰

Activities: (source: MEDC fiscal year 2023 budget spending plan and MEDC strategic focus)

- Attract, Retain, and Grow Businesses
- Develop Attractive Places
- Market the State

²⁸ <https://www.michiganbusiness.org/about-medc/>

²⁹ P. 19, Financial Audit Report of the Michigan Economic Development Corporation, FY21

³⁰ <https://www.michiganbusiness.org/about-medc/>

- Support and Grow Our Talent
- Support Small Businesses
- Accelerate High-tech Innovation
- Projects

MEDC’s recent strategic planning work has elevated the importance of projects identified by local partners, focusing on historically under-supported places and people, investing in people (workforce development) and a focus on community and people outcomes.³¹ A recent refresh of the plan increased the focus on small businesses, with priority placed on equity in access and wealth creation, rather than job creation.

Budget: \$52.8 million (FY21 corporation expenditures budget); \$202,505,439 (FY21 Michigan Strategic Fund expenditures; source: FY 21 MSF/MEDC Annual Report to the Legislature)

Staff: 282 FTEs (FY21, source: FY 21 MSF/MEDC Annual Report to the Legislature)

Organization: Detroit Economic Growth Corporation

Description: “Since 1978, the Detroit Economic Growth Corporation (DEGC) has served as the City’s economic driver, designing and implementing innovative solutions that catalyze investment, create jobs and advance the economy of the City of Detroit through public and private sector collaborations. The DEGC is Detroit’s one-stop shop for both emerging and expanding businesses and is committed to inclusive economic development.”³²

DEGC is a 501(c)(4) nonprofit economic development corporation governed by a Board of Directors consisting of civic leaders, corporate executives, government officials and other stakeholders. Approximately 60% of its funding is from the city.³³

Mission: “DEGC’s mission is to design and implement innovative solutions that attract investment, create jobs and advance Detroit’s economy for all residents.”³⁴

Activities:

- Administration
- Communications
- Economic Development & Investment Services
 - Real estate
 - Corporate attraction and retention
 - Strategy and operations
- Legal
- Public Authorities
- Small Business Services

Budget: \$9.4 million operating budget 2021-22

Staff: 70

³¹ Equitable and Resilient Growth Strategy, presented by Steve Bakkal, MEDC, at the NCSL Evaluators Roundtable, October 2020.

³² <https://www.degc.org/governance/>

³³ <https://www.trade.gov/cs-detroit-local-partners>

³⁴ <https://www.trade.gov/cs-detroit-local-partners>

STATE-CITY ECONOMIC DEVELOPMENT COORDINATION

Overlapping Board memberships, including:

- A DEGC representative works with MEDC as an interlocal partner.
- The Michigan Workforce Development Board includes several members from Detroit, including Mayor Duggan, and a representative from MEDC.
- There do not appear to be any state representatives on the DEGC board, but MEDC is listed as a funder along with several foundations.
- Mayor Duggan is on the Board of the Detroit Regional Partnership.

Partnerships include:

- The MEDC Collaborative Development Council meets regularly for regional collaboration among economic and community development organizations. Leaders from the Detroit Regional Partnership and DEGC are members. (Note: may also be referred to as prosperity regions). The objective is to coordinate activities and put some structure in place for projects, opportunities and business visits.
- The Detroit Regional Partnership (DRP) is the main state partner in the region, especially for business attraction. DEGC is part of the DRP for this purpose.
- Mayor Duggan’s office also includes economic development staff, who are most likely to be involved with the state on a project rather than strategic basis. That said, DEGC noted that the Mayor’s office sets the vision for the city with DEGC as an implementation partner.
- The Detroit Regional Chamber’s annual Mackinac Policy Conference was described as an important venue for policy collaboration.

Philanthropic and corporate partners are also important economic and community development players in Detroit.

- The 2017 Urban Institute report *Mission Finance in the Motor City* described financial commitments to the city for investments from philanthropies, corporations, and state and federal government, including a \$100 million, 5-year commitment by JPMorgan Chase.
- Detroit Future City is a non-profit organization / think tank that is part of the economic development mix and offers a strategic framework for advancing quality of life for all Detroiters, but it is not a primary economic development partner. Interviewees noted that it was spun out from DEGC. It is expanding its role in workforce development and is part of the Build Back Better regional grant led by the Detroit Regional Partnership.

WORKFORCE DEVELOPMENT

- MEDC Talent Action Teams – addressing semiconductor and mobility sectors
- MEDC’s strategic plan includes an element to “cultivate the skills and talent needed for in-demand and high-growth occupations statewide.” Efforts include:
 - <https://www.michiganbusiness.org/why-michigan/workforce/>
 - Michigan STEM Forward Internship program
 - Public-private partnerships
- Workforce partners include:

- Michigan Department of Labor and Economic Opportunity – The Department’s Employment & Training group develops customized workforce solutions for businesses and individuals
- Going PRO initiative (professional trades careers)
- Pure Michigan Talent Connect
- MiSTEM Network
- Michigan Works! Association – the state’s primary workforce development association
- Sixty by 30
- Detroit at Work
- Detroit Employment Solutions Corporation – a nonprofit organization that serves as Detroit’s workforce agency